

## OFFICIAL STATEMENT

**NEW ISSUE - Book-Entry Only**

**RATING - Moody's: "Aaa"**  
(See "RATING" herein)

*In the opinion of Butler Snow LLP, Bond Counsel, under existing statutes, regulations, published rulings and judicial decisions, interest on the Series 2023C Bonds described herein is excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Series 2023C Bonds is not a separate tax preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code")) for the purpose of computing the alternative minimum tax imposed on corporations. See "TAX MATTERS" for information concerning assumptions as to compliance with the Code, upon which the foregoing opinions are based. In the further opinion of Bond Counsel, under present law, interest on the Series 2023CD Bonds is exempt under the Act (as defined herein) from taxes directly imposed by the State of Mississippi, except for estate or gift taxes and taxes on transfers.*

**\$70,000,000**

**MISSISSIPPI HOME CORPORATION**  
**Single Family Mortgage Revenue Bonds**  
**Series 2023C (Non-AMT)**

**\$29,295,000**

**MISSISSIPPI HOME CORPORATION**  
**Single Family Mortgage Revenue Bonds**  
**Series 2023D (Federally Taxable)**

**Dated: Date of Initial Delivery**

**Due: As shown on inside cover**

The above described Series 2023C Bonds and Series 2023D Bonds (collectively, the "Series 2023CD Bonds") are issuable by the Mississippi Home Corporation (the "Corporation") only as fully registered bonds, without coupons, in denominations of \$5,000 each or any integral multiple thereof. The Series 2023CD Bonds will be issued by means of a book-entry only system evidencing ownership and transfer of Series 2023CD Bonds on the records of The Depository Trust Company ("DTC") and its participants. Purchasers of the Series 2023CD Bonds will not receive certificates representing their interest in the Series 2023CD Bonds. The principal of, premium, if any, and interest on the Series 2023CD Bonds are payable by Hancock Whitney Bank, Gulfport, Mississippi, as Trustee, to DTC, or its nominee, Cede & Co., which will in turn remit such principal, premium, if any, and interest to its Direct Participants, which will in turn remit such principal, premium, if any, and interest to the Indirect Participants or the Beneficial Owners of the Series 2023CD Bonds, as described herein. See "THE SERIES 2023CD BONDS – Book-Entry Only System." Interest on the Series 2023CD Bonds is payable each June 1 and December 1, commencing December 1, 2023.

The Series 2023CD Bonds constitute parity obligations, equally and ratably secured with outstanding Single Family Mortgage Revenue Bonds previously issued or to be issued by the Corporation under its Single Family Mortgage Bond Resolution adopted by the members of the Corporation on July 15, 2009, as amended and supplemented (the "General Bond Resolution"). The Series 2023CD Bonds are being issued to provide the Corporation funds to finance the purchase of (a) Ginnie Mae Certificates, (b) Fannie Mae Securities, (c) Freddie Mac PCs, (d) Uniform Mortgage-Backed Securities, each as defined herein and collectively, the "Program Securities," and (e) subordinate loans to mortgagors, the proceeds of which will be used to provide down payment assistance on financed single family residences (the "Second Mortgage Loans"). Both the mortgage loans which back the Program Securities and the Second Mortgage Loans will be made to qualified persons or families of low or moderate income to finance the purchase of single family residences in the State of Mississippi.

The Series 2023CD Bonds are subject to redemption prior to maturity, including optional and mandatory redemption at par, as more fully described herein. See "THE SERIES 2023CD BONDS – Redemption Provisions."

THE SERIES 2023CD BONDS ARE LIMITED OBLIGATIONS OF THE CORPORATION PAYABLE SOLELY AS PROVIDED IN THE CORPORATION RESOLUTION (AS DESCRIBED HEREIN). THE SERIES 2023CD BONDS DO NOT CONSTITUTE AN OBLIGATION, EITHER GENERAL OR SPECIAL, OF THE STATE OF MISSISSIPPI, ANY MUNICIPALITY OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF MISSISSIPPI. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF MISSISSIPPI OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED FOR PAYMENT OF THE SERIES 2023CD BONDS. THE CORPORATION HAS NO TAXING POWER. THE SERIES 2023CD BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA, OR ANY AGENCY THEREOF, OR GINNIE MAE, FANNIE MAE OR FREDDIE MAC AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA.

*The Series 2023CD Bonds are offered for delivery when, as and if issued by the Corporation, subject to receipt of an approving opinion by Butler Snow LLP, Ridgeland, Mississippi, Bond Counsel. Certain legal matters will be passed upon for the Corporation by its counsel, Balch & Bingham LLP, Jackson, Mississippi. Certain legal matters will be passed upon for the Underwriters by their counsel, Jones Walker LLP, Jackson, Mississippi. Government Consultants, Inc., Madison, Mississippi, is the independent registered municipal advisor to the Corporation. It is expected that the Series 2023CD Bonds will be available for delivery through the facilities of DTC on or about August 9, 2023.*

**Raymond James**  
**SouthState|Duncan-Williams**

**Wells Fargo Securities**  
**Stephens Inc.**

Dated: July 7, 2023

## MATURITY SCHEDULE

### \$70,000,000 MISSISSIPPI HOME CORPORATION Single Family Mortgage Revenue Bonds Series 2023C (Non-AMT)

#### \$12,720,000 Serial Bonds

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP<sup>†</sup></u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP<sup>†</sup></u>
December 1, 2028	\$ 250,000	3.350%	100.000%	60535QG87	December 1, 2032	\$ 895,000	3.875%	100.000%	60535QH86
June 1, 2029	715,000	3.400%	100.000%	60535QG95	June 1, 2033	930,000	3.900%	100.000%	60535QH94
December 1, 2029	735,000	3.500%	100.000%	60535QH29	December 1, 2033	960,000	3.950%	100.000%	60535QJ27
June 1, 2030	760,000	3.600%	100.000%	60535QH37	June 1, 2034	990,000	4.000%	100.000%	60535QJ35
December 1, 2030	785,000	3.650%	100.000%	60535QH45	December 1, 2034	1,025,000	4.000%	100.000%	60535QJ43
June 1, 2031	810,000	3.750%	100.000%	60535QH52	June 1, 2035	1,060,000	4.100%	100.000%	60535QJ50
December 1, 2031	840,000	3.800%	100.000%	60535QH60	December 1, 2035	1,095,000	4.150%	100.000%	60535QJ68
June 1, 2032	870,000	3.850%	100.000%	60535QH78					

\$7,395,000 4.250% Series 2023C Term Bond due December 1, 2038 – Price 100.000% CUSIP<sup>†</sup>: 60535QJ76

\$16,125,000 4.550% Series 2023C Term Bond due December 1, 2043 – Price 100.000% CUSIP<sup>†</sup>: 60535QJ84

\$33,760,000 4.650% Series 2023C Term Bond due December 1, 2048 – Price 100.000% CUSIP<sup>†</sup>: 60535QJ92

### \$29,295,000 MISSISSIPPI HOME CORPORATION Single Family Mortgage Revenue Bonds Series 2023D (Federally Taxable)

#### \$5,105,000 Serial Bonds

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP<sup>†</sup></u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP<sup>†</sup></u>
June 1, 2024	\$ 420,000	5.450%	100.000%	60535QK25	December 1, 2026	\$ 540,000	5.350%	100.000%	60535QK74
December 1, 2024	475,000	5.450%	100.000%	60535QK33	June 1, 2027	565,000	5.250%	100.000%	60535QK82
June 1, 2025	495,000	5.450%	100.000%	60535QK41	December 1, 2027	585,000	5.300%	100.000%	60535QK90
December 1, 2025	510,000	5.450%	100.000%	60535QK58	June 1, 2028	600,000	5.350%	100.000%	60535QL24
June 1, 2026	525,000	5.300%	100.000%	60535QK66	December 1, 2028	390,000	5.400%	100.000%	60535QL32

\$24,190,000 6.500% Series 2023D Term Bond due December 1, 2053 – Price 102.906% CUSIP<sup>†</sup>: 60535QL40  
("PAC Bonds")

<sup>†</sup> CUSIP numbers have been assigned by an organization not affiliated with the Corporation and are included for the convenience of the owners of the Series 2023CD Bonds. The Corporation is not responsible for the selection or used of these CUSIP numbers nor is any representation made as to their correctness on the Series 2023CD Bonds or as indicated above. A CUSIP number for a specific maturity may be changed after the issuance date. CUSIP® is a registered trademark of the American Bankers Association.

No dealer, broker, salesman, or other person has been authorized by the Corporation to give any information or to make any representation with respect to the Series 2023CD Bonds, other than as 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 the Corporation. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2023CD 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 Corporation and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Corporation. The information regarding DTC has been obtained from DTC, but is not guaranteed as to accuracy or completeness by the Corporation. 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 information or opinions set forth herein after the date of this Official Statement. This Official Statement does not constitute a contract between the Corporation or the Underwriters and any one or more of the purchasers or registered owners of the Series 2023CD Bonds.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

**THE SERIES 2023CD BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE SERIES 2023CD BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE SERIES 2023CD BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.**

**IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CORPORATION AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.**

The Underwriters may elect, but will have no obligation to maintain a secondary market in the Series 2023CD Bonds.

#### **FORWARD LOOKING STATEMENTS**

This Official Statement contains statements which should be considered “forward looking statements,” meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as “plan,” “expect,” “estimate,” “budget,” “project” or similar words.

The achievement of certain results or other expectations contained in such forward looking statements involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. The Corporation does not expect or intend to issue any updates or revisions to those forward looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based, occur or fail to occur.

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

## Table of Contents

	Page
INTRODUCTION .....	1
THE SERIES 2023CD BONDS .....	4
AVERAGE LIFE OF PAC BONDS .....	15
ESTIMATED SOURCES AND DEPOSIT OF FUNDS.....	17
APPLICATION OF CERTAIN ACCOUNTS UNDER THE SERIES 2023CD RESOLUTION .....	17
SECURITY FOR THE BONDS.....	20
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION PROGRAM.....	22
FEDERAL NATIONAL MORTGAGE ASSOCIATION PROGRAM.....	24
FREDDIE MAC PARTICIPATION CERTIFICATES PROGRAM.....	26
THE PROGRAM.....	29
PROGRAM ASSUMPTIONS AND BONDHOLDERS' RISKS.....	35
THE CORPORATION .....	39
TAX MATTERS.....	41
NO LITIGATION .....	42
APPROVAL OF LEGAL PROCEEDINGS AND VALIDATION .....	42
FINANCIAL ADVISOR .....	43
QUANTITATIVE CONSULTANT AND CASH FLOW STATEMENT.....	43
PLAN OF DISTRIBUTION .....	43
RATING .....	44
CONTINUING DISCLOSURE.....	45
AVAILABLE FINANCIAL STATEMENTS OF THE CORPORATION.....	45
WEBSITE ADDRESSES .....	46
ADDITIONAL INFORMATION.....	46
APPENDIX A	DEFINITIONS OF CERTAIN TERMS
APPENDIX B	SUMMARY OF CERTAIN GENERAL BOND RESOLUTION PROVISIONS
APPENDIX C	FORM OF CONTINUING DISCLOSURE AGREEMENT
APPENDIX D	PROPOSED FORM OF OPINION OF BOND COUNSEL
APPENDIX E	PROJECTED PERCENTAGES OF INITIAL PRINCIPAL BALANCE OUTSTANDING AND WEIGHTED AVERAGE LIVES OF PAC BONDS
APPENDIX F	AUDITED FINANCIAL STATEMENTS OF THE CORPORATION FOR FISCAL YEARS ENDED JUNE 30, 2022 AND 2021
APPENDIX G	BONDS OUTSTANDING UNDER THE GENERAL BOND RESOLUTION

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

## OFFICIAL STATEMENT

**\$70,000,000**

**MISSISSIPPI HOME CORPORATION  
SINGLE FAMILY MORTGAGE REVENUE BONDS  
SERIES 2023C (Non-AMT)**

**\$29,295,000**

**MISSISSIPPI HOME CORPORATION  
SINGLE FAMILY MORTGAGE REVENUE BONDS  
SERIES 2023D (Federally Taxable)**

## INTRODUCTION

This Official Statement of the Mississippi Home Corporation (the “Corporation”) is provided for the purpose of setting forth certain information in connection with the issuance by the Corporation of its \$70,000,000 Single Family Mortgage Revenue Bonds, Series 2023C (Non-AMT) (the “Series 2023C Bonds”), and its \$29,295,000 Single Family Mortgage Revenue Bonds, Series 2023D (Federally Taxable) (the “Series 2023D Bonds”, and together with the Series 2023C Bonds, the “Series 2023CD Bonds”). The Series 2023CD Bonds will be issued pursuant to the provisions of the Mississippi Home Corporation Act, Sections 43-33-701 et seq., Mississippi Code of 1972, as amended (the “Act”), the Single Family Mortgage Revenue Bond Resolution of the Corporation adopted by the members of the Corporation on July 15, 2009, as amended and supplemented (the “General Bond Resolution”), and the Single Family Mortgage Revenue Bond Series 2023CD Resolution of the Corporation adopted June 14, 2023 authorizing the sale and issuance of the Series 2023CD Bonds (the “Series 2023CD Resolution,” and together with the General Bond Resolution, the “Corporation Resolution”). Certain capitalized terms used in this Official Statement and not otherwise defined shall have the definitions ascribed to them under the heading “**APPENDIX A - DEFINITIONS OF CERTAIN TERMS.**”

The Series 2023CD Bonds rank on parity with the outstanding principal amount of Single Family Mortgage Revenue Bonds previously issued by the Corporation under the General Bond Resolution (the “Prior Bonds”). There are twenty-three (23) series of Prior Bonds outstanding under the General Bond Resolution in the aggregate principal amount, as of June 1, 2023, of \$638,025,681. See “**SECURITY FOR THE BONDS - Additional Parity Bonds**” and **APPENDIX G - BONDS OUTSTANDING UNDER THE GENERAL BOND RESOLUTION** herein for additional information. The Series 2023CD Bonds, the Prior Bonds and any additional parity obligations issued pursuant to the General Bond Resolution (collectively, the “Bonds”) are equally and ratably secured under the General Bond Resolution. Hancock Whitney Bank, Gulfport, Mississippi (the “Trustee”), has been appointed by the Corporation under the General Bond Resolution as Trustee for the Bonds.

The Corporation is authorized to issue Bonds under the General Bond Resolution to refund prior obligations of the Corporation and to make moneys available to finance (a) the purchase of (i) fully modified mortgage-backed securities (the “Ginnie Mae Certificates”), guaranteed as to timely payment of monthly principal and interest by the Government National Mortgage Association (“Ginnie Mae”), backed by pools of qualifying FHA insured, VA guaranteed or USDA/RD guaranteed Mortgage Loans, (ii) mortgage backed securities (the “Fannie Mae Securities”) guaranteed as to timely payment of monthly principal and interest by the Federal National Mortgage Association (“Fannie Mae”), backed by pools of qualifying conventional Mortgage Loans, (iii) participation certificates (the “Freddie Mac PCs”), guaranteed as to timely payment of monthly principal and interest by the Federal Home Loan Mortgage Corporation (“Freddie Mac”), backed by pools of qualifying conventional Mortgage Loans, and (iv) single

mortgage-backed securities known as Uniform Mortgage-Backed Securities (“UMBS” or “Uniform Mortgage-Backed Securities”), guaranteed by either Fannie Mae or Freddie Mac depending upon the issuer of such UMBS, with characteristics similar to Fannie Mae Securities, each of which is backed by interest bearing mortgage loans (the “Mortgage Loans”) made to qualified Mortgagors for the purchase of owner occupied, single family residences located in the State of Mississippi (the “State”) and (b) the purchase of subordinate Second Mortgage Loans that will be secured by a Second Mortgage on the acquired Residential Housing Unit. The Ginnie Mae Certificates, Fannie Mae Securities, Freddie Mac PCs, and UMBS are referred to herein, collectively, as “Program Securities.”

The Series 2023C Bonds are being issued to provide funds to finance (a) the purchase of approximately \$66,976,000 of Program Securities (the “Series 2023C Program Securities”) backed by pools of Mortgage Loans made to Mortgagors for the purpose of financing owner-occupied, single family residences located in the State (the “Series 2023C First Mortgage Loans”), and (b) subordinate loans made from the Corporation to Mortgagors of approximately \$3,024,000 (the “Series 2023C Second Mortgage Loans,” and together with the Series 2023C Program Securities, the “Series 2023C Program Obligations”), which Series 2023C Second Mortgage Loans will be used to provide down payment assistance to Mortgagors of the related single family residence.

The Series 2023D Bonds are being issued to provide funds to finance (a) the purchase of approximately \$29,135,000 of Program Securities (the “Series 2023D Program Securities,” and together with the Series 2023C Program Securities, the “Series 2023CD Program Securities”) backed by pools of Mortgage Loans made to Mortgagors for the purpose of financing owner-occupied, single family residences located in the State (the “Series 2023D First Mortgage Loans”), and (b) subordinate loans made from the Corporation to Mortgagors of approximately \$864,000 (the “Series 2023D Second Mortgage Loans,” and together with the Series 2023D Program Securities, the “Series 2023D Program Obligations”), which Series 2023D Second Mortgage Loans will be used to provide down payment assistance to Mortgagors of the related single family residence.

The Series 2023CD Program Securities will bear interest at fixed interest rates with level monthly payments of principal and interest. The First Mortgage Loans will be originated by certain participating mortgage lending institutions (the “Lenders”) to qualified persons or families of low or moderate income, to finance the purchase of single family residences in the State. Mortgage Loans will be originated pursuant to the Mortgage Origination Agreements, as the same may be amended from time to time (collectively, the “Origination Agreements”), entered into by and among the Corporation, each Lender and the mortgage servicing institution (which may be such Lender) designated by the related Lender (each, a “Servicer”).

The First Mortgage Loans which back the Program Securities pledged under the General Bond Resolution are serviced by the applicable Servicer pursuant to the terms of the related Mortgage Servicing Agreement, as the same may be amended from time to time (collectively, the “Servicing Agreements”), by and between the Corporation and each Servicer. Each Servicer servicing First Mortgage Loans which back Ginnie Mae Certificates must be a Ginnie Mae approved issuer servicer of FHA insured, VA guaranteed and USDA/RD guaranteed Mortgage Loans and an authorized issuer of Ginnie Mae Certificates. Each Servicer servicing First Mortgage Loans which back Fannie Mae Securities must be a Fannie Mae-approved seller servicer of Fannie Mae Securities. Each Servicer servicing First Mortgage Loans which back Freddie Mac PCs must be a Freddie Mac-approved seller-servicer of Freddie Mac PCs.

The Second Mortgage Loans will be made to Mortgagors in connection with the making of a related First Mortgage Loan. Second Mortgage Loans will be secured by a Second Mortgage on the acquired Residential Housing Unit, will be subordinate to the related First Mortgage Loan, and may be subordinate to other mortgages on the real property that are included in the Mortgagor’s financing of the acquisition of



the financed Residential Housing Unit. Second Mortgage Loans will be non-interest bearing loans pursuant to the Corporation's Program and the Corporation's objectives to be accomplished through the delivery of such Second Loan Mortgages. Second Mortgage Loans are not required by the Corporation to be insured or guaranteed pursuant to any federal or private mortgage insurance or guaranty program.

The Corporation expects that Series 2023C Second Mortgage Loans in connection with the Series 2023C Bonds will have a term of ten (10) years and will be made by a Lender to each Mortgagor in the amount of \$7,000, and that Series 2023D Second Mortgage Loans in connection with the Series 2023D Bonds will have a term of thirty (30) years and will be made by a Lender to each Mortgagor in the amount of \$6,000. Series 2023C Second Mortgage Loans may be subject to automatic reductions in principal upon the occurrence of certain specified events, as described herein. The Corporation will use a portion of the proceeds of the Series 2023CD Bonds, as applicable, to reimburse each Lender for each Second Mortgage Loan advance when the Corporation physically receives all required Program documentation from such Lender.

It is the initial intention of the Corporation that no principal on the Second Mortgage Loans will be due thereon during the term of such Second Mortgage Loan unless (i) the Residential Housing Unit purchased with the related First Mortgage Loan is sold during such period, (ii) the First Mortgage Loan related to the Second Mortgage Loan is refinanced, (iii) the Residential Housing Unit ceases to be the Mortgagor's primary residence, or (iv) there is a default under the First Mortgage Loan related to the Series 2023C Second Mortgage Loan. If none of the events described in the preceding sentence occur during the ten (10) year term of a Series 2023C Second Mortgage Loan, 100% of the original principal of such Series 2023C Second Mortgage Loan will be forgiven and satisfied by the Corporation on the tenth anniversary of the origination of the Second Mortgage Loan; *provided, however*, that in the event of certain First Mortgage Loan refinancings the Corporation, in its sole discretion, reserves the right to allow a Second Mortgage Loan to remain outstanding but subordinate to any new mortgage made in connection with such refinancing. If none of the events described in clauses (i) through (iv) above occur during the thirty (30) year term of a Series 2023D Second Mortgage Loan, 100% of the outstanding principal of such Series 2023D Second Mortgage Loan will be due at the maturity date thereof. If the Corporation determines to maintain an outstanding Second Mortgage Loan when a First Mortgage Loan is refinanced, such Second Mortgage Loan will continue to provide security for the Bonds, and any repayment of principal of the Second Mortgage Loan will be paid to the Trustee as a Principal Receipt.

Unless the principal of a Series 2023C Second Mortgage Loan is completely forgiven by the Corporation, a Series 2023C Second Mortgage Loan and a Series 2023D Second Mortgage Loan will be a "Second Mortgage Loan" for purposes of the Series 2023CD Resolution and any repayment of principal thereof will provide security for Bonds issued under the General Bond Resolution. Any principal repayments on the Second Mortgage Loans received by the Trustee as a result of the occurrence of any of the events listed in (i) through (iv) in the immediately preceding paragraph will constitute a "Principal Receipt" and will be applied by the Trustee under the Series 2023CD Resolution as provided herein under **"SECURITY FOR THE BONDS."**

Brief descriptions of the Series 2023CD Bonds, the security for the Bonds, the Ginnie Mae Program, the Fannie Mae Program, the Freddie Mac Program, the Corporation Resolution and the Corporation are included in this Official Statement. The summaries herein do not purport to be complete and are qualified in their entireties by reference to such documents, agreements and programs as may be referred to herein, and the summaries herein of the Series 2023CD Bonds are further qualified in their entireties by reference to the forms of the Series 2023CD Bonds included in the Corporation Resolution and the provisions with respect thereto included in the aforesaid documents, copies of which are available for inspection at the corporate trust office of the Trustee in Gulfport, Mississippi.

## **THE SERIES 2023CD BONDS**

### **Description of the Series 2023CD Bonds**

Individual purchases of the Series 2023CD Bonds will be made in denominations of \$5,000 or any integral multiple thereof. All individual purchases of the Series 2023CD Bonds will be made in book-entry only form. Purchasers of the Series 2023CD Bonds will not receive certificates representing their interests in the Series 2023CD Bonds. The Series 2023CD Bonds will mature on the dates and bear interest at the rates shown on the inside cover of this Official Statement. Interest on the Series 2023CD Bonds shall be payable by the Trustee to The Depository Trust Company (“DTC”), New York, New York, or its nominee, Cede & Co., as registered owner of the Series 2023CD Bonds, on June 1 and December 1 of each year, commencing December 1, 2023 (each an “Interest Payment Date”). Interest shall be calculated on the basis of a 360-day year of twelve (12) thirty (30) day months. Principal of and premium, if any, on the Series 2023CD Bonds are payable by the Trustee to DTC upon constructive surrender by DTC of the Series 2023CD Bonds at the principal corporate trust office of the Trustee. See “**THE SERIES 2023CD BONDS - Book-Entry Only System**” herein.

The Series 2023CD Bonds shall be dated as of their date of initial authentication and delivery and shall bear interest from the Interest Payment Date next preceding the date of registration thereof unless it is registered as of a day during the period from the fifteenth (15th) day of the month immediately preceding an Interest Payment Date to such Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date. The date of authentication of each Series 2023CD Bond shall be the date such Series 2023CD Bond is registered by the Trustee.

Purchasers of Series 2023CD Bonds will receive principal and interest payments pursuant to the following provisions only if the book-entry only system is terminated. The principal of, premium, if any, and interest of the Series 2023CD Bonds shall be payable in coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts of the United States of America. Interest shall be payable by check or draft or, upon the written request of a Holder of not less than \$1,000,000 in aggregate principal amount of Series 2023CD Bonds, by wire transfer on each Bond Payment Date from the Trustee to the Holder thereof as the Record Date; provided, however, that so long as all of the Outstanding Series 2023CD Bonds are registered in the name of DTC, or its nominee, payment of interest on the Series 2023CD Bonds shall be made in accordance with operational arrangements of DTC as agreed to by the Corporation. The principal of, purchase price and any redemption premium, if any, with respect to the Series 2023CD Bonds shall be payable at the principal corporate trust office of the Trustee upon presentation and surrender of the applicable Series 2023CD Bonds on or after the date of maturity or redemption thereof; provided, however, that so long as all Outstanding Series 2023CD Bonds are registered in the name of DTC, or its nominee, DTC, may, in its discretion, make a notation on any such Series 2023CD Bond indicating the date and amount of any reduction of principal except in the case of a final maturity or full redemption, in which case the Series 2023CD Bonds shall be surrendered to the Trustee for payment.

### **Redemption Provisions**

#### ***Optional Redemption.***

The Series 2023CD Bonds are subject to redemption prior to their maturity at the option of the Corporation, in whole or in part, on any date on or after June 1, 2032, from any moneys available to the Corporation for that purpose, at a Redemption Price equal to the Principal Amount thereof plus interest accrued thereon to date of redemption, without premium.

In the event of a partial optional redemption of the Series 2023CD Bonds, the Corporation may direct a particular maturity or maturities and the amounts thereof to be redeemed. If the Corporation makes no direction with respect to an optional redemption of the Series 2023CD Bonds, then the Series 2023CD Bonds (or portions thereof) to be redeemed shall be selected by the Trustee from among all the existing maturities and of the Outstanding Series 2023CD Bonds on a reasonably proportionate basis in such manner as the Trustee deems fair.

An optional redemption effected when the Series 2023CD Bonds are held in the DTC book-entry only system will be made in accordance with DTC's then current practices. See "**Book-Entry Only System**" below.

***Sinking Fund Redemption.***

The Series 2023C Bonds maturing on December 1, 2038 are subject to mandatory sinking fund redemption in part on June 1, 2036 and each December 1 and June 1 thereafter at a Redemption Price equal to the Principal Amount thereof, plus accrued interest thereon, without premium, on the dates and in the amounts as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
June 1, 2036	\$ 1,130,000	December 1, 2037	\$ 1,255,000
December 1, 2036	1,170,000	June 1, 2038	1,290,000
June 1, 2037	1,210,000	December 1, 2038 <sup>†</sup>	1,340,000

---

<sup>†</sup> Final Maturity

The Series 2023C Bonds maturing on December 1, 2043 are subject to mandatory sinking fund redemption in part on June 1, 2039 and each December 1 and June 1 thereafter at a Redemption Price equal to the Principal Amount thereof, plus accrued interest thereon, without premium, on the dates and in the amounts as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
June 1, 2039	\$ 1,380,000	December 1, 2041	\$ 1,630,000
December 1, 2039	1,430,000	June 1, 2042	1,690,000
June 1, 2040	1,475,000	December 1, 2042	1,740,000
December 1, 2040	1,530,000	June 1, 2043	1,805,000
June 1, 2041	1,580,000	December 1, 2043 <sup>†</sup>	1,865,000

---

<sup>†</sup> Final Maturity

The Series 2023C Bonds maturing on December 1, 2048 are subject to mandatory sinking fund redemption in part on June 1, 2044 and each December 1 and June 1 thereafter at a Redemption Price equal to the Principal Amount thereof, plus accrued interest thereon, without premium, on the dates and in the amounts as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
June 1, 2044	\$ 2,895,000.00	December 1, 2046	\$ 3,425,000.00
December 1, 2044	2,985,000.00	June 1, 2047	3,530,000.00
June 1, 2045	3,100,000.00	December 1, 2047	3,650,000.00
December 1, 2045	3,195,000.00	June 1, 2048	3,780,000.00
June 1, 2046	3,300,000.00	December 1, 2048 <sup>†</sup>	3,900,000.00

---

<sup>†</sup> Final Maturity

The PAC Bonds maturing on December 1, 2053 are subject to mandatory sinking fund redemption in part on December 1, 2050 and each June 1 and December 1 thereafter at a Redemption Price equal to the Principal Amount thereof, plus accrued interest thereon, without premium, on the dates and in the amounts as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
December 1, 2050	\$ 60,000	December 1, 2052	\$ 3,400,000
June 1, 2051	3,075,000	June 1, 2053	3,515,000
December 1, 2051	3,180,000	December 1, 2053 <sup>†</sup>	7,675,000
June 1, 2052	3,285,000		

---

<sup>†</sup> Final Maturity

The mandatory Sinking Fund Installments may be reduced at the option of the Corporation by the amount of Series 2023C Bonds or the Series 2023D Bonds, as the case may be, which have been redeemed (other than through the operation of Sinking Fund Redemption) or purchased and cancelled as provided in the Series 2023CD Resolution.

### ***Special Redemption.***

*Redemption of Series 2023CD Bonds from Unexpended Proceeds.* The Series 2023CD Bonds are subject to special mandatory redemption in whole or in part prior to their respective stated maturities at a Redemption Price equal to 100% of their issue price (as stated on the inside cover hereof), plus interest accrued to the date fixed for redemption, from unexpended proceeds of the Series 2023CD Bonds described in (a) and (b) below; provided, however, any PAC Bonds redeemed from unexpended proceeds of the Series 2023CD Bonds shall be at a Redemption Price equal to 100% of the principal amount of such Series 2023CD Bonds being redeemed, plus interest accrued to the date fixed for redemption, plus the unamortized premium thereon as determined by the Corporation by an effective interest rate amortization of the original issue premium on the PAC Bonds between their date of issue and June 1, 2032, at which date the premium would reduce to zero. In the event of a special redemption of the Series 2023C Bonds from unexpended proceeds of the Series 2023CD Bonds pursuant to (a) or (b) below, Series 2023CD Bonds shall be redeemed as directed by the Corporation and at random within a maturity; provided, however, that the PAC Bonds may not be redeemed in an amount in excess of its proportionate amount of Series 2023CD Bonds then Outstanding.

(a) At any time during the Delivery Period, upon receipt of a Corporation Request, the Trustee shall, subject to the provisions of the Origination Agreements and the Servicing Agreements, transfer to the Series 2023CD Special Redemption Account (i) unexpended proceeds of the Series 2023C Bonds remaining on deposit in the Series 2023C Acquisition Account which

are not expected to be used to purchase Series 2023C Program Obligations on or prior to the end of the Delivery Period, to be applied to the redemption of Series 2023C on the earliest permissible date and in no event later than the end of the Delivery Period (as such date may be extended as described in paragraph (f) under the heading “**APPLICATION OF CERTAIN ACCOUNTS UNDER THE SERIES 2023CD RESOLUTION - Application of Acquisition Accounts**” below), and (ii) unexpended proceeds of the Series 2023D Bonds remaining on deposit in the Series 2023D Acquisition Account which are not expected to be used to purchase Series 2023D Program Obligations on or prior to the end of the Delivery Period, to be applied to the redemption of Series 2023D Bonds on the earliest permissible date and in no event later than the end of the Delivery Period (as such date may be extended as described in paragraph (f) under the heading “**APPLICATION OF CERTAIN ACCOUNTS UNDER THE SERIES 2023CD RESOLUTION - Application of Acquisition Accounts**” below); and

(b) To the extent funds remain on deposit in the Series 2023C Acquisition Account on the date 20 days prior to the end of the Delivery Period, including any extension thereof as described in paragraph (f), and other uses designated in paragraph (g), each under the heading “**APPLICATION OF CERTAIN ACCOUNTS UNDER THE SERIES 2023CD RESOLUTION - Application of Acquisition Accounts**” below which are not expected to be used to purchase Series 2023C Program Obligations on or prior to the end of the Delivery Period, the Trustee shall, without need for instruction from the Corporation, transfer all such funds to the Series 2023CD Special Redemption Account to be applied to the redemption of the Series 2023C Bonds on the earliest permissible date and in no event later than February 1, 2027.

*Redemption of PAC Bonds from Directed Principal Receipts.* The PAC Bonds are subject to special mandatory redemption from Directed Principal Receipts (as defined below) at any time, but at least once during each semiannual period set forth in the PAC Bonds Applicable Outstanding Amount table below, to the extent that, as of such date, the aggregate amount of the PAC Bonds outstanding is not less than the respective “PAC Bonds Applicable Outstanding Amount” set forth in such table below for such date (as each such Applicable Outstanding Amount may be reduced as described below), at the Redemption Price equal to 100% of the principal amount of PAC Bonds being redeemed, plus accrued interest to the Redemption Date. While the Corporation is required to redeem PAC Bonds only once during each semiannual period, the Corporation has historically redeemed similarly structured bonds more frequently than once each semiannual period and as frequently as monthly. In addition, the Corporation may apply available Principal Receipts (as defined below) and Excess Revenues under the General Bond Resolution to redeem PAC Bonds to the extent that the application of Directed Principal Receipts is not sufficient to redeem PAC Bonds in an amount to cause the PAC Bonds to be Outstanding in an amount equal to the PAC Bonds Applicable Outstanding Amount as of the applicable Interest Payment Date. No assurance can be provided, however, that any Principal Receipts or Excess Revenues will be available for such purpose or that if any Principal Receipts or Excess Revenues are available under the General Bond Resolution for such purpose that they will be applied to the redemption of the PAC Bonds.

“Directed Principal Receipts” means, with respect to the PAC Bonds and so long as PAC Bonds remain outstanding, as of any date of computation, the amount of Series 2023C Principal Receipts and Series 2023D Principal Receipts allocable to the Series 2023CD Bonds not applied or allocated (or due to be applied or allocated on the applicable Redemption Date or maturity date) to the scheduled payment of principal of the Series 2023CD Bonds upon mandatory sinking fund redemption or upon maturity, or to the redemption of the Series 2023C Bonds from Tax Restricted Principal Receipts.

The approximately \$66,976,000 of Series 2023C First Mortgage Loans and approximately \$3,024,000 of Series 2023C Second Mortgage Loans expected to be financed with proceeds of the Series 2023C Bonds are assumed to have the following characteristics:

<b>Type</b>	<b>Par</b>	<b>Mortgage Loan Weighted Average Coupon</b>	<b>Program Security Weighted Average Coupon</b>	<b>Weighted Average Remaining Term (months)</b>
Series 2023C First Mortgage Loans	\$66,976,000	6.39%	5.89%	360
Series 2023C Second Mortgage Loans	\$3,024,000	0%	NA	120

The approximately \$29,135,000 of Series 2023D First Mortgage Loans and approximately \$864,000 of Series 2023D Second Mortgage Loans expected to be financed with proceeds of the Series 2023D Bonds are assumed to have the following characteristics:

<b>Type</b>	<b>Par</b>	<b>Mortgage Loan Weighted Average Coupon</b>	<b>Program Security Weighted Average Coupon</b>	<b>Weighted Average Remaining Term (months)</b>
Series 2023D First Mortgage Loans	\$29,135,000	7.34%	6.84%	360
Series 2023D Second Mortgage Loans	\$864,000	0%	NA	360

“Principal Receipts” means the portion of any Mortgage Repayments and Mortgage Prepayments relating to Mortgage Loans, Second Mortgage Loans and Program Securities financed by any Series of Bonds under the General Bond Resolution, to the extent such Mortgage Repayments and Mortgage Prepayments are not otherwise pledged or dedicated to the redemption of a particular Series of Bonds or maturity thereof.

If Directed Principal Receipts are insufficient in any semiannual period to redeem the PAC Bonds in an amount described above, the PAC Bonds will continue to be redeemed in future semiannual periods from such Directed Principal Receipts received in such future semiannual periods in the same manner as described above.

If there are excess Directed Principal Receipts with respect to any semiannual period, after application thereof as set forth above, such excess may, to the extent permitted by federal tax law, be applied by the Corporation as permitted under the General Bond Resolution, including the purchase of Program Securities or redemption of any Outstanding Bonds subject to redemption at the option of the Corporation

in accordance with the applicable Series Resolution; provided, however, that PAC Bonds may only be redeemed with excess Directed Principal Receipts if there are no other Series 2023CD Bonds then Outstanding.

The PAC Bonds Applicable Outstanding Amount table set forth below is determined by utilizing the standard prepayment model of The Bond Market Association and a Mortgage Loan prepayment rate equal to 100% of the standard prepayment model. See “**AVERAGE LIFE OF PAC BONDS**” herein.

### **PAC Bonds Applicable Outstanding Amount**

<b><u>Semiannual Period Ending</u></b>	<b><u>PAC Bonds Applicable Outstanding Amount</u></b>
August 9, 2023	\$ 24,190,000
December 1, 2023	24,190,000
June 1, 2024	24,100,000
December 1, 2024	23,515,000
June 1, 2025	22,485,000
December 1, 2025	21,050,000
June 1, 2026	19,220,000
December 1, 2026	17,185,000
June 1, 2027	15,205,000
December 1, 2027	13,300,000
June 1, 2028	11,470,000
December 1, 2028	9,710,000
June 1, 2029	8,030,000
December 1, 2029	6,415,000
June 1, 2030	4,875,000
December 1, 2030	3,405,000
June 1, 2031	2,010,000
December 1, 2031	685,000
June 1, 2032 and thereafter	-0-

If the PAC Bonds are redeemed on a date other than an Interest Payment Date, the PAC Bonds Applicable Outstanding Amount as of such Redemption Date will be determined by straight line interpolation between the PAC Bonds Applicable Outstanding Amounts for the Interest Payment Dates immediately preceding and succeeding such Redemption Date.

The PAC Bonds Applicable Outstanding Amounts set forth in the table above will be reduced on a pro-rata basis to the extent of any special mandatory redemption of PAC Bonds from unexpended proceeds as described under the heading “- *Redemption of Series 2023CD Bonds from Unexpended Proceeds*” above.

The PAC Bonds are subject to redemption from any amounts available under the General Bond Resolution other than Directed Principal Receipts to the extent that such redemption will not reduce the outstanding principal amount of the PAC Bonds to an amount less than the PAC Bonds Applicable Outstanding Amounts shown in the table above for each applicable period, as such amounts may have been adjusted due to a redemption of the PAC Bonds from unexpended proceeds as described above, unless there are no other Series 2023CD Bonds Outstanding.

*Redemption of Series 2023C Bonds from Tax Restricted Principal Receipts.* The Series 2023C Bonds are subject to special mandatory redemption at any time, but at least once during each semiannual period ending on each Interest Payment Date commencing June 1, 2024, in an amount equal to any unsatisfied Tax Restricted Principal Receipts Requirement, at the Redemption Price equal to 100% of the principal amount of such Series 2023C Bonds being redeemed, plus accrued interest to the Redemption Date.

“*Tax Restricted Receipts Requirement*” means the cumulative amount of Tax Restricted Principal Receipts with respect to the Series 2023C Program Securities during a semiannual period, less the amount previously allocated to the payment or redemption of the Series 2023C Bonds during such semiannual period.

“*Tax Restricted Principal Receipts*” means the applicable percentage of the principal of Series 2023C Principal Receipts received during the respective time period set forth in the table below; provided, however, that the approximate percentages and the dates set forth in the following table may be modified to the extent that the Corporation provides the Trustee an opinion of Bond Counsel to the effect that compliance with such modified schedule will not adversely affect the exemption of interest on the Series 2023C Bonds from gross income for federal income tax purposes:

<u>Commencement Date</u>	<u>Ending Date</u>	<u>Percentage of Principal Receipts</u>
August 9, 2023	August 8, 2033	0.00000%
August 9, 2033	Final Maturity	100.00000%

*Redemption of Series 2023CD Bonds from Principal Receipts.* The Series 2023CD Bonds are subject to special redemption at the direction of the Corporation as a whole or in part, at any time, at the Redemption Price equal to 100% of the principal amount of such Series 2023CD Bonds being redeemed, plus accrued interest to the Redemption Date, from any Principal Receipts available under the General Bond Resolution, to the extent such Principal Receipts are not otherwise pledged or dedicated to the redemption of a particular Series of Bonds or maturity thereof.

In the event of a partial redemption of the Series 2023CD Bonds from Principal Receipts as described above, the Series 2023CD Bonds to be redeemed shall be selected as directed by the Corporation; provided, however, that unless there are no other Series 2023CD Bonds Outstanding no PAC Bonds will be so redeemed unless, after giving effect to such redemption, the principal amount of PAC Bonds Outstanding on the date of such redemption will not be less than the PAC Bonds Applicable Outstanding Amount applicable to such date of redemption. The PAC Bonds may be redeemed with Principal Receipts without regard to the PAC Bonds Applicable Outstanding Amount if there are no other Series 2023CD Bonds Outstanding.

*Redemption of Series 2023CD Bonds from Excess Revenues.* The Series 2023CD Bonds are subject to special redemption at the direction of the Corporation as a whole or in part, at any time, at a Redemption Price equal to 100% of the principal amount of such Series 2023CD Bonds being redeemed, plus accrued interest to the Redemption Date, from any Excess Revenues available under the General Bond Resolution.

In the event of a partial redemption of Series 2023CD Bonds from Excess Revenues as described above, the Series 2023CD Bonds to be redeemed shall be selected as directed by the Corporation; provided that unless there are no other Series 2023CD Bonds Outstanding, no PAC Bonds will be so redeemed unless, after giving effect to such redemption, the principal amount of PAC Bonds Outstanding on the date of such



redemption will not be less than the PAC Bonds Applicable Outstanding Amount applicable to such date of redemption. The PAC Bonds may be redeemed with Excess Revenues without regard to the PAC Bonds Applicable Outstanding Amount if there are no other Series 2023CD Bonds Outstanding.

***Purchase In Lieu of Redemption.***

The Corporation may, in lieu of redeeming Series 2023CD Bonds as provided above, purchase such Series 2023CD Bonds as provided in the General Bond Resolution.

***Selection of Series 2023CD Bonds for Redemption.***

Any redemption of less than all of the Series 2023CD Bonds Outstanding shall be made in such a manner that all Series 2023CD Bonds Outstanding after such redemption are in Authorized Denominations. Except as otherwise provided in “- **Optional Redemption**” and “- **Special Redemption**” above, if less than all of the Series 2023CD Bonds of a particular series and maturity are to be redeemed, the particular maturity (or portions thereof) to be redeemed shall be selected at random in such manner as the Trustee deems fair.

***Redemption Notice and Payments.***

When any Series 2023CD Bonds are to be redeemed, the Trustee shall give notice of the redemption of the Series 2023CD Bonds in the name of the Corporation specifying (i) the complete name of such Series 2023CD Bonds to be redeemed, (ii) the date of such notice, (iii) the date of issue, the interest rate and the maturity date of the Series 2023CD Bonds to be redeemed, (iv) the Redemption Date; (v) the Redemption Price; (vi) the numbers and other distinguishing marks of the Series 2023CD Bonds to be redeemed (except in the event that all of the Outstanding Series 2023CD Bonds are to be redeemed); (vii) the CUSIP number (if any) of the maturity to be redeemed; (viii) the place or places where amounts due upon such redemption will be payable (including the name and appropriate address of the Trustee); (ix) in the case of Series 2023CD Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed; (x) the name and telephone number of the contact person at the Trustee; and (xi) with respect to any optional redemption, that such redemption shall be conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of premium, if any, and interest on such Series 2023CD Bonds or portions thereof to be redeemed, and that if such moneys shall not have been received said notice shall be of no force and effect and the Corporation shall not be required to redeem such Series 2023CD Bonds or portions thereof. Such notice shall further state that on such date there shall become due and payable upon each Series 2023CD Bond to be redeemed the Redemption Price thereof, together with interest accrued to the Redemption Date, and that, from and after such date, interest thereon shall cease to accrue. The Trustee shall mail a copy of such notice, by certified mail, not less than 15 days nor more than 30 days prior to the Redemption Date to the Holders of any Series 2023CD Bonds or portions of Series 2023CD Bonds which are to be redeemed at their last addresses appearing upon the registration books and to one or more national services which record bond redemption data. At least two days prior to the mailing of such a notice of redemption, the Trustee shall send by certified mail a copy of such notice to DTC or to any other depository institution substituted for DTC pursuant to the Series 2023CD Resolution. Unless otherwise directed by the Corporation pursuant to a Corporation’s Request, the obligation of the Trustee to give the notice required by this section shall not be conditioned upon the prior payment to the Trustee of moneys or Defeasance Obligations sufficient to pay the Redemption Price of the Series 2023CD Bonds to which such notice related or the interest thereon to the Redemption Date. In the event a notice of redemption contains a condition as in (xi) above and such moneys have not been received, the redemption shall not be made and the Trustee shall within five (5) days thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not received.

Notice of redemption having been given as provided in the immediately preceding paragraph, the Series 2023CD Bonds or portions thereof so to be redeemed shall become due and payable on the date fixed for redemption at the Redemption Price specified therein plus accrued interest to the Redemption Date, and upon presentation and surrender thereof at the place specified in such notice, such Series 2023CD Bonds or portions thereof shall be paid at the Redemption Price, plus accrued interest to the redemption date. On and after the redemption date (unless the Corporation has defaulted in the payment of the Redemption Price and accrued interest), (i) such Series 2023CD Bonds shall cease to bear interest, and (ii) such Series 2023CD Bonds shall no longer be considered as Outstanding under the Corporation Resolution. If moneys sufficient to pay the Redemption Price and accrued interest have not been made available by the Corporation to the Trustee on the Redemption Date, such Series 2023CD Bonds shall continue to bear interest until sufficient provision is made for the redemption thereof.

Failure by the Trustee to mail notice of redemption set forth above to any one or more of the respective Holders of any Series 2023CD Bonds designated for redemption, or to any one or more national services which record bond redemption data, shall not affect the sufficiency of the proceedings for redemption with respect to the Holders to whom such notice was mailed.

In the event that any Holder to whom notice of redemption was mailed has not surrendered its Series 2023CD Bonds or portions thereof for redemption on or before 60 days after the redemption date the Trustee shall mail a duplicate copy of the original notice of redemption by certified mail to such Holder; provided, however, that failure by the Trustee to mail such duplicate copy of the notice of redemption shall not affect the sufficiency of the proceedings for redemption with respect to such Holder.

### **Book-Entry Only System**

*The information provided under this caption has been provided by DTC. No representation is made by the Corporation, the Underwriters or the Trustee as to the accuracy or adequacy of such information, or as to the absence of material adverse changes in such information subsequent to the date hereof.*

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2023CD Bonds. The Series 2023CD Bonds 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 Series 2023CD Bond certificate will be issued for the Series 2023CD Bonds, in the aggregate principal amount of the Series 2023CD Bonds, and will be deposited with DTC. Purchasers may own beneficial interests in the Series 2023CD Bonds in the United States through DTC.

DTC, the world’s largest securities depository, is a limited purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing

Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Series 2023CD Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2023CD Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2023CD Bond (“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 confirmation 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 Series 2023CD Bonds 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 the Series 2023CD Bonds, except in the event that use of the book entry system for the Series 2023CD Bonds is discontinued.

To facilitate subsequent transfers, all Series 2023CD Bonds 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 Series 2023CD Bonds 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 Series 2023CD Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2023CD Bonds 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.

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 Series 2023CD Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2023CD Bonds, such as redemptions, tenders, defaults, and proposed amendments to the documents relating to the Series 2023CD Bonds. For example, Beneficial Owners of Series 2023CD Bonds may wish to ascertain that the nominee holding the Series 2023CD Bonds 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 Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2023CD Bonds 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 maturity, or maturities, to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2023CD Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Corporation 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 the Series 2023CD Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2023CD Bonds 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 the Trustee, on the 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, the Trustee, or the Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, 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.

DTC may discontinue providing its services as depository with respect to the Series 2023CD Bonds at any time by giving reasonable notice to the Corporation and the Trustee. Under such circumstances, in the event that a substitute or successor securities depository is not obtained, bond certificates will be printed and delivered as provided in the General Bond Resolution.

The Corporation may decide to discontinue use of the system of book entry only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered as provided in the General Bond Resolution.

