NEW ISSUE – BOOK ENTRY ONLY **RATINGS: See "RATINGS" HEREIN**

In the opinion of Kutak Rock LLP, Bond Counsel to the Authority, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Series 2024E Bonds is excludable from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except that no opinion is expressed as to such exclusion of interest on any Series 2024E Bond for any period during which such Series 2024E Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities financed with the proceeds of the Series 2024E Bonds or a "related person," and (ii) interest on the Series 2024E Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code imposed on individuals. Interest on the Series 2024E Bonds may affect the federal alternative minimum tax imposed on certain corporations. In addition, in the opinion of Bond Counsel to the Authority, under the Illinois Housing Development Act, as amended, interest on the Series 2024E Bonds is exempt from Illinois income taxes. For a more complete description, see "TAX MATTERS" herein, and APPENDIX E—"Form of Bond Counsel Opinion."

$12,725,000
ILLINOIS HOUSING DEVELOPMENT AUTHORITY
MULTIFAMILY REVENUE BONDS, 2024 SERIES E (NON-AMT)
(VARIABLE RATE)
(SUSTAINABILITY BONDS)

Dated: Date of delivery **Due: As shown on the inside cover hereof**

The Illinois Housing Development Authority (the "*Authority*") is offering $12,725,000 in aggregate principal amount of its Multifamily Revenue Bonds, 2024 Series E (the "*Series 2024E Bonds*"). The Series 2024E Bonds are being issued pursuant to a Trust Indenture dated as of September 1, 2016 (the "*General Indenture*") between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee thereunder (the "*Trustee*") and a 2024 Series E Indenture, dated as of August 1, 2024 (the "Series 2024E Indenture" and together with the General Indenture, the "*Indenture*") between the Authority and the Trustee.

The Authority has designated the Series 2024E Bonds as "Sustainability Bonds." See "DESIGNATION OF THE SERIES 2024E BONDS AS SUSTAINABILITY BONDS" herein.

The Series 2024E Bonds (sometimes also referred to herein as the "VARIABLE RATE BONDS") will initially bear interest for a Weekly Interest Rate Period, payable semiannually on each January 1 and July 1, with the first interest payment date being January 1, 2025. The Variable Rate Bonds are issuable in the form of fully registered bonds in denominations of $100,000 or any integral multiple of $5,000 in excess of $100,000. The Variable Rate Bonds may be adjusted to bear interest for a Daily Interest Rate Period, a Short-Term Interest Rate Period or a Long-Term Interest Rate Period. **This Official Statement is intended to describe the terms of the Series 2024E Bonds only while such Bonds bear interest at the Weekly Interest Rate and only while the Initial Liquidity Facility (as defined below) is in effect.**

The Series 2024E Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("*DTC*"). Purchases will be made in book entry only form and no physical delivery of the Series 2024E Bonds will be made to Beneficial Owners (as herein defined). Payment of principal of, and interest and premium, if any, on the Series 2024E Bonds will be made by the Trustee to Cede & Co., as nominee of DTC, and will subsequently be disbursed to Direct Participants (as herein defined) and thereafter to Beneficial Owners. See "THE SERIES 2024E BONDS" herein.

The Trust Estate for the Series 2024E Bonds and all other series of parity bonds Outstanding under the Indenture (collectively, the "*Bonds*") includes Revenues, Funds and Accounts established under the Indenture, rights in the Loans and security for the rights in the Loans which rights are part of the Trust Estate, solely to the extent such items are subject to the pledge, assignment, lien and security interest as provided in the Indenture, including the investments, if any, of such amounts, and the earnings, if any, on such investments until applied in accordance with the terms of the Indenture; all right, title and interest of the Authority in and to the Loans and the documents evidencing and securing the Loans; all right, title and interest of the Authority in and to insurance proceeds and liquidation proceeds, but excluding Loans accrued interest not purchased by the Authority. The Trust Estate for the Bonds also includes all Contributed Assets, except as otherwise provided in a Series Indenture. The pledge of Funds and Accounts established under the Indenture may be limited in purpose and time, as set forth in the Indenture and security for the rights in Loans which rights are part of the Trust Estate, solely to the extent such items are subject to the pledge, assignment, lien and security interest as provided in the Indenture. The Series 2024E Bonds, and unless subordinated, all Bonds (as defined herein) are equally and ratably secured by the Trust Estate (as defined herein) held by the Trustee under the General Indenture. See "SECURITY FOR THE SERIES 2024E BONDS AND SOURCES OF PAYMENT" herein.

During a Weekly Interest Rate Period, the Series 2024E Bonds are subject to tender for purchase on any Business Day at the option of the registered owners thereof upon seven days' prior notice given to The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois (the "*Tender Agent*"). The Series 2024E Bonds are subject to mandatory tender for purchase (i) on the first day of each Interest Rate Period, (ii) upon the termination or expiration of the Initial Liquidity Facility or the reduction, modification or replacement of the Initial Liquidity Facility with the effect that the purchase price of such Variable Rate Bonds thereafter would no longer be payable from the Initial Liquidity Facility, and (iii) in certain circumstances following an event of default under the Initial Liquidity Facility. See "THE SERIES 2024E BONDS," APPENDIX I – "The Variable Rate Bonds," and APPENDIX J – "Initial Liquidity Facility and Initial Liquidity Provider."

Funds for the timely payment of the purchase price of Variable Rate Bonds tendered for purchase and not remarketed are expected to be provided pursuant to a Standby Bond Purchase Agreement (the "*Initial Liquidity Facility*"), entered into among the Authority, the Trustee, the Tender Agent and the State Street Bank and Trust Company (the "*Initial Liquidity Provider*"). The Initial Liquidity Facility is scheduled to expire on August 8, 2028, subject to earlier termination or extension as described herein. The Series 2024E Bonds will be subject to mandatory tender for purchase upon the expiration of the Initial Liquidity Facility if it is not extended and upon the occurrence of certain other events as described herein. The obligation of the Initial Liquidity Provider to purchase Bonds under the Initial Liquidity Facility may be terminated, in some circumstances without notice to the Trustee or to Holders of the Series 2024E Bonds, as described herein. See APPENDIX J – "Initial Liquidity Facility and Initial Liquidity Provider."

The Series 2024E Bonds are subject to special, optional and mandatory sinking fund redemption prior to maturity under certain circumstances described herein and as set forth in the Indenture. See "THE SERIES 2024E BONDS – REDEMPTION" herein.

THE SERIES 2024E BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE AUTHORITY. THE SERIES 2024E BONDS AND INTEREST THEREON DO NOT CONSTITUTE AN INDEBTEDNESS, A LIABILITY, A GENERAL OR MORAL OBLIGATION OR A PLEDGE OF THE FAITH OR LOAN OF CREDIT OF THE AUTHORITY, THE STATE OF ILLINOIS (THE "*STATE*") OR ANY POLITICAL SUBDIVISION OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS. NEITHER THE AUTHORITY, THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2024E BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND ASSETS PLEDGED WITH RESPECT THERETO. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE UNITED STATES OF AMERICA, THE AUTHORITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2024E BONDS OR OTHER COSTS INCIDENT THERETO. THE SERIES 2024E BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF AND ARE NOT GUARANTEED BY THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF. THE AUTHORITY HAS NO TAXING POWER. THE SERIES 2024E BONDS AND OTHER BONDS ISSUED UNDER THE GENERAL INDENTURE WILL BE SECURED SOLELY BY THE REVENUES, INCOME AND RECEIPTS PLEDGED TO THE PAYMENT THEREOF UNDER THE INDENTURE. THE AUTHORITY HAS DETERMINED BY RESOLUTION THAT THE PROVISIONS OF SECTION 26.1 OF THE ILLINOIS HOUSING DEVELOPMENT ACT, WHICH REQUIRES THE GOVERNOR TO SUBMIT TO THE GENERAL ASSEMBLY THE AMOUNT CERTIFIED BY THE AUTHORITY AS BEING REQUIRED TO PAY DEBT SERVICE ON ITS BONDS BECAUSE INSUFFICIENT MONEYS ARE AVAILABLE FOR SUCH PURPOSES, SHALL NOT APPLY TO THE SERIES 2024E BONDS.

The Series 2024E Bonds are offered when, as, and if issued by the Authority and accepted by Loop Capital Markets LLC (the "Underwriter"), subject to prior sale and to withdrawal or modification of the offer without notice and the approval of legality by Kutak Rock LLP, Bond Counsel to the Authority. Certain legal matters will be passed on for the Authority by its interim general counsel, Kathryn Finn, Esq., and for the Underwriter by its counsel, Ice Miller LLP. Delivery of the Series 2024E Bonds to the Trustee on behalf of DTC under the DTC FAST system of registration is expected on or about August 8, 2024.

LOOP CAPITAL MARKETS

(Underwriter and Remarketing Agent)

Dated August 1, 2024.

$12,725,000
ILLINOIS HOUSING DEVELOPMENT AUTHORITY
MULTIFAMILY REVENUE BONDS, 2024 SERIES E (NON-AMT)
(VARIABLE RATE)
(SUSTAINABILITY BONDS)

$12,725,000 Variable Rate Term Bond due January 1, 2065 – Price 100%; CUSIP No. 45202B SH0†

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† *CUSIP is a registered trademark of the American Bankers Association. CUSIP data used in this Official Statement is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. The CUSIP numbers listed are being provided solely for the convenience of the registered owners of the Series 2024E Bonds only at the time of issuance of the Series 2024E Bonds and neither the Authority nor the Underwriter makes any representation with respect to such numbers or undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2024E Bonds as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2024E Bonds.*

No dealer, broker, salesperson or other person has been authorized by the Authority or by the Underwriter to give any information or to make any representations, 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 any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2024E 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 furnished by the Authority and by 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 Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or changes involving the Loans since the date hereof.

This Official Statement contains forecasts, projections and estimates that are based on expectations and assumptions which existed at the time such forecasts, projections and estimates were prepared. The inclusion in this Official Statement of such forecasts, projections and estimates should not be regarded as a representation of the Authority or the Underwriter that such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results. The forecasts, projections and estimates have not been examined or compiled by the Authority's auditors, nor have its auditors expressed an opinion or any other form of assurance on the information or its achievability.

If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the Authority. These forward-looking statements speak only as of the date of this Official Statement. The Authority disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Authority's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market price of the Series 2024E Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Series 2024E Bonds to certain dealers and certain dealer banks and banks acting as agents at prices lower than the public offering price stated on the inside cover page hereof and said public offering price may be changed from time to time by the Underwriter.

No registration statement relating to the Series 2024E Bonds has been filed with the Securities and Exchange Commission (the "*Commission*") or with any state securities agency. The Series 2024E Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

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$12,725,000
ILLINOIS HOUSING DEVELOPMENT AUTHORITY
MULTIFAMILY REVENUE BONDS, 2024 SERIES E (NON-AMT)
(VARIABLE RATE)
(SUSTAINABILITY BONDS)

This Official Statement provides certain information concerning the Illinois Housing Development Authority (the "*Authority*" or "*IHDA*") in connection with the sale of the Authority's $12,725,000 aggregate principal amount of Multifamily Revenue Bonds, 2024 Series E (the "*Series 2024E Bonds*"). The Series 2024E Bonds are authorized to be issued pursuant to the Illinois Housing Development Authority Act, 20 ILCS 3805/1 *et seq.*, as amended from time to time (the "*Act*"), and a Resolution adopted by the Board of Directors of the Authority on July 19, 2024 (the "*Bond Resolution*"). The Series 2024E Bonds are being issued pursuant to the general terms of a Trust Indenture dated as of September 1, 2016 (the "*General Indenture*"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "*Trustee*"), and a Series 2024E Indenture, dated as of August 1, 2024 (the "*Series 2024E Indenture*" and together with the General Indenture, the "*Indenture*"), between the Authority and the Trustee. The Trust Estate created under the Indenture secures the Series 2024E Bonds and any other Series of bonds or other obligations issued or to be issued and Outstanding (collectively, the "*Bonds*") under the General Indenture on an equal and ratable basis. The Series 2024E Bonds will be the twenty-third Series of parity Bonds issued under the General Indenture.

Certain terms used in this Official Statement, the General Indenture and the Series 2024E Indenture have the meanings set forth in APPENDIX C – "Form of Series 2024E Indenture" and APPENDIX D – "Execution Copy of General Indenture," both attached hereto.

INTRODUCTORY STATEMENT

The Series 2024E Bonds are being issued to provide moneys, together with tax credit equity proceeds, to refund or redeem the Authority's maturing Multifamily Housing Revenue Note, Series 2022A (Burnham Manor) issued in the original principal amount of $18,000,000 and currently outstanding in the principal amount of $15,545,665.77 (the "*Refunded Note*"). The proceeds of the Refunded Note were used to make a construction loan (the "*Prior Loan*") to Elgin Manor Preservation Associates I Limited Partnership, an Illinois limited partnership ("*Series 2024E Borrower*"), to finance the acquisition, rehabilitation, construction and equipping by the Series 2024E Borrower of a senior living apartment development formerly known as "Burnham Manor," and now known as "Elgin Manor," and located at 1350 Fleetwood Drive in Elgin, Illinois, consisting of 100 units restricted to seniors age 62 and older. Upon the delivery of the Series 2024E Bonds and the transfer of the proceeds thereof to the payment of the Refunded Note (and the concurrent satisfaction of the Series 2024E Borrower's Prior Loan), the Authority will enter into a new loan with the Series 2024E Borrower (the "*Series 2024E Loan*") to provide long-term financing for the Elgin Manor development (hereinafter referred to as the "*Series 2024E Financed Development*"). See "PLAN OF FINANCE—The Series 2024E Financed Development" herein for a description of the Series 2024E Borrower and the Series 2024E Financed Development.

The Series 2024E Loan will be secured by a fee mortgage on the Series 2024E Financed Development and evidenced by a fee mortgage promissory note from the Series 2024E Borrower to the Authority evidencing the obligation of the Series 2024E Borrower to repay the Series 2024E Loan financed with proceeds of the Series 2024E Bonds. See APPENDIX B – "Certain Information Regarding the Series 2024E Loan."

The Series 2024E Loan will be insured by the Federal Housing Administration ("*FHA*"), pursuant to a mortgage insurance program (the "*Risk-Sharing Program*") established by the Federal Housing and Community Development Act of 1992 and the regulations promulgated thereunder, as more fully described herein. The Risk-Sharing Program provides for payment by the United States Department of Housing and Urban Development ("*HUD*") of 50% of the unpaid principal balance of the Series 2024E Loan as of the date of default and interest on Series 2024E Loan from the date of default to the date of the initial claim payment with the remainder to be paid by the Authority. Monies received from HUD or the Authority pursuant to the Risk-Sharing Program with respect to the Series 2024E Loan are further pledged as security for the payment of the Bonds. To the extent permitted by law, including applicable HUD regulations, while the Series 2024E Bonds are outstanding, the Authority agrees to name the Trustee as payee with respect to any claims for Risk-Sharing Insurance proceeds relating to the Series 2024E Loan or to otherwise provide that such proceeds are delivered to the Trustee for deposit under the Indenture. See "SECURITY FOR THE SERIES 2024E BONDS AND SOURCES OF PAYMENT." For a description of the Risk-Sharing Program, see "APPENDIX F—FHA Risk-Sharing Program."

The Series 2024E Bonds are special, limited obligations of the Authority secured solely by a pledge of the Trust Estate pledged under the Indenture on an equal and ratable basis with all Bonds Outstanding under the Indenture. With respect to the Bonds, the pledged revenues (the "*Revenues*") consist of (i) principal and interest and related payments on the Loans, payments of service and other fees or charges to the Authority with respect to the Loans, payments on the Loans to reimburse the Authority for costs of issuance of the Series 2024E Bonds (or other costs of the Authority with respect to the Bonds payable from the Revenue Fund established under the Indenture) and also including, without limitation, Loan Prepayments with respect to the Loans, and Recovery Payments; (ii) Insurance Proceeds with respect to the Loans; (iii) Proceeds; (iv) any Derivative Payments by a counterparty with respect to the Bonds to the extent the Authority provides written directions for those Derivative Payments to be included in Revenues; and (v) subject to the provisions of the Indenture, interest and other investment earnings received on the investment of amounts in any Account or Fund established under the Indenture. "Revenues" *do not* include (A) discount, points or other initial Loan fees charged by the Authority; (B) any payment of interest on the Loans or other payments with respect to the Loans to the extent to be used for paying mortgage insurance premiums or other fees for credit enhancement of the Loans; or (C) Development Receipts. "Revenues" *do* include amounts collected with respect to the Loans representing housing assistance payments under any applicable agreements with the U.S. Department of Housing and Urban Development. See "SECURITY FOR THE SERIES 2024E BONDS AND SOURCES OF REPAYMENT."

The Series 2024E Bonds are subject to special, optional and mandatory sinking fund redemption prior to maturity as described under "THE SERIES 2024E BONDS – Redemption."

The Series 2024E Bonds will initially bear interest for a Weekly Interest Rate Period. During a Weekly Interest Rate Period, the Series 2024E Bonds are subject to tender for purchase on any Business Day at the option of the registered owners thereof upon seven days' prior notice given to The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois (the "*Tender Agent*"). The Series 2024E Bonds are subject to mandatory tender for purchase (i) on the first day of each Interest Rate Period, (ii) upon the termination or expiration of the Initial Liquidity Facility (as defined below) or the reduction, modification or replacement of the Initial Liquidity Facility with the effect that the purchase price of such Series 2024E Bonds are no longer payable from such Initial Liquidity Facility, and (iii) in certain circumstances following an event of default under the Initial Liquidity Facility. See "THE SERIES 2024E BONDS," APPENDIX I—"The Variable Rate Bonds" and APPENDIX J—"Initial Liquidity Facility and Initial Liquidity Provider."

