

NEW ISSUE—BOOK-ENTRY ONLY

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 2016 Series 1 Bonds is excluded from gross income of the owners thereof for purposes of federal income taxation, (2) interest on the 2016 Series 1A Bonds is a specific preference item and is included in adjusted current earnings for purposes of the federal alternative minimum tax, and (3) interest on the 2016 Series 1N Bonds and the Variable Rate Bonds is neither a specific preference item nor included in adjusted current earnings for purposes of the federal alternative minimum tax. See "TAX TREATMENT AND RELATED CONSIDERATIONS" herein.



WASHINGTON STATE HOUSING FINANCE COMMISSION
\$30,500,000 Single-Family Program Bonds, 2016 Series 1A-R (AMT)
\$27,500,000 Single-Family Program Bonds, 2016 Series 1N (Non-AMT)
\$7,500,000 Single-Family Program Bonds, 2016 Series VR-1N (Non-AMT)

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, 2016 Series 1A-R (AMT) (the "2016 Series 1A Bonds"), its Single-Family Program Bonds, 2016 Series 1N (Non-AMT) (the "2016 Series 1N Bonds"), and its Single-Family Program Bonds, 2016 Series VR-1N (Non-AMT) (the "Variable Rate Bonds" and, collectively with the 2016 Series 1A Bonds and the 2016 Series 1N Bonds, the "2016 Series 1 Bonds"). The 2016 Series 1 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 2016 Series 1 Bonds will accrue interest from their date of initial delivery (which is expected to be May 26, 2016), 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 December 1, 2016, and upon redemption or maturity. The Variable Rate Bonds will bear interest at a rate to be established on a weekly basis by RBC Capital Markets, LLC as the Remarketing Agent.

The 2016 Series 1 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 2016 Series 1 Bonds. Individual purchases of the Variable Rate Bonds will be made in the principal amount of \$100,000 or any integral multiple of \$5,000 in excess thereof. Individual purchases of all other 2016 Series 1 Bonds will be made in the principal amount of \$5,000 or any integral multiple thereof within a maturity. Purchasers of the 2016 Series 1 Bonds will not receive actual certificates representing their interest in such Bonds. Both principal of and interest on the 2016 Series 1 Bonds will be paid by Wells Fargo Bank, 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 2016 Series 1 Bonds. See Appendix C hereto for a description of DTC and its book-entry system.

The 2016 Series 1 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 2016 Series 1 Bonds are subject to redemption as described under the heading "REDEMPTION PROVISIONS" herein. Revenues received in connection with other Bonds issued under the Indenture may be used to redeem certain 2016 Series 1 Bonds before maturity. See "BONDHOLDER RISKS."

The Variable Rate Bonds are subject to optional and mandatory tender for purchase as described under the heading "REDEMPTION PROVISIONS" herein. Initially, liquidity support for the purchase of any Variable Rate Bonds tendered will be provided by State Street Bank and Trust Company (the "Bank") pursuant to a Standby Bond Purchase Agreement (the "Initial Liquidity Facility") that expires on June 15, 2020. See Appendix H hereto for information regarding the Bank and the Initial Liquidity Facility. UNDER CERTAIN CIRCUMSTANCES, THE LIQUIDITY FACILITY MAY BE TERMINATED IMMEDIATELY, WITHOUT PRIOR NOTICE TO THE HOLDERS OF THE VARIABLE RATE BONDS OR THE OPPORTUNITY TO TENDER. See "BONDHOLDER RISKS-Risks Associated with the Initial Liquidity Facility" herein.



The Variable Rate Bonds (other than Bank Bonds) are subject to a maximum interest rate of 10%. See "THE 2016 SERIES 1 BONDS-Variable Rate Bonds" herein. This Official Statement is not intended to describe the Variable Rate Bonds subsequent to their conversion, if any, to Fixed Rate Bonds.

THE 2016 SERIES 1 BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION. PAYMENT OF THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE 2016 SERIES 1 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 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 2016 SERIES 1 BONDS. THE 2016 SERIES 1 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.

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 2016 Series 1 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 2016 Series 1 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 Foster Pepper PLLC, Spokane Washington, Disclosure Counsel to the Commission. Certain legal matters will be passed upon for the Bank by its special counsel, Norton Rose Fullbright US LLP, Los Angeles, California. It is expected that the 2016 Series 1 Bonds will be available for delivery through DTC's facilities via Fast Automated Securities Transfer (FAST) on or about May 26, 2016.

RBC Capital Markets***Wells Fargo Bank, National Association****George K. Baum & Co.**

* Sole underwriter and remarketing agent for the Variable Rate Bonds.

MATURITY SCHEDULE

Single-Family Program Bonds, 2016 Series 1A-R (AMT)[†]

\$11,585,000 Serial Bonds – Price: 100%

Maturity Dates	Principal Amounts	Interest Rates	CUSIP	Maturity Dates	Principal Amounts	Interest Rates	CUSIP
December 1, 2016	\$705,000	0.78%	93978TTH2	June 1, 2020	\$ 900,000	1.55%	93978TTQ2
June 1, 2017	785,000	0.80	93978TTJ8	December 1, 2020	915,000	1.65	93978TTR0
December 1, 2017	800,000	0.95	93978TTK5	June 1, 2021	935,000	1.80	93978TTS8
June 1, 2018	820,000	1.10	93978TTL3	December 1, 2021	960,000	1.90	93978TTT6
December 1, 2018	840,000	1.15	93978TTM1	June 1, 2022	980,000	2.00	93978TTU3
June 1, 2019	855,000	1.30	93978TTN9	December 1, 2022	1,000,000	2.05	93978TTV1
December 1, 2019	875,000	1.40	93978TTP4	June 1, 2023	215,000	2.15	93978TTW9

\$18,915,000,000 “PAC” Term Bonds Due on December 1, 2038 – Interest Rate 3.50% – Price: 106.433% – CUSIP: 93978TTX7

Single-Family Program Bonds, 2016 Series 1N (Non-AMT)[†]

\$11,025,000 Serial Bonds – Price: 100%

Maturity Dates	Principal Amounts	Interest Rates	CUSIP	Maturity Dates	Principal Amounts	Interest Rates	CUSIP
June 1, 2023	\$ 390,000	1.875%	93978TUH0	December 1, 2025	\$1,235,000	2.300%	93978TUA5
December 1, 2023	715,000	2.000	93978TUI6	June 1, 2026	1,255,000	2.400	93978TUB3
June 1, 2024	1,160,000	2.050	93978TUK3	December 1, 2026	1,285,000	2.400	93978TUC1
December 1, 2024	1,180,000	2.050	93978TTY5	June 1, 2027	1,285,000	2.500	93978TUD9
June 1, 2025	1,205,000	2.250	93978TTZ2	December 1, 2027	1,315,000	2.550	93978TUE7

\$5,110,000 Term Bonds Due on December 1, 2031 – Interest Rate 3.00% – Price: 100.00% – CUSIP: 93978TUF4

\$6,780,000 Term Bonds Due on December 1, 2036 – Interest Rate 3.20% – Price: 100.00% – CUSIP: 93978TUG2

\$4,585,000 Term Bonds Due on December 1, 2041 – Interest Rate 3.40% – Price: 100.00% - CUSIP: 93978TUL1

Single-Family Program Bonds, 2016 Series VR-1N (Non-AMT)[†]

\$7,500,000 Variable Rate Term Bonds Due on December 1, 2046 – Price: 100.00% – CUSIP: 93978TTF6

The initial Variable Rate for the Variable Rate Bonds shall be as set forth in the 2016 Series 1 Indenture, which will be delivered to the Trustee upon the date of initial delivery of the 2016 Series 1 Bonds.

[†] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein are provided by Standard & Poor’s CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers are included above for convenience of the holders and potential holders of the 2016 Series 1 Bonds. No assurance can be given that the CUSIP numbers for the 2016 Series 1 Bonds will remain the same after the date of issuance and delivery of the 2016 Series 1 Bonds. The Bank is not responsible for the selection or correctness of the CUSIP number for the Variable Rate 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 SERIES 1 BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Wells Fargo Bank, 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 2016 Series 1 Bonds, or (iii) the tax-exempt status of the 2016 Series 1 Bonds.

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[OPEN POSITION]

KIM HERMAN, Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, Trustee

WASHINGTON STATE HOUSING FINANCE COMMISSION
\$30,500,000 Single-Family Program Bonds, 2016 Series 1A-R (AMT)
\$27,500,000 Single-Family Program Bonds, 2016 Series 1N (Non-AMT)
\$7,500,000 Single-Family Program Bonds, 2016 Series VR-1N (Non-AMT)

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, 2016 Series 1A-R (AMT) (the “2016 Series 1A Bonds”), its Single-Family Program Bonds, 2016 Series 1N (Non-AMT) (the “2016 Series 1N Bonds”), and its Single-Family Program Bonds, 2016 Series VR-1N (Non-AMT) (the “Variable Rate Bonds” and, collectively with the 2016 Series 1A Bonds and the 2016 Series 1N Bonds, the “2016 Series 1 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 2016 Series 1 Bonds are issued pursuant to chapter 43.180 Revised Code of Washington (the “Act”), under an Amended and Restated General Trust Indenture dated as of November 1, 2010, as the same may be supplemented and amended (the “General Indenture”), between the Commission and Wells Fargo Bank, National Association, as trustee (the “Trustee”), and a Series Indenture dated as of May 1, 2016 (the “2016 Series 1 Indenture”), between the Commission and the Trustee. See Appendix A—“Summary of the General Indenture” hereto. The General Indenture, the 2016 Series 1 Indenture, any other Series Indentures, and any amendments thereto, are collectively referred to herein as the “Indenture.” Resolution No. 15-85, adopted by the Commission on June 25, 2015, authorizes the issuance of the 2016 Series 1 Bonds.

Security and Sources of Payment

Under the Indenture, the 2016 Series 1 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 2016 Series 1 Bonds, as well as Bonds that are subordinate to the 2016 Series 1 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 2016 SERIES 1 BONDS ARE LIMITED OBLIGATIONS OF THE COMMISSION. PAYMENT OF THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE 2016 SERIES 1 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 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 2016 SERIES 1 BONDS. THE 2016 SERIES 1 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 2016 Series 1 Bonds are being issued by the Commission to make funds available to refund certain outstanding Bonds of the Commission and to finance 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 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. See Appendix F (Table F-3) 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 yet purchased Whole Loans. 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 April 1, 2016, the Commission had \$154,350,007 of outstanding bonds issued under its Homeownership Program General Trust Indenture dated as of December 1, 2009, as amended (the “Homeownership Indenture”), and \$15,920,949 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 2016 Series 1 Bonds.

THE 2016 SERIES 1 BONDS

General

The 2016 Series 1 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, and will bear interest from their dated date, or the most recent date to which interest has been paid thereon, 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 December 1, 2016, and on the date such 2016 Series 1 Bond matures or is redeemed.

The 2016 Series 1A Bonds and 2016 Series 1N Bonds. The 2016 Series 1A Bonds and the 2016 Series 1N Bonds will be issued in denominations of \$5,000, or any integral multiple thereof within a maturity, and will bear interest at the respective rates set forth on the inside front cover of this Official Statement. Such interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Variable Rate Bonds. The Variable Rate Bonds will be issued in denominations of \$100,000, or any integral multiple of \$5,000 in excess thereof and will bear interest at variable rates determined in the manner described under the heading “Variable Rate Bonds.” Interest on the Variable Rate Bonds will be calculated on the basis of a 365-day year or 366-day year, as applicable, for the number of days actually elapsed.

Variable Rate Bonds

This Official Statement is not intended to describe the Variable Rate Bonds subsequent to their conversion, if any, to Fixed Rate Bonds. See Appendix G hereto for the definitions of certain capitalized terms with respect to the Variable Rate Bonds.

Interest on the Variable Rate Bonds Prior to Conversion. The Variable Rate Bonds shall bear interest, commencing on each Variable Rate Date (each Thursday), to but excluding the succeeding Variable Rate Date, at the rate determined by RBC Capital Markets, LLC, in its capacity as remarketing agent (the “Remarketing Agent”) on the related Rate Determination Date (*i.e.* the Variable Rate Date, unless such day is not a Business Day, then the first Business Day immediately preceding the Variable Rate Date) for the new Variable Rate Period (except for the Variable Rate Bonds that are held by or on behalf of the Bank (the “Bank Bonds”) which, in accordance with the Initial Liquidity Facility (as defined below), shall bear interest at the Bank Rate). In no event shall the interest rate borne by such Variable Rate Bonds exceed 10% per annum (as more fully defined in Appendix G hereto, the “Maximum Rate”).

The initial Variable Rate will be determined by the Remarketing Agent on the Business Day immediately preceding the Delivery Date. Thereafter, the Variable Rate will be determined by not later than 5:00 p.m. (New York time) on each Rate Determination Date (to be effective as of the Variable Rate Date). The Variable Rate shall be that rate which, in the determination of the Remarketing Agent, would result as nearly as practicable in the market value of the Variable Rate Bonds on the Variable Rate Date being 100% of the principal amount thereof, and which shall not exceed the Maximum Rate.

In determining the Variable Rate, the Remarketing Agent is required to take into account, to the extent applicable, (a) market interest rates for comparable securities held by tax-exempt (as applicable) open-end municipal bond

funds or other institutional or private investors with substantial portfolios (i) with interest rate adjustment periods and demand purchase options substantially identical to the Variable Rate Bonds, (ii) bearing interest at a variable rate intended to maintain par value and (iii) rated by a national credit rating agency in the same category as the Variable Rate Bonds; (b) other financial market rates and indices that may have a bearing on the Variable Rate (including but not limited to rates borne by commercial paper, Treasury Bills, commercial bank prime rates, certificate of deposit rates, federal funds rates, the London Interbank Offered Rate (LIBOR), indices maintained by The Bond Buyer and other publicly available tax-exempt or taxable (as applicable) interest rate indices); (c) general financial market conditions; and (d) factors particular to the Commission and the Variable Rate Bonds. The Remarketing Agent shall not consider the possibility of the Commission's purchase of tendered Variable Rate Bonds when establishing the Variable Rate.

The determination by the Remarketing Agent of the Variable Rate shall be conclusive and binding on the holders of such Variable Rate Bonds (other than the Bank, to the extent Variable Rate Bonds are held by or on behalf of the Bank), the Commission and the Trustee. Failure by the Remarketing Agent or the Trustee to give any notice required under the 2016 Series 1 Indenture, or any defect in such notice, shall not affect the interest rate borne by the Variable Rate Bonds or the rights of the holders thereof.

If for any reason the position of Remarketing Agent is vacant or the Remarketing Agent fails to act, the Variable Rate Bonds shall automatically bear interest with the interest rate reset on a weekly basis at the lesser of (a) the SIFMA Index (as defined in Appendix G hereto) plus 0.25%, or (b) the Maximum Rate.

Optional Tender. Holders of Variable Rate Bonds may elect to tender their Variable Rate Bonds, which, if so tendered upon delivery of a proper Tender Notice, are to be purchased by 3:00 p.m. (New York time) on the purchase date specified in the Tender Notice at a price equal to 100% of the principal amount thereof plus accrued interest thereon, if any. Such notice of optional tender for purchase of Variable Rate Bonds by the holders thereof will be irrevocable once it is given to the Tender Agent, as directed in the 2016 Series 1 Indenture. In the case of optional tender with respect to the Variable Rate Bonds, such notice shall be given by the holder of Variable Rate Bonds to the Tender Agent not later than 4:00 p.m. (New York time) on any Business Day at least seven calendar days prior to the purchase date, which shall be any Business Day and shall be set forth in the Tender Notice. Notices of tender to the Tender Agent must be in writing and addressed to Wells Fargo Bank, National Association, as Tender Agent for the Variable Rate Bonds.

On each date on which Variable Rate Bonds are required to be purchased, the Remarketing Agent shall use its best efforts as described herein to sell such Variable Rate Bonds at a Variable Rate that results as nearly as practicable in the price being 100% of the principal amount thereof. In the event the Remarketing Agent is unable to remarket the Variable Rate Bonds so tendered, the Bank is to purchase such Variable Rate Bonds in accordance with the terms of a Standby Bond Purchase Agreement dated as of April 1, 2012, among the Commission, the Tender Agent and the Bank, as amended from time to time (the "Initial Liquidity Facility"). See Appendix H hereto for a summary of certain provisions of the Initial Liquidity Facility.

Mandatory Tender. The Variable Rate Bonds are subject to mandatory tender for purchase (with no right to retain such Bonds) (a) upon a Liquidity Expiration Event, or (b) on the Conversion Date. Upon any such event, the Trustee is required to deliver a notice of mandatory tender to Bondholders not less than 15 days before the designated Mandatory Tender Date stating the reason for the mandatory tender, the date of mandatory tender, and that all Holders of Variable Rate Bonds shall be deemed to have tendered their Variable Rate Bonds upon such date. See Appendix H hereto for a summary of certain provisions of the Initial Liquidity Facility that pertain to Liquidity Expiration Events. A "Liquidity Expiration Event" will occur if (i) the Commission or the Bank has determined to terminate a Liquidity Facility in accordance with its terms (other than automatic termination as a result of the occurrence of a Termination Event), including termination resulting from substitution of an Alternate Liquidity Facility, or (ii) the Liquidity Facility is scheduled to expire and the Trustee and Tender Agent have not received notice from the Bank at least 45 days prior to the scheduled expiration of a Liquidity Facility that such Liquidity Facility will be extended or renewed.

Commission Not Responsible for Bank's Failure to Purchase Variable Rate Bonds. Pursuant to the 2016 Series 1 Indenture, the purchase price of Variable Rate Bonds in an amount equal to the principal amount thereof and accrued interest, if any, thereon will be payable from money furnished in connection with remarketing of the Variable Rate Bonds or from the Initial Liquidity Facility.

THE COMMISSION IS NOT RESPONSIBLE FOR ANY WRONGFUL FAILURE BY THE BANK TO PURCHASE VARIABLE RATE BONDS TENDERED AT THE OPTION OF A BONDHOLDER OR SUBJECT TO MANDATORY TENDER FOR PURCHASE PURSUANT

TO THE 2016 SERIES 1 INDENTURE. FAILURE TO PURCHASE A VARIABLE RATE BOND TENDERED AT THE OPTION OF A BONDHOLDER OR SUBJECT TO MANDATORY TENDER FOR PURCHASE AND IN ACCORDANCE WITH THE 2016 SERIES 1 INDENTURE DOES NOT CONSTITUTE AN EVENT OF DEFAULT UNDER THE GENERAL INDENTURE. BONDHOLDERS WILL NOT HAVE THE RIGHT TO TENDER THEIR VARIABLE RATE BONDS FOLLOWING SUCH EVENT AND MAY BE REQUIRED TO HOLD THEIR VARIABLE RATE BONDS TO THEIR MATURITY DATE OR PRIOR REDEMPTION.

If the Bank does not purchase any Variable Rate Bonds tendered or deemed tendered for purchase by the Bondholders thereof and not remarketed, such Variable Rate Bonds will automatically bear interest at an interest rate reset on a weekly basis at the lesser of (1) the Prime Rate plus 1.00% (the “Hold Rate”) and (2) the Maximum Rate. For purposes of the preceding sentence, the “Prime Rate” is the current Prime Rate appearing on the U.S. Rates and Bonds page at Bloomberg.com or, if unavailable at Bloomberg.com, as listed in the Consumer Money Rates table of the Bonds, Rates & Credit Markets Overview page at WSJ.com, as of approximately 11:00 a.m. New York time on the Rate Determination Date.

Upon the occurrence of a Termination Event (as defined in Appendix H hereto), the Liquidity Facility and the Bank’s obligation to purchase Variable Rate Bonds thereunder will automatically terminate without notice. There will be no mandatory tender of Variable Rate Bonds and the Owners’ right to tender their Variable Rate Bonds for purchase will be suspended. During the period following such Termination Event, the Variable Rate will continue to be determined weekly by the Remarketing Agent to be the lesser of (1) the rate that would result as nearly as practicable in the market value of the Variable Rate Bonds on the Variable Rate Date being 100% of the principal amount thereof or (2) the Maximum Rate. Under these circumstances, the Owners of Variable Rate Bonds may be required to hold such Variable Rate Bonds until their stated maturity date. The “Termination Events” under the Initial Liquidity Facility are summarized in Appendix H hereto. Any Alternate Liquidity Facility may have different “Termination Events.”

See “BONDHOLDER RISKS—Risks Associated with the Initial Liquidity Facility” for certain considerations regarding the Initial Liquidity Facility.

Redemption in Lieu of Purchase. The Commission may, in lieu of purchasing Variable Rate Bonds tendered for purchase, redeem such Variable Rate Bonds, in whole or in part, in an Authorized Denomination, from any source of funds, on the required Purchase Date at a redemption price equal to the Purchase Price. No separate notice of redemption need be given in addition to the notice of tender required to be given by the Owner or Trustee, as applicable, pursuant to the provisions of the 2016 Series 1 Indenture.

The Commission May Purchase Variable Rate Bonds. The Commission has reserved the right to purchase tendered Variable Rate Bonds for investment purposes or in order to achieve a successful remarketing of the Variable Rate Bonds (*i.e.*, if there otherwise are not enough buyers to purchase the Variable Rate Bonds) or for other reasons, so long as such purchase does not adversely affect the tax exempt status of interest on the Variable Rate Bonds. The Commission anticipates that it would tender such Variable Rate Bonds for subsequent remarketings. However, the Commission is not obligated to purchase or sell Variable Rate Bonds, and may cease doing so at any time without notice. The purchase of Variable Rate Bonds by the Commission may create the appearance that there is greater third-party demand for the Variable Rate Bonds in the market than is actually the case. The remarketing agreement between the Commission and the Remarketing Agent (the “2016 Series 1 Remarketing Agreement”) prohibits the Remarketing Agent from considering the possibility of the Commission’s purchase of tendered Variable Rate Bonds when establishing the Variable Rate on any Rate Determination Date. If the Commission acquires Variable Rate Bonds during any remarketing, it promptly will cause a notice to be filed with the Municipal Securities Rulemaking Board (“MSRB”) stating: (i) the principal amount of Variable Rate Bonds so purchased; and (ii) if the Commission has purchased 90% or more of the then-Outstanding Variable Rate Bonds, whether it intends to purchase the remaining Variable Rate Bonds that are Outstanding (and, if so, what steps the Commission will take to purchase such Variable Rate Bonds).

Alternate Liquidity Facility. The Commission may deliver an Alternate Liquidity Facility to the Trustee effective upon the expiration or earlier termination of the Initial Liquidity Facility (or any subsequent Liquidity Facility). The Variable Rate Bonds will be subject to mandatory tender upon the delivery of an Alternate Liquidity Facility. Among other conditions to the delivery of an Alternate Liquidity Facility, the Trustee must receive a letter from the Rating Agency evidencing that the replacement of the Liquidity Facility with the Alternate Liquidity Facility will result in the reconfirmation of the then-existing rating (or the assignment of a new rating to the Variable Rate Bonds) of not less than one of the two highest short-term ratings.

Conversion to Fixed Rate Bonds. The 2016 Series 1 Indenture provides that the Commission may convert all of the Variable Rate Bonds on any Variable Rate Date (or the next preceding Business Day if such Variable Rate Date is not Business Day) to Fixed Rate Bonds, in accordance with the 2016 Series 1 Indenture and as described herein. Prior and as a condition to the conversion of the Variable Rate Bonds to Fixed Rate Bonds, the Trustee must deliver a notice to the Bondholders thereof specifying the Conversion Date. No Fixed Interest Rate shall be established unless, on or before the Rate Determination Date for such Fixed Interest Rate, a Favorable Bond Counsel or Special Tax Counsel Opinion has been delivered to the Trustee to the effect that the conversion to Fixed Rate Bonds in accordance with the provisions of the 2016 Series 1 Indenture is authorized by the General Indenture and the 2016 Series 1 Indenture and will not adversely affect the exclusion from gross income of the interest on the 2016 Series 1 Bonds for federal income tax purposes. Unless and until such conditions for Conversion are satisfied, the Variable Rate Bonds shall continue to bear interest at the Variable Rate. Upon any such conversion, the Variable Rate Bonds are subject to mandatory tender for purchase at par.

Termination of Book-Entry. The procedures described in this paragraph are applicable only if the book-entry system has been discontinued and replacement bonds have been issued or if DTC has exercised its option to surrender and exchange its Variable Rate Bond certificates. Any Variable Rate Bond not tendered and delivered to the Tender Agent on or prior to its Mandatory Tender Date (“Untendered Bonds”) for which there have been irrevocably deposited in trust with the Trustee the purchase price equal to the principal amount of such Variable Rate Bonds plus accrued interest shall be deemed to have been tendered and purchased on such Mandatory Tender Date. Holders of Untendered Bonds shall not be entitled to any payment (including any interest to accrue on or after the Mandatory Tender Date) other than the principal amount of such Untendered Bonds, plus accrued interest to the day preceding the Mandatory Tender Date, and said Bondholders shall no longer be entitled to the benefits of the General Indenture or the 2016 Series 1 Indenture, except for the purpose of payment of the purchase price. Bond certificates are to be issued in place of Untendered Bonds pursuant to the 2016 Series 1 Indenture and, after the issuance of the replacement Variable Rate Bond certificates, such Untendered Bonds will be deemed purchased, canceled and no longer Outstanding under the General Indenture and the 2016 Series 1 Indenture.

Sales of Variable Rate Bonds by Remarketing Agent

Remarketing Agent. RBC Capital Markets, LLC has been appointed as the Remarketing Agent for the Variable Rate Bonds. Pursuant to the 2016 Series 1 Indenture, the Remarketing Agent may resign and be discharged of its duties by giving at least 15 days’ written notice to the Commission, the Bank, the Trustee and the Tender Agent. The Commission may remove the Remarketing Agent upon giving at least 15 days’ written notice. However, such removal may not occur until a successor Remarketing Agent is appointed. The 2016 Series 1 Indenture requires that any successor Remarketing Agent be a member of the Financial Industry Regulatory Authority, Inc., having a capitalization of at least \$50,000,000 (or, alternatively, maintaining a line of credit from a commercial bank of at least \$50,000,000).

The Remarketing Agent Is Paid by the Commission. The Remarketing Agent’s responsibilities include determining the interest rate from time to time and using best efforts to remarket Variable Rate Bonds that are optionally or mandatorily tendered by the owners thereof (subject, in each case, to the terms of the 2016 Series 1 Remarketing Agreement), as further described in this Official Statement. The Remarketing Agent is appointed by the Commission and is paid by the Commission for its services. As a result, the interests of the Remarketing Agent may differ from those of existing holders and potential purchasers of Variable Rate Bonds.

The Remarketing Agent May Purchase Variable Rate Bonds for Its Own Account. The Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, may purchase such obligations for its own account. The Remarketing Agent is permitted, but not obligated, to purchase tendered Variable Rate Bonds for its own account and, in its sole discretion, routinely acquires such tendered Variable Rate Bonds in order to achieve a successful remarketing of the Variable Rate Bonds (*i.e.*, because there otherwise are not enough buyers to purchase the Variable Rate Bonds) or for other reasons. However, the Remarketing Agent is not obligated to purchase Variable Rate Bonds, and may cease doing so at any time without notice. The Remarketing Agent may also make a market in the Variable Rate Bonds by routinely purchasing and selling Variable Rate Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agent is not required to make a market in the Variable Rate Bonds. The Remarketing Agent may also sell any Variable Rate Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Variable Rate Bonds. The purchase of Variable Rate Bonds by the Remarketing Agent may create the appearance that there is greater third party demand for the Variable Rate Bonds in the market than is actually the case. The practices described above also may result in fewer Variable Rate Bonds being tendered in a remarketing.

Variable Rate Bonds May Be Offered at Different Prices on Any Date Including a Rate Determination Date. Pursuant to the 2016 Series 1 Remarketing Agreement, the Remarketing Agent is required to determine the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of the Variable Rate Bonds bearing interest at the applicable interest rate at par plus accrued interest, if any, on and as of the applicable Rate Determination Date. The interest rate will reflect, among other factors, the level of market demand for the Variable Rate Bonds (including whether the Remarketing Agent is willing to purchase Variable Rate Bonds for its own account). There may or may not be Variable Rate Bonds tendered and remarketed on a Rate Determination Date, the Remarketing Agent may or may not be able to remarket any Variable Rate Bonds tendered for purchase on such date at par and the Remarketing Agent may sell Variable Rate Bonds at varying prices to different investors on such date or any other date. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the Variable Rate Bonds at the remarketing price. In the event the Remarketing Agent owns any Variable Rate Bonds for its own account, it may, in its sole discretion in a secondary market transaction outside the tender process, offer such Variable Rate Bonds on any date, including the Rate Determination Date, at a discount to par to some investors.