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

THE CORPORATION, THE TRUSTEE AND THE UNDERWRITERS CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2023CD BONDS (I) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE SERIES 2023CD BONDS; (II) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN SERIES 2023CD BONDS; OR (III) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE SERIES 2023CD BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE CORPORATION, THE TRUSTEE NOR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE SERIES 2023CD BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (3) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR PREMIUM, IF ANY, ON THE SERIES 2023CD BONDS; (4) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE CORPORATION RESOLUTION TO BE GIVEN TO BONDHOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL

REDEMPTION OF THE SERIES 2023CD BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

So long as Cede & Co. is the registered holder of the Series 2023CD Bonds as nominee of DTC, references herein to the Holders, holders, Owners or registered owners of the Series 2023CD Bonds mean Cede & Co. and not the Beneficial Owners of the Series 2023CD Bonds.

**AVERAGE LIFE OF PAC BONDS**

Weighted average life refers to the average amount of time that will elapse from the date of issuance of a security until each dollar of principal of such security will be repaid to the investor. The weighted average life of the PAC Bonds will be influenced by the rate at which principal on the Mortgage Loans securing the Series 2023CD Bonds is paid. Principal payments on Mortgage Loans may be in the form of scheduled amortizations or prepayments (for this purpose, the term “prepayment” includes prepayments and liquidations due to default or other dispositions of the Mortgage Loans). Mortgage Prepayments on Mortgage Loans are commonly measured by a prepayment standard or model. The model used in the following discussion is The Securities Industry Financial Markets Association, formerly the Bond Market Association (herein, the “PSA”) prepayment standard or model (the “PSA Prepayment Model”). The PSA Prepayment Model is based on an assumed rate of prepayment each month of the then unpaid principal balance of the Mortgage Loans. The PSA Prepayment Model assumes a prepayment rate of 0.2% in the first month, increasing by 0.2% in each succeeding month until the thirtieth month of the Mortgage Loans’ life and then assumes a constant prepayment rate of six percent (6%) per annum of the unpaid principal balance for the remaining life of the Mortgage Loans. The PSA Prepayment Model is sometimes referred to by market participants as the BMA Prepayment Model or the SIFMA Prepayment Model.

As used in the following table, “0% PSA” assumes no prepayments on the principal of the Mortgage Loans. “25% PSA” assumes the principal of Mortgage Loans will prepay at a rate of one-quarter times as fast as prepayment rates for 100% of the PSA Prepayment Model. “50% PSA” assumes the principal of Mortgage Loans will prepay at a rate one-half times as fast as the prepayment rates for 100% of the PSA Prepayment Model. “75% PSA” assumes the principal of Mortgage Loans will prepay at a rate three-quarters times as fast as prepayment rates for 100% of the PSA Prepayment Model. “100% PSA” assumes the principal of the Mortgage Loans will prepay at a rate equal to the prepayment rates for 100% of the PSA Prepayment Model. “200% PSA” assumes the principal of the Mortgage Loans will prepay at a rate twice as fast as the prepayment rates for 100% of the PSA Prepayment Model. “300% PSA” assumes the principal of the Mortgage Loans will prepay at a rate three times as fast as the prepayment rates for 100% of the PSA Prepayment Model. “400% PSA” assumes the principal of the Mortgage Loans will prepay at a rate four times as fast as the prepayment rates for 100% of the PSA Prepayment Model. “500% PSA” assumes the principal of the Mortgage Loans will prepay at a rate five times as fast as the prepayment rates for 100% of the PSA Prepayment Model.

There is no assurance, however, that prepayment of the principal of the Mortgage Loans will conform to any level of the PSA Prepayment Model. The rate of principal payments on pools of Mortgage Loans is influenced by a variety of economic, geographic, social and other factors, including the level of mortgage interest rates, general economic conditions and the rate at which homeowners sell their homes or default on their Mortgage Loans. In general, if prevailing interest rates fall significantly, the Mortgage Loans are likely to be subject to higher prepayment rates than if prevailing rates remain at or above the interest rates on such Mortgage Loans. Conversely, if interest rates rise, the rate of prepayment would be expected to decrease. Other factors affecting prepayment of Mortgage Loans include changes in Mortgagors’ housing needs, job transfers, unemployment and Mortgagors’ net equity in the mortgaged properties. In addition, as homeowners move or default on their Mortgage Loans, the houses are generally

sold and the Mortgage Loans prepaid, although under certain circumstances the Mortgage Loans as well as the Corporation's right to elect to optionally redeem the Series 2023CD Bonds as described under the heading **"THE SERIES 2023CD BONDS - Redemption Provisions - Optional Redemption,"** may be assumed by a new buyer. Because of the foregoing and since the rate of payment of principal of each Series 2023CD Bond will depend on the rate of repayment (including prepayments) of the Mortgage Loans, the actual maturity of any Series 2023CD Bond is likely to occur earlier, and could occur significantly earlier, than its stated maturity.

The computation of the weighted average life of the PAC Bonds under each of the scenarios represented in the table below is based on one of two sets of indicated assumptions about the exercise of the optional redemption provisions under the Series 2023CD Resolution (each of which assumes that PAC Bond redemptions occur only on scheduled Interest Payment Dates): (a) in the case of scenarios labeled "Optional Redemption Not Exercised," it is assumed that the Corporation will not exercise its right to optionally redeem the Series 2023CD Bonds; and (b) in the case of scenarios labeled "Optional Redemption Exercised," it is assumed that the Corporation will exercise its right to optionally redeem all then eligible Series 2023D Bonds on June 1, 2032.

Based on such assumptions, some or all of which are unlikely to reflect actual experience, the following table provides certain projected weighted average life information for the PAC Bonds.

The figures in the following table and the table included in **APPENDIX E - PROJECTED PERCENTAGES OF INITIAL PRINCIPAL BALANCES OUTSTANDING AND WEIGHTED AVERAGE LIVES OF THE PAC BONDS** were computed utilizing the Program assumptions as described under the heading **"PROGRAM ASSUMPTIONS AND BONDHOLDERS' RISKS"** herein and various additional assumptions. The table assumes that all Series 2023CD Program Obligations prepay at the various rates listed. In addition, it is assumed that (a) the weighted average origination date of the Series CD Program Securities will be approximately November 1, 2023 (3 months following the date of delivery of the Series 2023CD Bonds), and (b) redemption of the PAC Bonds occurs only on Interest Payment Dates. There can be no assurance that such assumptions will in fact prove to be accurate. Investors owning less than all of the PAC Bonds, as applicable, may experience redemption at a rate that varies from the projected weighted average lives shown in the table.

<b>Weighted Average Lives (in years) of PAC Bonds</b>		
<b>PSA Prepayment Speed</b>	<b>Optional Redemption Not Exercised</b>	<b>Optional Redemption Exercised<sup>†</sup></b>
0%	27.1	8.7
25	15.2	7.4
50	6.8	6.1
75	5.0	5.0
100	5.0	5.0
200	5.0	5.0
300	5.0	5.0
400	5.0	5.0
500	5.0	5.0

<sup>†</sup>Assumes an optional redemption date of June 1, 2032.

## ESTIMATED SOURCES AND DEPOSIT OF FUNDS

The estimated sources and deposit of funds related to the Series 2023CD Bonds are as follows:

### Sources

Principal Amount of Series 2023C Bonds	\$70,000,000.00
Principal Amount of Series 2023D Bonds	29,295,000.00
Series 2023D Bonds Original Issue Premium	702,961.40
Corporation Contribution	<u>1,473,326.47</u>
Total Sources of Funds	<u>\$101,471,287.87</u>

### Deposit

Deposit to Series 2023C Acquisition Account	\$70,000,000.00
Deposit to Series 2023D Acquisition Account	29,997,961.40
Deposit to Series 2023CD Costs of Issuance Account	744,363.39
Underwriters' Compensation	<u>728,963.08</u>
Total Uses of Funds	<u>\$101,471,287.87</u>

## APPLICATION OF CERTAIN ACCOUNTS UNDER THE SERIES 2023CD RESOLUTION

### Application of Acquisition Accounts

(a) As of June 9, 2023, the Corporation had approximately \$44,900,000 in unexpended Prior Bond proceeds, however, the Corporation has accepted (i) approximately \$65,100,000 of reservations for Mortgage Loans intended to be pooled into future Program Securities, and (ii) approximately \$2,700,000 of reservations for Second Mortgage Loans, each for such Prior Bonds or the Series 2023CD Bonds.

During the Delivery Period the Servicers shall acquire additional Mortgage Loans from Lenders as provided in the Servicing Agreements. Mortgage Loans will be acquired from the Lenders at a price equal to 100% of the principal amount thereof plus accrued interest plus the amount of any Second Mortgage Loan, with the Servicer paying an amount equal to 100% of the principal amount plus accrued interest pursuant to the provisions of the Servicing Agreements and the Corporation paying the amount of any Second Mortgage Loan. The Servicers will pool the applicable Series 2023C First Mortgage Loans into Series 2023C Program Securities, and will pool the applicable Series 2023D First Mortgage Loans into Series 2023D Program Securities, as provided in the Servicing Agreements.

(b) The Trustee shall disburse moneys from the Series 2023C Acquisition Account for the acquisition and purchase of Series 2023C Program Obligations and the Series 2023D Acquisition Account for the acquisition and purchase of Series 2023D Program Obligations, respectively, from the Corporation and from the Servicers pursuant to the Servicing Agreements. The Trustee shall pay the Servicers or the Corporation, as the case may be, an amount equal to 100% of the principal amount of each Series 2023C Program Security and each Series 2023D Program Security acquired and purchased from the Servicers or the Corporation, as the case may be, plus accrued interest, if any.

In connection with Series 2023C First Mortgage Loans financed together with Series 2023C Second Mortgage Loans, the Trustee shall also pay to the Corporation from the Series 2023C Acquisition Account an amount equal to the Series 2023C Second Mortgage Loan for each Series 2023C Program Security constituting a pool of Series 2023C First Mortgage Loans acquired from a Servicer. The then accrued and unpaid interest on such Series 2023C Program Security shall be paid from the Series 2023C Bond Revenue Account.

In connection with Series 2023D First Mortgage Loans financed together with Series 2023D Second Mortgage Loans, the Trustee shall also pay to the Corporation from the Series 2023D Acquisition Account an amount equal to the Series 2023D Second Mortgage Loan for each Series 2023D Program Security constituting a pool of Series 2023D First Mortgage Loans acquired from a Servicer. The then accrued and unpaid interest on such Series 2023D Program Security shall be paid from the Series 2023D Bond Revenue Account.

The Trustee shall provide notice to the provider of the Investment Agreement, if any, of amounts to be withdrawn from the Series 2023C Acquisition Account and the Series 2023D Acquisition Account, respectively, at the times and as required under the Investment Agreement, for the amount of funds necessary to provide for the purchases and payments required under the Series 2023CD Resolution.

(c) The Trustee shall not disburse moneys from the Series 2023C Acquisition Account or the Series 2023D Acquisition Account for the acquisition of Series 2023CD Program Securities unless (1) such Series 2023CD Program Securities shall be acquired in accordance with this paragraph; (2) the principal amount of such Series 2023CD Program Securities is at least equal to the principal amount of the Mortgage Loans backing such Series 2023CD Program Securities; (3) such Series 2023CD Program Securities bear interest at the rate equal to the rate of interest on the Mortgage Loans backing such Series 2023CD Program Securities minus the applicable servicing and guaranty fee; (4) the Mortgage Loans backing such Series 2023CD Program Securities bear interest at a rate not less than the Minimum Mortgage Rate, (5) either (i) the Trustee or its custodial agent has physical possession of the Series 2023CD Program Securities, and such Series 2023CD Program Securities are registered in the name of the Trustee, (ii) the Series 2023CD Program Securities are credited to the account of the Trustee at a clearing corporation, as defined under and pursuant to the Uniform Commercial Code applicable to the clearing corporation, and the clearing corporation is registered as a clearing agency under the Securities Exchange Act of 1934, (iii) for a Series 2023CD Program Security issued in book-entry form through a book-entry system operated by the Federal Reserve System, the Series 2023CD Program Security shall have been registered on the books of the Federal Reserve Bank in the name of the Trustee (acting as a “depository” within the meaning of 24 C.F.R. Section 350.2), and the Trustee shall have received confirmation in writing that the depository is holding such Series 2023CD Program Security on behalf of, and has identified such Series 2023CD Program Security on its records as belonging to, the Trustee, or (iv) a combination of (i), (ii) and (iii) so that the Trustee at all times has a first priority perfected security interest in such Series 2023CD Program Security; (6) the required withdrawal from the Series 2023C Acquisition Account or the Series 2023D Acquisition Account equal to 100% of the principal amount of Series 2023CD Program Securities comprised of Mortgage Loans does not exceed the balance in the Series 2023C Acquisition Account or the Series 2023D Acquisition Account, respectively; and (7) the Trustee shall have received a certificate from the Corporation to the effect that each Mortgage Loan in the Pool represented by the Series 2023CD Program Securities shall have received a Purchase Certification.

(d) Upon receipt of a Corporation Request, the Trustee shall disburse money from the Series 2023C Acquisition Account or the Series 2023D Acquisition Account, as applicable, to the Corporation as provided in the Series 2023CD Resolution, in payment for a portion of the cost of acquiring the Series 2023CD Program Securities from the Servicer constituting pools of Series 2023C First Mortgage Loans and Series 2023D First Mortgage Loans made to Mortgagors receiving assistance from a Second Mortgage Loan. The Trustee shall provide notice to the provider of the Investment Agreement, if any, of amounts to be withdrawn from the Series 2023C Acquisition Account or the Series 2023D Acquisition Account, as applicable, for such purpose as required under the Investment Agreement.

(e) At any time during the Delivery Period, upon receipt of a Corporation Request, the Trustee shall, subject to the provisions of the Origination Agreements and the Servicing Agreements and paragraph



(g) below, transfer to the Series 2023CD Special Redemption Account (1) unexpended proceeds remaining on deposit in the Series 2023C Acquisition Account which are not expected to be used to purchase Series 2023C Program Obligations on or prior to the end of the Delivery Period, to be applied to the redemption of Series 2023C Bonds, in accordance with “**THE SERIES 2023CD BONDS - Redemption Provisions - Special Redemption - Redemption of Series 2023CD Bonds from Unexpended Proceeds**” herein, on the earliest permissible date and in no event later than the end of the Delivery Period (as such date may be extended as provided in paragraph (f) below); and (2) unexpended proceeds remaining on deposit in the Series 2023D Acquisition Account which are not expected to be used to purchase Series 2023D Program Obligations on or prior to the end of the Delivery Period, to be applied to the redemption of Series 2023D Bonds in accordance with “**THE SERIES 2023CD BONDS - Redemption Provisions - Special Redemption - Redemption of Series 2023CD Bonds from Unexpended Proceeds**” herein, on the earliest permissible date and in no event later than the end of the Delivery Period (as such date may be extended as provided in paragraph (f) below).

To the extent funds remain on deposit in the Series 2023C Acquisition Account on the date 20 days prior to the end of the Delivery Period, including any extension thereof as provided in the following paragraph (f) or used as provided in paragraph (g) below, which are not expected to be used to purchase Series 2023C Program Obligations on or prior to the end of the Delivery Period, the Trustee shall, without need for instruction from the Corporation, transfer all such funds to the Series 2023CD Special Redemption Account to be applied to the redemption of the Series 2023C Bonds, in accordance with “**THE SERIES 2023CD BONDS - Redemption Provisions - Special Redemption - Redemption of Series 2023CD Bonds from Unexpended Proceeds**” herein, on the earliest permissible date and in no event later than February 1, 2027.

(f) The Corporation may also (instead of redeeming Series 2023CD Bonds from unexpended proceeds) extend the Origination Period and the Delivery Period with respect to all or any portion of the unexpended amounts remaining in either the Series 2023C Acquisition Account or the Series 2023D Acquisition Account for such period or periods as the Corporation shall determine consistent with the final sentence of this paragraph, but only if the Corporation shall have delivered to the Trustee on or prior to the scheduled Redemption Date pursuant to this paragraph: (1) an opinion of Bond Counsel that such extension will not cause the interest on any Tax-Exempt Bonds to be includable in gross income for purposes of federal income taxation (if applicable), and (2) a Certificate of the Corporation (i) designating the new ending dates for the Origination Period and Delivery Period, (ii) certifying that the Corporation has received cash flow projections, or other financial analysis satisfactory to satisfy requirement of the Rating Agency as described in (v) below, from an investment banking firm, financial consulting firm or accounting firm, in each case nationally recognized with respect to the cash-flow analysis of mortgage revenue bonds, the interest on which is excluded from gross income for federal income tax purposes, which shows that such extension will not adversely affect the availability of Revenues sufficient to make timely payment of principal of and interest on the Series 2023CD Bonds in the current and each subsequent Bond Year, and all Senior Expenses, and that at all times the assets of the Program will equal or exceed the liabilities of the Program, which cash flow projections shall accompany the Certificate; (iii) certifying that, to the extent necessary to satisfy the requirements of the cash flow projections and the Rating Agency, a Permitted Investment has been arranged for investment of amounts in the Series 2023C Acquisition Account and the Series 2023D Acquisition Account, as the case may be, to a date not earlier than the ending date of the extended Delivery Period; (iv) designating the amount of any additional deposits required by the cash flow projections and the Rating Agency to be made into funds held under the Series 2023CD Resolution in connection with such extension, which deposits shall be made on or before the date of expiration of the then-current Origination Period and shall be made only from the Corporation’s funds; and (v) certifying that the Corporation has notified the Rating Agency that such extension is being planned and has provided to the Rating Agency copies of the cash flow projections, or other financial analysis satisfactory to satisfy

the requirements of the Rating Agency, together with such other documentation as the Rating Agency may request, and has received a Rating Certificate with respect to the Series 2023CD Bonds. On any date or dates subsequent to any extension of the Origination Period and the Delivery Period, but subject to the provisions of the Origination Agreements and the Servicing Agreements, the Corporation may transfer any unexpended proceeds remaining in the Series 2023C Acquisition Account or the Series 2023D Acquisition Account to the Series 2023CD Special Redemption Account to be applied to redemption of Series 2023C Bonds and the Series 2023D Bonds, respectively, as provided in “**THE SERIES 2023CD BONDS - Redemption Provisions - *Special Redemption - Redemption of Series 2023CD Bonds from Unexpended Proceeds***” herein. The Origination Period and Delivery Period may not be extended beyond the dates set forth in the applicable definitions thereof.

Notwithstanding any provision in the above paragraph (f) to the contrary but subject to paragraph (g) below, the Series 2023CD Resolution provides that the Trustee shall transfer not less than 100% of the amounts remaining on deposit in the Series 2023C Acquisition Account to the Series 2023CD Special Redemption Account to be applied to the redemption of Series 2023C Bonds in accordance with “**THE SERIES 2023CD BONDS - Redemption Provisions - *Special Redemption - Redemption of Series 2023CD Bonds from Unexpended Proceeds***” herein, which redemption shall occur no later than February 1, 2027 to the extent that such amount has not been previously applied to the redemption of the Series 2023C Bonds.

(g) Upon receipt of a Corporation Request, the Trustee shall transfer to the Series 2023C Bond Revenue Account or the Series 2023D Bond Revenue Account, as applicable, or the Restricted Account of the Surplus Fund, as may be provided in such Corporation Request, (i) an amount less than \$250,000.00 of unexpended proceeds remaining on deposit in the Series 2023C Acquisition Account which are not expected to be used to purchase Series 2023C Program Obligations on or prior to the end of the Delivery Period (as such date may be extended pursuant to the above paragraph (f)), and (b) an amount less than \$500,000.00 of unexpended proceeds remaining on deposit in the Series 2023D Acquisition Account which are not expected to be used to purchase Series 2023D Program Obligations.

## SECURITY FOR THE BONDS

### General; Limited Obligations

The Bonds, together with interest thereon, are limited obligations of the Corporation payable solely and only from amounts derived by the Corporation from Revenues. Such moneys are pledged and assigned to the Trustee under the Corporation Resolution as security for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal of and interest and premium, if any, on the Bonds, except as may be otherwise expressly authorized in the Corporation Resolution, the Origination Agreements or the Servicing Agreements.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE LIMITED OBLIGATIONS OF THE CORPORATION THAT ARE PAYABLE SOLELY AS PROVIDED IN THE CORPORATION RESOLUTION. THE BONDS DO NOT CONSTITUTE AN OBLIGATION, EITHER GENERAL OR SPECIAL, OF THE STATE, ANY MUNICIPALITY OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE. THE CORPORATION HAS NO TAXING POWER. THE BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF, OR GINNIE MAE, FANNIE MAE OR FREDDIE MAC, AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA.

## **Pledge**

In the General Bond Resolution, there are pledged to secure the payment of the principal of and interest on the Bonds, all of the Revenues, all of the proceeds of the Bonds and any other amounts held in any Fund or Account established pursuant to the General Bond Resolution or any Series Resolution (except amounts in the Rebate Fund and the Cost of Issuance Fund) and all of the right, title and interest of the Corporation in each Mortgage Loan, Program Security, Servicing Agreements and Origination Agreements (including all agreements entered into under each such agreement). Said pledge shall constitute a first and prior lien on and security interest in such assets and shall attach, be perfected and be valid and binding without any physical delivery thereof or further act. In compliance with clause (i) of the definition of Revenues in the General Bond Resolution, it is specified and provided that the term Revenues does not include income received by the Corporation under the Servicing Agreements in the form of Servicing Acquisition Fees which the Corporation may receive at any time free and clear of the lien of the General Bond Resolution.

The Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Corporation shall be deemed to be held, and to have been collected or received, by the Corporation as the agent of the Trustee and shall forthwith be paid by the Corporation to the Trustee. The Trustee also shall be entitled to and shall take all steps, actions and proceedings reasonably necessary in its judgment to enforce the terms, covenants and conditions of the Program Securities, the Servicing Agreements and the Origination Agreements to the extent provided therein, and to preserve and protect the priority of its interest in and under each Program Security, Servicing Agreements and Origination Agreements.

## **Payment of Program Securities**

Each Servicer, as servicer of the Mortgage Loans in the Pools underlying the Program Securities, is obligated (except in the month of purchase of the applicable Program Security) to pay to the Trustee or its nominee the principal of and interest on the related Program Security in an amount equal to scheduled principal of and interest on the underlying Mortgage Loans (less the applicable Ginnie Mae, Fannie Mae and Freddie Mac guaranty fees and servicing fees), whether or not such Servicer has received principal and interest payments on the Mortgage Loans, and is also required to pay to the Trustee or its nominee an amount equal to any Mortgage Prepayments received on such Mortgage Loans and liquidation proceeds in the event of a foreclosure or other disposition of any Mortgage Loan. See **“GOVERNMENT NATIONAL MORTGAGE ASSOCIATION PROGRAM,” “FEDERAL NATIONAL MORTGAGE ASSOCIATION PROGRAM”** and **“FREDDIE MAC PARTICIPATION CERTIFICATES PROGRAM”** herein.

To date, there are twenty-three (23) series of Prior Bonds outstanding under the General Bond Resolution in the outstanding aggregate principal amount, as of June 1, 2023, of \$638,025,681. See **“APPENDIX G - BONDS OUTSTANDING UNDER THE GENERAL BOND RESOLUTION.”** As of such date, Program Securities in an aggregate outstanding principal amount of approximately \$637,916,910 were held by the Trustee under the General Bond Resolution as security for the Bonds.

## **Additional Parity Bonds**

Upon the satisfaction of a number of conditions precedent, the General Bond Resolution permits the issuance of additional Bonds for the purposes set forth in the General Bond Resolution. Any additional Bonds issued under the General Bond Resolution will be on parity with the Series 2023CD Bonds, the Prior Bonds and all Bonds hereafter issued under the General Bond Resolution and will be entitled to the equal

benefit, protection and security of the provisions, covenants and agreements of the General Bond Resolution and the Series Resolutions under which they were issued. The Corporation currently intends to continue to issue additional Bonds under the General Bond Resolution from time to time to provide funds for bonds thereunder from time to time as required by the Program.

### **Permitted Investments**

Bond proceeds and other moneys on deposit in Funds and Accounts held under the General Bond Resolution may be invested in Permitted Investments as defined in the General Bond Resolution (see **APPENDIX A - DEFINITIONS OF CERTAIN TERMS**). The Series 2023CD Resolution provides that amounts on deposit in the Funds and Accounts established thereunder may be invested in guaranteed investment contracts meeting the definition of a Permitted Investment under the General Bond Resolution (each, an “Investment Agreement”). An Investment Agreement, if any, will obligate the Investment Agreement Provider to make specific payments to the Trustee pursuant thereto and does not guarantee payment of the principal of or interest on the Series 2023CD Bonds. Any amounts not invested under an Investment Agreement or other guaranteed investment contract as authorized by the Series 2023CD Resolution shall be invested in other Permitted Investments.

The Corporation makes no representation about the financial condition or creditworthiness of any Permitted Investment or provider thereof. For a description of certain risks associated with the Permitted Investments, including the Investment Agreement see “**PROGRAM ASSUMPTIONS AND BONDHOLDERS’ RISKS – Other Risks**” herein.

### **GOVERNMENT NATIONAL MORTGAGE ASSOCIATION PROGRAM**

The summary of the Ginnie Mae Program, Ginnie Mae Certificates and other documents referred to herein does not purport to be comprehensive and is qualified in its entirety by reference to the Ginnie Mae Guide (copies of which may be obtained from Ginnie Mae at the Office of Mortgage-Backed Securities, 451 Seventh Street, S.W., Washington, D.C. 20410) and to the Ginnie Mae Certificates and other documents for full and complete statements of their provisions.

### **General**

Ginnie Mae is a wholly owned corporate instrumentality of the United States of America within the Department of Housing and Urban Development (“HUD”) whose principal office is located in Washington, D.C.

Ginnie Mae is authorized by Section 306(g) of Title III of the National Housing Act to guarantee the timely payment of the principal of, and interest on, securities that are based on and backed by trusts or pools composed of mortgage loans insured or guaranteed under the National Housing Act, Title V of the Housing Act of 1949, the Servicemen’s Readjustment Act, Chapter 37 of Title 38 of the United States Code or Section 184 of the Housing and Community Development Act of 1992 or guaranteed by the USDA/RD under its guaranteed Single Family Rural Housing Program. Section 306(g) 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 by Ginnie Mae.” An opinion, dated December 9, 1969, of an Assistant Attorney General of the United States states that such guarantees under Section 306(g) of mortgage-backed certificates are authorized to be made by Ginnie Mae and “would constitute general obligations of the United States backed by its full faith and credit.”

There are two Ginnie Mae MBS programs, Ginnie Mae I and Ginnie Mae II. Any Ginnie Mae Certificate acquired pursuant to the Program will be a “fully modified pass-through” security (guaranteed by Ginnie Mae pursuant to its Ginnie Mae I or Ginnie Mae II MBS program) which will require the servicer to pass through to the holder thereof the regular monthly payments on the underlying mortgage loans (less the service fees), whether or not the servicer receives such payments from the mortgagors on the underlying mortgage loans, plus any unscheduled recoveries of principal of the mortgage loans received by the servicer during the previous month. In order to meet its obligations under such guaranty, Ginnie Mae, in its corporate capacity under Section 306(d) of Title III of the National Housing Act, may issue its general obligations to the United States Treasury Department in an amount outstanding at any one time sufficient to enable Ginnie Mae, 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 Ginnie Mae Certificate. The Treasury Department is authorized to purchase any obligations so issued by Ginnie Mae and has indicated in a letter, dated February 13, 1970, from the Secretary of the Treasury to the Secretary of HUD, that the Treasury Department will make loans to Ginnie Mae, if needed, to implement the aforementioned guaranty.

Under the terms of its guaranty, Ginnie Mae also warrants to the holder of the Ginnie Mae Certificate that, in the event Ginnie Mae is called upon at any time to make payment on its guaranty of the principal of and interest on the Ginnie Mae Certificate, it will, if necessary, in accordance with Section 306(d) of Title III of the National Housing Act, apply to the Secretary of the United States Treasury Department for a loan or loans in amounts sufficient to make such payments of principal and interest.

### **Servicing of the Mortgages**

Under contractual agreements entered into by and between the servicer and Ginnie Mae, the servicer is responsible for servicing and otherwise administering the mortgage loans underlying the Ginnie Mae Certificates in accordance with generally accepted practices of the mortgage banking industry and the Ginnie Mae Servicer’s Guide (the “Ginnie Mae Guide”).

The monthly remuneration of the servicer, for its servicing and administrative functions, and the guaranty fee charged by Ginnie Mae are based on the unpaid principal amount of the Ginnie Mae Certificates outstanding. The Ginnie Mae Certificates carry an interest rate that is fixed at .50% below the interest rate on the underlying mortgage loans; the servicing and guaranty fees (equal on a monthly basis to 1/12 of .50% of the outstanding principal balance of the mortgage loans) are deducted from payments on the mortgage loans before payments are passed through to the holder of the Ginnie Mae Certificate.

It is expected that interest and principal payments on the mortgage loans underlying the Ginnie Mae Certificates received by the servicer will be the source of payments on the Ginnie Mae Certificates. If such payments are less than what is due, the servicer is obligated to advance its own funds to ensure timely payment of all amounts coming due on the Ginnie Mae Certificates. Ginnie Mae guarantees such timely payment in the event of the failure of the servicer to pay an amount equal to the scheduled payments (whether or not made by the mortgagors on the underlying mortgages).

The servicer is required to advise Ginnie Mae in advance of any impending or actual default on scheduled payments so that Ginnie Mae, as guarantor, will be able to continue such payments as scheduled on the applicable payment date. If, however, such payments are not received as scheduled, the holder has recourse directly to Ginnie Mae.

## **Default by Servicer**

In the event of a default by the servicer, Ginnie Mae shall have the right, by letter to the servicer, to effect and complete the extinguishment of the servicer's interest in the mortgage loans underlying the Ginnie Mae Certificates, and such mortgage loans shall thereupon become the absolute property of Ginnie Mae, subject only to the unsatisfied rights of the owner of the Ginnie Mae Certificate. In such event, Ginnie Mae will be the successor in all respects to the servicer with respect to the transaction and the agreements set forth or arranged for in the Ginnie Mae Guide.

## **Payment of Principal and Interest on the Ginnie Mae Certificates**

Under the Ginnie Mae I Program, the servicer makes separate payments, by the fifteenth day of each month, directly to each owner of Ginnie Mae Certificates for each of the Ginnie Mae Certificates held.

Payment of principal of each Ginnie Mae Certificate is expected to commence on the fifteenth day of the month following issuance of the Ginnie Mae Certificate.

Each installment on a Ginnie Mae Certificate is required to be applied first to interest and then in reduction of the principal balance then outstanding on the Ginnie Mae Certificate. Interest is to be paid at the specified rate on the unpaid portion of the principal of the Ginnie Mae Certificate. The amount of principal due on the Ginnie Mae Certificate shall be in an amount at least equal to the scheduled principal amortization currently due on the mortgage loans. However, payment of principal and interest is to be adjustable as set forth below.

Each of the monthly installments on a Ginnie Mae Certificate is subject to adjustment by reason of any prepayments or other unscheduled recoveries of principal on the underlying mortgage loans. In any event, the servicer will pay to the holder of the Ginnie Mae Certificate monthly installments of not less than the interest due on the Ginnie Mae Certificate at the rate specified in the Ginnie Mae Certificate, together with any scheduled installments of principal, whether or not such interest or principal is collected from the mortgagors, and any prepayments or unscheduled recovery of principal. Final payment shall be made upon surrender of the outstanding Ginnie Mae Certificate.

## **FEDERAL NATIONAL MORTGAGE ASSOCIATION PROGRAM**

The summary of the Fannie Mae MBS Program (as defined below), the Fannie Mae Securities and other documents referred to herein does not purport to be comprehensive and is qualified in its entirety by reference to the Fannie Mae Guides and the Fannie Mae Securities and other documents for full and complete statements of their provisions.

### **Fannie Mae Mortgage-Backed Securities Program**

Fannie Mae (formerly the Federal National Mortgage Association) is a federally government-sponsored enterprise organized and existing under the Federal National Mortgage Association Charter Act (12 U.S.C. Section 1716 et seq.). Fannie Mae was originally established in 1938 as a United States government agency to provide supplemental liquidity to the mortgage market. Fannie Mae is subject to the supervision and regulation of the Federal Housing Finance Agency ("FHFA") to the extent provided in the Housing and Economic Recovery Act of 2008 ("HERA"). The FHFA has placed Fannie Mae into conservatorship.

THE SECURITIES OF FANNIE MAE ARE NOT GUARANTEED BY THE UNITED STATES GOVERNMENT (INCLUDING THE DEPARTMENT OF THE TREASURY) AND DO NOT CONSTITUTE A DEBT OR AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF, INCLUDING THE DEPARTMENT OF THE TREASURY AND FHFA, OTHER THAN FANNIE MAE.

Although the Secretary of the Treasury has certain discretionary authority to purchase obligations of Fannie Mae, neither the United States nor any agency thereof is obligated to finance Fannie Mae's obligations or to assist Fannie Mae in any manner.

Fannie Mae has implemented a mortgage-backed securities program pursuant to which Fannie Mae issues securities backed by pools of mortgage loans (the "Fannie Mae MBS Program"). The obligations of Fannie Mae, including its obligations under the Fannie Mae Securities, are obligations solely of Fannie Mae and are not backed by, or entitled to, the full faith and credit of the United States.

Beginning June 3, 2019, Fannie Mae Securities are issued in the form of Uniform Mortgage-Backed Securities. The term "Fannie Mae Securities" includes UMBS issued by Fannie Mae.

The terms of the Fannie Mae MBS Program are governed by the Fannie Mae Guides, as modified by a Pool Contract, and, in the case of mortgage loans such as the Mortgage Loans, a Trust Indenture, dated as of November 1, 1981, as amended (the "Fannie Mae Trust Indenture"), and a supplement thereto to be issued by Fannie Mae in connection with each pool. The Fannie Mae MBS Program is further described in a prospectus issued by Fannie Mae (the "Fannie Mae Prospectus"). The Fannie Mae Prospectus is updated from time to time. No Fannie Mae Prospectus Supplement will be available as to any Fannie Mae Securities acquired pursuant to the Program.

Copies of the Fannie Mae Prospectus and Fannie Mae's most recent annual and quarterly reports and proxy statement are available from Fannie Mae, Office of Investor Relations, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016.

### **Fannie Mae Securities**

Any Fannie Mae Security acquired pursuant to the Program will represent the entire interest in a specified pool of conventional mortgage loans purchased by Fannie Mae from the servicer and identified in records maintained by Fannie Mae. The conventional mortgage loans backing each Fannie Mae Security will bear interest at a specified rate per annum, and each Fannie Mae Security will bear interest at a lower rate per annum (the "pass-through rate"). The difference between the interest rate on the conventional mortgage loans and the pass-through rate on the Fannie Mae Security will be collected by the servicer and used to pay the servicer's servicing fee and Fannie Mae's guaranty fee. Fannie Mae may change such fee and impose other charges from time to time.

Fannie Mae will guarantee to the registered holder of the Fannie Mae Securities that it will distribute amounts representing scheduled principal and interest at the applicable pass-through rate on the conventional mortgage loans in the pools represented by such Fannie Mae Securities, whether or not received, and the full principal balance of any foreclosed or other finally liquidated mortgage loan, whether or not such principal balance is actually received. THE OBLIGATIONS OF FANNIE MAE UNDER SUCH GUARANTEES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND ARE NOT BACKED BY, NOR ENTITLED TO, THE FAITH AND CREDIT OF THE UNITED STATES OF AMERICA. IF FANNIE MAE WERE UNABLE TO SATISFY SUCH OBLIGATIONS, DISTRIBUTIONS TO THE REGISTERED HOLDER OF FANNIE MAE SECURITIES WOULD CONSIST SOLELY OF

PAYMENTS AND OTHER RECOVERIES ON THE UNDERLYING MORTGAGE LOANS AND, ACCORDINGLY, MONTHLY DISTRIBUTIONS TO THE HOLDER OF FANNIE MAE SECURITIES WOULD BE AFFECTED BY DELINQUENT PAYMENTS AND DEFAULTS ON SUCH MORTGAGE LOANS.

### **Payments on Mortgage Loans; Distributions on Fannie Mae Securities**

Payments on a Fannie Mae Security are made to the owner thereof on the twenty-fifth day of each month (beginning with the month following the month such Fannie Mae Security is issued) or, if such twenty-fifth day is not a business day, on the first business day next succeeding such twenty-fifth day. With respect to each Fannie Mae Security, Fannie Mae will distribute to the beneficial owner an amount equal to the total of (i) the principal due on the mortgage loans in the related pool underlying such Fannie Mae Security during the period beginning on the second day of the month prior to the month of such distribution and ending on the first day of such month of distribution, (ii) the stated principal balance of any mortgage loan that was prepaid in full during the second month next preceding the month of such distribution (including as prepaid for this purpose any mortgage loan 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 installments of principal and interest, or because of Fannie Mae's election to repurchase such mortgage loan under certain other circumstances as permitted by the Fannie Mae Trust Indenture), (iii) the amount of any partial prepayment of a mortgage loan received in the second month next preceding the month of distribution and (iv) one month's interest at the pass-through rate on the principal balance of the Fannie Mae Security as reported to the holder thereof in connection with the previous distribution (or, with respect to the first distribution, the principal balance of the Fannie Mae Security on its issue date).

For purposes of distributions, a mortgage loan will be considered to have been prepaid in full if, in Fannie Mae's reasonable judgment, the full amount finally recoverable on account of such mortgage loan has been received, whether or not such full amount is equal to the stated principal balance of the mortgage loan. Fannie Mae may, in its discretion, include with any distribution principal prepayments, both full and partial, received during the month prior to the month of distribution, but is under no obligation to do so.

## **FREDDIE MAC PARTICIPATION CERTIFICATES PROGRAM**

### **General**

The summary of the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Freddie Mac Guarantor Program, Freddie Mac PCs 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 can be accessed at <http://www.freddiemac.com>. However, NIFA 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.

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



subject to the supervision and regulation of the Federal Housing Finance Agency (“FHFA”) to the extent provided in HERA. The FHFA has placed Freddie Mac into conservatorship.

THE SECURITIES OF FREDDIE MAC ARE NOT GUARANTEED BY THE UNITED STATES GOVERNMENT (INCLUDING THE DEPARTMENT OF THE TREASURY) AND DO NOT CONSTITUTE A DEBT OR AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF, INCLUDING THE DEPARTMENT OF THE TREASURY AND FHFA, OTHER THAN FREDDIE MAC.

Although the Secretary of the Treasury has certain discretionary authority to purchase obligations of Freddie Mac, neither the United States nor any agency thereof is obligated to finance Freddie Mac’s obligations or to assist Freddie Mac in any manner.

Freddie Mac’s statutory mission is to provide stability in the secondary market for home mortgages, to respond appropriately to the private capital market and to provide ongoing assistance to the home mortgage secondary market by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for home mortgage financing. The principal activity of Freddie Mac consists of the purchase of first lien, conventional, residential mortgages and participation interests in such mortgages from mortgage lending institutions and the resale of the whole loans and participations so purchased in the form of guaranteed mortgage securities (the “Freddie Mac PCs”). Freddie Mac generally matches its purchases of mortgages with sales of Freddie Mac PCs. Mortgages retained by Freddie Mac are financed with short- and long-term debt and equity capital.

Beginning June 3, 2019, Freddie Mac PCs are issued in the form of Uniform Mortgage-Backed Securities. The term “Freddie Mac PCs” includes UMBS issued by Freddie Mac. Freddie Mac PCs issued prior to June 3, 2019, may be exchanged by holders thereof for UMBS issued by Freddie Mac.

### **Freddie Mac PCs**

Each Freddie Mac PC will represent an undivided interest in a pool of fixed-rate, first-lien conventional mortgage loans or FHA- and VA-guaranteed mortgage loans, or participation interests therein. Freddie Mac guarantees to each registered holder of an Freddie Mac PC that it will distribute amounts representing such holder’s proportionate interest in interest payments on the mortgage loans in the pool represented by such Freddie Mac PCs (less servicing and guarantee fees aggregating the excess of the interest on such mortgage loans over the Freddie Mac PCs’ pass-through rate), whether or not such amount is actually received. With respect to certain Freddie Mac PCs, Freddie Mac guarantees the holder’s proportionate interest in scheduled principal payments on such mortgage loans, if timely received, and also guarantees ultimate collection of scheduled principal payments, prepayments of principal and the remaining principal balance in the event of a foreclosure or other disposition of a mortgage loan. With respect to such Freddie Mac PCs, Freddie Mac may remit the amount due on account of its guarantee of collection of principal at any time after default on an underlying mortgage, but not later than (i) 30 days following foreclosure sale, (ii) 30 days following payment of the claim by any mortgage insurer or (iii) 30 days following the expiration of any right of redemption, whichever occurs later, but in any event no later than one year after demand has been made upon the mortgagor for accelerated payment of principal. Freddie Mac PCs may also include those Freddie Mac PCs (the “Fully Guaranteed Freddie Mac PCs”) as to which Freddie Mac has guaranteed the timely payment of the holder’s proportionate interest in scheduled principal payments on the underlying mortgage loans, as calculated by Freddie Mac.

THE OBLIGATIONS OF FREDDIE MAC UNDER ITS GUARANTEES ARE OBLIGATIONS SOLELY OF FREDDIE MAC AND ARE NOT BACKED BY, OR ENTITLED TO, THE FULL FAITH

AND CREDIT OF THE UNITED STATES OF AMERICA. IF FREDDIE MAC WERE UNABLE TO SATISFY SUCH OBLIGATIONS, DISTRIBUTIONS TO THE REGISTERED HOLDERS OF FREDDIE MAC CERTIFICATES WOULD CONSIST SOLELY OF PAYMENTS AND OTHER RECOVERIES ON THE UNDERLYING MORTGAGE LOANS AND, ACCORDINGLY, MONTHLY DISTRIBUTIONS TO THE HOLDERS OF FREDDIE MAC CERTIFICATES WOULD BE AFFECTED BY DELINQUENT PAYMENTS AND DEFAULTS ON SUCH MORTGAGE LOANS.

### **Conforming Loan Limits**

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 2023, Freddie Mac’s conforming loan limit for a first lien conventional single-family mortgage is \$726,200 for a one-family dwelling in Mississippi. The conforming loan limit for second-lien mortgages, if any, 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 has 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- or VA-guaranteed mortgage loans.

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.

### **Servicing of the Mortgages**

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 mortgage pools underlying a Freddie Mac PC are the Freddie Mac PC interest rate plus any minimum required servicing, management and guarantee fees. 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 Freddie Mac PC.

## THE PROGRAM

### General Description

The Corporation currently offers two programs to provide financing for Mortgage Loans, the MRB7 program (the “MRB7 Program”) and the Smart6 program (the “Smart6 Program”). The MRB7 Program is a Mortgage Loan financing program which backs Program Securities financed and paid for only with proceeds of Tax-Exempt Bonds. Each Series 2023C First Mortgage Loan and Series 2023C Second Mortgage Loan was and will be offered under the MRB7 Program. The Smart6 Program is a Mortgage Loan financing program which backs Program Securities financed and paid for with funds other than Tax-Exempt Bonds. Each Series 2023D First Mortgage Loan and Series 2023D Second Mortgage Loan was and will be offered under the Smart6 Program.

All Mortgage Loans which back the Program Securities were or will be first mortgage liens on Residential Housing Units in the State, senior to any Second Mortgage Loan. Residential Housing Units may include condominium units or units in a planned unit development (“PUD”), single family attached and detached residences meeting the requirements of FHA, USDA/RD, VA or the PMI Insurer, as applicable, and the Ginnie Mae Guide, the Fannie Mae Guide or the Freddie Mac Guide, as applicable. Mortgage Loans have been or must be made to persons or families of low or moderate income who qualify for such financing based upon the income limits established from time to time by the Department of Housing and Urban Development with adjustments allowed under the Code.

Each Series 2023C First Mortgage Loan and Series 2023D First Mortgage Loan has been or shall be secured by a first mortgage lien on the Residential Housing Unit acquired thereby, and made substantially in accordance with the Lender’s then current underwriting policies, all other requirements established by the Origination Agreements and the Code subject to the final review of the Corporation. In addition, First Mortgage Loans which back Ginnie Mae Certificates must satisfy the then current underwriting policies of FHA, USDA/RD or VA, as applicable, and the then current criteria set forth in the Ginnie Mae Guide. First Mortgage Loans which back Fannie Mae Securities must satisfy the then current underwriting policies of the PMI Insurer, if any, and the then current criteria set forth in the Fannie Mae Guide. First Mortgage Loans which back Freddie Mac PCs must satisfy the then current underwriting policies of the Freddie Mac Act, and the then current criteria set forth in the Freddie Mac Guide.

Each Series 2023C First Mortgage Loan and Series 2023D First Mortgage Loan has or shall (a) provide for substantially level monthly payments of principal and interest due the first day of each month (which payments shall be accompanied by amounts for deposit in an escrow account to provide for timely payment of taxes and insurance), (b) have an original term of 360 months, (c) be assumable only under the terms and conditions set forth in the Origination Agreements and described herein, (d) comply in all respects with the Origination Agreements, the Ginnie Mae Guide, the Fannie Mae Guide, the Freddie Mac Guide and FHA, USDA/RD, or VA rules and regulations, as applicable, (e) be in a principal amount not exceeding such amount as conforms to the eligibility and credit underwriting standards specified in the Origination Agreements and the applicable limitations of FHA, USDA/RD, or VA, as applicable, and the Ginnie Mae Guide, the Fannie Mae Guide or the Freddie Mac Guide, as applicable, (f) be the subject of a mortgagee’s title insurance policy, and (g) be the subject of appropriate standard hazard insurance as long as the Mortgage Loan is outstanding. See **“THE PROGRAM - Insurance or Guarantee”** herein.

Series 2023C Second Mortgage Loans and Series 2023D Second Mortgage Loans will be made to Mortgagors in connection with the making of a related Series 2023C First Mortgage Loan and Series 2023D First Mortgage Loan, as applicable. Series 2023C Second Mortgage Loans and Series 2023D Second Mortgage Loans will be secured by a Second Mortgage on the acquired Residential Housing Unit, will be

subordinate to the related Series 2023C First Mortgage Loan or Series 2023D First Mortgage Loan, as applicable, and may be subordinate to other mortgages on the real property that are included in the Mortgagor's financing of the acquisition of the financed Residential Housing Unit. All Second Mortgage Loans in connection with the Series 2023C Bonds will have a term of ten (10) years, will be non-interest bearing loans, and may be subject to automatic reductions in principal upon the occurrence of certain specified events, as appropriate pursuant to the Corporation's Program and the Corporation's objectives to be accomplished through the delivery of such Series 2023C Second Mortgage Loans. All Second Mortgage Loans in connection with the Series 2023D Bonds will have a term of thirty (30) years and will be non-interest bearing loans but will not be subject to automatic reductions in principal.

The Corporation expects that Series 2023C Second Mortgage Loans in connection with the Series 2023C Bonds will be made by a Lender to each such Mortgagor in the amount of \$7,000, and that Series 2023D Second Mortgage Loans in connection with the Series 2023D Bonds will be made by a Lender to each such Mortgagor in the amount of \$6,000.

The Corporation will reimburse each Lender for each Series 2023C Second Mortgage Loan and Series 2023D Second Mortgage Loan advance when the Corporation physically receives from such Lender all required documentation under the Program.

It is the initial intention of the Corporation that no principal on the Series 2023C Second Mortgage Loans and Series 2023D Second Mortgage Loan will be due thereon during the term of such Series 2023C Second Mortgage Loan and Series 2023D Second Mortgage Loan unless (i) the Residential Housing Unit purchased with the related Series 2023C First Mortgage Loan or Series 2023D First Mortgage Loan, as applicable, is sold during such period, (ii) the Series 2023C First Mortgage Loan or Series 2023D First Mortgage Loan related to the Second Mortgage Loan is refinanced, (iii) the Residential Housing Unit ceases to be the Mortgagor's primary residence, or (iv) there is a default under the Series 2023C First Mortgage Loan or Series 2023D First Mortgage Loan related to the Series 2023C Second Mortgage Loan or Series 2023D Second Mortgage Loan, as applicable; *provided, however*, that in the event of certain refinancings of any First Mortgage Loan the Corporation, in its sole discretion, reserves the right to allow a Second Mortgage Loan to remain outstanding but subordinate to any new mortgage made in connection with such refinancing. If none of the events described in the preceding sentence occur during the term of the Second Mortgage Loan financed with the Series 2023C Bonds, 100% of the original principal of such related Second Mortgage Loan will be forgiven and satisfied by the Corporation on the tenth anniversary of the origination thereof. Second Mortgage Loans financed with the Series 2023D Bonds will not automatically be subject to forgiveness.