The Series 2024E Bonds will be the twenty-third Series of parity Bonds issued under the General Indenture. The Authority has previously issued its (i) $41,550,000 Multifamily Revenue Bonds, 2019 Series A (Non-AMT), (ii) $5,750,000 Multifamily Revenue Bonds, 2020 Series A (Non-AMT), (iii) $2,935,000 Multifamily Revenue Bonds, 2020 Series B (Non-AMT), (iv) $1,650,000 Multifamily Revenue Bonds, 2020 Series C (Non-AMT), (v) $1,695,000 Multifamily Revenue Bonds, 2020 Series D (Taxable), (vi) $84,895,000 Multifamily Revenue Bonds, 2021 Series A (Non-AMT), (vii) $28,700,000 Multifamily Revenue Bonds, 2021 Series B (Non-AMT), (viii) $78,005,000 Multifamily Revenue Bonds, 2021 Series C (Non-AMT), (ix) $21,810,000 Multifamily Revenue Bonds, 2022 Series A (Non-AMT), (x) $10,815,000 Multifamily Revenue Bonds, 2022 Series B (Non-AMT) (Sustainability Bonds), (xi) $23,570,000 Multifamily Revenue Bonds, 2022 Series C (Taxable) (Variable Rate) (Social Bonds) ("Series 2022C Bonds"), (xii) $8,640,000 Multifamily Revenue Bonds, 2023 Series A (Non-AMT), (xiii) $17,070,000 Multifamily Revenue Bonds, 2023 Series B (Non-AMT) (Sustainability Bonds), (xiv) $11,730,000 Multifamily Revenue Bonds, 2023 Series C (Non-AMT) (Variable Rate) (Sustainability Bonds) ("Series 2023C Bonds"), (xv) $4,840,000 Multifamily Revenue Bonds, 2023 Series D (Non-AMT), (xvi) $12,940,000 Multifamily Revenue Bonds, 2023 Series E (Non-AMT), (xvii) $6,600,000 Multifamily Revenue Bonds, 2023 Series F (Taxable), (xviii) $8,100,000 Multifamily Revenue Bonds, 2023 Series G (Non-AMT), (xix) $24,995,000 Multifamily Revenue Bonds, 2024 Series A (Non-AMT) (Variable Rate) (Sustainability Bonds), (xx) $18,935,000 Multifamily Revenue Bonds, 2024 Series B (Non-AMT), (xxi) $30,000,000 Multifamily Revenue Bonds, 2024 Series C (Non-AMT) (Sustainability Bonds), and (xxii) $7,100,000 Multifamily Revenue Bonds, 2024

Series D (Non-AMT) all of which are fixed rate bonds except the Series 2022C Bonds, Series 2023C Bonds, and Series 2024A Bonds which are variable rate bonds and all currently remain outstanding.

The Authority has also previously issued three series of its Multifamily Revenue Bonds, each of which series was issued as Separately-Secured Bonds under the General Indenture and related Series Indenture and does not constitute Bonds Outstanding under the General Indenture.

There follows in this Official Statement a description of the Authority, certain information regarding the Series 2024E Borrower, the Series 2024E Financed Development and the Series 2024E Loan, together with other information, including summaries of certain terms of the Series 2024E Bonds, the General Indenture, the Series 2024E Indenture and certain provisions of the Act. See also APPENDIX A—Audited Financial Statements of the Authority for the Fiscal Year Ended June 30, 2023. All references herein to the Act, the General Indenture and the Series 2024E Indenture are qualified in their entirety by reference to such laws and the regulations promulgated thereunder and such instruments or documents, copies of which are available from the Authority or the Underwriter, and all references to the Series 2024E Bonds are qualified in their entirety by reference to the definitive forms thereof and the information with respect thereto contained in the Series 2024E Indenture. Definitions of certain terms used herein and not otherwise defined are set forth in APPENDIX C—"Form of Series 2024E Indenture" and APPENDIX D—"Execution Copy of General Indenture."

This Official Statement refers to the Series 2024E Bonds only while they are in the Weekly Interest Rate Period and only while the Initial Liquidity Facility is in effect.

DESIGNATION OF THE SERIES 2024E BONDS AS SUSTAINABILITY BONDS

The Authority is designating the Series 2024E Bonds as "Sustainability Bonds" based on the intended use of proceeds of the Series 2024E Bonds to refund or redeem the Refunded Note that was originally issued to provide affordable housing and to include energy efficiency standards and features. The Authority's Sustainability Bonds designation reflects the use of the proceeds of the Series 2024E Bonds in a manner that is consistent with the *Green Bond Principles, Social Bond Principles*, and *Sustainability Bond Guidelines* as promulgated by the International Capital Markets Association ("*ICMA*"). In addition, by reference to the ICMA's *Green and Social Bonds: A High-Level Mapping to the Sustainable Development Goals*, the Authority has determined that its Sustainability Bonds designation reflects the use of the proceeds of the Series 2024E Bonds in a manner that is consistent with "Goal 1: No Poverty," "Goal 7: Affordable and Clean Energy" and "Goal 11: Sustainable Cities and Communities" of the United Nations 17 Sustainable Development Goals (referred to as "UNSDGs" generally and "SDG 1," "SDG 7" and "SDG 11" specifically). The ICMA's *Green, Social and Sustainability Bonds: A High Level Mapping to the Sustainable Development Goals* maps SDG 1.4 to Social Bond Principle "Affordable Housing," SDG 7.3 to Green Bond Principle "Energy Efficiency," and SDG 11.1 to Social Bond Principles "Affordable Housing" and "Affordable Basic Infrastructure."

Use of Proceeds. The proceeds of the Series 2024E Bonds are expected to be used, together with tax credit equity proceeds, to refund the Refunded Note, which was originally issued to finance the acquisition, rehabilitation, construction and equipping of the Series 2024E Finance Development. Upon the payment of the Refunded Note with proceeds of the Series 2024E Bonds (and the simultaneous satisfaction of the Series 2024E Borrower's Prior Loan), the Series 2024E Loan will be originated in the principal amount of $12,725,000 to provide long-term financing of the Series 2024E Financed Development.

The Series 2024E Financed Development consists of a senior living apartment development formerly known as "Burnham Manor," now known as "Elgin Manor," and located at 1350 Fleetwood Drive in Elgin, Illinois, consisting of 100 units restricted to seniors age 62 and older. The development consists of 99 one-bedroom units and 1 two-bedroom unit. All of the 100 revenue-generating units are reserved for elderly residents, 100% of which are at or below 60% of area median income ("*AMI*"). The Series 2024E Financed Development was the recipient of Low Income Housing Tax Credits ("*LIHTC*") and has satisfied the Energy Efficiency and Sustainability requirements of the State of Illinois' 2021 Qualified Allocation Plan ("*QAP*") as approved by the Authority. Additionally, the Series 2024E Financed Development satisfies the Illinois Energy Conservation Code and the Authority's Standards for Architectural Planning and Construction, all of which are incorporated by reference in the

QAP. Sustainability work included the installation of new Energy Star certified appliances, new Energy Star rated windows, new low-flow water-efficient toilets and plumbing fixtures, and high-efficiency LED light fixtures in units and common areas. See "SERIES 2024E PLAN OF FINANCE – THE SERIES 2024E FINANCED DEVELOPMENT" and APPENDIX B – "Certain Information Regarding the Series 2024E Loan" for additional project information and APPENDIX K – "Green Standards" for additional information on the Authority's Standards for Architectural Planning and Construction.

Project Evaluation and Selection. To advance the Authority's mission to finance the creation and preservation of affordable housing throughout the State in order to increase the supply of decent and safe places for people of low or moderate means to live, the Authority issues bonds to finance mortgage or other loans to nonprofit corporations and limited-profit entities for the acquisition, construction or rehabilitation of dwelling accommodations. As part of its ongoing multifamily program and loan commitment process, the Authority reviews whether a project is expected to provide safe, quality housing at rent levels which low and moderate income individuals and families can afford. In addition, loan applicants must satisfy the Authority's standards for closing and other requirements of the State that include energy efficiency standards and features. The Series 2024E Loan has satisfied the loan underwriting standards under the Authority's Standards for Architectural Planning and Construction and was a recipient of LIHTC. See APPENDIX K – "Green Standards" for additional information on the Authority's Standards for Architectural Planning and Construction.

Management of Proceeds. The proceeds of the Series 2024E Bonds will be transferred on the day immediately following the date of delivery of the Series 2024E Bonds to the payment of the Refunded Note. Other than such application of the proceeds of the Series 2024E Bonds, no additional management of proceeds is required.

Post-Issuance Reporting. The proceeds of the Series 2024E Bonds will be used to refinance the Prior Loan originally made prior to the date of delivery of the Series 2024E Bonds. In this Official Statement and the table entitled "Series 2024E Financed Development Summary" below, the Authority has provided information for the Series 2024E Financed Development. Because the Authority has provided this information and because the proceeds of the Series 2024E Bonds will be disbursed in full on the date of issuance of the Series 2024E Bonds to refinance the existing Prior Loan that originally financed the Series 2024E Finance Project, there is no additional information to report with respect to the use of proceeds of the Series 2024E Bonds.

The term "Sustainability Bonds" is neither defined in nor related to provisions in the Indenture. The use of such term herein is for identification purposes only and is not intended to provide or imply that an owner of Sustainability Bonds is entitled to any additional security beyond that provided therefor in the Indenture. Holders of the Series 2024E Bonds do not assume any specific risk with respect to the Series 2024E Financed Development by reason of the Series 2024E Bonds being designated as Sustainability Bonds and such Series 2024E Bonds are secured on parity with all other Bonds issued and to be issued under the General Indenture.

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Series 2024E Financed Development Summary

Project Name	Physical Structure	Revenue Generating Units	Unit Set-Aside Breakdown at or Below[(1)]									LIHTC Allocation	Subsidy Programs[(2)]	Green Building Standards and Features[(3)]
			25% AMI	30% AMI	40% AMI	50% AMI	60% AMI	80% AMI	90% AMI	100% AMI	110% AMI			
Elgin Manor	One 3-story building	100	0	0	0	0	100	0	0	0	0	Yes	Section 8 Project-Based Rental Assistance	ENERGY STAR rated windows, ENERGY STAR certified appliances, high-efficiency LED lighting, low-flow water-efficient toilets and plumbing

(1) The Authority has entered into a Regulatory Agreement with respect to the Series 2024E Financed Development that requires a certain number of units in the project to be occupied by households with incomes at or below a specified percentage of AMI. The unit set-aside breakdown set forth above reflects the current set-aside. Future breakdowns may vary. The existing Regulatory Agreement, executed in connection with the Prior Loan, is effective for at least 15 years from the date upon which at least 10% of units were first occupied.

(2) The 2024E Financed Development receives rental subsidy from a HUD Office of Housing Project-Based Section 8 Housing Assistance Payments Renewal Contract for Mark-Up-to-Market Project identified by Section 8 Project Number IL06-H121-124.

(3) For a description of the green standards and features, see APPENDIX K – "Green Standards." The failure to meet (or exceed) a particular standard is not a default under the Series 2024E Financed Development.

THE AUTHORITY

Powers and Duties

The Authority is a body politic and corporate of the State of Illinois (the "*State*") created by the Act for the purposes of assisting in the financing of decent, safe and sanitary housing for persons and families of low and moderate income in the State and assisting in the financing of residential mortgages in the State. To accomplish its purposes, the Authority is authorized by the Act to make mortgage or other loans to nonprofit corporations and limited-profit entities for the acquisition, construction or rehabilitation of dwelling accommodations, to make loans for housing related commercial facilities, to issue or provide for the issuance of obligations secured by or representing an ownership interest in residential mortgages, to acquire, and to contract and enter into advance commitments to acquire residential mortgage loans from lending institutions, and to develop and own rental housing developments. The Act also authorizes the Authority to issue its bonds and notes to fulfill its corporate purposes, including the financing of mortgage and construction loans, the acquisition of residential mortgage loans, the making of loans for housing related commercial facilities and the refunding of bonds and notes previously issued to finance mortgage and construction loans. The Authority has issued various bonds and notes to finance mortgage loans and construction loans, to purchase residential mortgage loans from lending institutions and to make loans to private lending institutions for making new residential mortgage loans.

The Authority has the power under the Act to have up to $11,500,000,000 of bonds and notes outstanding, excluding those issued to refund its outstanding bonds and notes. As of June 30, 2024, the Authority had debt outstanding in the amount of $6,288,503,192.22, which consisted of general obligation debt, special limited obligation debt and conduit debt. The conduit debt, which is special limited obligation debt, accounts for $2,185,856,206.22 of the total as of that same date. See also APPENDIX A – "Audited Financial Statements of the Authority for the Fiscal Year Ended June 30, 2023."

Membership

The Authority consists of nine Members appointed by the Governor of the State (the "*Governor*") with the advice and consent of the State Senate. The Act provides that not more than three Members may be from any one county in the State, not more than five must be of any one political party, and at least one must be a person of age 60 or older. Members hold office from the second Monday in January of the year of their respective appointments for a term of four years, and until their successors are appointed and qualified. The concurrence of five Members is required for action by the Authority. The Governor designates a Chairman from among the Members, and the Chairman is considered to be a Member for purposes of concurrence. The Chairman is the Authority's chief executive officer. The Members of the Authority serve without compensation. The Authority has determined by resolution to indemnify its Members and officers for any actions taken or omitted to be taken in performing their duties, except actions or omissions which constitute gross negligence or malfeasance.

The Members of the Authority are:

MEMBERS	OFFICE
King Harris	Chairman — Chairman, Harris Holdings
Luz Ramirez	Vice Chairman — Vice President, YWCA La Voz Latina
Salvatore Tornatore	Treasurer — Principal, Tornatore Law Office
Sonia Berg	Secretary — Realtor, Ruhl & Ruhl Realtors
Claire Leopold	Member — Managing Broker, Nester Realty, Inc.
Daniel Hayes	Member — Senior Director of Structured Debt, New York Life Real Estate Investors
Brice Hutchcraft	Member — Market President, First State Bank (Monticello)
Thomas Morsch	Member — Managing Director, H2C Securities Inc.
Erika Poethig	Member — Executive Vice President of Strategy and Planning, Civic Committee and Commercial Club of Chicago

Management

The Authority employs a staff of approximately 368 persons, including persons who have experience and responsibilities in the areas of finance, accounting, law, mortgage loan underwriting, loan servicing, housing development, market analysis, construction, housing marketing and housing management. Principal staff members of the Authority include the following:

KRISTIN FAUST, Executive Director, was appointed Executive Director of the Authority on November 12, 2019, bringing more than 30 years of affordable housing industry experience to the Authority. As the state's chief affordable housing official, Executive Director Faust provides leadership in state housing policy to advance the Authority's mission of financing the creation and preservation of affordable housing throughout Illinois. Prior to joining the Authority, Executive Director Faust served as President of Neighborhood Housing Services of Chicago (NHS), a community development organization committed to helping homeowners and strengthening neighborhoods. As President, Ms. Faust's strong leadership and holistic vision helped spur community revitalization by creating homeownership opportunities for those most vulnerable, improving not only their lives, but their neighborhoods as well. Before joining NHS, Executive Director Faust was Chief Credit Officer and Director of Lending & Network Services at Partners for the Common Good. In that role, she was responsible for the growth and oversight of the domestic and international loan portfolio. In addition, Executive Director Faust served as president of the Enterprise Community Loan Fund, one of the largest non-depository community development financial institutions in the country. Earlier in her career, Executive Director Faust spent fifteen years in community development banking in Chicago, primarily with LaSalle National Bank, where she started the Community Development Lending Department. Her work in Chicago earned her distinction in Crain's Chicago Business "Forty Under 40" list. Ms. Faust is a graduate of Harvard University, where she obtained a Masters in City and Regional Planning and Brown University, where she holds a Bachelor of Arts in Political Science and Philosophy.

LAWRENCE GRISHAM, Assistant Executive Director/Chief of Staff, joined the Executive Staff of IHDA in October 2021. Prior to IHDA, Mr. Grisham oversaw the City of Chicago's affordable housing programs and activities which included multifamily rental projects, single-family purchase/rehab assistance, foreclosure prevention/mitigation programs and housing preservation efforts. Financing tools included Low Income Housing Tax Credits, Donations Tax Credits, New Markets Tax Credits, tax exempt bonds, HOME/CDBG funds, TIF Funds and corporate funds. He also oversaw the Chicago Low Income Housing Trust Fund, which administers the largest locally-funded rental subsidy program for very low-income families in the country. Before working for Chicago, Mr. Grisham was a Senior Vice President at The Habitat Company where he managed the Community Development Group that focused on developing affordable and mixed income housing. Among his duties was the day-to-day management of Habitat's duties as the court-appointed Gautreaux Development Manager for the development of all new family housing for the Chicago Housing Authority. Prior to joining The Habitat Company, Mr. Grisham was Senior Vice President for Operations for Bethel New Life, a long-established community development corporation on Chicago's West Side. Mr. Grisham also worked for the City of Chicago in health planning and served as a Legislative Assistant to U.S. Senator Charles H. Percy and Congressman Ralph H. Metcalfe. While with Senator Percy, Mr. Grisham was instrumental in the passage of legislation that created the U.S. Department of Education. Mr. Grisham received a Master of Science in Human Services Administration from Spertus College and a Bachelor of Arts from Northwestern University.

KAREN DAVIS, Deputy Executive Director, joined the Authority in August of 2020. Ms. Davis most recently served as Vice-Chairman and Audit Committee Chair for the Illinois Housing Development Authority Board of Directors and the Executive Director of the Greater Peoria Local Initiatives Support Corporation (LISC), where she led a team dedicated to transforming distressed neighborhoods into healthy and sustainable communities of choice and opportunity. She has been passionately involved in community and economic development activities over the last 20 years, holding executive level positions within corporate America and with socially responsible not-for-profits focusing on strategic solutions to propel community and economic development initiatives. Before accepting the position with Greater Peoria LISC, Ms. Davis was Director of the Office of Planning and Economic Development for the city of Springfield, Illinois where she oversaw the city planning initiatives for housing and business development. Prior to her position with the city of Springfield, Ms. Davis was Senior Vice President and Regional Community Affairs Manager of Regions Bank, where she directed community and economic development initiatives across the Midwest. In that role, Ms. Davis, with the help of designated staff, identified and promoted programs that fostered and spurred community and economic development in Illinois, Indiana, Missouri, Iowa, Kentucky, Texas, and Arkansas. Ms. Davis received both a Bachelor of Arts Degree in Management and a Master of Arts Degree in Community Development from the University of Illinois at Urbana-Champaign. Ms. Davis is also the Past President of the National Association of State Housing Boards (NCSHB).