The Ability to Sell the Variable Rate Bonds Other Than through Tender Process May Be Limited. The Remarketing Agent may buy and sell Variable Rate Bonds other than through the tender process. However, it is not obligated to do so and may cease doing so at any time without notice and may require holders that wish to tender their Variable Rate Bonds to do so through the Tender Agent with appropriate notice. Thus, investors who purchase the Variable Rate Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Variable Rate Bonds other than by tendering the Variable Rate Bonds in accordance with the tender process.

Under Certain Circumstances, the Remarketing Agent May be Removed, Resign or Cease Remarketing the Variable Rate Bonds, Without a Successor Being Named. Under certain circumstances the Remarketing Agent may be removed or have the ability to resign or cease its remarketing efforts, without a successor having been named, subject to the terms of the 2016 Series 1 Remarketing Agreement. In the event there is no Remarketing Agent, the Variable Rate Bonds shall automatically bear interest with the interest rate reset on a weekly basis at the lesser of (a) the SIFMA Index (as defined in Appendix G hereto) plus 0.25%, or (b) the Maximum Rate.

Book-Entry System

The 2016 Series 1 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 2016 Series 1 Bonds. Purchasers of the 2016 Series 1 Bonds will not receive certificates representing their interest in such Bonds. Payments on the 2016 Series 1 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 2016 Series 1 Bonds. Beneficial ownership interests in the 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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

Optional Redemption

The Variable Rate Bonds. The Variable Rate Bonds are subject to redemption prior to their maturity at the option of the Commission, upon notice and as provided in the 2016 Series 1 Indenture, in whole or in part, from any money and on any Business Day, at a redemption price equal to the principal amount thereof, together with accrued interest to the redemption date. To the extent any Variable Rate Bonds are to be optionally redeemed, Variable Rate Bonds which are Bank Bonds are to be redeemed first.

Other 2016 Series 1 Bonds. To the extent not otherwise redeemed pursuant to another redemption provision described under this heading, 2016 Series 1 Bonds other than the Variable Rate Bonds may be redeemed prior to their stated maturities as a whole or in part on any date on and after December 1, 2025, at the option of the Commission, from any available money, at the price of par, together with accrued interest to the redemption date.

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 2016 Series 1 Bonds. The Commission will covenant in the 2016 Series 1 Indenture not to redeem 2016 Series 1 Bonds (other than Variable Rate Bonds) from proceeds of the sale of Eligible Collateral before December 1, 2025.

Mandatory Sinking Account Redemption

To the extent not redeemed pursuant to the other redemption provisions described herein, the following 2016 Series 1 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:

“PAC” Bonds Maturing on December 1, 2038

<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>
June 1, 2029	\$1,010,000	December 1, 2032	\$1,225,000	June 1, 2036	\$1,310,000
December 1, 2029	1,245,000	June 1, 2033	100,000	December 1, 2036	1,350,000
June 1, 2030	770,000	December 1, 2033	975,000	June 1, 2037	1,390,000
December 1, 2030	1,295,000	June 1, 2034	450,000	December 1, 2037	820,000
June 1, 2031	575,000	December 1, 2034	1,010,000	June 1, 2038	500,000
December 1, 2031	905,000	June 1, 2035	1,240,000	December 1, 2038†	505,000
June 1, 2032	990,000	December 1, 2035	1,250,000		

† Maturity

2016 Series 1N Term Bonds Maturing on December 1, 2031

<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>
June 1, 2028	\$1,260,000	December 1, 2029	\$105,000	June 1, 2031	\$865,000
December 1, 2028	1,285,000	June 1, 2030	605,000	December 1, 2031†	570,000
June 1, 2029	305,000	December 1, 2030	115,000		

† Maturity

2016 Series 1N 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, 2032	\$ 520,000	June 1, 2034	\$1,200,000	December 1, 2035	\$520,000
December 1, 2032	315,000	December 1, 2034	685,000	June 1, 2036	505,000
June 1, 2033	1,480,000	June 1, 2035	490,000	December 1, 2036†	420,000
December 1, 2033	645,000				

† Maturity

2016 Series 1N 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	\$ 250,000	June 1, 2039	\$600,000	December 1, 2040	\$630,000
December 1, 2037	195,000	December 1, 2039	610,000	June 1, 2041	635,000
June 1, 2038	200,000	June 1, 2040	615,000	December 1, 2041 [†]	645,000
December 1, 2038	205,000				

[†] Maturity

Variable Rate Bonds Maturing on December 1, 2046

<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>
June 1, 2042	\$695,000	June 1, 2044	\$740,000	December 1, 2045	\$775,000
December 1, 2042	715,000	December 1, 2044	755,000	June 1, 2046	790,000
June 1, 2043	720,000	June 1, 2045	770,000	December 1, 2046 [†]	805,000
December 1, 2043	735,000				

[†] 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.

2016 Series 1N Bonds and Variable Rate Bonds. The 2016 Series 1N Bonds and the Variable Rate Bonds may be redeemed prior to their stated maturities, in whole or in part, commencing on December 1, 2016 and at any time thereafter to and including June 1, 2017 (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 2016 Series 1N Bonds that are transferred from the 2016 Series 1 Acquisition Account into the 2016 Series 1 Redemption Subaccount in accordance with the Acquisition and Operating Policy.

Selection of 2016 Series 1N Bonds and Variable Rate Bonds to Be Redeemed. If less than all of the 2016 Series 1N Bonds and Variable Rate Bonds are called for redemption pursuant to an Unexpended Proceeds Redemption, the Trustee will select the 2016 Series 1N Bonds and Variable Rate Bonds to be redeemed in accordance with the Acquisition and Operating Policy.

2016 Series 1A Bonds. The 2016 Series 1A Bonds are *not* subject to Unexpended Proceeds Redemptions.

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 2016 Series 1 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 2016 Series 1 Bonds pursuant to a Revenue Fund Redemption.

PAC Bonds—While Other 2016 Series 1 Bonds Outstanding. The 2016 Series 1A Bonds maturing on December 1, 2038 (the “PAC Bonds”) may be redeemed prior to their stated maturity, in whole or in part on December 1, 2016, and on any date thereafter, at a price of par plus accrued interest to the date of redemption, from amounts deposited in the 2016 Series 1 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 No Other 2016 Series 1 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 other 2016 Series 1 Bonds have been paid or redeemed, at a price of par plus accrued interest to the date of redemption, from amounts deposited in the 2016 Series 1 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. 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.

Other 2016 Series 1 Bonds. All 2016 Series 1 Bonds other than the PAC Bonds may be redeemed prior to their stated maturities, in whole or in part on December 1, 2016, and on any date thereafter, at a price of par plus accrued interest to the date of redemption, from amounts deposited in the 2016 Series 1 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 above for Revenue Fund Redemptions of PAC Bonds.

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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds may be cross-called from Revenues allocable to other Series of Bonds.

Amounts in the 2016 Series 1 Revenue Account may be transferred to the 2016 Series 1 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 on each Regular Payment Date, commencing on December 1, 2016, 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 2016 Series 1 Restricted Principal Receipts Subaccount to the 2016 Series 1 Redemption Subaccount and (ii) 100% of the amount available for transfer from the 2016 Series 1 Unrestricted Principal Receipts Subaccount to the 2016 Series 1 Redemption Subaccount, but only to extent that the outstanding principal amount of 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 2016 Series 1 Restricted Principal Receipts Subaccount and the 2016 Series 1 Unrestricted Principal Receipts Subaccount.

Certain Covenants Regarding Special Redemptions

2016 Series 1 Restricted Principal Receipts Subaccount. The Commission will covenant in the 2016 Series 1 Indenture to deposit into the 2016 Series 1 Restricted Principal Receipts Subaccount all principal amounts derived from the 2016 Series 1 Eligible Collateral (as defined below) that must be used pursuant to the Code to pay principal or redeem the 2016 Series 1 Bonds, and to transfer money from the 2016 Series 1 Restricted Principal Receipts Subaccount in the following order of priority:

First, to the 2016 Series 1 Redemption Subaccount and 2016 Series 1 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 2016 Series 1 Bonds (including principal paid as a result of a mandatory sinking account redemption of Term Bonds); and

Second, to the 2016 Series 1 Redemption Subaccount, all remaining amounts (which amounts will be used to fund Revenue Fund Redemptions of the 2016 Series 1 Bonds).

See Appendix F (Table F-4) for a schedule showing the Commission’s expectations of how principal receipts from 2016 Series 1 Eligible Collateral are expected to be allocated to 2016 Series 1 Restricted and Unrestricted Principal Receipts Subaccounts, assuming relevant provisions of the Code are not revised.

2016 Series 1 Unrestricted Principal Receipts Subaccount. The Commission will covenant in the 2016 Series 1 Indenture that it will deposit into the 2016 Series 1 Unrestricted Principal Receipts Subaccount all principal amounts derived from the 2016 Series 1 Eligible Collateral (as defined below) not deposited to the 2016 Series 1 Restricted Principal Receipts Subaccount and transfer money from the 2016 Series 1 Unrestricted Principal Receipts Subaccount in the following order of priority:

First, to the 2016 Series 1 Redemption Subaccount and 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Restricted Principal Receipts Subaccount;

Second, to the 2016 Series 1 Redemption Subaccount, the amount necessary to fund Revenue Fund Redemptions of the PAC Bonds described under the heading “Special Mandatory Redemption of PAC Bonds;” and

Third, to make other transfers from the 2016 Series 1 Unrestricted Principal Receipts Subaccount authorized by the Indenture.

Definition of “2016 Series 1 Eligible Collateral.” The “2016 Series 1 Eligible Collateral” is any Eligible Collateral or participation therein that (i) is financed utilizing the initial proceeds of the 2016 Series 1 Bonds, (ii) is financed utilizing Mortgage Loan repayments and prepayments transferred in connection with the 2016 Series 1 Bonds (e.g. recycling proceeds), or (iii) represents transferred proceeds of the 2016 Series 1 Bonds for purposes of the Code because such Eligible Collateral had been allocated to the various Series of the Refunded Bonds (as defined under the heading “PLAN OF FINANCE—General”) immediately before such Bonds are redeemed.

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.

Initial Priority Amortization Balances			
Date	Priority Amortization Balance	Date	Priority Amortization Balance
Date of issuance	\$18,915,000	June 1, 2020	\$8,275,000
December 1, 2016	18,190,000	December 1, 2020	6,965,000
June 1, 2017	17,035,000	June 1, 2021	5,755,000
December 1, 2017	15,735,000	December 1, 2021	4,645,000
June 1, 2018	14,305,000	June 1, 2022	3,620,000
December 1, 2018	12,760,000	December 1, 2022	2,685,000
June 1, 2019	11,165,000	June 1, 2023	1,100,000
December 1, 2019	9,665,000	December 1, 2023	0

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 2016 Series 1 Eligible Collateral. See “Certain Covenants Regarding Special Redemptions” above for the definition of the phrase “2016 Series 1 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 2016 SERIES 1 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 2016 SERIES 1 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	17.1 years	150% PSA	4.0 years
25% PSA	12.5 years	200% PSA	4.0 years
50% PSA	8.4 years	300% PSA	4.0 years
75% PSA	5.6 years	400% PSA	4.0 years
100% PSA	4.0 years	500% PSA	4.0 years

Based on the assumptions and expectations describe 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” and “—Special Mandatory Redemption of PAC Bonds”;
- (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 2016 Series 1 Bonds will be cross-called from amounts in the Series Revenue Account for another Series of Bonds;
- (iv) all of the proceeds of the 2016 Series 1N Bonds and the Variable Rate 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 2016 Series 1N Bonds and the Variable Rate Bonds are assumed to have the following characteristics:

Mortgage Coupon	Par Amount	Weighted Average Mortgage Coupon	Weighted Average Certificate Coupon	Weighted Average Maturity
3.00%	\$14,000,000	3.00%	2.50%	3/2046
3.25	21,000,000	3.25	2.55	3/2046
Total/Average:	<u>\$35,000,000</u>	<u>3.15%</u>	<u>2.53%</u>	<u>3/2046</u>

- (vi) the prepayment of Mortgage Loans financed with the 2016 Series 1N Bonds and the Variable Rate Bonds will occur at 100% PSA;
- (vii) the Eligible Collateral (including participations therein) currently securing the Refunded Bonds will be transferred to the 2016 Series 1 Acquisition Account on the day after the 2016 Series 1 Bonds are issued (the “Transferred Collateral”);
- (viii) the Mortgage Loans relating to the Transferred Collateral will have the following characteristics:

Mortgage Coupon Range	Par Amount	Weighted Average Mortgage Coupon	Weighted Average Certificate Coupon	Weighted Average Certificate Maturity
2.00% to 2.99%	\$ 266,373	2.575%	1.997%	3/2043
3.00% to 3.99%	25,428	3.750	3.250	4/2041
4.00% to 4.99%	3,767,589	4.859	4.359	9/2036
5.00% to 5.99%	24,990,495	5.482	4.982	8/2037
6.00% to 6.99%	2,599,747	6.258	5.757	10/2036
7.00% to 9.00%	372,236	7.325	6.819	10/2026
Total/Average:	<u>\$32,021,869</u>	<u>5.468%</u>	<u>4.967%</u>	<u>5/2037</u>

- (ix) the prepayment of the Mortgage Loans relating to the Transferred Collateral will occur at 100% PSA.

Although the initial Priority Amortization Balances and the projected weighted average lives of the PAC Bonds have been based, in part, on the assumption that the Mortgage Loans relating to the Transferred Collateral will be prepaid at 100% PSA, the Certificates currently allocated to the Refunded Bonds had the following weighted average historical prepayment speed characteristics as of March 31, 2016: 199.8% PSA since issue; 113.7% PSA for the prior twelve months; 117.3% PSA for the prior six months; and 65.7% PSA for the prior three months).

THE COMMISSION MAKES NO REPRESENTATION AS TO THE PERCENTAGE OF THE PRINCIPAL BALANCE OF THE 2016 SERIES 1 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 2016 Series 1 Bonds. Certain of those provisions are summarized below.

Selection of 2016 Series 1 Bonds for Redemption. For purposes of selecting 2016 Series 1 Bonds for redemption, the Trustee will consider each \$5,000 par amount of such Bonds as a separate and distinct Bond. Any 2016 Series 1 Bond may be partially redeemed in the principal amount of \$5,000 or any integral multiple thereof so long as the amount of such 2016 Series 1 Bonds to remain Outstanding is not less than an Authorized Denomination for such Bond. The Trustee, in accordance with the Acquisition and Operating Policy and the 2016 Series 1 Indenture, will select the maturities of such Bonds to be redeemed or purchased. In selecting which maturities of the 2016 Series 1 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 any subseries of the 2016 Series 1 Bonds is to be redeemed, the Bonds (or portions thereof) to be redeemed will be selected by the Trustee randomly within such maturity and subseries. However, for so long as the 2016 Series 1 Bonds are registered in the name of DTC or its nominee, DTC will select for redemption the Beneficial Owners’ interests in a maturity of 2016 Series 1 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 2016 Series 1 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 Acquisition and Operating Policy.

To the extent Variable Rate Bonds are to be redeemed pursuant to any of the redemption provisions summarized under this heading, the Variable Rate Bonds that are Bank Bonds will be redeemed before other Variable Rate Bonds are redeemed.

Notice of Redemption. The Trustee will give a written redemption notice to Cede & Co. (or any subsequent registered owner of the 2016 Series 1 Bonds to be redeemed) not less than 20 days (or more than 30 days) before the scheduled redemption date of any Variable Rate Bonds, and not less than 30 days (or more than 90 days) before the scheduled redemption date of any 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 SERIES 1 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 (including the Initial Liquidity Facility).

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 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.

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 2016 Series 1 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 2016 Series 1 Bonds will be issued on a parity with \$300,345,000 outstanding long-term Bonds (including variable rate Bonds), as of April 1, 2016. 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds and any other Bonds issued on a parity with the 2016 Series 1 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 foregoing.

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.

2016 Series 1 Cash Flow Certificate

As a condition to the issuance of the 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds should carefully consider the following risk factors, as well as other information contained in this Official Statement, prior to purchasing the 2016 Series 1 Bonds. The information contained under this heading is not intended to be an exhaustive discussion of all possible risks involved with owning the 2016 Series 1 Bonds. Prospective purchasers should consult their investment advisors before making any decisions as to the purchase of the 2016 Series 1 Bonds.

Risk of Early Redemption from Non-Origination

The 2016 Series 1N Bonds and the Variable Rate 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 2016 Series 1N Bonds and the Variable Rate 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 2016 Series 1 Acquisition Account.

As of April 1, 2016, the Commission held \$14,200,117 of GNMA Certificates and Fannie Mae Certificates in the Commission Fund that would be available to transfer to the 2016 Series 1 Acquisition Account upon reimbursement from proceeds of the 2016 Series 1N Bonds to be deposited in such account, and an additional \$24,498,660 in reservations. The Commission expects to purchase such Certificates, including participations therein, with proceeds of the 2016 Series 1N Bonds and other available money, including “recycling” proceeds and money in acquisition accounts for other bonds.

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 of 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 2016 Series 1 Bonds remain Outstanding may increase the risk that the 2016 Series 1 Bonds would be cross-called or that Revenues associated with the 2016 Series 1 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 2016 Series 1 Bonds. The weighted average life of the PAC Bonds may be extended if the actual rate of prepayment for Mortgage Loans underlying the 2016 Series 1 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.

Loss of Premium from Early Redemption

Any person who purchases a 2016 Series 1 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 2016 Series 1 Bonds are limited obligations of the Commission. Payment of the principal of and premium, if any, and interest on the 2016 Series 1 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 2016 Series 1 Bonds. Further, the 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds be increased in such an event. The exclusion of interest on the 2016 Series 1 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 2016 Series 1 Bonds, subject to applicable securities laws. However, the Underwriters are not obligated to engage in secondary trading or to repurchase any of the 2016 Series 1 Bonds at the request of the owners thereof. No assurance can be given that a secondary market for the 2016 Series 1 Bonds will be available and no assurance can be given that the initial offering prices for the 2016 Series 1 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 2016 Series 1 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.

Ratings Downgrade

The ratings awarded to the 2016 Series 1 Bonds by Moody’s Investors Service, Inc. (“Moody’s”), is based on various factors, including the credit of GNMA, Fannie Mae and Freddie Mac. If the rating awarded to the securities issued or guaranteed by GNMA, Fannie Mae and Freddie Mac is reduced, the ratings on the 2016 Series 1 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 ratings in effect for the 2016 Series 1 Bonds may adversely affect the market price of the 2016 Series 1 Bonds. See “RATINGS” herein.

Risks Associated with the Initial Liquidity Facility

Creditworthiness of the Bank. The purchase price of tendered and unremarketed Variable Rate Bonds is supported by the Initial Liquidity Facility. Payment under the Initial Liquidity Facility depends on the creditworthiness of the Bank. There can be no assurance that the Bank will maintain its present financial condition or that an adverse change in such condition will not adversely affect its ability to purchase tendered Variable Rate Bonds under the Initial Liquidity Facility.

No Commission Obligation to Purchase Variable Rate Bonds upon Bank Failure to Purchase. If the Bank fails to purchase Variable Rate Bonds on any Purchase Date for any reason, the Commission has no obligation to purchase

any of the Variable Rate Bonds. Any such failure by the Bank will not constitute a default or event of default under the Indenture.

No Tender after Bank Failure to Purchase. The Variable Rate Bonds are not subject to mandatory tender upon the Bank's failure to purchase Variable Rate Bonds on a Purchase Date. Further, the Owners' right to tender their Variable Rate Bonds for purchase will be suspended. This may require such Owners to hold their Variable Rate Bonds until the stated maturity date of such Bonds. During such period, the Variable Rate will be determined weekly to be the lesser of the Hold Rate or the Maximum Rate. This means the Variable Rate on the Variable Rate Bonds will be capped at 10% (unless the Maximum Rate is increased), even if the Prime Rate during such period is greater than 9%.

No Tender after Termination Event. Upon the occurrence of a Termination Event (as defined in Appendix H hereto), the Liquidity Facility and the Bank's obligation to purchase Variable Rate Bonds thereunder will automatically terminate without notice. There will be no mandatory tender of Variable Rate Bonds and the Owners' right to tender their Variable Rate Bonds for purchase will be suspended. During the period following such Termination Event, the Variable Rate will continue to be determined weekly by the Remarketing Agent to be the lesser of (1) the rate that would result as nearly as practicable in the market value of the Variable Rate Bonds on the Variable Rate Date being 100% of the principal amount thereof or (2) the Maximum Rate. Under these circumstances, the Owners of Variable Rate Bonds may be required to hold such Variable Rate Bonds until their stated maturity date. The "Termination Events" under the Initial Liquidity Facility are summarized in Appendix H hereto. Any Alternate Liquidity Facility may have different "Termination Events."

Mandatory Tender Upon Liquidity Expiration Event. The Variable Rate Bonds are subject to mandatory tender upon the occurrence of a Liquidity Expiration Event. A Liquidity Expiration Event will occur if either (i) the Commission *or* the Bank determines to terminate a Liquidity Facility in accordance with its terms (other than automatic termination as a result of the occurrence of a Termination Event), or (ii) the Trustee and the Tender Agent have not received notice from the Bank at least 45 days prior to the scheduled expiration of a Liquidity Facility that such Liquidity Facility will be extended or renewed. See "THE 2016 SERIES 1 BONDS—Variable Rate Bonds—Mandatory Tender" herein for information regarding such mandatory tender provisions and Appendix H for a summary of the events that might lead the Bank to terminate the Initial Liquidity Facility. The Initial Liquidity Facility is scheduled to expire on June 15, 2020. There is no guarantee the Commission will be able to negotiate an extension of the Initial Liquidity Facility or find an Alternate Liquidity Facility.

Limitations of the Initial Liquidity Facility. The ability to obtain funds under the Initial Liquidity Facility in accordance with its terms may be limited by federal or State law. Bankruptcy, conservatorship, receivership and similar laws governing financial institutions may prevent or restrict payment under the Initial Liquidity Facility. To the extent the short-term rating on any of the Variable Rate Bonds depends in any manner on the rating of the Bank, the short-term ratings on the Variable Rate Bonds could be downgraded or withdrawn if the Bank were to be downgraded, placed on credit watch or have its ratings suspended or withdrawn or were to refuse to perform under the Initial Liquidity Facility.

The obligation of the Bank under the Initial Liquidity Facility to purchase unremarketed Variable Rate Bonds is subject to the conditions and limitations set forth therein, and is also subject to all rights and defenses available to contracting parties generally. The Initial Liquidity Facility is not a guaranty to pay the purchase price of any Variable Rate Bonds tendered for purchase. The Initial Liquidity Facility is a general contract, subject to certain conditions and limitations, and is not a letter of credit. Purchasers of any Variable Rate Bonds should consult their legal counsel for an explanation of the differences between a general contract and a letter of credit or guaranty. The following is included as a summary of selected differences and does not purport to be complete or definitive.

In general, a letter of credit is an independent, special contract by a bank to pay a third party (such as a bond trustee) holding the letter of credit for the benefit of owners of such bonds. Banks are required by law to honor their letters of credit except in specified circumstances. If a dispute were to develop between a bank and its borrower, except in limited circumstances, the dispute generally would not jeopardize payment under the letter of credit because (a) the letter of credit would be independent of the disputed contract between the borrower and the bank and (b) the beneficiary of the letter of credit (typically, the bond trustee) would have direct rights under the letter of credit. Further, and although there are defenses to payment of letters of credit, such defenses are limited by law to specified circumstances.

In contrast, a standby bond purchase agreement, such as the Initial Liquidity Facility, is merely a general contract. No law expressly requires performance of the Initial Liquidity Facility, although the non-breaching party would be

entitled to allowable damages if there were a breach of such contract. Although the Trustee is authorized to draw funds in accordance with the Initial Liquidity Facility, the Bank has no independent obligation to the Trustee. If a dispute were to develop, the Bank will have all defenses allowed at law or in equity to their payment under or other performance of the Initial Liquidity Facility, including but not limited to disputes (whether valid or not) regarding the authority of any party to enter into or perform under the Initial Liquidity Facility. In general, the provider of a standby bond purchase agreement has more defenses against performance than the provider of a letter of credit.

The Bank or the Commission may seek to have any future dispute resolved in court and appealed to final judgment before it performs under the applicable Initial Liquidity Facility. Further, even if the Commission were to prevail against the Bank, a court would not necessarily order the Bank to perform under the Initial Liquidity Facility; it could instead award damages for breach of contract to the Commission. Any such award would not necessarily be in an amount sufficient to pay the purchase price of the Variable Rate Bonds.

PLAN OF FINANCE

The 2016 Series 1 Bonds are being issued to make available additional money to purchase Certificates (including participations therein, if any) and to provide the money to redeem the outstanding principal balances of the Commission’s 2005 Series VR-2A Bonds, 2006 Series 6A Bonds and 2007 Series 1A Bonds (collectively, the “Refunded Bonds”). The Commission expects to redeem the 2005 Series VR-2A Bonds on the Delivery Date and to redeem the other Refunded Bonds on June 1, 2016.

The Trustee is expected to use proceeds of the 2016 Series 1N Bonds and Variable Rate Bonds deposited in the 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds.

On the date the 2016 Series 1 Bonds are issued, the Eligible Collateral currently securing the Refunded Bonds will be transferred to the 2016 Series 1 Acquisition Account. See “REDEMPTION PROVISIONS—Certain Information Regarding PAC Bonds” for information regarding such Eligible Collateral, which information is based on the Commission’s current expectations.

Sources and Uses of Funds

The proceeds of the 2016 Series 1 Bonds, together with other money under the Indenture, are expected to be used as follows:

Sources of Funds

Par amount of the 2016 Series 1A Bonds	\$30,500,000.00
Par amount of the 2016 Series 1N Bonds	27,500,000.00
Par amount of the Variable Rate Bonds	7,500,000.00
Original Issue Premium	1,216,801.95
Commission contribution from the Commission Fund	699,098.05
Total	\$67,415,900.00

Uses of Funds

Deposit to 2016 Series 1 Acquisition Account	\$35,000,000.00
Redemption of the 2005 Series VR-2A Bonds	7,500,000.00
Redemption of the 2006 Series 6A Bonds	9,210,000.00
Redemption of the 2007 Series 1A Bonds	15,010,000.00
Payment of Underwriters’ fee	438,000.00
Deposit to Cost of Issuance Fund	257,900.00
Total	\$67,415,900.00

Investment of Proceeds

Proceeds of the 2016 Series 1 Bonds and money in funds and accounts established with respect to the 2016 Series 1 Bonds must be invested in Permitted Investments. In the past, the Trustee has invested money in various Series

Accounts and Subaccounts in Investment Agreements. In light of current yields on investment contracts, the Commission does not expect that money in the 2016 Series 1 Accounts and Subaccounts will be invested in an Investment Agreement upon the issuance of the 2016 Series 1 Bonds. The Trustee may invest money held in the 2016 Series 1 Revenue Account, 2016 Series 1 Debt Service Account, and 2016 Series 1 Expense Account under one or more Investment Agreements in the future.

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 provided over 15,000 Mortgage Loans since funding commenced under the Indenture. 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 Indenture. There currently are no proceeds available under the 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 and 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 2016 Series 1 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, 2014 and June 30, 2015, Home Advantage resulted in the origination by Mortgage Lenders of mortgage loans in the approximate aggregate amounts of \$426 million and \$752 million, respectively.

Home Advantage is available to borrowers whose annual household income is \$97,000 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 requirements, which loans are purchased by the Servicer and aggregated with other mortgage loans into a loan pool supporting a GNMA Certificate or Fannie Mae 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 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 issued \$26,171,376 of bonds under the Special Program Indenture in 2012 (of which \$15,920,949 remained outstanding as of April 1, 2016) to finance mortgage loans for single-family residences. To date, there has only been one series of bonds issued under the Special Program Indenture. 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 2016 Series 1 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—Risk of Early Redemption 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 2016 Series 1 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
Island, Jefferson, Kitsap, Skagit, Thurston & Whatcom	\$70,000	\$80,000	\$70,000	\$80,000
Clark & Pierce	\$80,000	\$90,000	\$80,000	\$90,000
King & Snohomish	\$90,000	\$97,000	\$90,000	\$97,000
San Juan	\$75,000	\$90,000	n/a	n/a
All other	\$65,000	\$75,000	\$80,000	\$85,000

During the seven-month period ending February 29, 2016, the average household income of Mortgagors obtaining Mortgage Loans was \$48,934. The average HUD area median income for all counties in the State, as of February 29, 2016, was \$62,933.