## **Federal Tax Law Requirements**

***The provisions regarding compliance with certain provisions of the Code under this subheading "Federal Tax Requirements" apply only to Mortgage Loan financings and the related purchase of Program Securities financed and paid with proceeds of Tax-Exempt Bonds.***

The Code provides that the interest on qualified mortgage bonds that are Tax-Exempt Bonds will not be included in the gross income of the owners thereof if, among other requirements, all of the proceeds of the applicable Series of Tax-Exempt Bonds remaining after the payment of costs of issuance and the funding of a reasonably required reserve fund (the "lendable proceeds") are applied to the purchase of mortgage loans of which at least ninety-five percent (95%) of such mortgage loans complied with certain mortgage eligibility requirements described below at the time such mortgage loans were made. The Code provides that (a) in determining whether ninety-five percent (95%) of the lendable proceeds of the Tax-Exempt Bond issue are used to make mortgages satisfying the mortgage eligibility requirements the issuer

of the bonds may rely on certain specified certifications and closing affidavits of mortgagors and sellers and certain specified examinations made by the issuer or its agent, (b) the issuer must in good faith attempt to meet all of the mortgage eligibility requirements before the mortgages are executed, and (c) the issuer must correct any failure of a mortgage loan to meet such requirements within a reasonable period after such failure is discovered. The Corporation has covenanted to comply with the Code and the procedures required by the Origination Agreements, and the Origination Agreements include the certifications and closing affidavits and examinations which the Code specifies may be relied upon by the Corporation in determining compliance with such requirements. These requirements and procedures are summarized below.

***First-Time Homebuyer Requirement.*** The Code requires that at least ninety-five percent (95%) of the net lendable proceeds of a Series of Tax-Exempt Bonds be used to finance residences of Eligible Borrowers who have not had a present ownership interest in a principal residence during the three-year period preceding the date on which the Mortgage is executed. The portion of such Tax-Exempt Bond proceeds used to make Mortgage Loans in Targeted Areas is treated as used for such purpose. Under the Code the Corporation may rely on its or its agents' examination of the most current year's federal income tax returns or transcripts, Mortgagor's credit reports, Fraud Guard or equivalent report containing the Ownership and Occupancy module and the Mortgagor's certifications and closing affidavit to ascertain compliance with this requirement. The Origination Agreements require each Lender to obtain, and the Lender and the Corporation to examine, for each of the preceding three years federal income tax returns of each of the Mortgagors or a Mortgagor's certifications containing the statement that such Mortgagor was not required by law to file any such income tax returns for such year.

***Residence Requirement.*** As required by the Code, all residences for which owner-financing is provided with proceeds of Tax-Exempt Bonds must be Residential Housing Units located within the State. Both the Corporation and the Eligible Borrowers must reasonably expect that the financed residence will become the Mortgagor's principal residence within a reasonable time (60 days) after the Mortgage Loan is executed or assumed. The Origination Agreements require each Lender to obtain from each Mortgagor a certification that at the closing of the Mortgage Loan such Mortgagor intends to make the Residential Housing Unit its principal residence within 60 days from the date of such closing. Under the Code, the Corporation may rely on such certification for purposes of ascertaining compliance with this requirement.

***Income Limitations.*** As required by the Code, the family income of each Mortgagor may not exceed the applicable percentage of the current median gross income for the area of the State in which such Residential Housing Unit is located. The Maximum Permissible Family Income Limit under the Code ranges from 100% to 140% of current area median gross income, depending on the particular county in which the Residential Housing Unit is located and the number of persons in the family. The Program requires that Eligible Borrowers supply a certification and closing affidavit setting forth their family income. Under the Code, the Corporation may rely on such certifications and closing affidavits for purposes of ascertaining compliance with this requirement.

***Acquisition Price Limitations.*** The Code requires that the "acquisition cost" (as defined in the Code) of each Residential Housing Unit being financed with proceeds of Tax-Exempt Bonds may not exceed 90% (110% in the case of residences located in a Targeted Area) of the average area purchase price applicable to such Residential Housing Unit. The determination of the average area purchase price applicable to each Residential Housing Unit being financed must be made as of the date on which the Lender commits to make the Mortgage Loan or, if earlier, the date of purchase of the Residential Housing Unit.

In accordance with the Code, the United States Treasury Department publishes certain "safe harbor" average area purchase price limitations for Residential Housing Units financed by Tax-Exempt

Bond-financed mortgage loans. The Program requires that the Eligible Borrowers supply a certification setting forth the Acquisition Cost of the Residential Housing Unit and certifying that the Residential Housing Unit is a completed residential unit that includes only such land as reasonably maintains the basic livability of the Residential Housing Unit. The Code prohibits the financing of a residence which will be used in the trade or business of a Mortgagor; accordingly, the Program requires that the Eligible Borrowers certify that they do not expect to so use the mortgaged property. Under the Code, the Corporation may rely on such certifications and closing affidavits for purposes of ascertaining compliance with these requirements.

***New Mortgage Requirement.*** The Code does not allow proceeds of a Tax-Exempt Bond qualified mortgage issue to be used to acquire existing mortgages or to refinance existing loans, except construction period loans, bridge loans or other similar temporary initial financing of 24 months or less. The Origination Agreements each require that all Eligible Borrowers supply a Borrower certification certifying that the Mortgage Loan proceeds will not be used in a manner which would violate this requirement. Under the Code, the Corporation may rely on such certifications and closing affidavits for purposes of ascertaining compliance with this requirement.

***Requirements Relating to Assumptions.*** The Code requires that any mortgage loan financed with the proceeds of an issue of Tax-Exempt Bonds may be assumed only if the applicable mortgage eligibility requirements relating to principal residence, absence of home ownership for the prior three years, intent to occupy the residence, income limitations, and acquisition cost limitations applicable to a newly-originated mortgage loan, are met with respect to the assumption. The determination as to compliance with these requirements is to be made as of the date on which the mortgage loan is being assumed. Accordingly, the Corporation must determine the relevant average area purchase prices and the current applicable median family income and must assure compliance with each of the applicable requirements of the Code for any such assumptions. The Origination Agreements provide that any person or family assuming a Mortgage Loan must meet each of the eligibility requirements and be approved by the Corporation in the same manner as newly originated mortgages are approved.

***Correction of Non-Compliance.*** The Code provides that issuers of mortgage backed securities are required to cure any failure of a Mortgage Loan to comply with Code requirements within a reasonable time after discovery of such failure. The Origination Agreements require the Lenders to repurchase any such defective Mortgage Loans at the direction of the Corporation, and the Mortgage documents provide that if a Mortgagor under a Mortgage Loan is found not to be an Eligible Borrower, such Mortgage Loan may be declared immediately due and payable.

***Targeted Area Requirement.*** The Code requires issuers of mortgage backed securities to make available an amount of funds totaling at least the lesser of (a) twenty percent (20%) of the lendable proceeds of the non-refunding portion of Tax-Exempt Bonds, or (b) forty percent (40%) of the average annual aggregate principal amount of mortgages executed in the preceding three calendar years for single family owner-occupied residences located in Targeted Areas (together, as applicable, the “Targeted Area Requirement”), to purchase mortgage loans made to finance the purchase of Residential Housing Units in the Targeted Areas for a period of at least one year from the date Tax-Exempt Bond proceeds are first made available for the origination of Mortgage Loans and to use reasonable diligence to place such funds in qualified mortgages in Targeted Areas. The Code specifically permits the purchase of a mortgage loan made to an Eligible Borrower who had a present ownership interest in a principal residence within the three-year period next preceding the execution of the Mortgage if the residence financed with the proceeds of such Mortgage Loan is located within a Targeted Area. The Code provides that an issue is treated as satisfying the Targeted Area requirements of the Code if (i) the issuer in good faith attempted to meet these

requirements, and (ii) any failure to meet these requirements is due to inadvertent error after taking reasonable steps in complying with such requirements.

***Information Reporting Requirement.*** The Code requires issuers of Tax-Exempt Bonds funding qualified Mortgages to file information reports with the Internal Revenue Service. The Corporation is required to file annual information reports containing information on the borrowers of the original proceeds of a Series of Tax-Exempt Bonds. These annual reports are required to be filed with respect to the one-year reporting periods ending June 30th of each year that Mortgage Loans were originated under the Program, and must be filed by August 15th of each such year. The Corporation has covenanted to file the reports required to be filed. The Code provides that an issue is treated as satisfying the information reporting requirements of the Code if the issuer in good faith attempted to meet such requirements.

***Arbitrage Requirements.*** The Code contains special arbitrage provisions applicable to issues of Tax-Exempt Bonds. The Code requires that issuers pay to the United States of America certain investment earnings on nonpurpose investments (investments other than mortgages) to the extent that the amount of such earnings exceeds the amount that would have been earned on such investments if those investments were earning a return equal to the yield on the issue.

***Recapture Provision.*** The Code requires a payment to the United States of America from certain Mortgagors with respect to Mortgage Loans originated with proceeds of Tax-Exempt Bonds after December 31, 1990 upon sale or other disposition of their homes financed by a Mortgage Loan (the “Recapture Provision”). The Recapture Provision requires that an amount determined to be the subsidy provided by qualified mortgage Tax-Exempt Bond financing (but not in excess of 50% of the gain on the sale) be recaptured on disposition of the house within nine years of the later of the closing or assumption of the Mortgage Loan. The recapture amount increases over the period of ownership, with full recapture occurring if the house is sold at the end of the fifth year. The recapture amount declines ratably to zero with respect to sales occurring in years six through nine. An exception excludes from recapture part or all of the subsidy in the case of assisted individuals whose income is less than prescribed amounts at the time of the disposition.

## **Origination and Purchase**

In connection with each Mortgage Loan, the Lender may charge and collect from the Mortgagor, the seller of a Residential Housing Unit or the Corporation at the time of closing of the Mortgage Loan, total origination fees not in excess of the fees then authorized by the Corporation (currently from one percent (1.00%) to one and one-half percent (1.50%) of the principal amount of such Mortgage Loan). In addition, the Lender may collect from the Eligible Borrower or the seller all reasonable and customary out-of-pocket costs permitted by law paid or incurred by Lender. Such fees and expenses may be collected only once in connection with the origination of the Mortgage Loan and shall not exceed limits established from time to time by federal law or State law and in any event may not exceed like amounts charged in such area in cases where owner financing is not provided through Tax-Exempt Bonds.

With respect to a unit of a condominium or a PUD, such unit must be acceptable to FHA, VA, or USDA/RD, as applicable, and Ginnie Mae, Fannie Mae or Freddie Mac standards, as applicable. There is no restriction on the percentage of condominium or PUD Mortgage Loans that a Lender may originate.

The Lenders are required to consider each application for a Mortgage Loan in the order in which received, on a fair and equal basis. A Lender is not permitted to arbitrarily reject a Mortgage Loan application because of the location and/or age of the property and will not, in the case of a proposed Mortgagor, arbitrarily vary the terms of a Mortgage Loan or the application procedures therefore or reject

a Mortgage Loan applicant because of the race, color, religion, national origin, age, sex or marital status of such applicant. In addition, Mortgage Loans can be made only to those persons who certify their intent to occupy the property as their principal residence and whose Annualized Monthly Income does not exceed the Maximum Permissible Family Income Limit.

### **Insurance or Guarantee**

All Mortgage Loans which back Ginnie Mae Certificates, if any, are required to be insured by FHA or guaranteed by either USDA/RD or VA before they are pooled by a Servicer and delivered to Ginnie Mae upon the issuance of a Ginnie Mae Certificate. FHA's authority to issue commitments to insure the Mortgage Loans is subject to a statutory limit on the dollar amount of commitments to insure that FHA may issue during a federal fiscal year.

All Mortgage Loans which back Fannie Mae Securities, if any, will be required to be insured by a policy of private mortgage insurance to the extent required by Fannie Mae before they are pooled by a Servicer and delivered to Fannie Mae upon the issuance of a Fannie Mae Security.

All Mortgage Loans which back Freddie Mac PCs, if any, will be required to be insured by a policy of private mortgage insurance to the extent required by Freddie Mac before such Mortgage Loans are pooled by a Servicer and delivered to Freddie Mac upon the issuance of a Freddie Mac Participation Certificate.

### **Lenders; Reservation System**

Each Lender must be either a commercial bank, savings and loan association, or a mortgage banking institution approved by the Corporation which is (a) currently participating in the local private home lending market in the State and (b) an FHA approved mortgagee, a USDA/RD eligible lender, a VA approved lender, a Fannie Mae approved lender, or a Freddie Mac approved lender.

Funds made available for the origination of Mortgage Loans are not allocated or assigned to any particular Lender, but are reserved on a first-come, first-served basis for all Lenders. Lenders may reserve available funds for Mortgage Loans on a case-by-case basis by registering the loan online on the Corporation's website or other electronic means acceptable to the Corporation. The Corporation will, upon such request, reserve the amount requested for a particular Mortgage Loan. It is a condition to any such reservation that within ten calendar days following any such reservation by registering the loan online on the Corporation's website or other electronic means, the Corporation must physically receive from the Lender, among other things, the following with respect to each reservation: (a) a copy of the real estate purchase contract executed by both the proposed Mortgagor(s) and seller(s); (b) a copy of the executed Mortgage Loan application; (c) Original Potential Recapture Federal tax form, if required for any Tax-Exempt Bond financed Mortgage Loans, executed by the proposed Mortgagor(s) and Lender; (d) the Original Notice to Borrower – Second Mortgage form executed by the proposed Mortgagor(s); (e) Mortgage Revenue Bond ("MRB") Reservation form; (f) MRB Reservation Confirmations; (g) MRB Program Checklist; and (h) a copy of the Homebuyers Education Certificate. The Corporation presently maintains a policy that once the Corporation has allocated or assigned an amount of Mortgage Loans to be reserved by a Lender, under no circumstances will the Corporation allow the Lender to cancel the reservation and/or allow a borrower to subsequently request, under the same Lender or a different Lender, a new reservation from a subsequent issue of the Corporation's bonds which carries a lower Mortgage Loan interest rate than the Mortgage Loan interest rate of the initial reservation.



## **Servicing of the Mortgage Loans**

Each Servicer will service the Mortgage Loans which back the Program Securities issued by such Servicer and will have full power and authority, acting alone, to take such actions as may be necessary to discharge its duties with respect to servicing. Each Servicer shall be entitled to a monthly servicing fee, and, under certain circumstances, compensation from insurance proceeds or liquidation proceeds. Additional compensation in the form of late payment charges, assumption fees, or otherwise may be received by a Servicer to the extent permitted by law and by Ginnie Mae, Fannie Mae and Freddie Mac, as applicable, and FHA, USDA/RD, VA or the PMI Insurer, as applicable. Each Servicer shall be required to pay all expenses incurred by it in connection with its servicing activities under its related Servicing Agreements (including maintenance of its errors and omissions insurance policy and fidelity bond) and shall not be entitled to reimbursement therefore, except as specifically provided in the Servicing Agreements.

Each Servicer is required to perform all of its duties in servicing Mortgage Loans with due care, diligence and reasonable promptness and to use at least the same degree of care in servicing Mortgage Loans under the Program as it employs in servicing mortgage loans in its own portfolio. The Servicer is required to conform to at least the minimum requirements established by Ginnie Mae, Fannie Mae or Freddie Mac, as applicable.

## **PROGRAM ASSUMPTIONS AND BONDHOLDERS' RISKS**

### **Program Assumptions**

The Sinking Fund Installments and maturities of the Series 2023CD Bonds have been established in part on the basis of the consolidated scheduled payments of Program Securities under the General Bond Resolution. The interest rates to be borne by the Series 2023CD Program Securities are established, from time to time, at rates so that payments of principal of and interest on the Series 2023CD Program Securities expected to be purchased and acquired with the proceeds of the Series 2023CD Bonds, plus the moneys on deposit in the various Funds and Accounts under the General Bond Resolution, including earnings thereon (except for amounts in the Rebate Accounts), will generate sufficient revenues to pay on a timely basis the principal of, premium, if any, and interest on the Series 2023CD Bonds. The sufficiency of such revenues is based on the following assumptions:

(a) Series 2023C Program Securities in the aggregate principal amount of approximately \$66,976,000 and Series 2023C Second Mortgage Loans in the aggregate principal amount of approximately \$3,024,000 will be purchased by the Trustee on behalf of the Corporation on or prior to August 1, 2024. It is anticipated that substantially all of such Series 2023C Program Securities will be Ginnie Mae Certificates. Series 2023D Program Securities in the aggregate principal amount of approximately \$29,135,000 and Series 2023D Second Mortgage Loans in the aggregate principal amount of approximately \$864,000 will be purchased by the Trustee on behalf of the Corporation on or prior to August 1, 2024. It is anticipated that substantially all of such Series 2023D Program Securities will be Ginnie Mae Certificates.

(b) All Series 2023C Program Securities will be secured by Series 2023C First Mortgage Loans which provide for level monthly payments of principal and interest and which bear interest at an assumed weighted average rate of approximately 6.39% per annum. An amount equal to approximately one-half of one percent (0.50%) per annum of the aggregate outstanding principal amount of the Mortgage Loans is paid to the related Servicer for the guarantee and servicing fees resulting in a Pass-Through Rate on Series 2023C Program Securities equal to an assumed weighted average rate of approximately 5.89% per annum. All Series 2023D Program Securities will be secured by Series 2023D First Mortgage Loans

which provide for level monthly payments of principal and interest and which bear interest at an assumed weighted average rate of approximately 7.34% per annum. An amount equal to approximately one half of one percent (0.50%) per annum of the aggregate outstanding principal amount of the Mortgage Loans is paid to the related Servicer for the guarantee and servicing fees resulting in a Pass Through Rate on Series 2023D Program Securities equal to an assumed weighted average rate of approximately 6.84% per annum.

(c) All Series 2023C Second Mortgage Loans and Series 2023D Second Mortgage Loans will be secured by a Second Mortgage on the acquired Residential Housing Unit, which Second Mortgage shall be subordinate to the related Series 2023C First Mortgage Loan or Series 2023D First Mortgage Loan, as applicable, and which may be subordinate to other mortgages on the real property that are included in the Mortgagor's financing of the acquisition of the property. Series 2023C Second Mortgage Loans will be non-interest bearing loans that are assumed to be forgiven on the tenth anniversary of the origination of such loan, unless otherwise prepaid and no longer outstanding. Series 2023D Second Mortgage Loans will be non-interest bearing loans that are assumed to be due at final maturity, or upon the earlier occurrence of any of the following events: (i) if the Residential Housing Unit purchased with the related First Mortgage Loan is sold, (ii) the First Mortgage Loan related to the Series 2023D Second Mortgage Loan is refinanced, (iii) the Residential Housing Unit ceases to be the Mortgagor's primary residence, or (iv) there is a default under the First Mortgage Loan related to the Series 2023D Second Mortgage Loan.

(d) All Series 2023C First Mortgage Loans and Series 2023D First Mortgage Loans which back the Series 2023C Program Securities or Series 2023D Program Securities as applicable, will have level monthly payments of principal and interest over 360 months. The Series 2023CD Bond maturities and Sinking Fund Installments are based on an assumed 0% PSA prepayment rate on the related Series 2023C First Mortgage Loans or Series 2023D First Mortgage Loans, though all Series 2023C First Mortgage Loans or Series 2023D First Mortgage Loans may be prepaid at any time without penalty.

(e) Amounts on deposit in the various Funds and Accounts under the General Bond Resolution allocable to the Series 2023CD Bonds will be invested at 0% per annum until July 1, 2027, 0.50% per annum from July 1, 2027 until July 1, 2029, 1.00% per annum from July 1, 2029 until July 1, 2033, and 1.50% per annum thereafter.

(f) All Senior Expenses with respect to the Series 2023CD Bonds, including the Trustee's Fee and the Corporation's Fee, will be paid in full on a timely basis from investment income on funds held by the Trustee and a portion of interest paid on the Series 2023CD Program Securities; provided, however, that payment of such fees is on parity with the payment of unpaid interest or Principal Amount or Sinking Fund Installments due and payable on the Bonds. See **"APPENDIX B - SUMMARY OF CERTAIN GENERAL BOND RESOLUTION PROVISIONS"** attached hereto.

### **Special Considerations Relative to the Origination of Mortgage Loans**

The Series 2023CD Bonds will be issued on or about August 9, 2023. Subject to the Corporation's right to extend the date for such redemption (see paragraph (e) under **"APPLICATION OF CERTAIN ACCOUNTS UNDER THE SERIES 2023CD RESOLUTION - Application of Acquisition Accounts"**), the Series 2023CD Bonds are subject to mandatory redemption from and to the extent that funds remain on deposit in the Series 2023C Acquisition Account or the Series 2023D Acquisition Account, as the case may be, of the Program Fund as described under the heading **"THE SERIES 2023CD BONDS - Redemption Provisions - Special Redemption - Redemption of Series 2023CD Bonds from Unexpended Proceeds."**

The staff of the Corporation has conducted interviews and informational meetings with Lenders which have expressed an interest in participating in the Program. See “**THE PROGRAM - Lenders; Reservation System**” herein. The purpose of the interviews, Lender meetings and required Lender trainings either in person or by online webinar has been to explain the financing details of the Program and to attempt to ascertain potential Lender demand for the origination of the Mortgage Loans. Based upon the foregoing, the Corporation reasonably expects that Series 2023C First Mortgage Loans, Series 2023D First Mortgage Loans, Series 2023C Second Mortgage Loans and Series 2023D Second Mortgage Loans in an aggregate principal amount of \$100,000,000 will be originated during the Origination Period. No assurances can be made, however, that such expectation will be realized.

There are numerous reasons why Series 2023C First Mortgage Loans, Series 2023D First Mortgage Loans, Series 2023C Second Mortgage Loans and Series 2023D Second Mortgage Loans may not be originated and Series 2023CD Program Obligations not purchased in an aggregate principal amount up to \$100,000,000 thereby triggering mandatory redemption of all or a portion of the Series 2023CD Bonds. See “**THE SERIES 2023CD BONDS - Redemption Provisions - *Special Redemption - Redemption of Series 2023CD Bonds from Unexpended Proceeds.***” One of the principal factors in originating real estate loans is the availability of funds to make such loans at interest rates and on other terms that prospective Mortgagors can afford. The Corporation has determined that there is at the present time a shortage of funds in the State to make such loans at interest rates competitive with the interest rate specified for the Mortgage Loans. This condition could change during the Origination Period for the Mortgage Loans. In addition, the Corporation could issue, and has in the past issued, additional single family mortgage revenue bonds at more favorable rates and terms than the rates and terms on the Mortgage Loans. In the event that, prior to all the Mortgage Loans being originated by the Lenders, funds to make Mortgage Loans were to become available in the State at rates competitive with those specified for the Mortgage Loans, the Lenders may not be able to utilize all of the funds available for the origination of Mortgage Loans.

The table below describes the Corporation’s origination history for the past 10 years.

**TABLE OF BOND ISSUANCE AND UNEXPENDED PROCEEDS REDEMPTION**  
**From January 1, 2011 through and including June 1, 2023**

<b>Program Year</b>	<b>Bonds Issued to Purchase Program Securities (\$ millions)</b>	<b>Non-Origination Redemptions (\$ millions)</b>
2011	\$100.0	\$0.0
2012	0.0	0.0
2013	0.0	0.0
2014	0.0	0.0
2015	0.0	0.0
2016	20.0	0.0
2017	44.3	0.0
2018	39.2	0.0
2019	124.0	0.0
2020	86.5	0.0
2021	115.1	0.0
2022	158.0	0.0
2023	77.5	0.0

Until recently, the Corporation operated a Smart Solution program (the “Smart Solution Program”) which provided an alternate means to finance the acquisition of mortgage-backed securities that was not funded with proceeds of Tax-Exempt Bonds. From March 6, 2014 through May 11, 2022, the Corporation’s

Smart Solution Program originated approximately \$387,954,215 of mortgage-backed securities. The Corporation has implemented the Smart6 Program to replace the Smart Solution Program.

Prior to the Smart Solution Program, from November of 2012 to November of 2013, the Corporation originated approximately \$6.5 million of mortgage loans pursuant to a prior additional third party arrangement.

The Code requires the Corporation to make available an amount of funds totaling at least the lesser of (a) 20% of the lendable proceeds of the Tax-Exempt Bonds, or (b) 40% of the average annual aggregate principal amount of mortgages executed in connection with Tax-Exempt Bonds in the preceding three calendar years for single family owner-occupied residences located in Targeted Areas to purchase Mortgage Loans made to finance Residential Housing Units in the Targeted Areas of the State for a period of at least one year from the date such Tax-Exempt Bond proceeds are first made available for the origination of Mortgage Loans and to use reasonable diligence to place such proceeds in qualified mortgages in Targeted Areas as described under the heading “**THE PROGRAM - Federal Tax Law Requirements - Targeted Area Requirement**” herein. If such portion of the proceeds of the Series 2023C Bonds does not satisfy the requirements of (a) or (b) above, then, the remaining portion of the proceeds of the Series 2023C Bonds on deposit in the Series 2023C Acquisition Account of the Program Fund will be set aside for the purchase of Program Securities, or portions thereof, backed by Mortgage Loans in Targeted Areas to satisfy such requirements of the Code.

For the purposes of Mortgage Loans originated from the remaining portion of the proceeds of the Series 2023C Bonds, out of 82 counties in the State, the Targeted Areas consist of 42 counties and portions of 10 additional counties.

Since the Targeted Area for the purposes of the Tax-Exempt Bonds will consist of the counties in the State that constitute primarily rural and low income areas that historically have not generated a large number of mortgage loans under the Corporation’s prior programs, no assurances can be made that such amounts reserved for the origination of Mortgage Loans in Targeted Areas will be expended within such one year period to originate Mortgage Loans. Moneys reserved for the origination of Mortgage Loans in Targeted Areas must be used to finance Mortgage Loans in Targeted Areas until the termination of the one year reservation period and as otherwise allowed by the Corporation Resolution and the Code.

With regard to funding purchases of Program Securities with proceeds of Tax-Exempt Bonds, the Code imposes certain requirements as to the qualification of potential Mortgagors for Mortgage Loans to be acquired by the Servicers under the Program and the purchase price of the residences which may become subject to a Mortgage Loan. These requirements restrict the ability of potential Mortgagors and residential units to qualify for Mortgage Loans and thereby may materially impair the ability of Lenders to originate Mortgage Loans and, consequently, the Tax-Exempt Bond-financed purchase of Program Securities backed by such Mortgage Loans. The requirements are subject to change and may become more restrictive, thereby resulting in a decrease in the number of potential Mortgagors or residential units eligible for inclusion in the Program. Moreover, the Code may require that some or all of the premium cash advance, if any, offered to Eligible Borrowers by the Corporation as part of the Program be included in the taxable income of such Eligible Borrowers. Such tax treatment may further decrease demand among potential Mortgagors.

The Code requires a payment to the United States of America from certain Mortgagors with respect to loans closed after December 31, 1990 as described under “**THE PROGRAM - Federal Tax Law Requirements - Recapture Provision**” herein (the “Recapture Provision”). The Recapture Provision may result in reduced demand for certain Mortgage Loans and thereby adversely affect the ability of the lenders to originate such Mortgage Loans.

In order to qualify for inclusion in a pool of mortgages securing a Ginnie Mae Certificate, Mortgage Loans must be insured by FHA or guaranteed by VA or USDA/RD. In the event that FHA's authority to insure Mortgage Loans or VA's or USDA/RD's authority to guarantee Mortgage Loans is restricted or withdrawn during the Origination Period, the ability of the Lenders to originate Mortgage Loans could be impaired significantly.

### **Business Disruption Risk**

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt the Corporation's ability to conduct its business. A prolonged disruption in the Corporation's operations could have an adverse effect on the Corporation's financial condition and results of operations. No assurances can be given that the Corporation's efforts to mitigate the effects of an emergency or other event will be successful in preventing any and all disruptions to its operations in the event of an emergency.

### **Other Risks**

The Corporation intends to utilize Permitted Investments, which may include guaranteed investment contracts or other agreements, to invest amounts on deposit in all Funds and Accounts under the Series 2023CD Resolution (other than the Rebate Accounts of the Revenue Fund and the Costs of Issuance Account of the Program Fund) from time to time. The Series 2023CD Resolution provides that amounts on deposit in the Series 2023C Acquisition Account and the Series 2023D Acquisition Account may be initially invested under an Investment Agreement. Any such Investment Agreement will obligate the Investment Agreement Provider to make specified payments to the Trustee pursuant to the terms thereof and will not guarantee payment of the principal of or interest on the Series 2023CD Bonds. The Corporation makes no representation about the financial condition or creditworthiness of any Permitted Investments or the providers thereof. Prospective investors are urged to make their own investigations into the creditworthiness and financial condition of each Permitted Investment.

The remedies available to the Owners of the Series 2023CD Bonds upon an event of default under the Corporation Resolution or an event of default under the other documents described herein are in many respects dependent upon judicial actions, which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies available under the documents may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2023CD 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 the application of equitable principles.

## **THE CORPORATION**

### **Purposes and Powers**

The Corporation, a public body corporate and politic, separate and apart from the State, was created in 1989 as the legal successor-in-interest to the Mississippi Housing Finance Corporation ("MHFC"). MHFC was created in 1980 as a body public and corporate of the State, pursuant to the Mississippi Housing Finance Corporation Act, Sections 43-33-507, Mississippi Code of 1972, for the purpose of raising funds from private investors to make such private funds available to finance the acquisition, construction and improvement of residential housing for persons of low and moderate income within the State. While granting the Corporation a broader set of powers than those possessed by MHFC, the Mississippi Home Corporation Act, Sections 43-33-701 et seq., Mississippi Code of 1972, as amended (the "Act"), vested all

property, rights, and powers of MHFC in the Corporation, subject to all pledges, covenants, agreements and trusts made or created by MHFC.

The Act grants the Corporation the power, among other things, to make loans to mortgage lenders and to purchase loans from mortgage lenders to finance the making of new residential mortgage loans and rehabilitation mortgage loans for the benefit of persons and families of low and moderate income, to include in any borrowing amounts to pay Corporation expenses necessary or incidental to such borrowing, to issue bonds and notes and to do any and all things necessary or convenient to carry out its purposes and exercise the powers granted in the Act.

## Membership

The powers of the Corporation are vested in nine (9) members. The Governor, with the advice and consent of the Senate, shall appoint six (6) members of the Corporation, who shall be residents of the State. The Governor shall appoint two (2) members from each Supreme Court District. The Lieutenant Governor shall appoint three (3) members of the Corporation, who shall be residents of the State. The Lieutenant Governor shall appoint one (1) member from each Supreme Court district. Appointments are for terms of six (6) years. Each member shall hold office until his or her successor has been appointed and qualified. Members shall be eligible for reappointment. In the appointment process, the Governor and Lieutenant Governor will attempt to see that all portions of society and its diversity are represented in the membership of the Corporation. In the appointment process, the Governor and Lieutenant Governor will attempt to see that persons with substantial housing and financial experience are represented in the membership of the Corporation.

The current members of the Corporation are as follows:

Name and Title	Term Expires	Principal Occupation
Tony Jones, Chairman	2024	Realtor, Century 21 #1 Realty Group, LLC
Dustey Walley, Vice Chairman	2024	Senior Vice President, BankTennessee
Brian Pugh, Secretary/Treasurer	2024	Executive Director, Stennis Center for Public Leadership
Aimee Robertson	2028	President, Gulfport Memorial Hospital Foundation
Hue Townsend, Jr.	2028	President and CEO, Guaranty Bank & Trust Company
Harry Walker	2028	Retired Bank Executive
Sue Steadman	2024	Realtor, Crye-Leike Steadman Realtors, Inc.
Larry Mullins	2026	Certified Financial Planner, LPL Financial
Reed Nelson	2026	Jones Capital, LLC

Scott Spivey, Executive Director, serves as the Assistant Secretary/Treasurer.

Certain key executives of the Corporation include:

**Scott Spivey, Executive Director.** Mr. Spivey has served as Executive Director of the Corporation since January 1, 2015. Prior to being appointed as Executive Director, Mr. Spivey held the positions of Deputy Director and Senior Vice President. Mr. Spivey joined the Corporation in 1998. Mr. Spivey has served on the Board of the National Council of State Housing Agencies since 2016, has served two terms as Vice Chairman and currently serves as Chairman. Previously, Mr. Spivey served on the Affordable

Housing Advisory Council for the Federal Home Loan Bank of Dallas from 2016 to 2018, serving as Chairman from 2017 to 2018. He received his Bachelor of Arts from Belhaven University and his Master of Arts from Mississippi College.

**Debbie Walker, CPA, Chief Financial Officer.** Ms. Walker joined the staff of the Corporation in 2015. Previously, Ms. Walker served as Director of Business Management for L-3 Vertex Aerospace, CFO for Navitas Wealth Advisors and CFO for Irby Investments, LLC. Ms. Walker has over 35 years of experience in financial management. Ms. Walker received her Bachelor of Science from the University of Southern Mississippi.

## **TAX MATTERS**

In the opinion of Butler Snow LLP, Ridgeland, Mississippi, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, assuming compliance with the Origination Agreements, the Servicing Agreements and the Corporation Resolution, and the covenants of the Corporation and the Servicers contained therein, designed to meet the federal tax law requirements described under “**THE PROGRAM - Federal Tax Requirements**” herein, the interest on the Series 2023C Bonds is excludable from gross income of the owners thereof for federal income tax purposes.

The Code imposes additional limitations related to the excludability from gross income for federal income tax purposes of interest on the Series 2023C Bonds. Such limitations include that interest on the Series 2023C Bonds is not a specific preference item for purposes of federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations.

Although Bond Counsel has rendered its opinion that interest on the Series 2023C Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Series 2023C Bonds may otherwise affect the federal income tax liability of the recipient’s particular tax status of other items of income or deduction. Bond Counsel expresses no opinion on the date of issuance of the Series 2023C Bonds regarding any such consequences. Purchasers of the Series 2023C Bonds, particularly purchasers that are corporations (including subchapter S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions or certain recipients of Social Security or Railroad Retirement benefits, taxpayers otherwise entitled to claim the 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 or holding the Series 2023C Bonds.

Bond Counsel is also of the opinion that interest on the Series 2023CD Bonds is exempt under the Act from taxes directly imposed by the State of Mississippi, except for estate or gift taxes and taxes on transfers.

Interest on the Series 2023D Bonds should be treated as includable in gross income of the Owners thereof for federal income tax purposes.

The proposed form of the opinion to be rendered by Bond Counsel in connection with the issuance of the Series 2023CD Bonds is attached hereto as **APPENDIX D**.

## **Bond Premium**

Series 2023C Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium allocable to the Beneficial Owner. Beneficial Owners of Premium should consult with their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances, including with respect to the state and local tax consequences of the Premium Bonds.

## **Changes in Federal and State Tax Laws**

From time to time, there are legislative proposals introduced and regulatory actions proposed or announced at the federal or state level that, if enacted, could alter or amend directly or indirectly relevant federal and state tax matters, including, without limitation, those mentioned hereinabove or could adversely affect the market value of the Series 2023CD Bonds. It cannot be predicted whether or when or in what form any such legislative or regulatory proposal might be enacted or implemented or whether if enacted or implemented it would apply to tax exempt obligations issued prior to enactment or implementation. In addition, from time to time litigation is threatened or commenced which, if concluded in a particular manner, could adversely affect relevant tax matters or the market value of the Series 2023CD Bonds. It cannot be predicted how any particular litigation or judicial action will be resolved or whether the Series 2023CD Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2023CD Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2023CD Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending or proposed legislation, regulatory initiatives or litigation.

## **NO LITIGATION**

On the date of issuance of the Series 2023CD Bonds, the Corporation will provide the Underwriters with a certificate to the effect that there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body where service of process has been effectuated on the Corporation or, to the knowledge of the Corporation, threatened against or affecting the Corporation or, to its knowledge, any basis therefore, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by this Official Statement, or the validity or enforceability of the Series 2023CD Bonds, the Corporation Resolution, the Servicing Agreements or any agreement or instrument to which the Corporation is a party and which is used or contemplated for use in the transactions contemplated by this Official Statement.

## **APPROVAL OF LEGAL PROCEEDINGS AND VALIDATION**

Certain legal matters incident to the authorization, issuance, sale and delivery of the Series 2023CD Bonds will be passed upon by Butler Snow LLP, Ridgeland, Mississippi, Bond Counsel, on the date of issuance of the Series 2023CD Bonds. Certain legal matters in connection with the issuance of the Series 2023CD Bonds will be passed upon for the Corporation by Balch & Bingham LLP, Jackson, Mississippi, and for the Underwriters, by their counsel Jones Walker LLP, Jackson, Mississippi. Prior to issuance and delivery, the Series 2023CD Bonds shall be validated before the Chancery Court of the First Judicial District



of Hinds County, Mississippi, as provided in Sections 31-13-1 to 31-13-11 of the Mississippi Code of 1972, as amended.

## **FINANCIAL ADVISOR**

Government Consultants, Inc., Madison, Mississippi (the “Financial Advisor”), is employed by the Corporation as an independent registered municipal advisor in connection with the issuance of the Series 2023CD Bonds and, in such capacity, has responsibility primarily for providing the Corporation with information on interest rates, re-offering prices and underwriting fees on similar financings being sold under current market conditions. The Financial Advisor has not independently verified any of the data contained herein. Accordingly, no assurance is made by the Financial Advisor as to the accuracy or completeness of any information herein. No person is permitted to rely upon the participation of the Financial Advisor as an implicit or explicit expression of opinion as to such completeness and accuracy.

## **QUANTITATIVE CONSULTANT AND CASH FLOW STATEMENT**

cfX Incorporated, New York, New York (“cfX”), is employed by the Corporation as a quantitative consultant pursuant to an engagement agreement. Subject to the terms of the engagement agreement, cfX will provide certain quantitative work products to the Corporation and the Trustee to be utilized in connection with their respective operating obligations related to the Bonds of the General Bond Resolution. Each such work product will be based solely on information provided to cfX by the Corporation and the Trustee, certain assumptions provided to cfX by the Corporation and certain instructions from Bond 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.

As a condition to the issuance of the Series 2023CD Bonds, the Corporation will provide the Trustee with its Cash Flow Statement in the form required by the General Bond Resolution. cfX will provide the Corporation with the supporting cash flows to be attached to the Cash Flow Statement in connection with the Series 2023CD Bonds. 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 Corporation and certain assumptions provided to cfX by the Corporation, and upon scenarios specified by Moody’s to be tested in connection with the issuance of the Series 2023CD Bonds. 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, principal on the Bonds and expenses.

## **PLAN OF DISTRIBUTION**

The Series 2023CD Bonds are being purchased by Raymond James & Associates, Inc., Wells Fargo Bank, National Association, SouthState|Duncan-Williams Securities Corp., and Stephens Inc. (collectively, the “Underwriters”) at the purchase prices set forth on the inside cover page hereof. The Underwriters will be paid an underwriting fee of \$728,963.08 in connection with the sale of the Series 2023CD Bonds. The obligation of the Underwriters to accept delivery of the Series 2023CD Bonds is subject to various conditions stated in the Bond Purchase Agreement dated the date hereof by and between Raymond James & Associates, Inc., as representative of the Underwriters, and the Corporation.

The Bond Purchase Agreement provides that the Underwriters will purchase all of the Series 2023CD Bonds if any are purchased. The Series 2023CD Bonds are being offered for sale to the public at the prices shown on the inside cover page hereof. The Underwriters reserve the right to lower such initial offering prices as they deem necessary in connection with the marketing of the Series 2023CD Bonds. The Underwriters may offer and sell the Series 2023CD Bonds to certain dealers (including dealers depositing the Series 2023CD Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth in the Official Statement.

The Corporation intends to use all of the proceeds from this offering to finance the purchase of Series 2023CD Program Obligations.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. In the various course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Corporation (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Corporation. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

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

WFBNA, acting through its Municipal Finance Group, one of the underwriters of the Series 2023CD Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the Series 2023CD Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2023CD Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the Series 2023CD Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

## **RATING**

Moody’s has assigned a rating of “Aaa” to the Series 2023CD Bonds. Such rating reflects only the view of Moody’s at the time such rating is issued. An explanation of the significance of such rating may

be obtained from Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone (212) 553-0300. Investors should be aware that any rating assigned to a Series 2023CD Bond by Moody's will reflect Moody's assessment solely of the likelihood that holders of such Series 2023CD Bond will receive payments required to be made under the Corporation Resolution. Such rating will not constitute an assessment of the likelihood of the occurrence of principal prepayments on the Mortgage Loans or of the degree to which the timing of such prepayments may differ from that originally anticipated. No such rating will address the possibility that investors in a particular Series 2023CD Bond might suffer a lower than anticipated yield. There is no assurance that the rating of a Series 2023CD Bond will continue for any period of time or that it will not be revised or withdrawn entirely by Moody's if in its judgment, circumstances so warrant. Therefore, after the date hereof, investors should not assume that such rating is still in effect. A revision or withdrawal of such rating of a Series 2023CD Bond may have an adverse effect on the market price of such Series 2023CD Bond. A security rating is not a recommendation to buy, sell or hold securities. The Corporation has not assumed any responsibility either to notify the owners of any proposed change in or withdrawal of such rating subsequent to the date of the Official Statement, except in connection with the reporting of events as provided in the Continuing Disclosure Agreement (as defined and described below), or to contest any such revision or withdrawal.

## **CONTINUING DISCLOSURE**

The Corporation will enter into a continuing disclosure agreement (the "Continuing Disclosure Agreement"), a form of which is attached hereto as **APPENDIX C**, for the benefit of the holders and beneficial owners of the Series 2023CD Bonds. The Corporation is required to observe the Continuing Disclosure Agreement for so long as the Series 2023CD Bonds remain Outstanding. Under this Continuing Disclosure Agreement, the Corporation will be obligated while any Series 2023CD Bonds remain Outstanding to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board. Information filed with EMMA may be obtained at [www.emma.msrb.org](http://www.emma.msrb.org). Certain financial information on the Corporation, including certain bond calls, is available on the Corporation's website at <http://www.mshc.com/>.

The Corporation has adopted a formal policy governing ongoing disclosure to investors. The Corporation has also enrolled in the EMMA automated e-mail reminder system which alerts issuers to upcoming filing deadlines for financial and operational information.

The Corporation has prior series of bonds outstanding that are subject to continuing disclosure requirements that require the Corporation to provide its audited financial statements and certain other financial and operational information concerning the Corporation. In the last five years, the Corporation did not associate a redemption notice with the CUSIPS for the 2007D-1 Bonds. For fiscal year end June 30, 2018, the Corporation did not timely file the audit or the required financial and operational information on three series of outstanding bonds, and did not file or did not timely file certain operating information with respect to numerous issues (many of which are no longer outstanding). Notices of failure to file were not contemporaneously filed in connection with the occurrences described above. The Corporation has posted a remedial failure to file notice and has also filed any missing documents for bond issues that remain outstanding.

## **AVAILABLE FINANCIAL STATEMENTS OF THE CORPORATION**

Included in **APPENDIX F** hereto are the audited financial statements of the Corporation as of June 30, 2022 and 2021, which have been audited by FORVIS, LLC (formerly BKD, LLP), independent certified public accountants, as stated in their independent auditors' report dated November 4, 2022.

FORVIS, LLC (formerly, BKD, LLP) has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. FORVIS, LLC (formerly, BKD, LLP) also has not performed any procedures relating to this Official Statement.

All other financial information concerning the Corporation contained herein (other than in **APPENDIX F**), including, without limitation, other information elsewhere herein after June 30, 2022, and any financial forecast or projection, is unaudited information provided by the Corporation. The Corporation's independent auditors do not express an opinion or any other form of assurance on any financial forecast or projection contained herein.

### **WEBSITE ADDRESSES**

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, U.S. Securities and Exchange Commission rule 15c2-12.

### **ADDITIONAL INFORMATION**

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Corporation and the purchasers or owners of any of the Series 2023CD Bonds.

The execution and delivery of this Official Statement have been duly authorized by the Corporation.

### **MISSISSIPPI HOME CORPORATION**

By: /s/ Scott Spivey  
Executive Director

## **APPENDIX A**

### **DEFINITIONS OF CERTAIN TERMS**

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

## DEFINITIONS OF CERTAIN TERMS

The following terms have the following meanings when used in this Official Statement unless otherwise specified.

*“Accounts”* means all accounts established by the General Bond Resolution and any Series Resolution.

*“Acquisition Cost”* means the cost of acquiring a Residential Housing Unit from the seller as a completed residential unit, as more fully described in the Origination Agreements.

*“Act”* means the Mississippi Home Corporation Act, Sections 43-33-701 et seq., Mississippi Code of 1972, as amended.

*“Agreements”* means, collectively, the Origination Agreements and the Servicing Agreements.

*“Annualized Monthly Income”* means Gross Monthly Income multiplied by twelve (12).

*“Bond”* or *“Bonds”* means, collectively, any one or all, as the case may be, of the obligations of the Corporation issued pursuant to the General Bond Resolution, including the Series 2023CD Bonds.

*“Bond Counsel”* means Butler Snow LLP, Ridgeland, Mississippi, whose opinion is rendered in connection with the Series 2023CD Bonds, or their successors appointed by the Corporation. In the event that such firm of attorneys resigns or is removed by the Corporation and the Corporation has not appointed its successor, then the term *“Bond Counsel”* shall mean a firm of nationally recognized attorneys at law, approved by the Corporation and experienced in the financing of qualified mortgage bond programs through the issuance of Tax-Exempt Bonds under the exemptions provided under Section 143 of the Code.

*“Bond Year”* means the annual period commencing on December 2 of any calendar year and ending on the first day of December of the next succeeding calendar year; provided, however, that the initial Bond Year shall commence on the date of issuance of the Series 2023CD Bonds and end on December 1, 2023.

*“Bondholder,” “Bondowner,” “Holder”* or *“Owner”* or any similar terms mean the registered owner of any Bond.

*“Bond Payment Date”* means an Interest Payment Date, a Principal Installment Date or a Redemption Date.

*“Business Day”* means any day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banking institutions in New York, New York, Jackson, Mississippi, or in the city in which the principal corporate trust office of the Trustee is located, are authorized or obligated by law or executive order to be closed for business, or (c) a day on which the New York Stock Exchange is closed.

*“Code”* means the Internal Revenue Code of 1986, as amended, together with corresponding and applicable final, temporary or proposed regulations and revenue rulings issued or amended with respect thereto by the United States Treasury Department or Internal Revenue Service, to the extent applicable to a Series of Tax-Exempt Bonds or the Mortgage Loans financed with the proceeds of Tax-Exempt Bonds.

*“Conventional Mortgage Loan”* means a Mortgage Loan, other than an FHA Mortgage Loan, a VA Mortgage Loan, or a USDA/RD Mortgage Loan, which meets the requirements of the Origination Agreements, Fannie Mae and Freddie Mac, as applicable.

*“Corporation”* means the Mississippi Home Corporation, a public body corporate and politic separate and apart from the State constituting a governmental instrumentality duly created, organized and existing under the laws of the State, or any body, issuer or instrumentality which shall hereafter succeed to the powers, duties and functions of the Corporation.

*“Corporation Contribution”* means the equity contribution by the Corporation of \$1,473,326.47, which funds will be used to finance Costs of Issuance.

*“Corporation Resolution”* means, collectively, the General Bond Resolution and the Series 2023CD Resolution of the Corporation adopted in connection with the issuance of a Series of Bonds granting approval for the issuance of such Series of Bonds and authorizing the sale of such Series of Bonds.

*“Corporation’s Fee”* means a fee payable to the Corporation on the first day of each month, commencing September 1, 2023, in an amount equal to 1/12 of 0.20% of the then outstanding principal amount of Series 2023CD Program Obligations held by the Trustee with respect to the Series 2023CD Bonds. The Corporation’s Fee shall be paid from available moneys in the Series 2023C Bond Revenue Account and from the Series 2023D Bond Revenue Account, proportionately; provided, however, that if moneys held in either the Series 2023C Bond Revenue Account or the Series 2023D Bond Revenue Account, as applicable, are not sufficient to pay the Corporation’s Fee due on the first day of any month, available moneys held under the one or more of the Accounts of the Revenue Fund of the General Bond Resolution may be used to pay the Corporation’s Fee as provided in the General Bond Resolution.