SETH RUNKLE, Chief Financial Officer, joined the Authority as CFO in 2024. Most recently Mr. Runkle served as CFO for First Bankers Trust Company, N.A. Prior to this role, he served as CFO for the City and County of Denver's Department of Transportation and Infrastructure. Mr. Runkle served 21 years with Citigroup in a variety of finance/accounting positions in the United States, Europe, and Latin America. He holds a Bachelor's degree in Finance from Western Illinois University. Additionally, he served as Sergeant, 7th Battalion, 1st Field Artillery in the US Army Reserves.

KATHRYN FINN, Deputy General Counsel and Interim General Counsel for the Authority, is responsible for the day-to-day management of the Legal Department's attorneys, paralegals and support staff, and serves as a key strategic advisor to the Authority's business departments on all aspects of the Authority's operations. Ms. Finn has over 25 years of legal experience in all areas of commercial real estate transactions, purchase and sales, finance, leasing, property management and development. She joined the Authority in her current position in 2015, having previously served as the Authority's Assistant General Counsel. Prior to joining the Authority, Kathryn was a partner in the Real Estate group of Bell, Boyd & Lloyd LLP (now K&L Gates LLP) and was managing counsel at Equity Office Properties. Kathryn earned her Bachelor of Arts degree and J.D. from the University of Wisconsin.

The offices of the Authority are located at 111 East Wacker Drive, Suite 1000, Chicago, Illinois 60601. The telephone number of the Authority is (312) 836-5200.

THE SERIES 2024E BONDS

The following information is furnished solely to provide summary information regarding the terms of the Series 2024E Bonds (also sometimes referred to as the "Variable Rate Bonds"), the Initial Liquidity Facility and the Initial Liquidity Provider (as such terms are defined below) and does not purport to be comprehensive. All such information is qualified in its entirety by reference to the more detailed descriptions and definitions appearing in Appendices I and J to this Official Statement and by reference to the portions of the Indenture relating to the Variable Rate Bonds and should be read together therewith.

This Official Statement is intended to describe the terms of the Series 2024E Bonds only while bearing interest at a Weekly Interest Rate and only while the Initial Liquidity Facility is in effect.

General

The Series 2024E Bonds will be dated the date of their delivery and will mature on the maturity date set forth on the inside cover page of this Official Statement. The Series 2024E Bonds are issuable only in registered form in authorized denominations of $100,000 or any integral multiple of $5,000 in excess of $100,000.

The Series 2024E Bonds initially will be registered in the name of Cede & Co., as Owner and nominee of DTC, which will act as securities depository for the Series 2024E Bonds. Purchasers of the Series 2024E Bonds will not receive physical delivery of the bond certificates representing their beneficial ownership interests. See "THE SERIES 2024E BONDS – Book-Entry Only System."

The Series 2024E Bonds will initially bear interest for a Weekly Interest Rate Period. The Series 2024E Bonds will continue to bear interest for a Weekly Interest Rate Period until adjusted at the option of the Authority to bear interest for a Daily Interest Rate Period, a Short-Term Interest Rate Period or a Long-Term Interest Rate Period, at the rate or rates determined during such Interest Rate Period. Series 2024E Bonds shall not bear interest at a rate higher than the Maximum Rate except for Purchased Bonds. As used herein, the term "Maximum Rate" means, with respect to all Series 2024E Bonds other than Purchased Bonds, the lesser of (i) 12%, or (ii) the maximum interest rate permitted by applicable law (currently under applicable law, there is no maximum interest rate limitation).

Funds for the timely payment of the purchase price of Series 2024E Bonds tendered for purchase and not remarketed will be provided pursuant to a Standby Bond Purchase Agreement (the "*Initial Liquidity Facility*"), entered into among the Authority, the Trustee, the Tender Agent and the State Street Bank and Trust Company (the "*Initial Liquidity Provider*"). The Initial Liquidity Facility is scheduled to expire on August 8, 2028, subject to earlier termination or extension as described herein. Series 2024E Bonds will be subject to mandatory tender for purchase upon the expiration of the Initial Liquidity Facility if it is not extended and upon the occurrence of certain other events as described below. The obligations of the Initial Liquidity Provider to purchase Bonds under the Initial Liquidity Facility may be terminated, in some circumstances without notice to the Trustee or the Holders of the Series 2024E Bonds as described herein. A summary of the Initial Liquidity Facility appears in APPENDIX J – "Initial Liquidity Facility and Initial Liquidity Provider" to this Official Statement and is qualified in its entirety by reference to the Initial Liquidity Facility, copies of which are available from the Trustee. Information pertaining to the Initial Liquidity Provider is also included in APPENDIX J – "Initial Liquidity Facility and Initial Liquidity Provider."

As described herein, the Series 2024E Bonds are subject to mandatory tender for purchase (i) generally, on the first day of each new Interest Rate Period (or on the day which would have been the first day of a new Interest Rate Period had (a) the Authority not rescinded its election to have the Series 2024E Bonds bear interest at a Long-Term Rate, or (b) there not occurred a failed delivery of a Favorable Opinion of Bond Counsel in connection with an adjustment of the Interest Rate Period, which failure resulted in the interest rate on the Variable Rate Bonds not being adjusted); and (ii) upon the termination or expiration of the Initial Liquidity Facility or the reduction, modification or replacement of the Initial Liquidity Facility (other than a reduction in connection with a redemption of Variable Rate Bonds) as described below. The Trustee shall give notice by first-class mail of an adjustment to a new Interest Rate Period and the mandatory tender in connection with such intended adjustment to the holders of the Variable Rate Bonds not less than 15 days prior to the intended effective date of such new Interest Rate Period. The Trustee shall give notice of a mandatory tender in connection with the termination, expiration or suspension of the Initial Liquidity Facility or the reduction, modification or replacement of the Initial Liquidity Facility (other than a reduction or modification in connection with a redemption of Variable Rate Bonds) as described below.

Payment of the purchase price for tendered Series 2024E Bonds is expected to be made from (i) proceeds of sale of such remarketed Series 2024E Bonds, (ii) money received from draws on the Liquidity Facility, and (iii) moneys furnished to the Trustee or the Tender Agent representing moneys legally available therefor under the Indenture. If the amounts described in (i) – (iii) above are insufficient to pay the purchase price for all Series 2024E Bonds so tendered or deemed tendered for purchase on the date such purchase price is due, then no such tendered or deemed tendered Series 2024E Bonds shall be purchased. Instead, all outstanding Series 2024E Bonds (x) shall thereafter bear interest in the Weekly Interest Rate Period, at a rate, reset weekly, equal to the SIFMA Rate plus 3% (not to exceed the Maximum Rate), and (y) Owners of such Bonds shall have no further right to tender their Bonds for purchase.

See APPENDIX I – "The Variable Rate Bonds" under the heading "Purchase of Bonds" for certain other information regarding circumstances under which the Series 2024E Bonds are subject to optional and mandatory tender for purchase and the purchase price of Series 2024E Bonds that are tendered for purchase.

The following summarizes certain terms of the Series 2024E Bonds while they bear interest at a Weekly Interest Rate.

Weekly Interest Rate Period

Interest Rate. The Weekly Interest Rate during the Weekly Interest Rate Period shall be determined by the Remarketing Agent by 4:30 p.m. New York City time on Wednesday of each week or on the next succeeding Business Day if any such Wednesday is not a Business Day. The initial Weekly Interest Rate shall be determined by Loop Capital Markets LLC on or prior to the date of delivery of the Series 2024E Bonds and shall apply to the period commencing on the delivery date of the Series 2024E Bonds and ending on August 14, 2024. Thereafter, each Weekly Interest Rate shall apply to the period commencing on Thursday and ending on the next succeeding Wednesday, unless such Weekly Interest Rate Period shall end on a day other than Wednesday, in which event the last Weekly Interest Rate for such Weekly Interest Rate Period shall apply to the period commencing on Thursday preceding the last day of such Weekly Interest Rate Period and ending on the last day of such Weekly Interest Rate Period.

The Weekly Interest Rate shall be a rate determined by the Remarketing Agent (based on then-prevailing market conditions) to be the minimum rate which, if borne by the Series 2024E Bonds, would enable the Remarketing Agent to sell such Series 2024E Bonds on such date of determination at a price (without regarding accrued interest) equal to the principal amount thereof. In the event that the Remarketing Agent fails to establish a Weekly Interest Rate for any week, then the Weekly Interest Rate for such week shall be the same as the Weekly Interest Rate for the immediately preceding week if the Weekly Interest Rate for such preceding week was determined by the Remarketing Agent. In the event that the Weekly Interest Rate for the immediately preceding week was not determined by the Remarketing Agent, or in the event that the Weekly Interest Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the interest rate for such week shall be equal to 110% of the SIFMA Rate made available for the week preceding the date of determination, or if such index is no longer available, or no such index was so made available for the week preceding the date of determination, 125% of the interest rate on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in *The Wall Street Journal* on the day the Weekly Interest Rate would otherwise be determined in accordance with the provisions of the Indenture for such Weekly Interest Rate Period, in either case as determined by the Authority.

Interest during a Weekly Interest Rate Period shall be computed on the basis of a 365- or 366-day year, as appropriate, for the actual number of days elapsed.

Interest Payment. Interest shall accrue from the date of delivery through and including December 31, 2024, and thereafter from an Interest Payment Date through and including the calendar day immediately preceding the next Interest Payment Date. Until an adjustment from the Weekly Interest Rate Period, the Interest Payment Date shall be each January 1 and July 1. The initial Interest Payment Date for the Series 2024E Bonds is January 1, 2025. The "*Record Date*" for Series 2024E Bonds during the Weekly Interest Rate Period is the Business Day immediately preceding any Interest Payment Date.

Bondholder Election to have Variable Rate Bonds Purchased. During any Weekly Interest Rate Period when a Book Entry System is in effect, a Beneficial Owner (through its direct Participant in the Book Entry Depository) may tender its interest in a Bond on any Business Day to be purchased on any Business Day, upon delivery to the Tender Agent at its Principal Office (as defined in the Indenture) for delivery of notices, with a copy to the Remarketing Agent, of an irrevocable written notice or telephonic notice, promptly confirmed in writing, which states the principal amount of such Bond and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh (7th) day next succeeding the date of the delivery of such notice to the Tender Agent. Any notice delivered to the Tender Agent after 4:00 p.m., New York City time, shall be deemed to have been received on the next succeeding Business Day.

On the date for purchase specified in the notice, the Beneficial Owner shall effect delivery of such Bonds by causing the transfer of its interest in such Bonds not later than 12:00 noon, New York City time. During any Weekly Interest Rate Period when a Book Entry System is not in effect, an owner of a Bond may tender the Series 2024E Bond by delivery of the notice described above by the time set forth above and shall also deliver the Series 2024E Bond to the Tender Agent on the date specified for purchase by 12:00 noon.

Change of Interest Rate Period. The Interest Rate Period may be adjusted at any time during a Weekly Interest Rate Period to an alternative Interest Rate Period upon notice being sent to the owner at least 15 days prior to the effective date of such adjustment. The Series 2024E Bonds are subject to mandatory tender for purchase on the first day (or, under certain circumstances, on the day that otherwise would have been the first day) of each Interest Rate Period at a purchase price, payable in immediately available funds, equal to the principal amount of the Series 2024E Bonds.

Mandatory Tender for Purchase Upon Termination, Expiration, Reduction, Modification or Replacement of the Liquidity Facility.

The Series 2024E Bonds are subject to mandatory tender for purchase upon notice from the Registrar that the Series 2024E Bonds shall, on the date specified in such notice, cease to be payable from such Liquidity Facility as a result of (i) (A) the termination or expiration of the term of the Initial Liquidity Facility, or (B) the Initial Liquidity Facility being reduced, replaced or modified (other than a reduction or modification in connection with the redemption of Series 2024E Bonds) with the effect that the Series 2024E Bonds are no longer payable from the Initial Liquidity Facility (in each case, whether or not an Alternate Liquidity Facility has been obtained (unless the mandatory tender notice is conditioned on the receipt of an Alternate Liquidity Facility), or (ii) the Initial Liquidity Provider notifying the Trustee of the occurrence of an event of default under the Initial Liquidity Facility and the Initial Liquidity Provider's determination to terminate or suspend, if applicable, the Initial Liquidity Facility (a "*Liquidity Facility Event of Default*") in accordance with its terms (unless such Liquidity Facility Event of Default is also an Automatic Termination Event) as described in APPENDIX J – "Initial Liquidity Facility and Initial Liquidity Provider." Notice will be given by the Trustee (a) on or before the 20th day preceding the scheduled expiration of any Liquidity Facility in accordance with its terms, or on or before the 20th day preceding any reduction, replacement or modification of the terms of the Liquidity Facility in accordance with the Series 2024E Indenture (or, in the case of replacement with an Alternate Liquidity Facility, if the existing Liquidity Facility is being replaced in accordance with the Series 2024E Indenture, on or before the 15th day preceding the replacement date), or (b) in the case of receipt by the Trustee of notice from the Liquidity Provider that a Liquidity Facility Event of Default has occurred under the Liquidity Facility (but only if such Event of Default would result in the Series 2024E Bonds being subject to tender), within one Business Day following the receipt of such notice of an "Event of Default". Notwithstanding the foregoing, no mandatory tender for purchase shall occur as a result of a Liquidity Facility Event of Default if such event of default is also an Automatic Termination Event, or immediate suspension event, if applicable, which results in the immediate termination of the obligation of the Liquidity Provider to purchase Series 2024E Bonds thereunder. See APPENDIX I – "The Variable Rate Bonds" under the heading "Purchase of Bonds – Mandatory Tender for Purchase Upon Termination, Expiration, Modification or Replacement of the Liquidity Facility" and APPENDIX J – "Initial Liquidity Facility and Initial Liquidity Provider" under the heading "Liquidity Facility Events of Default."

Duration of Weekly Interest Rate Period. The Weekly Interest Rate Period shall continue until the date on which an adjustment to an alternative Interest Rate Period occurs or the redemption date or Maturity Date, whichever is earlier.

Purchased Bonds. Purchased Bonds will bear interest at the rate or rates, and shall be payable and subject to redemption in such amounts and in such manner, as provided in the Initial Liquidity Facility.

Redemption

Optional Redemption. The Series 2024E Bonds in a Weekly Interest Rate Period are subject to redemption prior to their stated maturity date at the option of the Authority on any date, in whole or in part, from any moneys available for such purpose at a Redemption Price equal to 100% of the principal amount of such Series 2024E Bonds so redeemed, plus accrued interest, if any, to the date of redemption, without premium.

Sinking Fund Redemption. The Series 2024E Bonds maturing on January 1, 2065 are subject to mandatory sinking fund redemption on January 1 and July 1 at the times and in the amounts shown below, at a Redemption Price equal to 100% of the principal amount of such Series 2024E Bonds so redeemed plus accrued interest to the date of redemption, without premium:

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Redemption Date	Sinking Fund Requirement ($)	Redemption Date	Sinking Fund Requirement ($)
July 1, 2025	90,000	July 1, 2045	150,000
January 1, 2026	90,000	January 1, 2046	155,000
July 1, 2026	90,000	July 1, 2046	155,000
January 1, 2027	90,000	January 1, 2047	160,000
July 1, 2027	95,000	July 1, 2047	160,000
January 1, 2028	95,000	January 1, 2048	165,000
July 1, 2028	95,000	July 1, 2048	165,000
January 1, 2029	95,000	January 1, 2049	170,000
July 1, 2029	100,000	July 1, 2049	170,000
January 1, 2030	100,000	January 1, 2050	170,000
July 1, 2030	100,000	July 1, 2050	175,000
January 1, 2031	100,000	January 1, 2051	180,000
July 1, 2031	105,000	July 1, 2051	180,000
January 1, 2032	105,000	January 1, 2052	180,000
July 1, 2032	105,000	July 1, 2052	185,000
January 1, 2033	110,000	January 1, 2053	185,000
July 1, 2033	110,000	July 1, 2053	190,000
January 1, 2034	110,000	January 1, 2054	190,000
July 1, 2034	115,000	July 1, 2054	195,000
January 1, 2035	115,000	January 1, 2055	200,000
July 1, 2035	115,000	July 1, 2055	200,000
January 1, 2036	120,000	January 1, 2056	205,000
July 1, 2036	120,000	July 1, 2056	205,000
January 1, 2037	120,000	January 1, 2057	210,000
July 1, 2037	120,000	July 1, 2057	210,000
January 1, 2038	125,000	January 1, 2058	215,000
July 1, 2038	125,000	July 1, 2058	215,000
January 1, 2039	130,000	January 1, 2059	220,000
July 1, 2039	130,000	July 1, 2059	225,000
January 1, 2040	130,000	January 1, 2060	225,000
July 1, 2040	135,000	July 1, 2060	230,000
January 1, 2041	135,000	January 1, 2061	230,000
July 1, 2041	135,000	July 1, 2061	235,000
January 1, 2042	140,000	January 1, 2062	240,000
July 1, 2042	140,000	July 1, 2062	245,000
January 1, 2043	145,000	January 1, 2063	245,000
July 1, 2043	145,000	July 1, 2063	250,000
January 1, 2044	145,000	January 1, 2064	255,000
July 1, 2044	150,000	July 1, 2064	255,000
January 1, 2045	150,000	January 1, 2065†	260,000

†Maturity.