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	\$330,000	\$360,000	Pierce & Snohomish	\$370,000	\$395,000
Island & Jefferson	\$305,000	\$360,000	Skagit	\$285,000	n/a
King & San Juan	\$450,000	\$475,000	All other	\$235,000	\$285,000
Kitsap & Whatcom	\$290,000	\$335,000			

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 2016 Series 1 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 2016 Series 1 Bonds into the 2016 Series 1 Targeted Area Subaccount. If

necessary to ensure an equitable statewide distribution of funds, proceeds of the 2016 Series 1 Bonds deposited in the 2016 Series 1 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, 2015. The Commission’s current fiscal year ends on June 30, 2016. The information in the following table has not been updated to address changes that may have occurred since June 30, 2015. The Commission is not aware of any material adverse change in the financial position of the General Indenture since June 30, 2015. As shown in Table F-1 in Appendix F of this Official Statement, the aggregate principal amount of outstanding Bonds was \$300,345,000 as of April 1, 2016. The following table will be updated annually pursuant to the Commission’s continuing disclosure undertaking.

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
MORTGAGE-BACKED SECURITIES (FHLMC, FNMA, GNMA) Principal Balance at Par	\$347,643,661	\$391,422,742	\$473,620,132	\$666,846,261	\$785,251,889
ACCRUED INTEREST RECEIVABLES					
Investments	19,507	37,938	241,944	8,308	14,144
Mortgage-Backed Securities	1,390,637	1,622,603	2,144,096	2,932,920	3,438,144
<i>Total Accrued Interest Receivables</i>	1,410,144	1,660,541	2,386,040	2,941,228	3,452,288
CASH, CASH EQUIVALENTS & INVESTMENTS					
Acquisition Funds	556,617	--	28,135,838	9	7,348
Reservation Funds	--	--	--	--	--
Bond Reserve Funds	--	--	--	--	266,212
Revenue Funds	21,265,450	30,557,163	49,193,702	41,260,038	35,067,916
<i>Total Cash, Cash Equivalents & Investments</i>	21,822,067	30,557,163	77,329,540	41,260,047	35,341,476
<i>Total Assets</i>	\$370,875,872	\$423,640,446	\$553,335,712	\$711,047,536	\$824,045,653
BONDS PAYABLE (3)					
Tax-exempt bonds	325,970,000	379,340,000	500,335,000	663,605,000	775,180,000
Taxable bonds	475,000	3,160,000	6,315,000	9,725,000	13,335,000
Accrued Interest Payable	1,032,457	1,302,353	2,146,347	2,598,870	3,069,639
<i>Total Bonds Payable</i>	327,477,457	383,802,353	508,796,347	675,928,870	791,584,639
CURRENT LIABILITIES					
Accounts Payable	--	--	--	--	--
<i>Total Current Liabilities</i>	--	--	--	--	--
<i>Total Liabilities</i>	\$327,477,457	\$383,802,353	\$508,796,347	\$675,928,870	\$791,584,639
NET PARITY – Principal Assets and Liabilities	\$43,398,415	\$39,838,093	\$44,539,365	\$35,118,666	\$32,461,014
PARITY AS A PERCENTAGE OF ASSETS	113.25%	110.38%	108.75%	105.20%	104.10%

- (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. Total assets under the General Indenture, as shown in the foregoing table, decreased from \$423.6 million on June 30, 2014, to \$370.8 million on June 30, 2015, a decrease of approximately 12.5%. Total liabilities decreased approximately 14.7% in the fiscal year ended June 30, 2015, to \$327.4 million from \$383.8 million the year before, resulting in an increase to Net Parity from 110.4% on June 30, 2014, to 113.25% on June 30, 2015.

The Commission’s increased reliance on Home Advantage to provide for mortgage loans is the primary reason why the total assets held by the Commission under the General Indenture has declined in each of the past four fiscal years. Since June 30, 2011, the Commission has issued \$149.7 million of Bonds under the General Indenture, of which \$69.7 million were refunding Bonds. The decrease in the volume of new Bonds issued over the past four fiscal years, when coupled with the ongoing payment of debt service on outstanding Bonds, explains why the Commission’s total liabilities under the General Indenture have continued to decline.

The Commission has presented 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. In 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. 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 and serve for overlapping terms of four years. There is one vacancy on the Commission.

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

<u>Name</u>	<u>Principal Occupation</u>
Karen Miller, Chair.....	Former Member, Snohomish County Council; former President, National Council of State Housing Boards; past Chairman, Washington State Law and Justice Planning Council; former Board member and past President of the Washington State Association of Counties; past President, Trustees Association of Community and Technical Colleges.
James L. McIntire, Secretary	State Treasurer (<i>ex officio</i> Commissioner); former professor of economics, University of Washington; former business economist, Navigant Consulting; past board Chair, Washington's Community Economic Revitalization Board; past board Chair, Common Ground (a nonprofit housing developer); fiscal policy adviser to former Governor Booth Gardner.
Elizabeth L. Baum.....	Director, Investor Relations, Weyerhaeuser Company; former Manager, Enterprise Planning and Analysis, Weyerhaeuser Company; former Chair of Weyerhaeuser Foundation Sea-Tac Advisory Team.
Brian Bonlender.....	Director, State Department of Commerce (<i>ex officio</i> Commissioner).
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.

- Steven M. Moss Former Chief Executive Officer, Blue Mountain Action Council (Retired); former Board President of Washington State Association Community Action Partnership; former Board President, Washington State Coalition for the Homeless; former Board member, Washington State Rural Development Council; former Board Treasurer, Washington Low-Income Housing Network; current Board member, Eastern Washington Partnership WorkForce Development Council; Board Treasurer, Student Health Options, Walla Walla.
- Randy J. Robinson..... Senior Vice President, Heritage Bank Community Development Lending. Formerly Vice President and Team Leader, KeyBank Community Development Lending, Western Region; Deputy Director, Washington State Community Business Center for Fannie Mae; Senior Vice President, Community Development, U.S. Bancorp. Board member, Impact Capital and the Capitol Hill Housing Foundation. Former Chair, 2009 Seattle Housing Levy; former Board President of the Washington Homeownership Center.
- Gabriel Spencer Skamania County Assessor; Board member, Columbia Gorge Housing Authority; member, Skamania County Workforce Housing Committee and Washington State Assessors Assessment Administration and Timber Committee.
- Pamela Tietz Executive Director, Spokane Housing Authority; founding member, Clallam County Shelter Provider’s Network; member, Clallam County Homelessness Task Force; former Executive Director, Peninsula Housing Authority; worked for Alaska Housing Finance Corporation (beginning in 1988), and the Bremerton Housing Authority.

The Commission’s Executive Director is Kim Herman. Mr. Herman is a native of Washington State and has served as a member of the Commission, as Washington Project Director of the United States Department of Housing and Urban Development’s Rural Assistance Initiative Program, as Executive Director of the Housing Authority of the City of Yakima and as Manager of Single-Family Housing for the Portland Development Commission. Mr. Herman served on the Board of Directors of the National Council of State Housing Agencies for many years and served as the association’s President from September 2006 to October 2008. He formerly served on the Board of Trustees for the Washington Center for Real Estate Research at Washington State University. He also has served on Fannie Mae’s Western Regional Advisory Board and on the Boards of the Rural Community Assistance Corporation and the Washington Low Income Housing Alliance. He currently serves on the Board of the National Rural Housing Coalition and is the Chair of the Board of Impact Capital. Mr. Herman is a graduate of Washington State University (B.A. 1967).

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.

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 on February 1, 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.).

Interest Rate Swap Policy

The Commission is not entering into a Swap (as defined below) with respect to the 2016 Series 1 Bonds. However, the Commission may enter into one or more Swaps in the future, whether with respect to the 2016 Series 1 Bonds or any other Series of Bonds.

Swap Policy. The Commission adopted an “Interest Rate Swap Policy” on March 24, 2005, which was amended on July 26, 2007, and may be revised by the Commission at any time. 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[®] Master Agreement, including the schedule, credit support annex and confirmation.

Existing Swaps Relating to the Bonds. In July 2008, the Commission and DEPFA BANK plc (“DEPFA”) entered into an interest rate swap (the “2008 Series 1 Swap”) in connection with the issuance of the Commission’s 2008 Series VR-1A Bonds. Under the 2008 Series 1 Swap, the Commission is required to pay amounts to the 2008 Swap Provider (as defined below) based on a fixed rate of 3.629% and an initial notional amount of \$15 million (which amount amortizes over time), and the 2008 Swap Provider is required to pay the Commission amounts based on a floating rate equal to the average SIFMA Municipal Swap Index (the “Index”) plus 10 basis points (0.10%) and the same notional amount. The 2008 Series 1 Swap is scheduled to expire on December 1, 2021. In September 2008, the Commission and DEPFA entered into an interest rate swap (the “2008 Series 2 Swap” and, collectively with the 2008 Series 1 Swap, the “Existing Swaps”) in connection with the issuance of the Commission’s 2008 Series VR-2N Bonds. Under the 2008 Series 2 Swap, the Commission is required to pay amounts to 2008 Swap Provider based on a fixed rate of 3.249% and an initial notional amount of \$13 million (which amount amortizes over time), and the 2008 Swap Provider is required to pay amounts to the Commission based on a floating rate equal to the Index plus 5 basis points (0.05%) and the same notional amount. The 2008 Series 2 Swap is scheduled to expire on June 1, 2021. On August 28, 2014, the Commission, DEPFA and FMS Wertmanagement (the “2008 Swap Provider”) entered into a Novation Agreement pursuant to which the 2008 Swap Provider replaced DEPFA as the counterparty under the Existing Swaps.

The Existing Swaps, as amended by the Novation Agreement, are each in the form of an ISDA Master Agreement, as modified by a schedule, credit support annex and confirmation. Any semiannual payments paid by the Trustee to 2008 Swap Provider 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 2008 Swap Provider (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 2008 Swap Provider) one or both of the Existing Swaps may be terminated in whole or in part. Following the termination of a Swap, either the Commission or the 2008 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 of payments received on account of the underlying Mortgage Loans. This includes payments received from GNMA, Fannie Mae and Freddie Mac with respect to defaulted Mortgage Loans. 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—Risk of Early Redemption 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.

The Mortgage Loans underlying the Certificates securing the Bonds currently are serviced by one of four Servicers. HomeStreet Bank services a portion of the Mortgage Loans that were financed with proceeds of Bonds refunded by the Commission’s 2013 Series 1 Bonds and 2014 Series 1 Bonds. U.S. Bank Home Mortgage—MRBP Division services the Mortgage Loans financed by a portion of the Bonds refunded by the Commission’s 2010 Series 1 Bonds, 2013 Series 1 Bonds and 2014 Series 1 Bonds. Bank of America, N.A., services Mortgage Loans underlying the Certificates initially funded with Bonds issued during calendar years 2005 through 2011, the Bonds refunded by the Commission’s 2015 Series 1 Bonds and the Bonds the Commission expects to refund with proceeds of the 2016 Series 1 Bonds. The Alabama Housing Finance Authority (“AHFA”), doing business as ServiSolutions® (“ServiSolutions”), services the Mortgage Loans originated after December 14, 2011. The Commission currently is seeking to retain at least one additional Servicer to service newly-originated Mortgage Loans.

ServiSolutions

The information under this subheading has been provided solely by ServiSolutions 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.

AHFA was established in 1980 by an act of the Alabama legislature as a public corporation and instrumentality of the State of Alabama. ServiSolutions, a department of AHFA, offers residential mortgage servicing for financial institutions. As of March 1, 2016, ServiSolutions services and manages a portfolio of more than 61,000 mortgages, totaling \$4.8 billion, and is approved as a residential mortgage servicer by FHA, VA, Rural Development, Fannie Mae and Ginnie Mae. ServiSolutions currently is not approved as a residential mortgage servicer by Freddie Mac. Headquartered in Montgomery, Alabama, ServiSolutions services mortgage loans in Alabama, Florida, Georgia, Tennessee, Mississippi, Missouri, North Carolina and Washington. ServiSolutions commenced servicing mortgages in March 2005.

Agreements with ServiSolutions

ServiSolutions acquires and services Mortgage Loans under the terms of an Amended and Restated Program Administration and Servicing Agreement dated as of April 23, 2015, among the Commission, the Trustee and ServiSolutions (as amended from time to time, the “Servicing Agreement”). The Servicing Agreement expires on December 31, 2017, unless it is extended by the parties. The principal responsibilities of ServiSolutions 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, ServiSolutions 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. ServiSolutions’s obligation to purchase and hold Mortgage Loans pending their sale at the direction of the Commission is capped at \$75 million. Under a Mortgage Purchase and Sale Agreement dated as of April 23, 2015, between the Commission and ServiSolutions (the “Purchase and Sale Agreement”), the Commission has committed to purchase up to \$25 million (which amount the Commission may increase in its discretion) of Mortgage Loans from ServiSolutions pending the pooling of such Mortgage Loans into Certificates, and to sell those Mortgage Loans back to ServiSolutions on a monthly basis. So long as the Purchase and Sale Agreement is in effect and the Commission is not in default

thereunder, the cap on the amount of Mortgage Loans ServiSolutions is obligated to purchase under the Servicing Agreement is increased by the amount of Mortgage Loans the Commission is committed to purchase under the Purchase and Sale Agreement.

Under the Servicing Agreement, ServiSolutions is required to 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). ServiSolutions also is responsible 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.

Pursuant to the Servicing Agreement, ServiSolutions is required to pay a servicing release fee to the Commission based on the outstanding amount of Mortgage Loans ServiSolutions acquires from the Mortgage Lenders (a portion of which will be utilized to pay origination fees to the Mortgage Lenders). ServiSolutions receives a portion of each monthly installment of interest under the Mortgage Loans 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 ServiSolutions 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.

QUANTITATIVE CONSULTANT

cfX serves as the Commission's quantitative consultant pursuant to an engagement agreement that terminates on December 31, 2017 (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

The Code establishes certain requirements that must be met subsequent to the issuance of the 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds. The Commission will require that all Mortgage Loans financed by the proceeds made available upon the issuance of the 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007, 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 new reporting requirement does not, in and of itself, affect or alter the excludability of interest on the 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1A Bonds is a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations by the Code and is included in adjusted current earnings for purposes of the alternative minimum tax imposed on corporations by the Code, and (ii) interest on the 2016 Series 1N Bonds and Variable Rate Bonds is neither a specific preference item nor included in adjusted current earnings for purposes of the federal alternative minimum tax. A form of the Special Tax Counsel opinion with respect to the 2016 Series 1 Bonds is attached hereto as Appendix E.

Although Special Tax Counsel is rendering an opinion that the interest on the 2016 Series 1 Bonds, as described above, is not included in gross income for federal income tax purposes, the accrual or receipt of interest on the 2016 Series 1 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 2016 Series 1 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 recipients of Social Security or Railroad Retirement benefits, taxpayers otherwise entitled to claim earned income credit and 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 PAC Bonds

The PAC Bonds were sold at a premium. An investor that acquires a PAC Bond for a cost greater than its remaining stated redemption price at maturity and holds the PAC Bond as a capital asset will be considered to have purchased the PAC 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 PAC 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 2016 Series 1 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 2016 Series 1 Bonds other than the Commission.

Annual Information

With respect to the 2016 Series 1 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 the each of the fiscal years ending June 30, 2011 through 2015 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 and IT Services.

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

Variable Rate Bonds

RBC Capital Markets, LLC (“RBC”) has agreed, subject to certain conditions, to purchase from the Commission the Variable Rate Bonds at a price equal to par. RBC’s obligation to purchase the Variable Rate Bonds is subject to certain terms and conditions set forth in is subject to certain terms and conditions set forth in a purchase contract between RBC and the Commission. The fee of RBC payable in connection with the initial sale of the Variable Rate Bonds is \$17,172.62.

Other 2016 Series 1 Bonds

RBC, George K. Baum & Company, and Wells Fargo Bank, National Association (together, the “Underwriters”) have agreed, subject to certain conditions, to purchase from the Commission the 2016 Series 1A Bonds and the 2016 Series 1N Bonds, at a price equal to par, plus an original issue premium of \$1,216,801.95. The obligation of the Underwriters to purchase such 2016 Series 1 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 2016 Series 1A Bonds and the 2016 Series 1N Bonds is \$420,827.38. The Underwriters may offer and sell such 2016 Series 1 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 Bank, National Association (“WFBNA”), one of the Underwriters of the 2016 Series 1 Bonds, has entered into an agreement (the “Distribution Agreement”) with its affiliate, Wells Fargo Advisors, LLC (“WFA”),

for the distribution of certain municipal securities offerings, including the 2016 Series 1 Bonds. Pursuant to the Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2016 Series 1 Bonds with WFA. WFBNA also utilizes the distribution capabilities of its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the 2016 Series 1 Bonds. In connection with utilizing the distribution capabilities of WFSLLC, 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. WFBNA is serving as both an Underwriter of and Trustee for the 2016 Series 1 Bonds. Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including WFBNA.

George K. Baum & Company and Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation, have a distribution agreement enabling Pershing LLC to obtain and distribute certain municipal securities underwritten by or allocated to George K. Baum & Company. Under the distribution agreement, George K. Baum & Company will allocate a portion of received takedowns, fees or commissions to Pershing for bonds sold under the agreement.

RATINGS

Moody’s has assigned its rating of “Aaa/VMIG1” to the Variable Rate Bonds and “Aaa” to the 2016 Series 1 Bonds other than the Variable Rate Bonds. Such ratings reflects only the views of Moody’s at the time the ratings were given, and the Commission makes no representation about the appropriateness of the ratings. An explanation of the significance of either rating may be obtained only from Moody’s. There is no assurance that such ratings will continue for any given time or that they 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 ratings may have an adverse effect on the market price of the 2016 Series 1 Bonds.

ABSENCE OF MATERIAL LITIGATION

There is no proceeding pending or threatened to restrain or enjoin the issuance or sale of the 2016 Series 1 Bonds, or in any way contesting or affecting the validity of the 2016 Series 1 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 2016 Series 1 Bonds or the existence or powers of the Commission insofar as they relate to the authorization, sale and issuance of the 2016 Series 1 Bonds or such pledge or application of money and securities.

CERTAIN LEGAL MATTERS

All legal matters in connection with the issuance of the 2016 Series 1 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. Foster Pepper PLLC, Spokane, Washington, in its capacity as the Commission’s disclosure counsel with respect to the 2016 Series 1 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.

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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds (including, in the case of Special Tax Counsel, Freddie Mac) and the Mortgage Loans, with respect to transactions other than the issuance of bonds of the Commission, and Special Tax 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 for various Series of Bonds. Wells Fargo Securities, one of the Underwriters, is an affiliate of the Trustee.

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 2016 Series 1 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 2016 Series 1 Bonds.

WASHINGTON STATE HOUSING FINANCE
COMMISSION

By: /s/ Karen Miller
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, between the Commission and the Trustee, and is qualified in its entirety by reference to the Amended and Restated General Trust Indenture. The Amended and Restated General Trust Indenture combines the terms of the prior General Trust Indenture dated as of May 1, 1995 and the seven supplemental indentures and updates other terms, including the ongoing disclosure requirements. The Amended and Restated General Trust Indenture is referred to in this Official Statement as the "General Indenture." For a description of certain other provisions of the General Indenture, see "THE 2016 SERIES 1 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 (1) 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 15th 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.

“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.

“Material Event” means any of the following events with respect to the Bonds issued or Remarketed after December 1, 2010: (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; and (xiv) Appointment of a successor or additional trustee or the change of a name of a trustee, if material. The Disclosure Agent will presume that the occurrence of any of the events in clauses (ii), (vi), (vii), (x), (xiii) and (xiv) 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* (HUD 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. While the Commission may permit Mortgage Lenders to issue GNMA Certificates under either GNMA program, proceeds of the Bonds are expected to be used to purchase GNMA Certificates under the Ginnie Mae I MBS Program.

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 \$25,000. 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 the 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 15th day of each month under the Ginnie Mae I MBS Program and by the 20th 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% (which may be reduced under GNMA’s Targeted Lending Initiative) divided by 12.

Under the GNMA program, the Servicer is responsible for servicing each pooled Mortgage Loans 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% (which fee may be increased under GNMA’s Targeted Lending Initiative).

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).

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 contains 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. Copies of Single-Family MBS Prospectuses and prospectus supplements are available at Fannie Mae's offices located at 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016. At the time of printing this Official Statement, these documents 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 25th day of each month (beginning with the month following the month such Fannie Mae Certificate is issued), or if such 25th day is not a Business Day, on the first business day next succeeding such 25th 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 Soldiers' and Sailors' Civil Relief Act of 1940, 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 delivered during 2016, Fannie Mae's conforming loan limit for conventional loans secured by first liens on single-unit residences in Washington State is \$417,000 in all counties other than San Juan (in which the limit is \$483,000) and King, Pierce and Snohomish (in each of which the limit is \$540,500). Fannie Mae's conforming loan limit for mortgage loans secured by subordinate liens on single-unit residences is 50% of the amount for first lien loans. In addition, the aggregate original principal balance of all the mortgage loans owned by Fannie Mae that are secured by the same residence cannot exceed the amount of the first lien conforming loan limit.

The maximum loan-to-value ratio for FHA-insured and VA-guaranteed mortgage loans Fannie Mae purchases is the maximum established by the FHA or VA for the particular program under which the mortgage was insured or guaranteed. The maximum loan-to-value ratio for HUD guaranteed "Section 184" mortgage loans and RHS guaranteed mortgage loans Fannie Mae purchases is 100%. 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. Copies of these documents can be obtained from Freddie Mac at 8200 Jones Branch Drive, McLean, Virginia 22102. 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.

Freddie Mac is required to pay principal to the holders of its fixed-rate mortgage participation certificates on the 15th of each month (or, if the 15th is not a business day, the next business day), beginning in the month after the 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 will accrue on each Freddie Mac 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 delivered during 2016, Freddie Mac’s conforming loan limit for a first lien conventional single-family mortgage for a one-family dwelling in Washington State is \$417,000 in all counties other than San Juan (in which the limit is \$483,000) and King, Pierce and Snohomish (in each of which the limit is \$540,500). The conforming loan limit for second-lien mortgages is 50 percent of the limit for first-lien mortgages on one-family dwellings. When Freddie Mac purchases both the first-lien and second-lien mortgage on the same property, the Freddie Mac Act provides that the total amount Freddie Mac may purchase may not exceed the applicable conforming loan limit.

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 will retain 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 2016 Series 1 Bonds, as nominee of DTC, references in the Official Statement to the Bondowners or Registered Owners of the 2016 Series 1 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2016 Series 1 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.

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. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Tender Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Tender Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Tender Agent's DTC account.

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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May __, 2016

Washington State Housing Finance Commission
Seattle, Washington

RBC Capital Markets, LLC
San Francisco, California

Moody's Investors Service
New York, New York

Wells Fargo Bank, National Association
Minneapolis, Minnesota

Re: Washington State Housing Finance Commission
Single-Family Program Bonds, 2016 Series 1A-R (AMT)
Single-Family Program Bonds, 2016 Series 1N (Non-AMT)
Single-Family Program Bonds, 2016 Series VR-1N (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, 2016 Series 1A-R (AMT) in the principal amount of \$30,500,000; the Single-Family Program Bonds, 2016 Series 1N (Non-AMT) in the principal amount of \$27,500,000; and the Single-Family Program Bonds, 2016 Series VR-1N (Non-AMT) in the principal amount of \$7,500,000 (collectively, the "2016 Series 1 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") to be originated pursuant to Mortgage Origination Agreements (the "Origination Agreements") among certain lending institutions doing business in the state of Washington, the Alabama Housing Finance Authority, doing business as ServiSolutions (the "Servicer"), and the Commission and to be serviced by the Servicer under an Amended and Restated Program Administration and Servicing Agreement dated as of April 23, 2015 (the "Servicing Agreement"), by and among the Commission, Servicer and Wells Fargo Bank, National Association (the "Trustee").

The 2016 Series 1 Bonds are issued under an Amended and Restated General Trust Indenture dated as of December 1, 2010, and the 2016 Series 1 Indenture, dated as of May 1, 2016, by and between the Commission and the Trustee (together, the "Indenture"). The issuance of the 2016 Series 1 Bonds has been authorized pursuant to Chapter 161, Laws of Washington, 1983, as amended, and Resolution No. 15-85 of the Commission adopted on June 25, 2015 (the "Resolution").

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

The 2016 Series 1 Bonds are dated May __, 2016 and pay interest semiannually on each June 1 and December 1, commencing December 1, 2016. The 2016 Series 1 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 2016 Series 1 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 Agreement, to issue and deliver the 2016 Series 1 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 Agreement, and the Indenture, the Origination Agreements and the Servicing Agreement constitute the legal, valid and binding obligations of the Commission enforceable in accordance with their terms.

3. The 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds. The 2016 Series 1 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 2016 Series 1 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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May __, 2016

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

Washington State Housing Finance Commission
Single-Family Program Bonds,
2016 Series 1A-R (AMT)
2016 Series 1N (Non-AMT)
2016 Series VR-1N (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 \$30,500,000 aggregate principal amount Single-Family Program Bonds, 2016 Series 1A-R (AMT) (the "2016 Series 1A Bonds"), the \$27,500,000 aggregate principal amount Single-Family Program Bonds, 2016 Series 1N (Non-AMT) (the "2016 Series 1N Bonds"), and the \$7,500,000 aggregate principal amount Single-Family Program Bonds, 2016 Series VR-1N (Non-AMT) (the "Variable Rate Bonds" and, collectively with the 2016 Series 1A Bonds and the 2016 Series 1N Bonds, the "2016 Series 1 Bonds"). The 2016 Series 1 Bonds will be issued pursuant to the Amended and Restated General Trust Indenture dated as of November 1, 2010 (the "General Indenture"), by and between the Washington State Housing Finance Commission (the "Commission") and Wells Fargo Bank, National Association, as trustee (the "Trustee"), and a Series Indenture dated as of May 1, 2016 (the "2016 Series 1 Indenture"), between the Commission and the Trustee, authorizing the issuance of the 2016 Series 1 Bonds. Capitalized terms not otherwise defined herein are used as defined in the General Indenture and the 2016 Series 1 Indenture.