*“Costs of Issuance”* means items of expense payable or reimbursable directly or indirectly by the Corporation and related to the authorization, sale and issuance of a Series of Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing documents, filing and recording fees, initial fees, charges and expenses of the Corporation and the Trustee, Underwriters’ fees and expenses, legal fees and charges (including, without limitation, the fees and expenses of Bond Counsel and General Counsel), professional consultants’ fees (including, without limitation, the fees and expenses of the Financial Advisor), costs of credit ratings, fees and charges for execution, transportation and safekeeping of Series 2023CD Bonds, and any other costs, charges and fees in connection with the foregoing.

*“Delivery Period”* means the period of time for the purchase of Series 2023CD Program Securities from a Servicer, ending not more than 60 days after the end of the Origination Period; the Delivery Period shall end on the date provided in the Series 2023CD Resolution (or such earlier date on which all Series 2023CD Program Securities have been purchased), unless extended by the Corporation pursuant to the Series 2023CD Resolution; provided the Delivery Period in connection with the use of proceeds of the Series 2023C Bonds to purchase Series 2023C Program Securities may not be extended beyond February 1, 2027.

*“Direct Obligations”* means direct obligations of the United States of America or securities fully and unconditionally guaranteed as to the timely payment of principal of and interest by the United States of America, or as such terms may be defined in a Series Resolution.

*“Directed Principal Receipts”* means, with respect to the PAC Bonds and so long as PAC Bonds remain outstanding, as of any date of computation, the amount of Series 2023C Principal Receipts and



Series 2023D Principal Receipts not applied or allocated (or due to be applied or allocated on the applicable Redemption Date or maturity date) to the scheduled payment of principal of the Series 2023CD Bonds upon mandatory sinking fund redemption or upon maturity, or to the redemption of the Series 2023C Bonds from Tax Restricted Principal Receipts.

“*DTC*” means The Depository Trust Company, New York, New York, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, or such substitute depository institution as shall be designated by the Corporation in accordance with the Corporation Resolution.

“*Electronic Means*” means the following communications methods: email, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services under the Series 2023CD Resolution.

“*Eligible Borrower*” means the Mortgagor (or Mortgagors) and any other person (a) who is expected to principally and permanently live in the residence being financed within a reasonable period of time (not to exceed sixty (60) days) following the closing of the Mortgage Loans, (b) who is primarily or secondarily liable on the Mortgage, (c) whose Annualized Monthly Income does not exceed the Maximum Permissible Mortgagee Family Income as set forth in the Origination Agreements, as may be amended from time to time, (d) who, solely with respect to Residential Housing Units located in Non-Targeted Areas financed with proceeds of Tax-Exempt Bonds, did not have a present ownership interest in a principal residence at any time during the three (3) year period preceding the execution of the Mortgage and (e) who has not had an existing mortgage (including a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow or any other form of owner-financing), whether or not paid off, on the Residential Housing Unit to be financed with such Mortgage Loan using proceeds of Tax-Exempt Bonds at any time prior to the execution of the Mortgage, other than a construction loan or an existing mortgage securing a financing having a term not exceeding twenty four (24) months; provided, however, that for purposes of this definition the term “Eligible Borrower” does not include a mere co-signor of the Mortgage Loan who does not have an ownership interest in the Residential Housing Unit being financed pursuant to such Mortgage Loan.

“*Excess Revenues*” means the Revenues, other than Mortgage Prepayments and Mortgage Repayments on deposit in the Revenue Fund, received in excess of (i) amounts required for the timely payment of interest from time to time due and payable with respect to Bonds, (ii) amounts required by the Corporation to pay Senior Expenses, and (iii) amounts required to be rebated to the federal government with respect to the Bonds.

“*Fannie Mae*” means the Federal National Mortgage Association, a corporation organized and existing under the laws of the United States of America, or any successor thereto.

“*Fannie Mae Guides*” means the Fannie Mae Selling and Servicing Guides, as amended from time to time, as modified by the Pool Purchase Contract.

“*Fannie Mae Security*” means (i) a single pool, guaranteed mortgage pass-through Fannie Mae mortgage-backed security, providing for the regularly scheduled monthly payments and any prepayments thereunder, bearing interest at the applicable Pass-Through Rate issued by Fannie Mae in book-entry form, recorded in the name of the Trustee or its nominee for the benefit of the Bondholders, guaranteed as to

timely payment of principal and interest by Fannie Mae and backed by Conventional Mortgage Loans in the related mortgage pool, and (ii) Uniform Mortgage-Backed Securities issued by Fannie Mae.

“*FHA*” means the Federal Housing Administration of the United States Department of Housing and Urban Development, or any successor to its functions.

“*Fiduciary Expenses*” means the Trustee’s Fee and expenses of the Trustee incurred in connection with a Series of Bonds.

“*Financial Advisor*” means Government Consultants, Inc., Madison, Mississippi, or if such firm resigns or is removed by the Corporation, the independent registered municipal advisory firm appointed by the Corporation as its independent registered municipal advisor.

“*First Mortgage*” means a Mortgage incurred by a Mortgagor that constitutes a first mortgage lien on the Residential Housing Unit acquired by a Mortgagor in connection with the Program.

“*First Mortgage Loans*” means loans to Mortgagors secured by a First Mortgage, the proceeds of which will be used to acquire financed Residential Housing Units, and which back Program Securities.

“*Freddie Mac*” means the Federal Home Loan Mortgage Corporation, a corporation organized and existing under the laws of the United States of America, or any successor thereto.

“*Freddie Mac Guides*” means the Freddie Mac Selling and Servicing Guides, as amended from time to time, as modified by the Pool Purchase Contract.

“*Freddie Mac PCs*” means (i) a single pool, guaranteed mortgage pass-through Freddie Mac mortgage-backed security, providing for the regularly scheduled monthly payments and any prepayments thereunder, bearing interest at the applicable Pass-Through Rate, issued by Freddie Mac in book entry form, recorded in the name of the Trustee or its nominee for the benefit of the Bondholders, guaranteed as to timely payment of principal and interest by Freddie Mac and backed by Mortgage Loans in the related mortgage pool, and (ii) Uniform Mortgage-Backed Securities issued by Freddie Mac.

“*Funds*” means all funds established by the General Bond Resolution.

“*General Bond Resolution*” means the Single Family Mortgage Bond Resolution adopted by the Corporation on July 15, 2009, as the same may be amended or supplemented from time to time in accordance with the provisions thereof.

“*General Counsel*” means Balch & Bingham LLP, Jackson, Mississippi, or if such firm resigns or is removed by the Corporation, the firm of attorneys appointed by the Corporation as its General Counsel.

“*Ginnie Mae*” 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.), or any successor to its functions.

“*Ginnie Mae Certificate*” means the Ginnie Mae I Mortgage Pass-Through Certificate or a Ginnie Mae II Mortgage Pass-Through Certificate issued by the Servicer in the name of the Trustee in exchange for Mortgage Loans and guaranteed as to timely payment of principal and interest by Ginnie Mae pursuant

to Section 306(g) of Title III of the National Housing Act of 1934 and the regulations promulgated thereunder, and in the form of Appendix 39 “Single Family Mortgage-Backed Certificate” of the Ginnie Mae Guide.

“*Ginnie Mae Guaranty Agreement*” means the one or more guaranty agreements in the form set forth in the Ginnie Mae Guide between each Servicer and Ginnie Mae now or hereafter in effect pursuant to which Ginnie Mae has agreed or will agree to guarantee Ginnie Mae Certificates backed by Mortgage Loans.

“*Ginnie Mae Guide*” means the Ginnie Mae I Mortgage-Backed Securities Guide or the Ginnie Mae II Mortgage-Backed Securities Guide, as applicable, as amended from time to time.

“*Government Obligations*” means direct general obligations of, or obligations unconditionally guaranteed as to principal and interest by, the United States of America or any agency or instrumentality thereof, when these obligations are backed by the full faith and credit of the United States. Such obligations must be limited to those that have a pre-determined fixed dollar amount of principal due at maturity that cannot vary or change. If it is rated, the obligation should not have an “r” suffix attached to its rating. For non-defeasance investments, interest may either be fixed or variable. Interest should be tied to a single interest rate index plus a single fixed spread (if any) and should move proportionally with that index.

“*Gross Monthly Income*” means, with respect to a Mortgagor or Mortgagors and any other person who is expected both to live in a Residential Housing Unit being financed by a Mortgage and to be secondarily liable on the Mortgage, the sum of monthly gross pay; any additional income from overtime, part-time employment, bonuses, dividends, interest, royalties, pensions, VA compensation, part-time employment, net bonuses, dividends, interest, current over-time pay, net rental income (without regard to depreciation), royalties etc.; and other income (such as alimony, child support, public assistance, sick pay, Social Security benefits, unemployment compensation, income received from trusts, and income received from business activities and investments).

“*Interest Payment Date*” means the dates established in a Series Resolution for the payment of interest on the related Series of Bonds. With respect to the Series 2023CD Bonds, the Interest Payment Date shall be each June 1 and December 1, commencing December 1, 2023, and any additional date on which interest is required to be paid on the Series 2023CD Bonds pursuant to the terms thereof and of the Series 2023CD Resolution.

“*Investment Agreement*” means an investment agreement, if any, in connection with a Series of Bonds, by and between the Trustee and the related Investment Agreement Provider with respect to certain amounts on deposit from time to time in one or more Funds or Accounts under the General Bond Resolution and any amendments and supplements thereto.

“*Investment Agreement Provider*” means the provider of any Investment Agreement, its successors and assigns, and in regard to any substitute Investment Agreement, the provider of such substitute Investment Agreement.

“*Lender*” means any bank, bank or trust company, trust company, mortgage company, savings bank, national banking association, savings and loan association, building and loan association, mortgage banker and any other lending institution, including the Veterans’ Farm and Home Board, which customarily provides services or otherwise aids in the financing of Mortgages on Residential Housing Units; provided (a) the Lender is domiciled or qualified to do business in the State, (b) the Lender is a FHA-approved

mortgagee, (c) the Lender is a “Supervised Lender” as classified by VA under Section 500(d) of the Servicemen’s Readjustment Act, (d) the Lender shall not have made or have pending an assignment for the benefit of creditors or an application for the appointment of a trustee or receiver for all or a substantial part of its assets and furthermore, there shall not have been commenced any proceedings relating to the Lender under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, liquidation or other laws of any jurisdiction, and (e) if Conventional Mortgage Loans are to be originated by the Lender, the Lender is a Fannie Mae or Freddie Mac approved lender in good standing acceptable to a PMI Insurer.

“*Letter of Representations*” means the Blanket Letter of Representations, dated April 18, 1995, by and between the Corporation and the Securities Depository or any similar agreement between the Corporation and a Substitute Depository.

“*Maximum Permissible Family Income Limit*” means, (a) for First Mortgage Loans financed with proceeds of Tax-Exempt Bonds subject to the provisions of the Code, the maximum Annualized Monthly Income, as established by the Department of Housing and Urban Development in accordance with the Code on a county-by-county basis, which a Mortgagor can earn and remain an Eligible Borrower, and (b) for all other First Mortgage Loans, the maximum annual income as established by the Corporation that a Mortgagor can earn to remain an Eligible Borrower.

“*MHFC*” means the Mississippi Housing Finance Corporation, the legal predecessor-in-interest to the Corporation.

“*Minimum Mortgage Rate*” means 2.50%, which is the lowest rate of interest allowed on Mortgage Loans originated pursuant to the Series 2023CD Resolution, unless the Trustee shall have received a Rating Certificate allowing for a lower Minimum Mortgage Rate under the Series 2023CD Resolution.

“*Moody’s*” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successor and their assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “*Moody’s*” shall be deemed to refer to any other nationally recognized rating agency designated by the Corporation.

“*Mortgage*” means a mortgage, mortgage deed, deed of trust or other instrument, creating a first lien on a fee interest in the real property and improvements thereon constituting a Residential Housing Unit, or on a leasehold on such a fee interest for a fixed term of years which is greater than the term of the Mortgage Loan, located in the State, subject only to the liens of taxes or assessments which are not delinquent, building restrictions or other restrictive covenants or conditions, less than full mineral ownership or control, joint driveways, sewer rights, party walls, rights-of-way or other easements, or encroachments, provided that none of the foregoing, in the opinion of the Corporation materially affects the security for the Mortgage Loan.

“*Mortgage Loan*” means an interest-bearing mortgage loan evidenced by a promissory note or other instrument which shall: (a) be for the purchase of an Owner-occupied, single-family residence located within the State; (b) be secured by a Mortgage; and (c) be qualified and eligible to back a Program Security at the time of the origination thereof.

“*Mortgage Repayments*” means the scheduled payments of principal on a Program Security, including payments made by a Servicer for which it has not received payments on an underlying Mortgage Loan and including payments with respect to scheduled principal received from Ginnie Mae, Fannie Mae

or Freddie Mac, as applicable, pursuant to its guaranty of the Ginnie Mae Certificate, the Fannie Mae Security or the Freddie Mac PC, respectively.

*“Mortgage Prepayment”* means any payment in excess of the regularly-scheduled payments on the Program Securities, including, but not limited to, payments representing (a) optional prepayment of a Mortgage Loan, (b) casualty insurance proceeds or condemnation awards applied to the prepayment of a Mortgage Loan following a partial or total destruction or condemnation of a Residential Housing Unit, (c) mortgage insurance or guaranty proceeds or other amounts received with respect to a Mortgage Loan following acceleration thereof upon the occurrence of an event of default thereunder, (d) a prepayment of a Mortgage Loan required pursuant to applicable rules, regulations, policies and procedures of FHA, USDA/RD, VA, any PMI Insurer, Ginnie Mae, Fannie Mae or Freddie Mac, as applicable, or (e) a prepayment of a Mortgage Loan without notice or prepayment penalty while under supervision of a trustee in bankruptcy.

*“Mortgagor”* means the natural person or persons who executed the Mortgage securing a Mortgage Loan and/or signed the note evidencing such Mortgage Loan, except a person (such as a guarantor or cosigner) who does not have a present ownership interest in, and will not occupy, the Residential Housing Unit subject to the related Mortgage. The term “Mortgagor” shall also include natural persons who have assumed the obligations of a Mortgagor in accordance with the Origination Agreements.

*“Non-Targeted Area”* means all of the State except for Targeted Areas.

*“Origination Agreements”* means the separate but substantially identical Mortgage Origination Agreements executed in connection with the Program, as the same may be amended from time to time, by and among the Corporation, the applicable Servicers designated therein and each Lender pursuant to which each Lender agrees to originate Mortgage Loans.

*“Origination Period”* means the period during which the Servicer will acquire Mortgage Loans from Lenders, which period will not end later than the date provided in the Series 2023CD Resolution unless extended by the Corporation pursuant to the Series 2023CD Resolution; provided the Origination Period for acquisition of Series 2023C Mortgage Loans using proceeds of the Series 2023C Bonds may not be extended beyond February 1, 2027.

*“Outstanding”* when used with reference to a Bond, means, as of any date, Bonds theretofore or then being delivered under the provisions of a Corporation Resolution, except (a) any Bond cancelled or delivered to the Trustee for cancellation on or before such date, (b) Bonds (or portions of Bonds) for the payment or redemption of which there shall be held in trust by the Trustee under the Corporation Resolution (whether at or prior to maturity) (1) moneys 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 (2) Direct Obligations in such principal amounts, having such maturities and bearing such interest, as, together with moneys, 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 Corporation Resolution or provision satisfactory to the Trustee shall have been made for giving of such notice, (c) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to the Corporation Resolution, and (d) Bonds deemed to have been paid as provided in the Corporation Resolution.

*“PAC Bonds”* means the Series 2023D Bonds maturing on December 1, 2053 issued in an aggregate Principal Amount of \$24,190,000, and which were originally priced at 102.906%.

*“Pass-Through Rate”* means the interest rate payable on a Program Security.

*“Permitted Investments”* means any of the following investments which at the time are legal investments for moneys of the Corporation which are then proposed to be invested therein: (1) Government Obligations; (2) Federal Housing Administration debentures; (3) bonds, debentures, notes or other evidences of indebtedness of government sponsored agencies not backed by the full faith and credit of the United States. Such obligations must be limited to instruments having a predetermined fixed dollar amount of principal due at maturity that cannot vary. If it is rated, the obligation should not have an ‘r’ suffix attached to its ratings for non-defeasance investments. Interest may either be fixed or variable. Interest should be tied to a single interest rate index plus a single fixed spread (if any) and move proportionately with that index. These investments are limited to: (i) Freddie Mac debt obligations; (ii) Farm Credit System (formerly Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives) consolidated system wide bonds and notes; (iii) Federal Home Loan Banks (FHL Banks) consolidated debt obligations; (iv) Fannie Mae debt obligations; (v) Student Loan Marketing Association (SLMA) debt obligations; (vi) Financing Corp. (FICO) debt obligations; and (vii) Resolution Funding Corp. (REFCORP) debt obligations; (4) Certain federal funds, unsecured certificates of deposit, time deposits, banker’s acceptances and repurchase agreements having maturities of not more than 365 days, of any bank, the short-term debt obligations of which are rated ‘P-1’ by Moody’s Investors Service (“Moody’s”) and its equivalent for each other Rating Agency. In addition, the instrument should not have an ‘r’ suffix attached to its rating and its terms should have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change. Interest may either be fixed or variable. Interest should be tied to a single interest rate index plus a single fixed spread (if any) and should move proportionately with that index; (5) Certain deposits from a provider having a rating in one of the two highest rating categories by the Rating Agency and such deposits are fully insured by the Federal Deposit Insurance Corporation (FDIC). The deposit’s repayment terms have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change. If rated, the deposit should not have an ‘r’ suffix attached to its rating. Interest may either be fixed or variable. Interest should be tied to a single interest rate index plus a single fixed spread (if any) and should move proportionately with that index; (6) Certain debt obligations maturing in 365 days or more that are rated at least ‘Aa3’ by Moody’s and its equivalent for each other Rating Agency. The debt should not have an ‘r’ suffix attached to its rating and by its terms have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change. Interest can be either fixed or variable. Interest should be tied to a single interest rate, index plus a single fixed spread (if any) and should move proportionately with that index; (7) Commercial paper rated ‘P-1’ by Moody’s and its equivalent for each other Rating Agency and maturing in 365 days or less. The commercial paper should not have an ‘r’ suffix attached to its rating and by its terms have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change. Interest may either be fixed or variable. Interest should be tied to a single interest rate index plus a single fixed spread (if any) and should move proportionately with that index; (8) investments in certain short-term debt of issuers rated ‘P-1’ by Moody’s and its equivalent for each other Rating Agency is permitted with certain restrictions. None of the investments may have an ‘r’ suffix attached to its rating. The terms of the debt should have a predetermined fixed dollar amount of principal due at maturity that cannot vary. Interest may either be fixed or variable. Interest should be tied to a single interest rate index plus a single interest rate index plus a single fixed spread (if any) and should move proportionately with that index. Short-term debt includes commercial, federal funds, repurchase agreements, unsecured certificates of deposit, time deposits, and banker’s acceptances; (9) Investment in money market funds rated ‘Aaa’ by Moody’s and its equivalent for each other Rating Agency; (10) Stripped securities: principal only strips and interest only strips of noncallable obligations issued by the U.S. Treasury, and REFCORP securities stripped by the Federal Reserve Bank of New York; (11) Guaranteed investment contracts from a provider or guarantor of a provider with a rating sufficient to maintain the then outstanding rating on the Bonds by the Rating Agency; (12) Any security not included in this list may be approved by the Rating

Agency after a review of the specific terms of the security and its appropriateness for the issue being rated; and (13) Any investments authorized in a Corporation Resolution authorizing the issuance of a Series of Bonds or a Supplemental Resolution. The Trustee, at the direction of the Corporation, may purchase Permitted Investments that do not meet the requirements set forth in this definition so long as the purchase of such Permitted Investments does not, as of the date of such investment, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Bonds by any Rating Agency. If the rating of any Permitted Investment purchased by the Trustee changes adversely subsequent to the date of purchase, the Trustee is not required to sell such Permitted Investment. The definition of Permitted Investment may be amended and additional obligations or investments included pursuant to a Supplemental Resolution or a Corporation Resolution, provided such amendments will not in and of themselves cause a reduction in the rating of the Bonds as in effect immediately before such amendment which may be established by a Ratings Certificate.

*“PMI Insurer”* means any private mortgage insurance company approved by Fannie Mae or, as applicable, Freddie Mac, and providing private mortgage guaranty insurance on Conventional Mortgage Loans.

*“Pool”* means all Mortgage Loans held as part of a particular Program Security.

*“Pool Purchase Contract”* means any Pool Purchase Contract between the applicable Servicer and Fannie Mae or Freddie Mac, as applicable, relating to the sale by such Servicer of conventional Mortgage Loans to Fannie Mae or Freddie Mac, as applicable, and the servicing thereof.

*“Principal Amount”* means, with respect to any Bond and at any date of computation, the stated principal amount thereof.

*“Principal Installment”* means, as of any Interest Payment Date, the amount payable on the Bonds on account of (a) the Principal Amount of Bonds maturing on such Interest Payment Date net of the aggregate of Sinking Fund Installments, if any, established and paid previously with respect to such Bonds; plus (b) the amount of any Sinking Fund Installments due on such Interest Payment Date with respect to a Bonds.

*“Principal Receipts”* means (a) the portion of any Mortgage Repayments and Mortgage Prepayments relating to Mortgage Loans and Program Securities financed by any Series of Bonds under the General Bond Resolution, to the extent such Mortgage Repayments and Mortgage Prepayments are not otherwise pledged or dedicated to the redemption of a particular Series of Bonds or maturity thereof, and (b) the portion of repayment of any principal of any Second Mortgage Loan received by the Trustee.

*“Program”* means the Corporation’s program of making or purchasing Mortgage Loans to finance the acquisition of residential housing for persons of lower or moderate income within the State.

*“Program Fund”* means the Program Fund created pursuant to the General Bond Resolution.

*“Program Securities”* means, collectively, and as applicable, Ginnie Mae Certificates, Fannie Mae Securities, Freddie Mac PCs, and UMBS.

*“PSA”* means the Public Securities Association, known subsequently as the Bond Market Association, and currently, after merging with the Securities Industries Association, as the Securities Industry and Financial Markets Association.

*“PSA Prepayment Model”* means the standard or model developed by the PSA with respect to an assumed rate of prepayment each month of the then unpaid principal balance of the Mortgage Loans. The PSA Prepayment Model starts with a 0.2% prepayment rate in the first month, increases the prepayment rate by 0.2% in each succeeding month until the thirtieth month (when a 6.0% annualized prepayment rate is reached), and then assumes a constant prepayment rate of 6.0% per annum of the unpaid principal balance for the remaining life of the Mortgage Loans.

*“Rating Agency”* means the rating agency or rating agencies which have provided an outstanding rating on the Bonds, pursuant to a request by the Corporation.

*“Rating Certificate”* means, in connection with certain actions to be taken by the Corporation, a Certificate of the Corporation filed with the Trustee that the Corporation has been advised by each Rating Agency in writing that the rating of such Rating Agency will not be reduced as a result of the Corporation taking such proposed actions. Published rating criteria by a Rating Agency shall also constitute advice of that Rating Agency.

*“Rebate Amount”* means the amount to be rebated to the United States of America pursuant to Sections 143 and 148 of the Code.

*“Recapture Provision”* means that requirement in the Code pursuant to which certain Mortgagors must make a payment to the United States of America in respect of Mortgage Loans originated after December 31, 1990 from proceeds of Tax-Exempt Bonds, upon sale or other disposition of their homes financed by a Mortgage Loan, all as specified in the Code.

*“Record Date”* means the record date for the payment of the interest on the Bonds established in accordance with the provisions of the Corporation Resolution.

*“Redemption Date”* means the date upon which Bonds are to be called for redemption pursuant to a Series Resolution.

*“Redemption Fund”* means the Redemption Fund established in the General Bond Resolution.

*“Redemption Price”* means, with respect to any Bond, 100% of the Principal Amount thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to the Corporation Resolution.

*“Residential Housing Unit”* means real property and the improvements situated thereon or an interest therein upon which is located or is to be constructed or located a work or structure with a permanent foundation to which it is permanently fixed, designed and to be used as a residence for a maximum of one family, including, without limitation, a condominium and a Planned Unit Development, each unit of which is designed and to be used as a residence for a maximum of one family (a) which is determined by qualified appraisal to have an expected useful life of not less than 30 years, (b) which will be occupied by the Mortgagor as his or her principal residence within a reasonable time (not to exceed 60) days) after financing is provided, and (c) the land appurtenant to which reasonably maintains the basic livability of the residence and, in the case of Mortgage Loans financed with proceeds of Tax-Exempt Bonds, does not provide, other than incidentally, a source of income to Mortgagor, including child care services on a regular basis of compensation. A Residential Housing Unit does not include rental houses, vacation homes or factory-made housing and mobile homes that are not permanently affixed to real property and not deemed real property under the laws of the State.



*“Restricted Account”* means the Account so designated, which is created and established in the Surplus Fund by the General Bond Resolution.

*“Revenues”* means (i) all payments of principal of and interest on Mortgage Loans or Program Securities required to be deposited in the Revenue Fund (including any payments received from Ginnie Mae, Fannie Mae or Freddie Mac) and all other net proceeds of such Mortgage Loans or Program Securities, including Mortgage Repayments, Mortgage Prepayments and proceeds from the sale of such Mortgage Loans or Program Securities, (ii) all income received by the Trustee from or in connection with any Servicing Agreements or by the Trustee or the Corporation from or in connection with any Origination Agreements, unless otherwise provided in a Series Resolution with respect to all or a part thereof, (iii) any payments received pursuant to a Hedge Instrument and (iv) any and all interest, profits, or other income derived from the investment of amounts in any Fund or Account (except the Rebate Fund and the Unrestricted Account of Surplus Fund) established pursuant to the Corporation Resolution.

*“Second Mortgage”* means the subordinate Mortgage incurred by a Mortgagor with respect to a First Mortgage Loan but which constitutes a subordinate lien on the Residential Housing Unit acquired by a Mortgagor in connection with the Program; Second Mortgages are subordinate to First Mortgages.

*“Second Mortgage Loans”* means loans to Mortgagors secured by a Second Mortgage, the proceeds of which will be used to provide down payment, closing costs and mortgage insurance assistance payable by a Mortgagor on financed Residential Housing Units; Second Mortgage Loans are subordinate to First Mortgage Loans, and Second Mortgage Loans do not back Program Securities.

*“Securities Depository”* means DTC or its successors and assigns appointed under the Corporation Resolution to act as securities depository for a Series of Bonds.

*“Senior Expenses”* means, with respect to the Bonds, the costs related to the calculation of arbitrage rebate as required by a Rebate Certificate, the Fiduciary Expenses and Corporation’s Fee.

*“Series”* means when used with respect to less than all of the Bonds, means and refers to all of the Bonds delivered on original issuance in a simultaneous transaction, regardless of variation in maturity, interest rate or other provisions, and any Bond thereafter delivered in lieu of or substitution for any such Bonds.

*“Series 2023C Acquisition Account”* means the Series 2023C Acquisition Account of the Program Fund established in the Series 2023CD Resolution.

*“Series 2023C Bond Revenue Account”* means the Series 2023C Bond Revenue Account established in the Series 2023CD Resolution.

*“Series 2023C First Mortgage”* means a First Mortgage which backs a Series 2023C Program Security at the time of origination thereof, and which is incurred by a Mortgagor in connection with a Series 2023C First Mortgage Loan.

*“Series 2023C First Mortgage Loan”* means the portion of financing provided to a Mortgagor in connection with a First Mortgage Loan and secured by a Series 2023C First Mortgage, which Series 2023C First Mortgage Loan is funded solely from amounts on deposit in the Series 2023C Acquisition Account, and which backs a Series 2023C Program Security at the time of the origination thereof.

*“Series 2023C Principal Receipts”* means the portion of any Principal Receipts relating to the Series 2023C Program Securities, Series 2023C First Mortgage Loans and Series 2023C Second Mortgage Loans financed by the Series 2023C Bonds.

*“Series 2023C Program Obligations”* means collectively the Series 2023C Program Securities, the Series 2023C Second Mortgage Loans and other Program Securities, as applicable.

*“Series 2023C Program Security”* or *“Series 2023C Program Securities”* means, collectively, the Ginnie Mae Certificates, the Fannie Mae Securities, the Freddie Mac PCs, UMBS, or any other securities acquired by or on behalf of or purchased by or on behalf of the Corporation pursuant to the Program which securities at time of purchase would not cause the rating on the Outstanding Bonds to be lowered, purchased with proceeds of the Series 2023C Bonds.

*“Series 2023C Second Mortgage”* means a Second Mortgage which provides security to the Corporation for making a Series 2023C Second Mortgage Loan to a Mortgagor, provided that Series 2023C Second Mortgages are subordinate to Series 2023C First Mortgages, and Series 2023C Second Mortgages do not back any Program Security.

*“Series 2023C Second Mortgage Loan”* means the portion of financing provided to a Mortgagor in connection with a Second Mortgage Loan and secured by a Series 2023C Second Mortgage, which Second Mortgage Loan is funded solely from amounts on deposit in the Series 2023C Acquisition Account; provided that Series 2023C Second Mortgage Loans are subordinate to Series 2023C First Mortgage Loans, and that Series 2023C Second Mortgage Loans do not back Series 2023C Program Securities.

*“Series 2023CD Costs of Issuance Account”* means the Series 2023CD Costs of Issuance Account established in the Series 2023CD Resolution.

*“Series 2023CD Excess Revenues”* means the Revenues, other than Mortgage Prepayments and Mortgage Repayments, allocable to Series 2023CD Bonds Outstanding, on deposit in the Revenue Fund, received in excess of (i) amounts required for the timely payment of interest from time to time due and payable with respect to the Series 2023CD Bonds, (ii) amounts required by the Corporation to pay Senior Expenses, and (iii) the Rebate Amount with respect to the Series 2023C Bonds.

*“Series 2023CD Optional Redemption Account”* means the Series 2023CD Optional Redemption Account of the Redemption Fund established under the Series 2023CD Resolution.

*“Series 2023CD Program Security”* or *“Series 2023CD Program Securities”* means collectively the Series 2023C Program Securities and the Series 2023D Program Securities.

*“Series 2023CD Resolution”* means the resolution of the Corporation adopted by the members of the Corporation on June 14, 2023, as revised to the Closing Date, authorizing the issuance of the Series 2023CD Bonds.

*“Series 2023CD Special Redemption Account”* means the Series 2023CD Special Redemption Account established in the Series 2023CD Resolution.

*“Series 2023D Acquisition Account”* means the Series 2023D Acquisition Account of the Program Fund established in the Series 2023CD Resolution.

“*Series 2023D Bond Revenue Account*” means the Series 2023D Bond Revenue Account established in the Series 2023CD Resolution.

“*Series 2023D First Mortgage*” means a First Mortgage which backs a Series 2023D Program Security at the time of origination thereof, and which is incurred by a Mortgagor in connection with a Series 2023D First Mortgage Loan.

“*Series 2023D First Mortgage Loan*” means the portion of financing provided to a Mortgagor in connection with a First Mortgage Loan and secured by a Series 2023D First Mortgage, which Series 2023D First Mortgage Loan is funded solely from amounts on deposit in the Series 2023D Acquisition Account, and which backs a Series 2023D Program Security at the time of the origination thereof.

“*Series 2023D Principal Receipts*” means the portion of any Principal Receipts relating to the Series 2023D Program Securities, Series 2023D First Mortgage Loans and Series 2023D Second Mortgage Loans financed by the Series 2023D Bonds.

“*Series 2023D Program Obligations*” means collectively the Series 2023D Program Securities, the Series 2023D Second Mortgage Loans and other Program Securities, as applicable.

“*Series 2023D Program Security*” or “*Series 2023D Program Securities*” means, collectively, the Ginnie Mae Certificates, the Fannie Mae Securities, the Freddie Mac PCs, UMBS, or any other securities acquired by or on behalf of or purchased by or on behalf of the Corporation pursuant to the Program which securities at time of purchase would not cause the rating on the Outstanding Bonds to be lowered, purchased with proceeds of the Series 2023D Bonds.

“*Series 2023D Second Mortgage*” means a Second Mortgage which provides security to the Corporation for making a Series 2023D Second Mortgage Loan to a Mortgagor, provided that Series 2023D Second Mortgages are subordinate to Series 2023D First Mortgages, and Series 2023D Second Mortgages do not back any Program Security.

“*Series 2023D Second Mortgage Loan*” means the portion of financing provided to a Mortgagor in connection with a Second Mortgage Loan and secured by a Series 2023D Second Mortgage, which Second Mortgage Loan is funded solely from amounts on deposit in the Series 2023D Acquisition Account; provided that Series 2023D Second Mortgage Loans are subordinate to Series 2023D First Mortgage Loans, and that Series 2023D Second Mortgage Loans do not back Series 2023D Program Securities.

“*Servicers*” means, collectively, the Servicers that have executed any Servicing Agreements, their successors and assigns.

“*Servicing Agreements*” means, collectively, the separate but substantially identical Mortgage Servicing Agreements executed in connection with the Program, as the same may be amended from time to time, between the Corporation and each of the Servicers.

“*Sinking Fund Installment Date*” means any of the dates set forth in the Corporation Resolution for the making of Sinking Fund Installments.

“*Sinking Fund Installments*” means the amounts established as sinking fund installments for certain Bonds in a Corporation Resolution.

“*State*” means the State of Mississippi.

“*Substitute Depository*” means a securities depository appointed as successor to DTC under the Corporation Resolution.

“*Targeted Area*” means those census tracts and areas of the State identified by the Corporation in the Origination Agreements which constitute qualified census tracts or areas of chronic economic distress within the meaning of Section 143(j)(2) and (3) and Section 1400N of the Code.

“*Tax-Exempt Bonds*” means any Bonds, the interest on which is intended to be excludable from the gross income of the Owners thereof for federal income tax purposes, and which includes the Series 2023C Bonds but not the Series 2023D Bonds.

“*Trust Estate*” means the estate irrevocably pledged and assigned by the Corporation to the Trustee in the Corporation Resolution.

“*Trustee*” means Hancock Whitney Bank, Jackson, Mississippi, appointed pursuant to the Corporation Resolution to act as trustee under the Corporation Resolution, and its successor or successors and any other bank or trust company at any time substituted in its place pursuant to the Corporation Resolution.

“*Trustee’s Fee*” means an amount payable on each Interest Payment Date beginning December 1, 2023, to the Trustee (or in the event any other Fiduciary assumes all or a part of the Trustee’s duties under the General Bond Resolution, to such Fiduciary, in whole or in part) which shall be an amount equal to 0.025% of the aggregate Principal Amount of Series 2023CD Bonds Outstanding one Business Day prior to such Interest Payment Date, provided that the minimum fee paid in each calendar year will be \$2,400.00.

“*UMBS*” or “*Uniform Mortgage-Backed Securities*” means single-class mortgage-backed securities backed by Mortgage Loans issued by either Fannie Mae or Freddie Mac through a common securitization platform which have the same characteristics (such as payment delay, pooling prefixes and minimum pool submission amounts) regardless of whether Fannie Mae or Freddie Mac is the issuer of such security.

“*Unrestricted Account*” means the Account so designated, which is created and established in the Surplus Fund of the General Bond Resolution.

“*USDA/RD*” means the United States Department of Agriculture/Rural Development (formerly the Farmers Home Administration), or its successors and assigns.

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

## **APPENDIX B**

### **SUMMARY OF CERTAIN GENERAL BOND RESOLUTION PROVISIONS**

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

The following is a summary of certain provisions of the General Bond Resolution adopted by the Corporation on July 15, 2009.

### **General Bond Resolution Constitutes a Contract**

In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued under the General Bond Resolution by those who shall hold the same from time to time: (i) the General Bond Resolution shall be deemed to be and shall constitute a contract between the Corporation, the Trustee and the Holders from time to time of the Bonds; and (ii) the pledge of certain Funds, Accounts, Revenues and other moneys, rights and interests made therein and the covenants and agreements set forth therein to be performed by and on behalf of the Corporation shall be for the equal and ratable benefit, protection and security of the Holders of any and all of the Bonds, all of which regardless of the time or times of their issue or maturity shall be of equal rank without preference, priority or distinction of any of such Bonds over any other thereof, except as expressly provided in or permitted by the General Bond Resolution.

### **Pledge Effected by General Bond Resolution**

There are pledged for the payment of the principal or Redemption Price of and interest on the Bonds in accordance with their terms and the provisions of the General Bond Resolution and any Series Resolution and the Trustee is granted in the General Bond Resolution an express lien on: (i) all right, title and interest of the Corporation in and to the Origination Agreements and the Servicing Agreements entered into pursuant to a Series Resolution, including all extensions and renewals of their terms, if any, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any income, revenues, receipts, issues, profits, insurance proceeds and other sums of money payable to or receivable by the Corporation under such Origination Agreements or Servicing Agreements, whether payable pursuant to the Origination Agreements, the Servicing Agreements or otherwise (except for Corporation Fees, unless otherwise specified in a Series Resolution, and except for the Corporation's rights to enforce and receive payment of money directly and for its own purposes under any Origination Agreements or Servicing Agreements as specified in a Series Resolution, and except for certain indemnification rights of the Corporation, and rights of the Corporation to give consents and receive notices), to bring actions and proceedings under such Origination Agreements and Servicing Agreements or for the enforcement thereof, and to do any and all things which the Corporation is or may become entitled to do under such Origination Agreements and such Servicing Agreements; (ii) all right, title and interest of the Corporation in and to the Mortgage Loans or Program Securities purchased pursuant to the General Bond Resolution and any Series Resolution and any Hedge Instrument, including all extensions and renewals of any of the terms thereof, if any, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any income, revenues, receipts, issues and profits and other sums of money payable to or receivable by the Corporation under such Mortgage Loans or Program Securities, or such Hedge Instrument, whether payable pursuant to Mortgage Loans or Program Securities, or Hedge Instrument, or otherwise, to bring actions and proceedings under such Mortgage Loans or Program Securities, or Hedge Instrument, or for the enforcement thereof, and to do any and all things which the Corporation is or may become entitled to do under such Mortgage Loans or Program Securities, or Hedge Instrument; and (iii) the Revenues (as defined herein) and all moneys and securities from time to time held by the Trustee in the Funds and Accounts created by, pursuant to and subject to the terms of the General Bond Resolution or any Series Resolution, including the investments thereof, if any, except moneys and securities in the Rebate Fund and the Cost of Issuance Fund, and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the General Bond Resolution by the Corporation or by anyone on its behalf or with its written consent,

to the Trustee which is authorized under the General Bond Resolution to receive any and all such Property at any and all times and to hold and apply the same subject to the terms thereof.

### **Authorization of Bonds**

In order to provide sufficient moneys for the Corporation to conduct the Program and to make the deposits to certain Funds and Accounts specified in the General Bond Resolution or in any Series Resolution, there are authorized to be issued by the General Bond Resolution from time to time without limitation as to amount except as provided in the General Bond Resolution or by law, Bonds of the Corporation (the interest of which may or may not be subject to inclusion in gross income for State or federal income tax purposes, as may be provided in a Series Resolution) in one or more Series, as hereinafter provided, to be known and designated as "Single Family Mortgage Revenue Bonds." The Bonds shall be issued subject to the terms, conditions and limitations established in the General Bond Resolution, and secured by the pledge provided in the General Bond Resolution.

### **Authorization for Issuance of Bonds in Series**

(a) From time to time when authorized by the General Bond Resolution and subject to the terms, limitations and conditions established in the General Bond Resolution, the Corporation may authorize the issuance of a Series of Bonds upon adoption of a Series Resolution. The Bonds of each Series shall, as an addition to the title "Single Family Mortgage Revenue Bonds," bear a letter or number issue designation as may be appropriate to distinguish such Series of Bonds from the Bonds of every other Series and may, in addition to such title, bear the number of the year in which the Series is issued. Bonds of any Series may be authorized to be issued in any form as provided in a Series Resolution.

(b) Each Series Resolution authorizing the issuance of a Series of Bonds shall include a determination by the Corporation to the effect that the principal amount of said Series of Bonds is necessary to provide sufficient funds to be used and expended for the Program and shall specify and determine:

- (1) The authorized principal amount of said Series of Bonds;
- (2) The purposes for which the proceeds of such Series of Bonds (and any funds directed by the Series Resolutions to be contributed to the Program from any other source) may be used, which shall be to provide funds for one or more of the following:
  - (i) For the making or purchase of Mortgage Loans or Program Securities;
  - (ii) For the refunding of Outstanding Bonds or other obligations, including any or all interest and redemption premiums thereon;
  - (iii) Incident to these purposes, for the funding of the deposit of amounts determined by or pursuant to the Series Resolution to be credited and paid into the Funds or Accounts referred to in the General Bond Resolution;
- (3) The form, title and designation, and denominations of, and the manner of numbering and lettering, such Bonds;
- (4) The date or dates of maturity of such Bonds, and the Delivery Date of such Series;



- (5) The rates of interest to be borne by or the manner of determining such rate or rates of the Bonds of such Series and the initial Bond Payment Date of such Bonds;
- (6) The portion of the Series of Bonds which are Term Bonds (if any) and the portion of the same which are Serial Bonds (if any); and the portion of the Series of Bonds which are Bonds of any other nature (if any);
- (7) The Redemption Price or Redemption Prices and the redemption date or redemption dates and other terms of redemption (if any), and/or the optional or mandatory purchase price (if any) and purchase dates (if any) and other terms of purchase (if any) of any such Bonds;
- (8) The Paying Agent or Paying Agents appointed for such Bonds;
- (9) The amount and date of each Sinking Fund Installment, if any, required by such Series Resolution to be paid by the Corporation for the retirement of any of such Bonds;
- (10) The manner in which Bonds of such Series are to be sold and provisions for the sale thereof;
- (11) The designation of any Accounts to be established and specification of the sources and amounts of funds to be deposited in all such Accounts;
- (12) The Delivery Period for the purchase of Mortgage Loans or Program Securities with respect to such Series, including any provisions for extensions of such period;
- (13) The relevant terms of each Hedge Instrument, if any, related to such Series Resolution;
- (14) The relevant terms of each Credit Enhancement, if any, related to such Series Resolution; and
- (15) Any other provisions deemed advisable by the Corporation, not in conflict with or in substitution for the provisions of the General Bond Resolution.

#### **Conditions Precedent to Authentication and Delivery of Additional Bonds**

Except as provided in the General Bond Resolution, the Trustee shall authenticate and deliver any of the Bonds authorized to be issued pursuant to the General Bond Resolution and a Series Resolution, to or upon the order of the Corporation, only upon delivery to the Trustee of:

- (a) A copy of the General Bond Resolution and the applicable Series Resolution, each certified by an Authorized Officer, except that a copy of the General Bond Resolution need not be delivered for the second or any subsequent Series of Bonds unless it has been amended since the delivery of the preceding Series;
- (b) A Corporation Request as to the delivery of such Bonds, designating the purchaser or purchasers to whom such Bonds are to be delivered, and stating the purchase price of such Bonds;
- (c) An Authorized Officer's certificate stating (i) the amounts to be deposited in the Funds and Accounts established by the General Bond Resolution or by any Series Resolution, and (ii) the provisions

required in the event that the Series Resolution directs the refunding of any Outstanding Bonds or other obligations.

(d) An opinion or opinions of Bond Counsel or General Counsel to the effect that the General Bond Resolution and the applicable Series Resolution have been duly and lawfully adopted by the Corporation; that the General Bond Resolution and the applicable Series Resolution are in full force and effect, are valid and binding upon the Corporation and enforceable in accordance with their terms, subject to State and federal bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights and to the availability of equitable remedies; that the General Bond Resolution and the applicable Series Resolution create the valid pledge they purport to create; and that the Bonds have been duly and validly authorized and issued and constitute valid and binding obligations of the Corporation, enforceable in accordance with their terms and the terms of the General Bond Resolution and the applicable Series Resolution subject to State and federal bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights and to the availability of equitable remedies, and are entitled to the benefits of the General Bond Resolution and the applicable Series Resolution;

(e) A rating on the Bonds of the applicable Series, which is not lower than the rating on the Outstanding Bonds issued pursuant to the General Bond Resolution, by the Rating Agency, and confirmation by the Rating Agency that the issuance of the Series will not cause the rating on the Outstanding Bonds to be reduced or withdrawn as a result of such issuance; and

(f) Any agreements, instruments, opinions, or other documents required to be delivered to the Trustee pursuant to the applicable Series Resolution.

### **Refunding Bonds**

(a) In the event that a Series Resolution provides for the refunding of any Outstanding Bonds of one or more series and any or all of the interest or redemption premiums thereon, the Authorized Officer's certificate required in paragraph (c) above shall include irrevocable instructions to the Trustee, satisfactory to it:

(1) Identifying the Bonds, interest and redemption premiums, if any, to be refunded, and identifying separately those Bonds to be paid at their respective maturity dates and those to be redeemed at specified Redemption Prices, and on specified dates.

(2) Directing the Trustee to make due publication of a notice of redemption and refunding which shall include all information required by the General Bond Resolution with respect to the Bonds to be redeemed prior to maturity and shall also specify the Series and maturities of the Bonds or portions of Bonds to be paid at maturity, and shall identify the Bonds or portions thereof and interest and redemption premiums which are deemed to have been paid and as to which the covenants, agreements and other obligations of the Corporation are deemed to be discharged and satisfied, by reason of the deposit to be made with the Trustee.

(3) Stating that funds will be deposited with the Trustee at or before the time of delivery of the refunding Bonds, sufficient to effect retirement of the Bonds, interest and redemption premiums to be refunded in accordance with the provisions of paragraph (b) immediately below.

(b) At or before the time of delivery of refunding Bonds, the Corporation shall deposit with the Trustee an amount of money and/or Permitted Investments sufficient to comply with the provisions of

the section entitled “**Defeasance of Bonds**” herein below with reference to all of the Bonds (or portions thereof), interest and redemption premiums to be refunded; which shall be held by the Trustee in a special account separate from all other Funds or Accounts created by or pursuant to the Resolution, irrevocably in trust for and assigned to the respective Holders of Bonds being refunded, and used to pay when due the Principal Installments and Redemption Prices of and interest on the refunded Bonds in accordance with the terms thereof and the terms of the notice of redemption and refunding required in paragraph (a) immediately above. In addition to the proceeds of refunding Bonds, the Corporation may direct the deposit in said account (1) certain funds of the Corporation, and/or (2) amounts held in any Fund created by or pursuant to the Resolution, provided that sufficient funds remain in or are transferred to each Fund to comply with all provisions of the General Bond Resolution and applicable Series Resolutions securing the Bonds which will remain Outstanding.

(c) In the General Bond Resolution, the Corporation also reserves the privilege of providing by Series Resolution for the issuance of Bonds to refund obligations and interest and redemption premiums secured under the provisions of any resolution or indenture other than the General Bond Resolution, which obligations were issued by the Corporation or its predecessor for the purpose of financing mortgage loans subject to the following conditions:

(1) All necessary actions shall be taken for the refunding and immediate discharge of the obligations of the Corporation with reference to such refunded obligations, interest and redemption premiums in accordance with the provisions of the resolutions or indentures pursuant to which the refunded obligations were issued.

(2) All mortgage loans or Program Securities held in funds and accounts established by or pursuant to such resolutions or indentures for the security of the obligation(s) refunded, or prepayments of said mortgage loans or other funds held or available for payment of the refunded obligations in an amount at least equal to the proceeds of the Bonds, after satisfaction and discharge of such obligations, are subjected to the provisions of the General Bond Resolution, and, subject to such provisions, are pledged to the Trustee for the payment of the Principal Installments, redemption premium, if any, and interest on the Bonds, at the times and in the manner provided in the General Bond Resolution and applicable Series Resolutions.

(d) The Corporation expressly reserves the right in the General Bond Resolution, to the extent now or hereafter permitted by law, without subjecting the interest on any Bonds to federal income taxation (in connection with those Bonds the interest on which is excluded from federal income taxation), of providing for the defeasance of the rights and obligations created by the General Bond Resolution with respect to part or all of the Bonds of any Series, and with respect to the Principal Installments of or the interest payments thereon or both, and of providing for the payment from the proceeds of refunding Bonds, and from income from the investment thereof, of any part of the Principal Installments of or interest on the refunding Bonds, as well as the Bonds refunded.