Special Redemption. The Series 2024E Bonds are also subject to special redemption at the option of the Authority, in any order of maturity as determined by the Authority, and within a maturity by lot, at any time, in whole or in part, at their principal amount plus accrued interest, if any, to the date fixed for redemption, from the following sources:

(i) Loan Prepayments and Recovery Payments with respect to any Loans, which Loan Prepayments may include, without limitation, voluntary prepayments from proceeds of any Loans made by the Authority, including Loans financed by other Bonds or other obligations of the Authority, and may also include money received upon a voluntary sale or disposition by the Authority of a Loan not in default, including a sale to secure obligations of the Authority other than Bonds;

(ii) payments made by the Authority, to the extent Loan Prepayments or Recovery Payments (excluding, in each case, amounts received for Bond redemption premium or other redemption costs) to be used to redeem Series 2024E Bonds are less than the Outstanding principal amount of the Bonds that financed the portion of the Loans with respect to which that Loan Prepayment or Recovery Payment was received;

(iii) money available from a reduction in the Reserve Requirement; and

(iv) available funds (including excess Revenues) under the Indenture, upon filing of a Compliance Certificate or Cash Flow Certificate, as appropriate, in accordance with the Indenture.

Selection of Bonds to be Redeemed. If less than all of the Series 2024E Bonds are redeemed at the option of the Authority as described above under "Optional Redemption" and "Special Redemption," the amounts and maturities of the Series 2024E Bonds to be so redeemed shall be selected by the Authority and within a specific maturity by lot or in accordance with the procedures of the Securities Depository.

Notice of Redemption. Whenever Series 2024E Bonds are to be redeemed, the Trustee will give notice of redemption by first class mail, postage prepaid, not more than 90 days nor less than 20 days prior to the specified Redemption Date, to the registered owners of the Series 2024E Bonds, or portions thereof, to be redeemed at the address of such registered owner as shown on the Bond Register. With respect to Book-Entry Bonds, if the Trustee sends notice of redemption to the Securities Depository pursuant to the Letter of Representations, the Trustee shall not be required to give the notice set forth in the immediately preceding sentence. In the case of an optional redemption of the Series 2024E Bonds described above under "Optional Redemption" or "Special Redemption," the notice of redemption may be conditional and, if conditional, such notice shall state the conditions precedent to such redemption, including receipt by the Trustee of sufficient moneys to redeem the Series 2024E Bonds on or before the redemption date, and that if the conditions have not been satisfied on or prior to the scheduled redemption date, such notice and such Series 2024E Bonds shall not be redeemed. Failure to mail notice of redemption to any registered owner of any Series 2024E Bond or any defect in such notice will not affect the validity of the redemption of any other Series 2024E Bond for which the required notice was given. Any failure on the part of DTC or failure on the part of a nominee of a beneficial owner of Series 2024E Bonds to notify the beneficial owner of the redemption of such Series 2024E Bond shall not affect the validity of the redemption. If notice of redemption shall have been given as aforesaid, and if on the redemption date monies for the redemption of all Series 2024E Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payments, then from and after the redemption date interest on such Series 2024E Bonds or portions thereof shall cease to accrue and become payable.

Purchase in Lieu of Redemption

Series 2024E Bonds that are called for redemption may be purchased in lieu of redemption, at the option of the Authority from any funds available to the Authority, in whole or in part, on the Redemption Date, at the principal amount thereof plus accrued interest, if any, to the Redemption Date for such Bonds scheduled to be redeemed. Purchase in lieu of redemption shall be available for all of the Series 2024E Bonds that have been called for redemption or for such lesser portion of such Series 2024E Bonds as constitute Authorized Denominations. The Authority may direct the Trustee to purchase all or such lesser portion of the Series 2024E Bonds so called for redemption.

Additional Bonds

Under the General Indenture, the Authority may issue Additional Bonds on parity with the Outstanding Bonds by issuance of a separate Series Indenture. Additional Bonds may only be issued upon filing of a Rating Certificate with the Trustee. See APPENDIX D – "Execution Copy of General Indenture."

The Series 2024E Bonds will be the twenty-third Series of parity Bonds issued under the General Indenture. The Authority has previously issued its (i) $41,550,000 Multifamily Revenue Bonds, 2019 Series A (Non-AMT), (ii) $5,750,000 Multifamily Revenue Bonds, 2020 Series A (Non-AMT), (iii) $2,935,000 Multifamily Revenue Bonds, 2020 Series B (Non-AMT), (iv) $1,650,000 Multifamily Revenue Bonds, 2020 Series C (Non-AMT), (v) $1,695,000 Multifamily Revenue Bonds, 2020 Series D (Taxable), (vi) $84,895,000 Multifamily Revenue Bonds, 2021 Series A (Non-AMT), (vii) $28,700,000 Multifamily Revenue Bonds, 2021 Series B (Non-AMT), (viii) $78,005,000 Multifamily Revenue Bonds, 2021 Series C (Non-AMT), (ix) $21,810,000 Multifamily Revenue Bonds, 2022 Series A (Non-AMT), (x) $10,815,000 Multifamily Revenue Bonds, 2022 Series B (Non-AMT) (Sustainability Bonds), (xi) $23,570,000 Multifamily Revenue Bonds, 2022 Series C (Taxable) (Variable Rate) (Social Bonds) ("Series 2022C Bonds"), (xii) $8,640,000 Multifamily Revenue Bonds, 2023 Series A (Non-AMT), (xiii) $17,070,000 Multifamily Revenue Bonds, 2023 Series B (Non-AMT) (Sustainability Bonds), (xiv) $11,730,000 Multifamily Revenue Bonds, 2023 Series C (Non-AMT) (Variable Rate) (Sustainability Bonds) ("Series 2023C Bonds"), (xv) $4,840,000 Multifamily Revenue Bonds, 2023 Series D (Non-AMT), (xvi) $12,940,000 Multifamily Revenue Bonds, 2023 Series E (Non-AMT), (xvii) $6,600,000 Multifamily Revenue Bonds, 2023 Series F (Taxable), (xviii) $8,100,000 Multifamily Revenue Bonds, 2023 Series G (Non-AMT), (xix) $24,995,000 Multifamily Revenue Bonds, 2024 Series A (Non-AMT) (Variable Rate) (Sustainability Bonds), (xx) $18,935,000 Multifamily Revenue Bonds, 2024 Series B (Non-AMT), (xxi) $30,000,000 Multifamily Revenue Bonds, 2024 Series C (Non-AMT) (Sustainability Bonds), and (xxii) $7,100,000 Multifamily Revenue Bonds, 2024 Series D (Non-AMT) all of which are fixed rate bonds except the Series 2022C Bonds, Series 2023C Bonds, and Series 2024A Bonds which are variable rate bonds and all currently remain outstanding..

The Authority has also previously issued three series of its Multifamily Revenue Bonds, each of which series was issued as Separately-Secured Bonds under the General Indenture and related Series Indenture and does not constitute Bonds Outstanding under the General Indenture.

Book-Entry-Only System

The Depository Trust Company ("*DTC*"), New York, New York, will act as securities depository for the Series 2024E Bonds. The Series 2024E 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 Bond certificate will be issued for each maturity of Series 2024E Bonds in the aggregate principal amount of such maturity, and will be deposited with DTC, or its custodial agent.

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 includes 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.

Purchases of the Series 2024E Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2024E Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024E Bond (each, a "*Beneficial Owner*") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024E 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 Series 2024E Bonds, except in the event that use of the book-entry system for the Series 2024E Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024E 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 2024E 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 2024E Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024E 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.

Redemption notices shall be sent to DTC. If less than all of the Series 2024E Bonds within a single maturity of the Series 2024E Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024E 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 Authority 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 2024E Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2024E 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 Authority or 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 Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

The requirement for physical delivery of Series 2024E Bonds in connection with a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2024E Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2024E Bonds to the Tender Agent's DTC Account.

DTC may discontinue providing its services as securities depository with respect to the Series 2024E Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2024E Bond certificates are required to be printed and delivered for the affected Series 2024E Bonds.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2024E Bond certificates will be printed and delivered for the affected Series 2024E Bonds.

The information in this section concerning DTC and DTC's book-entry system has been furnished by DTC. Such information is believed to be reliable, but neither the Authority nor the Underwriter take any responsibility for the accuracy thereof.

NEITHER THE TRUSTEE NOR THE AUTHORITY SHALL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY PARTICIPANT, ANY PERSON CLAIMING A BENEFICIAL OWNERSHIP INTEREST IN THE SERIES 2024E BONDS UNDER OR THROUGH DTC OR ANY PARTICIPANT, OR ANY OTHER PERSON WHO IS NOT SHOWN IN THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A REGISTERED OWNER OF SERIES 2024E BONDS WITH RESPECT TO: THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OF, REDEMPTION PRICE OR PURCHASE PRICE, IF ANY, OR INTEREST ON THE SERIES 2024E BONDS; ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO REGISTERED OWNERS OF THE SERIES 2024E BONDS UNDER THE INDENTURE; THE SELECTION BY DTC OR ANY PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2024E BONDS; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS REGISTERED OWNER OF THE SERIES 2024E BONDS.

If the Book-Entry-Only System is discontinued and Series 2024E Bond certificates have been delivered, the Beneficial Owner, upon registration of certificates held in the Beneficial Owner's name, will become the registered owner of such Series 2024E Bonds. Thereafter, Series 2024E Bonds may be exchanged for an equal aggregate principal amount of such Series 2024E Bonds in other authorized denominations and of the same maturity, upon surrender thereof at the principal corporate trust office of the Trustee. The transfer of any Series 2024E Bond may be registered on the books maintained by the Trustee for such purpose only upon the surrender thereof to the Trustee with a duly executed assignment in form satisfactory to the Trustee. For every exchange or registration of transfer of Series 2024E Bonds, the Trustee may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge may be made to the owner for any exchange or registration of transfer of the Series 2024E Bonds.

PLAN OF FINANCE

Sources and Uses of Funds

The proceeds of the Series 2024E Bonds and other amounts are estimated to be applied as follows (rounded to the nearest dollar):

SOURCES OF FUNDS	
Proceeds of Series 2024E Bonds	$12,725,000
Borrower's Contribution	312,630
TOTAL	$13,037,630
USES OF FUNDS	
Principal Amount of Refunded Note to be Paid with Series 2024E Bond Proceeds	$12,725,000
Deposit to 2024 Series E Account of Reserve Fund	312,630
TOTAL	$13,037,630

Costs of Issuance of the Series 2024E Bonds, including Underwriter's compensation, will be paid from funds held by the Authority.

Use of Proceeds

Proceeds of the Series 2024E Bonds, together with other funds available to the Authority, including funds from tax credit equity proceeds and the Series 2024E Borrower as described above, will be used to repay the Refunded Note and make the deposits and payments set forth above under "Sources and Uses of Funds."

Concurrently with the transfer of such proceeds of the Series 2024E Bonds to the payment of the Refunded Note (and the simultaneous satisfaction of the Series 2024E Borrower's Prior Loan), the Authority will make the

Series 2024E Loan to the Series 2024E Borrower to provide long-term financing for the Series 2024E Financed Development, which Series 2024E Loan will be pledged as security for the Bonds, and the Authority will make the above-noted deposit to the 2024 Series E Account of the Reserve Fund from funds of the Borrower.

The Series 2024E Loan

Description. The Series 2024E Loan is expected to be originated in an aggregate principal amount of $12,725,000 for the refinancing of a portion of the costs of the acquisition, rehabilitation and equipping of the Series 2024E Financed Development. The Series 2024E Borrower has entered into a Loan Agreement (the "*Loan Agreement*") with the Authority, which sets forth the terms of the Series 2024E Loan.

See APPENDIX B – "Certain Information Regarding the Series 2024E Loan" for a table of the significant details of the Series 2024E Loan.

Loan Terms. The Series 2024E Loan is expected to pay interest monthly at a rate of 4.30% per annum (including a servicing fee and mortgage insurance premium as described below), calculated on the basis of a 360-day year consisting of twelve 30-day months. The Series 2024E Loan is expected to amortize over 40 years commencing on October 1, 2024. The Series 2024E Loan is expected to have a maturity date of September 1, 2064.

FHA Risk-Sharing Insurance. The Series 2024E Loan is expected to be insured by FHA under the Risk Sharing Program. Endorsement for such FHA insurance is expected to be received no later than August 7, 2024, and is expected to become effective as of the issuance of the Series 2024E Bonds. Such insurance provides for payment of 100% of the unpaid principal of the Series 2024E Loan as of the date of default and interest on the Series 2024E Loan from the date of default to the date of the initial claim payment; *provided* that the amount of interest paid will reflect the payment of interest in arrears. See APPENDIX F – "FHA Risk-Sharing Program."

Loan Servicing. The Series 2024E Loan will be serviced by the Authority and a servicing fee in the amount of 0.25% per annum payable to the Authority is included in the above-noted interest rate on the Series 2024E Loan, and such rate on the Series 2024E Loan also includes a mortgage insurance premium of 0.25% per annum; which servicing fees and mortgage insurance premium are not pledged under the Indenture. Interest and principal payments under the Series 2024E Loan will be made to the Authority (to be thereupon transferred to the Trustee, net of such servicing fees and mortgage insurance premium) pursuant to the Loan Agreement.

Prepayment. Under the Loan Agreement, the Series 2024E Borrower and the Authority will agree that the Series 2024E Loan may not be prepaid in whole or in part at the option of the Series 2024E Borrower at any time prior to October 1, 2034 (the "*Lockout Date*"). (However, the Authority may waive a prohibition on prepayments contained in any Loan.)

Section 42 Compliance Period. Under Section 42 of the Internal Revenue Code of 1986, as amended (the "*Code*"), the Series 2024E Financed Development is subject to affordable rent restrictions for 15 years after (i) the "placed in service" date, or (ii) the year following the "placed in service" date at the owner's election. Based on the placed in service date for the Series 2024E Financed Development plus 15 years, the Section 42 compliance expiration dates for the Series 2024E Finance Development is expected to be December 31, 2052. See APPENDIX B – "Certain Information Regarding the Series 2024E Loan."

"*Due on Sale*" *Provisions*. The Series 2024E Loan does not contain a "due on sale" clause restricting sale or transfer of the mortgaged property.

Assumability. The Series 2024E Loan may be assumed, subject to HUD review and approval, upon the sale of the Series 2024E Financed Development.

Lien on Fee Simple Estate. The Series 2024E Loan is secured by a first-lien mortgage on the Series 2024E Borrower's fee interest in the Series 2024E Financed Development.

The Series 2024E Financed Development

General. The Series 2024E Financed Development is a senior living apartment development which consists of a single three story building containing 100 residential housing units for persons 62 and older and community amenities. The Series 2024E Financed Development, which is owned by the Series 2024E Borrower and formerly known as Burnham Manor, now known as Elgin Manor, is located at 1350 Fleetwood Drive in Elgin, Illinois.

Unit Mix. The unit mix and other information regarding the Series 2024E Financed Development is set forth in the table below:

SERIES 2024E FINANCED DEVELOPMENT

UNIT TYPE	NET RENTS (monthly)	AVERAGE SQUARE FOOTAGE	NUMBER OF UNITS
1 Bedroom	1,350	564	99
2 Bedroom	1,475	767	1

All 100 of the units of the Series 2024E Financed Development receive Section 8 housing assistance payments rental subsidy.

Series 2024E Borrower. Elgin Manor Preservation Associates I Limited Partnership is an Illinois limited partnership and is the owner of the Series 2024E Financed Development. Elgin Manor Preservation Associates I Limited Partnership is 99.99% owned by Enterprise Housing Partners XXXVII Limited Partnership, a Maryland limited partnership, as the Limited Partner, and 0.01% owned by POAH Elgin Manor, LLC, an Illinois limited liability company, as the General Partner.

Property Management. The Series 2024E Financed Development is managed by POAH Communities LLC, pursuant to a Management Agreement with the Series 2024E Borrower.

SECURITY FOR THE SERIES 2024E BONDS AND SOURCES OF PAYMENT

General

The Series 2024E Bonds are being issued pursuant to the General Indenture and the Series 2024E Indenture and are secured by and payable solely from all of the Authority's rights and interests in and to (i) the Funds and Accounts held by the Trustee and all deposits and investments of those Funds and Accounts; (ii) Revenues; (iii) all right, title and interest of the Authority in and to the Loans and the documents evidencing and securing the Loans and rights of the Authority to the payments of amounts in connection with the Loans to the extent the payments would be included in Revenues, including, to the extent they may be so pledged, any right to governmental subsidies payable to the Authority to be used to pay principal of or interest on Loans, and also all security for the pledged rights in the Series Loans, including, without limitation, mortgages, assignments of rents and other security interests and agreements and, if applicable, liquidation proceeds and insurance proceeds, including proceeds of Federal Insurance received by the Authority; and (iv) all funds, moneys and securities and any and all other rights and interests in property, whether tangible or intangible, from time to time conveyed, mortgaged, pledged, assigned or transferred by delivery or by writing of any kind to the Trustee as additional security under a Series Indenture for the benefit of the owners of the Bonds (collectively, the "*Trust Estate*").

Reserve Requirement

Under the General Indenture, the Series Indenture authorizing each Series of Bonds establishes a Series Reserve Requirement for each such Series, and the Reserve Requirement is the sum of all such Series Reserve Requirements. The Series 2024E Indenture establishes an initial Series Reserve Requirement for the Series 2024E Bonds of $312,630, which is calculated as the maximum semiannual debt service on the Series 2024E Bonds, plus one month's interest on the Series 2024E Loan. The Reserve Requirement for the Series 2024E Bonds will be satisfied from sources other than the proceeds of the Series 2024E Bonds listed in "PLAN OF FINANCE – Sources and Uses of Funds" herein.

The Series Reserve Requirement for a Series of Bonds may be met by the accumulation of monies in the applicable account of the Reserve Fund or by a Cash Equivalent. The Series Reserve Requirement for each Series of the Bonds has been met. The following table lists the Series Reserve Requirement for each Series of the Bonds issued prior to the date hereof and the means of funding such Series Reserve Requirement.