In connection with the issuance of the 2016 Series 1 Bonds, we have examined the General Indenture and the 2016 Series 1 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 2016 Series 1 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 2016 Series 1 Bonds is excluded from gross income of the owners thereof for purposes of federal income taxation, (2) interest on the 2016 Series 1A Bonds is a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations by the Code and is included in adjusted current earnings for purposes of the alternative minimum tax imposed on corporations by the Code, and (3) interest on the 2016 Series 1N Bonds and the Variable Rate Bonds is neither a specific preference item nor included in adjusted current earnings 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 2016 Series 1 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 2016 Series 1 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 April 1, 2016

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
2005 2A & VR-2A	06/16/2005	AMT Serials	12/01/2006-06/01/2015	3.00-4.35%	\$ 3,685,000	\$ 0
	"	AMT PAC Term	12/01/2025	5.00%	2,485,000	0
	"	AMT Term	12/01/2035	4.75%	13,830,000	0
	"	AMT Term	06/01/2036	variable	10,000,000	7,845,000
					\$30,000,000	\$ 7,845,000
2006 6A	12/06/2006	AMT Serials	12/01/2007-12/01/2012	3.65-4.10%	\$ 4,140,000	\$ 0
	"	AMT Term	12/01/2016	4.30%	3,920,000	805,000
	"	AMT Term	12/01/2021	4.55%	6,630,000	0
	"	AMT Term	12/01/2027	4.70%	10,885,000	7,655,000
	"	AMT Term	12/01/2031	4.75%	5,000,000	1,430,000
	"	AMT PAC Term	12/01/2037	5.75%	16,500,000	0
	"	AMT Term	12/01/2037	4.80%	6,720,000	0
					\$53,795,000	\$ 9,890,000
2007 1A	02/08/2007	AMT Serials	06/01/2008-12/01/2012	3.65-4.15%	\$ 3,910,000	\$ 0
	"	AMT Term	12/01/2016	4.30%	3,765,000	735,000
	"	AMT Term	12/01/2021	4.60%	6,650,000	0
	"	AMT Term	12/01/2024	4.65%	5,005,000	3,245,000
	"	AMT Term	12/01/2031	4.75%	12,940,000	11,715,000
	"	AMT PAC Term	06/01/2038	5.50%	7,375,000	0
	"	AMT Term	06/01/2038	4.75%	14,845,000	0
						\$54,490,000
2007 2A	03/29/2007	AMT Serials	06/01/2008-12/01/2012	3.70-4.10%	\$ 1,965,000	\$ 0
	"	AMT Term	12/01/2016	4.30%	1,950,000	400,000
	"	AMT Term	12/01/2021	4.50%	5,230,000	0
	"	AMT Term	12/01/2027	4.60%	9,135,000	1,745,000
	"	AMT Term	12/01/2032	4.65%	10,325,000	4,480,000
	"	AMT Term	12/01/2038	4.70%	14,310,000	13,635,000
					\$55,000,000	\$ 32,345,000
2007 3A	05/17/2007	AMT Serials	06/01/2008-12/01/2012	3.70-4.05%	\$ 1,925,000	\$ 0
	"	AMT Term	12/01/2016	4.375%	1,945,000	395,000
	"	AMT Term	12/01/2022	4.75%	6,480,000	0
	"	AMT Term	12/01/2027	4.80%	7,780,000	1,165,000
	"	AMT Term	12/01/2032	4.85%	10,275,000	0
	"	AMT Term	12/01/2038	4.90%	14,425,000	0
					\$55,000,000	\$ 1,560,000

Series	Dated Date	Type	Maturity	Coupon	Original Par Amount	Outstanding Par Amount
2007 5A	10/25/2007	AMT Serials	06/01/2008-12/01/2014	3.70-4.25%	\$ 2,055,000	\$ 0
	"	AMT Term	12/01/2017	4.60%	1,260,000	0
	"	AMT Term	06/01/2022	5.00%	4,060,000	0
	"	AMT Term	12/01/2027	5.10%	7,095,000	0
	"	AMT Term	12/01/2037	5.25%	21,715,000	0
	"	AMT Term—6/1/2017*	12/01/2047	5.20%	13,815,000	13,755,000
					\$50,000,000	\$ 13,755,000
2008 1A & VR-1A	07/22/2008	AMT Serials	06/01/2016-12/01/2018	5.05-5.20%	\$ 195,000	\$ 0
	"	AMT Term	12/01/2018	4.75%	1,615,000	370,000
	"	AMT Term	12/01/2028	5.60%	3,960,000	0
	"	AMT Term	06/01/2038	5.75%	6,780,000	0
	"	AMT Term	06/01/2049	6.00%	7,450,000	0
	"	AMT Term	06/01/2039	Variable	15,000,000	6,070,000
					\$35,000,000	\$ 6,440,000
2008 2N & VR-2N	09/25/2008	Non-AMT Serials	06/01/2009-12/01/2018	1.95-4.40%	\$ 5,840,000	\$ 0
	"	Non-AMT Term	12/01/2023	4.95%	4,755,000	0
	"	Non-AMT Term	12/01/2028	5.20%	6,480,000	0
	"	Non-AMT Term	12/01/2033	5.45%	8,830,000	0
	"	Non-AMT Term	12/01/2034	5.50%	2,095,000	0
	"	Non-AMT Term	6/01/2048	Variable	13,000,000	4,700,000
					\$41,000,000	\$ 4,700,000
2009 1N & VR-1N	06/25/2009	Non-AMT Serials	06/01/2010-12/01/2019	1.10-4.25%	\$ 3,705,000	\$ 0
	"	Non-AMT Term	12/01/2025	5.00%	3,305,000	0
	"	Non-AMT Term	12/01/2029	5.20%	2,845,000	0
	"	Non-AMT Term	12/01/2034	5.50%	4,145,000	0
	"	Non-AMT Term	06/01/2039	Variable	6,000,000	6,000,000
					\$20,000,000	\$ 6,000,000
2009 2N	10/28/2009	Non-AMT Serials	06/01/2010-12/01/2020	0.65-3.70%	\$ 4,945,000	\$ 1,510,000
	"	Non-AMT Term	12/01/2025	4.20%	3,445,000	0
	"	Non-AMT Term	12/01/2029	4.50%	3,485,000	0
	"	Non-AMT Term	06/01/2036	4.70%	7,185,000	1,460,000
	"	Non-AMT PAC Term	06/01/2040	4.40%	5,760,000	1,590,000
					\$24,820,000	\$ 4,560,000

* The Series Indenture pursuant to which these Bonds were issued limit the Commission's ability to redeem such Bonds from money deposited in the Special Redemption Account prior to the dates indicated. See also Table F-6 in this Appendix F for additional information.

Series	Dated Date	Type	Maturity	Coupon	Original Par Amount	Outstanding Par Amount
2010 1A-R, 1N & 1N-R	11/30/2010	Refunding AMT Serials	06/01/2015-12/01/2021	2.70-4.20%	\$ 4,435,000	\$ 100,000
	"	Refunding AMT Term	06/01/2028	4.85%	10,230,000	0
	"	Refunding AMT PAC Term	06/01/2032	4.50%	8,050,000	3,590,000
	"	Non-AMT Term	12/01/2035	4.60%	5,000,000	4,830,000
	"	Refunding Non-AMT Serials	06/01/2011-12/01/2017	0.50-2.60%	7,460,000	2,005,000
					\$35,175,000	\$ 10,525,000
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	\$ 18,600,000
	"	Non-AMT Term	12/01/2028	3.20%	6,300,000	6,300,000
	"	Non-AMT Term	12/01/2033	3.50%	14,110,000	14,110,000
	"	Non-AMT Term	12/01/2037	3.80%	7,555,000	6,050,000
	"	Non-AMT PAC Term	06/01/2043	3.00%	11,380,000	6,950,000
	"	Refunding Non-AMT Serials	06/01/2015-12/01/2017	0.55-1.20%	1,740,000	495,000
					\$62,515,000	\$ 52,505,000
2014 1A-R, 1N & 1N-R	01/28/2014	Refunding AMT Serials	06/01/2014-06/01/2020	0.35-2.95%	\$ 5,515,000	\$ 3,665,000
	"	Refunding AMT Term	12/01/2025	4.00%	8,315,000	6,850,000
	"	Refunding AMT Term	06/01/2028	4.50%	2,935,000	570,000
	"	Non-AMT Serials	06/01/2023-12/01/2025	3.50-3.85%	5,475,000	5,475,000
	"	Non-AMT Term	12/01/2028	4.125%	4,995,000	3,035,000
	"	Non-AMT PAC Term	06/01/2037	3.00%	8,345,000	5,950,000
	"	Refunding Non-AMT Serials	12/01/2015-12/01/2017	0.65-1.35%	1,120,000	845,000
					\$36,700,000	\$ 26,390,000
2014 2A-R, 2N & 2N-R	12/18/2014	Refunding AMT Serials	12/01/2015-06/01/2024	0.35-3.25%	\$12,875,000	\$ 12,395,000
	"	Refunding AMT PAC Term	06/01/2044	3.50%	14,860,000	12,765,000
	"	Non-AMT Serials	06/01/2024-12/01/2025	2.95-3.05%	3,365,000	3,365,000
	"	Non-AMT Term	12/01/2029	3.40%	8,815,000	8,815,000
	"	Non-AMT Term	12/01/2033	3.70%	9,620,000	6,950,000
	"	Refunding Non-AMT Serials	6/01/2015-12/01/2015	0.25-0.30%	980,000	0
					\$50,515,000	\$ 44,290,000
2015 1A-R & 1N	12/10/2015	Refunding AMT Serials	06/01/2016-06/01/2026	0.50-3.25%	\$16,330,000	\$ 16,330,000
	"	Refunding AMT Term	12/01/2019	1.50%	3,915,000	3,915,000
	"	Refunding AMT PAC Term	06/01/2038	3.50%	18,600,000	18,600,000
	"	Non-AMT Term	12/01/2030	3.45%	12,130,000	12,130,000
	"	Non-AMT Term	12/01/2034	3.70%	12,870,000	12,870,000
					\$63,845,000	\$ 63,845,000
					\$667,855,000	\$ 300,345,000

Total Outstanding Long-Term Bonds (including variable rate Bonds):

Table F-2
Washington State Housing Finance Commission Single-Family Program Bonds
Historical Cross-Calls of Bonds
(As of April 1, 2016)

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

Date	Series Called	Amount Called	Cumulative Total
12/1/98	1997 Series 2T	\$ 1,585,000	\$ 1,585,000
6/1/99	1997 Series 2T	2,090,000	3,675,000
12/1/99	1997 Series 2T	1,325,000	5,000,000
6/1/00	1997 Series 2T	785,000	5,785,000
12/1/00	1995 Series 1A-2	2,645,000	8,430,000
6/1/01	2000 Series 1A	1,970,000	10,400,000
12/1/01	2000 Series 2T	8,295,000	18,695,000
6/1/02	2000 Series 1T, 2T & 3T	11,040,000	29,735,000
12/1/02	1996 Series 1A-1; 2000 Series 1A	17,985,000	47,720,000
6/1/03	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
12/1/03	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
6/1/04	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
12/1/04	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
6/1/05	1997 Series 4A; 1998 Series 4A; 1999 Series 2A; 2001 Series 2A, 4A & 5A; 2002 Series 1A & 2A	33,631,290	227,536,290
12/1/05	2000 Series 1A & 3A; 2001 Series 2A & 5A; 2002 Series 1A	22,955,000	250,491,290
6/1/06	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
12/1/06	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
6/1/07	1997 Series 3A & 4T; 2000 Series 2A; 2001 Series 3N-R	1,380,000	291,967,369
6/1/09	2008 Series VR-1A	150,000	292,117,369
12/1/09	1999 Series 4A & 5A; 2008 Series 1A, VR-1A & VR-2N	23,735,000	315,852,369
4/1/10	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
6/1/10	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
10/1/10	1998 Series 1A & 3N; 1999 Series 2A; 2002 Series 5A; 2007 Series 5A; 2009 Series 1N	30,305,000	390,727,369
12/1/10	2003 Series 2A; 2007 Series 4T & 5A; 2008 Series 2N	12,000,000	402,727,369
3/1/11	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
6/1/11	2007 Series 4T; 2008 Series VR-1A & VR-2N	1,560,000	425,942,369
9/1/11	2001 Series 5A; 2002 Series 5A; 2004 Series 2A	5,315,000	431,257,369
12/1/11	2004 Series 2A & 3A; 2006 Series 4A; 2008 Series VR-1A & VR-2N	24,145,000	455,402,369
2/1/12	2004 Series 3A; 2006 Series 4A; 2007 Series 5A	12,240,000	467,642,369
6/1/12	2004 Series 3A; 2005 Series 1A; 2006 Series 4A; 2008 Series VR-1A & VR-2N	20,150,000	487,792,369
6/15/12	2006 Series 4A	1,620,000	489,412,369
9/1/12	2002 Series 4A; 2004 Series 3A; 2005 Series 5A; 2006 Series 4A; 2007 Series 5A	24,560,000	513,972,369
12/1/12	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
3/1/13	2006 Series 2A, 3A & 4A; 2008 Series 2N	27,160,000	584,687,369
6/1/13	2006 Series 1A, 2A, 3A & 5A; 2007 Series 3A; 2008 Series VR-1A & VR 2N	37,465,000	622,152,369
12/1/13	2004 Series 4A & 4N; 2005 Series 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
3/1/14	2006 Series 5A & 6A; 2007 Series 1A, 2A, 3A & 4A; 2009 Series 2N; 2010 Series 1A-R	18,880,000	698,382,369

Date	Series Called	Amount Called	Cumulative Total
6/1/14	2005 Series 3A & 4A; 2006 Series 1A; 2007 Series 4T; 2008 Series VR 1A & VR 2N	\$7,325,000	\$705,707,369
9/1/14	2005 Series 4A; 2006 Series 2A; 2007 Series 1A & 3A; 2009 Series 2N Bonds	7,795,000	713,502,369
12/1/14	2006 Series 6A; 2007 Series 1A, 3A, 4A & 4T; 2008 Series VR 1A & VR 2N	12,725,000	726,227,369
3/1/15	2007 Series 3A & 4A; 2010 Series 1A	11,665,000	737,892,369
6/1/15	2006 Series 6A; 2007 Series 1A, 3A, 4A & 4T; 2008 Series VR 1A & VR 2N; 2010 Series 1A; 2014 Series 1N	12,707,146	750,599,515
9/1/15	2007 Series 3A & 4A	7,720,000	758,319,515
12/1/15	2007 Series 2A; 2008 Series VR-1A & VR-2N; 2009 Series 2N; 2010 Series 1A-R	15,785,000	774,104,515
3/1/16	2009 Series 2N; 2014 Series 1A-R & 1N	7,905,000	782,009,515

Table F-3
Washington State Housing Finance Commission Single-Family Program Bonds
Historical Usage of Bond Proceeds
(as of April 1, 2016)

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 (1)	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

(1) 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 (1)	Initial 30-Year Standard Mortgage Loan Interest Rates	Proceeds Used to Purchase Eligible Collateral		Unexpended Proceeds Redemptions
					Amount	Percent	
2007 Series 4	07-4	06/20/2007	\$54,995,133	5.50 to 6.0%	\$54,993,112	100.0%	\$0
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
Totals			<u>\$1,938,970,265</u>		<u>\$1,916,723,252</u>	<u>98.9%</u>	<u>\$22,072,656</u>

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

Table F-4
Washington State Housing Finance Commission Single-Family Program Bonds, 2016 Series 1
Allocation to Principal Receipts Subaccounts*

From Date	To Date	2016 Series 1 Restricted Principal Receipts Subaccount	2016 Series 1 Unrestricted Principal Receipts Subaccount
<u>Principal Receipts allocable to the 2016 Series 1N Bonds and Variable Rate Bonds:</u>			
May 26, 2016	May 25, 2026	0.00000%	100.00000%
May 26, 2026	Final Maturity	100.00000%	0.00000%
<u>Principal Receipts allocable to the 2016 Series 1A Bonds:</u>			
May 26, 2016	December 5, 2016	95.31156%	4.68844%
December 6, 2016	February 7, 2017	97.97933%	2.02067%
February 8, 2017	Final Maturity	100.00000%	0.00000%

* Assumes the so-called "10-Year Rule" set forth in Section 143(a)(2)(A)(iv) of the Code is not repealed while the 2016 Series 1 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 April 1, 2016; reflecting March 2016 factors)¹

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FHLMC	B31765	5.250	321,537	191,974	5/1/2036
FHLMC	B31906	5.000	181,733	151,236	5/1/2036
FHLMC	B31800	5.125	309,927	87,607	6/1/2036
FHLMC	B31804	4.750	494,422	210,132	6/1/2036
FHLMC	B31903	5.375	166,762	138,589	6/1/2036
FHLMC	A54719	4.875	1,952,727	92,352	7/1/2036
FHLMC	A54720	5.375	1,854,727	230,493	7/1/2036
FHLMC	B31766	5.375	569,189	229,204	7/1/2036
FHLMC	B31767	5.125	415,555	149,796	7/1/2036
FHLMC	B31770	5.375	814,918	237,735	7/1/2036
FHLMC	B31777	4.750	490,300	281,711	7/1/2036
FHLMC	B31782	5.375	494,471	48,186	7/1/2036
FHLMC	B31786	5.125	334,082	112,235	7/1/2036
FHLMC	A54744	4.875	1,305,897	163,734	8/1/2036
FHLMC	A54745	5.125	1,843,636	227,448	8/1/2036
FHLMC	A54746	5.375	2,403,719	118,462	8/1/2036
FHLMC	A54850	5.125	1,334,632	164,037	8/1/2036
FHLMC	A54851	5.375	2,779,675	322,367	8/1/2036
FHLMC	B31779	4.750	698,031	148,405	8/1/2036
FHLMC	B31781	5.125	717,861	280,654	8/1/2036
FHLMC	B31789	5.125	700,678	191,250	8/1/2036
FHLMC	B31795	5.375	317,938	74,478	8/1/2036
FHLMC	B31801	4.875	358,173	75,638	8/1/2036
FHLMC	B31816	5.375	661,752	91,888	8/1/2036
FHLMC	A54852	5.375	2,393,252	402,368	9/1/2036
FHLMC	A60981	4.875	1,954,034	57,834	9/1/2036
FHLMC	A61140	4.875	1,628,299	215,047	9/1/2036
FHLMC	B31788	4.875	572,414	261,684	9/1/2036
FHLMC	B31791	5.375	883,009	64,073	9/1/2036
FHLMC	B31825	5.000	490,225	27,031	9/1/2036
FHLMC	B31818	5.125	596,196	60,003	9/1/2036
FHLMC	B31821	4.875	480,587	107,079	9/1/2036
FHLMC	B31878	5.375	625,084	192,593	9/1/2036
FHLMC	B31905	5.625	245,291	209,027	9/1/2036
FHLMC	A61046	5.125	2,024,467	168,776	10/1/2036
FHLMC	A61048	5.125	1,700,051	527,676	10/1/2036
FHLMC	A61049	5.375	1,255,500	348,181	10/1/2036
FHLMC	A61075	5.125	1,240,168	237,088	10/1/2036

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

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FHLMC	A61076	5.375	1,489,265	162,881	10/1/2036
FHLMC	A61123	5.125	1,305,099	207,668	10/1/2036
FHLMC	A61142	5.375	1,198,859	104,135	10/1/2036
FHLMC	A61369	5.625	1,134,485	22,495	10/1/2036
FHLMC	B31831	5.375	270,754	121,361	10/1/2036
FHLMC	B31817	5.625	692,550	96,246	10/1/2036
FHLMC	B31835	5.125	406,518	219,771	10/1/2036
FHLMC	B31837	5.625	572,690	275,390	10/1/2036
FHLMC	B31839	4.875	362,849	19,407	10/1/2036
FHLMC	A61120	5.125	2,251,916	308,586	11/1/2036
FHLMC	A61121	5.375	2,421,636	177,791	11/1/2036
FHLMC	A61122	5.625	2,181,947	189,708	11/1/2036
FHLMC	A61138	5.125	1,963,952	220,232	11/1/2036
FHLMC	A61139	5.375	1,136,252	126,232	11/1/2036
FHLMC	A61141	5.125	1,376,627	151,608	11/1/2036
FHLMC	B31832	5.625	1,595,402	387,284	11/1/2036
FHLMC	B31833	5.625	379,630	129,706	11/1/2036
FHLMC	B31824	5.625	688,671	198,459	11/1/2036
FHLMC	B31836	5.125	494,455	154,101	11/1/2036
FHLMC	B31870	5.375	765,029	137,480	11/1/2036
FHLMC	B31901	4.875	341,646	79,694	11/1/2036
FHLMC	B31909	5.125	79,110	66,949	11/1/2036
FHLMC	A61201	5.375	1,687,391	88,996	11/1/2036
FHLMC	A61204	4.875	2,404,225	536,677	12/1/2036
FHLMC	A61225	5.125	1,594,422	615,366	12/1/2036
FHLMC	A61226	5.375	1,045,117	84,906	12/1/2036
FHLMC	A61296	4.875	2,085,180	476,475	12/1/2036
FHLMC	A61404	5.125	1,324,846	253,099	12/1/2036
FHLMC	B31833	5.375	968,436	169,380	12/1/2036
FHLMC	B31851	5.375	654,810	222,560	12/1/2036
FHLMC	B31902	5.125	390,155	167,734	12/1/2036
FHLMC	A61297	5.125	1,387,272	254,938	1/1/2037
FHLMC	A61367	5.125	2,013,910	122,954	1/1/2037
FHLMC	B31864	5.375	617,820	174,583	1/1/2037
FHLMC	B31884	4.875	783,964	225,794	1/1/2037
FHLMC	B31862	4.875	578,220	161,731	2/1/2037
FHLMC	B31863	5.375	743,339	138,391	2/1/2037
FHLMC	B31908	4.875	312,535	255,775	3/1/2037
FHLMC	B32090	5.000	148,577	122,760	5/1/2037
FHLMC	A70425	5.000	1,206,020	544,278	9/1/2037
FHLMC	B32074	5.250	479,576	125,023	9/1/2037
FHLMC	B32089	5.000	106,528	91,815	9/1/2037
FHLMC	B32085	5.500	594,994	282,089	10/1/2037
FHLMC	B32086	5.250	836,347	111,326	10/1/2037
FHLMC	B32071	5.500	290,460	40,002	10/1/2037
FHLMC	B32072	5.250	574,347	428,601	10/1/2037
FHLMC	B32075	6.250	481,734	116,896	10/1/2037

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	A70432	5.75	1,886,326	159,881	11/1/2037	FNMA	419653	6.05	1,552,767	49,994	2/1/2028
FHLMC	A80340	5.00	2,367,688	1,405,447	11/1/2037	FNMA	419654	6.05	1,554,231	28,236	5/1/2028
FHLMC	B32082	6.00	866,028	149,406	11/1/2037	FNMA	435076	5.75	1,526,269	48,362	5/1/2028
FHLMC	B32079	6.25	948,938	251,148	11/1/2037	FNMA	442540	5.75	1,263,273	59,602	7/1/2028
FHLMC	B32080	5.75	934,060	141,726	11/1/2037	FNMA	442541	5.75	579,029	54,062	7/1/2028
FHLMC	B32113	5.50	568,606	102,109	1/1/2038	FNMA	445319	5.85	334,376	37,971	8/1/2028
FHLMC	U32519	4.25	65,351	14,644	11/1/2041	FNMA	435078	5.75	475,996	63,160	9/1/2028
			91,667,483	18,491,766			445315	5.85	2,724,790	80,305	9/1/2028
FNMA	161919	7.320	1,453,097	18,485	6/1/2022	FNMA	865783	4.300	139,045	34,729	9/1/2028
FNMA	186823	7.320	1,942,151	26,909	11/1/2022	FNMA	445316	5.850	1,171,564	38,305	10/1/2028
FNMA	229227	6.050	1,840,858	27,552	9/1/2023	FNMA	445317	5.750	435,017	29,929	10/1/2028
FNMA	242616	6.100	1,876,056	47,920	10/1/2023	FNMA	453225	5.750	540,484	106,339	10/1/2028
FNMA	264639	6.050	1,649,850	35,942	12/1/2023	FNMA	453226	5.750	1,049,620	76,336	11/1/2028
FNMA	264703	5.800	690,026	12,924	4/1/2024	FNMA	453227	5.750	1,012,939	40,920	1/1/2029
FNMA	282194	6.325	1,795,665	73,650	6/1/2024	FNMA	453229	5.750	727,540	71,863	2/1/2029
FNMA	282197	6.325	951,906	30,509	6/1/2024	FNMA	453230	5.490	1,123,358	74,700	2/1/2029
FNMA	282198	7.050	954,359	20,359	6/1/2024	FNMA	453232	5.750	327,913	62,602	2/1/2029
FNMA	282206	6.325	1,000,696	10,361	6/1/2024	FNMA	514474	5.490	177,005	33,759	2/1/2029
FNMA	282212	6.325	792,160	23,523	8/1/2024	FNMA	453233	5.750	99,325	51,925	3/1/2029
FNMA	282225	7.000	2,084,660	24,747	9/1/2024	FNMA	500132	5.490	1,986,704	33,068	4/1/2029
FNMA	282241	6.700	742,939	1,914	1/1/2025	FNMA	514473	5.490	379,536	47,478	4/1/2029
FNMA	282235	6.700	2,209,078	18,902	1/1/2025	FNMA	506188	5.450	2,258,547	68,937	6/1/2029
FNMA	282192	7.325	1,853,788	49,569	5/1/2025	FNMA	516171	5.550	2,169,213	11,700	7/1/2029
FNMA	315528	6.850	1,138,038	62,878	6/1/2025	FNMA	506190	5.450	504,602	43,306	8/1/2029
FNMA	315537	6.850	2,820,969	36,523	7/1/2025	FNMA	523657	6.250	2,705,116	91,535	10/1/2029
FNMA	315558	6.580	1,362,565	48,297	9/1/2025	FNMA	523658	6.250	514,929	23,079	10/1/2029
FNMA	315565	6.580	1,596,982	89,287	10/1/2025	FNMA	523662	6.250	405,787	91,672	11/1/2029
FNMA	329875	6.580	831,648	14,837	10/1/2025	FNMA	524130	6.450	2,779,152	64,751	11/1/2029
FNMA	329888	6.580	1,164,493	19,226	11/1/2025	FNMA	524131	6.450	1,125,455	97,923	12/1/2029
FNMA	329903	6.850	522,450	18,699	11/1/2025	FNMA	534425	6.490	2,715,814	121,290	2/1/2030
FNMA	339644	6.550	461,088	28,641	2/1/2026	FNMA	534426	6.490	790,362	43,519	2/1/2030
FNMA	339653	6.300	820,862	37,682	5/1/2026	FNMA	524136	6.450	916,364	74,232	5/1/2030
FNMA	354281	6.350	1,538,180	124,664	8/1/2026	FNMA	543339	6.950	1,552,805	68,016	5/1/2030
FNMA	359924	6.700	2,957,084	45,001	9/1/2026	FNMA	534432	6.490	391,118	60,884	6/1/2030
FNMA	354282	6.350	930,341	25,795	11/1/2026	FNMA	524137	6.450	513,871	28,724	7/1/2030
FNMA	359925	6.700	3,562,692	59,421	11/1/2026	FNMA	546513	6.950	411,164	19,536	7/1/2030
FNMA	359926	6.700	2,062,991	20,322	12/1/2026	FNMA	558234	7.050	441,366	19,729	8/1/2030
FNMA	374369	6.700	2,396,986	22,890	1/1/2027	FNMA	546518	7.050	482,217	45,636	9/1/2030
FNMA	377900	6.600	1,468,405	54,967	4/1/2027	FNMA	558236	7.050	325,767	57,018	9/1/2030
FNMA	868643	4.800	69,585	45,772	5/1/2027	FNMA	558238	7.050	393,658	21,901	10/1/2030
FNMA	377902	6.600	2,007,591	51,969	7/1/2027	FNMA	558239	7.050	393,484	44,576	10/1/2030
FNMA	397385	6.700	1,622,080	28,041	7/1/2027	FNMA	558241	7.050	735,636	39,101	11/1/2030
FNMA	397386	6.700	1,040,859	46,212	8/1/2027	FNMA	558243	7.050	1,940,853	98,674	12/1/2030
FNMA	397387	6.700	2,674,821	40,932	9/1/2027	FNMA	575956	7.050	838,279	123,845	1/1/2031
FNMA	397388	6.700	570,722	99,298	11/1/2027	FNMA	575957	6.750	530,685	27,235	1/1/2031
FNMA	419287	6.150	2,271,370	22,112	1/1/2028	FNMA	575954	6.450	886,782	62,450	2/1/2031