### **Payment of Bonds**

The Corporation covenants in the General Bond Resolution that it will promptly pay the principal of, Redemption Price and interest on every Bond issued under the General Bond Resolution or the Series Resolution at the place, on the dates and in the manner provided therein according to the true intent and meaning thereof, provided that the principal, Redemption Price and interest are payable by the Corporation solely from the proceeds of the Bonds, the income, revenues and receipts and other amounts derived from the Program Securities, and certain investment earnings. Nothing in the Bonds or the General Bond Resolution should be considered as assigning or pledging any other funds or assets of the Corporation other

than such Revenues and other amounts and the right, title and interest of the Corporation, if any, in the Program Securities, the Origination Agreements and the Servicing Agreements.

### **Extension of Payment of Bonds**

The General Bond Resolution provides that the Corporation shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled in case of any default under the General Bond Resolution or any Series Resolution to the benefit of the General Bond Resolution or any Series Resolution or to any payment out of any assets of the Corporation or the funds (except funds held in trust for the payment of particular Bonds or claims for interest pursuant to the General Bond Resolution or any Series Resolution) held by the Trustee, except subject to the prior payment of the principal of all Bonds issued and Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. Nothing in this paragraph shall be deemed to limit the right of the Corporation to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of the maturity of the Bonds.

### **Further Assurances**

The Corporation agrees in the General Bond Resolution that the Trustee may defend its rights to the payments and other amounts due under the Program Securities for the benefit of the Owners of the Bonds against claims and demands of all persons whomsoever. At any and all times the Corporation shall, so far as it may be authorized or permitted by law, pass, make, do, execute, acknowledge and deliver, all and every such further indentures, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning, confirming and effecting all and singular the rights, Revenues and other moneys, securities, funds and Property thereby pledged or assigned, or intended so to be, which the Corporation may hereafter become bound to pledge or assign. The Corporation shall at all times comply with provisions of the Act relating to the Program, including, without limitation, the undertaking of an annual audit of the Corporation by a firm of certified public accountants which audit shall be made available to any Bondholder who requests, in writing, a copy of such audit; provided, however, that such Bondholder shall pay the Corporation any costs and expenses incurred in connection with the forwarding of such audit.

### **Power to Issue Bonds and Pledge Revenues and Other Funds**

The General Bond Resolution provides that the Corporation is duly authorized under all applicable laws to issue the Bonds and to adopt the General Bond Resolution and to pledge the Revenues and other moneys, securities, rights and interests purported to be pledged by the General Bond Resolution in the manner and to the extent provided in the General Bond Resolution. The Revenues and other moneys, securities, rights and interests so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto (other than liens of Fiduciaries) prior to, or of equal rank with, the pledge created by the General Bond Resolution and all action on the part of the Corporation to that end have been and will be duly and validly taken. The Bonds and the provisions of the General Bond Resolution are and will be the legal and valid limited obligations of the Corporation, enforceable in accordance with their terms and the terms of the General Bond Resolution. The Corporation, to the extent permitted by law, at all times shall defend, preserve and protect the pledge of the Revenues and other moneys, securities, rights and interests pledged under the General Bond Resolution and all the rights of the Bondholders under the General Bond Resolution against all claims and demands of all persons whomsoever.

To secure its obligation to make payments on a Hedge Instrument, the Corporation may grant to the Hedge Instrument counterparty a subordinate and junior pledge and security interest (subordinate and junior to the pledge and security interest granted to the Bondholders) in all or any of the collateral pledged pursuant to the foregoing paragraph.

### **Cash Flow Statements and Cash Flow Certificates**

(a) The General Bond Resolution requires that the Corporation shall file with the Trustee a current Cash Flow Statement accompanied (other than in the case of the issuance of the initial Series of Bonds under the General Bond Resolution) by a Rating Certificate, whenever any Series of Bonds is issued, upon any conversion of any Series of Bonds or remarketing of any Bonds in connection with a change in the tender period except as required at the time of their issuance, upon entering into a Hedge Instrument, upon a withdrawal from the Surplus Fund by the Corporation, and in connection with amending the General Bond Resolution or any Series Resolution (as permitted by the General Bond Resolution), unless such filing is not required by a Rating Agency, provided that the Corporation shall file with the Trustee a current Cash Flow Statement at least annually.

(b) A Cash Flow Statement shall consist of a certification and calculation made by or for the Corporation and signed by an Authorized Officer giving effect to the action proposed to be taken and demonstrating that:

- (1) Revenues, and
- (2) any other moneys or funds pledged to the payment of the Bonds,

will be sufficient, in the judgment of an Authorized Officer of the Corporation, to pay the principal of and interest on all Outstanding Bonds, Fiduciary Expenses, Senior Expenses, Subordinate Expenses, and payments on Hedge Instruments (other than termination payments) in the current and in each succeeding Bond Year. A Cash Flow Statement shall include all Outstanding Bonds, together with any new Series of Bonds that the Corporation plans to issue, all as may be required by the General Bond Resolution. To the extent specified in a Supplemental Resolution, a fund or account established in said Supplemental Resolution shall not be taken into account when preparing a Cash Flow Statement.

In addition, the Cash Flow Statement shall demonstrate that: (1) the amount of moneys and Permitted Investments held in any Fund or Account (except the Rebate Account) (valued at their cost to the Corporation, as adjusted by amortization of the discount or premium paid upon purchase of such obligations ratably to their respective maturities), together with accrued but unpaid interest thereon, (2) the outstanding principal balance of Mortgage Loans and Program Securities, together with accrued but unpaid interest thereon, and (3) any other assets, valued at their realizable value, pledged for the payment of the Bonds, will equal or exceed the aggregate principal amount of and accrued but unpaid interest on Outstanding Bonds; provided that in the event a Series Resolution specifies that, for purposes of the requirements of this paragraph, the Mortgage Loans and Program Securities financed by such Series of Bonds shall be valued at other than their outstanding principal balance, then, with respect to such Mortgage Loans and Program Securities, such other value shall be used in the calculations required by this paragraph.

The Cash Flow Statement shall be based upon the Corporation's reasonable expectations and the specific Program information provided in the Series Resolution, and shall be based upon assumptions consistent with those used in the most recent Cash Flow Statement or such other assumptions as shall not adversely affect any of the Rating Agency's ratings on the Bonds. In calculating the amount of interest due on Bonds in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding

on Bonds bearing interest at a variable rate as defined in a Supplemental Resolution, such minimum interest rate or rates as shall not adversely affect any of the Rating Agency's ratings on the Bonds shall be used. In the case of a Hedge Instrument which is being entered into for the purpose of limiting interest rate risk with respect to specific Bonds, the amount to be withdrawn to pay interest on such Bonds shall be adjusted to give effect to the Hedge Instrument, so long as such adjustment shall not adversely affect any of the Rating Agency's ratings on the Bonds.

Upon filing a Cash Flow Statement with the Trustee, the Corporation shall thereafter perform its obligations under the General Bond Resolution in accordance, in all material respects, with the assumptions set forth in such Cash Flow Statement and in any subsequent Cash Flow Certificate. Except with respect to actions being taken contemporaneously with the delivery of a Cash Flow Statement, facts reflected in a Cash Flow Statement may be as of a date or reasonably adjusted to a date which coincides with the date of the most recently available audited financial statements of the Corporation.

(c) The Corporation shall file with the Trustee a current Cash Flow Certificate: (i) upon purchase or redemption of Bonds of a Series in a manner other than (A) as contemplated in the most recent Cash Flow Statement filed by the Corporation with the Trustee, or (B) on a basis whereby the Bonds of each maturity bears to the total amount of all Outstanding Bonds of such Series, with respect to purchases or redemptions to be made from Recovery Payments; (ii) prior to withdrawing moneys for payment to the Corporation free and clear of the pledge and lien of the General Bond Resolution, in an amount or amounts in excess of the amounts determined to be available for such purpose in the most recent Cash Flow Statement filed with the Trustee; (iii) except as otherwise provided in the General Bond Resolution, prior to selling or otherwise transferring any Mortgage Loan or Program Security not in default; (iv) prior to recycling Revenues at interest rates lower than the Minimum Mortgage Rate, if any, set forth in the Series Resolution or the most recent Cash Flow Statement; or (v) as otherwise may be required by a Supplemental Resolution or a Series Resolution. The Corporation may file one or more successive Cash Flow Certificates.

(d) A Cash Flow Certificate shall consist of a statement of an Authorized Officer of the Corporation to the effect of one of the following: (i) the proposed action is consistent with the assumptions set forth in the most recent Cash Flow Statement; or (ii) after giving effect to the proposed action, in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding, the amounts described in clauses (i) and (ii) of paragraph (b) above will be sufficient, in the judgment of an Authorized Officer of the Corporation, to pay the principal of and interest on all Outstanding Bonds described in the calculations, except that to the extent specified in a Supplemental Resolution, a fund or account established in said Supplemental Resolution shall not be taken into account in connection with such Cash Flow Certificate; or (iii) the proposed action will not in and of itself materially adversely affect the amounts described in clauses (i) and (ii) of subsection (b) above, except with respect to such funds or accounts which may be specified in such Supplemental Resolution to not be taken into account in connection with such Cash Flow Certificate. The Corporation, at its option, may file a Cash Flow Statement in lieu of a Cash Flow Certificate in any instance when it is required to file a Cash Flow Certificate.

## **Hedge Instruments**

Any Hedge Instrument secured in whole or in part by the General Bond Resolution shall be authorized and entered into pursuant to, and secured by, the General Bond Resolution pursuant to the authorization contained in a Series Resolution.

In connection with the execution of any Hedge Instrument, there shall be delivered to the Trustee the following: (i) a copy of the General Bond Resolution and the Series Resolution duly certified by an Authorized Officer; (ii) a Bond Counsel's opinion stating that (A) the General Bond Resolution and the

applicable Series Resolution have been duly adopted and are valid and binding upon the Corporation (subject to reasonable exceptions with respect to enforceability under bankruptcy laws, the police power of the State or other similar laws, and the availability of specific performance and other equitable remedies under State law), and (B) the Hedge Instrument is a valid and legally binding obligation of the Corporation (subject to reasonable exceptions with respect to enforceability under bankruptcy laws, the police power of the State or other similar laws, and the availability of specific performance and other equitable remedies under State law) secured in the manner and to the extent set forth in the General Bond Resolution and the applicable Series Resolution; and (iii) a Cash Flow Statement conforming to the requirements of the above section entitled **“Cash Flow Statements and Cash Flow Certificates,”** accompanied by a Rating Certificate.

### **Establishment of Funds and Accounts**

(a) The following Funds and Accounts are created and established as special trust funds pursuant to the General Bond Resolution:

- (i) the Program Fund, consisting of:
  - (A) the Acquisition Accounts;
  - (B) the Premium Accounts; and
  - (C) the Costs of Issuance Accounts;
- (ii) the Revenue Fund, consisting of:
  - (A) the Revenue Accounts;
  - (B) the Rebate Accounts;
  - (C) the Capitalized Interest Accounts; and
  - (D) the Reserve Accounts;
- (iii) the Redemption Fund, consisting of:
  - (A) the Special Redemption Accounts; and
  - (B) the Optional Redemption Accounts;
- (iv) the Surplus Fund, consisting of:
  - (A) the Restricted Account; and
  - (B) the Unrestricted Account;

(b) Within each of the Funds (other than the Unrestricted Account of the Surplus Fund) the Trustee shall maintain a separate Series Account, as applicable, designated by a name or number descriptive of each Series of Bonds issued pursuant to the General Bond Resolution, for the purpose of recording the proceeds of such Bonds and any other amounts directed by the applicable Series Resolution to be deposited therein, the Mortgage Loans or Program Securities and Permitted Investments purchased therefrom, and the Revenues derived from such Mortgage Loans, Permitted Investments and Hedge Instruments, if any, and from the reinvestment of the same, to the extent and in the manner (if applicable) required by Code Section 143 and 148 of Code.

(c) Each Series Resolution may also establish separate Funds or Accounts and subaccounts to be held by the Trustee within any of the Funds (other than the Surplus Fund), as specified in the applicable Series Resolution.

(d) All Funds and Accounts shall be held by the Trustee in trust for application only in accordance with the provisions of the General Bond Resolution and the applicable Series Resolution.

(e) Pursuant to the General Bond Resolution, the references below to the various Accounts pertain to the specific Accounts established for each Series by the appropriate Series Resolution authorizing the issuance of said Series of Bonds.

### **Deposit of Bond Proceeds and Other Contributed Moneys**

The proceeds of the sale and delivery of the Bonds of each Series, together with funds contributed by or on behalf of the Corporation from any other source when directed by a Series Resolution, shall be deposited in the applicable Accounts for each Series set forth below or such other or additional Accounts established by a Series Resolution:

(a) To the Revenue Account, the amount, if any, received as accrued interest upon the delivery of the Bonds;

(b) To the Costs of Issuance Account, the amount as shall be specified in the applicable Series Resolution as necessary to pay or provide for payment of Costs of Issuance;

(c) To the Capitalized Interest Account, if applicable, the amount as shall be specified in the applicable Series Resolution;

(d) To the Reserve Account, if applicable, the amount as shall be specified in the applicable Series Resolution;

(e) To a separate, designated and segregated trust fund or account to be held by the Trustee or other depository, in the event that any Outstanding Bonds or other obligations, interest or redemption premiums are directed by a Series Resolution to be refunded pursuant to the General Bond Resolution (which depository may be a trustee previously designated under a resolution or indenture securing the refunded obligations), the amount needed (together with any other available funds) for payment or to provide for payment of such principal, interest, or redemption premiums; and

(f) To the applicable Acquisition Accounts and Premium Accounts, if applicable, the sum of the balance of such proceeds, as shall be specified in the applicable Series Resolution.

### **Program Fund; Acquisition Account and Premium Account**

(a) Deposit of Moneys. Pursuant to the General Bond Resolution, there shall be paid into the Acquisition Accounts and Premium Accounts established within the Program Fund the respective amounts of the proceeds of the Bonds and other moneys in accordance with the section entitled “**Deposit of Bond Proceeds and Other Contributed Moneys**” above and by the applicable Series Resolution. There may also be paid into the Program Fund, and a designated Acquisition Account and/or Premium Account therein, at the option of the Corporation, any moneys received by the Corporation from any other source, unless required to be otherwise applied as provided by the General Bond Resolution or by the applicable Series Resolution.



(b) Application of Acquisition Accounts. Pursuant to the General Bond Resolution, proceeds of the Bonds and other moneys deposited in the Acquisition Accounts shall be used and withdrawn as provided in the applicable Series Resolution, but, in any event, solely for the (1) purchase of all or a portion of Program Securities or Mortgage Loans, and (2) the purchase or redemption of Bonds.

(c) Application of Premium Accounts. Pursuant to the General Bond Resolution, proceeds of the Bonds and other moneys deposited in the Premium Accounts, if any, shall be used and withdrawn as provided in the applicable Series Resolution, but, in any event, solely for (1) the purchase of that portion of the aggregate initial principal balances of the related Program Securities or Mortgage Loans (or pools thereof) as may be specified in such Series Resolution to provide for the Cash Advance Program in connection with such Program Securities or Mortgage Loans (or pools thereof), and (2) the purchase or redemption of Bonds.

(d) Unexpended Bond Proceeds. Pursuant to the General Bond Resolution, any moneys deposited in an Acquisition Account and a Premium Account, if applicable, which are not used or to be used to purchase Program Securities or Mortgage Loans which are not used by the end of the Delivery Period specified in such Series Resolution, or by such earlier date as may be required by the Code and specified in such Series Resolution, shall be transferred by the Trustee to the Special Redemption Account in accordance with the provisions of the applicable Series Resolution, and applied to redeem Bonds.

### **Costs of Issuance Accounts**

(a) Upon the issuance, sale and delivery of the Bonds pursuant to the General Bond Resolution and a Series Resolution, the Trustee shall deposit in the applicable Costs of Issuance Account such moneys, if any, as shall be specified in such Series Resolution. Moneys in the Costs of Issuance Account shall be used to pay the Costs of Issuance of the Bonds and for no other purposes. The Trustee shall make disbursements from the applicable Costs of Issuance Account upon being furnished with a Corporation's Request, in form and substance satisfactory to the Trustee. Any excess remaining upon payment of all Costs of Issuance of the applicable Series of Bonds shall (i) if not proceeds of the applicable Series of Bonds, be transferred by the Trustee to another Account established for the applicable Series of Bonds, or to the Surplus Fund, or to the Corporation, and (ii) if proceeds of the applicable Series of Bonds, be transferred by the Trustee to the Acquisition Account or Capitalized Interest Account for the applicable Series of Bonds, upon receipt by the Trustee of a Certificate of the Corporation stating that such moneys are no longer needed for the payment of Costs of Issuance, and specifying into which account the funds shall be transferred, whereupon the applicable Costs of Issuance Account shall be closed.

(b) In the event that the moneys deposited in the applicable Costs of Issuance Account pursuant to the General Bond Resolution and the applicable Series Resolution are not sufficient to pay all Costs of Issuance incurred with respect to the applicable Series of Bonds, or in the event that no such deposit to pay Costs of Issuance with respect to the Bonds is made, the Costs of Issuance of the Bonds may be paid from the Unrestricted Account of the Surplus Fund or any available funds of the Corporation not pledged to the Single Family Mortgage Bond Resolution.

### **Revenue Fund**

(a) Deposit of Revenues. Pursuant to the General Bond Resolution, all Revenues received by the Corporation shall be paid to the Trustee immediately upon their receipt by the Corporation. All Revenues, other than those required to be deposited in a Rebate Account as set forth in a Corporation's Request, shall be deposited by the Trustee in the applicable Revenue Account.

There may also be deposited in the Revenue Fund, at the option of the Corporation, any other moneys of the Corporation, unless required to be otherwise applied as provided by the General Bond Resolution.

(b) Accrued Interest on Mortgage Loans or Program Securities. Pursuant to the General Bond Resolution, upon the purchase of Program Securities or Mortgage Loans from the moneys on deposit in the applicable Acquisition Account and/or Premium Account, the Trustee shall, in accordance with the provisions of the applicable Series Resolution, withdraw from the applicable Revenue Account, or, if funds available therein are not sufficient, from the applicable Capitalized Interest Account, or, if funds available therein are not sufficient, from the applicable Reserve Account, and pay to the applicable Servicer the then accrued and unpaid interest on such Program Securities or Mortgage Loans.

(c) Payment of Bonds and Certain Expenses and Transfers to Certain Funds. Pursuant to the General Bond Resolution, on or before each Bond Payment Date or date Bonds are to be purchased in accordance with the provisions of the General Bond Resolution and any applicable Series Resolution, the Trustee shall pay or transfer from the Revenue Accounts the following amounts in the following order of priority:

First, to pay on an equal and proportionate basis, without preference or discrimination (i) Senior Expenses, (ii) any scheduled Hedge Instrument payments, other than termination payments, and (iii) to the respective Paying Agents for any of the Bonds, (A) on each Bond Payment Date, the amounts required for scheduled Debt Service Payments due on the Outstanding Bonds on such Bond Payment Date, including any amounts required by a Series Resolution to be transferred to an applicable Special Redemption Account to pay interest and the Redemption Prices, if any, of Bonds to be redeemed on such Bond Payment Date (less amounts, if any, applied to pay interest on the Bonds from the Capitalized Interest Accounts under the applicable Series Resolution), (B) on the date of purchase of any Bonds, the amounts required for the payment of the purchase price of the Outstanding Bonds being purchased, and (C) on the date of purchase of any Bonds in lieu of redemption by Sinking Fund Installment, the amount (exclusive of accrued interest) required for the purchase of such Bonds, and all such amounts shall be applied by the respective recipients to such payments;

Second, to the credit of any other Fund or Account, the amount of any withdrawal previously made as provided below in the section entitled “**Withdrawals from Funds to Prevent Default**” in inverse order of such withdrawal, to the extent not previously restored; and

Third, to pay any Subordinate Expenses.

(d) Transfers and Payments from Capitalized Interest Accounts. Pursuant to the General Bond Resolution, moneys deposited in a Capitalized Interest Account in accordance with the provisions of a Series Resolution shall be used to pay interest on the Bonds as provided in such Series Resolution, and/or to pay accrued interest upon the purchase of a Program Security or a Mortgage Loan as provided in subsection (b) above. Any amounts remaining in the applicable Capitalized Interest Account on the Bond Payment Date after the end of the Delivery Period (as specified in such Series Resolution) shall be transferred by the Trustee as specified in such Series Resolution.

(e) Transfers to and Withdrawals from Rebate Accounts. Pursuant to the General Bond Resolution, the Trustee shall make the following, and only the following, transfers to and withdrawals from the Rebate Accounts:

(1) If the net investment earnings received with respect to any Series exceed at any time the earnings permitted under Section 148 of the Code to be retained, the excess amount shall be paid over to the United States, at the times and in the manner provided in the applicable Series Resolution or Rebate Certificate. Such excess amount may be transferred to the applicable Rebate Account in the Revenue Fund at such times and in such amounts as may be required to assure compliance with Section 148 of the Code, notwithstanding the requirements of other Funds as set forth in subsection (c) above;

(2) Promptly upon receipt of a Certificate of the Corporation to the effect that the amount on deposit in a Rebate Account exceeds the amount required to be on deposit therein for the purpose of making rebates to the United States in accordance with the applicable provisions of Section 148 of the Code, an amount equal to the amount of such excess shall be transferred for credit to the applicable Revenue Account, the applicable Special Redemption Account, or such other account or Fund as may be directed in such Certificate; and

(3) All amounts in the Rebate Accounts shall be used and withdrawn by the Trustee solely for the purposes set forth in this subsection. In the event that the amount in any Rebate Account is for any reason insufficient to pay to the United States the amounts due as provided in this subsection, the Trustee shall transfer to such Rebate Account the amount of such deficiency by withdrawing said amount from the following funds in the following order of priority, regardless of any other claim on such funds: (1) the Surplus Fund (to the extent of cash and cash equivalents on deposit therein); (2) the Revenue Fund; or (3) from any other Fund or Account established pursuant to the General Bond Resolution or the applicable Series Resolution.

(f) Transfers and Payments from Reserve Account. Pursuant to the General Bond Resolution, amounts on deposit in the Reserve Accounts, if any, will be expended and utilized as provided in any Series Resolution.

(g) Application of Surplus Revenues. Pursuant to the General Bond Resolution, any amounts remaining in a Revenue Account after making the payments and deposits required by subsections (b), (c), (d), (e) or (f) above, shall be held in the Revenue Fund until and unless directed by a Corporation's Request or an applicable Series Resolution to be transferred to the Program Fund, the Redemption Fund, or Restricted Account of the Surplus Fund. Furthermore, upon submission of a Cash Flow Statement or a Cash Flow Certificate, as appropriate, the Corporation may direct the transfer of amounts remaining in a Revenue Account to the Unrestricted Account of the Surplus Fund and/or to the Corporation, in specified amounts, free and clear of any lien or pledge created by the General Bond Resolution.

### **Redemption Fund**

(a) Moneys deposited in the Special Redemption Accounts shall be applied by the Trustee for the purchase or redemption of Bonds pursuant to the General Bond Resolution and any Series Resolution.

(b) Moneys deposited in the Optional Redemption Accounts shall be used to purchase or redeem Bonds as directed by the Corporation in accordance with the General Bond Resolution and any Series Resolution.

## Surplus Fund

(a) Deposits of Moneys or Assets into the Restricted Account of the Surplus Fund. Pursuant to the General Bond Resolution, unless otherwise specified in a Series Resolution or other resolution of the Corporation, the Corporation shall not be required to maintain any minimum balance in the Restricted Account. Moneys and assets may be transferred into the Restricted Account as follows:

(1) Upon receipt of a Corporation's Request, the Trustee shall deposit in the Restricted Account (1) surplus funds from the Revenue Account pursuant to the section entitled "**Revenue Fund - Application of Surplus Revenues**" above, and (2) any funds, securities or other investments, loans or other Property provided by the Corporation and not otherwise pledged hereunder.

(2) Upon receipt of a Corporation's Request, the Trustee shall transfer any funds or assets from the Unrestricted Account to the Restricted Account.

(b) Deposits of Moneys or Assets into the Unrestricted Account of the Surplus Fund. Pursuant to the General Bond Resolution, moneys and assets may be transferred into the Unrestricted Account as follows:

(1) Upon receipt of a Corporation's Request, the Trustee shall deposit in the Unrestricted Account any funds, securities or other investments, loans or other Property provided by the Corporation and not otherwise pledged hereunder.

(2) The Trustee shall transfer any funds or assets from the Restricted Account to the Unrestricted Account upon receipt of a Corporation's Request accompanied by a Cash Flow Certificate and a Rating Certificate.

(c) Application of Restricted Account. Pursuant to the General Bond Resolution, funds within the Restricted Account may be used as follows, in the following order of priority:

(1) Available funds on deposit in the Restricted Account shall be used to make up deficiencies in the Revenue Fund and, unless otherwise directed by an Authorized Officer, shall be transferred to the Revenue Fund when required on any Bond Payment Date or other payment date prior to any transfer otherwise required by the section entitled "**Withdrawals from Funds to Prevent Default**" below.

(2) Any remaining available funds on deposit in the Restricted Account shall be used to (a) fund termination payments on Hedge Instruments, if any, and (b) pay principal due pursuant to acceleration of principal under any Credit Enhancement agreement, if any, in excess of principal which would otherwise be payable in accordance with the terms thereof, but only after providing for, and subject and subordinate to the other transfers, payments pursuant to (c)(1) above.

(3) Any remaining available funds shall be transferred to any Series Account of the Program Fund, Revenue Fund or Redemption Fund as directed by an Authorized Officer.

(4) Any remaining available funds shall be invested or reinvested in any Permitted Investments or Program Securities as may be authorized by law and as may be

directed in writing by an Authorized Officer. Any maturing principal, interest or income earned with respect to such investments shall be retained in the Restricted Account.

(d) Application of Unrestricted Account. Pursuant to the General Bond Resolution, funds within the Unrestricted Account may be used for anything permitted under the Act. The following provisions shall apply to the Unrestricted Account:

(1) Maturing principal, interest or income earned with respect to funds and investments held in the Unrestricted Account shall be retained in the Unrestricted Account.

(2) The Corporation shall not be required to maintain any minimum balance in the Unrestricted Account and makes no covenant to Bondholders or any other party that funds or other assets will be available in the Unrestricted Account in the event of a deficiency in the Revenue Fund on a Bond Payment Date or other payment date.

(3) Funds and assets held in the Unrestricted Account shall not be included in a Cash Flow Certificate.

(4) Any funds or assets held in the Unrestricted Account may be removed at any time by the Corporation upon receipt of a Corporation's Request.

#### **Withdrawals from Funds to Prevent Default**

Notwithstanding any other provision of the General Bond Resolution, if on any Bond Payment Date, the amount in the Revenue Fund (other than the Rebate Accounts) is less than the amount of the Debt Service Payment becoming due and payable on such Bond Payment Date on all Outstanding Bonds, the Trustee, after making any transfer in accordance with the section entitled "**Surplus Fund - Application of Restricted Accounts**" above, shall transfer from the following Accounts to the Revenue Fund in the following order the amount of such deficit and apply such amount first to pay interest and then to pay Principal Installments, as necessary:

- (a) Reserve Accounts, if any,
- (b) Costs of Issuance Accounts,
- (c) Optional Redemption Accounts,
- (d) Special Redemption Accounts,
- (e) Acquisition Accounts; and
- (f) Premium Accounts.

Moneys in (1) the Redemption Fund which are to be used to redeem Bonds for which notice of redemption has been given or for which binding arrangements to purchase Bonds in lieu of redemption have been made by the Trustee or (2) the Acquisition Accounts and Premium Accounts, if applicable, against which the Corporation has outstanding commitments to purchase Mortgage Loans or Program Securities shall not be so applied.

The Corporation covenants in the General Bond Resolution that it will pay to the Trustee for deposit in the Revenue Fund the amount of any remaining deficiency, but only from Revenues.

### **Prepayments**

Pursuant to the General Bond Resolution, all Mortgage Prepayments and Mortgage Repayments shall be initially deposited by the Trustee for credit to the applicable Revenue Account.

### **Investment of Moneys Held by the Trustee**

(a) Pursuant to the General Bond Resolution, subsections (b) - (g) below shall apply to moneys in all Funds and Accounts held by the Trustee other than moneys held in the Unrestricted Account of the Surplus Fund. The investment of moneys held in the Unrestricted Account of the Surplus Fund shall be governed in accordance with the section entitled “**Surplus Fund**” above.

(b) Pursuant to the General Bond Resolution, moneys in all Funds and Accounts held by the Trustee shall be invested by the Trustee in such Permitted Investments as the Corporation shall direct, or as shall be specified in the applicable Series Resolution. The Trustee shall notify the Corporation in writing, at least monthly, of all Permitted Investments purchased by the Trustee. The maturity date or the date on which such Permitted Investments so purchased may be redeemed at the option of the holder thereof shall coincide as nearly as practicable with (but in no event shall be later than) the date or dates on which moneys in the Funds or Accounts for which the investments were made will be required for the purposes thereof as provided in the General Bond Resolution and the applicable Series Resolution.

(c) Pursuant to the General Bond Resolution, amounts credited to any Fund or Account (except the Rebate Account) may be invested, together with amounts credited to one or more other Funds or Accounts, in the same Permitted Investment or Permitted Investments, provided that each such investment complies in all respects with the provisions of subsection (b) above as they apply to each Fund or Account for which the joint investment is made and the Trustee maintains separate records for each Fund and Account and such investments are accurately reflected therein.

(d) The Trustee may make any investment permitted by the General Bond Resolution through or with its own commercial banking or bond departments unless otherwise directed by the Corporation.

In computing the amount in any Fund or Account, (i) Permitted Investments shall be valued at par or, if purchased at other than par, at their Amortized Value, and in either event inclusive of accrued interest, and (ii) Program Securities or Mortgage Loans shall be valued at 100% of the Outstanding principal balance thereof (inclusive of accrued interest).

(e) Except as otherwise specifically provided in the General Bond Resolution, the income or interest earned by, or increment to, all Funds and Accounts due to the investment thereof shall be transferred by the Trustee upon receipt thereof to the appropriate Account of the Revenue Fund (including the Rebate Account) in accordance with the section entitled “**Revenue Fund - Deposit of Revenue**” above.

(f) The Trustee, upon receipt of a Corporation’s Request, shall sell at the best price obtainable, or present for redemption, any Permitted Investment purchased by it as an investment whenever it shall be necessary in order to provide moneys to meet any payment from the Fund or Account for which such investment was made. The Trustee may, to the extent required to make transfers of moneys among Funds and Accounts, transfer Permitted Investments.

## **Liability of Trustee for Investments**

The Trustee shall not be liable or responsible for the making of any investment authorized by the provisions of the General Bond Resolution in the manner provided in the General Bond Resolution or for any loss resulting from any such investment so made, except for its own negligence or misconduct.

## **Corporation's Purchase of Bonds**

(a) Subject to the section entitled “**Restrictions on Corporation's Purchase of Bonds**” below, the Trustee may and, upon receipt of a Corporation's Request, shall apply moneys deposited in the Redemption Fund to purchase Bonds in such manner as the Trustee shall determine or as provided in a Corporation's Request, as the case may be, at any time prior to the 30th day preceding the next succeeding Bond Payment Date.

(b) Subject to the section entitled “**Restrictions on Corporation's Purchase of Bonds**” below, the Trustee may and, upon receipt of a Corporation's Request, shall apply available moneys in the Revenue Account to purchase Bonds in such manner as the Trustee shall determine or as provided in a Corporation's Request, as the case may be, at any time prior to the 30th day preceding the due date of the applicable Sinking Fund Installment.

(c) Unless otherwise directed by the Corporation in a Corporation Request, Bonds purchased by the Trustee pursuant to (a) and (b) above shall be cancelled.

## **Restrictions on Corporation's Purchase of Bonds**

Pursuant to the General Bond Resolution, the Trustee shall not purchase any Bonds at a cost or price (including any brokerage fee or commission and other charges) which exceeds the sum of the face amount of such Bonds, plus accrued interest to the date of purchase, unless the Corporation shall represent to the Trustee in a Corporation's Request that such purchase is at least as economically beneficial to the Bondholders and the Corporation as any available alternative for the use of the moneys to be applied to the purchase.

## **Events of Default**

Each of the following events is hereby declared an “Event of Default” under the General Bond Resolution:

(a) The Corporation shall fail to pay from Revenues any Principal Installment or the Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption or otherwise;

(b) The Corporation shall fail to pay from Revenues any installment of interest on any Bond when and as the same shall become due and payable;

(c) The Corporation shall fail to perform or observe any other covenant, agreement or condition on its part contained in the General Bond Resolution and the Resolution and such failure shall continue for a period of 45 days after written notice thereof to the Corporation by the Trustee or to the Corporation and to the Trustee by the Holders of not less than 25% in principal amount of the Bonds Outstanding;

(d) The State shall limit or alter the rights of the Corporation pursuant to the Act, as in force on the date of the General Bond Resolution, to fulfill the terms of any agreements made with the Owners of the Bonds or in any way impair the rights and remedies of the Owners of the Bonds while any Bonds are Outstanding; or

(e) The Corporation shall file a petition seeking a composition of indebtedness under the Federal Bankruptcy Laws, or under any other applicable law or statute of the United States of America or of the State.

### **Acceleration; Annulment of Acceleration**

(a) Upon the occurrence of an Event of Default under paragraphs (a), (b) or (e) of the section entitled “**Events of Default**” above, the Trustee may and, upon the written request of the Holders of not less than 25% in aggregate principal amount of Bonds Outstanding shall, give 30 days’ notice in writing to the Corporation and, if then required by law, to the Governor and the Attorney General of the State, of its intention to declare all Bonds Outstanding immediately due and payable. At the end of such 30-day period, if such Event of Default is then continuing, the Trustee may, and upon the written request of the Holders of not less than 25% in aggregate principal amount of Bonds Outstanding shall, by notice in writing to the Corporation, declare all Bonds Outstanding immediately due and payable; then such Bonds shall become and be immediately due and payable, anything in the Bonds or in the General Bond Resolution to the contrary notwithstanding. In such event, there shall be due and payable on the Bonds, an amount equal to the total principal amount of all such Bonds plus all interest accrued thereon and which will accrue thereon to the date of payment.

(b) At any time after the principal of the Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the General Bond Resolution, the Trustee may annul such declaration and its consequences with respect to any Bonds not then due by their terms if (i) moneys shall have been deposited with the Trustee (other than in the Rebate Account) sufficient to pay all matured installments of interest and principal or Redemption Price (other than principal then due only because of such declaration) of all Outstanding Bonds; (ii) moneys shall have been deposited with the Trustee sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and any Paying Agents; (iii) all other amounts then payable by the Corporation under the General Bond Resolution shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every Event of Default known to the Trustee (other than a default in the payment of the principal of such Bonds then due only because of such declaration) shall have been remedied to the satisfaction of the Trustee. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

### **Additional Remedies and Enforcement of Remedies**

(a) Pursuant to the General Bond Resolution, upon the happening and continuance of any Event of Default, the Trustee may, and upon the written request of the Holders of not less than 25% in aggregate principal amount of the Bonds Outstanding, together with indemnification of the Trustee to its satisfaction therefor, shall, proceed forthwith to protect and enforce its rights and the rights of the Bondholders under the Act, the Bonds and the General Bond Resolution by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient, including but not limited to:

(1) Enforcement of the right of the Bondholders to collect and enforce the payment of principal of and interest due or becoming due on Mortgage Loans and collect



and enforce any rights in respect to the Mortgages securing such Mortgage Loans and to require the Corporation to carry out its duties and obligations under the terms of the General Bond Resolution, and to require the Corporation to perform its duties under the Act;

(2) Suit upon all or any part of the Bonds;

(3) Civil action to require the Corporation to account as if it were the trustee of an express trust for the Holders of Bonds;

(4) Civil action to enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of Bonds; and

(5) Enforcement of any other right of the Bondholders conferred by law, the Act or by the General Bond Resolution.

(b) Regardless of the happening of an Event of Default, the Trustee, if requested in writing by the Holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding, shall, upon being indemnified to its satisfaction therefor, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security under the General Bond Resolution by any acts which may be unlawful or in violation of the General Bond Resolution, or (ii) to preserve or protect the interests of the Bondholders, provided that such request is in accordance with law and the provisions of the General Bond Resolution and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Holders of Bonds not making such request.

#### **Application of Revenues and Other Moneys After Default**

(a) Pursuant to the General Bond Resolution, the Corporation covenants that if an Event of Default shall happen and shall not have been remedied, the Corporation, upon demand of the Trustee, shall pay or cause to be paid over to the Trustee (i) forthwith, all moneys and securities, if any, then held by the Corporation in any Fund or Account under the General Bond Resolution, except for those funds held in the Unrestricted Account of the Surplus Fund, and (ii) as promptly as practicable after receipt thereof, all Revenues and other payments or receipts pledged under the General Bond Resolution.

(b) During the continuance of an Event of Default arising under paragraphs (a), (b) or (c) of “Events of Default” above, the Trustee shall apply such moneys, securities, Revenues (excluding amounts required to be deposited in the Rebate Account, which shall continue to be deposited in the Rebate Account) payments and receipts and the income therefrom as follows and in the following order:

(1) To the payment of the amounts required for reasonable and necessary Fiduciary Expenses;

(2) To the payment of unpaid Senior Expenses, scheduled payments on Hedge Instruments, and to the interest and Principal Installments or Redemption Price then due on the Outstanding Bonds, subject to the provisions of the section entitled “**Acceleration; Annulment of Acceleration**” above, as follows:

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

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the persons entitled thereto, without any discrimination or preference;

Second: To the payment to the persons entitled thereto of the unpaid scheduled Hedge Instrument payments (other than termination payments), and the unpaid Principal Installments or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all scheduled Hedge Instrument Payments and the Bond payments due on any date, then to the payment thereof ratably, according to the amounts of scheduled Hedge Instrument Payments, Principal Installments or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference; and

Third: To the payment of any unpaid Senior Expenses which are due and payable.

(B) If the principal of all the Outstanding Bonds shall have become or have been declared due and payable, to the payment of unpaid Senior Expenses, unpaid scheduled Hedge Instrument payments (other than termination payments), the principal and interest then due and unpaid upon the Bonds without preference or priority of any such payment over any other such payment, ratably, according to the amounts due respectively to the persons entitled thereto without any discrimination or preference.

(3) Termination Payments then due on any Hedge Instruments, if any, to the extent determined by the Trustee.

(4) Any unpaid Subordinate Expenses to the extent determined by the Trustee.

### **Remedies Not Exclusive**

No remedy by the terms of the General Bond Resolution conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the General Bond Resolution or existing at law or in equity or by statute (including the Act) on or after the date of adoption of the General Bond Resolution.

### **Remedies Vested in Trustee**

All rights of action (including the right to file proof of claims) under the General Bond Resolution or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs

or defendants any Holders of the Bonds. Subject to the provisions of the General Bond Resolution, any recovery of judgment shall be for the equal benefit of the Holders of the Outstanding Bonds.

### **Majority Bondholders Control Proceedings**

Pursuant to the General Bond Resolution, if an Event of Default shall have occurred and be continuing, notwithstanding anything in the General Bond Resolution to the contrary, the Holders of at least a majority in aggregate principal amount of Bonds then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions of the General Bond Resolution or for the appointment of a receiver or any other proceedings under the General Bond Resolution, provided that such direction is in accordance with law and the provisions of the General Bond Resolution (including indemnity to the Trustee in accordance with the section entitled “**Additional Remedies and Enforcement of Remedies**” above) and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of Bondholders not joining in such direction and provided further that nothing herein shall impair the right of the Trustee in its discretion to take any other action under the General Bond Resolution which it may deem Property and which is not inconsistent with such direction by Bondholders.

### **Individual Bondholder Action Restricted**

(a) No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the General Bond Resolution or for the execution of any trust under the General Bond Resolution or for any remedy under the General Bond Resolution unless:

(1) an Event of Default has occurred in accordance with subsection (a) or (b) of the section entitled “**Event of Default**” above as to which the Trustee has actual notice, or as to which the Trustee has been notified in writing,

(2) the Holders of at least 10% in aggregate principal amount of Bonds Outstanding shall have made written request to the Trustee to proceed to exercise the powers granted in the General Bond Resolution or to institute such action, suit or proceeding in its own name,

(3) such Bondholders shall have offered the Trustee indemnity as provided in accordance with the section entitled “**Additional Remedies and Enforcement of Remedies**” above, and

(4) the Trustee shall have failed or refused to exercise the powers herein granted or to institute such action, suit or proceeding in its own name for a period of 60 days after receipt by its of such request and offer of indemnity.

(b) No one or more Holders of Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the security of the General Bond Resolution or to enforce any right under the General Bond Resolution except in the manner herein provided and for the equal benefit of the Holders of all Bonds Outstanding.

(c) Nothing contained in the General Bond Resolution shall affect or impair, or be construed to affect or impair, the right of the Holder of any Bond (i) to receive payment of the principal of or interest on such Bond, as the case may be, on or after the due date thereof or (ii) to institute suit for the enforcement of any such payment on or after such due date; provided, however, no Holder of any Bond may institute or

prosecute any such suit or enter judgment therein if, and to the extent that, the institution or prosecution of such suit or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien of the General Bond Resolution on the moneys, funds and properties pledged under the General Bond Resolution for the equal and ratable benefit of all Holders of Bonds.

### **Termination of Proceedings**

In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Bondholders, the Corporation, the Trustee and the Bondholders shall be restored to their former positions and rights under the General Bond Resolution, and all rights, remedies and powers of the Trustee and the Bondholders shall continue as if no such proceeding had been taken.

### **Waiver and Non-Waiver of Event of Default**

(a) No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by the General Bond Resolution to the Trustee and the Holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

(b) The Trustee may waive any Event of Default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of the General Bond Resolution, or before the completion of the enforcement of any other remedy under the General Bond Resolution.

(c) Notwithstanding anything contained in the General Bond Resolution to the contrary, the Trustee, upon the written request of the Holders of at least a majority of the aggregate principal amount of Bonds then Outstanding, shall waive any Event of Default under the General Bond Resolution and its consequences; provided, however, that except under the circumstances set forth in subsection (b) of the section entitled “**Acceleration; Annulment of Acceleration**” above or subsection (b) of this section entitled “**Waiver and Non-Waiver of Event of Default**”, a default in the payment of the principal of, premium, if any, or interest on, any Bond, when the same shall become due and payable by the terms thereof or upon call for redemption, may not be waived without the written consent of the Holders of all the Bonds at the time Outstanding.

(d) In case of any waiver by the Trustee of an Event of Default under the General Bond Resolution, the Corporation, the Trustee and the Bondholders shall be restored to their former positions and rights under the General Bond Resolution, respectively, but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon. The Trustee shall not be responsible to anyone for waiving or refraining from waiving any Event of Default in accordance with the General Bond Resolution.

### **Notice of Defaults**

(a) Within 30 days after (i) the receipt of notice of an Event of Default as provided in subsection (a)(1) of the section entitled “**Individual Bondholder Action Restricted**” above or (ii) the occurrence of an Event of Default under subsection (a) or (b) of the section entitled “**Events of Default**” above, of which the Trustee is deemed to have notice, the Trustee shall, unless such Event of Default shall have theretofore been cured, give written notice thereof by first class mail to each registered owner of Bonds

then Outstanding, provided that, except in the case of a default in the payment of Principal Installments or the Redemption Price of or interest on any of the Bonds, the Trustee may withhold such notice if, in its sole judgment, it determines that the withholding of such notice is in the best interests of the Bondholders.

(b) The Trustee shall immediately notify the Corporation of any Event of Default known to the Trustee.

### **Supplemental Resolutions Effective Upon Filing With the Trustee**

Pursuant to the General Bond Resolution, for any one or more of the following purposes, and at any time or from time to time, a Supplemental Resolution may be adopted, which, upon the filing with the Trustee of a copy thereof, shall be fully effective in accordance with its terms:

(a) To close the Bond Resolution against, or provide limitations and restrictions in addition to the limitations and restriction contained in the General Bond Resolution on, the issuance of future Bonds or of other Bonds, obligations or evidences of indebtedness;

(b) To add to the covenants and agreements of the Corporation in the General Bond Resolution or any Series Resolution other covenants and agreements to be observed by the Corporation which are not contrary to or inconsistent with the General Bond Resolution as theretofore in effect;

(c) To add to the limitations and restrictions in the General Bond Resolution or any Series Resolution other limitations and restrictions to be observed by the Corporation which are not contrary to or inconsistent with the General Bond Resolution as theretofore in effect;

(d) To amend the General Bond Resolution in any manner consistent with Sections 143 and 148 of the Code as in effect at the time of the amendment;

(e) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the General Bond Resolution or any Series Resolution of the Revenues or of any other moneys, securities or funds;

(f) To modify any of the provisions of the General Bond Resolution or any Series Resolution in any respect whatever, provided that the modification, in the sole judgment of the Corporation, is reasonably necessary to assure that the interest on the Bonds remains exempt from income taxation under Section 143 of the Code to the extent applicable; or

(g) To specify, determine or authorize by Series Resolution any and all matters and things relative to the Bonds of a Series or the proceeds thereof which are not contrary to or inconsistent with the General Bond Resolution as theretofore in effect.

### **Supplemental Resolutions Effective Upon Consent of Trustee**

Pursuant to the General Bond Resolution, for any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, which, upon the filing with the Trustee of a copy thereof and the filing with the Trustee and the Corporation of an instrument in writing made by the Trustee consenting thereto, shall be fully effective in accordance with its terms:

(a) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the General Bond Resolution or any Series Resolution;

(b) To insert such provisions clarifying matters or questions arising under the General Bond Resolution or any Series Resolution as are necessary or desirable and are not contrary to or inconsistent with the General Bond Resolution theretofore in effect;

(c) To provide for additional duties of the Trustee;

(d) To waive any right reserved to the Corporation, provided that the loss of such right shall not adversely impair the Revenues (other than amounts required to be deposited in the Rebate Account) available to pay the Outstanding Bonds; or

(e) To make any other change which in the judgment of the Trustee does not materially affect the Bondholders.

### **Supplemental Resolution Requiring Consent of Bondholders**

At any time or from time to time, the Corporation may adopt a Supplemental Resolution subject to consent by the Bondholders in accordance with and subject to the provisions of the General Bond Resolution, which Supplemental Resolution, upon compliance with the provisions of the General Bond Resolution, shall become fully effective in accordance with its terms as provided in the General Bond Resolution.

### **General Provisions**

(a) The General Bond Resolution and any Series Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of the General Bond Resolution. Nothing contained in the General Bond Resolution shall affect or limit the right or obligations of the Corporation to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument in accordance with the section entitled “**Additional Remedies and Enforcement of Remedies**” above or the right or obligations of the Corporation to execute and deliver to any Fiduciary any instrument which elsewhere in the General Bond Resolution it is provided shall be delivered to said Fiduciary.

(b) (i) Any Supplemental Resolution referred to and permitted or authorized in accordance with the sections entitled “**Supplemental Resolutions Effective Upon Filing With The Trustee**” and “**Supplemental Resolutions Effective Upon Consent of Trustee**” above, may be adopted by the Corporation without notice to or consent by any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided therein, respectively; (ii) The copy of every Supplemental Resolution, when filed with the Trustee, shall be accompanied by an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the General Bond Resolution, is authorized or permitted by the General Bond Resolution and is valid and binding upon the Corporation and enforceable in accordance with its terms (subject to State and federal bankruptcy, insolvency and other similar laws affecting the enforcement of creditors’ rights and to the availability of equitable remedies); (iii) The copy of every Supplemental Resolution adopted pursuant to subsection (d) or (f) of the section entitled “**Supplemental Resolutions Effective Upon Filing With The Trustee**” above, when filed with the Trustee, shall be accompanied by an opinion of Bond Counsel to the effect that (A) any such modification made pursuant to subsection (d) of the section entitled “**Supplemental Resolutions Effective Upon Filing With The Trustee**” above is reasonably designed to assure that the interest on the Bonds remains exempt from income taxation under Section 143 of the Code and (B) any such modification made pursuant to subsection (f) of the section entitled “**Supplemental**

**Resolutions Effective Upon Filing With The Trustee**” above will not cause the interest on the Bonds to become subject to income taxation under Section 143 of the Code.