SERIES OF BONDS	SERIES RESERVE REQUIREMENT ($)	FUNDING MECHANISM
2019 Series A	$654,12.25	Cash
2020 Series A	183,057.92	Cash
2020 Series B	98,889.33	Cash
2020 Series C	60,038.75	Cash
2020 Series D	61,514.00	Cash
2021 Series A	1,895,000.00	Cash
2021 Series B	630,000.00	Cash
2021 Series C	1,578,610.00	Cash
2022 Series A	510,000.00	Cash
2022 Series B	345,549.00	Cash
2022 Series C	892,789.64	Cash
2023 Series A	208,897.50	Cash
2023 Series B/C	454,631.00	Cash
2023 Series D	115,000.00	Cash
2023 Series E	337,773.00	Cash
2023 Series F	190,129.75	Cash
2023 Series G	209,053.75	Cash
2024 Series A	587,232.00	Cash
2024 Series B	455,570.00	Cash
2024 Series C	248,339.00	Cash
2024 Series D	175,029.00	Cash

If on any principal or interest payment date, the amount in the Debt Service Account established under the Indenture is insufficient to pay (i) the principal of and interest on the Bonds (other than Subordinate Bonds or Separately-Secured Bonds) due and unpaid on such date, whether at the stated payment or maturity date or by the retirement of such Bonds in satisfaction of the Sinking Fund Installments or such other mandatory redemption requirements, and (ii) Derivative Payments due and unpaid on such date, then, to the extent that no other funds (other than amounts on deposit in the Program Fund) are available for such purpose, the Trustee shall withdraw amounts from the Reserve Fund to the extent necessary to eliminate such deficiency. At the request or direction of the Authority, amounts held in the Reserve Fund as of any date in excess of the Reserve Requirement, taking into account any Cash Equivalents in the Reserve Fund, shall be transferred to the Revenue Fund or a Series Program Account, unless otherwise provided in an applicable Series Indenture.

Security and Collateral for the Series 2024E Bonds

The Series 2024E Loan will be insured under the Risk-Sharing Program, which provides for payment of 100% of the unpaid principal balance of the Series 2024E Loan as of the date of default and interest on the Series 2024E Loan from the date of default to the date of the initial claim payment. See APPENDIX F – "FHA Risk-Sharing Program."

Developments Financed by the Bonds

The following table contains pertinent financial and operating information concerning the housing developments financed by the outstanding Bonds.

CERTAIN INFORMATION REGARDING THE HOUSING DEVELOPMENTS FINANCED BY THE BONDS

June 30, 2024

Series of Parity Bonds	Loan No.	Development	Loan Rate	Original Principal Amount	Current. Principal Amount	Expected Final Maturity	Current Monthly Payment	Remaining Payments	Maturity Date	Prepayment Lockout Date†	Placed in Service Date	Anticipated Sect. 8 Expiration Date	Occupancy Rate (All Units)	No. of Section 8 Units	Debt Service Coverage Ratio
Multifamily Revenue Bonds Series 2019A	17-11293-01	Ravenswood Senior Living	4.460	3,650,000	3,598,914.49	1/1/2063	13,565.83	461	1/1/2063	1/1/2033	5/27/2021	1/1/2040	97.3%	74	3.73
Multifamily Revenue Bonds Series 2019A	17-11293-02	Ravenswood Senior Living	4.460	25,400,000	25,044,500.67	1/1/2063	94,403.33	461	1/1/2063	1/1/2033	5/27/2021	N/A	100.0%	N/A	1.70
Multifamily Revenue Bonds Series 2020A	17-11480-01	Concord at Sheridan	5.100	5,750,000	5,550,505.39	5/1/2060	28,108.21	431	5/1/2060	6/1/2030	3/1/2019	12/1/2037	97.3%	65	1.60
Multifamily Revenue Bonds Series 2020B	17-11486-01	OSO Apartments	5.080	2,935,000	2,839,570.04	9/1/2060	14,308.33	435	9/1/2060	9/1/2030	9/1/2019	8/1/2038	100.0%	32	1.45
Multifamily Revenue Bonds Series 2020C	17-11494-01	Chelsea Senior Commons	4.990	1,650,000	1,549,539.49	8/1/2050	8,847.48	314	8/1/2050	9/1/2030	8/9/2019	N/A	90.0%	N/A	1.67
Multifamily Revenue Bonds Series 2020D	17-11272-01	Cary Senior Living	5.600	1,695,000	1,649,977.36	11/1/2060	9,912.59	437	11/01/2060	12/1/2030	12/31/2019	8/2/2033	100.0%	7	1.62
Multifamily Revenue Bonds Series 2021A	17-11888-01	Circle Park Apartments	3.10	83,000,000	82,448,864.39	1/1/2041	324,075.75	199	1/1/2041	3/1/2034	1/29/2021	1/31/2041	94.5%	239	N/A
Multifamily Revenue Bonds Series 2021B	17-11988-01	Morningside Court Apartments	3.02	27,600,000	26,245,583.72	8/1/2041	106,526.96	205	8/1/2041	8/1/2031	6/2/2021	12/31/2028	97.3%	171	N/A
Multifamily Revenue Bonds 2021 Series C	17-11657-01	North Sheffield Seniors	3.57*	54,600,000	54,600,000.00	3/1/2065	162,435.00	490	3/1/2065	5/1/2035***	N/A	11/1/2044	98.0	405	N/A
Multifamily Revenue Bonds 2021 Series C	17-11658-01	North Sheffield Residences	3.57*	11,000,000	11,000,000.00	3/1/2065	32,725.00	490	3/1/2065	5/1/2035***	N/A	11/1/2044	98.8%	50	N/A
Multifamily Revenue Bonds 2021 Series C	N/A	North Sheffield Residences (Collateralized Loan)	1.05**	12,405,000	0	7/1/2026	‡	‡	7/1/2026	1/1/2015	N/A	N/A	N/A	N/A	N/A
Multifamily Revenue Bonds 2022 Series A	17-11745-01	Southern Hills/Orlando Apartments	3.53*	21,300,000	20,732,087.58	3/1/2062	82,897.95	453	3/1/2062	3/1/2032	2/17/2021	N/A	99.5%	N/A	N/A
Multifamily Revenue Bonds 2022 Series B	17-11997-01	Walnut Place Apartments	5.170*	10,815,000	10,643,996.29	6/1/2062	53,523.82	456	6/1/2062	7/1/2032	N/A	5/1/2043	100.0%	67	N/A
Multifamily Revenue Bonds 2022 Series C	17-10359-01	The Homestead at Morton Grove	3.70**	14,480,000	11,904,838.39	9/1/2051	57.844.20	327	9/1/2051	12/1/2010	4/26/2012	N/A	100.0%	N/A	1.38

(*continued on next page*)

Multifamily Revenue Bonds 2022 Series C	17-10373-01	Merrill Court Apartments	3.60**	1,685,000	1,208,500.95	4/1/2042	7.660.77	214	4/1/2042	12/1/2010	1/17/2012	1/17/2032	97.5%	40	1.07
Multifamily Revenue Bonds 2022 Series C	17-10338-01	Moline Enterprise Live-Work Lofts	4.35**	1,600,000	1,213,202.82	12/1/2042	7,964.99	222	12/1/2042	11/1/2010	5/16/2012	N/A	88.4%	N/A	1.18
Multifamily Revenue Bonds 2022 Series C	17-10343-01	Park Apartments	4.35**	2,750,000	1,316,981.30	12/1/2031	17,175.98	90	12/1/2031	11/1/2010	11/18/2010	N/A	66.7%	N/A	-0.11
Multifamily Revenue Bonds 2022 Series C	17-10348-01	Town and Country Apartments	4.35**	2,500,000	1,581,139.69	1/1/2037	13,683.82	150	1/1/2037	12/1/2010	1/1/2011	1/1/2031	86.0%	121	1.35
Multifamily Revenue Bonds 2022 Series C	17-10334.01	Zurich Meadows	4.35**	4,200,000	3,127,963.44	6/1/2042	20,908.10	216	6/1/2042	11/1/2010	10/1/2012	N/A	97.9%	N/A	1.43
Multifamily Revenue Bonds 2023 Series A	17-11505-01	Major Jenkins	3.80**	8,640,000	8,530,200.29	5/1/2063	35,042.98	467	5/1/2063	4/1/2033	10/29/2020	N/A	92.3%	N/A	N/A
Multifamily Revenue Bonds 2023 Series B/C	17-11991-01	Autumn Ridge	5.15**	15,800,000	15,800,000.00	5/1/2065	77,763.37	491	5/1/2065	5/1/2035	N/A	2/29/2040	N/A	132	N/A
Multifamily Revenue Bonds 2023 Series B/C	17-11758-01	Hebron Townhouse Apartments	3.57**	4,725,000.00	4,679,937.57	8/1/2063	18,503.12	470	8/1/2063	9/1/2033	12/31/2021	5/19/2040	N/A	62	N/A
Multifamily Revenue Bonds 2023 Series D	17-11624-01	Barwell Manor	4.26**	12,940,000	12,846,380.47	9/1/2063	56,192.33	471	9/1/2063	10/1/2033	12/31/2022	N/A	98.3%	N/A	N/A
Multifamily Revenue Bonds 2023 Series F	17-11551-01	Southbridge Phase 1B	4.84**	6,600,000	6,563,416.44	10/1/2063	31,128.78	472	10/1/2063	5/1/2033	2/1/2022	N/A	100.0%	0	N/A
Multifamily Revenue Bonds 2023 Series G	17-11551-01	Southbridge Phase 1A	4.15**	8,100,000	8,066,770.60	1/1/2064	35,000.10	475	1/1/2064	5/1/2033	2/1/2022	N/A	100.0%	0	N/A
Multifamily Revenue Bonds 2024 Series A	17-10545-01	Maywood Supportive Living	3.67**	24,995,000	24,902,777.49	3/1/2064	99,393.17	477	3/1/2064	3/1/2034	5/9/2023	N/A	100.0%	N/A	N/A
Multifamily Revenue Bonds 2024 Series B	17-11937-01	Two Towers	5.75**	13,320,000	1,625,395.56	7/1/2066	73,753.25	480	7/1/2066	7/1/2036	N/A	5/8/2046	N/A	239	N/A
Multifamily Revenue Bonds 2024 C	17-12332-01	Ravine Terrace	5.85**	7,400,000	7,400,000.00	12/1/2066	39,944.72	480	12/1/2066	12/1/2041	N/A	10/1/2026	N/A	98	N/A
Multifamily Revenue Bonds 2024 Series D	17-11868-01	Armory Terrace	3.63**	7,100,000	7,100,000.00	8/1/2054	28,061.05	360	8/1/2054	9/1/2034	12/18/2023	12/18/2043	100.0%	50	N/A

* Includes a servicing fee of 0.25% per annum and a mortgage insurance premium of 0.25% per annum, which amounts are not pledged under the Indenture.

** Includes a servicing fee of 0.25% per annum, which amount is not pledged under the Indenture.

*** Under each Loan Agreement, the related Loan may not be prepaid in whole or in part at the option of the Borrower at any time prior to the tenth anniversary of the commencement of amortization of such Loan, which anniversary is currently expected to be May 1, 2035.

† The Authority may waive a prohibition on prepayments contained in any Loan.

‡ Loan principal at maturity and interest-only payments prior thereto are expected to be paid from a Cash Collateral Subaccount securing the loan together with interest earnings on, and an initial interest deposit to, such account.

SPECIAL CONSIDERATIONS RELATING TO THE REMARKETING OF THE VARIABLE RATE BONDS

Loop Capital Markets LLC (the "*Remarketing Agent*") will serve as Remarketing Agent for the Series 2024E Bonds pursuant to a Remarketing Agreement dated as of August 8, 2024 (the "*Remarketing Agreement*") between it and the Authority. The Remarketing Agent may at any time resign and be discharged of its duties and obligations under the Remarketing Agreement only after a successor remarketing agent has been appointed, except that if the Remarketing Agent gives notice of its resignation to the Authority, the Trustee, the Tender Agent and any credit enhancement provider and the Authority has not appointed a successor remarketing agent within thirty days thereafter, the Remarketing Agent may resign at any time 60 days after the end of such 30-day period whether or not a successor is appointed. Under the Remarketing Agreement, the Authority must use its best efforts to appoint a successor remarketing agent. A successor remarketing agent must meet the criteria in the applicable Indenture.

The Remarketing Agent is Paid by the Authority

The Remarketing Agent's responsibilities include determining the interest rate from time to time (subsequent to the initial Weekly Interest Rate) and remarketing the Series 2024E Bonds that are optionally or mandatorily tendered to it by the Bondowners (subject, in each case, to the terms of the Remarketing Agreement). The Remarketing Agent is appointed by the Authority and is paid by the Authority for its services. As a result, the interests of the Remarketing Agent may differ from those of Bondowners and potential purchasers of the Series 2024E Bonds.

Determination of Interest Rates by the Remarketing Agent

On each rate determination date, the Remarketing Agent is required to determine the interest rate that will be effective with respect to the Series 2024E Bonds on the first day of the applicable interest period. That rate is required by the Indenture to be the minimum rate of interest based on then-prevailing market conditions that would result in the sale of the Series 2024E Bonds at a price equal to the principal amount plus interest (without regard for accrued interest); provided, that such interest rate may not exceed the Maximum Rate. For example, while the Series 2024E Bonds bear interest at a Weekly Rate, on each Wednesday (the rate determination date), the Remarketing Agent will determine the interest rate that will become effective on the following day.

The Remarketing Agent Routinely Purchases Bonds for Its Own Account

The Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations issued by many issuers and, in its sole discretion, routinely purchases such obligations for its own account. The Remarketing Agent is permitted, but is not obligated, to purchase tendered Series 2024E Bonds for its own account and, in its sole discretion, may routinely acquire such tendered Series 2024E Bonds in order to achieve a successful remarketing of the Series 2024E Bonds (*i.e.*, because there otherwise are not enough buyers to purchase the Series 2024E Bonds) or for other reasons. However, the Remarketing Agent is not obligated to purchase Series 2024E Bonds and may cease doing so at any time without notice. If the Remarketing Agent ceases to purchase tendered Series 2024E Bonds, it may be necessary for the Trustee to draw on the applicable Initial Liquidity Facility to pay tendering Bondowners.

The Remarketing Agent may also make a secondary market in the Series 2024E Bonds by routinely purchasing and selling Series 2024E Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at prices at, above or below par. If the Remarketing Agent purchases Series 2024E Bonds for its own account, it may offer those Series 2024E Bonds at a discount to par to some investors. No notice is required for such purchases and sales. However, the Remarketing Agent is not required to make a secondary market in the Series 2024E Bonds.

Investors who purchase the Series 2024E Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Series 2024E Bonds other than by tendering the Series 2024E Bonds in accordance with the tender process.

The Remarketing Agent may also sell any Series 2024E Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Series 2024E Bonds.

The purchase of Series 2024E Bonds by the Remarketing Agent may create the appearance that there is greater third party demand for the Bonds in the market than is actually the case. The practices described above also may result in fewer Series 2024E Bonds being tendered in a remarketing.

Bonds May be Offered at Different Prices on Any Date Including a Rate Determination Date

The interest rate determined by the Remarketing Agent on a rate determination date will reflect, among other factors, the level of market demand for the Series 2024E Bonds (including whether the Remarketing Agent is willing to purchase Series 2024E Bonds for its own account). There may or may not be Series 2024E Bonds tendered and remarketed on a rate determination date, the Remarketing Agent may or may not be able to remarket any Series 2024E Bonds tendered for purchase on such date at par and the Remarketing Agent may sell Series 2024E Bonds other than in connection with a remarketing at varying prices to different investors on such date or any other date. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for tendered the Series 2024E Bonds at the remarketing price. If the Remarketing Agent owns any Series 2024E Bonds for its own account, it may, in its sole discretion in a secondary market transaction outside the tender process, offer such Series 2024E Bonds on any date, including the rate determination date, at a discount to 100% of the principal amount to some investors, subject to applicable tax laws.

Under Certain Circumstances the Remarketing Agent May Be Removed, Resign or Cease Remarketing the Bonds, Without a Successor Being Named

Under certain circumstances the Remarketing Agent may be removed or have the ability to resign or suspend its remarketing efforts, without a successor having been named, subject to the terms of the Remarketing Agreement. If there is no Remarketing Agent, Bondowners may tender their Series 2024E Bonds to the Tender Agent, as described herein under caption "THE SERIES 2024E BONDS." In this case, tendering Bondowners will be paid from draws on the Initial Liquidity Facility.

CERTAIN BONDHOLDERS' RISKS

Limited Security

The Series 2024E Bonds are special, limited obligations of the Authority payable solely from the Trust Estate pledged under the Indenture. See "SECURITY FOR THE SERIES 2024E BONDS AND SOURCES OF PAYMENT." There is no assurance that the Loans in or expected to be in the Trust Estate will perform in accordance with the assumptions made and that Revenues will be sufficient to pay debt service on the Series 2024E Bonds when due. See APPENDIX C – "Form of Series 2024E Indenture." Additional Bonds issued under the General Indenture will be secured by the Trust Estate on an equal and ratable basis with the Series 2024E Bonds.

THE AUTHORITY HAS DETERMINED BY RESOLUTION THAT THE PROVISIONS OF SECTION 26.1 OF THE ILLINOIS HOUSING DEVELOPMENT ACT, WHICH REQUIRES THE GOVERNOR TO SUBMIT TO THE GENERAL ASSEMBLY THE AMOUNT CERTIFIED BY THE AUTHORITY AS BEING REQUIRED TO PAY DEBT SERVICE ON ITS BONDS BECAUSE INSUFFICIENT MONEYS ARE AVAILABLE FOR SUCH PURPOSES, SHALL NOT APPLY TO THE SERIES 2024E BONDS.

FHA may have Authority to Override Prepayment Limitations

FHA may override any payment consent rights or statutory prepayment prohibition with respect to the FHA-insured mortgage loans in the event of a default of the Series 2024E Loan.

Conditions to Payment of Risk-Sharing Insurance

The failure to maintain adequate casualty insurance on the Series 2024E Financed Development insured under the Risk-Sharing Program may result in the loss of Risk-Sharing Program insurance benefits in the event of damage to, or destruction of, the Series 2024E Financed Development. Risk-Sharing Program benefits may also be impaired as a result of the failure to pay required mortgage insurance premiums to the FHA and failure of the mortgagee to provide the FHA on a timely basis with required notice. As described in APPENDIX F – "FHA Risk Sharing Program," the Authority is responsible for servicing the Series 2024E Loan and the maintenance of the Risk-Sharing Program insurance in connection with the Series 2024E Loan.