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	575961	6.450	771,833	61,703	4/1/2031	FNMA	740643	4.490	737,820	240,599	9/1/2033
FNMA	606331	5.650	1,374,370	116,123	8/1/2031	FNMA	868855	4.350	20,854	10,302	9/1/2033
FNMA	606332	5.490	2,358,682	303,621	8/1/2031	FNMA	740645	4.490	855,935	345,245	10/1/2033
FNMA	606335	5.490	856,208	107,361	9/1/2031	FNMA	740647	4.490	1,266,526	406,175	10/1/2033
FNMA	606333	6.450	1,045,394	78,894	10/1/2031	FNMA	740648	4.490	492,044	104,895	10/1/2033
FNMA	613274	5.800	380,650	31,277	10/1/2031	FNMA	768421	4.490	189,640	132,263	10/1/2033
FNMA	613275	5.800	1,443,516	94,302	10/1/2031	FNMA	740646	4.750	893,049	135,224	12/1/2033
FNMA	613277	5.490	944,503	77,787	11/1/2031	FNMA	740649	4.750	1,693,265	330,510	12/1/2033
FNMA	613278	5.650	869,657	166,571	11/1/2031	FNMA	768418	4.490	228,364	101,672	12/1/2033
FNMA	613280	5.490	745,095	194,954	11/1/2031	FNMA	768422	4.600	598,532	133,221	1/1/2034
FNMA	629707	5.490	621,765	98,269	12/1/2031	FNMA	768423	4.750	1,145,674	75,896	1/1/2034
FNMA	629699	5.800	1,171,683	147,217	12/1/2031	FNMA	768420	4.600	895,838	286,107	2/1/2034
FNMA	629700	5.650	1,051,186	100,808	2/1/2032	FNMA	768424	4.750	426,126	246,423	2/1/2034
FNMA	629702	5.490	1,203,650	209,963	2/1/2032	FNMA	768425	4.600	574,508	253,720	4/1/2034
FNMA	647966	5.490	355,564	94,206	2/1/2032	FNMA	768427	4.350	351,531	94,029	4/1/2034
FNMA	629704	5.490	1,063,604	49,061	3/1/2032	FNMA	797269	4.350	91,161	65,363	5/1/2034
FNMA	629706	5.000	445,688	36,844	4/1/2032	FNMA	797270	4.750	99,502	74,773	5/1/2034
FNMA	647971	5.490	110,877	46,026	5/1/2032	FNMA	788815	4.600	286,899	68,363	6/1/2034
FNMA	647964	5.800	370,325	61,877	5/1/2032	FNMA	788816	4.350	2,030,620	897,739	7/1/2034
FNMA	647968	5.750	1,430,864	183,568	5/1/2032	FNMA	788817	4.550	1,411,716	529,810	7/1/2034
FNMA	647967	5.650	102,113	42,496	6/1/2032	FNMA	788818	4.750	1,598,067	308,481	7/1/2034
FNMA	647969	5.750	597,623	29,650	7/1/2032	FNMA	788820	4.800	475,252	24,561	7/1/2034
FNMA	689804	5.750	25,734	17,950	7/1/2032	FNMA	788821	5.000	1,337,345	191,187	7/1/2034
FNMA	656961	5.750	613,471	60,132	8/1/2032	FNMA	788822	4.600	644,287	101,219	7/1/2034
FNMA	656957	5.490	364,324	64,807	8/1/2032	FNMA	797267	4.550	514,633	228,052	7/1/2034
FNMA	673798	5.750	108,171	26,667	8/1/2032	FNMA	768430	4.350	74,800	6,408	8/1/2034
FNMA	656962	5.750	903,791	55,897	9/1/2032	FNMA	788819	4.600	1,072,064	184,862	8/1/2034
FNMA	656963	5.490	275,572	126,482	9/1/2032	FNMA	797254	4.350	609,302	242,851	8/1/2034
FNMA	673801	5.750	284,188	35,440	9/1/2032	FNMA	797268	4.600	512,016	178,941	9/1/2034
FNMA	656965	5.250	600,114	34,415	10/1/2032	FNMA	797251	4.600	1,156,706	358,971	9/1/2034
FNMA	673799	5.250	369,441	76,390	10/1/2032	FNMA	797252	4.800	2,164,184	460,576	9/1/2034
FNMA	673796	5.000	527,896	155,419	11/1/2032	FNMA	797253	5.000	2,193,226	488,200	9/1/2034
FNMA	673802	5.000	428,802	137,054	12/1/2032	FNMA	797257	4.800	247,562	193,984	9/1/2034
FNMA	689812	5.250	223,729	101,094	12/1/2032	FNMA	810273	4.600	873,414	245,260	9/1/2034
FNMA	673803	5.000	937,619	44,439	1/1/2033	FNMA	810275	5.000	762,501	94,129	9/1/2034
FNMA	673804	5.000	566,270	112,335	1/1/2033	FNMA	797261	5.100	566,651	116,636	10/1/2034
FNMA	689803	5.490	207,437	151,197	1/1/2033	FNMA	797262	4.900	1,027,424	98,415	10/1/2034
FNMA	689805	5.000	357,316	146,516	1/1/2033	FNMA	797266	5.100	1,108,621	240,298	11/1/2034
FNMA	689806	4.750	412,943	141,840	2/1/2033	FNMA	797264	4.700	912,524	82,504	11/1/2034
FNMA	689809	5.000	464,155	55,495	4/1/2033	FNMA	810272	4.350	407,422	111,178	11/1/2034
FNMA	721733	4.750	749,880	189,550	4/1/2033	FNMA	810274	4.800	715,178	192,276	11/1/2034
FNMA	740642	4.750	386,356	158,142	5/1/2033	FNMA	807312	4.700	621,526	144,722	12/1/2034
FNMA	721734	4.750	1,271,524	317,609	5/1/2033	FNMA	807313	4.900	1,120,120	83,722	12/1/2034
FNMA	721735	4.600	891,704	240,279	7/1/2033	FNMA	807314	5.100	1,689,072	152,373	12/1/2034
FNMA	740644	4.600	848,134	288,470	7/1/2033	FNMA	810276	4.700	486,806	47,205	12/1/2034
FNMA	740651	4.600	351,875	56,621	7/1/2033	FNMA	810277	4.900	950,016	57,890	12/1/2034
							824141	4.750	57,693	45,859	12/1/2034

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	810279	4.500	922,428	81,732	1/1/2035	FNMA	832662	4.450	1,661,610	544,970	8/1/2035
FNMA	810280	4.750	348,499	141,184	1/1/2035	FNMA	832664	4.950	596,812	142,683	8/1/2035
FNMA	810281	5.000	564,718	255,531	1/1/2035	FNMA	833132	4.700	401,284	90,561	8/1/2035
FNMA	818969	4.500	447,806	138,658	1/1/2035	FNMA	836035	4.950	556,884	152,009	8/1/2035
FNMA	820530	4.700	295,780	83,935	1/1/2035	FNMA	836247	4.450	467,289	271,642	8/1/2035
FNMA	810282	5.000	472,561	132,391	2/1/2035	FNMA	836251	4.700	607,045	87,918	8/1/2035
FNMA	818970	4.900	271,413	121,695	2/1/2035	FNMA	844262	4.950	36,029	28,704	8/1/2035
FNMA	818971	4.500	418,541	46,010	2/1/2035	FNMA	848616	4.450	194,786	156,063	8/1/2035
FNMA	820523	4.350	309,617	83,978	2/1/2035	FNMA	833133	4.950	301,204	40,539	9/1/2035
FNMA	818972	4.700	244,404	20,312	3/1/2035	FNMA	836246	4.450	779,898	356,424	9/1/2035
FNMA	818974	4.750	311,376	116,461	3/1/2035	FNMA	836475	4.950	393,721	92,622	9/1/2035
FNMA	818976	4.850	662,300	135,704	3/1/2035	FNMA	836478	4.700	416,009	235,398	9/1/2035
FNMA	820524	4.500	283,300	169,673	3/1/2035	FNMA	836479	4.450	689,673	133,162	9/1/2035
FNMA	824133	4.500	312,568	89,158	3/1/2035	FNMA	836722	4.700	264,143	96,598	9/1/2035
FNMA	865895	4.300	150,310	115,736	3/1/2035	FNMA	837948	4.450	78,702	9,018	9/1/2035
FNMA	821422	4.550	333,082	91,377	4/1/2035	FNMA	844365	4.450	284,757	103,447	9/1/2035
FNMA	824137	4.850	201,241	37,611	4/1/2035	FNMA	844366	4.450	217,578	94,521	9/1/2035
FNMA	824138	4.600	89,266	69,006	4/1/2035	FNMA	844369	4.950	123,875	88,379	9/1/2035
FNMA	824140	4.850	57,370	46,015	4/1/2035	FNMA	844373	4.450	80,803	64,811	9/1/2035
FNMA	821421	4.300	641,470	211,466	5/1/2035	FNMA	844378	4.450	673,503	45,291	9/1/2035
FNMA	821875	4.800	463,930	129,132	5/1/2035	FNMA	865892	4.450	102,419	82,455	9/1/2035
FNMA	821876	4.300	757,831	350,066	5/1/2035	FNMA	865355	4.700	142,532	115,438	9/1/2035
FNMA	824139	4.350	166,723	131,444	5/1/2035	FNMA	868885	4.750	96,151	78,149	9/1/2035
FNMA	824135	4.350	268,853	106,892	5/1/2035	FNMA	836477	4.950	929,203	125,667	10/1/2035
FNMA	825991	4.800	471,914	99,544	5/1/2035	FNMA	844379	4.700	728,640	222,696	10/1/2035
FNMA	837944	4.350	82,620	64,938	5/1/2035	FNMA	844380	4.950	568,399	82,930	10/1/2035
FNMA	837947	4.600	72,640	53,657	5/1/2035	FNMA	844382	5.000	689,272	84,268	10/1/2035
FNMA	868639	4.800	684,117	201,164	5/1/2035	FNMA	844597	5.150	372,103	106,267	10/1/2035
FNMA	825992	4.300	660,675	184,529	6/1/2035	FNMA	849154	5.250	164,148	83,227	10/1/2035
FNMA	826325	4.300	422,021	49,712	6/1/2035	FNMA	849320	4.450	135,499	107,421	10/1/2035
FNMA	826327	4.300	319,296	51,692	6/1/2035	FNMA	849331	4.650	50,820	41,078	10/1/2035
FNMA	832452	4.550	359,036	112,178	6/1/2035	FNMA	849332	4.450	168,382	75,775	10/1/2035
FNMA	865782	4.300	530,705	295,056	6/1/2035	FNMA	865354	4.950	409,662	176,350	10/1/2035
FNMA	865893	4.550	170,337	20,143	6/1/2035	FNMA	868523	4.450	353,252	119,476	10/1/2035
FNMA	868633	4.450	80,101	64,313	6/1/2035	FNMA	886246	4.700	96,960	78,661	10/1/2035
FNMA	868636	4.950	150,460	122,632	6/1/2035	FNMA	844375	4.650	459,196	103,416	11/1/2035
FNMA	868892	4.950	209,204	85,131	6/1/2035	FNMA	844376	4.900	380,454	68,468	11/1/2035
FNMA	824386	4.350	268,570	65,213	7/1/2035	FNMA	844599	4.900	267,300	54,638	11/1/2035
FNMA	826326	4.800	230,588	121,319	7/1/2035	FNMA	844677	4.900	641,774	132,669	11/1/2035
FNMA	826720	4.800	369,953	99,969	7/1/2035	FNMA	844680	4.450	368,175	73,445	11/1/2035
FNMA	832663	4.700	710,601	392,633	7/1/2035	FNMA	848383	4.750	296,274	68,348	11/1/2035
FNMA	832666	4.450	353,370	276,606	7/1/2035	FNMA	848385	4.650	454,235	145,340	11/1/2035
FNMA	832819	4.700	571,134	162,678	7/1/2035	FNMA	848386	4.900	511,825	95,354	11/1/2035
FNMA	833135	4.450	570,508	171,052	7/1/2035	FNMA	848849	4.900	654,079	41,947	11/1/2035
FNMA	844370	4.450	124,051	99,232	7/1/2035	FNMA	849335	4.650	94,777	76,819	11/1/2035
FNMA	865776	4.450	157,721	68,754	7/1/2035	FNMA	865889	4.950	83,720	67,600	11/1/2035
FNMA	868893	4.950	159,716	122,895	7/1/2035	FNMA	865360	4.900	68,446	55,934	11/1/2035

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Maturity Date	Original Par Amount (\$)	Par Amount Outstanding (\$)	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Maturity Date	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FNMA	865997	4.90	11/1/2035	FNMA	872610	4.75	5/1/2036	189,146	153,806	FNMA	872610	4.75	5/1/2036	525,146	275,018	5/1/2036
FNMA	848619	5.15	12/1/2035	FNMA	872605	5.25	5/1/2036	620,420	45,792	FNMA	872605	5.25	5/1/2036	580,181	229,155	5/1/2036
FNMA	848852	4.65	12/1/2035	FNMA	872684	5.25	5/1/2036	807,691	326,988	FNMA	872684	5.25	5/1/2036	615,903	357,698	5/1/2036
FNMA	849150	4.65	12/1/2035	FNMA	872687	5.00	5/1/2036	396,108	193,887	FNMA	872687	5.00	5/1/2036	581,516	155,817	5/1/2036
FNMA	849325	5.00	12/1/2035	FNMA	872872	4.75	5/1/2036	637,601	120,325	FNMA	872872	4.75	5/1/2036	109,374	88,395	5/1/2036
FNMA	865773	4.45	12/1/2035	FNMA	883186	5.25	5/1/2036	999,622	49,567	FNMA	883186	5.25	5/1/2036	1,616,210	196,862	5/1/2036
FNMA	865890	4.90	12/1/2035	FNMA	883192	5.00	5/1/2036	119,507	97,892	FNMA	883192	5.00	5/1/2036	369,252	54,159	6/1/2036
FNMA	865894	4.75	12/1/2035	FNMA	883184	4.75	5/1/2036	92,686	75,185	FNMA	883184	4.75	5/1/2036	1,119,403	347,843	6/1/2036
FNMA	865349	5.15	12/1/2035	FNMA	883301	4.75	5/1/2036	300,041	127,573	FNMA	883301	4.75	5/1/2036	536,163	92,920	6/1/2036
FNMA	865361	5.15	12/1/2035	FNMA	883302	5.00	5/1/2036	562,328	204,475	FNMA	883302	5.00	5/1/2036	628,727	78,558	6/1/2036
FNMA	865365	5.00	12/1/2035	FNMA	886228	5.00	5/1/2036	307,348	74,348	FNMA	886228	5.00	5/1/2036	69,923	58,138	6/1/2036
FNMA	865998	5.00	12/1/2035	FNMA	886229	5.25	5/1/2036	187,379	154,102	FNMA	886229	5.25	5/1/2036	82,395	67,321	6/1/2036
FNMA	868632	5.25	12/1/2035	FNMA	886235	5.125	5/1/2036	149,428	121,855	FNMA	886235	5.125	5/1/2036	308,783	55,621	6/1/2036
FNMA	872878	4.65	12/1/2035	FNMA	886239	4.875	5/1/2036	114,184	93,287	FNMA	886239	4.875	5/1/2036	1,497,899	469,224	7/1/2036
FNMA	865772	5.10	1/1/2036	FNMA	886240	5.125	5/1/2036	323,926	161,832	FNMA	886240	5.125	5/1/2036	2,088,375	339,305	7/1/2036
FNMA	865362	5.00	1/1/2036	FNMA	886243	4.875	5/1/2036	128,400	105,495	FNMA	886243	4.875	5/1/2036	767,680	235,370	7/1/2036
FNMA	865370	4.85	1/1/2036	FNMA	886236	5.375	5/1/2036	591,414	154,591	FNMA	886236	5.375	5/1/2036	867,202	258,704	7/1/2036
FNMA	865371	5.10	1/1/2036	FNMA	886245	5.375	5/1/2036	865,908	365,512	FNMA	886245	5.375	5/1/2036	1,361,931	388,257	7/1/2036
FNMA	865558	4.65	1/1/2036	FNMA	886384	5.125	5/1/2036	200,358	148,643	FNMA	886384	5.125	5/1/2036	484,904	148,655	7/1/2036
FNMA	868896	5.25	1/1/2036	FNMA	886386	5.375	5/1/2036	160,659	79,413	FNMA	886386	5.375	5/1/2036	466,338	146,356	7/1/2036
FNMA	865560	4.85	1/1/2036	FNMA	906007	5.375	5/1/2036	613,951	321,574	FNMA	906007	5.375	5/1/2036	273,417	273,417	7/1/2036
FNMA	866001	5.10	2/1/2036	FNMA	918755	5.125	5/1/2036	330,045	55,164	FNMA	918755	5.125	5/1/2036	791,758	333,408	7/1/2036
FNMA	868400	5.15	2/1/2036	FNMA	893989	5.375	5/1/2036	266,840	215,143	FNMA	893989	5.375	5/1/2036	362,977	92,307	8/1/2036
FNMA	868404	4.85	2/1/2036	FNMA	894330	5.125	5/1/2036	355,059	36,868	FNMA	894330	5.125	5/1/2036	376,394	190,914	8/1/2036
FNMA	868405	5.35	2/1/2036	FNMA	894332	4.875	5/1/2036	422,941	113,306	FNMA	894332	4.875	5/1/2036	621,041	175,407	8/1/2036
FNMA	868631	4.90	2/1/2036	FNMA	902401	5.625	5/1/2036	316,391	91,797	FNMA	902401	5.625	5/1/2036	51,378	40,638	8/1/2036
FNMA	868890	5.35	2/1/2036	FNMA	906453	5.375	5/1/2036	204,578	169,906	FNMA	906453	5.375	5/1/2036	333,275	108,688	8/1/2036
FNMA	872252	5.35	2/1/2036	FNMA	894333	5.125	5/1/2036	173,842	143,244	FNMA	894333	5.125	5/1/2036	594,615	288,096	9/1/2036
FNMA	872680	5.15	2/1/2036	FNMA	894336	5.625	5/1/2036	214,820	71,456	FNMA	894336	5.625	5/1/2036	378,132	148,223	9/1/2036
FNMA	883176	4.75	2/1/2036	FNMA	902921	4.875	5/1/2036	87,892	72,180	FNMA	902921	4.875	5/1/2036	634,595	168,873	9/1/2036
FNMA	883306	5.10	2/1/2036	FNMA	942784	5.625	5/1/2036	129,437	105,520	FNMA	942784	5.625	5/1/2036	271,983	233,801	9/1/2036
FNMA	868522	5.10	3/1/2036	FNMA	894334	5.125	5/1/2036	692,232	212,410	FNMA	894334	5.125	5/1/2036	659,193	321,642	10/1/2036
FNMA	868634	5.00	3/1/2036	FNMA	894335	5.375	5/1/2036	98,494	72,003	FNMA	894335	5.375	5/1/2036	1,213,148	88,252	10/1/2036
FNMA	872251	4.85	3/1/2036	FNMA	902907	5.125	5/1/2036	444,035	191,420	FNMA	902907	5.125	5/1/2036	194,446	163,744	10/1/2036
FNMA	872688	4.75	3/1/2036	FNMA	906008	5.375	5/1/2036	286,252	119,644	FNMA	906008	5.375	5/1/2036	176,039	133,215	10/1/2036
FNMA	868888	4.75	4/1/2036	FNMA	914689	5.125	5/1/2036	1,145,956	123,237	FNMA	914689	5.125	5/1/2036	422,399	227,529	10/1/2036
FNMA	868897	5.00	4/1/2036	FNMA	942825	5.625	5/1/2036	1,662,259	182,060	FNMA	942825	5.625	5/1/2036	414,491	136,330	10/1/2036
FNMA	868898	5.25	4/1/2036	FNMA	946358	5.375	5/1/2036	1,135,417	48,248	FNMA	946358	5.375	5/1/2036	195,936	166,823	10/1/2036
FNMA	869048	5.25	4/1/2036	FNMA	954222	5.125	5/1/2036	1,341,607	93,226	FNMA	954222	5.125	5/1/2036	92,261	78,734	10/1/2036
FNMA	869049	4.75	4/1/2036	FNMA	902905	5.375	5/1/2036	629,261	334,725	FNMA	902905	5.375	5/1/2036	1,092,711	134,997	11/1/2036
FNMA	872254	5.00	4/1/2036	FNMA	902906	5.625	5/1/2036	530,538	222,369	FNMA	902906	5.625	5/1/2036	1,879,279	97,090	11/1/2036
FNMA	872255	5.25	4/1/2036	FNMA	906012	5.125	5/1/2036	76,847	76,847	FNMA	906012	5.125	5/1/2036	502,541	74,701	11/1/2036
FNMA	872604	5.10	4/1/2036	FNMA	906533	5.375	5/1/2036	257,856	116,824	FNMA	906533	5.375	5/1/2036	214,560	182,236	11/1/2036
FNMA	886230	4.75	4/1/2036	FNMA	909979	5.375	5/1/2036	72,727	59,732	FNMA	909979	5.375	5/1/2036	453,103	215,914	11/1/2036
FNMA	872342	4.75	5/1/2036	FNMA	946360	4.875	5/1/2036	248,128	248,128	FNMA	946360	4.875	5/1/2036	99,163	83,868	11/1/2036
FNMA	872343	5.00	5/1/2036	FNMA	906013	5.375	5/1/2036	366,506	89,725	FNMA	906013	5.375	5/1/2036	1,557,734	211,418	12/1/2036
FNMA	872431	5.00	5/1/2036	FNMA	906449	4.875	5/1/2036	306,098	121,360	FNMA	906449	4.875	5/1/2036	305,157	92,653	12/1/2036

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FNMA	909510	5.125	266,677	79,663	12/1/2036	FNMA	942074	4.750	607,525	100,699	4/1/2037
FNMA	909513	4.875	339,870	100,965	12/1/2036	FNMA	942075	5.000	647,118	65,463	4/1/2037
FNMA	937914	5.375	1,247,111	146,702	12/1/2036	FNMA	942077	5.250	637,821	192,954	4/1/2037
FNMA	947815	4.875	69,199	58,752	12/1/2036	FNMA	918422	4.750	963,676	272,144	5/1/2037
FNMA	906458	5.125	743,872	85,931	1/1/2037	FNMA	918423	5.000	1,224,765	90,741	5/1/2037
FNMA	906459	5.375	1,206,302	321,535	1/1/2037	FNMA	918754	5.250	1,254,743	380,092	5/1/2037
FNMA	906460	4.875	177,700	148,355	1/1/2037	FNMA	918760	4.750	1,120,449	75,596	5/1/2037
FNMA	909971	4.875	525,310	187,766	1/1/2037	FNMA	918763	5.000	3,331,490	367,923	5/1/2037
FNMA	909976	5.375	487,702	166,403	1/1/2037	FNMA	918764	5.250	2,242,585	84,878	5/1/2037
FNMA	909511	4.875	991,068	266,026	1/1/2037	FNMA	937911	4.750	314,656	102,495	5/1/2037
FNMA	909512	5.375	1,520,770	213,814	1/1/2037	FNMA	938237	4.750	980,012	148,707	5/1/2037
FNMA	909514	5.375	378,519	160,272	1/1/2037	FNMA	938238	5.000	1,120,672	264,337	5/1/2037
FNMA	909750	5.375	362,562	100,745	1/1/2037	FNMA	942809	5.000	373,662	318,647	5/1/2037
FNMA	914690	4.875	572,910	76,332	1/1/2037	FNMA	946944	4.875	296,166	64,448	5/1/2037
FNMA	915101	4.875	166,635	140,642	1/1/2037	FNMA	947114	5.250	65,204	56,066	5/1/2037
FNMA	915105	4.875	357,445	154,435	1/1/2037	FNMA	954215	5.000	216,067	184,803	5/1/2037
FNMA	918749	4.875	168,984	142,659	1/1/2037	FNMA	954216	4.750	327,778	184,542	5/1/2037
FNMA	946480	4.875	187,216	49,294	1/1/2037	FNMA	937915	4.750	1,418,797	229,993	6/1/2037
FNMA	947803	4.875	185,663	154,369	1/1/2037	FNMA	937917	5.250	2,132,766	375,996	6/1/2037
FNMA	909973	4.875	1,131,645	346,363	2/1/2037	FNMA	938239	5.250	2,228,807	464,450	6/1/2037
FNMA	909974	5.125	1,795,174	58,875	2/1/2037	FNMA	942830	4.750	799,622	57,612	6/1/2037
FNMA	909975	5.375	1,159,150	68,586	2/1/2037	FNMA	942076	5.000	121,962	54,145	6/1/2037
FNMA	909747	4.875	615,629	124,237	2/1/2037	FNMA	942082	5.000	2,075,373	652,450	6/1/2037
FNMA	909748	5.125	610,712	200,202	2/1/2037	FNMA	942083	5.250	2,263,125	573,124	6/1/2037
FNMA	910264	5.125	1,307,275	303,036	2/1/2037	FNMA	942084	5.500	1,732,619	326,981	6/1/2037
FNMA	914441	5.125	347,989	117,674	2/1/2037	FNMA	946566	5.000	252,975	121,445	6/1/2037
FNMA	914442	4.875	1,694,104	29,064	2/1/2037	FNMA	946948	5.000	164,455	140,523	6/1/2037
FNMA	914691	5.125	777,793	115,437	2/1/2037	FNMA	947590	5.000	292,509	102,338	6/1/2037
FNMA	942812	4.875	218,504	185,436	2/1/2037	FNMA	947670	5.250	657,338	288,745	6/1/2037
FNMA	946359	5.125	355,466	144,374	2/1/2037	FNMA	954214	5.000	162,413	139,421	6/1/2037
FNMA	946985	5.125	238,021	203,182	2/1/2037	FNMA	954231	5.500	218,659	189,758	6/1/2037
FNMA	954221	5.125	626,935	123,773	2/1/2037	FNMA	960953	4.750	171,110	146,117	6/1/2037
FNMA	914410	5.375	1,705,271	57,259	3/1/2037	FNMA	942811	5.000	645,950	306,224	7/1/2037
FNMA	915097	4.875	922,041	176,985	3/1/2037	FNMA	942826	5.000	1,359,606	168,124	7/1/2037
FNMA	915098	5.375	1,805,007	261,476	3/1/2037	FNMA	946933	4.750	574,909	230,192	7/1/2037
FNMA	918417	5.125	1,149,918	270,370	3/1/2037	FNMA	947667	5.250	341,535	141,535	7/1/2037
FNMA	918761	4.750	195,150	156,814	3/1/2037	FNMA	954494	5.000	59,601	51,275	7/1/2037
FNMA	938147	5.375	340,990	141,194	3/1/2037	FNMA	954213	5.250	163,048	130,833	7/1/2037
FNMA	942813	4.750	214,198	177,751	3/1/2037	FNMA	954272	5.000	49,723	42,711	7/1/2037
FNMA	946951	5.000	116,246	99,194	3/1/2037	FNMA	971457	5.250	172,941	149,048	7/1/2037
FNMA	954392	5.250	98,903	78,674	3/1/2037	FNMA	942827	5.250	698,718	76,406	8/1/2037
FNMA	918078	4.750	4,588,443	1,088,236	4/1/2037	FNMA	946934	5.000	491,040	224,006	8/1/2037
FNMA	918079	5.000	5,378,930	1,215,825	4/1/2037	FNMA	954211	5.500	337,289	197,915	8/1/2037
FNMA	918416	4.875	729,270	305,769	4/1/2037	FNMA	961051	5.000	90,293	77,926	8/1/2037
FNMA	918424	5.250	11,354,023	888,515	4/1/2037	FNMA	947276	5.500	752,320	238,440	9/1/2037
FNMA	918752	4.750	1,066,161	450,937	4/1/2037	FNMA	947278	5.000	687,727	141,065	9/1/2037
FNMA	918753	5.000	827,742	120,546	4/1/2037	FNMA	946936	5.500	608,109	103,607	9/1/2037