(c) The Trustee is authorized under the General Bond Resolution to accept the delivery of and consent to any Supplemental Resolution and, subject to a requirement of Bondholders’ consent, if any, to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action shall be fully protected in relying on an opinion of counsel that such Supplemental Resolution or document is authorized or permitted by the provisions of the General Bond Resolution.

(d) Notwithstanding any other provisions of the General Bond Resolution, no Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

### **Discharge of General Bond Resolution in Entirety**

The General Bond Resolution provides that if the Corporation shall pay or cause to be paid, or there shall otherwise be paid, to the Bondholders of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the General Bond Resolution, and all Fiduciary Expenses, then the pledge provided in the above section entitled **“Pledge Effected By General Bond Resolution”** and all covenants, agreements and other obligations of the Corporation to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Corporation all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the Corporation all moneys or securities held by them pursuant to the Resolution which are not required for the payment of principal or Redemption Price, if applicable, or interest on Bonds not theretofore surrendered for such payment or redemption.

### **Defeasance of Bonds**

Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee or any one or more additional Paying Agents (through deposit by the Corporation of moneys for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the above section entitled **“Discharge of General Bond Resolution in Entirety.”** Any Outstanding Bonds of a Series or portions thereof, as applicable, shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in the above section entitled **“Discharge of General Bond Resolution in Entirety”** if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Corporation shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail notice of redemption of such Bonds on said date as provided in the General Bond Resolution; (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Obligations the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price of and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be; and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Corporation shall have given the Trustee in form satisfactory to it irrevocable instructions to mail a notice to the Bondholders of such Bonds that the deposit required by (ii) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this paragraph and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price of said Bonds. Neither Defeasance Obligations nor moneys deposited with the Trustee

pursuant to this paragraph nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, of and interest on said Bonds and any bonds or other obligations issued by the Corporation the proceeds of which were used to acquire such Defeasance Obligations, in whole or in part; provided, that no such principal of or interest on such Defeasance Obligations shall be applied to the payment of the principal or Redemption Price of or interest on such bonds or other obligations unless (a) the Trustee shall have received a schedule showing, for each year from the date of deposit of such Defeasance Obligations until the redemption date or maturity date of said Bonds, as the case may be, the amount of principal of and interest on such Defeasance Obligations and moneys, if any, deposited with the Trustee at the same time which will be available to pay the principal or Redemption Price of and interest due on said Bonds in each such year, plus the amount of any excess in each such year, and (b) the amount of such principal of or interest on such Defeasance Obligations to be so applied to the payment of such bonds or other obligations does not exceed in any year the amount of such excess for, or accumulated and unexpended to, such year. Notwithstanding any other provision of this paragraph, any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Trustee, if not then needed for such purpose, shall to the extent practicable and consistent with the provisions of the General Bond Resolution be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, of and interest due and to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be.

### **Powers of Amendment**

Any modification or amendment of the General Bond Resolution or any Resolution or of the rights and obligations of the Corporation and of the Bondholders under the General Bond Resolution or any Resolution, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in accordance with the section entitled “**Consent of Holders of the Bonds**” below of the Holders of at least two-thirds in principal amount of the Bonds Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bonds or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Bondholders of all such Bonds, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

### **Consent of Holders of Bonds**

The Corporation may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the section entitled “**Powers of Amendment**” above, to take effect when and as provided herein of the General Bond Resolution. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Corporation to the Holders of the Bonds. Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of Holders of the percentages of Outstanding Bonds specified in the section entitled “**Powers of Amendment**” above and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Corporation in accordance with the provisions of the General Bond Resolution, is authorized or permitted by the General Bond Resolution, and is valid and binding upon the Corporation and enforceable in accordance with its terms, subject to State and federal bankruptcy, insolvency and other similar laws affecting the enforcement of creditors’ rights and to the availability of equitable remedies, and (ii) a notice shall have been mailed as hereinafter provided. Any such consent shall be binding upon the Bondholder giving such consent and,



anything in the General Bond Resolution to the contrary notwithstanding, upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Bondholder thereof has notice thereof) unless such consent is revoked in writing by the Bondholder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee provided for herein is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Bondholders of the required percentage of Bonds shall have filed their consent to the Supplemental Resolution, the Trustee shall make and file with the Corporation and the Trustee a written statement that the Bondholders of such required percentage of Bonds have filed such requests. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter, notice stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Corporation on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentage of Bonds and will be effective as provided herein, may be given to Bondholders by the Corporation by mailing such notice to Bondholders not more than 90 days after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution and the written statement of the Trustee hereinabove provided for is filed. The Corporation shall file with the Trustee a Certificate of the Corporation as to the mailing thereof. A record, consisting of the papers required or permitted herein to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Corporation, the Fiduciaries and the Holders of all Bonds at the expiration of 30 days after the filing with the Trustee of the Certificate of the Corporation as to mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such thirty (30) day period; provided, however, that any Fiduciary and the Corporation during such thirty (30) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action or to refrain from taking such action, with respect to such Supplemental Resolution, as they may deem expedient.

### **Modifications by Unanimous Consent**

The terms and provisions of the General Bond Resolution or any Supplemental Resolution and the rights and obligations of the Corporation and of the Bondholders may be modified or amended in any respect upon the issuance and filing by the Corporation of a Supplemental Resolution and the consent of the Bondholders of all Bonds then Outstanding, such consent to be given as provided in the section entitled “**Consent of Holders**” above, except that no notice of such consent to Bondholders either by mailing or publication shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Trustee of the written assent thereto of such Fiduciary in addition to the consent of the Bondholders.

### **Notation on Bonds**

Bonds delivered after the effective date of any action taken as provided in the General Bond Resolution, may, and if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Corporation and the Trustee as to such action, and in that case upon demand of any Bondholder of any Bond Outstanding at such effective date and presentation of the Bondholder’s Bond for the purpose at the Corporate Trust Office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the Corporation or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the Corporation to conform to such action shall be prepared, delivered, and upon demand of the Bondholders of any Bond then

Outstanding shall be exchanged for Bonds of the same maturity then Outstanding, upon surrender of such Bonds.

#### **Parties Interested in General Bond Resolution**

Nothing in the General Bond Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Corporation, the Fiduciaries and the Bondholders any right, remedy or claim under or by reason of the Resolution or any covenant, condition or stipulation of the Resolution; and all the covenants, stipulations, promises and agreements in the General Bond Resolution contained by and on behalf of the Corporation shall be for the sole and exclusive benefit of the Corporation, the Fiduciaries and the Bondholders.

#### **Applicable Law**

The General Bond Resolution shall be governed exclusively by the applicable laws of the State.

[Remainder of page left blank intentionally]

## **APPENDIX C**

### **FORM OF CONTINUING DISCLOSURE AGREEMENT**

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

## CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (this “Agreement”), dated as of August 1, 2023, by the **Mississippi Home Corporation** (the “Corporation”), under a General Bond Resolution, dated as of July 15, 2009 (the “General Bond Resolution”) and the Series 2023CD Resolution, adopted June 14, 2023 (the “Series 2023CD Resolution,” together with the General Bond Resolution, the “Corporation Resolution”), of the Corporation is executed and delivered in connection with the issuance of the Corporation’s Single Family Mortgage Revenue Bonds, Series 2023C (Non-AMT) (the “Series 2023C Bonds”), and the Corporation’s Single Family Mortgage Revenue Bonds, Series 2023D (Federally Taxable) (the “Series 2023D Bonds”; and together with the Series 2023C Bonds, the “Series 2023CD Bonds”). Capitalized terms used but not otherwise defined herein shall have the meanings assigned thereto in the Corporation Resolution.

**Section 1. Purpose of this Agreement.** This Agreement is executed and delivered by the Corporation as of the date set forth below, for the benefit of the beneficial owners of the Series 2023CD Bonds and in order to assist the Participating Underwriter (as defined below) in complying with the requirements of the Rule (as defined below). The Corporation represents that it will be the only obligated person (as defined in the Rule) with respect to the Series 2023CD Bonds at the time the Series 2023CD Bonds are delivered to the purchasers thereof and that no other person is expected to become an obligated person at any time after the issuance of the Series 2023CD Bonds.

**Section 2. Definitions.** The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

“*Annual Financial Information*” means the financial information and operating data described in Exhibit I.

“*Annual Financial Information Disclosure*” means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

“*Audited Financial Statements*” means the audited consolidated financial statements of the Corporation, prepared pursuant to the standards and as described in Exhibit I.

“*Commission*” means the Securities and Exchange Commission.

“*Dissemination Agent*” means any agent designated as such in writing by the Corporation and which has filed with the Corporation a written acceptance of such designation, and such agent’s successors and assigns.

“*EMMA*” means the Electronic Municipal Market Access System found at [www.emma.msrb.org](http://www.emma.msrb.org), which is the electronic format prescribed by the MSRB pursuant to the Rule.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended.

“*Listed Event*” means the occurrence of any of the events with respect to the Series 2023CD Bonds set forth in Exhibit II.

5. “*Listed Events Disclosure*” means dissemination of a notice of a Listed Event as set forth in Section

“*MSRB*” means the Municipal Securities Rulemaking Board.

“*Participating Underwriter*” means each broker, dealer or municipal securities dealer acting as an underwriter in any primary offering of the Series 2023CD Bonds.

“*Prescribed Form*” means, with regard to the filing of Annual Financial Information, Audited Financial Statements and notices of Listed Events with the MSRB at [www.emma.msrb.org](http://www.emma.msrb.org) (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

“*Rule*” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“*State*” means the State of Mississippi.

“*Trustee*” means Hancock Whitney Bank, as trustee under the Corporation Resolution.

“*Undertaking*” means collectively the obligations of the Corporation pursuant to Sections 4 and 5.

**Section 3. CUSIP Numbers/Final Official Statement.** The CUSIP Numbers of the Series 2023CD Bonds are as listed in the final Official Statement relating to the Series 2023CD Bonds, dated July 7, 2023 (the “Final Official Statement”).

**Section 4. Annual Financial Information Disclosure.** Subject to Section 9 of this Agreement, the Corporation hereby covenants that it will disseminate the Annual Financial Information and the Audited Financial Statements (in the form and by the dates set forth below and in Exhibit I) by one of the following methods: (i) the Corporation may deliver such Annual Financial Information and the Audited Financial Statements to the MSRB within 180 days of the completion of the Corporation’s fiscal year or (ii) delivery of an Official Statement of the Corporation to the MSRB within 180 days of the completion of the Corporation’s fiscal year, but only to the extent such Official Statement includes such Annual Financial Information and Audited Financial Statements.

The Corporation is required to deliver such information in Prescribed Form and by such time so that such entities receive the information within the time specified.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the Corporation will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment is made to this Agreement, the Annual Financial Information for the year in which such amendment is made (or in any notice or supplement provided to the MSRB) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

**Section 5. Listed Events Disclosure.** Subject to Section 9 of this Agreement, the Corporation hereby covenants that it will disseminate in a timely manner, not in excess of 10 business days after the occurrence of the event, Listed Events Disclosure to the MSRB in Prescribed Form. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Series 2023CD Bonds or defeasance of any Series 2023CD Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the owners of the Series 2023CD Bonds pursuant to the Corporation Resolution.

**Section 6. Duty to Update EMMA/MSRB.** The Corporation shall determine, in the manner it deems appropriate, whether there has occurred a change in the MSRB's e-mail address or filing procedures and requirements under EMMA each time it is required to file information with the MSRB.

**Section 7. Consequences of Failure of the Corporation to Provide Information.** The Corporation shall give notice in a timely manner, not in excess of 10 business days after the occurrence of the event, to the MSRB in Prescribed Form of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the Corporation to comply with any provision of this Agreement, the beneficial owner of any Series 2023CD Bond may seek specific performance by court order to cause the Corporation to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an Event of Default under the Corporation Resolution or any other agreement, and the sole remedy under this Agreement in the event of any failure of the Corporation to comply with this Agreement shall be an action to compel performance.

**Section 8. Amendments; Waiver.** Notwithstanding any other provision of this Agreement, the Corporation may amend this Agreement, and any provision of this Agreement may be waived, if:

(i) (A) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Corporation or type of business conducted;

(B) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(C) The amendment or waiver does not materially impair the interests of the beneficial owners of the Series 2023CD Bonds, as determined either by parties unaffiliated with the Corporation (such as the Trustee) or by an approving vote of the beneficial owners of the Series 2023CD Bonds holding a majority of the aggregate principal amount of the Series 2023CD Bonds (excluding Series 2023CD Bonds held by or on behalf of the Corporation or its affiliates) pursuant to the terms of the Corporation Resolution at the time of the amendment; or

(ii) The amendment or waiver is otherwise permitted by the Rule.

**Section 9. Termination of Undertaking.** The Undertaking of the Corporation shall be terminated hereunder when the Corporation shall no longer have any legal liability for any obligation on or relating to the repayment of the Series 2023CD Bonds. The Corporation shall give notice to the MSRB in a timely manner and in Prescribed Form if this Section is applicable.

**Section 10. Dissemination Agent.** The Corporation may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

**Section 11. Additional Information.** Nothing in this Agreement shall be deemed to prevent the Corporation from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Corporation chooses to include any information from any document or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Corporation shall not have any obligation under this Agreement to update such information or include it in any future disclosure or notice of the occurrence of a Listed Event.

**Section 12. Beneficiaries.** This Agreement has been executed in order to assist the Participating Underwriter in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Corporation, the Dissemination Agent, if any, the Trustee and the beneficial owners of the Series 2023CD Bonds, and shall create no rights in any other person or entity.

**Section 13. Recordkeeping.** The Corporation shall maintain records of all Annual Financial Information Disclosure and Listed Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

**Section 14. Assignment.** The Corporation shall not transfer its obligations under the Corporation Resolution unless the transferee agrees to assume all obligations of the Corporation under this Agreement or to execute a continuing disclosure undertaking under the Rule.

**Section 15. Governing Law.** This Agreement shall be governed by the laws of the State.

**Section 16. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

MISSISSIPPI HOME CORPORATION

By \_\_\_\_\_  
Name: Scott F. Spivey  
Title: Executive Director

Dated: \_\_\_\_\_, 2023



## **EXHIBIT I**

### **ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS**

“*Annual Financial Information*” means financial information and operating data exclusive of Audited Financial Statements as set forth below:

The Series 2023CD Bonds

- *Outstanding Principal Amount*
- *Fund Balances*

The Program Securities

- *Aggregate Initial Principal Amount*
- *Aggregate Principal Amount Outstanding*

Information of the type included in Appendix G of the Final Official Statement as to the Bonds outstanding under the General Bond Resolution.

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to the MSRB or filed with the Commission. The Corporation shall clearly identify each such item of information included by reference.

Annual Financial Information will be provided to the MSRB within 180 days after the last day of the Corporation’s fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included, and Audited Financial Statements will be provided to the MSRB within 10 business days after availability to the Corporation.

Audited Financial Statements will be prepared in accordance with generally accepted accounting principles in the United States as in effect from time to time.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, including for this purpose a change made to the fiscal year-end of the Corporation, the Corporation will disseminate a notice to the MSRB of such change in Prescribed Form as required by such Section 4.

## **EXHIBIT II**

### **EVENTS WITH RESPECT TO THE SERIES 2023CD BONDS FOR WHICH LISTED EVENTS DISCLOSURE IS REQUIRED**

1. Principal and interest payment delinquencies
2. Nonpayment-related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices 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 events affecting the tax status of the security
7. Modifications to rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Corporation\*
13. The consummation of a merger, consolidation or acquisition involving the Corporation or the sale of all or substantially all of the assets of the Corporation, 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
14. Appointment of a successor or additional trustee or the change of name, if material
15. Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material

---

\*This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Corporation 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 Corporation, 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 Corporation.

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

## **APPENDIX D**

### **PROPOSED FORM OF OPINION OF BOND COUNSEL**

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

August \_\_, 2023

Mississippi Home Corporation  
Jackson, Mississippi

Re: \$70,000,000 Single Family Mortgage Revenue Bonds, Series 2023C (Non-AMT) (the  
“Series 2023C Bonds”)

\$29,295,000 Single Family Mortgage Revenue Bonds, Series 2023D (Federally Taxable)  
(the “Series 2023D Bonds”; and together with the Series 2023C Bonds, the “Bonds”)

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and sale by the Mississippi Home Corporation (the “Corporation”) of the above defined Bonds. The Bonds are authorized to be issued under the Mississippi Home Corporation Act, Sections 43-33-701, et seq., Mississippi Code of 1972, as amended (the “Act”), and the Single Family Mortgage Bond Resolution adopted by the Members of the Corporation on July 15, 2009, as supplemented and amended from time to time (as so supplemented and amended, the “General Bond Resolution”), and a Series 2023CD Resolution adopted by the Members of the Corporation on June 14, 2023, and as supplemented by a certificate of the Corporation dated August \_\_, 2023 (collectively, the “Series Resolution”). The General Bond Resolution and the Series Resolution are referred to herein together as the “Bond Resolution.” Reference is hereby made to the Bonds and the Bond Resolution for further description of the terms and conditions governing payment thereof, including the interest rates and the dates on which interest is payable, maturity and provisions for redemption prior to maturity. Words and phrases defined in the Bond Resolution referred to below and used in this opinion letter have the same meanings therein and herein.

The Corporation has issued previous series of bonds under the General Bond Resolution (the “Prior Bonds”) and has reserved the right to issue additional bonds on the terms and conditions and for the purposes stated in the General Bond Resolution. Under the General Bond Resolution the Bonds, the Prior Bonds and all additional bonds issued in the future will be equally and ratably secured by the pledge and the covenants contained in the General Bond Resolution.

The Bonds shall constitute limited obligations of the Corporation, secured solely by a pledge of the pledged Revenues under the Bond Resolution. The Bonds do not constitute an obligation, either general or special, of the State of Mississippi (the “State”), any municipality or any other political subdivision of the State. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged for payment of the Bonds. The Corporation has no taxing power. The Bonds are not a debt of the United States of America or any agency thereof or the Government National Mortgage Association, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation and are not guaranteed by the full faith and credit of the United States of America.

In connection with the issuance of the Bonds, we have examined (a) certified copies of the General Bond Resolution and the Series Resolution authorizing the issuance of the Bonds, adopted by the Members of the Corporation pursuant to and under the provisions of the Act, (b) the forms of the Bonds, (c) the forms of the Corporation’s Servicing Agreements and the Mortgage Origination Agreements, which agreements

require delivery of certain certifications and closing affidavits and other documents prior to the purchase of any Program Securities originated thereunder, and (d) such other opinions, documents, certificates and letters, including calculations prepared by cfX Incorporated, upon which we rely without independent verification, as we deem relevant and necessary in rendering the legal opinions in this letter. Regarding questions of fact material to our opinions in this letter, we have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the certified transcript of proceedings described in this paragraph and on the authenticity, truthfulness and completeness set forth in such documents, instruments and certificates. As to certificates, we have assumed the same to be properly given and accurate. We have not assumed any responsibility with respect to the financial condition or capabilities of the Corporation or the disclosure thereof in connection with the sale of the Bonds.

Based on the foregoing, assuming due authorization, execution and delivery of all documents by parties other than the Corporation, and subject to the qualifications, assumptions, and statements of reliance herein, we are of the opinion on the date hereof that:

1. The Corporation is validly organized and existing under State law with full power and authority to execute and deliver the Bond Resolution and to issue and sell the Bonds.

2. The Bonds have been duly authorized and issued in accordance with the Act and, assuming due authentication thereof by the Trustee, constitute valid and binding limited obligations of the Corporation, payable solely out of the Revenues, money or assets pledged under the Bond Resolution for the payment thereof. The Bonds do not create or constitute an indebtedness or obligation or a pledge of the faith and credit of the State or its agencies. The issuance of the Bonds will not directly or indirectly obligate the State to levy or pledge any form of taxation whatever therefore or make any appropriation for their payment.

3. The Bond Resolution has been duly authorized, executed and delivered by the Corporation, constitutes a valid and binding obligation of the Corporation, and is enforceable against the Corporation in accordance its terms. The Bond Resolution creates the valid pledge of and lien on the Revenues and all the Funds established by the Bond Resolution (except any “rebate funds”), to secure payment of the Bonds and all additional bonds under the General Bond Resolution, subject only to the provisions of the Bond Resolution permitting the use and application thereof for or to the purposes and on the terms and conditions set forth in the Bond Resolution.

4. Under existing statutes, regulations, published rulings and judicial decisions, assuming compliance with certain covenants set forth in the Bond Resolution, the Servicing Agreements and the Mortgage Origination Agreements which contain such provisions as are necessary to satisfy the requirements of Section 143 of the Internal Revenue Code of 1986, as amended (the “Code”), and except as set forth below, (i) interest on the Series 2023C Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and (ii) interest on the Series 2023C Bonds is not treated as a specific item of tax preference under Section 57 of the Code in calculating the federal alternative minimum tax imposed by Section 55 of the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. In rendering the opinions contained in this paragraph 4, we have assumed continuing compliance by the Corporation with the requirements of the Code that must be met after the issuance of the Series 2023C Bonds in order that interest on the Series 2023C Bonds be excludable from gross income of the owners thereof for federal income tax purposes. The failure to meet such requirements may cause interest on the Series 2023C Bonds



to be included in gross income of the owners thereof for federal income tax purposes retroactive to the date of issuance of the Series 2023C Bonds. In the Bond Resolution and certain certificates and agreements, the Corporation has agreed to comply with or to require compliance with the requirements of the Code in order to maintain the excludability of interest on the Series 2023C Bonds from gross income of the owners thereof for federal income tax purposes.

We express no opinion regarding any other consequences affecting federal income tax liability of a recipient of interest on the Bonds except as expressly stated hereinabove. Each owner of the Bonds should consult its own tax advisor concerning the effects of the receipt or accrual of interest on the Bonds and the effects of the additional limitations imposed by the Code on its own individual tax liability.

5. Under existing law, interest on the Bonds is exempt from taxes directly imposed by the State, except for estate or gift taxes and taxes on transfers.

**Interest on the Series 2023D Bonds should be treated as includable in gross income of the holders thereof for federal income tax purposes.**

It is understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar law affecting creditors' rights heretofore or hereafter enacted and that the enforcement thereof may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certificates, the Bond Resolution, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We also have assumed the genuineness of the signatures appearing upon such public records, certifications, Bond Resolution, documents and proceedings. We express no opinion herein as to the accuracy or completeness of any information, including the Preliminary Official Statement dated June 27, 2023, or the Official Statement dated July 7, 2023, relating to the Bonds that may have been relied upon by anyone in making the decision to purchase the Bonds. In rendering this opinion letter we have relied upon the opinion of Balch & Bingham LLP, acting as counsel for the Corporation, dated the date hereof, as to the due authorization and execution by and enforceability against the Corporation as to the Bonds and the Bond Resolution.

This opinion letter is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion letter as to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

BUTLER SNOW LLP

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

**APPENDIX E**  
**PROJECTED PERCENTAGES OF INITIAL PRINCIPAL BALANCE OUTSTANDING**  
**AND**  
**WEIGHTED AVERAGE LIVES OF PAC BONDS**

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

Set forth in the following table are projected percentages of initial principal balance outstanding and projected weighted average lives for the PAC Bonds under a number of different prepayment speeds. “Projected percentages of initial principal balance outstanding” refers to the principal balance of the PAC Bonds that will be outstanding on a specified date expressed as a percentage of the initial principal amount of such PAC Bonds. The “projected weighted average life” of the PAC Bonds refers to the average amount of time that is projected to elapse from the date of delivery of the PAC Bonds to the date of projected payment to the investor of each dollar paid to reduce the principal of the PAC Bonds (assuming no losses). The projected weighted average life of a security is determined by (a) multiplying each projected reduction, if any, of the outstanding amount of such security by the number of years from the date of delivery of such security to the related redemption date or maturity date, (b) adding the results and (c) dividing the sum by the initial outstanding amount of such security.

**Projected Percentages of Initial Principal Balance Outstanding and Weighted Average Lives  
Series 2023D PAC Bonds**

	Prepayment Assumption								
<b>Payment Date</b>	<b>0% PSA</b>	<b>25% PSA</b>	<b>50% PSA</b>	<b>75% PSA</b>	<b>100% PSA</b>	<b>200% PSA</b>	<b>300% PSA</b>	<b>400% PSA</b>	<b>500% PSA</b>
Initial Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
December 1, 2023	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
December 1, 2024	99.8%	98.9%	97.9%	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%
December 1, 2025	99.4%	95.1%	90.6%	87.0%	87.0%	87.0%	87.0%	87.0%	87.0%
December 1, 2026	98.9%	89.1%	79.4%	71.0%	71.0%	71.0%	71.0%	71.0%	71.0%
December 1, 2027	98.5%	83.0%	67.9%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%
December 1, 2028	98.0%	77.2%	57.1%	40.1%	40.1%	40.1%	40.1%	40.1%	40.1%
December 1, 2029	98.0%	72.1%	47.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
December 1, 2030	98.0%	67.3%	38.5%	14.1%	14.1%	14.1%	14.1%	14.1%	14.1%
December 1, 2031	98.0%	62.8%	30.3%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
December 1, 2032	98.0%	58.6%	22.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2033	98.0%	54.8%	16.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2034	98.0%	51.4%	11.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2035	98.0%	48.5%	7.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2036	98.0%	45.9%	3.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2037	98.0%	43.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2038	98.0%	42.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2039	98.0%	40.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2040	98.0%	40.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2041	98.0%	39.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2042	98.0%	39.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2043	98.0%	39.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2044	98.0%	39.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2045	98.0%	39.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2046	98.0%	39.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2047	98.0%	39.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2048	98.0%	39.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2049	75.5%	22.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2050	51.5%	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2051	25.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2052	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
December 1, 2053	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>First Payment or Redemption Date</b>	12/1/2024	6/1/2024	6/1/2024	6/1/2024	6/1/2024	6/1/2024	6/1/2024	6/1/2024	6/1/2024
<b>Last Payment or Redemption Date</b>	12/1/2052	6/1/2051	12/1/2037	6/1/2032	6/1/2032	6/1/2032	6/1/2032	6/1/2032	6/1/2032
<b>Weighted Average Life</b>									
<b>Optional Call Not Exercised</b>	27.1	15.2	6.8	5.0	5.0	5.0	5.0	5.0	5.0
<b>Optional Call at 06/01/2032 Exercised</b>	8.7	7.4	6.1	5.0	5.0	5.0	5.0	5.0	5.0
<b>Weighted Average Life Date</b>									
<b>Optional Call Not Exercised</b>	9/30/2050	11/2/2038	5/18/2030	8/8/2028	8/8/2028	8/8/2028	8/8/2028	8/8/2028	8/8/2028
<b>Optional Call at 06/01/2032 Exercised</b>	4/22/2032	12/20/2030	9/8/2029	8/8/2028	8/8/2028	8/8/2028	8/8/2028	8/8/2028	8/8/2028

**APPENDIX F**

**AUDITED FINANCIAL STATEMENTS OF THE CORPORATION  
FOR FISCAL YEARS ENDED JUNE 30, 2022 AND 2021**

**[THIS PAGE INTENTIONALLY LEFT BLANK]**



# Mississippi Home Corporation

Independent Auditor's Reports and Combined Financial Statements

June 30, 2022 and 2021

---

# Mississippi Home Corporation

## June 30, 2022 and 2021

### Contents

<b>Independent Auditor's Report .....</b>	<b>1</b>
<b>Management's Discussion and Analysis .....</b>	<b>4</b>
<b>Combined Financial Statements</b>	
Statements of Net Position .....	11
Statements of Revenues, Expenses and Changes in Net Position .....	12
Statements of Cash Flows.....	13
Notes to Financial Statements.....	15
<b>Supplementary Schedules</b>	
Combining Schedule of Net Position .....	36
Combining Schedule of Revenues, Expenses and Changes in Net Position .....	38
Combining Schedule of Cash Flows.....	40
Schedule of Employer Contributions and the Proportionate Share of the Net Pension Liability PERS Pension Plan.....	44
Notes to Supplementary Schedules .....	45
<b>Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....</b>	<b>47</b>



1400 Meadowbrook Road, Suite 300 / Jackson, MS 39211

P 601.948.6700 / F 601.948.6000

[forvis.com](http://forvis.com)

## Independent Auditor's Report

Board of Directors  
Mississippi Home Corporation  
Jackson, Mississippi

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the combined financial statements of Mississippi Home Corporation (the "Corporation"), an instrumentality of the State of Mississippi, as of and for the years ended June 30, 2022 and 2021, and the related notes to the combined financial statements, which collectively comprise the Corporation's basic combined financial statements as listed in the table of contents.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Corporation as of June 30, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Combined Financial Statements" section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Combined Financial Statements*

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

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Combined Financial Statements***

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension information listed in the table of contents be presented to supplement the basic combined financial statements. Such information is the responsibility of management and, although not part of the basic combined financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic combined financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic combined financial statements, and other knowledge we obtained during our audit of the basic

combined financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the combined financial statements that collectively comprise the Corporation's basic combined financial statements. The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic combined financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic combined financial statements or to the basic combined financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic combined financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2022, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

**FORVIS, LLP**

Jackson, Mississippi  
November 4, 2022

# **Mississippi Home Corporation**

## **Management's Discussion and Analysis**

### **Years Ended June 30, 2022 and 2021**

This Management's Discussion and Analysis ("MD&A") seeks to provide readers with a narrative overview of Mississippi Home Corporation's (the "Corporation") financial activities for the fiscal years ended June 30, 2022 and 2021. This MD&A should be read in conjunction with the accompanying basic combined financial statements and notes thereto, as well as our independent auditor's report thereon.

#### **Required Basic Combined Financial Statements**

The required basic combined financial statements of the Corporation report information about the Corporation using accounting methods similar to those used by private sector companies. These statements offer information about the Corporation's activities. The combined statements of net position include all of the Corporation's assets and liabilities and provide information about the nature and amounts of investments in resources (assets) and the obligations to the Corporation's creditors (liabilities). The assets are presented in order of liquidity, and liabilities are presented in order of nearness to payment.

All of the reporting period's revenues and expenses are accounted for in the combined statements of revenues, expenses and changes in net position. These statements measure the activities of the Corporation's operations and can be used to determine whether the Corporation has successfully recovered all of its costs through its services provided.

The last required financial statement is the combined statements of cash flows. The primary purpose of these statements is to provide information about the Corporation's cash receipts and cash payments during the reporting period. The statements report cash receipts, cash payments and net changes in cash resulting from operating, noncapital financing, capital and related financing, and investing activities and provide information regarding the sources and uses of cash and the changes in the cash balances during the reporting period.

#### **2022 Financial Highlights**

- Total assets and deferred outflows of resources decreased \$57.3 million, or 6.6 percent
- Total liabilities and deferred inflow of resources decreased \$3.7 million, or 0.5 percent
- Cash and investments decreased \$69.3 million, or 8.5 percent
- Bonds payable increased \$98.2 million, or 22.4 percent
- Total net position decreased \$53.6 million, or 51.6 percent, including a \$55.5 million decrease in the fair value of investments
- Total operating revenues (excluding fair value adjustments) increased \$209.2 million, or 412.5 percent
- Total operating expenses increased \$209.9 million, or 436.3 percent
- Interest income decreased \$0.2 million, or 1.2 percent
- Interest expense increased \$0.9 million, or 7.7 percent
- Grant fund revenues increased \$208.1 million, or 726.6 percent
- Grant fund expenses increased \$208.4 million, or 793.0 percent
- Operating income (excluding fair value adjustments) decreased \$0.7 million, or 27.2 percent

# Mississippi Home Corporation

## Management's Discussion and Analysis

### Years Ended June 30, 2022 and 2021

The following table summarizes the changes in the Corporation's assets and deferred outflows of resources, liabilities and deferred inflow of resources and net position that occurred during the year ended June 30, 2022.

	2022	2021	Change	
			Dollars	%
Cash and cash equivalents				
Restricted	\$ 183,394,615	\$ 283,068,974	\$ (99,674,359)	-35.2%
Unrestricted	9,104,439	6,322,734	2,781,705	44.0%
Investments, at fair value	552,034,042	524,402,339	27,631,703	5.3%
Mortgage loans, net	43,920,361	41,248,342	2,672,019	6.5%
Other assets	19,150,924	9,574,287	9,576,637	100.0%
Total assets	807,604,381	864,616,676	(57,012,295)	-6.6%
Deferred outflows of resources	2,930,452	3,205,010	(274,558)	-8.6%
Total assets and deferred outflows of resources	<u>\$ 810,534,833</u>	<u>\$ 867,821,686</u>	<u>\$ (57,286,853)</u>	-6.6%
Bonds payable, net	\$ 536,466,642	\$ 438,271,096	\$ 98,195,546	22.4%
Notes payable	1,853,814	1,329,215	524,599	39.5%
Low income housing tax credit program unearned revenues	23,420,688	22,684,589	736,099	3.2%
Grant fund unearned revenues	179,031,073	283,698,556	(104,667,483)	-36.9%
Net pension liability	9,332,220	11,843,931	(2,511,711)	-21.2%
All other liabilities	7,264,156	6,050,036	1,214,120	20.1%
Total liabilities	757,368,593	763,877,423	(6,508,830)	-0.9%
Deferred inflow of resources	2,810,467	-	2,810,467	100.0%
Total liabilities and deferred inflow of resources	<u>\$ 760,179,060</u>	<u>\$ 763,877,423</u>	<u>\$ (3,698,363)</u>	-0.5%
Net investments in capital assets	\$ 1,937,275	\$ 1,290,692	\$ 646,583	50.1%
Restricted net position	32,767,811	83,371,014	(50,603,203)	-60.7%
Unrestricted net position	15,650,687	19,282,557	(3,631,870)	-18.8%
Total net position	<u>\$ 50,355,773</u>	<u>\$ 103,944,263</u>	<u>\$ (53,588,490)</u>	-51.6%

# Mississippi Home Corporation

## Management's Discussion and Analysis

### Years Ended June 30, 2022 and 2021

The following table summarizes the changes in the Corporation's operating revenues and expenses, before fair value adjustments, for the fiscal years ended June 30, 2022.

	2022	2021	Change	
			Dollars	%
Interest on mortgage-backed securities	\$ 16,071,604	\$ 16,150,545	\$ (78,941)	-0.5%
Interest on cash and other investments	766,008	862,704	(96,696)	-11.2%
Interest on mortgage loans	344,073	382,325	(38,252)	-10.0%
Low income housing tax credit program	3,746,942	2,736,578	1,010,364	36.9%
Grant fund revenues	236,686,682	28,632,687	208,053,995	726.6%
Program fees	631,615	1,187,569	(555,954)	-46.8%
Other income	1,697,338	763,622	933,716	122.3%
<b>Total operating revenues</b>	<b>259,944,262</b>	<b>50,716,030</b>	<b>209,228,232</b>	<b>412.5%</b>
Interest expense	12,664,409	11,760,441	903,968	7.7%
Bond issuance costs	2,460,026	1,453,218	1,006,808	69.3%
Salaries and related benefits	5,820,575	6,290,183	(469,608)	-7.5%
Grant fund expenses	234,635,469	26,274,228	208,361,241	793.0%
Program expenses	215,211	231,832	(16,621)	-7.2%
All other expenses	2,255,769	2,107,671	148,098	7.0%
<b>Total operating expenses</b>	<b>258,051,459</b>	<b>48,117,573</b>	<b>209,933,886</b>	<b>436.3%</b>
Operating income before fair value adjustments	\$ 1,892,803	\$ 2,598,457	\$ (705,654)	-27.2%

The Corporation reported total assets and deferred outflows of resources of \$810.5 million at June 30, 2022. This represented a decrease of \$57.3 million compared to June 30, 2021. Total liabilities and deferred inflow of resources for the same period decreased \$3.7 million, while total net position decreased \$53.6 million.

Cash and cash equivalents decreased \$96.9 million to \$192.5 million at June 30, 2022, compared to June 30, 2021. The decrease was due primarily to cash related to the Treasury's Emergency Rental Assistance Program (ERA1 and ERA2) and Homeowner Assistance Fund.

Investments increased \$27.6 million to \$552.0 million at June 30, 2022, compared to June 30, 2021. The increase was the result of two factors:

- Scheduled payments and prepayments of mortgage-backed securities in the Mortgage Revenue Bond Program as a result of homeowners refinancing their mortgages, as well as loans being purchased out of the mortgage-backed securities due to loan restructurings.
- The decrease in market value adjustment of \$55.5 million primarily on mortgage-backed securities.



# **Mississippi Home Corporation**

## **Management's Discussion and Analysis**

### **Years Ended June 30, 2022 and 2021**

- The purchase of \$140.4 million in mortgage-backed securities under the Corporation's open indenture.

The decrease in deferred outflows of resources of \$0.3 million in 2022 is primarily related to a decrease in deferred amount on refunding.

The decrease in total liabilities of \$6.5 million in 2022 was attributable primarily to:

- A net increase in bonds payable of \$98.2 million resulting from the following factors:
  - Issuance of the Series 2021B and 2022AB revenue bonds
  - Calls resulting from the mortgage-backed securities prepayments
- A decrease in grant fund unearned revenues of \$104.7 million due to funds previously received from awarding agencies used for program and administrative expenses.

Total operating revenues before fair value adjustments for fiscal year 2022 were \$259.9 million, compared to \$50.7 million for fiscal year 2021. The increase in operating revenues was attributable primarily to an increase in "flow-through" revenues of \$208.1 million from the Corporation's management of federal grant programs.

Total operating expenses were \$258.1 million in fiscal year 2022, up from \$48.1 million in fiscal year 2021. The increase in operating expenses was attributable primarily to an increase in "flow-through" expenses of \$208.4 million from the Corporation's management of federal grant programs.

As a result of the above factors, operating income before fair value adjustments was \$1.9 million in 2022, compared to \$2.6 million in 2021.

#### **2021 Financial Highlights**

- Total assets and deferred outflows of resources increased \$292.3 million, or 50.8 percent
- Total liabilities and deferred inflow of resources increased \$294.4 million, or 62.7 percent
- Cash and investments increased \$290.3 million, or 55.5 percent
- Bonds payable increased \$49.9 million, or 12.9 percent
- Total net position decreased \$2.1 million, or 2.0 percent, including a \$4.7 million decrease in the fair value of investments
- Total operating revenues (excluding fair value adjustments) increased \$10.0 million, or 24.4 percent
- Total operating expenses increased \$10.6 million, or 28.3 percent
- Interest income increased \$0.2 million, or 1.0 percent
- Interest expense increased \$0.8 million, or 7.7 percent
- Grant fund revenues increased \$10.9 million, or 61.5 percent
- Grant fund expenses increased \$10.7 million, or 69.0 percent
- Operating income (excluding fair value adjustments) decreased \$0.7 million, or 20.1 percent

# Mississippi Home Corporation

## Management's Discussion and Analysis

### Years Ended June 30, 2022 and 2021

The following table summarizes the changes in the Corporation's assets and deferred outflows of resources, liabilities and deferred inflow of resources and net position that occurred during the year ended June 30, 2021.

	2021	2020	Change	
			Dollars	%
Cash and cash equivalents				
Restricted	\$ 283,068,974	\$ 50,304,439	\$ 232,764,535	462.7%
Unrestricted	6,322,734	5,826,278	496,456	8.5%
Investments, at fair value	524,402,339	467,328,860	57,073,479	12.2%
Mortgage loans receivable, net	41,248,342	40,595,022	653,320	1.6%
Other assets	9,574,287	8,818,212	756,075	8.6%
Total assets	864,616,676	572,872,811	291,743,865	50.9%
Deferred outflows of resources	3,205,010	2,633,281	571,729	21.7%
Total assets and deferred outflow of resources	<u>\$ 867,821,686</u>	<u>\$ 575,506,092</u>	<u>\$ 292,315,594</u>	50.8%
 Bonds payable, net	 \$ 438,271,096	 \$ 388,327,313	 \$ 49,943,783	 12.9%
Notes payable	1,329,215	1,400,111	(70,896)	-5.1%
Low income housing tax credit program unearned revenues	22,684,589	22,736,951	(52,362)	-0.2%
Grant fund unearned revenues	283,698,556	42,127,829	241,570,727	573.4%
Net pension liability	11,843,931	10,275,647	1,568,284	15.3%
All other liabilities	6,050,036	4,451,137	1,598,899	35.9%
Total liabilities	763,877,423	469,318,988	294,558,435	62.8%
Deferred inflow of resources	-	123,481	(123,481)	-100.0%
Total liabilities and deferred inflow of resources	<u>\$ 763,877,423</u>	<u>\$ 469,442,469</u>	<u>\$ 294,434,954</u>	62.7%
 Net investments in capital assets	 \$ 1,290,692	 \$ 1,325,965	 \$ (35,273)	 -2.7%
Restricted net position	83,371,014	83,522,163	(151,149)	-0.2%
Unrestricted net position	19,282,557	21,215,495	(1,932,938)	-9.1%
Total net position	<u>\$ 103,944,263</u>	<u>\$ 106,063,623</u>	<u>\$ (2,119,360)</u>	-2.0%

# Mississippi Home Corporation

## Management's Discussion and Analysis

### Years Ended June 30, 2022 and 2021

The following table summarizes the changes in the Corporation's operating revenues and expenses, before fair value adjustments, for the fiscal years ended June 30, 2021.

			Change	
	2021	2020	Dollars	%
Interest on mortgage-backed securities	\$ 16,150,545	\$ 15,113,173	\$ 1,037,372	6.9%
Interest on cash and other investments	862,704	1,674,612	(811,908)	-48.5%
Interest on mortgage loans	382,325	428,461	(46,136)	-10.8%
Low income housing tax credit program	2,736,578	3,672,474	(935,896)	-25.5%
Grant fund revenues	28,632,687	17,731,480	10,901,207	61.5%
Program fees	1,187,569	1,714,638	(527,069)	-30.7%
All other income	763,622	420,398	343,224	81.6%
Total operating revenues	50,716,030	40,755,236	9,960,794	24.4%
Interest expense	11,760,441	10,918,390	842,051	7.7%
Bond issuance costs	1,453,218	1,956,700	(503,482)	-25.7%
Salaries and related benefits	6,290,183	6,010,123	280,060	4.7%
Grant fund expenses	26,274,228	15,549,600	10,724,628	69.0%
Program expenses	231,832	528,852	(297,020)	-56.2%
All other expenses	2,107,671	2,540,366	(432,695)	-17.0%
Total operating expenses	48,117,573	37,504,031	10,613,542	28.3%
Operating income before fair value adjustments	\$ 2,598,457	\$ 3,251,205	\$ (652,748)	-20.1%

The Corporation reported total assets and deferred outflows of resources of \$867.8 million at June 30, 2021. This represented an increase of \$292.3 million compared to June 30, 2020. Total liabilities and deferred inflow of resources for the same period increased \$294.4 million, while total net position decreased \$2.1 million.

Cash and cash equivalents increased \$233.3 million to \$289.4 million at June 30, 2021, compared to June 30, 2020. The increase was due primarily to cash related to the Treasury Emergency Rental Assistance Program and Homeowner Assistance Fund.

Investments increased \$57.1 million to \$524.4 million at June 30, 2021, compared to June 30, 2020. The increase was the result of two factors:

- Scheduled payments and prepayments of mortgage-backed securities in the Mortgage Revenue Bond Program as a result of homeowners refinancing their mortgages, as well as loans being purchased out of the mortgage-backed securities due to loan restructurings; offset by
- The purchase of \$108.7 million in mortgage-backed securities under the Corporation's open indenture.

The increase in deferred outflows of resources of \$0.6 million in 2021 is primarily related to pension allocation adjustments.

# **Mississippi Home Corporation**

## **Management's Discussion and Analysis**

### **Years Ended June 30, 2022 and 2021**

The increase in total liabilities of \$294.6 million in 2021 was attributable primarily to:

- A net increase in bonds payable of \$49.9 million resulting from the following factors:
  - Issuance of the Series 2020B and 2021A revenue bonds
  - Calls resulting from the mortgage-backed securities prepayments
- An increase in grant fund unearned revenues of \$241.6 million due to funds received from awarding agencies pending use for program and administrative expenses.

Total operating revenues before fair value adjustments for fiscal year 2021 were \$50.7 million, compared to \$40.8 million for fiscal year 2020. The increase in operating revenues was attributable primarily to an increase in "flow-through" revenues of \$10.9 million from the Corporation's management of federal grant programs.

Total operating expenses were \$48.1 million in fiscal year 2021, up from \$37.5 million in fiscal year 2020. The increase in operating expenses was attributable primarily to an increase in "flow-through" expenses of \$10.7 million from the Corporation's management of federal grant programs.

As a result of the above factors, operating income before fair value adjustments was \$2.6 million in 2021, compared to \$3.3 million in 2020.

#### **Debt Administration**

The Corporation sells bonds to investors in order to raise capital. These bonds are marketable securities backed by mortgage loans on residential properties. The Corporation's bond issues require cash reserves along with mortgage insurance and other safeguards in addition to the mortgage on the property being financed, all of which gives the investor or bondholder additional assurance that the issuer, in this case the Corporation, will repay the bonds.

#### **Economic Factors**

The primary business activity of the Corporation is funding the purchase of single-family home mortgages. The Corporation's mortgage financing activities are sensitive to the level of interest rates; the spread between the rate available on the Corporation's loans and the rates available in the conventional mortgage markets; and the availability of affordable housing. The availability of long-term tax-exempt financing on favorable terms is a key element in providing the funding necessary for the Corporation to continue its mortgage financing activities.

#### **Contact Information**

This financial report is designed to provide a general overview of the Corporation's finances for all those with interest. Questions concerning any of the information contained in this report or requests for any additional information should be addressed to the Chief Financial Officer at Mississippi Home Corporation, 735 Riverside Drive, Jackson, Mississippi 39202 or via our website at [www.mshomecorp.com](http://www.mshomecorp.com).