Affordable Multifamily Housing Loans

The Series 2024E Loan is secured by property that is encumbered by restrictive covenants that impose restrictions relating to tenant income, occupancy and/or rent restrictions. A breach of these restrictions may constitute an event of default under the mortgage or may result in the termination of any payments being received from the governmental entity that imposed the restrictions. Some affordable multifamily housing properties may benefit from long-term federal rental assistance or other federal, state or local subsidies that may be terminated or abated if the requirements of the subsidies are not met. If a subsidy is reduced or eliminated and cannot be replaced by obtaining a new subsidy, increasing rents to current tenants or the leasing of properties to market tenants, the Loan may default.

Tax Exempt Status

The opinion to be delivered by Bond Counsel concurrently with the delivery of the Series 2024E Bonds as described in "TAX MATTERS" will assume compliance by the Authority and the Series 2024E Borrower with certain requirements of the Internal Revenue Code of 1986, as amended (the "*Code*") that must be met subsequent to the issuance of the Series 2024E Bonds. The Authority and the Series 2024E Borrower will certify, represent and covenant to comply with such requirements. Failure to comply with such requirements could cause the interest on the Series 2024E Bonds to be included in gross income, or could otherwise adversely affect such opinions, retroactive to the date of issuance of the Series 2024E Bonds. Furthermore, the opinion of Bond Counsel is rendered as of the date of delivery of the Series 2024E Bonds and speaks only to the laws in effect as of such date. Amendments to federal and state tax laws are proposed from time to time and could be enacted in the future. There can be no assurance that any such future amendments will not adversely affect the value of the Series 2024E Bonds, the exclusion of interest on the Series 2024E Bonds from gross income, alternative minimum taxable income, state taxable income, or any combination from the date of issuance of the Series 2024E Bonds or any other date, or that such changes will not result in other adverse federal or state tax consequences.

External Events

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 Authority's ability to conduct its business. A prolonged disruption in the Authority's operations could have an adverse effect on the Authority's financial condition and results of operations. To plan for and mitigate the impact such an event may have on its operations, the Authority has developed, and continues to develop, a Continuity of Operations Plan (the "*Plan*"). The Plan is designed to (i) ensure the ability to perform essential services across a wide range of emergencies and incidents and to enable the Authority to continue functions on which its customers and community depend, (ii) facilitate immediate, accurate and measured continuity activities after emergency conditions have been stabilized, (iii) reduce the time it takes to make critical decisions when such an event occurs, (iv) minimize the incident's effect on daily operations when returning from emergency response operations back to normalized operations, and (v) expedite restoration of services. No assurances can be given that the Authority'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.

RATINGS

The Series 2024E Bonds have received the rating of "Aaa/VMIG 1" from Moody's Investor Service, Inc. ("*Moody's*"). Such short-term rating is conditioned upon the issuance by the Initial Liquidity Provider of the Initial Liquidity Facility.

The rating assigned to the Series 2024E Bonds reflects only the view of Moody's, and an explanation of the significance of such rating may be obtained from the rating agency. There is no assurance that the rating that has been assigned to the Series 2024E Bonds will continue for any given period of time or that such rating will not be revised or withdrawn entirely by Moody's if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of a rating could have an adverse effect on the market price of the Series 2024E Bonds.

LEGALITY OF BONDS FOR INVESTMENT

Under the Act, the Series 2024E Bonds, in the State, are securities in which all public officers and bodies of the State and all its municipalities and municipal subdivisions, all insurance companies and associations, and other persons carrying on an insurance business, all banks, trust companies, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons authorized to invest in bonds or other obligations of the State, may properly and legally invest funds, including capital, in their control or belonging to them. State laws governing specific types of investors may, however, impose restrictions on such investors with respect to the legality for purchases of the Series 2024E Bonds and may also contain limitations that permit purchases of the Series 2024E Bonds only with specified percentages of their assets.

LITIGATION

The Authority is not engaged in and has not been threatened with any litigation of any nature that seeks to restrain or enjoin the issuance, sale, execution or delivery of the Series 2024E Bonds or that in any way contests the validity of the Series 2024E Bonds or any proceedings of the Authority with respect to their issuance or sale or application of any moneys or security provided for the payment of the Series 2024E Bonds, or that contests the existence of the Authority.

The Authority may from time to time be a party to litigation incident to the conduct of its programs. The Authority is not engaged in and has not been threatened with any litigation with respect to its statutory powers or otherwise which in the judgment of the Authority is material to the performance of its programs or its obligations with respect to notes and bonds, including the Series 2024E Bonds, of the Authority.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Kutak Rock LLP, Bond Counsel to the Authority ("*Bond Counsel*"), under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Series 2024E Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "*Code*"), except that no opinion is expressed as to such exclusion of interest on any Series 2024E Bond for any period during which such Series 2024E Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities financed with the proceeds of the Series 2024E Bonds or a "related person", and (ii) interest on the Series 2024E Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code imposed on individuals. Interest on the Series 2024E Bonds may affect the federal alternative minimum tax imposed on certain corporations. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Authority, the Series 2024E Borrower and others in connection with the Series 2024E Bonds, and Bond Counsel has assumed compliance by the Authority and the Series 2024E Borrower with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2024E Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the Authority, under the Illinois Housing Development Act, as amended, interest on the Series 2024E Bonds is exempt from Illinois income taxes.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Series 2024E Bonds, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Series 2024E Bonds.

Summary of Certain Federal Tax Requirements

Under applicable provisions of the Code, the exclusion from gross income of interest on the Series 2024E Bonds for purposes of federal income taxation requires that (i) at least 40% of the units in the Series 2024E Financed Development be occupied during the "Qualified Project Period" (defined below) by individuals whose incomes, determined in a manner consistent with Section 8 of the United States Housing Act of 1937, as amended, do not exceed 60% of the median income for the area, as adjusted for family size, and (ii) all of the units of the Series 2024E Financed Development be rented or available for rental on a continuous basis during the Qualified Project Period. "Qualified Project Period" for the Series 2024E Financed Development means a period commencing upon the later of (a) occupancy of 10% of the units in the Series 2024E Financed Development or (b) the date of issue of the Series 2024E Bonds, and running until the later of (i) the date which is 15 years after occupancy of 50% of the units in the Series 2024E Financed Development, (ii) the first date on which no tax-exempt private activity bonds issued with respect to the Series 2024E Financed Development are outstanding or (iii) the date on which any assistance provided with respect to the Series 2024E Financed Development under Section 8 of the United States Housing Act of 1937 terminates. The Series 2024E Financed Development will meet the continuing low income requirement as long as the income of the individuals occupying a low income unit does not increase to more than 140% of the applicable limit. Upon an increase over 140% of the applicable limit, the next available unit of comparable or smaller size in the Series 2024E Financed Development must be rented to an individual having an income that does not exceed the applicable income limitation.

In the event of noncompliance with the requirements described in the preceding paragraph arising from events occurring after the issuance of the Series 2024E Bonds, the Treasury Regulations provide that the exclusion of interest on the Series 2024E Bonds from gross income for federal income tax purposes will not be impaired if the Authority takes appropriate corrective action within a reasonable period of time after such noncompliance is first discovered or should have been discovered by the Authority.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series 2024E Bonds in order that interest on the Series 2024E Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Series 2024E Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the Federal government. Noncompliance with such requirements may cause interest on the Series 2024E Bonds to become included in gross income for Federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The Authority and the Series 2024E Borrower have covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Series 2024E Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral Federal income tax matters with respect to the Series 2024E Bonds. It does not purport to address all aspects of Federal taxation that may be relevant to a particular owner of a Series 2024E Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of owning and disposing of the Series 2024E Bonds.

Prospective owners of the Series 2024E Bonds should be aware that the ownership of such obligations may result in collateral Federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for Federal income tax purposes. Interest on the Series 2024E Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Series 2024E Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Series 2024E Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2024E Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Series 2024E Bonds under Federal or state law or otherwise prevent beneficial owners of the Series 2024E Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Series 2024E Bonds.

Prospective purchasers of the Series 2024E Bonds should consult their own tax advisors regarding the foregoing matters.

CERTAIN LEGAL MATTERS

All legal matters related to the authorization, issuance, sale and delivery of the Series 2024E Bonds are subject to the approval of Kutak Rock LLP, Bond Counsel to the Authority with respect to the Series 2024E Bonds. The approving opinion of Bond Counsel substantially in the form set forth as APPENDIX E hereto, will be delivered with the Series 2024E Bonds. Certain legal matters will be passed upon for the Authority by its interim general counsel, Kathryn Finn, Esq. Certain legal matters will be passed upon for the Underwriter by their counsel, Ice Miller LLP, Indianapolis, Indiana.

FINANCIAL ADVISOR

Caine Mitter & Associates Incorporated ("*Caine Mitter*") was retained by the Authority to act as Financial Advisor in connection with the Series 2024E Bonds and has assisted in the preparation of certain information in this Official Statement. Caine Mitter will receive compensation for its services as Financial Advisor. Caine Mitter is not a public accounting firm and has not been engaged by the Authority to compile, review, examine or audit any information in this Official Statement in accordance with accounting standards. Caine Mitter is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Series 2024E Bonds.

UNDERWRITING

The Series 2024E Bonds are being purchased by Loop Capital Markets LLC ("*Loop*"). Loop, as sole underwriter of the Series 2024E Bonds, has agreed, subject to certain conditions, to purchase all but not less than all of the Series 2024E Bonds at a purchase price equal to par. Loop will receive compensation in connection therewith in the aggregate amount of $67,058.97.

The following language has been provided by the Underwriter. The Authority takes no responsibility as to the accuracy or completeness thereof.

The Underwriter and its respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the Authority for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority.

CONTINUING DISCLOSURE

Authority Continuing Disclosure Undertaking

General. In connection with the issuance of the Series 2024E Bonds, the Authority will deliver a Continuing Disclosure Undertaking in the form attached as APPENDIX G hereto, by which the Authority will agree to make available, in compliance with Rule 15c2-12 (the "*Rule*"), certain annual financial information and audited financial statements of the Series 2024E Borrower not later than 180 days following the end of the Series 2024E Borrower's fiscal year and notice of certain events, *provided* that the Authority receives such financial statements from the Series 2024E Borrower. The annual financial information will also include the Authority's audited financial statements, prepared in accordance with generally accepted accounting principles as in effect from time to time, and, to the extent not included in such financial statements, the following additional information: (i) the principal amount of Outstanding Bonds, (ii) the amount of moneys and securities in the Reserve Fund, if any, and (iii) an update of the information relating to the Loans contained in Appendix B to this Official Statement, as it may be supplemented or amended. Such annual financial information will be provided not later than the 180th day following the end of each fiscal year of the Authority, beginning with the fiscal year ending June 30, 2024.

Other Information Available to Bondholders. Pursuant to the Authority's Continuing Disclosure Undertaking, commencing September 1, 2024, the Authority agrees to provide the following information about the Series 2024E Loan on a monthly basis by filing with EMMA a report containing the following information:

- the current payment number

- the loan status (on watch list, number of days or months late, bankruptcy),
- the loan balance remaining,
- the current reserve balance, and
- the current principal and interest paid (and remaining due, if any).

Past Compliance. The Authority did not file its annual financial information for its fiscal year ended June 30, 2021 by December 27, 2021 (the 180th day after the end of the Authority's fiscal year), but did file a notice on EMMA stating that it would be unable to file within such time period, and would file as soon as its 2021 financial statements were available. The Authority filed its 2021 financial statements on EMMA on March 29, 2022.

The Authority did not file its annual financial information for its fiscal year ended June 30, 2019 by December 27, 2019 (the 180th day after the end of the Authority's fiscal year), but did file a notice on EMMA stating that it would be unable to file within such time period, and would file as soon as its 2019 financial statements were available. The Authority filed its 2019 financial statements on EMMA on February 27, 2020.

The Authority did not file its annual financial information for its fiscal year ended June 30, 2018 by December 27, 2018 (the 180th day after the end of the Authority's fiscal year), but did file a notice on EMMA stating that it would be unable to file within such time period, and would file as soon as its 2018 financial statements were available. The Authority filed its 2018 financial statements on EMMA on January 29, 2019.

The Authority did not timely file one monthly loan report for one series of multifamily revenue bonds for the month ending January 31, 2020. The appropriate filing subsequently was filed by the Authority on EMMA.

While the Authority provided to EMMA all annual financial information for the fiscal year ended June 30, 2023, portions of such information that were provided prior to the issuance of the Authority's Revenue Bonds, 2022 Series E, Revenue Bonds, 2022 Series F, Revenue Bonds, 2022 Series G and Revenue Bonds, 2022 Series H were not updated to refer to the CUSIPs for such series of bonds. An update subsequently was filed by the Authority on EMMA.

During the last five years, the Authority failed to file an event notice with respect to a rating upgrade in 2020 with respect to one series of conduit bonds. In accordance with its continuing disclosure undertakings, the Authority has filed a remedial notice with EMMA.

Series 2024E Borrower Undertaking

In connection with the issuance of the Series 2024E Bonds, the Series 2024E Borrower shall enter into a Continuing Disclosure Undertaking for the benefit of Series 2024E Bondowners, a form of which is attached as APPENDIX H hereto. Pursuant to such undertaking, the Series 2024E Borrower shall agree to provide to the Authority its Annual Financial Statements (expected within 150 days of the end of the fiscal year for the Series 2024E Borrower) and Annual Financial Information related to the Loan and the Financed Development commencing with the first fiscal year ending for the Series 2024E Borrower following the date of issuance of the Series 2024E Bonds and notice of certain events within five business days of the occurrence of such events. The Authority has no obligation to examine or review such financial statements or information to verify the accuracy or completeness of such financial statements or information.

MISCELLANEOUS

The foregoing summaries and explanations do not purport to be comprehensive and are expressly made subject to the exact provisions of documents referred to herein. Copies of the General Indenture, the Series 2024E Indenture and the other documents referred to herein may be obtained from the Trustee. Any statements in this Official Statement involving matters of opinion or forecast, 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 Authority and the purchasers or owners of any Bonds.

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ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By: /s/ Kristin Faust
Kristin Faust, Executive Director

Dated: August 1, 2024

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APPENDIX A

AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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ILLINOIS HOUSING DEVELOPMENT AUTHORITY

A COMPONENT UNIT OF THE STATE OF ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED
JUNE 30, 2023

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ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A Component Unit of the State of Illinois

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Prepared by:

IHDA Accounting and Finance Staff

Illinois Housing Development Authority
111 E. Wacker Drive
Ste 1000
Chicago, IL 60601
(312) 836-5200
www.ihda.org

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Illinois Housing Development Authority
A Component Unit of the State of Illinois

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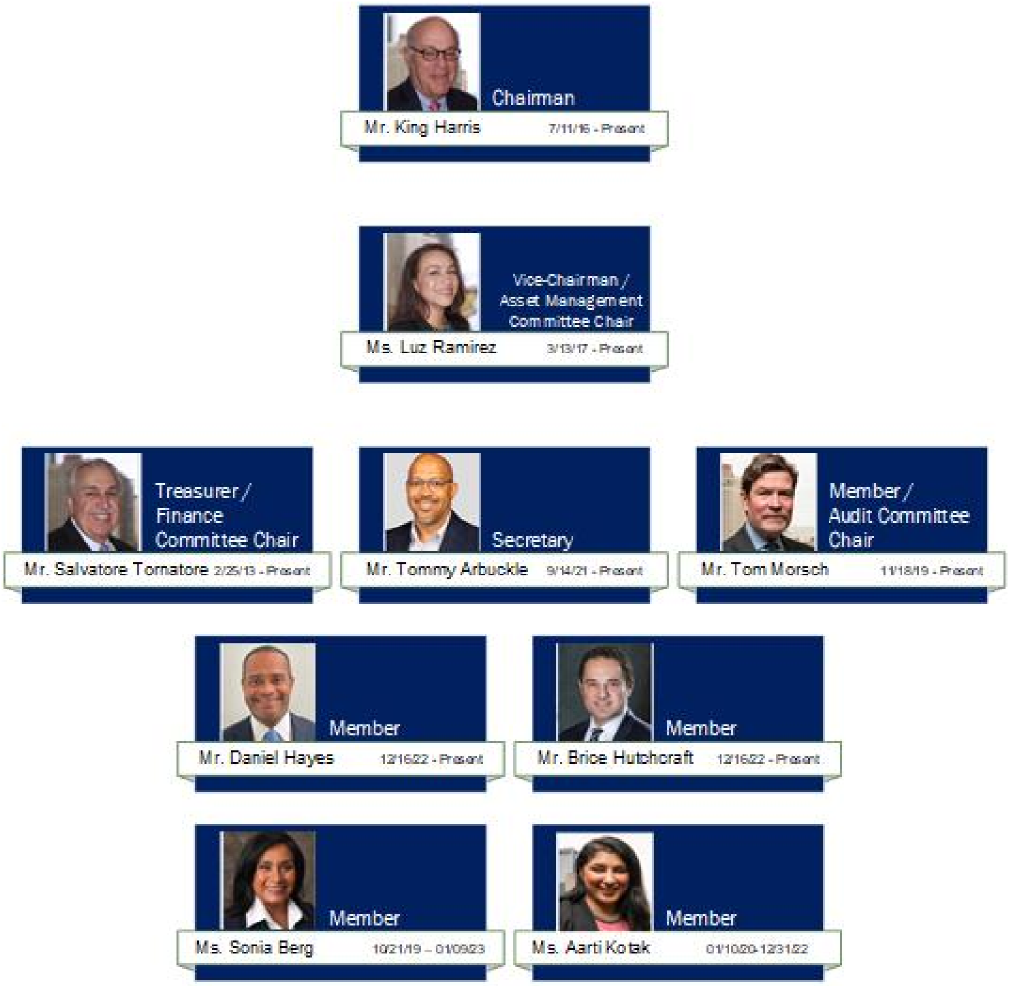
Illinois Housing Development Authority
A Component Unit of the State of Illinois

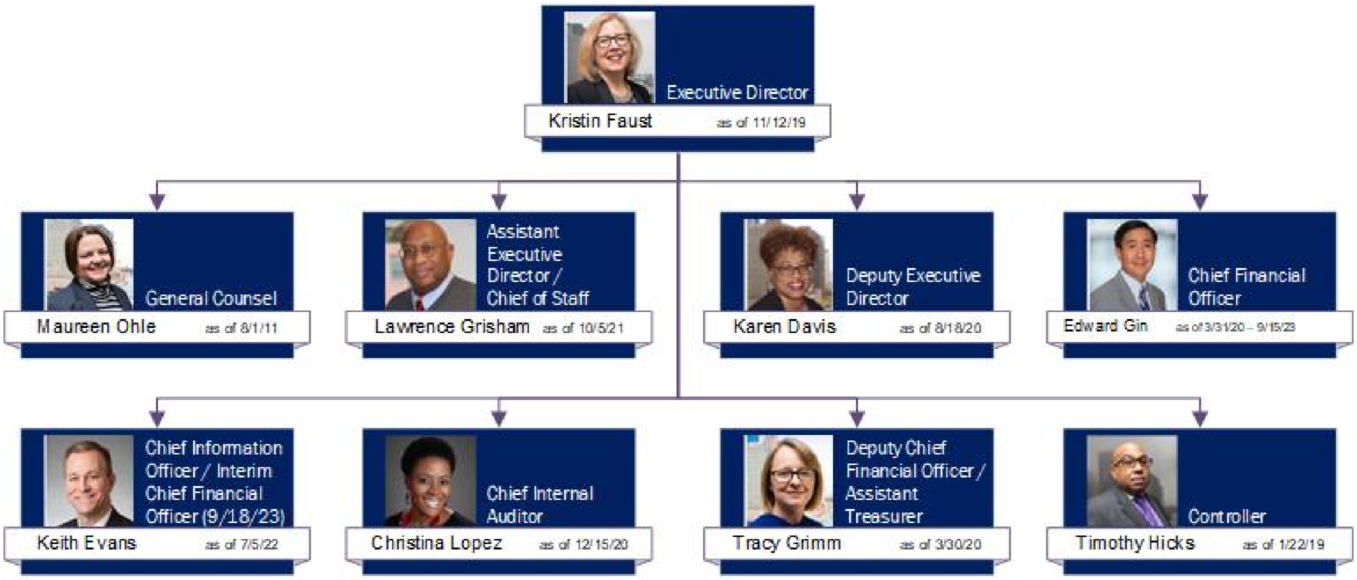
The Uniform Guidance Single Audit Report will be issued under a separate cover.