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	947595	5.000	656,172	306,171	9/1/2037	FNMA	964805	5.250	396,301	50,329	7/1/2038
FNMA	947598	5.000	564,666	233,059	9/1/2037	FNMA	964806	5.500	311,500	194,967	7/1/2038
FNMA	947812	5.000	526,578	228,957	9/1/2037	FNMA	964897	5.250	198,192	174,520	7/1/2038
FNMA	947814	5.000	630,161	418,908	9/1/2037	FNMA	964993	5.250	106,588	92,933	7/1/2038
FNMA	947804	5.750	171,836	150,039	9/1/2037	FNMA	965151	5.312	1,056,680	417,632	8/1/2038
FNMA	947966	5.250	700,615	1,342	9/1/2037	FNMA	965153	5.812	242,980	66,500	8/1/2038
FNMA	954225	5.000	96,136	82,602	9/1/2037	FNMA	965245	5.812	177,955	158,513	8/1/2038
FNMA	954228	6.250	82,185	72,572	9/1/2037	FNMA	965346	5.312	290,500	56,234	9/1/2038
FNMA	947596	5.250	461,523	140,901	10/1/2037	FNMA	965242	5.312	519,595	457,326	9/1/2038
FNMA	954585	5.000	99,670	85,683	10/1/2037	FNMA	965243	5.562	794,905	93,871	9/1/2038
FNMA	954232	5.750	56,267	49,289	10/1/2037	FNMA	965244	5.250	272,408	100,488	9/1/2038
FNMA	954391	5.000	79,707	67,301	10/1/2037	FNMA	970743	5.750	76,827	68,242	9/1/2038
FNMA	954407	5.500	262,709	41,974	10/1/2037	FNMA	970498	5.312	306,825	122,157	9/1/2038
FNMA	960945	5.750	135,437	118,408	10/1/2037	FNMA	970565	5.312	411,431	89,544	9/1/2038
FNMA	954227	5.750	581,811	149,863	11/1/2037	FNMA	971086	5.312	129,911	110,609	9/1/2038
FNMA	954448	5.500	83,832	73,042	11/1/2037	FNMA	971149	5.312	139,495	113,912	9/1/2038
FNMA	960837	5.000	293,055	117,507	11/1/2037	FNMA	970741	5.250	513,283	66,290	10/1/2038
FNMA	961043	5.250	187,035	52,032	11/1/2037	FNMA	970757	5.500	277,800	246,414	10/1/2038
FNMA	954533	5.500	358,665	184,735	12/1/2037	FNMA	971083	6.062	217,550	196,330	11/1/2038
FNMA	954281	5.750	2,953,276	106,707	12/1/2037	FNMA	971115	5.562	339,872	279,637	11/1/2038
FNMA	954282	5.500	901,243	124,501	12/1/2037	FNMA	971087	5.812	37,428	33,596	12/1/2038
FNMA	954403	5.750	652,406	219,175	12/1/2037	FNMA	971061	6.062	501,471	294,055	12/1/2038
FNMA	954409	5.500	2,612,412	361,777	12/1/2037	FNMA	971090	5.812	111,893	97,440	1/1/2039
FNMA	954587	5.750	219,900	219,489	1/1/2038	FNMA	971096	5.562	165,834	148,297	1/1/2039
FNMA	954410	5.750	3,640,652	274,203	1/1/2038	FNMA	971102	5.562	111,870	65,928	1/1/2039
FNMA	962259	5.750	160,793	136,735	1/1/2038	FNMA	971114	5.812	108,500	97,472	2/1/2039
FNMA	961924	5.500	1,362,112	310,839	2/1/2038	FNMA	971124	5.562	203,895	162,628	2/1/2039
FNMA	962015	5.500	291,400	132,654	2/1/2038	FNMA	971144	5.562	148,253	132,781	2/1/2039
FNMA	962088	5.500	129,950	113,851	2/1/2038	FNMA	AA6953	5.562	55,888	50,178	3/1/2039
FNMA	962417	5.750	544,181	174,460	2/1/2038	FNMA	AA6983	5.562	177,644	157,854	3/1/2039
FNMA	962739	5.500	395,895	83,734	2/1/2038	FNMA	AA8547	5.750	111,679	100,744	3/1/2039
FNMA	962740	5.750	301,685	344,108	3/1/2038	FNMA	AA6954	5.812	257,609	130,312	4/1/2039
FNMA	962777	5.375	526,864	62,498	4/1/2038	FNMA	AA6955	5.562	313,337	155,920	4/1/2039
FNMA	962996	5.500	365,460	110,940	4/1/2038	FNMA	AA6992	5.562	126,224	110,540	4/1/2039
FNMA	962999	5.500	111,890	98,344	4/1/2038	FNMA	AA6997	5.500	132,788	70,424	5/1/2039
FNMA	963239	5.500	151,299	133,173	4/1/2038	FNMA	AA8624	5.500	561,337	255,157	5/1/2039
FNMA	963242	5.125	321,891	86,727	4/1/2038	FNMA	AA8546	5.500	566,291	148,477	6/1/2039
FNMA	963416	5.125	1,711,115	207,271	4/1/2038	FNMA	AC1271	5.500	80,719	72,791	6/1/2039
FNMA	963417	5.375	309,184	270,863	4/1/2038	FNMA	AC1630	5.312	161,261	144,358	6/1/2039
FNMA	964301	5.250	140,205	119,686	4/1/2038	FNMA	AC2587	5.062	44,851	40,077	6/1/2039
FNMA	963618	5.750	126,226	111,748	5/1/2038	FNMA	AC2541	5.062	137,544	123,130	6/1/2039
FNMA	963854	5.250	243,745	127,034	5/1/2038	FNMA	AC1419	5.312	82,813	73,385	7/1/2039
FNMA	963856	5.125	282,699	160,110	5/1/2038	FNMA	AC1420	5.062	140,845	33,061	7/1/2039
FNMA	964478	5.250	154,838	136,087	6/1/2038	FNMA	AC1629	5.062	151,833	135,894	7/1/2039
FNMA	964644	5.750	312,450	232,974	7/1/2038	FNMA	AC1631	5.312	80,200	72,181	8/1/2039
FNMA	964728	5.250	805,270	203,957	7/1/2038	FNMA	AC2552	5.062	310,659	176,349	8/1/2039

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FNMA	AC3679	5.750	169,102	153,626	8/1/2039	FNMA	AU1731	2.025	1,647,618	1,546,382	6/1/2043
FNMA	AC2586	5.062	246,200	221,001	9/1/2039	FNMA	AU4476	2.025	3,055,766	2,877,112	7/1/2043
FNMA	AC3678	5.062	862,513	762,186	9/1/2039	FNMA	AU6761	2.025	3,326,065	3,130,076	8/1/2043
FNMA	AC3711	5.312	344,469	248,789	9/1/2039	FNMA	AU9009	2.025	1,840,789	1,840,789	9/1/2043
FNMA	AC3712	5.562	179,784	162,822	9/1/2039	FNMA	AV2553	2.025	1,211,446	808,047	10/1/2043
FNMA	AC5325	5.500	134,123	121,391	9/1/2039	FNMA	AV6291	2.025	462,455	439,322	11/1/2043
FNMA	AC3715	5.062	400,144	358,974	10/1/2039	FNMA	AX0357	3.025	3,064,382	2,965,635	7/1/2044
FNMA	AC5324	5.000	498,229	316,382	10/1/2039	FNMA	AX1986	3.025	2,033,082	1,965,137	8/1/2044
FNMA	AC6249	5.562	144,000	128,804	11/1/2039	FNMA	AX4822	3.025	3,222,297	3,129,166	9/1/2044
FNMA	AC7974	5.062	240,631	216,934	11/1/2039	FNMA	AX6623	3.025	1,532,334	1,491,096	10/1/2044
FNMA	AC6786	5.062	528,870	251,622	12/1/2039	FNMA	AX9104	3.025	2,665,253	2,592,107	11/1/2044
FNMA	AC6816	5.562	171,200	155,578	12/1/2039	FNMA	AY1187	3.025	3,182,611	3,094,066	12/1/2044
FNMA	AD4915	5.062	282,853	171,035	3/1/2040	FNMA	AY3261	3.025	141,786	138,721	12/1/2044
FNMA	AD4916	5.312	109,354	99,829	3/1/2040	FNMA	BA1336	2.525	1,010,335	999,655	8/1/2045
FNMA	AD4914	4.562	563,184	505,750	4/1/2040	FNMA	BA3278	2.525	2,161,851	2,142,814	9/1/2045
FNMA	AE2025	4.500	92,262	24,307	7/1/2040	FNMA	BA3694	2.275	173,332	171,831	9/1/2045
FNMA	AE4169	4.500	454,043	134,492	7/1/2040	FNMA	BA5926	2.525	4,800,970	4,766,925	11/1/2045
FNMA	AE6826	4.500	141,486	123,196	7/1/2040	FNMA	BA7124	2.550	3,334,389	3,316,353	11/1/2045
FNMA	AE2024	4.750	469,924	213,730	8/1/2040	FNMA	BC2741	2.550	3,241,192	3,230,173	1/1/2046
FNMA	AE2026	4.250	202,245	91,381	8/1/2040	FNMA	918426	5.000	182,975	168,376	1/1/2047
FNMA	AE5856	4.750	388,235	80,607	9/1/2040	FNMA	914445	5.000	1,029,316	272,597	2/1/2047
FNMA	AE6841	4.500	78,061	71,123	9/1/2040	FNMA	914446	5.250	1,015,764	474,953	2/1/2047
FNMA	AE6845	3.750	217,198	190,818	9/1/2040	FNMA	918427	5.500	249,122	230,720	2/1/2047
FNMA	AE6843	3.500	257,528	227,464	10/1/2040	FNMA	918082	5.500	2,362,027	142,922	3/1/2047
FNMA	AE8267	3.750	190,472	57,828	10/1/2040	FNMA	946952	5.000	110,606	102,105	3/1/2047
FNMA	AI3590	3.250	182,106	164,753	4/1/2041	FNMA	918080	5.000	2,004,385	133,819	4/1/2047
FNMA	AI2778	3.500	328,794	117,066	4/1/2041	FNMA	918081	5.250	3,010,323	388,902	4/1/2047
FNMA	AI2780	3.750	190,736	173,766	4/1/2041	FNMA	918766	5.000	1,850,360	175,560	5/1/2047
FNMA	AI2820	3.500	275,602	244,257	4/1/2041	FNMA	937921	5.500	1,289,156	111,501	5/1/2047
FNMA	AJ8229	4.250	155,875	52,270	10/1/2041	FNMA	942078	5.000	292,064	124,377	5/1/2047
FNMA	AJ9049	4.250	53,464	13,298	11/1/2041	FNMA	942080	5.000	519,351	147,265	5/1/2047
FNMA	AJ8231	4.000	392,438	131,345	12/1/2041	FNMA	953855	5.000	1,693,267	385,182	5/1/2047
FNMA	AK0321	4.000	404,496	135,617	12/1/2041	FNMA	954354	5.250	2,523,127	547,047	5/1/2047
FNMA	AK0322	3.750	105,354	35,216	12/1/2041	FNMA	937920	5.250	1,257,167	197,227	6/1/2047
FNMA	AK8894	4.000	1,061,010	356,007	2/1/2042	FNMA	938240	5.250	1,126,151	212,897	6/1/2047
FNMA	AP9820	4.150	76,412	71,890	3/1/2042	FNMA	942819	5.500	1,317,831	219,103	6/1/2047
FNMA	AP5050	3.650	113,700	106,438	8/1/2042	FNMA	942807	5.250	1,761,510	631,960	6/1/2047
FNMA	AQ3891	3.530	332,610	280,099	9/1/2042	FNMA	942088	5.500	1,261,872	191,679	6/1/2047
FNMA	AR2098	2.150	815,284	752,719	10/1/2042	FNMA	947601	5.000	384,605	174,503	6/1/2047
FNMA	AQ7790	2.030	618,473	569,356	12/1/2042	FNMA	953806	5.250	513,999	182,674	6/1/2047
FNMA	AR2099	1.530	393,484	362,468	12/1/2042	FNMA	953808	5.750	362,400	177,554	6/1/2047
FNMA	AR5293	2.025	3,707,696	3,285,832	2/1/2043	FNMA	954202	5.500	211,450	211,450	6/1/2047
FNMA	AR8999	3.775	164,000	155,427	2/1/2043	FNMA	961044	5.500	196,538	180,356	6/1/2047
FNMA	AR9000	2.025	4,409,234	4,058,211	4/1/2043	FNMA	946571	5.250	893,769	194,849	8/1/2047
FNMA	AT5290	2.025	1,805,205	1,690,953	6/1/2043	FNMA	954210	5.750	295,214	293,631	8/1/2047
FNMA	AT8667	2.025				FNMA	954226	5.750	1,675,331	100,611	8/1/2047

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GNMA	511341	5.450	2,843,747	42,026	6/15/2029	GNMA	625013	4.600	299,958	56,968	5/15/2034
GNMA	420950	5.450	1,036,267	45,555	7/15/2029	GNMA	635671	4.550	146,795	113,782	6/15/2034
GNMA	517624	5.550	14,879,721	325,227	8/15/2029	GNMA	632571	4.600	696,450	66,995	7/15/2034
GNMA	517699	5.450	1,050,874	98,812	9/15/2029	GNMA	632574	5.000	684,275	127,535	7/15/2034
GNMA	517776	5.450	575,884	47,756	9/15/2029	GNMA	632641	5.000	956,420	183,214	7/15/2034
GNMA	517755	6.250	14,499,371	299,335	10/15/2029	GNMA	635684	4.350	179,160	138,034	7/15/2034
GNMA	523924	6.250	2,359,353	58,393	10/15/2029	GNMA	639407	4.750	4,258,619	634,924	7/15/2034
GNMA	524050	6.250	1,124,491	55,622	10/15/2029	GNMA	632702	4.600	334,467	79,427	8/15/2034
GNMA	524165	6.450	14,510,539	87,441	12/15/2029	GNMA	632704	5.000	1,083,734	97,983	8/15/2034
GNMA	524525	5.550	575,840	42,628	2/15/2030	GNMA	632751	4.600	371,566	54,387	8/15/2034
GNMA	527961	6.250	584,173	21,524	2/15/2030	GNMA	632466	4.800	754,285	85,734	8/15/2034
GNMA	528040	6.450	967,650	55,857	4/15/2030	GNMA	632467	5.000	799,272	198,660	8/15/2034
GNMA	534220	6.950	766,333	64,967	5/15/2030	GNMA	632639	4.600	932,203	254,643	8/15/2034
GNMA	534278	6.450	1,774,139	79,529	6/15/2030	GNMA	635613	4.750	11,445,722	1,059,505	8/15/2034
GNMA	534673	6.450	345,958	93,346	7/15/2030	GNMA	635615	4.350	9,301,885	2,027,778	8/15/2034
GNMA	534406	6.950	1,162,177	59,896	7/15/2030	GNMA	635616	4.550	5,718,527	721,463	8/15/2034
GNMA	534603	7.050	3,216,215	39,190	9/15/2030	GNMA	635710	4.750	561,187	90,209	8/15/2034
GNMA	534651	6.950	910,769	46,161	9/15/2030	GNMA	639853	4.600	249,241	93,833	8/15/2034
GNMA	596165	6.490	21,630,557	231,896	11/15/2030	GNMA	644456	4.600	145,715	113,755	8/15/2034
GNMA	535277	6.750	1,770,967	43,012	1/15/2031	GNMA	527869	4.700	611,498	63,671	9/15/2034
GNMA	535332	6.750	886,106	34,019	3/15/2031	GNMA	632465	4.600	1,746,260	436,281	9/15/2034
GNMA	556753	6.450	508,096	38,952	4/15/2031	GNMA	635686	4.600	330,245	67,192	9/15/2034
GNMA	585617	5.000	607,239	102,724	2/15/2032	GNMA	635687	4.800	560,014	136,501	9/15/2034
GNMA	613494	5.490	12,624,241	421,867	3/15/2032	GNMA	639854	4.700	90,528	67,378	9/15/2034
GNMA	585810	5.000	565,762	55,498	5/15/2032	GNMA	635688	5.000	768,267	124,928	10/15/2034
GNMA	585811	5.490	579,188	129,962	5/15/2032	GNMA	635677	4.900	691,006	137,604	10/15/2034
GNMA	613599	5.800	18,669,680	361,627	5/15/2032	GNMA	635786	5.100	1,374,382	72,325	10/15/2034
GNMA	585905	5.000	397,170	238,295	6/15/2032	GNMA	635791	4.600	274,130	42,758	10/15/2034
GNMA	613598	5.650	16,130,998	640,677	6/15/2032	GNMA	639563	5.100	62,033	43,392	10/15/2034
GNMA	613600	5.490	13,416,795	788,722	8/15/2032	GNMA	635625	4.700	1,303,578	283,203	11/15/2034
GNMA	596372	5.490	1,320,403	62,756	9/15/2032	GNMA	635626	4.900	807,192	65,649	11/15/2034
GNMA	613718	5.250	3,238,320	260,802	11/15/2032	GNMA	635627	5.100	981,375	268,894	11/15/2034
GNMA	613719	5.490	2,055,258	68,931	11/15/2032	GNMA	639411	4.700	1,036,826	99,263	11/15/2034
GNMA	613720	5.250	2,672,182	363,493	11/15/2032	GNMA	639851	5.100	312,136	135,673	11/15/2034
GNMA	613618	4.490	755,946	52,616	9/15/2033	GNMA	639410	4.900	1,346,691	173,232	12/15/2034
GNMA	635736	4.600	5,035,619	809,042	10/15/2033	GNMA	639412	5.100	850,105	51,338	12/15/2034
GNMA	635737	4.490	8,931,433	1,727,241	10/15/2033	GNMA	639744	4.700	1,037,910	113,594	12/15/2034
GNMA	624542	4.750	2,464,125	88,586	11/15/2033	GNMA	639746	5.100	1,063,692	96,023	12/15/2034
GNMA	635735	4.750	16,249,451	2,255,732	12/15/2033	GNMA	639581	4.500	102,459	80,522	1/15/2035
GNMA	585781	4.600	1,557,264	323,776	1/15/2034	GNMA	639617	5.100	316,582	102,776	1/15/2035
GNMA	635614	4.490	930,034	56,991	1/15/2034	GNMA	639756	4.750	1,207,151	195,659	1/15/2035
GNMA	601666	4.600	1,614,917	308,568	2/15/2034	GNMA	639757	5.000	622,746	153,290	1/15/2035
GNMA	624754	4.600	1,208,106	56,456	2/15/2034	GNMA	639834	4.500	1,261,598	50,906	1/15/2035
GNMA	624806	4.600	1,228,670	329,796	3/15/2034	GNMA	639835	4.750	480,108	141,195	1/15/2035
GNMA	624849	4.600	2,015,830	271,412	3/15/2034	GNMA	639850	4.900	1,086,254	61,790	1/15/2035
GNMA	624881	4.600	1,444,578	281,495	3/15/2034	GNMA	639856	5.000	697,465	172,644	1/15/2035
GNMA	624930	4.600	926,621	35,940	4/15/2034	GNMA	639615	4.750	533,627	129,495	2/15/2035

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
GNMA	639616	4.500	808,550	301,302	2/15/2035	GNMA II	305152	7.850	6,560,304	14,421	3/20/2021
GNMA	639658	4.900	255,464	128,199	2/15/2035	GNMA II	300390	7.000	781,429	17,349	4/20/2021
GNMA	639860	4.500	248,623	24,795	2/15/2035	GNMA II	310140	7.000	720,055	20,060	5/20/2021
GNMA	639549	4.850	435,919	93,523	3/15/2035	GNMA II	307820	7.850	5,135,410	4,635	6/20/2021
GNMA	639550	4.750	395,479	207,544	3/15/2035	GNMA II	310154	7.000	1,159,816	20,477	8/20/2021
GNMA	639551	4.600	289,146	92,402	3/15/2035	GNMA II	310184	7.300	1,220,975	9,297	11/20/2021
GNMA	639552	4.350	498,025	72,633	3/15/2035	GNMA II	310196	7.300	1,130,714	25,658	12/20/2021
GNMA	644118	4.350	464,996	96,752	3/15/2035	GNMA II	320175	7.300	1,205,982	13,069	2/20/2022
GNMA	644267	4.850	163,808	127,701	4/15/2035	GNMA II	320179	7.300	1,341,836	13,003	2/20/2022
GNMA	644283	4.600	129,652	103,154	4/15/2035	GNMA II	326647	7.300	1,358,930	10,295	3/20/2022
GNMA	644284	4.500	89,479	70,895	4/15/2035	GNMA II	326651	7.000	1,370,523	24,192	3/20/2022
GNMA	644260	4.350	270,968	68,230	5/15/2035	GNMA II	326674	7.300	1,844,855	10,709	4/20/2022
GNMA	648874	4.450	249,963	200,671	10/15/2035	GNMA II	333826	7.000	3,368,422	30,020	6/20/2022
GNMA	763201	4.000	115,523	103,152	2/15/2041	GNMA II	345166	7.000	1,654,245	44,861	5/20/2023
GNMA	763202	4.000	163,567	149,499	3/15/2041	GNMA II	345181	6.150	3,062,767	65,912	8/20/2023
GNMA	763203	4.000	386,579	215,884	3/15/2041	GNMA II	345194	6.150	4,597,397	80,177	8/20/2023
GNMA	763197	3.500	355,593	180,628	3/15/2041	GNMA II	345218	6.150	3,316,640	65,935	10/20/2023
GNMA	763209	4.250	134,161	123,049	3/15/2041	GNMA II	345233	6.150	1,365,366	32,869	12/20/2023
GNMA	763206	4.250	1,806,246	406,041	4/15/2041	GNMA II	345255	6.150	936,793	36,553	1/20/2024
GNMA	763207	4.500	928,551	493,415	4/15/2041	GNMA II	391761	6.150	1,345,602	136,648	4/20/2024
GNMA	763208	3.750	299,782	132,648	4/15/2041	GNMA II	391762	5.850	916,273	51,371	4/20/2024
GNMA	763198	3.500	320,159	290,500	4/15/2041	GNMA II	391782	5.850	690,329	30,862	6/20/2024
GNMA	763268	3.500	742,679	220,101	4/15/2041	GNMA II	391821	6.950	3,644,558	35,175	10/20/2024
GNMA	763263	4.000	623,196	569,355	4/15/2041	GNMA II	391830	6.750	4,476,515	21,229	11/20/2024
GNMA	763204	4.500	1,681,533	975,896	5/15/2041	GNMA II	391835	6.850	3,046,775	36,305	12/20/2024
GNMA	763200	4.750	1,484,261	969,274	5/15/2041	GNMA II	391838	6.375	290,699	45,997	12/20/2024
GNMA	763265	4.750	868,554	261,522	5/15/2041	GNMA II	391840	6.850	2,739,831	32,191	12/20/2024
GNMA	763269	5.000	543,317	404,184	5/15/2041	GNMA II	391851	6.750	1,934,782	44,616	1/20/2025
GNMA	770668	4.750	155,046	139,227	5/15/2041	GNMA II	391834	6.750	7,538,381	101,536	1/20/2025
GNMA	770669	4.250	423,803	139,891	5/15/2041	GNMA II	391846	6.850	1,560,105	51,046	1/20/2025
GNMA	770893	4.750	1,293,817	140,768	6/15/2041	GNMA II	391843	6.850	1,683,342	80,722	2/20/2025
GNMA	796059	3.500	144,332	48,066	11/15/2041	GNMA II	391861	6.850	1,547,640	36,105	2/20/2025
GNMA	779681	3.750	2,982,069	455,265	12/15/2041	GNMA II	391860	6.750	1,279,096	51,881	3/20/2025
GNMA	779682	4.000	5,429,538	1,137,143	12/15/2041	GNMA II	391872	6.950	1,810,864	18,020	3/20/2025
GNMA	779684	4.250	969,243	129,176	12/15/2041	GNMA II	391882	7.450	2,858,860	37,613	4/20/2025
GNMA	796052	4.250	548,505	89,711	12/15/2041	GNMA II	391883	7.375	2,248,974	33,881	4/20/2025
GNMA	796054	4.500	100,267	33,808	12/15/2041	GNMA II	391865	7.450	3,008,431	32,919	4/20/2025
GNMA	796057	4.750	117,796	39,846	12/15/2041	GNMA II	391873	6.950	634,179	8,454	4/20/2025
GNMA	796060	3.750	184,917	61,643	12/15/2041	GNMA II	391890	6.950	1,934,941	48,981	6/20/2025
GNMA	796056	4.000	2,593,400	515,573	1/15/2042	GNMA II	391897	7.375	4,213,115	33,602	6/20/2025
GNMA	796058	3.750	3,058,340	740,696	1/15/2042	GNMA II	391902	7.450	1,430,726	20,930	6/20/2025
GNMA II	285315	7.000	1,049,264	10,497	5/20/2020	GNMA II	391903	7.375	4,361,323	83,635	6/20/2025
GNMA II	292282	7.000	1,771,063	6,507	7/20/2020	GNMA II	391919	6.900	4,148,712	64,425	7/20/2025
GNMA II	300338	7.000	967,792	30,762	11/20/2020	GNMA II	391910	6.900	6,463,790	28,940	7/20/2025
GNMA II	300349	7.000	971,350	22,687	1/20/2021	GNMA II	391920	6.630	3,734,051	46,542	8/20/2025

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GNMA II	391939	7.375	1,438,498	36,739	8/20/2025	GNMA II	647205	4.950	947,700	148,919	8/20/2035
GNMA II	391926	6.630	4,271,469	49,066	9/20/2025	GNMA II	649565	4.950	240,314	43,004	8/20/2035
GNMA II	391932	6.630	2,866,587	37,628	9/20/2025	GNMA II	649606	4.450	445,571	297,826	8/20/2035
GNMA II	391933	6.630	3,042,164	36,012	10/20/2025	GNMA II	646939	4.950	627,168	92,303	9/20/2035
GNMA II	391940	6.630	4,060,115	138,756	10/20/2025	GNMA II	649566	4.700	325,316	69,286	9/20/2035
GNMA II	391950	6.900	1,294,356	33,286	11/20/2025	GNMA II	649607	4.450	646,929	63,899	9/20/2035
GNMA II	419541	6.630	1,169,916	39,234	11/20/2025	GNMA II	649608	4.700	1,077,296	87,341	9/20/2035
GNMA II	419550	6.630	1,410,467	146,682	12/20/2025	GNMA II	649654	4.450	417,188	175,680	9/20/2035
GNMA II	419564	6.600	3,816,381	298,069	12/20/2025	GNMA II	650439	4.750	84,098	64,556	9/20/2035
GNMA II	419566	6.600	2,952,411	71,866	1/20/2026	GNMA II	650566	4.700	440,323	70,261	9/20/2035
GNMA II	419588	6.600	897,320	32,736	1/20/2026	GNMA II	652320	4.700	88,685	71,578	9/20/2035
GNMA II	419605	6.350	1,331,411	44,199	2/20/2026	GNMA II	649578	5.250	320,040	140,516	10/20/2035
GNMA II	419612	6.350	3,214,413	88,975	5/20/2026	GNMA II	649684	4.700	388,582	226,600	10/20/2035
GNMA II	419622	6.900	2,362,957	54,717	5/20/2026	GNMA II	649692	4.950	480,173	101,696	10/20/2035
GNMA II	456080	6.600	1,217,470	86,166	5/20/2026	GNMA II	650680	4.450	496,437	90,621	10/20/2035
GNMA II	492321	5.750	1,787,035	36,616	6/20/2026	GNMA II	650787	5.000	93,326	76,309	10/20/2035
GNMA II	492330	5.850	742,825	470	7/20/2026	GNMA II	650788	4.700	63,107	48,919	10/20/2035
GNMA II	504086	6.050	757,119	39,112	8/20/2027	GNMA II	650578	5.000	92,075	74,832	10/20/2035
GNMA II	613716	5.750	974,148	38,984	10/20/2028	GNMA II	654153	4.450	166,607	126,044	10/20/2035
GNMA II	613717	5.750	2,576,326	73,229	10/20/2028	GNMA II	650678	4.900	1,033,783	153,517	11/20/2035
GNMA II	613721	5.000	10,904,071	83,438	1/20/2029	GNMA II	650679	5.150	268,086	123,634	11/20/2035
GNMA II	643143	4.300	14,768,689	758,387	8/20/2032	GNMA II	650567	4.450	287,353	79,436	11/20/2035
GNMA II	645061	4.300	658,667	221,862	10/20/2032	GNMA II	650597	4.900	304,698	245,461	11/20/2035
GNMA II	645062	4.550	385,602	873,860	4/20/2033	GNMA II	650579	4.650	551,877	75,617	11/20/2035
GNMA II	645162	4.300	319,899	73,214	5/20/2035	GNMA II	650580	5.150	418,237	97,569	11/20/2035
GNMA II	645164	4.800	810,650	68,814	5/20/2035	GNMA II	650635	4.750	338,841	115,875	11/20/2035
GNMA II	645231	4.550	520,927	47,066	6/20/2035	GNMA II	652321	4.750	111,393	84,346	11/20/2035
GNMA II	645233	4.800	739,913	214,186	6/20/2035	GNMA II	655995	4.950	118,486	97,519	11/20/2035
GNMA II	647115	4.550	396,588	90,692	6/20/2035	GNMA II	650442	5.150	305,582	55,573	12/20/2035
GNMA II	647200	4.300	229,560	231,289	6/20/2035	GNMA II	650826	4.900	636,038	139,954	12/20/2035
GNMA II	652431	4.550	297,932	103,831	6/20/2035	GNMA II	650821	4.650	872,742	86,187	12/20/2035
GNMA II	654228	4.950	420,005	107,704	6/20/2035	GNMA II	652325	5.150	150,868	123,334	12/20/2035
GNMA II	647043	4.800	184,021	146,240	6/20/2035	GNMA II	652429	4.450	412,065	105,039	12/20/2035
GNMA II	647046	4.550	460,855	80,752	6/20/2035	GNMA II	652464	4.950	186,889	153,173	12/20/2035
GNMA II	647206	4.700	456,513	136,494	7/20/2035	GNMA II	652620	4.900	93,984	77,247	12/20/2035
GNMA II	647207	4.450	1,301,583	143,807	7/20/2035	GNMA II	654085	4.650	275,627	155,882	12/20/2035
GNMA II	652262	4.950	1,166,189	197,497	7/20/2035	GNMA II	654177	5.150	107,533	88,860	12/20/2035
GNMA II	646960	4.700	129,773	204,720	7/20/2035	GNMA II	650858	5.150	460,385	157,128	1/20/2036
GNMA II	647006	4.700	441,266	109,769	8/20/2035	GNMA II	652331	5.000	433,368	144,456	1/20/2036
GNMA II	647201	4.800	436,279	79,986	8/20/2035	GNMA II	652332	5.250	471,482	123,077	1/20/2036
GNMA II	647202	4.450	447,417	67,316	8/20/2035	GNMA II	654174	5.000	65,746	53,854	1/20/2036
GNMA II	647203	4.450	1,951,978	656,287	8/20/2035	GNMA II	652380	4.650	206,110	165,962	1/20/2036
GNMA II	647204	4.700	1,974,052	177,357	8/20/2035	GNMA II	652381	5.100	593,101	234,066	2/20/2036
GNMA II		4.950	2,520,578	743,043	8/20/2035	GNMA II	652465	4.850	346,999	181,749	2/20/2036
						GNMA II	654084	4.850	708,865	65,488	2/20/2036