**Mississippi Home Corporation**  
**Combined Statements of Net Position**  
**June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 9,104,439	\$ 6,322,734
Restricted cash and cash equivalents	14,914,967	12,649,603
Accrued interest receivable	1,742,689	1,675,204
Total current assets	<u>25,762,095</u>	<u>20,647,541</u>
<b>Noncurrent Assets</b>		
Restricted cash and cash equivalents	168,479,648	270,419,371
Investments, at fair value	552,034,042	524,402,339
Mortgage loans receivable, net of allowance for losses on mortgage loans of \$1,057,880 in 2022 and \$1,137,623 in 2021	43,920,361	41,248,342
Other assets	17,408,235	7,899,083
Total noncurrent assets	<u>781,842,286</u>	<u>843,969,135</u>
Total assets	<u>807,604,381</u>	<u>864,616,676</u>
<b>Deferred Outflows of Resources</b>		
Deferred amount on refunding	746,141	1,277,451
Deferred pension outflow	2,184,311	1,927,559
Total deferred outflows of resources	<u>2,930,452</u>	<u>3,205,010</u>
Total assets and deferred outflows of resources	<u>\$ 810,534,833</u>	<u>\$ 867,821,686</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Bonds payable, net	\$ 16,438,169	\$ 11,666,101
Notes payable	72,324	71,608
Accrued interest payable	1,227,304	1,014,359
Total current liabilities	<u>17,737,797</u>	<u>12,752,068</u>
<b>Noncurrent Liabilities</b>		
Bonds payable, net	520,028,473	426,604,995
Notes payable	1,781,490	1,257,607
Low income housing tax credit program unearned revenues	23,420,688	22,684,589
Grant fund unearned revenues	179,031,073	283,698,556
Net pension liability	9,332,220	11,843,931
Other liabilities and accrued expenses	6,036,852	5,035,677
Total noncurrent liabilities	<u>739,630,796</u>	<u>751,125,355</u>
Total liabilities	<u>757,368,593</u>	<u>763,877,423</u>
<b>Deferred Inflow of Resources</b>		
Deferred pension inflow	2,810,467	-
Total deferred inflow of resources	<u>2,810,467</u>	<u>-</u>
Total liabilities and deferred inflow of resources	<u>\$ 760,179,060</u>	<u>\$ 763,877,423</u>
<b>Net Position</b>		
Net investments in capital assets	\$ 1,937,275	\$ 1,290,692
Restricted	32,767,811	83,371,014
Unrestricted	15,650,687	19,282,557
Total net position	<u>\$ 50,355,773</u>	<u>\$ 103,944,263</u>

See Notes to Combined Financial Statements

**Mississippi Home Corporation**  
**Combined Statements of Revenues, Expenses and Changes in Net Position**  
**Years Ended June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>Operating Revenues</b>		
Interest income		
Cash and cash equivalents	\$ 50,861	\$ 27,440
Mortgage-backed securities	16,071,604	16,150,545
Other investments	715,147	835,264
Mortgage loans	344,073	382,325
Total interest income	<u>17,181,685</u>	<u>17,395,574</u>
Net decrease in fair value of investments	(55,481,293)	(4,717,817)
Low income housing tax credit program	3,746,942	2,736,578
Grant fund revenues	236,686,682	28,632,687
Program fees	631,615	1,187,569
Other income	1,697,338	763,622
Total operating revenues	<u>204,462,969</u>	<u>45,998,213</u>
<b>Operating Expenses</b>		
Interest expense	12,664,409	11,760,441
Bond issuance costs	2,460,026	1,453,218
Salaries and related benefits	5,820,575	6,290,183
Grant fund expenses	234,635,469	26,274,228
(Reversal of) provision for mortgage loan losses	(103,280)	26,455
Program expenses	215,211	231,832
Other	2,359,049	2,081,216
Total operating expenses	<u>258,051,459</u>	<u>48,117,573</u>
Operating loss	(53,588,490)	(2,119,360)
<b>Net Position, Beginning of Year</b>	<u>103,944,263</u>	<u>106,063,623</u>
<b>Net Position, End of Year</b>	<u><u>\$ 50,355,773</u></u>	<u><u>\$ 103,944,263</u></u>

**Mississippi Home Corporation**  
**Combined Statements of Cash Flows**  
**Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Loan principal payments received	\$ 2,521,704	\$ 3,577,588
Loan interest payments received	344,750	390,380
Loan disbursements	(1,188,964)	(1,727,320)
Payments to employees	(5,802,244)	(5,626,644)
Grant funds expended	(234,651,055)	(26,274,228)
Payments to vendors	(10,312,740)	(319,641)
Fee income received	4,575,840	3,546,454
Grant funds received	128,222,274	267,118,955
Other income received	2,239,021	1,029,965
Net cash (used in) provided by operating activities	<u>(114,051,414)</u>	<u>241,715,509</u>
Cash flows from noncapital financing activities		
Proceeds from issuance of bonds	182,618,554	99,997,662
Proceeds from issuance of notes	637,916	-
Principal repayment of bonds	(82,334,567)	(49,553,713)
Principal repayment of notes	(113,317)	(70,896)
Interest paid	(14,008,596)	(11,954,062)
Bond issuance costs paid	(2,460,026)	(1,453,218)
Net cash provided by noncapital financing activities	<u>84,339,964</u>	<u>36,965,773</u>
Cash flows from capital and related financing activities		
Property and equipment additions	(840,575)	(191,676)
Proceeds from sale of property and equipment	-	72,144
Net cash used in capital and related financing activities	<u>(840,575)</u>	<u>(119,532)</u>
Cash flows from investing activities		
Purchase of investments	(154,091,926)	(121,871,625)
Redemption of investments	69,052,643	58,803,801
Interest received on investments	18,698,654	17,767,065
Net cash used in investing activities	<u>(66,340,629)</u>	<u>(45,300,759)</u>
Net (decrease) increase in cash and cash equivalents	(96,892,654)	233,260,991
Cash and cash equivalents, beginning of year	<u>289,391,708</u>	<u>56,130,717</u>
Cash and cash equivalents, end of year	<u>\$ 192,499,054</u>	<u>\$ 289,391,708</u>

**Mississippi Home Corporation**  
**Combined Statements of Cash Flows (Continued)**  
**Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Reconciliation of Cash and Cash Equivalents to the Combined Statements of Net Position		
Current cash and cash equivalents	\$ 9,104,439	\$ 6,322,734
Current restricted cash and cash equivalents	14,914,967	12,649,603
Noncurrent restricted cash and cash equivalents	<u>168,479,648</u>	<u>270,419,371</u>
Total cash and cash equivalents	<u>\$ 192,499,054</u>	<u>\$ 289,391,708</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (53,588,490)	\$ (2,119,360)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities		
Interest paid	14,008,596	11,954,062
Bond issuance costs paid	2,460,026	1,453,218
Amortization of bond premium	(1,974,792)	(500,166)
Amortization of bond discount	1,888	-
Amortization of investment premium	1,937,887	809,119
Amortization of bond refunding	415,773	238,052
Net decrease in fair value of investments	55,481,293	4,717,817
Realized loss on investments	22,955	97,508
Gain on sale of fixed assets	-	(54,584)
Interest received on investments	(18,698,654)	(17,767,065)
Changes in assets and liabilities		
(Increase) decrease in mortgage loans receivable, net	(2,672,019)	(653,320)
(Increase) decrease in accrued interest receivable	(67,485)	(39,058)
(Increase) decrease in other assets	(8,703,132)	(173,000)
(Increase) decrease in deferred pension outflow	(256,752)	(809,781)
Increase (decrease) in deferred pension inflow	2,810,467	(123,481)
Increase (decrease) in accrued interest payable	212,945	68,492
Increase (decrease) in low income housing tax credit program unearned revenues	736,099	(52,362)
Increase (decrease) in grant fund unearned revenues	(104,667,483)	241,570,727
Increase (decrease) in net pension liability	(2,511,711)	1,568,284
Increase (decrease) in other liabilities and accrued expenses	<u>1,001,175</u>	<u>1,530,407</u>
Total adjustments	<u>(60,462,924)</u>	<u>243,834,869</u>
Net cash provided by (used in) operating activities	<u>\$ (114,051,414)</u>	<u>\$ 241,715,509</u>



# **Mississippi Home Corporation**

## **Notes to Combined Financial Statements**

### **Years Ended June 30, 2022 and 2021**

#### **Note 1: Organization and Summary of Significant Accounting Policies**

Mississippi Home Corporation (the "Corporation"), formerly known as Mississippi Housing Finance Corporation, is a governmental instrumentality of the State of Mississippi (the "State") created under the Mississippi Home Corporation Act of 1989 (the "Act"). Pursuant to the Act, the Corporation is authorized and empowered, among other things, to issue bonds to provide monies for financing residential housing and provide other services in regard to housing for persons and families of low and moderate income in the State. Bonds and other obligations issued by the Corporation are not a debt or liability of the State, but are secured solely by assets of the individual mortgage purchase programs. The reporting entity includes the Corporation (the primary government entity), the Mississippi Affordable Housing Development Program (see *Note 7*) and the House Bill 530 Program (see *Note 8*) for which the Corporation is accountable.

Members of the Board of Directors of the Corporation (the "Board") are appointed by the Governor and the Lieutenant Governor of the State. The appointed members serve six-year staggered terms and cannot be removed without cause. The Board controls the appointment of the Executive Director, who is responsible for the staffing of the Corporation. The State assumes no responsibility for the Corporation's day-to-day operations. The Board is solely responsible for reviewing, approving and revising the Corporation's budget. The State is not responsible for financing any deficit or operating deficiencies of the Corporation. The Corporation controls the use of surplus funds.

The significant accounting policies used by the Corporation in preparing and presenting its combined financial statements follow.

#### ***Accounting Method***

The Corporation's accounts are organized as a separate set of self-balancing accounts that comprise the assets, liabilities, net position, revenues and expenses of the Mortgage Revenue Bond Program, the Down Payment Assistance Program, the Mississippi Affordable Housing Development Program, the House Bill 530 Program and the General Corporate Fund (each of the programs is further described in the accompanying notes). The measurement focus is on determining operating income and capital maintenance.

The accompanying financial statements present the combined activities of the Mortgage Revenue Bond Program, the Down Payment Assistance Program, the Mississippi Affordable Housing Development Program, the House Bill 530 Program and the General Corporate Fund. Since the assets and net position of each program are generally restricted, aggregating the accounts of the separate programs does not indicate that the assets and net position are available in any manner other than that provided for in the bond resolutions or other agreements of the separate programs. All material interfund balances and transactions have been eliminated in the combined financial statements.

#### ***Net Position***

The restricted net position in the individual mortgage programs is restricted pursuant to the Corporation's agreements with bondholders as determined in each bond resolution. The restricted net position of the Mississippi Affordable Housing Development Program and the House Bill 530

# **Mississippi Home Corporation**

## **Notes to Combined Financial Statements**

### **Years Ended June 30, 2022 and 2021**

Program is restricted in accordance with the Corporation's agreement with the State (see *Note 7* and *Note 8*).

#### ***Classification of Revenues***

The Corporation recognizes revenues as follows:

- Interest income is calculated based on the individual interest-earning asset and recognized when earned;
- Net increase (decrease) in fair value of investments represents the difference between the fair value and net book value of the investments; and
- Grant fund revenues represent the various state and federal funds received for the reimbursement of costs incurred. Certain federal and state grants are for the purchase of goods and services and, therefore, are deemed to be exchange transactions. Accordingly, such grant revenues are recognized as goods are provided or services are rendered.

#### ***Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents***

Cash and cash equivalents include General Corporate Fund cash, General Corporate Fund investments with original maturities of less than three months at date of purchase, and unrestricted cash in certain other funds.

Restricted cash consists of cash which is restricted as to its use and is held primarily by the Mississippi Affordable Housing Development Program, the House Bill 530 Program, the Mortgage Revenue Bond Program, and the General Corporate Fund.

Restricted cash equivalents consist substantially of: proceeds from the sales of bonds pending the purchase of Government National Mortgage Association ("Ginnie Mae") mortgage-backed securities, Federal National Mortgage Association ("Fannie Mae") mortgage-backed securities and Federal Home Loan Mortgage Corporation ("Freddie Mac") participation certificates (collectively, Mortgage-Backed Securities); proceeds from the issuance of notes payable; and principal and interest payments of the Mortgage-Backed Securities. These funds are primarily held in money market accounts, U.S. Treasury notes and repurchase agreements. The indentures of the respective mortgage purchase programs stipulate that these funds may be used only for the acquisition of Mortgage-Backed Securities, or the early redemption of the respective mortgage revenue program bonds outstanding. These instruments are considered cash equivalents because they are readily convertible into cash at the discretion of the Corporation. Money market investments and other highly liquid investments with no stated maturity are considered cash equivalents and are reported at amortized cost.

#### ***Mortgage Loans Receivable, Mortgage-Backed Securities and Investments***

A portion of the mortgage loans in the General Corporate Fund is secured by first liens on multi-family residential properties, while the remainder is secured by first liens on single family residential properties. Mortgage loans in the Down Payment Assistance Program are secured by second liens on single-family residential properties. A portion of the mortgage loans in the Mississippi Affordable Housing Development Program is secured by second liens on single family residential properties,

# **Mississippi Home Corporation**

## **Notes to Combined Financial Statements**

### **Years Ended June 30, 2022 and 2021**

while the remainder is secured by first liens on multi-family residential properties. Mortgage loans in the House Bill 530 Program are secured by first liens on single-family residential properties. Proceeds from bond issues are invested principally in Mortgage-Backed Securities, representing pools of mortgage loans originated under the respective programs.

The Corporation is authorized by Mississippi statute, subject to any agreement with bondholders or noteholders, to invest in the following:

- Direct obligations of or obligations guaranteed by the United States;
- Bonds, debentures, notes or other evidence of indebtedness issued by U.S. Government agencies;
- Direct and general obligations of the State;
- Repurchase agreements secured by collateral;
- Investment contracts or agreements with entities rated “A” or better by a nationally recognized rating agency; and
- Certificates of deposit or time deposits of qualified depositories and money market funds.

#### ***Allowance for Losses on Mortgage Loans***

Losses incurred on mortgage loans are charged to the allowance for losses on mortgage loans (the “allowance”). The allowance is established with a corresponding amount charged to expense when, in management’s opinion, the realization of all or a portion of the loans or recovery on properties owned is doubtful. The allowance can be reduced when proceeds from loan payoffs exceed management’s previous estimates.

In evaluating the allowance, management considers the age of the various loans, the relationship of the allowances to outstanding mortgage loans, collateral values, insurance claims and economic conditions.

Management believes that the allowance is adequate. While management uses available information to recognize losses on mortgage loans, future additions to the allowance may be necessary based on changes in economic conditions. The (reversal of) provision for mortgage loan losses totaled (\$103,280) and \$26,455 in 2022 and 2021, respectively.

#### ***Deferred Losses on Refunding, Discounts and Premiums***

Costs related to the issuance of bonds are expensed in the respective bond issues. During the years ended June 30, 2022 and 2021, \$2,460,026 and \$1,453,218 of issuance costs were expensed, respectively.

Deferred losses on refundings result from a difference between the acquisition price and the net carrying amount of the old debt and are amortized using the effective interest rate method over the shorter of the life of the old debt or the new debt. During the years ended June 30, 2022 and 2021, \$157,903 and \$0 of net refunding losses were deferred, respectively.

# **Mississippi Home Corporation**

## **Notes to Combined Financial Statements**

### **Years Ended June 30, 2022 and 2021**

In addition, discounts and premiums on the sale of bonds are deferred and amortized over the life of the bonds. Prepayments of principal are not anticipated in amortizing deferred losses on refundings, bond discounts or bond premiums.

#### ***Grant Fund Unearned Revenues***

Certain mortgage loans were originated from federal grant funds awarded to the Corporation. Loan payments received by the Corporation are required to be expended pursuant to the underlying grant agreements and are recorded as grant fund unearned revenues until the earnings process is completed.

Grant fund unearned revenues also include funds received from awarding agencies pending use by the Corporation for program and administrative expenses.

#### ***Net Pension Liability***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Mississippi ("PERS") and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. As provided in Governmental Accounting Standards Board ("GASB"), the net position liability is required to be measured as of a date no earlier than the end of the Corporation's prior fiscal year (the "measurement date"). The Corporation has elected to utilize actuarial information as of the beginning of the period in accordance with the available elections under GASB 68, consistently applied from period to period. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### ***Program Fees***

Program fees consist of monies paid to the Corporation by borrowers, developers or financial institutions for processing, application, commitment or reservation purposes in the Corporation's affordable housing programs.

#### ***Income Taxes***

As a tax-exempt, quasi-governmental organization created by legislative statute, the Corporation is exempt from federal and state income taxes. Accordingly, no provision for income taxes has been included in the combined financial statements.

#### ***Fair Value of Financial Instruments***

GASB 72, *Fair Value and Measurement Application*, established a hierarchy for financial assets and liabilities recorded at fair value. This standard requires the Corporation to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

- Level 1 Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2 Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Investments measured at fair value on a recurring basis are summarized below:

2022					
Fair Value Measurements Using					
	Fair Value at June 30, 2022	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	
Investments					
U.S. Government agency securities	\$ 10,332,500	\$ -	\$ 10,332,500	\$ -	
Municipal debt securities	6,482,047	-	6,482,047	-	
Mortgage-backed securities	533,754,609	-	533,754,609	-	
Collateralized mortgage obligations	471,981	-	471,981	-	
Other asset-backed securities	34,451	-	34,451	-	
Commercial agreements	958,454	-	958,454	-	
	<u>\$ 552,034,042</u>	<u>\$ -</u>	<u>\$ 552,034,042</u>	<u>\$ -</u>	
2021					
Fair Value Measurements Using					
	Fair Value at June 30, 2021	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	
Investments					
U.S. Government agency securities	\$ 11,903,784	\$ -	\$ 11,903,784	\$ -	
Municipal debt securities	9,002,115	-	9,002,115	-	
Mortgage-backed securities	501,629,037	-	501,629,037	-	
Collateralized mortgage obligations	822,060	-	822,060	-	
Other asset-backed securities	46,987	-	46,987	-	
Commercial agreements	998,356	-	998,356	-	
	<u>\$ 524,402,339</u>	<u>\$ -</u>	<u>\$ 524,402,339</u>	<u>\$ -</u>	

The valuation technique used to measure fair value for the items in the tables above is the fair value of securities available-for-sale is determined by obtaining matrix pricing, which is a

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

mathematical technique widely used in the industry to value debt securities without relying on the securities' relationship to other benchmark quoted securities (Level 2 inputs).

Loans and bonds are valued at their carrying amounts, which approximate fair value, due to the structured financing characteristics of the Corporation's bond issues. Mortgage rates on loans originated, and subsequently securitized into Mortgage-Backed Securities from bond proceeds, are based directly on the bond rates established at the time of issuance. For bonds issued through June 30, 2022, Mortgage-Backed Securities are pledged under the applicable trust indenture. The Corporation is restricted under various trust indentures from selling Mortgage-Backed Securities at a value which would impair its ability to service the bonds to which those certificates are specifically pledged.

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

#### **Change in Accounting Principles**

Effective July 1, 2020, the Corporation adopted GASB 84, *Fiduciary Activities*, and GASB 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, an amendment of GASB No. 14 and No 84, and a supersession of GASB No. 32*. These standards clarify whether a government has a fiduciary responsibility and is required to present a fiduciary fund financial statement. The adoption of these standards did not result in the identification of any fiduciary activities for the Corporation nor in the previously reported net position.

Effective July 1, 2021, the Corporation adopted GASB 87, *Leases*. The adoption of this standard did not impact the financial statements due to the immaterial nature of the Corporation's lease activity.

#### **Note 2: Cash Equivalents and Investments**

At June 30, 2022, the carrying amount of the Corporation's cash and cash equivalents was \$192,499,054, and the bank balance was \$192,525,481. The differences between the carrying amount and bank balance were the result of transactions in transit. Of the \$192,525,481 bank balance, \$9,417,009 was either insured by federal regulatory authorities or collateralized with securities held by the Corporation or by its agent in the Corporation's name. Of the remaining bank balance of \$183,108,472, \$173,568,475 related to Treasury Programs (Emergency Rental Assistance Program and Homeowner Assistance Fund) and the Mortgage Revenue Bond Program. The Emergency Rental Assistance Program and Homeowner Assistance Fund are programs created by the U.S. Treasury to provide funding for State Housing Finance Authorities to

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

develop locally-tailored rental, mortgage and utility payment solutions in areas that have been hit hard by the COVID-19 pandemic.

At June 30, 2021, the carrying amount of the Corporation's cash and cash equivalents was \$289,391,708, and the bank balance was \$289,444,587. The differences between the carrying amount and bank balance were the result of transactions in transit. Of the \$289,444,587 bank balance, \$5,448,392 was either insured by federal regulatory authorities or collateralized with securities held by the Corporation or by its agent in the Corporation's name. Of the remaining bank balance of \$283,996,195, \$275,535,612 related to Treasury Programs (Hardest Hit Fund, Emergency Rental Assistance Program and Homeowner Assistance Fund) and the Mortgage Revenue Bond Program. The Hardest Hit Fund is a program created by the U.S. Treasury to provide funding for State Housing Finance Authorities to develop locally-tailored foreclosure prevention solutions in areas that have been hit hard by high unemployment and home price declines. The Emergency Rental Assistance Program and Homeowner Assistance Fund are programs created by the U.S. Treasury to provide funding for State Housing Finance Authorities to develop locally-tailored rental, mortgage and utility payment solutions in areas that have been hit hard by the COVID-19 pandemic.

A summary of the estimated fair value and amortized cost of investments as of June 30, 2022 and 2021 follows:

	2022		2021	
	Estimated Fair Value	Amortized Cost	Estimated Fair Value	Amortized Cost
U.S. Government agency securities	\$ 10,332,500	\$ 10,816,147	\$ 11,903,784	\$ 11,678,328
Municipal debt securities	6,482,047	6,935,803	9,002,115	8,750,884
Mortgage-backed securities	533,754,609	572,575,649	501,629,037	486,452,340
Collateralized mortgage obligations	471,981	497,682	822,060	819,861
Other asset-backed securities	34,451	34,578	46,987	45,449
Commercial agreements	958,454	960,000	998,356	960,000
	<u>\$ 552,034,042</u>	<u>\$ 591,819,859</u>	<u>\$ 524,402,339</u>	<u>\$ 508,706,862</u>

At June 30, 2022, the Corporation's securities had scheduled maturities as follows:

	Estimated Fair Value	Investment Maturities			
		Less than 1 Year	1 to 5 Years	5 to 10 Years	More than 10 years
U.S. Government agency securities	\$ 10,332,500	\$ 56,667	\$ 5,827,688	\$ 4,448,145	\$ -
Municipal debt securities	6,482,047	779,156	2,447,283	3,255,608	-
Mortgage-backed securities	533,754,609	823,077	6,744,558	9,637,513	516,549,461
Collateralized mortgage obligations	471,981	-	252	471,729	-
Other asset-backed securities	34,451	-	-	-	34,451
Commercial agreements	958,454	716,071	242,383	-	-
	<u>\$ 552,034,042</u>	<u>\$ 2,374,971</u>	<u>\$ 15,262,164</u>	<u>\$ 17,812,995</u>	<u>\$ 516,583,912</u>

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

#### ***Interest Rate Risk***

In general, the Corporation's investment strategy is designed to match the life of the asset with the maturity date of its related liability. With this strategy, investments would be expected to reach maturity with limited realized gains or losses. Most of the Corporation's investments are in mortgage-backed securities, which are subject to prepayment risk as market interest rates change.

#### ***Credit Risk***

Investments for each bond issue are those permitted by the various bond indentures and bond resolutions adopted by the Corporation. As of June 30, 2022, the Corporation's investments in certain Municipal Debt Securities of \$2,677,306 and Other Asset-Backed Securities of \$34,451 were unrated. The Corporation's remaining investments are rated by Moody's Investor Service or Standard and Poor's as follows:

Investment Type	Rating	Estimated Value
U.S. Government agency securities	Aaa	\$ 10,332,500
Municipal debt securities	Aa	3,804,741
Mortgage-backed securities	Aaa	533,754,609
Collateralized mortgage obligations	Aaa	471,981
Commercial agreements	Aaa	958,454
		<u>\$ 549,322,285</u>

#### ***Custodial Credit Risk***

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Corporation would not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Substantially all of the Corporation's investments are held in the Corporation's name by its trustee.

#### ***Concentration of Credit Risk***

The Corporation's investment policy places no limits on the amount the Corporation may invest in any one issuer. As of June 30, 2022, the Corporation held Ginnie Mae investments (rated Aaa) with a fair value of \$488,645,243 and Fannie Mae investments (rated Aaa) with a fair value of \$40,100,054, which represent approximately 96 percent of the Corporation's total investment holdings. Ginnie Mae investments are a direct obligation of the U.S. Government and backed by the full faith and credit of the U.S. Government.



# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

#### Note 3: Mortgage Loans Receivable

Mortgage loans receivable is comprised of real estate mortgage loans and real estate construction loans, as follows:

- Real estate mortgage loans are secured by personal residences and payable in periodic installments. As of June 30, 2022 and 2021, \$7,930,825 and \$9,274,916, respectively, of real estate mortgage loans were outstanding.
- Real estate construction loans are made for the purpose of real estate construction and land development. As of June 30, 2022 and 2021, \$37,047,416 and \$33,111,049, respectively, of real estate construction loans were outstanding.

All real estate securing the mortgage loans are located in the State.

#### Note 4: Bonds and Notes Payable

The following table summarizes the debt activity for the Corporation's bonds and notes payable:

	<b>Mortgage Revenue Bonds, Net</b>	<b>Notes Payable</b>
Balance at July 1, 2020	\$ 388,327,313	\$ 1,400,111
Proceeds from issuance	99,997,662	-
Principal repayments	(49,553,713)	(70,896)
Premium amortization	(500,166)	-
Balance at June 30, 2021	438,271,096	1,329,215
Proceeds from issuance	182,618,554	637,916
Principal repayments	(82,334,567)	(113,317)
Premium amortization	(2,090,329)	-
Discount amortization	1,888	-
Balance at June 30, 2022	<u>\$ 536,466,642</u>	<u>\$ 1,853,814</u>

The Corporation has the option to redeem bonds after they have been outstanding for 10 years without premium. Certain extraordinary redemptions, as governed by the bond resolutions, are permitted prior to the foregoing redemption dates.

On July 14, 2021, the Corporation issued \$97.1 million of mortgage revenue bonds. On August 1, 2021, \$28.6 million was used to refund the outstanding 2009B-2 and 2011A series revenue bonds.

**Mississippi Home Corporation**  
**Notes to Combined Financial Statements**  
**Years Ended June 30, 2022 and 2021**

This transaction resulted in a gain on the refunding of the debt that, in accordance with GASB, will be deferred and amortized into interest expense over the life of the old debt. The deferred gain is computed as follows:

	<b>2022</b>	<b>2021</b>
Proceeds required to refund old debt	\$ 28,625,000	\$ -
Less net carrying value of old debt	<u>(28,740,537)</u>	<u>-</u>
Deferred amount on refunding	<u>\$ (115,537)</u>	<u>\$ -</u>

On January 26, 2022, the Corporation issued \$70.7 million of mortgage revenue bonds and \$4.0 million of mortgage revenue refunding bonds. On January 26, 2022, \$4.2 million was used to refund the outstanding 2013A series revenue bonds.

This transaction resulted in a loss on the refunding of the debt that, in accordance with GASB, will be deferred and amortized into interest expense over the life of the new debt. The deferred loss is computed as follows:

	<b>2022</b>	<b>2021</b>
Proceeds required to refund old debt	\$ 4,179,370	\$ -
Less net carrying value of old debt	<u>(3,905,930)</u>	<u>-</u>
Deferred amount on refunding	<u>\$ 273,440</u>	<u>\$ -</u>

The deferred gain (loss) on refunding of debt is included in the deferred outflows of resources in the combined statements of net position.

The bonds are secured, as described in the applicable bond resolution, by a pledge of the revenues, monies, investments, mortgage loans and other assets of the applicable programs. Management believes that, for the year ended June 30, 2022, the Corporation has complied with all bond covenants.

**Mississippi Home Corporation**  
**Notes to Combined Financial Statements**  
**Years Ended June 30, 2022 and 2021**

Bonds and notes payable of the Corporation follow:

Issue	Rates (%)	Final Maturity	June 30,	
			2022	2021
2002 Lease Purchase	—	10/01/2007	\$ 600,401	\$ 600,401
			<u>600,401</u>	<u>600,401</u>
2009 Resolution				
2013A	2.75	12/01/2032	-	9,037,239
2015A	3.05	12/01/2034	6,920,791	11,248,119
2016ABC	1.65 - 3.625	12/01/2045	25,800,335	28,752,944
2017ABC	1.80 - 4.00	12/01/2046	29,788,831	33,021,915
2017DEF	2.50 - 4.00	12/01/2043	22,611,064	25,465,065
2018A	2.40 - 4.00	12/01/2044	26,859,166	30,518,327
2019A	1.95 - 4.00	12/01/2048	31,868,610	46,229,695
2019B	1.35 - 3.50	12/01/2049	60,171,158	64,097,649
2020A	1.10 - 3.75	06/01/2049	56,564,999	60,769,216
2020B	0.35 - 3.25	12/01/2050	47,432,774	49,457,040
2021A	1.20 - 5.00	12/01/2050	47,997,066	49,836,874
2021B	1.30 - 5.00	06/01/2051	101,100,298	-
2022AB	0.89 - 5.00	06/01/2050	78,751,149	-
			<u>535,866,241</u>	<u>408,434,083</u>
2009 NIBP Resolution				
2009B-2	2.32	12/01/2041	-	26,850,000
2011A	3.45 - 3.90	06/01/2025	-	2,386,612
			<u>-</u>	<u>29,236,612</u>
Total bonds payable, net			<u>\$ 536,466,642</u>	<u>\$ 438,271,096</u>

Notes Payable Description	Rates (%)	Final Maturity	June 30,	
			2022	2021
USDA Rural Development	1.00	05/05/2038	\$ 1,257,607	\$ 1,329,215
Federal Home Loan Bank	1.264 - 1.579	11/03/2031	<u>596,207</u>	<u>-</u>
Total notes payable			<u>\$ 1,853,814</u>	<u>\$ 1,329,215</u>

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

A summary of debt service requirements through 2027 and in five-year increments thereafter is as follows:

Year Ending June 30,	Principal	Interest
2023	\$ 16,510,493	\$ 14,574,243
2024	16,449,529	14,200,862
2025	16,854,308	13,748,675
2026	19,468,940	13,230,087
2027	19,610,503	12,655,476
Five-Year Increments Ending June 30,	Principal	Interest
2028 - 2032	\$ 86,902,172	\$ 55,382,163
2033 - 2037	96,952,548	43,372,178
2038 - 2042	77,850,619	34,875,147
2043 - 2047	49,929,062	24,694,019
2048 - 2052	137,792,282	12,076,881

#### **Note 5: Excess Earnings**

For all of the tax-exempt Mortgage Revenue Bond issues, federal tax regulations limit the interest margin that the Corporation (as a tax-exempt entity) may earn. These regulations require that earnings on the investment of bond proceeds, which exceed interest paid on the bonds by a predetermined amount (defined in the regulations and subject to certain adjustments), must be rebated or remitted to the Internal Revenue Service ("IRS"). The Corporation determined that the rebate liability due to the IRS (recorded in other liabilities and accrued expenses) was \$0 in both 2022 and 2021. The Corporation expects to meet the spending requirements on substantially all of the outstanding issues.

#### **Note 6: Mortgage Revenue Bond and Smart Solution Programs**

The Corporation's Mortgage Revenue Bond ("MRB") and the Smart Solution Program provide loans to qualified borrowers for purchases of the borrower's primary residence. To qualify, borrowers must be within income limits, and their homes must meet purchase price limits. The limits for the MRB Program are set by Congress, while the limits for the Smart Solution Program are set by the Corporation. These loans have 30-year terms, have market rates of interest, and are secured by first mortgages on the residences. At the option of the Corporation, borrowers may also receive funds to be used for down payment assistance and allowable loan closing costs.

The MRB loans are pooled into Mortgage-Backed Securities that are held in the respective bond issue's trust account. As the Mortgage-Backed Securities pay down, the Bond Trustee may call the bonds.

# **Mississippi Home Corporation**

## **Notes to Combined Financial Statements**

### **Years Ended June 30, 2022 and 2021**

The Smart Solution Program mortgages are made by the participating lenders, purchased by the Corporation's master servicer and then securitized into Mortgage-Backed Securities. Under the arrangement with the Corporation's master servicer, the master servicer sells the securities to the third-party purchaser. Because the Mortgage-Backed Securities are sold directly by the master servicer to the third-party purchaser, there is no balance of Mortgage-Backed Securities reflected on the combined statements of net position related to the Corporation's Smart Solution Program.

During the year ended June 30, 2022, management elected to terminate the Corporation's Smart Solution Program.

#### **Note 7: Mississippi Affordable Housing Development Program**

The Corporation is responsible for management of the Mississippi Affordable Housing Development Program, which is a blended component of the Corporation. The program was established by the State as a housing development revolving loan fund to provide resources for loans for the construction or repair of housing for persons or families of low-to-moderate income in the State using \$1,997,952 in proceeds received from the Mississippi Development Authority ("MDA") in 1995 and \$5,991,893 in proceeds obtained directly from the State in 1996. The Corporation is responsible for all aspects of the program, including developing lending criteria, establishing interest rates and loan approval, servicing and reporting. Principal, interest and late fee payments are required to be returned to the program for use in granting new loans. Costs incurred by the Corporation for administering the program are not reimbursed to the Corporation.

#### **Note 8: House Bill 530 Program**

The Corporation is responsible for management of the House Bill 530 ("HB530") Program, a Mississippi Single Family Residential Housing Program. The program was established by the State in collaboration with the MDA and the Corporation in 1999 as a revolving loan fund to provide low interest financing for the construction of eligible single family owner occupied units in the State for persons of low to moderate income. The Corporation administers the program for MDA, with the State providing \$6 million and the Corporation matching \$6 million. Costs incurred by the Corporation for administering the program are not reimbursed to the Corporation.

#### **Note 9: Low Income Housing Tax Credit Program**

The Corporation has been designated as the allocating agency for the Low Income Housing Tax Credit Program (the "Tax Credit Program"). The U.S. Congress created the Tax Credit Program in 1986 to encourage investment in the construction and rehabilitation of housing units for low income individuals and families. The Corporation has adopted a Low Income Housing Tax Credit Program Qualified Allocation Plan (the "Plan"), which provides for an application process, project evaluation selection criteria and compliance requirements. Receipts under the Tax Credit Program represent fees earned for administering the Tax Credit Program and are not restricted under the terms of the

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

Plan or the Tax Credit Program. A portion of the fees received is deferred and recognized over the life of the program.

#### **Note 10: Down Payment Assistance Program**

The Corporation's Down Payment Assistance Program provides loans to qualified borrowers for down payments and allowable loan closing costs on purchases of the borrower's primary residence. The qualification requirements are generally the same as those of the respective mortgage loan programs under which the primary mortgage loans are made. The two down payment assistance programs are:

- Smart Solution Program - 10-year terms, interest rates set by management, are secured by second mortgages on the residences, and the maximum principal amount is 3.5 percent of the primary mortgage loan.
- MRB7 Program – 10-year terms, zero percent interest rate, forgivable after 10 years as long as the home is owner-occupied, secured by second mortgages on the residences, and the maximum principal amount is \$7,000.

#### **Note 11: Lease Purchase Revenue Bond Program**

During the year ended June 30, 2007, management elected to terminate the Corporation's Lease Purchase Revenue Bond Program. At June 30, 2022 and 2021, \$600,401 bonds payable were outstanding under this program (see *Note 4*).

#### **Note 12: Defined Benefit Pension Plan**

##### ***Plan Description***

The Corporation contributes to the Public Employees' Retirement System of Mississippi ("PERS" or the "System"), a cost-sharing multiple-employer defined benefit pension plan. The PERS was created with the purpose to provide pension benefits for all state and public education employees, sworn officers of the Mississippi Highway Safety Patrol, other public employees whose employers have elected to participate in the System, and elected members of the State Legislature and the President of the Senate. The System administers a cost-sharing multiple-employer defined benefit pension plan as defined in GASB Statement No. 67, *Financial Reporting for Pension Plans*.

##### ***Benefits Provided***

For the cost-sharing plan, participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled,

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.00 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.50 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years, or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. A member may elect a reduced retirement allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and interest are paid to the designated beneficiary.

#### **Contributions**

PERS members are required to contribute 9.00 percent of their annual covered salary, and the Corporation is required to contribute at an actuarially determined rate. The current rate contributed by the Corporation is 17.4 percent of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State Legislature. Combined contributions are expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Corporation were \$740,317 and \$730,466 for the years ended June 30, 2022 and 2021, respectively.

#### **Net Pension Liability**

The Corporation relied on the following reports published by PERS in December of each year:

- Report of the Annual GASB Statement No. 68 – *Required Information for the Employers Participating in PERS* – Prepared as of June 30, 2021 and 2020
- Schedule of Employer Allocations and Schedule of Collective Pension Amounts – PERS – June 30, 2021 and 2020

Accordingly, this note reflects financial information related to the measurement periods ended June 30, 2021 and 2020. The Actuarial Assumptions section reflects the plan as a whole managed by PERS. The data is not specific to the Corporation, nor does the Corporation manage the investments.

At June 30, 2022 and 2021, the Corporation reported a liability of \$9,332,220 and \$11,843,931, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The Corporation's proportion of the net pension liability was based on a projection of the Corporation's long-term share of contributions to the pension plan relative to the projected contributions of all participating PERS members, actuarially determined. At June 30, 2021 and 2020, the Corporation's proportion was 0.063139 percent and 0.061181 percent, respectively, which was an increase of 0.001958

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

percent and an increase of 0.00277 percent, respectively, from its proportion measured as of June 30, 2020 and 2019.

For the years ended June 30, 2022 and 2021, the Corporation recognized pension expense of \$782,321 and \$1,365,489, respectively, which is included in salaries and related benefits. At June 30, 2022 and 2021, the Corporation reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	<b>June 30, 2022</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflow of Resources</b>
Differences between expected and actual experience	\$ 149,223	\$ -
Changes of assumptions	718,110	-
Net difference between projected and actual earnings on pension plan investments	-	(2,810,467)
Changes in proportion and differences between Corporation contributions and proportionate share of contributions	576,661	-
Corporation contributions subsequent to the measurement date	740,317	-
	<u>\$ 2,184,311</u>	<u>\$ (2,810,467)</u>

  

	<b>June 30, 2021</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflow of Resources</b>
Differences between expected and actual experience	\$ 102,808	\$ -
Changes of assumptions	66,255	-
Net difference between projected and actual earnings on pension plan investments	486,503	-
Changes in proportion and differences between Corporation contributions and proportionate share of contributions	541,527	-
Corporation contributions subsequent to the measurement date	730,466	-
	<u>\$ 1,927,559</u>	<u>\$ -</u>

The Corporation reported \$740,317 as deferred outflows of resources related to pensions resulting from Corporation contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the measurement period ended June 30, 2022. Other



# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized as an expense in pension expense as follows:

<u>Year Ending June 30</u>	
2023	\$ (20,254)
2024	(150,566)
2025	(358,150)
2026	<u>(837,503)</u>
	<u><u>\$ (1,366,473)</u></u>

#### ***Actuarial Assumptions***

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	2.65 - 17.90 percent, including inflation
Investment rate of return	7.55 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PubS.H-2010(B) Retiree Table with the following adjustments. For males, 95% of male rates from up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of female rates up to age 72 and 100% for ages above 76. Mortality rates will be projected generationally using the MP-2020 projection scale to account for future improvements in life expectancy.

The actuarial assumptions are based on the experience investigation for the four-year period ended June 30, 2020.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	June 30, 2021	
	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	27%	4.60%
International equity	22%	4.50%
Global equity	12%	4.80%
Debt securities	20%	-0.25%
Real estate	10%	3.75%
Private equity	8%	6.00%
Cash equivalents	1%	-1.00%
	100%	

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	3.00 - 18.25 percent, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PubS.H-2010(B) Retiree Table with the following adjustments. For males, 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119. For females, 85% of the female rates from ages 18 to 65 scaled up to 102% for ages 75 to 119. Mortality rates will be projected generationally using the MP-2018 projection scale to account for future improvements in life expectancy.

The actuarial assumptions are based on the experience investigation for the four-year period ended June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

# Mississippi Home Corporation

## Notes to Combined Financial Statements

### Years Ended June 30, 2022 and 2021

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	June 30, 2020	
	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	27%	4.90%
International equity	22%	4.75%
Global equity	12%	5.00%
Debt securities	20%	0.50%
Real estate	10%	4.00%
Private equity	8%	6.25%
Cash equivalents	1%	0.00%
	<u>100%</u>	

**Discount rate.** The discount rate used to measure the total pension liability was 7.55 percent and 7.75 percent at June 30, 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, and that contributions from the Corporation will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### ***Sensitivity of the Corporation's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following presents the Corporation's proportionate share of the net pension liability calculated using the discount rate of 7.55 percent, as well as what the Corporation's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.55 percent) or 1-percentage-point higher (8.55 percent) than the current rate:

	1% Decrease (6.55%)	Current Discount Rate (7.55%)	1% Increase (8.55%)
Corporation's proportionate share of the net pension liability	\$ 13,216,612	\$ 9,332,220	\$ 6,131,173

# **Mississippi Home Corporation**

## **Notes to Combined Financial Statements**

### **Years Ended June 30, 2022 and 2021**

#### ***Plan Fiduciary Net Position***

This information may be obtained by contacting PERS by mail at 429 Mississippi Street, Jackson, MS 39201, by phone at 1-800-444-7377 or by website at [www.pers.ms.gov](http://www.pers.ms.gov). Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

#### **Note 13: Deferred Compensation Plan**

The State offers its employees a multiple-employer deferred compensation plan created in accordance with Internal Revenue Code Section 457. The term "employee" means any person, whether appointed, elected or under contract, providing services for the State, state agencies, counties, municipalities or other political subdivisions, for which compensation is paid. The Plan permits employees of the Corporation to defer a portion of their income until future years.

The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the employer (without being restricted to the provisions of benefits under the plan), subject only to the claims of the general creditors of those entities which employ deferred compensation participants. Participants' rights under the plan are the same as those of general creditors in an amount equal to the fair market value of the deferred account for each participant. The Corporation believes that it has no liabilities with respect to the State's plan.

#### **Note 14: Conduit Issues**

The Corporation has issued certain conduit multi-family housing revenue bonds, the proceeds of which were made available to various developers for rental housing. The bonds are payable solely from amounts received by the trustees from the revenue earned by the developers. Loan and corresponding debt service payments are guaranteed by irrevocable direct-pay letters of credit. The faith and credit of the Corporation is not pledged for the payment of the principal or interest on the bonds. Accordingly, these obligations are excluded from the Corporation's combined financial statements.

#### **Note 15: Subsequent Events**

The Corporation has evaluated, for consideration of recognition or disclosure, subsequent events that have occurred through November 4, 2022, the date of issuance of its combined financial statements, and has determined that no significant events, other than that mentioned below,

**Mississippi Home Corporation**  
**Notes to Combined Financial Statements**  
**Years Ended June 30, 2022 and 2021**

occurred after June 30, 2022, but prior to the issuance of these combined financial statements that could have a material impact on its combined financial statements.

On September 8, 2022, the Corporation issued \$72,355,000 in tax-exempt Single Family Mortgage Revenue Bonds and \$15,000,000 in taxable Single Family Mortgage Revenue Bonds. The bonds have maturity dates from June 1, 2023 to December 1, 2052, and bear interest rates from 3.05 percent to 5.00 percent.

**Note 16: COVID-19**

As a result of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Corporation. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

## **Supplementary Schedules**

**Mississippi Home Corporation**  
**Combining Schedule of Net Position**  
**June 30, 2022**

	1995CD Program	1995IJ Program	2002 Lease Purchase Program	2009 Resolution	2009 NIBP Resolution	Total Bond Program
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Restricted cash and cash equivalents	—	—	576,512	14,338,455	—	14,914,967
Accrued interest receivable	1,042	1,079	—	1,566,972	—	1,569,093
Total current assets	1,042	1,079	576,512	15,905,427	—	16,484,060
<b>Noncurrent Assets</b>						
Restricted cash and cash equivalents	128	173	—	23,661,678	—	23,661,979
Investments, at fair value	163,760	178,421	—	519,502,215	—	519,844,396
Mortgage loans receivable, net	—	—	—	—	—	—
Other assets	—	—	—	107,864	—	107,864
Due (to) from other funds	—	—	—	—	—	—
Total noncurrent assets	163,888	178,594	—	543,271,757	—	543,614,239
Total assets	164,930	179,673	576,512	559,177,184	—	560,098,299
<b>Deferred Outflows of Resources</b>						
Deferred amount on refunding	—	—	—	746,141	—	746,141
Deferred pension outflow	—	—	—	—	—	—
Total deferred outflows of resources	—	—	—	746,141	—	746,141
Total assets and deferred outflows of resources	\$ 164,930	\$ 179,673	\$ 576,512	\$ 559,923,325	\$ —	\$ 560,844,440
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Bonds payable, net	\$ —	\$ —	\$ 600,401	\$ 15,837,768	\$ —	\$ 16,438,169
Notes payable	—	—	—	—	—	—
Accrued interest payable	—	—	—	1,220,357	—	1,220,357
Total current liabilities	—	—	600,401	17,058,125	—	17,658,526
<b>Noncurrent Liabilities</b>						
Bonds payable, net	—	—	—	520,028,473	—	520,028,473
Notes payable	—	—	—	—	—	—
Low income housing tax credit program unearned revenues	—	—	—	—	—	—
Grant fund unearned revenues	—	—	—	—	—	—
Net pension liability	—	—	—	—	—	—
Other liabilities and accrued expenses	—	—	—	49,881	—	49,881
Total noncurrent liabilities	—	—	—	520,078,354	—	520,078,354
Total liabilities	—	—	600,401	537,136,479	—	537,736,880
<b>Deferred Inflow of Resources</b>						
Deferred pension inflow	—	—	—	—	—	—
Total deferred inflow of resources	—	—	—	—	—	—
Total liabilities and deferred inflow of resources	\$ —	\$ —	\$ 600,401	\$ 537,136,479	\$ —	\$ 537,736,880
<b>Net Position</b>						
Net investments in capital assets	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Restricted	164,930	179,673	(23,889)	22,786,846	—	23,107,560
Unrestricted	—	—	—	—	—	—
Total net position	\$ 164,930	\$ 179,673	\$ (23,889)	\$ 22,786,846	\$ —	\$ 23,107,560

# Mississippi Home Corporation

## Combining Schedule of Net Position (Continued)

### June 30, 2022

	HB530 Program	Down Payment Assistance Program	General Corporate Fund	Mississippi Affordable Housing Development Fund	Total
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ —	\$ 507,802	\$ 8,596,637	\$ —	\$ 9,104,439
Restricted cash and cash equivalents	—	—	—	—	14,914,967
Accrued interest receivable	—	3,456	159,288	10,852	1,742,689
Total current assets	—	511,258	8,755,925	10,852	25,762,095
<b>Noncurrent Assets</b>					
Restricted cash and cash equivalents	2,779,101	—	140,188,387	1,850,181	168,479,648
Investments, at fair value	—	—	32,189,646	—	552,034,042
Mortgage loans receivable, net	—	989,014	39,474,106	3,457,241	43,920,361
Other assets	—	—	13,705,644	3,594,727	17,408,235
Due (to) from other funds	27,071	—	(24,823)	(2,248)	—
Total noncurrent assets	2,806,172	989,014	225,532,960	8,899,901	781,842,286
Total assets	2,806,172	1,500,272	234,288,885	8,910,753	807,604,381
<b>Deferred Outflows of Resources</b>					
Deferred amount on refunding	—	—	—	—	746,141
Deferred pension outflow	—	—	2,184,311	—	2,184,311
Total deferred outflows of resources	—	—	2,184,311	—	2,930,452
Total assets and deferred outflows of resources	\$ 2,806,172	\$ 1,500,272	\$ 236,473,196	\$ 8,910,753	\$ 810,534,833
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Bonds payable, net	\$ —	\$ —	\$ —	\$ —	\$ 16,438,169
Notes payable	—	—	72,324	—	72,324
Accrued interest payable	—	—	6,947	—	1,227,304
Total current liabilities	—	—	79,271	—	17,737,797
<b>Noncurrent Liabilities</b>					
Bonds payable, net	—	—	—	—	520,028,473
Notes payable	—	—	1,781,490	—	1,781,490
Low income housing tax credit program unearned revenues	—	—	23,420,688	—	23,420,688
Grant fund unearned revenues	—	—	179,031,073	—	179,031,073
Net pension liability	—	—	9,332,220	—	9,332,220
Other liabilities and accrued expenses	2,041,337	3,837	3,926,460	15,337	6,036,852
Total noncurrent liabilities	2,041,337	3,837	217,491,931	15,337	739,630,796
Total liabilities	2,041,337	3,837	217,571,202	15,337	757,368,593
<b>Deferred Inflow of Resources</b>					
Deferred pension inflow	—	—	2,810,467	—	2,810,467
Total deferred inflow of resources	—	—	2,810,467	—	2,810,467
Total liabilities and deferred inflow of resources	\$ 2,041,337	\$ 3,837	\$ 220,381,669	\$ 15,337	\$ 760,179,060
<b>Net Position</b>					
Net investments in capital assets	\$ —	\$ —	\$ 1,937,275	\$ —	\$ 1,937,275
Restricted	764,835	—	—	8,895,416	32,767,811
Unrestricted	—	1,496,435	14,154,252	—	15,650,687
Total net position	\$ 764,835	\$ 1,496,435	\$ 16,091,527	\$ 8,895,416	\$ 50,355,773



**Mississippi Home Corporation**  
**Combining Schedule of Revenues, Expenses and Changes in Net Position**  
**Year Ended June 30, 2022**

	1995CD Program	1995IJ Program	2002 Lease Purchase Program	2009 Resolution	2009 NIBP Resolution	Total Bond Program
<b>Operating Revenues</b>						
Interest income						
Cash and cash equivalents	\$ 6	\$ 6	\$ 322	\$ 36,987	\$ 40	\$ 37,361
Mortgage-backed securities	13,251	12,559	—	16,013,450	32,344	16,071,604
Other investments	—	—	—	—	—	—
Mortgage loans	—	—	—	—	—	—
Total interest income	13,257	12,565	322	16,050,437	32,384	16,108,965
Net decrease in fair value of investments	(7,475)	(9,164)	—	(53,009,880)	(41,516)	(53,068,035)
Low income housing tax credit program	—	—	—	—	—	—
Grant fund revenues	—	—	—	—	—	—
Program fees	—	—	—	—	—	—
Other income	—	—	—	1,092,000	—	1,092,000
Total operating revenues	5,782	3,401	322	(35,867,443)	(9,132)	(35,867,070)
<b>Operating Expenses</b>						
Interest expense	—	—	—	12,587,967	56,814	12,644,781
Bond issuance costs	—	—	—	2,460,026	—	2,460,026
Salaries and related benefits	—	—	—	—	—	—
Grant fund expenses	—	—	—	—	—	—
Reversal of mortgage loan losses	—	—	—	—	—	—
Program expenses	—	—	—	—	—	—
Other	—	—	—	308,443	8,039	316,482
Total operating expenses	—	—	—	15,356,436	64,853	15,421,289
Operating income (loss)	5,782	3,401	322	(51,223,879)	(73,985)	(51,288,359)
<b>Transfers in (out)</b>	(78,906)	(62,931)	—	3,626,052	(2,947,743)	536,472
<b>Net Position, Beginning of Year</b>	238,054	239,203	(24,211)	70,384,673	3,021,728	73,859,447
<b>Net Position, End of Year</b>	\$ 164,930	\$ 179,673	\$ (23,889)	\$ 22,786,846	\$ —	\$ 23,107,560