INTRODUCTORY SECTION

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
BOARD OF DIRECTORS
YEAR ENDED JUNE 30, 2023



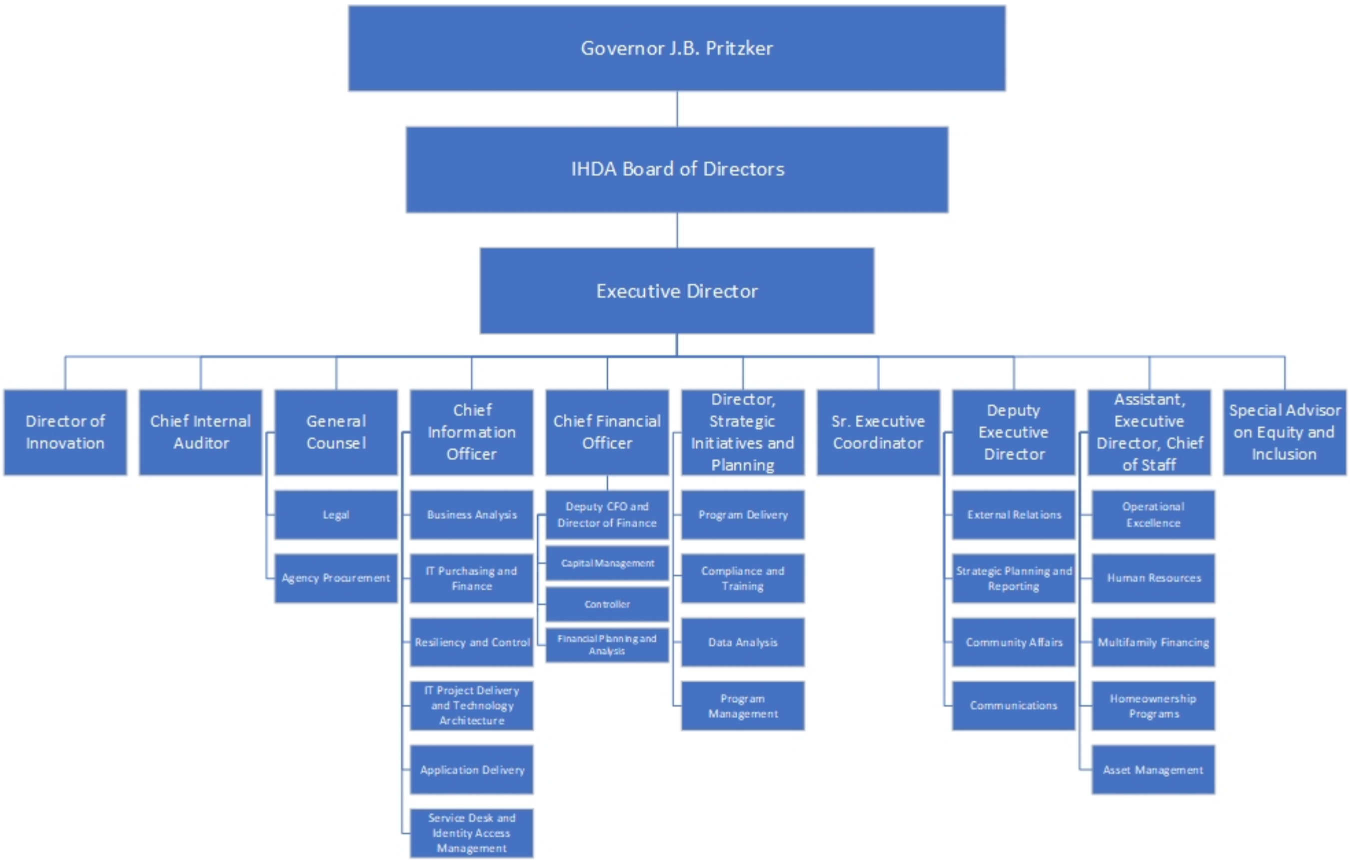
ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
AGENCY OFFICIALS
YEAR ENDED JUNE 30, 2023



Agency Officials are located at:

111 E. Wacker Drive, Suite 1000
Chicago, Illinois 60601

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
ORGANIZATIONAL CHART
YEAR ENDED JUNE 30, 2023



ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
LETTER OF TRANSMITTAL
YEAR ENDED JUNE 30, 2023

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
WWW.IHDA.ORG

111 E. Wacker Drive
Suite 1000
Chicago, IL 60601
312.836.5200

December 14, 2023

The Honorable J.B. Pritzker
Office of the Governor
207 S. Spring St.
Springfield, Illinois 62704

Dear Governor Pritzker, Members of the IHDA Board, and citizens of Illinois:

It is our pleasure to present the Audited Comprehensive Financial Statement for the Illinois Housing Development Authority ("IHDA", "the Authority") for the fiscal year ended Friday, June 30, 2023, which provides an in-depth, detailed analysis of our financial transactions and standing for the fiscal year. Management assumes full responsibility for the completeness and reliability of the information contained in the report, based upon the design, implementation, and maintenance of a framework of internal control that it has established to ensure the Authority's financial statements are free from material misstatement, whether due to fraud or error. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide a reasonable, rather than absolute, assurance that the financial statements are free of any misstatements.

The Authority is required to have an annual audit in accordance with the Governmental Account Audit Act (50 ILCS 310/2) and to file a complete audit, including annual financial statements, to the Illinois Office of the Comptroller. Information related to the single audit, including a schedule of expenditures of federal awards and the required independent auditors' reports is included in the audit report.

This report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and in conformance with the financial reporting principles and standards established by the Governmental Accounting Standards Board (GASB). Additionally, this report follows the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA) and will be submitted for its review and evaluation.

Reporting Entity

IHDA was created in 1967 by an act of the Illinois General Assembly for the purposes of assisting in the financing of decent, safe, and sanitary housing for persons and families of low- and moderate-income in the State and assisting in the financing of residential mortgages in the State. To accomplish its mission, the Authority is authorized to make mortgage or other loans to nonprofit corporations and limited profit entities for the acquisition, construction, or rehabilitation of affordable housing. IHDA is also authorized to issue bonds and notes to fulfill its corporate purposes, including making mortgage and construction loans to fund affordable rental housing and the financing of residential mortgage loans to encourage affordable homeownership.

Over the years, the Authority's scope has expanded to address the diverse housing challenges facing residents of Illinois. Today, IHDA administers a variety of state and federally funded programs focused on the following key areas:

1. Multifamily and Single-Family Housing Finance;
2. Community Revitalization;
3. Planning and Capacity Building;
4. Foreclosure and Eviction Prevention; and
5. Coordination with Other Public and Private Agencies.

The Authority implements an executive budget every fiscal year. The executive budget is reviewed and approved by the Executive Director, monitored for compliance monthly, and any use of the general fund beyond the approved executive budget must be approved by the Executive Director. This annual budget serves as the basis for the Authority's financial planning and control.

Economic Conditions and Outlook

According to estimates from U.S. Census Bureau, Illinois' population in 2022 was 12,582,032 a decrease of 89,437 from the population reported in the 2021. This represents a .01% year-over-year decrease compared to a national population increase of 0.004% in that same time.

Illinois' median household income was $76,708 in 2022, 2.6% above the national median of $74,755. The State's unemployment rate at the close of FY2023 was 4.5%, down from 4. 7% at the end of FY2022 but .07% higher than the national unemployment rate of 3.8%. An estimated 11.9% of the State's population is below the federal poverty level compared to a national poverty rate of 12.6%.

Total housing production in Illinois increased in 2022 with permits issued for 20,550 residential units, up from 19,658 units in 2021 but still below 2019 and 2018 when 20,524 and 21,510 units were authorized respectively. Illinois' rate of homeownership, as reported by the U.S. Census Bureau, was 67.1% in 2022, compared to a national rate of 65.2%. The median monthly housing costs paid by Illinois homeowners with a mortgage was $1,804 compared to the national median of $1,775, while the median gross rent paid by Illinois tenants was $1,170 compared to the national median of $1,300. Recent studies have found that an estimated 23.1% of homeowners and 46.6% of renters in Illinois are considered housing cost-burdened.

Current Major Initiatives

It is IHDA's mission to finance the creation and preservation of affordable housing in Illinois. During these times of economic challenges, the Authority maintains a proactive and innovative approach to fulfilling this mission in service to low-income and moderate-income families, seniors, persons with disabilities, persons at risk of homelessness, and special needs populations in Illinois.

<u>Affordable Rental Housing</u>

IHDA made significant progress in multifamily finance in FY2023, leveraging state and federal resources with access to private capital to create affordable housing for families, seniors, and people with special needs. During the course of the year, IHDA allocated $586.7 million in state and federal resources, awarded state and federal tax credits that generated $594.6 million in private investment, and leveraged an additional $357 million in non-Authority resources to finance the construction or preservation of 54 affordable rental developments in communities throughout the State. Located in 34 cities across 18 counties, these properties contain 4,748 affordable rental units, all of which are designated for income-eligible families, seniors, and special needs populations.

As the COVID-19 pandemic threatened the financial viability of the State's pipeline of new affordable housing, IHDA worked closely with project sponsors to find solutions for developments impacted by changing interest rates, labor shortages, increased construction costs, and supply chain disruptions. IHDA launched the COVID-19 Affordable Housing Grant Program (CAHGP) to offset losses incurred to Low Income Housing Tax Credit developments. Funded through the federal American Rescue Plan Act of 2021, in FY2022 IHDA approved $73.5 million from CAHGP to fund 21 developments containing 1,104 total units that otherwise would not have been viable and would not have started construction due to rising construction costs and interest rates. In FY23, IHDA provided an additional $69.5 million in CAHGP funds to 19 developments with 979 affordable units.

In addition to creating and preserving affordable rental housing, the Authority takes an active approach to oversee its rental portfolio, which includes 107,739 units in 1,948 developments. To ensure Authority-financed properties remain financially viable and well-maintained over the long term, IHDA works directly with our property owners and management partners to provide comprehensive trainings, streamlined reporting processes, and subsidy programs designed to meet the housing needs of severely and extremely low-income households.

To assist developments that tapped into their reserves to keep the buildings running and put off any much-needed capital repairs due to the COVID-19 pandemic, IHDA created the Capital Bill Preservation Program: Limited Rehabilitation (Preservation Program) in 2022. The program utilized $28 million in Rebuild Illinois capital bill dollars to provide subordinate financing to developments with existing income and occupancy restrictions that have outstanding capital improvement needs that cannot be met using existing reserves. IHDA received funding requests totaling more than $37.45 million and approved 63 Preservation Program grants totaling $27.61 million to provide vital and necessary repairs ensuring the health and safety of those residing in IHDA-financed developments.

Affordable Homeownership

Helping more Illinoisans achieve affordable and sustainable homeownership is a priority for the Authority. Owning a home is one of the most common strategies for working families to build household wealth and achieve financial security, but homeownership has been falling further out of reach for an entire generation due to rising costs, student debt and an inadequate supply of affordable homes. While Illinois' homeownership rate of 67.1% is marginally higher than the national rate, younger buyers and BIPOC households remain underrepresented among homeowners. Towards this end, the Authority continues to create financing tools and outreach strategies that make homeownership accessible to a broader range of households with a goal of closing these disparities in homeownership rates by race and age.

In FY2023, IHDA originated $1.08 billion in first mortgage loans and $40.8 million in down payment assistance to help 6,438 Illinois families purchase their first home in 93 of Illinois' 102 counties. This assistance was provided through the Authority's Access Mortgage, Opening Doors, and the Illinois HFA1 down payment assistance programs, each of which provide free financial education and pre-purchase counseling to ensure new buyers not only have the financial resources, but the education and support they need to make sustainable homeownership possible. The Opening Doors program is designed to help borrowers of color, including Deferred Action for Childhood Arrivals recipients, who have historically faced steeper barriers to homeownership. In addition to providing financial assistance for down payments and closing costs, the program utilizes a robust marketing and outreach campaign that engages HUD-approved housing counseling agencies, realtors, mortgage lenders, and others who work with historically disinvested communities of color to increase awareness and promote homebuyer education among potential borrowers and industry professionals.

Emergency Foreclosure and Eviction Prevention

The economic fallout caused by the COVID-19 pandemic has highlighted the fundamental role of housing in keeping families safe, stable, and healthy, while also exposing the longstanding housing affordability crisis that existed throughout the nation. Though Illinois quickly enacted moratoriums on evictions and foreclosures, direct financial assistance was needed to assist those who were accruing considerable amounts of back rent or missed mortgage payments after a COVID-19-related job or income loss.

In FY2020, IHDA delivered $230.6 million in rental assistance to 46,129 households and $98.5 million in mortgage payment assistance to 10,071 households to prevent eviction or foreclosure after a COVID-19-related loss of income. Building on this effort, IHDA launched the Illinois Rental Payment Program in 2021 to further support renters facing eviction due to COVID-19. By the end of the year, IHDA had disbursed an additional $584 million in emergency rental payments to help 63,964 renters pay overdue rent after a financial hardship caused by the pandemic.

In FY2022, the Illinois Rental Payment Program opened for a second round of applications and by the close of the fiscal year had delivered an additional $204 million in federal assistance to 27,279 renters throughout the state.

FY2023 saw a surge of asylum seekers coming to Illinois from Texas and Colorado with no place to live once they arrived. Leveraging our extensive experience, knowledge, partnerships, and resources, IHDA and the Illinois Department of Human Services acted quickly to create the Asylum Seeker Emergency Rental Assistance Program to help these families find safe, stable housing while they establish a new life here in Illinois. In FY2023, IHDA assisted 1,049 asylum seekers with $8.3 million in emergency rental assistance while they regained their financial footing in Illinois.

FY2023 also saw 10,870 homeowners assisted through the Illinois Homeowner Assistance Fund (ILHAF). ILHAF provides grants of up to $60,000 to homeowners across Illinois who experienced financial hardship because of the pandemic. Overall, IHDA distributed $198 million in FY2023 for an average grant of $18,246.

Finally, IHDA continued to improve access to foreclosure prevention services and funded a network of counseling agencies that provided critical support and financial education to 8,596 families facing foreclosure, helping them explore their options to achieve the best possible outcome for their situation.

Home Rehabilitation and Repair

For many families, the high costs of repairs and maintenance can make homeownership unaffordable. The Census reports that 37.4% of housing units throughout Illinois are more than 60 years old, and many of these homes are in need of updates, renovations or repairs that can be out of reach for low-income households. In addition, the number of Illinois residents over the age of 65 is at 17.2%, and while they may have the financial means to stay in their homes, many low-income seniors or persons with disabilities are forced to relocate due to accessibility concerns. For these reasons, the Authority has been working diligently to help municipalities maintain affordability, improve accessibility, and preserve the quality of the State’s single-family housing stock.

In FY2023 IHDA utilized funds from the Illinois Affordable Housing Trust Fund to offer two programs that help existing homeowners make costly improvements and repairs. Through the Home Accessibility Program, IHDA partnered with local governments and non-profit organizations to help seniors and persons with disabilities make their homes safer and more accessible by installing interior chair lifts, platform lifts, exterior ramps, bathroom modifications and other improvements For homeowners struggling with the high costs of maintenance on their aging properties, IHDA's Single-Family Rehabilitation Program helped eligible households afford work that corrected code violations, eliminated health and safety hazards, and lowered energy consumption. In FY2023, these programs awarded $2.5 million in funding to municipalities and non-profit agencies to help 213 families, seniors, and persons with disabilities remain comfortable and safe in their homes.