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GNMA II	654154	5.350	244,113	84,497	2/20/2036	GNMA II	659562	4.875	339,911	132,376	9/20/2036
GNMA II	654259	4.850	425,323	92,411	3/20/2036	GNMA II	661301	4.875	666,852	416,137	9/20/2036
GNMA II	655798	5.350	77,070	27,316	3/20/2036	GNMA II	661303	4.875	724,623	73,881	9/20/2036
GNMA II	654227	4.750	723,992	71,690	4/20/2036	GNMA II	663499	5.250	75,089	63,435	9/20/2036
GNMA II	654261	5.250	804,777	218,436	4/20/2036	GNMA II	663741	5.625	343,817	120,367	9/20/2036
GNMA II	654260	5.000	658,400	96,794	4/20/2036	GNMA II	666688	5.375	676,255	207,832	9/20/2036
GNMA II	652657	5.250	1,651,181	295,545	5/20/2036	GNMA II	659771	5.125	1,381,336	195,722	10/20/2036
GNMA II	652658	5.000	798,284	487,558	5/20/2036	GNMA II	659775	5.375	544,004	188,360	10/20/2036
GNMA II	652656	4.750	441,525	166,944	5/20/2036	GNMA II	659776	5.625	720,917	115,000	10/20/2036
GNMA II	654351	5.000	750,430	232,490	5/20/2036	GNMA II	661256	5.625	1,589,698	275,931	10/20/2036
GNMA II	656076	4.750	1,00,683	82,758	5/20/2036	GNMA II	661302	5.125	706,346	253,713	10/20/2036
GNMA II	655790	5.000	1,472,212	126,090	5/20/2036	GNMA II	663700	5.375	242,000	109,509	10/20/2036
GNMA II	655838	5.250	254,573	86,635	5/20/2036	GNMA II	663748	5.375	339,900	157,256	10/20/2036
GNMA II	655871	4.750	283,175	131,781	5/20/2036	GNMA II	661475	5.125	742,247	142,083	11/20/2036
GNMA II	659364	4.750	304,454	86,304	5/20/2036	GNMA II	661477	5.625	1,789,240	366,936	11/20/2036
GNMA II	655789	4.750	803,566	220,159	6/20/2036	GNMA II	661304	5.125	1,802,165	316,335	11/20/2036
GNMA II	655990	5.125	301,655	103,487	6/20/2036	GNMA II	661305	5.375	2,304,855	84,871	11/20/2036
GNMA II	659366	5.000	262,818	86,106	6/20/2036	GNMA II	661377	5.125	1,030,173	106,944	11/20/2036
GNMA II	661374	5.000	272,752	142,452	6/20/2036	GNMA II	661405	5.375	776,814	43,915	11/20/2036
GNMA II	661677	4.875	66,939	54,736	6/20/2036	GNMA II	663704	4.875	125,497	102,716	11/20/2036
GNMA II	669231	4.875	84,724	54,906	6/20/2036	GNMA II	661683	4.875	1,340,800	227,912	12/20/2036
GNMA II	656095	5.125	1,072,736	84,942	7/20/2036	GNMA II	661684	5.125	1,492,799	140,709	12/20/2036
GNMA II	656097	5.125	542,052	70,091	7/20/2036	GNMA II	661685	5.375	1,084,413	367,659	12/20/2036
GNMA II	656130	4.750	373,400	159,063	7/20/2036	GNMA II	663495	5.125	622,400	47,308	12/20/2036
GNMA II	655938	4.750	190,890	78,422	7/20/2036	GNMA II	663496	5.125	225,622	190,605	12/20/2036
GNMA II	655992	4.875	688,090	126,381	7/20/2036	GNMA II	663644	4.875	356,790	195,308	12/20/2036
GNMA II	655993	5.125	822,307	277,921	7/20/2036	GNMA II	668459	5.125	296,052	249,911	12/20/2036
GNMA II	655994	5.375	1,236,152	114,997	7/20/2036	GNMA II	668503	4.875	562,535	289,753	12/20/2036
GNMA II	659425	5.125	349,680	100,173	7/20/2036	GNMA II	669233	4.875	665,943	133,463	12/20/2036
GNMA II	669230	4.875	350,626	101,165	7/20/2036	GNMA II	663548	5.125	516,525	95,028	1/20/2037
GNMA II	671554	5.375	181,592	154,283	7/20/2036	GNMA II	663642	5.125	1,332,012	115,618	1/20/2037
GNMA II	659766	4.875	328,911	47,063	8/20/2036	GNMA II	663643	5.375	807,353	220,644	1/20/2037
GNMA II	659365	5.125	764,732	69,242	8/20/2036	GNMA II	663701	4.875	717,633	289,149	1/20/2037
GNMA II	659426	5.375	1,338,974	71,797	8/20/2036	GNMA II	663703	5.375	677,238	54,514	2/20/2037
GNMA II	659427	5.125	897,268	180,978	8/20/2036	GNMA II	663744	4.875	722,986	104,439	2/20/2037
GNMA II	659445	4.875	689,475	153,164	8/20/2036	GNMA II	666689	5.125	717,203	274,338	2/20/2037
GNMA II	659505	5.375	655,505	105,401	8/20/2036	GNMA II	666722	4.875	1,145,113	84,696	3/20/2037
GNMA II	659506	5.125	480,589	196,308	8/20/2036	GNMA II	668455	4.875	639,380	91,856	3/20/2037
GNMA II	659507	4.750	54,087	44,499	8/20/2036	GNMA II	668456	5.125	682,029	158,365	3/20/2037
GNMA II	669169	4.875	944,111	585,448	8/20/2036	GNMA II	668504	5.125	737,307	106,860	3/20/2037
GNMA II	671608	4.875	140,475	117,718	8/20/2036	GNMA II	669170	4.750	2,693,627	407,985	4/20/2037
GNMA II	659767	5.125	999,383	49,391	9/20/2036	GNMA II	669171	5.000	2,755,127	798,509	4/20/2037
GNMA II	659769	5.125	190,465	92,853	9/20/2036	GNMA II	669172	5.250	2,769,886	196,705	4/20/2037
GNMA II	659770	5.375	258,947	138,923	9/20/2036	GNMA II	669240	4.750	854,256	258,317	4/20/2037
GNMA II	659772	5.375	543,401	95,514	9/20/2036	GNMA II	669320	4.875	510,381	143,328	4/20/2037
GNMA II	659773	5.625	1,067,112	86,607	9/20/2036	GNMA II	669322	5.000	709,920	206,463	4/20/2037
GNMA II	659450	5.375	1,084,599	144,786	9/20/2036	GNMA II	671375	5.000	462,342	117,339	4/20/2037

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 II	671703	4.750	540,013	148,006	4/20/2037	GNMA II	703813	5.500	460,780	221,299	9/20/2038
GNMA II	671775	5.000	235,660	200,800	4/20/2037	GNMA II	703953	5.250	151,327	133,153	9/20/2038
GNMA II	674750	5.250	116,178	99,691	4/20/2037	GNMA II	700586	5.750	1,076,681	150,591	10/20/2038
GNMA II	674614	4.750	700,242	235,008	5/20/2037	GNMA II	700675	5.500	424,310	117,014	10/20/2038
GNMA II	674751	4.750	412,070	144,275	5/20/2037	GNMA II	700860	5.500	205,040	68,591	10/20/2038
GNMA II	674768	5.000	138,363	118,123	5/20/2037	GNMA II	700862	5.500	610,531	201,051	10/20/2038
GNMA II	674892	5.000	102,130	77,118	5/20/2037	GNMA II	703728	5.750	127,388	113,855	10/20/2038
GNMA II	682852	5.000	173,442	146,118	5/20/2037	GNMA II	703728	5.500	434,692	109,194	10/20/2038
GNMA II	671698	5.250	939,057	171,421	6/20/2037	GNMA II	703960	5.750	163,941	146,461	10/20/2038
GNMA II	671773	4.750	268,076	127,342	6/20/2037	GNMA II	706249	6.000	426,631	209,398	10/20/2038
GNMA II	674769	5.250	1,872,994	496,122	6/20/2037	GNMA II	706251	5.250	338,031	146,774	10/20/2038
GNMA II	674863	5.000	423,198	87,713	6/20/2037	GNMA II	700863	6.000	112,730	100,997	11/20/2038
GNMA II	674864	5.250	168,086	144,667	6/20/2037	GNMA II	703814	5.500	364,709	125,373	11/20/2038
GNMA II	677719	5.000	642,673	180,796	6/20/2037	GNMA II	703863	5.500	893,115	249,409	11/20/2038
GNMA II	677721	5.500	656,593	142,653	6/20/2037	GNMA II	703730	5.500	592,860	60,265	11/20/2038
GNMA II	681036	5.250	331,587	170,543	6/20/2037	GNMA II	703731	5.750	853,716	181,760	11/20/2038
GNMA II	684391	4.750	640,446	110,587	6/20/2037	GNMA II	703934	5.500	998,601	152,547	12/20/2038
GNMA II	671697	5.000	624,290	105,166	7/20/2037	GNMA II	704117	5.750	1,348,573	200,402	12/20/2038
GNMA II	674753	5.500	250,102	61,251	7/20/2037	GNMA II	706250	5.750	1,689,012	412,981	12/20/2038
GNMA II	674754	5.250	418,572	91,592	7/20/2037	GNMA II	706308	5.500	1,215,149	386,881	12/20/2038
GNMA II	674765	4.750	3,237,382	645,728	7/20/2037	GNMA II	706077	5.500	625,318	95,210	1/20/2039
GNMA II	681043	5.000	124,155	106,689	7/20/2037	GNMA II	706079	5.750	126,202	113,340	1/20/2039
GNMA II	677791	5.500	118,242	101,207	8/20/2037	GNMA II	706145	5.750	484,577	118,693	1/20/2039
GNMA II	677797	5.000	163,076	139,915	8/20/2037	GNMA II	706309	5.750	1,166,099	63,149	1/20/2039
GNMA II	682784	5.000	409,708	147,706	8/20/2037	GNMA II	706375	5.750	1,502,329	159,381	1/20/2039
GNMA II	684412	5.500	104,332	91,028	8/20/2037	GNMA II	706429	5.500	2,213,918	195,240	1/20/2039
GNMA II	674615	5.000	254,355	78,130	9/20/2037	GNMA II	706430	5.750	1,973,585	372,209	1/20/2039
GNMA II	677718	5.250	468,638	195,301	9/20/2037	GNMA II	706432	5.500	165,645	148,129	1/20/2039
GNMA II	677722	5.750	126,689	110,669	9/20/2037	GNMA II	706078	5.750	352,683	205,829	2/20/2039
GNMA II	677717	5.000	389,344	59,731	10/20/2037	GNMA II	706104	5.750	1,044,182	81,925	2/20/2039
GNMA II	682883	5.250	517,928	197,796	10/20/2037	GNMA II	706144	5.500	450,627	86,778	2/20/2039
GNMA II	684936	5.500	795,256	157,150	12/20/2037	GNMA II	706121	5.500	666,228	81,999	2/20/2039
GNMA II	684400	6.000	154,389	136,265	12/20/2037	GNMA II	706162	5.750	464,494	163,680	2/20/2039
GNMA II	684565	5.500	735,885	125,030	1/20/2038	GNMA II	706174	5.750	370,735	190,506	3/20/2039
GNMA II	685043	5.750	108,300	95,531	3/20/2038	GNMA II	706180	5.500	897,583	163,596	3/20/2039
GNMA II	691080	5.375	229,574	131,249	4/20/2038	GNMA II	706170	5.500	622,156	186,794	3/20/2039
GNMA II	696648	5.250	90,614	79,302	8/20/2038	GNMA II	706181	5.750	379,047	217,058	3/20/2039
GNMA II	696946	5.500	266,868	80,764	8/20/2038	GNMA II	706030	5.500	382,189	211,861	4/20/2039
GNMA II	698886	5.500	1,331,628	287,521	9/20/2038	GNMA II	706198	5.500	407,249	118,348	4/20/2039
GNMA II	699008	5.500	436,537	112,789	9/20/2038	GNMA II	716909	5.750	1,122,320	304,368	5/20/2039
GNMA II	699010	5.500	540,604	102,416	9/20/2038	GNMA II	716977	5.750	626,338	349,852	5/20/2039
GNMA II	699180	5.250	1,088,967	229,549	9/20/2038	GNMA II	716960	5.500	1,026,091	164,168	5/20/2039
GNMA II	700450	5.250	678,946	83,204	9/20/2038	GNMA II	717054	5.500	539,687	52,857	5/20/2039
GNMA II	700583	5.250	863,271	107,365	9/20/2038	GNMA II	720310	5.500	549,362	154,333	5/20/2039
GNMA II	700584	5.500	789,940	338,444	9/20/2038	GNMA II	720313	5.750	130,782	118,354	5/20/2039
GNMA II	700585	5.750	536,051	109,931	9/20/2038	GNMA II	720360	5.500	122,490	110,295	5/20/2039
GNMA II	700859	5.250	155,122	132,997	9/20/2038	GNMA II	717033	5.500	1,212,003	153,348	6/20/2039

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 II	720381	5.500	371,064	130,787	6/20/2039	GNMA II	742151	4.750	1,467,713	75,065	7/20/2040
GNMA II	720359	5.000	178,114	158,953	6/20/2039	GNMA II	742160	5.000	1,220,249	90,724	7/20/2040
GNMA II	720420	5.000	127,085	114,635	6/20/2039	GNMA II	742161	4.750	1,580,072	258,457	7/20/2040
GNMA II	720312	5.000	655,710	153,234	7/20/2039	GNMA II	742182	5.000	576,809	162,267	7/20/2040
GNMA II	720382	5.750	728,100	206,286	7/20/2039	GNMA II	748804	5.250	129,235	59,300	7/20/2040
GNMA II	720383	5.250	968,509	196,449	7/20/2039	GNMA II	748808	4.500	607,103	174,793	7/20/2040
GNMA II	720384	5.000	762,468	407,753	7/20/2039	GNMA II	752473	4.750	837,466	162,131	7/20/2040
GNMA II	720418	5.250	439,292	279,425	7/20/2039	GNMA II	742213	5.000	849,797	87,939	8/20/2040
GNMA II	720419	5.000	530,954	101,803	7/20/2039	GNMA II	748805	5.000	532,231	67,674	8/20/2040
GNMA II	720394	5.000	148,595	133,065	7/20/2039	GNMA II	748806	4.750	7,902,358	2,183,925	8/20/2040
GNMA II	720423	6.000	72,787	65,944	7/20/2039	GNMA II	748807	4.500	5,509,666	1,055,358	8/20/2040
GNMA II	720454	5.250	158,898	142,905	7/20/2039	GNMA II	748950	5.000	143,408	65,102	8/20/2040
GNMA II	720486	5.000	875,380	508,969	8/20/2039	GNMA II	752716	4.500	194,335	176,914	8/20/2040
GNMA II	720523	5.250	1,016,608	321,403	8/20/2039	GNMA II	748829	5.000	1,013,151	169,632	9/20/2040
GNMA II	720524	5.500	372,541	137,546	8/20/2039	GNMA II	752622	5.000	518,619	196,884	9/20/2040
GNMA II	720529	5.000	520,255	96,034	8/20/2039	GNMA II	752679	5.000	455,824	179,453	10/20/2040
GNMA II	726567	5.250	420,346	268,651	8/20/2039	GNMA II	752516	4.750	5,890,320	2,865,507	10/20/2040
GNMA II	726568	5.000	744,175	596,373	9/20/2039	GNMA II	752517	5.000	1,136,386	382,127	10/20/2040
GNMA II	726569	5.000	2,984,750	1,220,996	9/20/2039	GNMA II	752711	5.000	1,089,573	408,226	10/20/2040
GNMA II	726570	5.250	3,117,037	993,067	9/20/2039	GNMA II	772402	3.750	729,752	207,521	4/20/2042
GNMA II	726571	5.500	326,641	150,227	9/20/2039	GNMA II	AA4782	3.750	1,888,029	1,681,684	8/20/2042
GNMA II	726658	5.000	166,737	147,943	9/20/2039	GNMA II	AA4783	3.750	4,577,316	1,249,356	8/20/2042
GNMA II	726631	5.000	4,296,107	1,400,455	10/20/2039	GNMA II	AA4784	4.250	411,288	153,042	8/20/2042
GNMA II	726632	5.250	2,537,221	640,033	10/20/2039	GNMA II	AA4789	3.750	2,156,562	1,609,091	8/20/2042
GNMA II	726648	5.250	728,244	334,090	10/20/2039	GNMA II	AA4790	4.000	352,830	29,988	8/20/2042
GNMA II	726681	5.000	1,796,165	631,630	10/20/2039	GNMA II	AA4785	4.000	2,028,961	371,945	9/20/2042
GNMA II	726682	5.000	1,297,560	164,499	10/20/2039	GNMA II	AA4788	3.500	769,792	257,980	9/20/2042
GNMA II	726683	5.250	1,612,371	574,770	10/20/2039	GNMA II	AA4798	4.000	346,638	70,435	9/20/2042
GNMA II	726686	5.250	303,896	128,190	10/20/2039	GNMA II	AB8001	4.000	251,883	85,412	9/20/2042
GNMA II	726748	5.000	100,042	90,036	10/20/2039	GNMA II	AA4796	3.500	762,499	165,374	10/20/2042
GNMA II	729053	5.000	518,178	150,382	10/20/2039	GNMA II	AA4797	3.750	1,386,029	1,148,962	10/20/2042
GNMA II	726685	5.000	1,382,436	150,529	11/20/2039	GNMA II	AB7999	3.500	489,680	165,427	11/20/2042
GNMA II	726680	5.250	1,390,522	792,980	11/20/2039	GNMA II	AB8000	3.500	754,316	200,913	11/20/2042
GNMA II	726747	5.250	658,803	481,515	11/20/2039	GNMA II	AC5285	3.500	307,959	98,049	11/20/2042
GNMA II	726749	5.000	1,816,614	565,588	11/20/2039	GNMA II	AC5311	3.500	318,741	301,310	11/20/2042
GNMA II	729046	5.000	4,724,484	1,786,938	11/20/2039	GNMA II	AB7998	2.000	2,185,619	663,885	12/20/2042
GNMA II	729047	5.250	2,989,544	1,293,190	11/20/2039	GNMA II	AC5284	2.000	2,059,125	1,632,478	12/20/2042
GNMA II	729054	5.250	591,034	177,195	11/20/2039	GNMA II	AC5286	3.750	68,637	64,623	12/20/2042
GNMA II	729074	5.500	318,794	88,576	11/20/2039	GNMA II	AC5298	2.000	6,082,520	4,706,005	2/20/2043
GNMA II	752471	5.250	114,625	104,613	11/20/2039	GNMA II	AC5310	2.000	2,535,505	2,127,764	4/20/2043
GNMA II	729072	5.250	1,961,715	509,043	12/20/2039	GNMA II	AC5317	2.000	1,428,158	1,333,486	5/20/2043
GNMA II	729073	5.000	3,497,125	1,314,818	12/20/2039	GNMA II	AD6857	2.000	2,249,964	2,102,571	6/20/2043
GNMA II	729083	5.000	2,107,033	270,280	12/20/2039	GNMA II	AD6862	2.000	2,158,510	1,906,297	7/20/2043
GNMA II	729153	5.250	146,138	131,180	12/20/2039	GNMA II	AD6869	2.000	2,813,325	2,559,632	8/20/2043
GNMA II	752470	5.000	254,186	152,450	4/20/2040	GNMA II	AD6880	2.000	2,611,728	2,453,438	9/20/2043
GNMA II	742062	4.750	2,995,209	606,806	7/20/2040	GNMA II	AF5784	2.000	150,707	141,103	10/20/2043
GNMA II	742071	4.750	2,472,314	332,933	7/20/2040	GNMA II	AF5770	2.000	1,254,276	1,178,158	10/20/2043

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
GNMA II	AI8450	3.000	1,422,245	1,304,677	7/20/2044
GNMA II	AJ6680	3.000	1,002,157	972,768	9/20/2044
GNMA II	AJ6683	3.000	1,016,658	988,705	10/20/2044
GNMA II	AK1946	3.000	1,278,000	1,241,941	11/20/2044
GNMA II	AK8622	3.000	762,937	744,406	12/20/2044
GNMA II	AP0299	2.500	455,793	451,051	8/20/2045
GNMA II	AP0309	2.500	2,786,326	2,761,589	10/20/2045
GNMA II	AQ2324	2.500	3,197,745	3,174,731	10/20/2045
GNMA II	AR3718	2.500	3,114,772	3,098,115	11/20/2045
GNMA II	AR3743	2.500	2,871,722	1,286,848	12/20/2045
Total GNMA:			\$928,696,196	\$154,134,488	47.4%
Total FHLMC:			91,667,483	18,491,766	5.7%
Total FNMA:			511,234,451	152,273,373	46.9%
Grand Total:			\$1,531,598,130	\$324,899,627	100.0%

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 April 1, 2016)

The Series Indentures generally limit the circumstances under which (i) the Bonds identified below as “lockout” bonds can be redeemed pursuant to optional redemptions and revenue fund redemptions before the respective “Call Dates” specified in the table, and (ii) 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	Call Date
2007 Series 5A	\$13,755,000	5.20%	12/1/2047	Lockout (1)	6/1/2017
2010 Series 1A-R	3,590,000	4.50	6/1/2032	PAC	
2009 Series 2N	1,590,000	4.40	6/1/2040	PAC	
2014 Series 2A-R	12,765,000	3.50	6/1/2044	PAC	
2015 1A-R	18,600,000	3.50	6/1/2038	PAC	
2013 Series 1N	6,950,000	3.00	6/1/2043	PAC	
2014 Series 1N	5,950,000	3.00	6/1/2037	PAC	
TOTAL:	\$63,200,000				
Table F-7 Total:	\$237,145,000				
GRAND TOTAL:	\$300,345,000				

(1) Lockout until 6/1/2017 only from revenue fund redemptions (unless necessary to preserve tax exemption).

Table F-7
Washington State Housing Finance Commission Single-Family Program Bonds
Outstanding Bonds by Coupon-Ranked Highest to Lowest
(Principal Amounts as of April 1, 2016)

Series	Par Amount Outstanding	Cumulative Total	Coupon	Maturity	Series	Par Amount Outstanding	Cumulative Total	Coupon	Maturity
2005 VR-2A	\$ 7,845,000	\$ 7,845,000	Variable	6/1/2036	2014 2N	8,815,000	171,900,000	3.40	12/1/2029
2008 VR-1A	6,070,000	13,915,000	Variable	6/1/2039	2010 1A-R	45,000	171,945,000	3.35	6/1/2017
2008 VR-2N	4,700,000	18,615,000	Variable	6/1/2039	2013 1A-R	1,050,000	172,995,000	3.30	6/1/2024
2009 VR-1N	6,000,000	24,615,000	Variable	6/1/2039	2013 1A-R	1,075,000	174,070,000	3.30	12/1/2024
2007 3A	1,165,000	25,780,000	4.80	12/1/2027	2014 2A-R	435,000	174,505,000	3.25	6/1/2024
2006 6A	1,430,000	27,210,000	4.75	12/1/2031	2015 1A-R	1,325,000	175,830,000	3.25	6/1/2026
2007 1A	11,715,000	38,925,000	4.75	12/1/2031	2013 1N	6,300,000	182,130,000	3.20	12/1/2028
2007 2A	12,085,000	51,010,000	4.75	6/1/2048	2013 1A-R	1,015,000	183,145,000	3.15	6/1/2023
2008 1A	370,000	51,380,000	4.75	12/1/2018	2013 1A-R	1,030,000	184,175,000	3.15	12/1/2023
2006 6A	7,655,000	59,035,000	4.70	12/1/2027	2014 2A-R	780,000	184,955,000	3.15	12/1/2023
2007 2A	13,635,000	72,670,000	4.70	12/1/2038	2015 1A-R	1,185,000	186,140,000	3.15	12/1/2025
2009 2N	1,460,000	74,130,000	4.70	6/1/2036	2014 2A-R	905,000	187,045,000	3.10	6/1/2023
2007 1A	3,245,000	77,375,000	4.65	12/1/2024	2015 1A-R	1,155,000	188,200,000	3.10	6/1/2025
2007 2A	4,480,000	81,855,000	4.65	12/1/2032	2010 1A-R	35,000	188,235,000	3.05	12/1/2016
2007 2A	1,745,000	83,600,000	4.60	12/1/2027	2010 1A-R	970,000	189,205,000	3.05	6/1/2022
2010 1N	4,830,000	88,430,000	4.60	12/1/2035	2013 1A-R	985,000	190,190,000	3.05	12/1/2022
2014 1A-R	570,000	89,000,000	4.50	6/1/2028	2014 2A-R	880,000	191,070,000	3.05	12/1/2022
2007 3A	395,000	89,395,000	4.38	12/1/2016	2014 2N	995,000	192,065,000	3.05	6/1/2025
2006 6A	805,000	90,200,000	4.30	12/1/2016	2014 2N	1,025,000	193,090,000	3.05	12/1/2025
2007 1A	735,000	90,935,000	4.30	12/1/2016	2010 1A-R	20,000	193,110,000	3.00	6/1/2016
2007 2A	400,000	91,335,000	4.30	12/1/2016	2014 2A-R	860,000	193,970,000	3.00	6/1/2022
2014 1N	3,035,000	94,370,000	4.13	12/1/2028	2015 1A-R	1,135,000	195,105,000	3.00	12/1/2024
2014 1A-R	6,850,000	101,220,000	4.00	12/1/2025	2014 1A-R	200,000	195,305,000	2.95	6/1/2020
2014 1N	960,000	102,180,000	3.85	6/1/2025	2009 2N	245,000	198,115,000	2.90	12/1/2016
2014 1N	965,000	103,145,000	3.85	12/1/2025	2013 1A-R	930,000	199,045,000	2.90	6/1/2021
2013 1N	6,050,000	109,195,000	3.80	12/1/2037	2015 1A-R	950,000	199,995,000	2.90	12/1/2021
2009 2N	290,000	109,485,000	3.70	6/1/2020	2015 1A-R	1,080,000	201,075,000	2.85	12/1/2023
2009 2N	295,000	109,780,000	3.70	12/1/2020	2014 2A-R	1,050,000	202,125,000	2.75	6/1/2023
2014 1N	935,000	110,715,000	3.70	6/1/2024	2014 2A-R	840,000	202,965,000	2.70	12/1/2021
2014 1N	945,000	111,660,000	3.70	12/1/2024	2010 1N-R	575,000	203,540,000	2.60	6/1/2017
2014 2N	6,950,000	118,610,000	3.70	12/1/2033	2010 1N-R	585,000	204,125,000	2.60	12/1/2017
2015 1N	12,870,000	131,480,000	3.70	12/1/2034	2013 1A-R	915,000	205,040,000	2.60	12/1/2020
2009 2N	275,000	131,755,000	3.55	6/1/2019	2014 1A-R	615,000	205,655,000	2.60	12/1/2019
2009 2N	285,000	132,040,000	3.55	12/1/2019	2014 2A-R	820,000	206,475,000	2.60	6/1/2021
2013 1A-R	920,000	132,960,000	3.55	6/1/2026	2015 1A-R	1,030,000	207,505,000	2.60	12/1/2022
2013 1N	14,110,000	147,070,000	3.50	12/1/2033	2013 1A-R	895,000	208,400,000	2.55	6/1/2020
2014 1N	745,000	147,815,000	3.50	6/1/2023	2014 1A-R	605,000	209,005,000	2.50	6/1/2019
2014 1N	925,000	148,740,000	3.50	12/1/2023	2015 1A-R	1,000,000	210,005,000	2.50	6/1/2022
2013 1A-R	1,095,000	149,835,000	3.45	6/1/2025	2013 1A-R	870,000	210,875,000	2.35	12/1/2019
2013 1A-R	1,120,000	150,955,000	3.45	12/1/2025	2010 1N-R	280,000	211,155,000	2.30	6/1/2016
2015 1N	12,130,000	163,085,000	3.45	12/1/2030	2010 1N-R	565,000	211,720,000	2.30	12/1/2016
					2013 1A-R	860,000	212,580,000	2.30	6/1/2019

Series	Par Amount Outstanding	Cumulative Total	Coupon	Maturity
2014 2A-R	800,000	213,380,000	2.30	12/1/2020
2015 1A-R	980,000	214,360,000	2.30	12/1/2021
2014 2A-R	785,000	215,145,000	2.20	6/1/2020
2015 1A-R	955,000	216,100,000	2.20	6/1/2021
2014 1A-R	590,000	216,690,000	2.15	12/1/2018
2013 1A-R	840,000	217,530,000	2.05	12/1/2018
2014 1A-R	580,000	218,110,000	2.05	6/1/2018
2015 1A-R	935,000	219,045,000	2.00	12/1/2020
2013 1A-R	820,000	219,865,000	1.95	6/1/2018
2014 2A-R	760,000	220,625,000	1.90	12/1/2019
2015 1A-R	910,000	221,535,000	1.90	6/1/2020
2014 2A-R	745,000	222,280,000	1.80	6/1/2019
2013 1A-R	625,000	222,905,000	1.70	12/1/2017
2015 1A-R	220,000	223,125,000	1.70	12/1/2019
2013 1A-R	795,000	223,920,000	1.60	6/1/2017
2014 1A-R	400,000	224,320,000	1.60	6/1/2017
2014 2A-R	730,000	225,050,000	1.50	12/1/2018
2015 1A-R	3,915,000	228,965,000	1.50	12/1/2019
2014 2A-R	705,000	229,670,000	1.40	6/1/2018
2013 1A-R	775,000	230,445,000	1.35	12/1/2016
2014 1A-R	565,000	231,010,000	1.35	12/1/2017
2013 1A-R	65,000	231,075,000	1.25	6/1/2016
2014 1A-R	540,000	231,615,000	1.25	12/1/2016
2014 1A-R	150,000	231,765,000	1.25	6/1/2017
2013 1A-R	180,000	231,945,000	1.20	12/1/2017
2014 2A-R	695,000	232,640,000	1.20	12/1/2017
2014 1A-R	135,000	232,775,000	1.15	6/1/2016
2014 2A-R	675,000	233,450,000	1.10	6/1/2017
2015 1A-R	410,000	233,860,000	1.00	12/1/2017
2014 1A-R	130,000	233,990,000	0.90	6/1/2016
2015 1A-R	500,000	234,490,000	0.90	6/1/2017
2013 1A-R	315,000	234,805,000	0.85	6/1/2016
2014 2A-R	660,000	235,465,000	0.70	12/1/2016
2015 1A-R	775,000	236,240,000	0.70	12/1/2016
2014 2A-R	320,000	236,560,000	0.60	6/1/2016
2015 1A-R	585,000	237,145,000	0.50	6/1/2016
Total:	\$237,145,000			
Table F-6 Total:	\$ 63,200,000			
Grand Total:	\$300,345,000			

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**APPENDIX G:
DEFINITIONS RELATING TO THE VARIABLE RATE BONDS**

The following definitions are excerpted from the 2016 Series 1 Indenture and apply to the Variable Rate Bonds.