**Mississippi Home Corporation**  
**Combining Schedule of Revenues, Expenses and Changes in Net Position (Continued)**  
**Year Ended June 30, 2022**

	HB530 Program	Down Payment Assistance Program	General Corporate Fund	Mississippi Affordable Housing Development Fund	Total
<b>Operating Revenues</b>					
Interest income					
Cash and cash equivalents	\$ 1,092	\$ 302	\$ 9,231	\$ 2,875	\$ 50,861
Mortgage-backed securities	—	—	—	—	16,071,604
Other investments	1,302	—	713,845	—	715,147
Mortgage loans	—	57,565	133,716	152,792	344,073
Total interest income	2,394	57,867	856,792	155,667	17,181,685
Net decrease in fair value of investments	—	—	(2,413,258)	—	(55,481,293)
Low income housing tax credit program	—	—	3,746,942	—	3,746,942
Grant fund revenues	—	—	236,686,682	—	236,686,682
Program fees	—	—	631,615	—	631,615
Other income	—	269	604,495	574	1,697,338
Total operating revenues	2,394	58,136	240,113,268	156,241	204,462,969
<b>Operating Expenses</b>					
Interest expense	—	—	19,628	—	12,664,409
Bond issuance costs	—	—	—	—	2,460,026
Salaries and related benefits	—	—	5,820,575	—	5,820,575
Grant fund expenses	—	—	234,635,469	—	234,635,469
Reversal of mortgage loan losses	—	(26,734)	(64,197)	(12,349)	(103,280)
Program expenses	—	—	215,211	—	215,211
Other	4,328	8,615	2,006,598	23,026	2,359,049
Total operating expenses	4,328	(18,119)	242,633,284	10,677	258,051,459
Operating income (loss)	(1,934)	76,255	(2,520,016)	145,564	(53,588,490)
<b>Transfers in (out)</b>	968	(670,914)	129,388	4,086	—
<b>Net Position, Beginning of Year</b>	765,801	2,091,094	18,482,155	8,745,766	103,944,263
<b>Net Position, End of Year</b>	\$ 764,835	\$ 1,496,435	\$ 16,091,527	\$ 8,895,416	\$ 50,355,773

**Mississippi Home Corporation**  
**Combining Schedule of Cash Flows**  
**Year Ended June 30, 2022**

	1995CD Program	1995IJ Program	2002 Lease Purchase Program	2009 Resolution	2009 NIBP Resolution	Total Bond Program
Cash flows from operating activities						
Loan principal payments received	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Loan interest payments received	—	—	—	—	—	—
Loan disbursements	—	—	—	—	—	—
Payments to employees	—	—	—	—	—	—
Grant funds expended	—	—	—	—	—	—
Payments to vendors	(1,728)	(2,390)	—	(333,952)	(9,761)	(347,831)
Fee income received	—	—	—	—	—	—
Grant funds received	—	—	—	—	—	—
Other income received	—	—	—	1,092,000	—	1,092,000
Net cash provided by (used in) operating activities	(1,728)	(2,390)	—	758,048	(9,761)	744,169
Cash flows from noncapital financing activities						
Proceeds from issuance of bonds	—	—	—	182,618,554	—	182,618,554
Proceeds from issuance of notes	—	—	—	—	—	—
Principal repayment of bonds	—	—	—	(53,214,567)	(29,120,000)	(82,334,567)
Principal repayment of notes	—	—	—	—	—	—
Interest paid	—	—	—	(13,872,398)	(116,871)	(13,989,269)
Bond issuance costs paid	—	—	—	(2,460,026)	—	(2,460,026)
Net cash provided by (used in) noncapital financing activities	—	—	—	113,071,563	(29,236,871)	83,834,692
Cash flows from capital and related financing activities						
Property and equipment additions	—	—	—	—	—	—
Net cash used in capital and related financing activities	—	—	—	—	—	—
Cash flows from investing activities						
Purchase of investments	—	—	—	(147,097,168)	—	(147,097,168)
Redemption of investments	65,352	50,228	—	29,537,157	30,566,560	60,219,297
Interest received on investments	15,235	15,046	322	17,722,344	107,024	17,859,971
Net cash provided by (used in) investing activities	80,587	65,274	322	(99,837,667)	30,673,584	(69,017,900)
Transfers	(78,906)	(62,931)	—	3,626,052	(2,947,743)	536,472
Net increase (decrease) in cash and cash equivalents	(47)	(47)	322	17,617,996	(1,520,791)	16,097,433
Cash and cash equivalents, beginning of year	175	220	576,190	20,382,137	1,520,791	22,479,513
Cash and cash equivalents, end of year	\$ 128	\$ 173	\$ 576,512	\$ 38,000,133	\$ —	\$ 38,576,946

**Mississippi Home Corporation**  
**Combining Schedule of Cash Flows (Continued)**  
**Year Ended June 30, 2022**

	HB530 Program	Down Payment Assistance Program	General Corporate Fund	Mississippi Affordable Housing Development Fund	Total
Cash flows from operating activities					
Loan principal payments received	\$ —	\$ 566,940	\$ 870,939	\$ 1,083,825	\$ 2,521,704
Loan interest payments received	—	59,059	132,053	153,638	344,750
Loan disbursements	—	—	(468,829)	(720,135)	(1,188,964)
Payments to employees	—	—	(5,802,244)	—	(5,802,244)
Grant funds expended	—	—	(234,651,055)	—	(234,651,055)
Payments to vendors	89,423	(9,147)	(10,019,146)	(26,039)	(10,312,740)
Fee income received	—	269	4,574,997	574	4,575,840
Grant funds received	—	—	128,222,274	—	128,222,274
Other income received	—	302	1,143,845	2,874	2,239,021
Net cash provided by (used in) operating activities	89,423	617,423	(115,997,166)	494,737	(114,051,414)
Cash flows from noncapital financing activities					
Proceeds from issuance of bonds	—	—	—	—	182,618,554
Proceeds from issuance of notes	—	—	637,916	—	637,916
Principal repayment of bonds	—	—	—	—	(82,334,567)
Principal repayment of notes	—	—	(113,317)	—	(113,317)
Interest paid	—	—	(19,327)	—	(14,008,596)
Bond issuance costs paid	—	—	—	—	(2,460,026)
Net cash provided by (used in) noncapital financing activities	—	—	505,272	—	84,339,964
Cash flows from capital and related financing activities					
Property and equipment additions	—	—	(840,575)	—	(840,575)
Net cash used in capital and related financing activities	—	—	(840,575)	—	(840,575)
Cash flows from investing activities					
Purchase of investments	—	—	(6,555,829)	(438,929)	(154,091,926)
Redemption of investments	(17,201)	—	8,377,063	473,484	69,052,643
Interest received on investments	19,595	—	819,088	—	18,698,654
Net cash provided by (used in) investing activities	2,394	—	2,640,322	34,555	(66,340,629)
Transfers	968	(670,914)	129,388	4,086	—
Net increase (decrease) in cash and cash equivalents	92,785	(53,491)	(113,562,759)	533,378	(96,892,654)
Cash and cash equivalents, beginning of year	2,686,316	561,293	262,347,783	1,316,803	289,391,708
Cash and cash equivalents, end of year	\$ 2,779,101	\$ 507,802	\$ 148,785,024	\$ 1,850,181	\$ 192,499,054

**Mississippi Home Corporation**  
**Combining Schedule of Cash Flows (Continued)**  
**Year Ended June 30, 2022**

	1995CD Program	1995IJ Program	2002 Lease Purchase Program	2009 Resolution	2009 NIBP Resolution	Total Bond Program
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	\$ 5,782	\$ 3,401	\$ 322	\$ (51,223,879)	\$ (73,985)	\$ (51,288,359)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Interest paid	—	—	—	13,872,398	116,871	13,989,269
Bond issuance costs paid	—	—	—	2,460,026	—	2,460,026
Amortization of bond premium	—	—	—	(1,973,718)	(1,074)	(1,974,792)
Amortization of bond discount	—	—	—	1,888	—	1,888
Amortization of investment premium	—	—	—	1,843,815	—	1,843,815
Amortization of bond refunding	—	—	—	415,773	—	415,773
Net (increase) decrease in fair value of investments	7,475	9,164	—	53,009,880	41,516	53,068,035
Realized loss on investments	—	—	—	—	—	—
Interest received on investments	(15,235)	(15,046)	(322)	(17,722,344)	(107,024)	(17,859,971)
Changes in assets and liabilities						
(Increase) decrease in mortgage loans receivable, net	—	—	—	—	—	—
(Increase) decrease in accrued interest receivable	425	312	—	(171,910)	74,640	(96,533)
(Increase) decrease in other assets	—	—	—	(26,357)	3,757	(22,600)
(Increase) decrease in deferred pension outflow	—	—	—	—	—	—
Increase (decrease) in accrued interest payable	—	—	—	271,626	(58,982)	212,644
Increase (decrease) in low income housing tax credit program unearned revenues	—	—	—	—	—	—
Increase (decrease) in grant fund unearned revenues	—	—	—	—	—	—
Increase (decrease) in other liabilities and accrued expenses	(175)	(221)	—	850	(5,480)	(5,026)
Increase (decrease) in net pension liability	—	—	—	—	—	—
Increase (decrease) in deferred pension inflow	—	—	—	—	—	—
Total adjustments	(7,510)	(5,791)	(322)	51,981,927	64,224	52,032,528
Net cash provided by (used in) operating activities	\$ (1,728)	\$ (2,390)	\$ —	\$ 758,048	\$ (9,761)	\$ 744,169

**Mississippi Home Corporation**  
**Combining Schedule of Cash Flows (Continued)**  
**Year Ended June 30, 2022**

	HB530 Program	Down Payment Assistance Program	General Corporate Fund	Mississippi Affordable Housing Development Fund	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (1,934)	\$ 76,255	\$ (2,520,016)	\$ 145,564	\$ (53,588,490)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Interest paid	—	—	19,327	—	14,008,596
Bond issuance costs paid	—	—	—	—	2,460,026
Amortization of bond premium	—	—	—	—	(1,974,792)
Amortization of bond discount	—	—	—	—	1,888
Amortization of investment premium	17,201	—	76,871	—	1,937,887
Amortization of bond refunding	—	—	—	—	415,773
Net (increase) decrease in fair value of investments	—	—	2,413,258	—	55,481,293
Realized loss on investments	—	—	22,955	—	22,955
Interest received on investments	(19,595)	—	(819,088)	—	(18,698,654)
Changes in assets and liabilities					
(Increase) decrease in mortgage loans receivable, net	—	539,923	(3,560,595)	348,653	(2,672,019)
(Increase) decrease in accrued interest receivable	—	1,494	26,708	846	(67,485)
(Increase) decrease in other assets	—	—	(8,680,532)	—	(8,703,132)
(Increase) decrease in deferred pension outflow	—	—	(256,752)	—	(256,752)
Increase (decrease) in accrued interest payable	—	—	301	—	212,945
Increase (decrease) in low income housing tax credit program unearned revenues	—	—	736,099	—	736,099
Increase (decrease) in grant fund unearned revenues	—	—	(104,667,483)	—	(104,667,483)
Increase (decrease) in other liabilities and accrued expenses	93,751	(249)	913,025	(326)	1,001,175
Increase (decrease) in net pension liability	—	—	(2,511,711)	—	(2,511,711)
Increase (decrease) in deferred pension inflow	—	—	2,810,467	—	2,810,467
Total adjustments	91,357	541,168	(113,477,150)	349,173	(60,462,924)
Net cash provided by (used in) operating activities	\$ 89,423	\$ 617,423	\$ (115,997,166)	\$ 494,737	\$ (114,051,414)

**Mississippi Home Corporation**  
**Schedule of Employer Contributions and the Proportionate Share of the Net Pension Liability**  
**PERS Pension Plan**  
**Year Ended June 30, 2022**

SCHEDULE OF EMPLOYER CONTRIBUTIONS										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Statutorily required employer contribution	\$ 740,317	\$ 730,466	\$ 708,860	\$ 599,151	\$ 561,233	\$ 569,264	\$ 555,561	\$ 517,835	\$ 528,197	\$ 446,164
Contributions in relation to the statutorily required contributions	<u>(740,317)</u>	<u>(730,466)</u>	<u>(708,860)</u>	<u>(599,151)</u>	<u>(561,233)</u>	<u>(569,264)</u>	<u>(555,561)</u>	<u>(517,835)</u>	<u>(528,197)</u>	<u>(446,164)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 4,254,773	\$ 4,198,079	\$ 4,073,906	\$ 3,804,137	\$ 3,563,384	\$ 3,614,376	\$ 3,527,365	\$ 3,287,839	\$ 3,353,630	\$ 3,128,780
Contributions as a percentage of covered-employee payroll	17.40%	17.40%	17.40%	15.75%	15.75%	15.75%	15.75%	15.75%	15.75%	14.26%

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

This schedule reflects the information provided by PERS. No other years were available.

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Proportion of the net pension liability (asset)	0.063139%	0.061181%	0.058411%	0.055800%	0.056342%	0.055139%	0.052627%	0.054883%	0.051191%
Proportionate share of the net pension liability (asset)	\$ 9,332,220	\$ 11,843,931	\$ 10,275,647	\$ 9,281,198	\$ 9,365,953	\$ 9,849,201	\$ 8,135,098	\$ 6,661,791	\$ 7,092,993
Covered-employee payroll	\$ 4,198,079	\$ 4,073,906	\$ 3,804,137	\$ 3,563,384	\$ 3,614,376	\$ 3,527,365	\$ 3,287,839	\$ 3,353,630	\$ 3,128,780
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	222%	291%	270%	260%	259%	279%	247%	199%	227%
Plan fiduciary net position as a percentage of the total pension liability	70%	59%	62%	63%	61%	57%	62%	67%	61%

\* The amounts presented for each fiscal year were determined as of June 30.

See Notes to Supplementary Schedules

# Mississippi Home Corporation

## Notes to Supplementary Schedules

### Year Ended June 30, 2021

#### ***Changes of assumptions***

- 2021
  - The expectation of retired life mortality was changed to PubS.H-2010(B) Retiree Table with the following adjustments. For males, 95% of male rates from up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of female rates up to age 72 and 100% for ages above 76. Mortality rates will be projected generationally using the MP-2020 projection scale to account for future improvements in life expectancy.
  - The price inflation assumption was reduced from 2.75% to 2.40%.
  - The wage inflation assumption was reduced from 3.00% to 2.65%.
  - The investment rate of return was reduced from 7.75% to 7.55%
- 2019
  - The expectation of retired life mortality was changed to PubS.H-2010(B) Retiree Table with the following adjustments. For males, 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119. For females, 85% of the female rates from ages 18 to 65 scaled up to 102% for ages 75 to 119. Mortality rates will be projected generationally using the MP-2018 projection scale to account for future improvement in life expectancy.
  - The expectation of disabled mortality was changed to Pub T.H.-2010 Disabled Retiree Table for disabled retirees with the following adjustments. For males, 137% of male rates at all ages. For females, 115% for female rates at all ages. Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.
  - The price inflation assumption was reduced from 3.00% to 2.75%.
  - The wage inflation assumption was reduced from 3.25% to 3.00%.
  - Withdrawal rates, pre-retirement mortality rates, and service retirement rates were also adjusted to more closely reflect actual experience.
  - The percentage of active member disabilities assumed to be in the line of duty was increased from 7% to 9%.
- 2017
  - The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB TO 2022. Small adjustments were also made to the Mortality Table for disabled lives.
  - The wage inflation assumption was reduced from 3.75% to 3.25%.
  - Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
  - The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.
- 2016
  - The assumed rate of interest credited to employee contributions was changed from 3.50% to 2.00%.
- 2015
  - The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.



**Mississippi Home Corporation**  
**Notes to Supplementary Schedules**  
**Year Ended June 30, 2021**

- The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.
- Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
- Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
- The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

***Changes in benefit provisions***

- 2016
  - Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by *The Wall Street Journal* on December 31 of each preceding year, with a minimum rate of one percent and a maximum rate of five percent.



1400 Meadowbrook Road, Suite 300 / Jackson, MS 39211

P 601.948.6700 / F 601.948.6000

[forvis.com](http://forvis.com)

**Report on Internal Control over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with  
Government Auditing Standards**

**Independent Auditor's Report**

Board of Directors  
Mississippi Home Corporation  
Jackson, Mississippi

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the combined financial statements of Mississippi Home Corporation (the "Corporation"), which comprise the combined statement of net position as of June 30, 2022, and the related combined statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated November 4, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the combined financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Corporation's combined financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Corporation's combined financial statements are free from material misstatement, we performed tests of its compliance with certain

provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the combined financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**FORVIS,LLP**

Jackson, Mississippi  
November 4, 2022

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

**APPENDIX G**

**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION  
AS OF JUNE 1, 2023**

**[THIS PAGE INTENTIONALLY LEFT BLANK]**

**APPENDIX G**  
**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION**  
**AS OF JUNE 1, 2023**

Bond Issue	Dated Date	Amount Issued	Amount Outstanding	Fixed Rate Bonds													
				Call Priority PAC Bonds/ Pass-Throughs	Non-Callable Bonds	> or = 0.55% & < 1.00%	> or = 1.00% & < 1.50%	> or = 1.50% & < 2.00%	> or = 2.00% & < 2.50%	> or = 2.50% & < 3.00%	> or = 3.00% & < 3.50%	> or = 3.50% & < 4.00%	> or = 4.00% & < 4.50%	> or = 4.50% & < 5.00%	> or = 5.00% & < 5.50%	> or = 5.50% & < 6.00%	
Tax Exempt																	
2016A	11/30/2016	\$ 20,000,000	\$ 13,585,000	\$ -	\$ -	\$ -	\$ -	\$ 655,000	\$ 4,320,000	\$ 4,000,000	\$ -	\$ 4,610,000	\$ -	\$ -	\$ -	\$ -	\$ -
2016B	11/30/2016	7,405,000	7,405,000	-	-	-	-	-	-	-	7,405,000	-	-	-	-	-	-
2016C	11/30/2016	13,930,000	2,085,000	2,085,000	-	-	-	-	-	-	-	-	-	-	-	-	-
2017A	6/14/2017	25,000,000	19,195,000	-	-	-	-	-	3,490,000	4,850,000	7,815,000	3,040,000	-	-	-	-	-
2017B	6/14/2017	4,635,000	3,935,000	-	-	-	-	-	-	-	-	3,935,000	-	-	-	-	-
2017C	6/14/2017	14,355,000	3,555,000	3,555,000	-	-	-	-	-	-	-	-	-	-	-	-	-
2017D	12/27/2017	19,265,000	11,595,000	2,780,000	-	-	-	-	-	-	8,815,000	-	-	-	-	-	-
2017E	12/27/2017	4,785,000	4,785,000	-	-	-	-	-	-	3,665,000	1,120,000	-	-	-	-	-	-
2017F	12/27/2017	9,725,000	3,470,000	-	-	-	-	-	-	2,125,000	1,345,000	-	-	-	-	-	-
2018A	10/30/2018	39,170,000	22,750,000	7,590,000	-	-	-	-	-	4,005,000	5,785,000	5,370,000	-	-	-	-	-
2019A	3/20/2019	58,740,000	27,025,000	9,740,000	-	-	-	-	4,105,000	5,190,000	7,990,000	-	-	-	-	-	-
2019B	9/26/2019	65,285,000	54,060,000	12,720,000	-	-	1,260,000	6,400,000	10,755,000	22,925,000	-	-	-	-	-	-	-
2020A	3/18/2020	62,320,000	50,030,000	12,040,000	-	-	7,165,000	10,890,000	19,935,000	-	-	-	-	-	-	-	-
2020B	8/19/2020	48,520,000	43,070,000	10,950,000	-	2,565,000	3,375,000	9,355,000	16,825,000	-	-	-	-	-	-	-	-
2021A	2/17/2021	46,665,000	42,605,000	12,895,000	-	-	1,850,000	6,865,000	14,400,000	-	-	-	-	-	-	-	-
2021B	7/14/2021	97,095,000	90,010,000	26,695,000	-	-	3,100,000	24,725,000	20,105,000	-	-	-	-	-	-	-	-
2022A	1/26/2022	70,675,000	69,275,000	23,255,000	-	-	-	5,830,000	13,590,000	13,390,000	-	-	-	-	-	-	-
2022C	9/8/2022	72,355,000	71,810,000	28,520,000	-	-	-	-	-	-	980,000	23,595,000	18,715,000	-	-	-	-
2023A	3/8/2023	52,455,000	52,455,000	29,200,000	-	-	-	-	-	-	585,000	3,165,000	14,225,000	5,280,000	-	-	-
Sub-Total		\$ 732,380,000	\$ 592,700,000	\$ 182,025,000	\$ 35,190,000	\$ 2,565,000	\$ 16,750,000	\$ 64,720,000	\$ 107,525,000	\$ 60,150,000	\$ 41,840,000	\$ 43,715,000	\$ 32,940,000	\$ 5,280,000	\$ -	\$ -	\$ -
Federally Taxable																	
2015A	6/30/2015	58,000,000	4,185,681	4,185,681	-	-	-	-	-	-	-	-	-	-	-	-	-
2022B	1/26/2022	4,000,000	1,580,000	-	-	-	1,580,000	-	-	-	-	-	-	-	-	-	-
2022D	9/8/2022	15,000,000	14,560,000	-	-	-	-	-	-	-	4,150,000	5,930,000	4,480,000	-	-	-	-
2023B	3/8/2023	25,000,000	25,000,000	-	-	-	-	-	-	-	-	-	-	6,195,000	13,830,000	4,975,000	-
Sub-Total		\$ 102,000,000	\$ 45,325,681	\$ 4,185,681	\$ -	\$ -	\$ 1,580,000	\$ -	\$ -	\$ -	\$ 4,150,000	\$ 5,930,000	\$ 4,480,000	\$ 6,195,000	\$ 13,830,000	\$ 4,975,000	\$ -
Total		\$ 834,380,000	\$ 638,025,681	\$ 186,210,681	\$ 35,190,000	\$ 2,565,000	\$ 18,330,000	\$ 64,720,000	\$ 107,525,000	\$ 60,150,000	\$ 45,990,000	\$ 49,645,000	\$ 37,420,000	\$ 11,475,000	\$ 13,830,000	\$ 4,975,000	\$ -

**APPENDIX G**  
**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION**  
**AS OF JUNE 1, 2023**

<b>Coupon</b>	<b>Series</b>	<b>Type</b>	<b>Maturity</b>	<b>Amount</b>	<b>Cumulative</b>	<b>% of Total</b>
5.508	2023B	Fixed	12/1/2048	4,975,000	4,975,000	0.780%
5.458	2023B	Fixed	12/1/2043	4,190,000	9,165,000	1.436%
5.361	2023B	Fixed	12/1/2038	3,155,000	12,320,000	1.931%
5.341	2023B	Fixed	12/1/2033	270,000	12,590,000	1.973%
5.311	2023B	Fixed	6/1/2033	260,000	12,850,000	2.014%
5.261	2023B	Fixed	12/1/2032	820,000	13,670,000	2.143%
5.250	2023A	PAC	12/1/2053	29,200,000	42,870,000	6.719%
5.231	2023B	Fixed	6/1/2032	800,000	43,670,000	6.845%
5.181	2023B	Fixed	12/1/2031	775,000	44,445,000	6.966%
5.161	2023B	Fixed	6/1/2031	750,000	45,195,000	7.084%
5.101	2023B	Fixed	12/1/2030	735,000	45,930,000	7.199%
5.021	2023B	Fixed	6/1/2030	710,000	46,640,000	7.310%
5.001	2023B	Fixed	6/1/2029	670,000	47,310,000	7.415%
	2023B	Fixed	12/1/2029	695,000	48,005,000	7.524%
5.000	2021A	Non-Callable	12/1/2023	500,000	48,505,000	7.602%
	2021A	Non-Callable	6/1/2024	515,000	49,020,000	7.683%
	2021A	Non-Callable	12/1/2024	515,000	49,535,000	7.764%
	2021A	Non-Callable	6/1/2025	530,000	50,065,000	7.847%
	2021A	Non-Callable	12/1/2025	535,000	50,600,000	7.931%
	2021A	Non-Callable	6/1/2026	545,000	51,145,000	8.016%
	2021A	Non-Callable	12/1/2026	550,000	51,695,000	8.102%
	2021A	Non-Callable	6/1/2027	565,000	52,260,000	8.191%
	2021A	Non-Callable	12/1/2027	570,000	52,830,000	8.280%
	2021A	Non-Callable	6/1/2028	580,000	53,410,000	8.371%
	2021A	Non-Callable	12/1/2028	590,000	54,000,000	8.464%
	2021A	Non-Callable	6/1/2029	600,000	54,600,000	8.558%
	2021B	Non-Callable	12/1/2023	1,290,000	55,890,000	8.760%
	2021B	Non-Callable	6/1/2024	1,310,000	57,200,000	8.965%
	2021B	Non-Callable	12/1/2024	1,330,000	58,530,000	9.174%
	2021B	Non-Callable	6/1/2025	1,355,000	59,885,000	9.386%
	2021B	Non-Callable	12/1/2025	1,375,000	61,260,000	9.601%
	2021B	Non-Callable	6/1/2026	1,395,000	62,655,000	9.820%
	2021B	Non-Callable	12/1/2026	1,420,000	64,075,000	10.043%
	2021B	Non-Callable	6/1/2027	1,440,000	65,515,000	10.268%



**APPENDIX G**  
**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION**  
**AS OF JUNE 1, 2023**

<b>Coupon</b>	<b>Series</b>	<b>Type</b>	<b>Maturity</b>	<b>Amount</b>	<b>Cumulative</b>	<b>% of Total</b>
	2021B	Non-Callable	12/1/2027	1,465,000	66,980,000	10.498%
	2021B	Non-Callable	6/1/2028	1,490,000	68,470,000	10.732%
	2021B	Non-Callable	12/1/2028	1,515,000	69,985,000	10.969%
	2022A	Non-Callable	6/1/2024	655,000	70,640,000	11.072%
	2022A	Non-Callable	12/1/2024	1,145,000	71,785,000	11.251%
	2022A	Non-Callable	6/1/2025	1,165,000	72,950,000	11.434%
	2022A	Non-Callable	12/1/2025	1,185,000	74,135,000	11.619%
	2022A	Non-Callable	6/1/2026	1,215,000	75,350,000	11.810%
	2022A	Non-Callable	12/1/2026	1,235,000	76,585,000	12.003%
	2022A	Non-Callable	6/1/2027	1,265,000	77,850,000	12.202%
	2022A	Non-Callable	12/1/2027	1,295,000	79,145,000	12.405%
	2022A	Non-Callable	6/1/2028	1,320,000	80,465,000	12.612%
	2022A	Non-Callable	12/1/2028	1,350,000	81,815,000	12.823%
	2022A	Non-Callable	6/1/2029	1,380,000	83,195,000	13.039%
	2022C	PAC	12/1/2052	28,520,000	111,715,000	17.509%
4.955	2023B	Fixed	12/1/2028	655,000	112,370,000	17.612%
4.905	2023B	Fixed	6/1/2028	635,000	113,005,000	17.712%
4.825	2023B	Fixed	12/1/2027	620,000	113,625,000	17.809%
4.817	2023B	Fixed	12/1/2026	585,000	114,210,000	17.901%
4.805	2023B	Fixed	6/1/2027	600,000	114,810,000	17.995%
4.767	2023B	Fixed	6/1/2026	570,000	115,380,000	18.084%
4.765	2023B	Fixed	12/1/2025	555,000	115,935,000	18.171%
4.715	2023B	Fixed	12/1/2024	1,440,000	117,375,000	18.397%
	2023B	Fixed	6/1/2025	535,000	117,910,000	18.480%
4.500	2023A	Fixed	6/1/2046	5,280,000	123,190,000	19.308%
4.400	2023A	Fixed	12/1/2043	9,295,000	132,485,000	20.765%
4.200	2022D	Fixed	6/1/2033	950,000	133,435,000	20.914%
4.150	2022D	Fixed	12/1/2032	920,000	134,355,000	21.058%
4.100	2023A	Fixed	12/1/2038	4,930,000	139,285,000	21.831%
4.080	2022D	Fixed	6/1/2032	895,000	140,180,000	21.971%
4.050	2022C	Fixed	12/1/2047	18,715,000	158,895,000	24.904%
	2022D	Fixed	12/1/2031	870,000	159,765,000	25.041%
4.000	2017C	PAC	12/1/2046	3,555,000	163,320,000	25.598%
	2017D	PAC	12/1/2043	2,780,000	166,100,000	26.033%
	2018A	PAC	12/1/2044	7,590,000	173,690,000	27.223%
	2019A	PAC	12/1/2048	9,740,000	183,430,000	28.750%
	2022D	Fixed	6/1/2031	845,000	184,275,000	28.882%

**APPENDIX G**  
**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION**  
**AS OF JUNE 1, 2023**

<b>Coupon</b>	<b>Series</b>	<b>Type</b>	<b>Maturity</b>	<b>Amount</b>	<b>Cumulative</b>	<b>% of Total</b>
3.950	2022C	Fixed	12/1/2042	14,630,000	198,905,000	31.175%
3.900	2022D	Fixed	12/1/2030	820,000	199,725,000	31.304%
	2023A	Fixed	12/1/2035	670,000	200,395,000	31.409%
3.850	2022D	Fixed	6/1/2030	795,000	201,190,000	31.533%
	2023A	Fixed	6/1/2035	650,000	201,840,000	31.635%
3.780	2022D	Fixed	12/1/2029	775,000	202,615,000	31.757%
3.750	2020A	PAC	6/1/2049	12,040,000	214,655,000	33.644%
	2022C	Fixed	12/1/2037	6,920,000	221,575,000	34.728%
3.730	2022D	Fixed	6/1/2029	750,000	222,325,000	34.846%
3.700	2022D	Fixed	12/1/2028	730,000	223,055,000	34.960%
	2023A	Fixed	12/1/2034	630,000	223,685,000	35.059%
3.650	2017B	Fixed	12/1/2036	3,935,000	227,620,000	35.676%
	2022D	Fixed	6/1/2028	705,000	228,325,000	35.786%
	2023A	Fixed	6/1/2034	620,000	228,945,000	35.883%
3.625	2016A	Fixed	12/1/2045	3,255,000	232,200,000	36.394%
	2018A	Fixed	12/1/2033	4,660,000	236,860,000	37.124%
3.600	2022C	Fixed	12/1/2034	1,035,000	237,895,000	37.286%
3.570	2022D	Fixed	12/1/2027	685,000	238,580,000	37.393%
3.550	2017A	Fixed	6/1/2034	3,040,000	241,620,000	37.870%
	2022C	Fixed	6/1/2034	1,010,000	242,630,000	38.028%
3.520	2022D	Fixed	6/1/2027	670,000	243,300,000	38.133%
3.500	2016A	Fixed	6/1/2041	1,355,000	244,655,000	38.346%
	2016C	PAC	12/1/2038	2,085,000	246,740,000	38.672%
	2018A	Fixed	12/1/2030	710,000	247,450,000	38.784%
	2019B	PAC	12/1/2049	12,720,000	260,170,000	40.777%
	2023A	Fixed	12/1/2033	595,000	260,765,000	40.871%
3.470	2022D	Fixed	12/1/2026	645,000	261,410,000	40.972%
3.450	2018A	Fixed	6/1/2030	695,000	262,105,000	41.081%
	2022C	Fixed	12/1/2033	980,000	263,085,000	41.234%
	2023A	Fixed	6/1/2033	585,000	263,670,000	41.326%
3.420	2022D	Fixed	6/1/2026	630,000	264,300,000	41.425%
3.400	2017A	Fixed	12/1/2032	7,815,000	272,115,000	42.650%
	2018A	Fixed	12/1/2029	675,000	272,790,000	42.755%
3.380	2022D	Fixed	12/1/2025	610,000	273,400,000	42.851%
3.375	2019A	Fixed	12/1/2034	7,180,000	280,580,000	43.976%
3.350	2017D	Fixed	12/1/2034	3,470,000	284,050,000	44.520%
	2018A	Fixed	6/1/2029	665,000	284,715,000	44.624%

**APPENDIX G**  
**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION**  
**AS OF JUNE 1, 2023**

<b>Coupon</b>	<b>Series</b>	<b>Type</b>	<b>Maturity</b>	<b>Amount</b>	<b>Cumulative</b>	<b>% of Total</b>
3.280	2022D	Fixed	6/1/2025	590,000	285,305,000	44.717%
3.250	2018A	Fixed	12/1/2028	730,000	286,035,000	44.831%
	2020B	PAC	12/1/2050	10,950,000	296,985,000	46.547%
	2022D	Fixed	12/1/2024	575,000	297,560,000	46.638%
3.200	2017D	Fixed	12/1/2032	5,345,000	302,905,000	47.475%
	2018A	Fixed	6/1/2028	760,000	303,665,000	47.594%
	2022D	Fixed	6/1/2024	560,000	304,225,000	47.682%
3.150	2016B	Fixed	6/1/2033	3,515,000	307,740,000	48.233%
	2022D	Fixed	12/1/2023	540,000	308,280,000	48.318%
3.100	2018A	Fixed	12/1/2027	775,000	309,055,000	48.439%
3.050	2015A	Pass-Through	12/1/2034	4,185,681	313,240,681	49.095%
	2018A	Fixed	6/1/2027	750,000	313,990,681	49.213%
3.000	2016B	Fixed	6/1/2031	3,890,000	317,880,681	49.823%
	2017E	Fixed	12/1/2028	645,000	318,525,681	49.924%
	2017E	Fixed	6/1/2029	475,000	319,000,681	49.998%
	2017F	Fixed	12/1/2025	1,345,000	320,345,681	50.209%
	2018A	Fixed	12/1/2026	735,000	321,080,681	50.324%
	2019A	Fixed	12/1/2030	810,000	321,890,681	50.451%
	2021A	PAC	12/1/2050	12,895,000	334,785,681	52.472%
	2021B	PAC	6/1/2051	26,695,000	361,480,681	56.656%
	2022A	PAC	6/1/2050	23,255,000	384,735,681	60.301%
2.950	2017A	Fixed	12/1/2028	865,000	385,600,681	60.437%
	2017E	Fixed	6/1/2028	635,000	386,235,681	60.536%
	2017F	Fixed	12/1/2024	730,000	386,965,681	60.650%
	2018A	Fixed	6/1/2026	715,000	387,680,681	60.763%
	2019A	Fixed	6/1/2030	795,000	388,475,681	60.887%
2.900	2017F	Fixed	6/1/2024	705,000	389,180,681	60.998%
2.875	2019B	Fixed	12/1/2043	11,525,000	400,705,681	62.804%
2.850	2017A	Fixed	6/1/2028	840,000	401,545,681	62.936%
	2017E	Fixed	12/1/2027	620,000	402,165,681	63.033%
	2017F	Fixed	12/1/2023	690,000	402,855,681	63.141%
	2019A	Fixed	12/1/2029	770,000	403,625,681	63.262%
2.800	2016A	Fixed	6/1/2029	2,400,000	406,025,681	63.638%
	2017A	Fixed	12/1/2027	815,000	406,840,681	63.766%
	2017E	Fixed	6/1/2027	745,000	407,585,681	63.882%
	2018A	Fixed	12/1/2025	695,000	408,280,681	63.991%
	2019A	Fixed	6/1/2029	760,000	409,040,681	64.110%

**APPENDIX G**  
**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION**  
**AS OF JUNE 1, 2023**

<b>Coupon</b>	<b>Series</b>	<b>Type</b>	<b>Maturity</b>	<b>Amount</b>	<b>Cumulative</b>	<b>% of Total</b>
2.750	2017A	Fixed	6/1/2027	800,000	409,840,681	64.236%
	2018A	Fixed	6/1/2025	675,000	410,515,681	64.342%
2.700	2017A	Fixed	12/1/2026	775,000	411,290,681	64.463%
	2017E	Fixed	12/1/2026	725,000	412,015,681	64.577%
	2019A	Fixed	12/1/2028	740,000	412,755,681	64.693%
2.650	2018A	Fixed	12/1/2024	655,000	413,410,681	64.795%
	2019A	Fixed	6/1/2028	725,000	414,135,681	64.909%
	2019B	Fixed	12/1/2039	11,400,000	425,535,681	66.696%
2.600	2017A	Fixed	6/1/2026	755,000	426,290,681	66.814%
	2017E	Fixed	6/1/2026	765,000	427,055,681	66.934%
	2018A	Fixed	6/1/2024	640,000	427,695,681	67.034%
2.550	2016A	Fixed	12/1/2027	810,000	428,505,681	67.161%
	2019A	Fixed	12/1/2027	710,000	429,215,681	67.272%
	2022A	Fixed	6/1/2042	13,390,000	442,605,681	69.371%
2.500	2016A	Fixed	6/1/2027	790,000	443,395,681	69.495%
	2017E	Fixed	12/1/2025	175,000	443,570,681	69.522%
	2018A	Fixed	12/1/2023	625,000	444,195,681	69.620%
	2019A	Fixed	6/1/2027	690,000	444,885,681	69.728%
2.450	2017A	Fixed	12/1/2025	735,000	445,620,681	69.844%
	2020A	Fixed	12/1/2039	10,780,000	456,400,681	71.533%
2.400	2019A	Fixed	12/1/2026	680,000	457,080,681	71.640%
	2019B	Fixed	12/1/2034	3,900,000	460,980,681	72.251%
2.350	2016A	Fixed	12/1/2026	765,000	461,745,681	72.371%
	2017A	Fixed	6/1/2025	720,000	462,465,681	72.484%
	2019A	Fixed	6/1/2026	665,000	463,130,681	72.588%
	2019B	Fixed	12/1/2032	925,000	464,055,681	72.733%
2.300	2016A	Fixed	6/1/2026	750,000	464,805,681	72.851%
	2019B	Fixed	6/1/2032	905,000	465,710,681	72.992%
	2022A	Fixed	12/1/2036	6,880,000	472,590,681	74.071%
2.250	2016A	Fixed	12/1/2025	725,000	473,315,681	74.184%
	2019A	Fixed	12/1/2025	650,000	473,965,681	74.286%
	2019B	Fixed	12/1/2031	885,000	474,850,681	74.425%
	2020A	Fixed	12/1/2035	5,405,000	480,255,681	75.272%
	2020B	Fixed	12/1/2045	8,645,000	488,900,681	76.627%
	2022A	Fixed	12/1/2033	1,205,000	490,105,681	76.816%
2.200	2017A	Fixed	12/1/2024	695,000	490,800,681	76.925%
	2019A	Fixed	6/1/2025	605,000	491,405,681	77.020%

**APPENDIX G**  
**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION**  
**AS OF JUNE 1, 2023**

<b>Coupon</b>	<b>Series</b>	<b>Type</b>	<b>Maturity</b>	<b>Amount</b>	<b>Cumulative</b>	<b>% of Total</b>
2.150	2019B	Fixed	6/1/2031	865,000	492,270,681	77.155%
	2016A	Fixed	6/1/2025	710,000	492,980,681	77.267%
	2019A	Fixed	12/1/2024	515,000	493,495,681	77.347%
	2019B	Fixed	12/1/2030	845,000	494,340,681	77.480%
	2022A	Fixed	6/1/2033	1,270,000	495,610,681	77.679%
2.125	2021A	Fixed	12/1/2044	6,350,000	501,960,681	78.674%
2.100	2017A	Fixed	6/1/2024	680,000	502,640,681	78.781%
	2019A	Fixed	6/1/2024	500,000	503,140,681	78.859%
	2019B	Fixed	6/1/2030	830,000	503,970,681	78.989%
	2020A	Fixed	12/1/2033	1,275,000	505,245,681	79.189%
	2020B	Fixed	12/1/2040	8,180,000	513,425,681	80.471%
2.050	2021B	Fixed	12/1/2041	20,105,000	533,530,681	83.622%
	2016A	Fixed	12/1/2024	695,000	534,225,681	83.731%
	2019A	Fixed	12/1/2023	490,000	534,715,681	83.808%
	2019B	Fixed	12/1/2029	810,000	535,525,681	83.935%
	2020A	Fixed	6/1/2033	1,250,000	536,775,681	84.131%
2.000	2022A	Fixed	6/1/2032	1,430,000	538,205,681	84.355%
	2022A	Fixed	12/1/2032	1,315,000	539,520,681	84.561%
	2016A	Fixed	6/1/2024	675,000	540,195,681	84.667%
	2017A	Fixed	12/1/2023	660,000	540,855,681	84.770%
	2019B	Fixed	6/1/2029	790,000	541,645,681	84.894%
1.950	2020A	Fixed	12/1/2032	1,225,000	542,870,681	85.086%
	2021A	Fixed	12/1/2040	8,050,000	550,920,681	86.348%
	2022A	Fixed	12/1/2031	1,490,000	552,410,681	86.581%
	2019B	Fixed	12/1/2028	775,000	553,185,681	86.703%
	2020A	Fixed	6/1/2032	1,200,000	554,385,681	86.891%
1.900	2022A	Fixed	6/1/2031	1,505,000	555,890,681	87.127%
	2019B	Fixed	6/1/2028	760,000	556,650,681	87.246%
	2020A	Fixed	12/1/2031	1,170,000	557,820,681	87.429%
	2020B	Fixed	12/1/2035	4,280,000	562,100,681	88.100%
	2021B	Fixed	12/1/2036	11,285,000	573,385,681	89.869%
1.875	2016A	Fixed	12/1/2023	655,000	574,040,681	89.971%
	2021B	Fixed	12/1/2033	1,775,000	575,815,681	90.250%
1.850	2019B	Fixed	12/1/2027	740,000	576,555,681	90.366%
	2020A	Fixed	6/1/2031	1,150,000	577,705,681	90.546%
	2021B	Fixed	6/1/2033	1,750,000	579,455,681	90.820%
	2022A	Fixed	12/1/2030	1,475,000	580,930,681	91.051%

**APPENDIX G**  
**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION**  
**AS OF JUNE 1, 2023**

<b>Coupon</b>	<b>Series</b>	<b>Type</b>	<b>Maturity</b>	<b>Amount</b>	<b>Cumulative</b>	<b>% of Total</b>
1.800	2019B	Fixed	6/1/2027	725,000	581,655,681	91.165%
	2020A	Fixed	12/1/2030	1,120,000	582,775,681	91.340%
	2020B	Fixed	12/1/2031	650,000	583,425,681	91.442%
	2020B	Fixed	6/1/2032	665,000	584,090,681	91.547%
	2020B	Fixed	12/1/2032	670,000	584,760,681	91.652%
	2021A	Fixed	12/1/2035	4,250,000	589,010,681	92.318%
	2021B	Fixed	12/1/2032	1,720,000	590,730,681	92.587%
	2022A	Fixed	6/1/2030	1,440,000	592,170,681	92.813%
1.750	2019B	Fixed	12/1/2026	710,000	592,880,681	92.924%
	2020A	Fixed	6/1/2030	1,100,000	593,980,681	93.097%
	2020B	Fixed	6/1/2031	635,000	594,615,681	93.196%
	2021A	Fixed	12/1/2032	665,000	595,280,681	93.300%
	2021B	Fixed	6/1/2032	1,690,000	596,970,681	93.565%
1.700	2019B	Fixed	6/1/2026	695,000	597,665,681	93.674%
	2020A	Fixed	12/1/2029	1,075,000	598,740,681	93.843%
	2020B	Fixed	12/1/2030	630,000	599,370,681	93.941%
	2021A	Fixed	6/1/2032	660,000	600,030,681	94.045%
	2022A	Fixed	12/1/2029	1,410,000	601,440,681	94.266%
1.650	2019B	Fixed	12/1/2025	680,000	602,120,681	94.372%
	2020A	Fixed	6/1/2029	1,050,000	603,170,681	94.537%
	2020B	Fixed	6/1/2030	620,000	603,790,681	94.634%
	2021A	Fixed	12/1/2031	650,000	604,440,681	94.736%
	2021B	Fixed	12/1/2031	1,665,000	606,105,681	94.997%
1.600	2019B	Fixed	6/1/2025	665,000	606,770,681	95.101%
	2020A	Fixed	12/1/2028	1,030,000	607,800,681	95.263%
	2020B	Fixed	12/1/2029	605,000	608,405,681	95.358%
	2021B	Fixed	6/1/2031	1,640,000	610,045,681	95.615%
1.550	2020A	Fixed	6/1/2028	1,010,000	611,055,681	95.773%
	2021A	Fixed	6/1/2031	640,000	611,695,681	95.873%
	2021B	Fixed	12/1/2030	1,615,000	613,310,681	96.126%
1.500	2019B	Fixed	12/1/2024	650,000	613,960,681	96.228%
	2020A	Fixed	12/1/2027	985,000	614,945,681	96.383%
	2020B	Fixed	6/1/2029	600,000	615,545,681	96.477%
	2021B	Fixed	6/1/2030	1,585,000	617,130,681	96.725%
1.450	2019B	Fixed	6/1/2024	640,000	617,770,681	96.825%
	2020A	Fixed	6/1/2027	965,000	618,735,681	96.977%
	2021A	Fixed	12/1/2030	625,000	619,360,681	97.075%

**APPENDIX G**  
**BONDS OUTSTANDING UNDER THE GENERAL RESOLUTION**  
**AS OF JUNE 1, 2023**

<b>Coupon</b>	<b>Series</b>	<b>Type</b>	<b>Maturity</b>	<b>Amount</b>	<b>Cumulative</b>	<b>% of Total</b>
1.400	2019B	Fixed	12/1/2023	620,000	619,980,681	97.172%
	2020A	Fixed	12/1/2026	945,000	620,925,681	97.320%
	2020B	Fixed	12/1/2028	585,000	621,510,681	97.412%
	2021B	Fixed	12/1/2029	1,565,000	623,075,681	97.657%
1.375	2020A	Fixed	6/1/2026	920,000	623,995,681	97.801%
1.350	2021A	Fixed	6/1/2030	620,000	624,615,681	97.898%
1.300	2020A	Fixed	12/1/2025	905,000	625,520,681	98.040%
	2020B	Fixed	6/1/2028	575,000	626,095,681	98.130%
	2021B	Fixed	6/1/2029	1,535,000	627,630,681	98.371%
1.250	2020A	Fixed	6/1/2025	885,000	628,515,681	98.509%
1.200	2020A	Fixed	6/1/2024	850,000	629,365,681	98.643%
	2020A	Fixed	12/1/2024	865,000	630,230,681	98.778%
	2020B	Fixed	12/1/2027	570,000	630,800,681	98.868%
	2021A	Fixed	12/1/2029	605,000	631,405,681	98.962%
1.190	2022B	Fixed	6/1/2024	475,000	631,880,681	99.037%
1.150	2020A	Fixed	12/1/2023	830,000	632,710,681	99.167%
1.100	2020B	Fixed	6/1/2027	560,000	633,270,681	99.255%
1.040	2022B	Fixed	12/1/2023	1,105,000	634,375,681	99.428%
1.000	2020B	Fixed	6/1/2026	540,000	634,915,681	99.513%
	2020B	Fixed	12/1/2026	545,000	635,460,681	99.598%
0.900	2020B	Fixed	12/1/2025	530,000	635,990,681	99.681%
0.850	2020B	Fixed	6/1/2025	525,000	636,515,681	99.763%
0.750	2020B	Fixed	12/1/2024	510,000	637,025,681	99.843%
0.650	2020B	Fixed	6/1/2024	505,000	637,530,681	99.922%
0.550	2020B	Fixed	12/1/2023	495,000	638,025,681	100.000%

**[THIS PAGE INTENTIONALLY LEFT BLANK]**