“*Alternate Liquidity Facility*” means any Liquidity Facility subsequent to the Initial Liquidity Facility which the Commission may provide to the Trustee pursuant to the 2016 Series 1 Indenture.

“*Authorized Denominations*” means, as to any Variable Rate Bonds, denominations of \$100,000 and any integral multiple of \$5,000 in excess of \$100,000, and, as to any Fixed Rate Bonds, denominations of \$5,000 or any integral multiple thereof within a maturity.

“*Bank*” means (i) with respect to the Initial Liquidity Facility for the Variable Rate Bonds, State Street Bank and Trust Company, together with its successors and assigns; and (ii) with respect to an Alternate Liquidity Facility, the provider thereof, together with its successors and assigns.

“*Bank Bonds*” means Variable Rate Bonds purchased with funds provided by the Bank pursuant to a Liquidity Facility and retained by the Bank (or its transferee), or by the Trustee on behalf of the Bank (or its transferee), except for the voluntary retention by the Bank of remarketable Variable Rate Bonds pursuant to the terms of the 2016 Series 1 Indenture and the Liquidity Facility.

“*Bank Bond Interest Payment Date*” shall have the meaning specified in the Liquidity Facility, including, in the case of the Initial Liquidity Facility, the dates for the payment of interest specified in Section 3(b) of the 2016 Series 1 Indenture.

“*Bank Rate*” means the rate of interest, if any, on any Bank Bonds held by and payable to the Bank at any time as determined and calculated in accordance with the provisions of the Liquidity Facility.

“*Conversion Date*” means the date, if any, on which the Variable Rate Bonds are converted to Fixed Rate Bonds pursuant to Section 13 of the 2016 Series 1 Indenture.

“*Delivery Date*” means the date on which the 2016 Series 1 Bonds are delivered to the original purchasers thereof.

“*Favorable Bond Counsel or Special Tax Counsel Opinion*” shall mean a Bond Counsel or Special Tax Counsel Opinion to the effect that a specific action proposed to be taken is authorized by the General Indenture and the 2016 Series 1 Indenture and will not adversely affect the exclusion from gross income of the interest on the 2016 Series 1 Bonds for federal income tax purposes.

“*Fixed Interest Rate*” means, with respect to each 2016 Series 1N Bond, a long-term interest rate, fixed to maturity as of the Delivery Date or any Conversion Date, established in accordance with the 2016 Series 1 Indenture.

“*Fixed Rate Bonds*” means any of the Outstanding 2016 Series 1 Bonds bearing interest at a Fixed Interest Rate.

“*Hold Rate*” means the Prime Rate plus 1.00%. For purposes of the preceding sentence, the “Prime Rate” is the current Prime Rate appearing on the U.S. Rates and Bonds page at Bloomberg.com or, if unavailable at Bloomberg.com, as listed in the Consumer Money Rates table of the Bonds, Rates & Credit Markets Overview page at WSJ.com, as of approximately 11:00 a.m. New York time on the Rate Determination Date.

“*Immediate Notice*” means notice by telephone, telex or telecopier to such address as the addressee shall have directed in writing, promptly followed by written notice by first class mail, postage prepaid; provided, however, that if any Person required to give an Immediate Notice shall not have been provided with the necessary information as to the telephone, telex or telecopier number of an addressee, Immediate Notice shall mean written notice by first class mail, postage prepaid.

“*Initial Liquidity Facility*” means the Standby Bond Purchase Agreement, dated as of April 1, 2012, among the Commission, the Trustee, the Tender Agent and the Bank, as it may be supplemented and amended from time to time.

“*Liquidity Expiration Event*” means either (i) the Commission or the Bank has determined to terminate a Liquidity Facility in accordance with its terms (other than automatic termination as a result of the occurrence of a Termination Event), including termination resulting from substitution of an Alternate Liquidity Facility, or (ii) the Liquidity Facility is scheduled to expire and the Trustee and Tender Agent have not received notice from the Bank at least 45 days prior to the scheduled expiration of a Liquidity Facility that such Liquidity Facility will be extended or renewed.

“*Liquidity Facility*” means any instrument delivered pursuant to the terms of the 2016 Series 1 Indenture which provides liquidity support for the purchase of Variable Rate Bonds in accordance with the terms of the 2016 Series 1 Indenture, including the Initial Liquidity Facility and any Alternate Liquidity Facility.

“*Liquidity Facility Default*” means any “Event of Default” as defined in the Liquidity Facility.

“*Maximum Rate*” means (i) with respect to the Variable Rate Bonds, 10% per annum, and (ii) with respect to Bank Bonds, the meaning ascribed to such term in the Liquidity Facility; unless the Commission directs in writing that such 10% rate be increased to a higher rate and delivers to the Trustee (w) the written consent of the Bank, if any, (x) a Bond Counsel Opinion, (y) Rating Confirmation and (z) a certified copy of a resolution adopted by the Commission approving the increase in said rate; provided, however, that in no event shall the Maximum Rate exceed the maximum rate permitted by applicable law, anything in the 2016 Series 1 Indenture to the contrary notwithstanding.

“*Notice Parties*” means the Commission, the Trustee, the Tender Agent, the Remarketing Agent and the Bank.

“*Purchase Date*” means any date that Variable Rate Bonds are required to be purchased pursuant to Section 14 and Exhibit D of the 2016 Series 1 Indenture.

“*Purchase Price*” means an amount equal to the principal amount of any Variable Rate Bonds purchased on any Purchase Date, plus, if the Purchase Date is not a Regular Payment Date, accrued interest, if any, to the Purchase Date.

“*Rate Determination Date*” means each Variable Rate Date (unless such date is not a Business Day, then the first Business Day immediately preceding the corresponding Variable Rate Date), being the date on which the Variable Rate for the corresponding Variable Rate Period is determined, as described in the 2016 Series 1 Indenture; provided, that the initial Rate Determination Date will occur on the Business Day immediately preceding the Delivery Date of the Variable Rate Bonds.

“*Record Date*” means the 15th 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; provided, that with respect to Bonds bearing interest at a variable rate, Record Date means the Business Day 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.

“*Remarketing Agent*” means RBC Capital Markets, LLC and its successors and assigns, unless another remarketing agent is duly appointed by the Commission pursuant to the 2016 Series 1 Indenture and the 2016 Series 1 Remarketing Agreement for the remarketing of 2016 Series VR-1N Bonds.

“*SIFMA Index*” means on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations labeled as the USD-SIFMA Municipal Swap Index, as produced by Municipal Market Data and published or made available by the Securities Industry and Financial Markets Association (“SIFMA”) or any person acting in cooperation with or under the sponsorship of SIFMA, and effective from such date.

“*Tender Agent*” means the Trustee acting as tender agent for the Variable Rate Bonds pursuant to Section 12 of the 2016 Series 1 Indenture.

“*Tendered Bonds*” means Variable Rate Bonds tendered or deemed tendered for purchase pursuant to Section 14 and Exhibit D of the 2016 Series 1 Indenture.

“*Termination Event*” shall have the meaning ascribed to such phrase in the Liquidity Facility.

“*2016 Series 1 Remarketing Agreement*” means the Remarketing Agreement, dated as of May 1, 2016, between the Commission and the Remarketing Agent, relating to the 2016 Series VR-1N Bonds, as the same may be amended or supplemented from time to time in accordance with the terms thereof.

“*Variable Rate*” means the rate of interest, which rate shall be less than or equal to the Maximum Rate with respect to the Variable Rate Bonds, payable on the Variable Rate Bonds, as determined on each Rate Determination Date for the following Variable Rate Period pursuant to the 2016 Series 1 Indenture, including the initial rate in effect from the Delivery Date to, but excluding, the next Variable Rate Date.

“*Variable Rate Bonds*” means any of the Outstanding 2016 Series VR-1N Bonds bearing interest at a Variable Rate.

“*Variable Rate Date*” means, subject to the provisions of Section 14 and Exhibit D of the 2016 Series 1 Indenture, each Thursday following a Rate Determination Date, being the date upon which the Variable Rate Bonds begin to bear interest at a new Variable Rate; provided, that the initial Variable Rate Date for the Variable Rate Bonds shall be the Delivery Date.

“*Variable Rate Period*” means each weekly period (subsequent to the initial Variable Rate Period) during which interest accrues at a Variable Rate from one Variable Rate Date (or, if applicable, the Conversion Date) to, but excluding, the next Variable Rate Date; provided, that the initial Variable Rate Period shall commence on the Delivery Date of the Variable Rate Bonds and shall extend to, but exclude, the next Variable Rate Date.

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APPENDIX H: THE BANK AND THE INITIAL LIQUIDITY FACILITY

The Bank

The information under this subheading has been provided solely by the Bank 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.

State Street Bank and Trust Company (the “Bank”) is a wholly-owned subsidiary of State Street Corporation (the “Corporation”). The Corporation (NYSE: STT) provides financial services to institutional investors, including investment servicing, investment management and investment research and trading. With \$27.51 trillion in assets under custody and administration and \$2.25 trillion in assets under management as of December 31, 2015, the Corporation operates in more than 100 geographic markets worldwide. The consolidated total assets of the Bank as of December 31, 2015 accounted for approximately 98% of the consolidated total assets of the Corporation as of the same date. As of December 31, 2015, the Corporation had consolidated total assets of \$245.19 billion, total deposits (including deposits in non-U.S. offices) of \$191.63 billion, total investment securities of \$100.02 billion, total loans and leases, net of unearned income and allowance for loan losses, of \$18.75 billion and total shareholders’ equity of \$21.10 billion.

The Bank’s Consolidated Reports of Condition and Income for A Bank With Domestic and Foreign Offices Only — FFIEC 031 (the “Call Reports”) through December 31, 2015 have been submitted through the Federal Financial Institutions Examination Council and provided to the Board of Governors of the Federal Reserve System, the primary U.S. federal banking agency responsible for regulating the Corporation and the Bank. Publicly available portions of those Call Reports, and future Call Reports so submitted by the Bank, are available on the Federal Deposit Insurance Corporation’s website at www.fdic.gov. The Call Reports are prepared in conformity with regulatory instructions that do not in all cases follow U.S. generally accepted accounting principles.

Additional financial and other information related to the Corporation and the Bank, including the Corporation’s Annual Report on Form 10-K for the year ended December 31, 2015 and additional annual, quarterly and current reports subsequently filed or furnished by the Corporation with the U.S. Securities and Exchange Commission (the “SEC”), can be accessed free of charge on the SEC’s website at www.sec.gov.

Any statement contained in any document referred to above shall be deemed to be modified or superseded for purposes of this Official Statement to the extent that a statement contained herein or in any subsequently submitted, filed or furnished document that also is referred to above modifies or supersedes such statement. The delivery hereof shall not create any implication that there has been no change in the affairs of the Bank or the Corporation since the date hereof, or that information contained or referred to in this Appendix is correct as of any time subsequent to this date. The information concerning the Corporation, the Bank or any of their respective affiliates is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced here.

A copy of any or all of the publicly available portions of the documents referred to above, other than exhibits to such documents, may be obtained without charge to each person to whom a copy of this Official Statement has been delivered, on the written request of any such person. Written requests for such copies should be directed to Investor Relations, State Street Corporation, One Lincoln Street, Boston, Massachusetts 02111, telephone number 617-786-3000.

The Initial Liquidity Facility is an obligation solely of the Bank and is not an obligation of, or otherwise guaranteed by, the Corporation or any of its affiliates (other than the Bank). Neither the Corporation nor any of its affiliates (other than the Bank) is required to make payments under the Initial Liquidity Facility. None of the Bank, the Corporation or any of their respective affiliates makes any representation as to, or is responsible for the suitability of the Variable Rate Bonds for any investor, the feasibility or performance of any project or compliance with any securities or tax laws or regulations. The Variable Rate Bonds are not direct obligations of, or guaranteed by, the Bank, the Corporation or any of their respective affiliates, except to the extent provided by in the Initial Liquidity Facility.

The Initial Liquidity Facility

The Initial Liquidity Facility will provide liquidity for the Variable Rate Bonds as well as the Commission’s 2008 Series VR-1A Bonds, 2008 Series VR-2N Bonds and 2009 Series VR-1N Bonds (collectively, the “Liquidity Facility Bonds”). The amount available under the Initial Liquidity Facility for the purchase of Liquidity Facility Bonds will equal the aggregate principal amount of the Liquidity Facility Bonds, plus 186 days interest thereon calculated at 10%

per 365 day year. The following summarizes certain provisions of the Initial Liquidity Facility, as amended, to which reference is made for the complete provisions thereof.

General. The Initial Liquidity Facility requires the Bank to provide funds for the purchase of Liquidity Facility Bonds that have been tendered and not remarketed subject to certain conditions described below. Bank Bonds will bear interest at the Bank Rate (not to exceed 25% per annum), in accordance with the Initial Liquidity Facility, payable on the first Business Day of each month.

Expiration of the Initial Liquidity Facility. The Bank is obligated to purchase Liquidity Facility Bonds pursuant to the Initial Liquidity Facility from the date of issuance of the Liquidity Facility Bonds until the earliest to occur of the following dates and events (the “Commitment Period”): (1) the later of 5:00 p.m. Eastern United States time on June 15, 2020, and the date to which such expiration date is extended at the sole discretion of the Bank (or if such date is not a Business Day, the Business Day next preceding such day); (2) the first date on which no Liquidity Facility Bonds are Outstanding; (3) 5:00 p.m. Eastern United States time on the Business Day following the Conversion Date on which the interest rate borne by all of the Liquidity Facility Bonds has been converted to a Fixed Interest Rate, or upon the honoring of any drawing related to such conversion to a Fixed Interest Rate; (4) 5:00 p.m. Eastern United States time on the 45th day following the date on which a “Notice of Termination Date” (as defined below in paragraph (2) under the subheading “*Remedies Upon Occurrence of an Event of Default*”) is received by the Commission, the Trustee and the Tender Agent, or if such 45th day is not a Business Day, the next succeeding Business Day; (5) 5:00 p.m. Eastern United States time on the earlier of the Business Day following the date on which an Alternate Liquidity Facility has become effective with respect to all Liquidity Facility Bonds or upon the honoring of any drawing relating to such an Alternate Liquidity Facility; (6) 30 days after the Commission delivers a notice of voluntary termination of the Initial Liquidity Facility (or immediately upon delivery of such notice if the Bank has defaulted on any payment obligations under the Initial Liquidity Facility), and payment of all amounts owing to the Bank under the Initial Liquidity Facility; and (7) the occurrence of a “Termination Event” (as defined below in paragraph (1) under the subheading of “*Remedies Upon Occurrence of an Event of Default*”).

If a “Termination Event” occurs, the obligation of the Bank to purchase any Liquidity Facility Bonds immediately will terminate without notice or demand to any person. In such event, holders of Liquidity Facility Bonds will have no right to optionally tender their Liquidity Facility Bonds and may be required to hold such Liquidity Facility Bonds until the earlier of the redemption or maturity thereof.

Purchase of Liquidity Facility Bonds. The Tender Agent is required to notify the Bank, on the Business Day immediately following the seventh day prior to each Purchase Date, of the maximum amount that could be payable on such Purchase Date to pay the Purchase Price of tendered Liquidity Facility Bonds. On each Purchase Date on which the Liquidity Facility Bonds are to be purchased by the Tender Agent, by no later than 12:30 p.m. Eastern United States time, the Tender Agent is to give the Bank notice by telecopier and in writing of the aggregate Purchase Price of the tendered Liquidity Facility Bonds required to be purchased by the Bank pursuant to the Initial Liquidity Facility, and the amount of principal and interest constituting such Purchase Price. Upon receipt of the notice set forth above, the Bank, unless it determines that its obligation to purchase pursuant to the Initial Liquidity Facility has been suspended or terminated in accordance therewith, shall, by no later than 2:00 p.m. Eastern United States time on the same day, (or not later than 2:00 p.m. Eastern United States time on the next Business Day if the Bank receives such notice after 12:30 p.m. Eastern United States time) make available to the Tender Agent, in immediately available funds, such Purchase Price, to be deposited in accordance with the Indenture. As soon as such funds become available, the Tender Agent is required to purchase therewith, for the account of the Bank, that portion of the tendered Liquidity Facility Bonds for the purchase of which immediately available funds are not otherwise then available for such purposes under the Indenture.

Certain Covenants. The Initial Liquidity Facility contains certain covenants of the Commission in favor of the Bank, including:

- The Commission agrees not to amend, supplement or otherwise modify (or permit any of the foregoing), or request or agree to any consent or waiver under, or effect or permit the cancellation, acceleration or termination of, or (except as otherwise permitted under the Related Documents, as defined below) release or permit the release of any collateral held under, any of the Related Documents without the prior written consent of the Bank.
- The Commission agrees to comply with all laws, ordinances, orders, rules and regulations that may be applicable to it if the failure to comply could have a material adverse effect on the security for any of the Liquidity Facility Bonds, or the Commission’s ability to repay when due its obligations under the Initial Liquidity Facility, any of the Liquidity Facility Bonds, and the Related Documents.

- So long as the Initial Liquidity Facility is in effect and the Bank is not in default thereunder, the Commission agrees not to permit the appointment of a successor Tender Agent or remarketing agent for any Series of the Liquidity Facility Bonds unless the Commission has obtained the prior written consent of the Bank. If the rating of any entity serving in any such capacity falls below “A” by either Moody’s or S&P, the Commission agrees to use its best efforts to replace any such entity at the request of the Bank. The Commission agrees to cause a remarketing agent to be in place for each Series of Liquidity Facility Bonds at all times while the Initial Liquidity Facility is in effect or any Bank Bonds are outstanding.
- While any Bank Bonds are outstanding, and in accordance with the applicable Series Indenture, the Commission agrees to redeem Bank Bonds prior to redeeming any other Liquidity Facility Bonds under a Series Indenture, but only to the extent (i) consistent with Section 143 of the Code as it applies to tax-exempt bonds issued under the Indenture and (ii) the Commission otherwise is obligated to do so pursuant to the payment provisions in the Initial Liquidity Facility.
- The Commission agrees to use the proceeds of the Liquidity Facility Bonds for the purposes set forth in the Indenture.
- The Commission agrees to use its best efforts to preserve and maintain its existence as a public instrumentality and political subdivision of the State of Washington, and to preserve and maintain its rights, franchises and privileges material to the conduct of its business as from time to time being conducted.

For purposes of the Initial Liquidity Facility, the phrase “Related Documents” is defined to mean the Initial Liquidity Facility, the Liquidity Facility Bonds, the Liquidity Provider Bond Custody Agreement, the General Indenture, the Series Indentures for the Liquidity Facility Bonds, the bond purchase contracts relating to the initial sales of the Liquidity Facility Bonds, and the remarketing agreements relating to the Liquidity Facility Bonds.

Events of Default Under the Initial Liquidity Facility. The following events constitute events of default under the Initial Liquidity Facility:

- (1) (i) Any principal of, or interest on, any Liquidity Facility Bond (including any Bank Bond) shall not be paid when due, or (ii) any other amount owed to the Bank as owner of any Bank Bond pursuant to the Initial Liquidity Facility shall not be paid when due; or
- (2) The Commission shall fail to pay any fee to the Bank due under the Initial Liquidity Facility within 15 days after the same shall become due; or
- (3) Any representation or warranty made or deemed to be made to the Bank by or on behalf of the Commission in the Initial Liquidity Facility or in any Related Document, or in any certificate or statement delivered under the Initial Liquidity Facility or the Related Documents shall be incorrect or untrue in any material respect when made or deemed to have been made; or
- (4) The Commission shall fail to observe or perform any covenant or agreement of the Commission contained (or incorporated by reference) in the Initial Liquidity Facility and such failure shall continue for 60 days (or such longer period as provided in any such covenant or agreement) or more after written notice thereof requesting that such default be remedied has been given to it by the Bank; provided that the Commission’s failure to observe or perform any of the covenants summarized under the subheading “*Certain Covenants*” above shall constitute an event of default immediately and without regard to any grace period; or
- (5) The Commission shall default in the due performance or observance of any other term, covenant or agreement contained in the Initial Liquidity Facility (other than those referred to in paragraphs (1) through (4) above) and such default shall remain unremedied for a period of 30 days after the Bank shall have given written notice thereof to the Commission; or
- (6) (i) The Commission shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its Debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the Commission shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Commission any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the

- appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against the Commission, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) the Commission shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Commission shall generally not, or shall be unable to, or so admit in writing its inability to, pay its Debts; or
- (7) Any Event of Default under the Indenture or any “event of default” which is not cured within any applicable cure period under any of the Related Documents shall occur which, if not cured, would give rise to remedies available thereunder; or
 - (8) Any material provision of the Initial Liquidity Facility or any Related Document relating to the Commission’s ability to pay the principal of and/or interest on the Liquidity Facility Bonds shall at any time for any reason cease to be valid and binding on the Commission or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the Commission or by any Governmental Agency having jurisdiction, or the Commission shall deny that it has any or further liability or obligation relating to the Commission’s ability to pay the principal of and/or interest on the Liquidity Facility Bonds under any such document, or
 - (9) The rating assigned to the Liquidity Facility Bonds shall fall below “Baa3” (or its equivalent) by Moody’s Investors Service; or
 - (10) (i) The Commission shall default in any payment of principal of or premium, if any, or interest on any general obligation of the Commission for borrowed money in excess of \$10,000,000 and such default shall continue beyond the expiration of the applicable grace period, if any, or (ii) the Commission shall fail to perform any other agreement, term or condition contained in any agreement under which any such obligation is created or secured, which shall permit or result in the declaring due and payable of such obligation prior to the date on which it would otherwise have become due and payable; or
 - (11) A final non-appealable judgment or order for the payment of money from the Revenue Fund in excess of \$5,000,000 shall have been rendered against the Commission and such judgment or order shall not have been satisfied, stayed or bonded pending appeal within a period of 60 days from the date on which it was first so rendered.

Remedies Upon Occurrence of an Event of Default. Following the occurrence of certain of the above referenced events of default, the Bank may take any one or more of the following actions.

- (1) In the case of the occurrence of an event of default specified in paragraphs (1)(but only as described in clause (i) thereof), (6), (8), (9), (10)(but only as described in clause (i) thereof) or (11) above (each, a “Termination Event”), the obligations of the Bank under the Initial Liquidity Facility to purchase the Liquidity Facility Bonds shall immediately terminate without notice or demand to any Person, and thereafter the Bank shall be under no obligation to purchase the Liquidity Facility Bonds; *provided that* the occurrence of an event of default specified in paragraph (1) above will not be a Termination Event with respect to Bank Bonds as a result of acceleration of such Bank Bonds, other than failure to pay scheduled principal of and interest on such Bank Bonds; and *provided further that* the occurrence of an event of default specified in paragraph (8) above shall constitute a “Termination Event” only to the extent that such event of default relates to the invalidity of the Initial Liquidity Facility or the Indenture. Promptly upon such event of default, the Bank is required to give written notice of the same to the Commission, the Trustee, and the remarketing agent(s) for the Liquidity Facility Bonds; provided, that the Bank will incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure will in no way affect the termination of the obligation of the Bank to purchase Bonds pursuant to the Initial Liquidity Facility. The Commission is required by the Initial Liquidity Facility to cause the Trustee to notify all Bondowners of the termination of the obligation of the Bank to purchase the Liquidity Facility Bonds.
- (2) In the case of the occurrence of any event of default specified in paragraphs (1)(but only as described in clause (ii) thereof), (2), (3), (4), (5), (7) and (10)(but only as described in clause (ii) thereof) above, or the occurrence of an event of default specified in paragraphs (8) above that does not constitute a Termination Event, the Bank may give written notice of such event of default and termination of the Initial Liquidity Facility (a “Notice of Termination Date”) to the Trustee, the Tender Agent, the Commission, and the remarketing agent(s) for the

Liquidity Facility Bonds, requesting a mandatory tender of the Liquidity Facility Bonds. The obligation of the Bank to purchase the Liquidity Facility Bonds shall terminate on the 45th day (or if such day is not a Business Day, the next following Business Day) after such Notice of Termination Date is received by the Tender Agent and on such date the Bank shall be under no obligation under the Initial Liquidity Facility to purchase Liquidity Facility Bonds.

- (3) Upon the occurrence of any event of default, the Bank may declare all accrued and unpaid amounts payable to it under the Initial Liquidity Facility immediately due and payable (other than payments of principal of and interest on Bank Bonds, acceleration rights with respect to which are governed by the Indenture), and the Bank shall have all remedies provided at law or equity, including, without limitation, specific performance; provided, however, the Bank agrees to purchase the Liquidity Facility Bonds on the terms and conditions of the Initial Liquidity Facility notwithstanding the occurrence of an event of default which does not terminate its obligation to purchase Bonds under the preceding two paragraphs above.
- (4) The remedies described in paragraphs (1) and (2) under this subheading will be exclusive only with respect to such events of default to the extent they are obtained by the Bank. If, for any reason whatsoever, the Bank is not able to obtain all such remedies, then the Bank may pursue any other available remedies, whether provided by law, equity or the Initial Liquidity Facility.

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