In FY2023, IHDA combined the previous two programs and launched the Home Repair and Accessibility Program (HRAP). Through HRAP, IHDA granted funds to 36 local government and nonprofit organizations to assist homeowners and renters with documented health and safety issues or concerns, such as mechanical, electrical, structural, or plumbing that undermine the integrity of the home. Launched in April 2023, IHDA announced it had allocated $15.3 million and two properties were completed prior to the close of FY2023. HRAP will continue helping low-income Illinois households improve their housing stock in FY2024.

Community Revitalization

The Authority continued to administer the Strong Communities Program in FY2023 that provided $3.9 million to local units of government for the purpose of acquiring 504 vacant or abandoned properties and returning them to productive and taxable use. In cases where the properties are beyond repair and negatively impacting neighboring residences, the program also provide funds for demolition. To further empower local and regional revitalization efforts in communities outside the Chicago Metropolitan Area, IHDA's Land Bank Capacity Program provided funds to help local governments create and operate land banks to acquire, develop, or otherwise repurpose vacant properties within their jurisdictions.

Housing Planning and Coordination Efforts

The Authority continues to form partnerships and build the capacity of the affordable housing community.

The Authority's team of Community Revitalization Specialists continued their work with communities throughout Illinois and formed partnerships to expand local planning capacity via a community revitalization strategy process in FY2023. Notably, the Authority made it a priority to reach out to smaller, rural communities that do not have the capacity to create and implement long-term housing plans. Under this effort, partnerships have increased local capacity to see affordable housing as an important element of local economic and community development goals and resulted in several tailored community revitalization strategies adopted by local jurisdictions to guide future development initiatives.

Also, IHDA launched another round of the Supportive Housing Institute, a capacity-building effort designed to increase the production of supportive housing for vulnerable populations. Intended for both new and experienced developers and service providers outside of the Chicago metro area, the Institute helps the state's supportive housing partners navigate the complex process of developing housing with supportive services by improving the planning, development, and initial project implementation processes. IHDA saw double the number of applications compared to FY2022.

Finally, the Authority continued its collaboration with the Illinois Department of Healthcare and Family Services, Illinois Department of Human Services, and Illinois Department on Aging in support of ILHousingSearch.org. This free housing locator service provides real-time, detailed information about available rental housing, including all IHDA-financed apartments as well as market rate units, to help Illinois residents find a rental home within their budget.

Other Information

Independent Audit

The Authority's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed Certified Public Accountants. The independent auditor concluded, based upon the audit, the Authority financial statements as of and for the fiscal year ending June 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report expresses an unmodified opinion and has been included in the Financial Statement section of this report.

Management's Discussion and Analysis

Management has provided a narrative overview and analysis of the financial activities of the Authority to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This transmittal letter is intended to complement the Authority's MD&A and should be read in conjunction with it. The Authority's MD&A can be found following the report of the independent auditor.

Financial Planning

The Authority has an investment policy that encompasses all funds related to the issuance of bonds, as well as all funds otherwise held by the Authority. The Authority seeks first and foremost to ensure the safety of principal, and secondly, to attain the highest possible return available given the risk constraints.

Awards and Designations

The Government Finance Officers Association of the United States and Canada (GFOA) awarded another Certificate of Achievement for Excellence in Financial Reporting to the Authority for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the second year the Authority has received this prestigious award, bestowed for publishing an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another Certificate of Achievement.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
LETTER OF TRANSMITTAL
YEAR ENDED JUNE 30, 2023

Acknowledgments

This report gives a reliable, complete picture of the Authority's financial operations for Fiscal Year 2023. It can be used as a basis for making informed management decisions.

The preparation of this report was accomplished through the efficient and dedicated effort of IHDA's Finance department along with valuable assistance and information provided by other staff members of the Authority. This report is also available online at www.ihda.org/financial-accountability-reports.

Sincerely,

Kristin Faust
Executive Director

Keith Evans
Interim Chief Financial Officer

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL
REPORTING YEAR ENDED JUNE 30, 2023

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Illinois Housing Development Authority

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Honorable Frank J. Mautino, Auditor General of the State of Illinois,
and Board of Directors
Illinois Housing Development Authority

Report on the Audit of the Financial Statements

Opinions

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Illinois Housing Development Authority (the Authority), a component unit of the State of Illinois, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. 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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the 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 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 Authority'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 financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority'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.

Honorable Frank J. Mautino, Auditor General of the State of Illinois,
and Board of Directors
Illinois Housing Development Authority

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic 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 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 financial statements, and other knowledge we obtained during our audit of the basic 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 opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information, such as the combining and individual nonmajor governmental funds, mortgage loan program fund, and single family program fund financial statements are presented for purposes of additional analysis and are not a required part of the basic 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oak Brook, Illinois
December 14, 2023

This Section of the Illinois Housing Development Authority's (the Authority) annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal year ended June 30, 2023. Please read it in conjunction with the Authority's financial statements, which follow this section.

Financial Highlights

- The Authority's overall net position increased by $22.5 million, to $1,289.0 million as of June 30, 2023, from an increase in the Authority's governmental activities of $40.3 million and a decrease in business-type activities $17.7 million.

- The Authority's net position from governmental activities increased by $40.3 million to $460.2 million during the year. The increase is primarily due to state and federal program revenues of $69.7 million for Build Illinois Bond Program Fund (BIBP) and $21.6 million for HOME Program Fund offset by $36.1 million and $15.9 million of grant disbursements and general and administrative expenses, respectively. In fiscal year 2023, the Authority drew down an appropriation of $67.9 million from the Build Illinois Bond Program and received $19.4 million in federal and state assistance from Housing Urban Development for the HOME Program.

- The Authority's net position from business-type activities decreased by $17.7 million to $828.8 million during the current year primarily due to a net decrease in fair value of investments from Single Family Program Fund of $67.9 million, offset by an increase in interest and other investment income of $50.5 million due to higher short-term interest rates resulting in higher earnings. Continued increase of bond issuance also resulted in higher investments and related earnings offset by interest expense.

- The Authority's gross debt issuances during the fiscal year ended June 30, 2023, totaled $939.9 million. The Authority's debt outstanding (net of discounts and premiums) totaled $2.7 billion as of June 30, 2023, which was $788.2 million more than the amount outstanding as of June 30,2022.

- The Authority issued six (6) new series of fixed rate, tax-exempt Revenue Bonds, totaling $630.0 million, to fund its homeownership loan program. The bonds are secured by Government National Mortgage Association (GNMA) certificates, Fannie Mae (FNMA) mortgage-backed securities, and Freddie Mac (FHLMC) mortgage-backed securities.

- The Authority issued two (2) new series of fixed rate, taxable Revenue Bonds, totaling $124.1 million, to fund its homeownership loan program. The bonds are secured by GNMA certificates, FNMA mortgage-backed securities, and FHLMC mortgage-backed securities.

- The Authority issued one (1) new series of variable rate, tax-exempt Revenue Bonds, totaling $50.0 million, to fund its homeownership loan program. The bonds are secured by GNMA certificates, FNMA mortgage-backed securities, and FHLMC mortgage-backed securities.

- The Authority issued two (2) new series of variable rate, taxable Revenue Bonds, totaling $80.8 million, to fund its homeownership loan program. The bonds are secured by GNMA certificates, FNMA mortgage-backed securities, and FHLMC mortgage-backed securities.

- The Authority issued one (1) series of fixed rate, tax-exempt Multi-Family Revenue Bonds and one (1) series of variable rate, tax-exempt Multi-Family Revenue Bonds totaling $17.1 million and $11.7 million respectively, to finance a portion of the acquisition, rehabilitation, and equipping by the Series 2023 B and 2023 C borrower of a 210-unit multi-family residential housing development known as ”Autumn Ridge” located in Carol Stream.

- The Authority issued one (1) series of fixed rate, tax-exempt Multi-Family Revenue Bonds totaling $8.6 million, to finance the refunding of one (1) prior series of Conduit Bonds which previously financed the rehabilitation of a 156-unit multi-family development known as “Major Jenkins,” located in Chicago, Illinois.

- During the majority of fiscal year 2023, tax-exempt bond rates were favorable for new issuance, which provided the Authority an opportunity to issue tax-exempt fixed/variable rate long-term bonds in the amount of $680.0 million, and taxable fixed rate/variable rate long-term bonds in the amount of $204.9 million in the Single Family Program. The Authority correspondingly issued tax-exempt fixed rate/ variable rate long-term bonds in support of its Multi-Family Program in the amount of $37.4 million.

- Program loan originations for fiscal year 2023 totaled $19.3 million and $93.4 million in the Authority’s governmental and business-type activities, respectively, compared to fiscal year 2022 loan originations of $68.2 million and $116.5 million, respectively.

- During the fiscal year, the Authority continued to offer its ACCESS down payment assistance (DPA) programs. The ACCESS Program is available statewide, and offers an affordable, fixed interest rate, and up to $10,000 to assist eligible borrowers with their down payment and closing costs for the purchase of a new or existing home. Based on program structure and anticipated demand, the Authority’s Administrative Fund and excess revenues held under various Authority bond funds are used to fund the ACCESS program. There are 3 Access DPA programs available that are 1) either forgiven monthly over 10 years, 2) repayable with zero percent interest due at maturity when the mortgage is paid in full, the property is sold or refinanced, whichever occurs first, and 3) repayable over 10 years with zero percent interest. The Opening Doors program, funded by BIBP also provides $6,000 in assistance for down payment and/or closing costs for first-time and non first-time homebuyers. The Opening Doors DPA program is forgiven monthly over 5 years. The Authority also launched the Illinois HFA1 down payment assistance program which provides $10,000 for down payment assistance and/or closing costs. Illinois HFA1 DPA is repaid with zero percent interest due at maturity, when the mortgage is paid in full, the property is sold or refinanced, whichever occurs first, and repayable over 10 years with zero percent interest. All down payment assistance programs are in the 2nd lien position.

- The Consolidated Appropriations Act (2021) appropriated Emergency Rental Assistance (ERA-1) to the State of Illinois to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic. The Illinois Department of Commerce and Economic Opportunity (DCEO) granted the Authority $493.4 million to administer and manage the ERA-1 program. The Authority expended $2.8 million through grants and $2.1 million in general and administrative expenses.

- The American Rescue Plan Act (2021) appropriated funding to the State of Illinois for COVID-19 Emergency Rental Assistance (ERA-2), COVID-19 Homeowner Assistance Fund (HAF), and COVID-19 State and Local Fiscal Recovery Program Fund (SLFRF) which includes COVID-19 Affordable Housing Grant Program (CAHGP), a nonmajor fund in fiscal year 2022. ERA-2 assists households that are unable to pay rent and utilities. HAF assists homeowners who are unable to pay mortgages, utilities, and real estate taxes due to the COVID-19 pandemic. CAHGP provides vital funding for housing developments that have been awarded federal Low-Income Housing Tax Credits to overcome increased costs related to the pandemic. In partnership with the Illinois Emergency Management Agency (IEMA) and the Illinois Department of Human Services (IDHS), the Authority administers and manages the ERA-2 program. The Authority was appropriated \$368.7 million (ERA-2), \$387.0 million (HAF), and \$171.4 million (CAHGP), with \$42.1 million, \$212.1 million, and \$69.5 million expended through grants, and \$7.0 million, \$21.5 million and \$1.3 million in general and administrative expenses, respectively.

- The Authority also partnered with DuPage, Will, Kane and Cook counties to administer and manage their ERA-1 & ERA-2 Programs and SLFRF, which includes Cook County Mortgage Foreclosure Medication Program (CCMFMP), Funds. The Authority expended a combined total \$3.5 million in grants and \$2.2 million and \$0.3 million in general and administrative expenses, respectively.

Overview of the Financial Statements

The financial statements consist of three parts – management's discussion and analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include two types of statements that present different views of the Authority:

- The first two statements are government-wide financial statements that provide information about the Authority's overall financial position and operations. These statements, which are presented on the accrual basis, consist of the statement of net position and the statement of activities.

- The remaining statements are fund financial statements of the Authority's twenty governmental funds, for which activities are funded from State appropriation (grants), U.S. Department of Housing & Urban Development (HUD), and U.S. Treasury Programs, and for which the Authority follows the modified accrual basis of accounting, and three proprietary funds, which operate similar to business activities and for which the Authority follows the accrual basis of accounting.

- The basic financial statements include notes to the financial statements that explain some of the information in the government-wide and fund financial statements, and provide more detailed data.

The remainder of this overview section of the management's discussion and analysis explains the structure and contents of each of these statements. The prior year results referred to throughout this section for comparison purposes are as previously reported.

The government-wide statements report information about the Authority as a whole using accounting methods similar to those used by private sector companies. The statement of net position includes all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. Most of the Authority's activities are business-type and are reported in its proprietary funds. The fund financial statements provide more detailed information about the Authority's most significant funds but not the Authority as a whole.

The Authority manages two types of funds:

Governmental funds – The Authority is the administrator of twenty governmental funds,of which the revenues are appropriated annually to the Illinois Department of Revenue (IDOR) or received directly from HUD. The Authority also received funding directly from DCEO and the following counties: Will County, DuPage County, and Kane County. These fund statements focus on how cash and other assets flowing into the funds have been used.

Proprietary funds – The Authority's primary activities are in its three enterprise funds for which activities are accounted in a manner similar to businesses operating in the private sector. Funding has primarily arisen through the issuances of both tax-exempt and taxable bonds, the proceeds of which are primarily used to provide various types of loans to finance low and moderate-income housing. The net position of these funds represents accumulated earnings since their inception and is generally restricted for program purposes.

Land Bank Capacity Fund was transferred to Nonmajor Governmental Funds from Administrative Fund in FY 2023 – see Note 4 Interfund Balances and Transfers for further details.

Financial Analysis of the Authority as a Whole

Net Position

The combined net position of the Authority increased by $22.5 million, or 1.8%, from July 1, 2022, through June 30, 2023. The following table shows a summary of changes from prior year amounts:

Condensed Statements of Net Position

Illinois Housing Development Authority's Net Position
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Increase/(Decrease)	
	2023	2022	2023	2022	2023	2022	Amount	Percentage
Current Assets:								
Cash and Investments – Unrestricted	$ 595.6	$ 415.8	$ 741.9	$ 831.8	$ 1,337.5	$ 1,247.6	$ 89.9	7.2 %
Investments - Restricted	37.0	48.3	344.9	195.6	381.9	243.9	138.0	56.6
Net Program Loans Receivable	45.3	35.5	18.5	16.4	63.8	51.9	11.9	22.9
Other Current Assets	39.1	39.4	17.9	31.1	57.0	70.5	(13.5)	(19.1)
Total Current Assets	717.0	539.0	1,123.2	1,074.9	1,840.2	1,613.9	226.3	14.0
Noncurrent Assets:								
Investments	—	—	193.2	72.1	193.2	72.1	121.1	168.0
Investments – Restricted	7.8	—	1,850.7	1,262.4	1,858.5	1,262.4	596.1	47.2
Net Program Loans Receivable	669.9	652.6	555.3	524.6	1,225.2	1,177.2	48.0	4.1
Capital Assets, Net	—	—	32.7	30.8	32.7	30.8	1.9	6.2
Other Assets	0.1	0.2	56.5	44.8	56.6	45.0	11.5	25.6
Total Noncurrent Assets	677.8	652.8	2,688.4	1,934.7	3,366.2	2,587.5	778.7	30.1
Total Assets	$ 1,394.8	$ 1,191.8	$ 3,811.6	$ 3,009.6	$ 5,206.4	$ 4,201.4	$ 1,005.0	23.9 %
Deferred Outflow of Resources:								
Accumulated Decrease in Fair Value of Hedge Derivatives	$ —	$ —	$ 0.3	$ 0.5	$ 0.3	$ 0.5	$ (0.2)	(40.0)%
Current Liabilities:								
Due to Grantees	68.1	71.0	—	—	68.1	71.0	(2.9)	(4.1)
Due to State of Illinois	149.2	122.3	—	—	149.2	122.3	26.9	22.0
Bonds and Notes Payable	—	—	138.9	56.1	138.9	56.1	82.8	147.6
Deposits Held in Escrow	—	—	153.9	149.2	153.9	149.2	4.7	3.2
Other Current Liabilities	399.6	278.0	56.5	50.4	456.1	328.4	127.7	38.9
Total Current Liabilities	616.9	471.3	349.3	255.7	966.2	727.0	239.2	32.9
Noncurrent Liabilities:								
Due to State of Illinois	317.7	300.5	—	—	317.7	300.5	17.2	5.7
Bonds and Notes Payable	—	—	2,597.1	1,891.7	2,597.1	1,891.7	705.4	37.3
Other Liabilities	—	—	7.1	8.0	7.1	8.0	(0.9)	(11.3)
Total Noncurrent Liabilities	317.7	300.5	2,604.2	1,899.7	2,921.9	2,200.2	721.7	0.3
Total Liabilities	$ 934.6	$ 771.8	$ 2,953.5	$ 2,155.4	$ 3,888.1	$ 2,927.2	$ 960.9	32.8 %

Condensed Statements of Net Position (Continued)

Illinois Housing Development Authority's Net Position
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Increase/(Decrease)	
	2023	2022	2023	2022	2023	2022	Amount	Percentage
Deferred Inflow of Resources:								
Accumulated Increase in Fair Value of Hedging Derivatives	$ —	$ —	$ 29.7	$ 8.2	$ 29.7	$ 8.2	$ 21.5	262.2 %
Net Position:								
Net Investment in Capital Assets	$ —	$ —	$ 11.5	$ 8.6	$ 11.5	$ 8.6	$ 2.9	33.5 %
Restricted	460.2	419.9	554.2	535.3	1,014.4	955.2	59.1	6.2
Unrestricted	—	—	263.1	302.6	263.1	302.6	(39.5)	(13.1)
Total Net Position	$ 460.2	$ 419.9	$ 828.8	$ 846.5	$ 1,289.0	$ 1,266.4	$ 22.5	1.8 %

Governmental Activities

Net position of the Authority's governmental activities increased by $40.3 million, or 9.6%, to $460.2 million, primarily due to state and federal program revenues of $67.9 million for BIBP and $19.4 million for HOME Program Fund offset by $36.1 million and $9.0 million of grant disbursements for BIBP and HOME and $3.7 million of general and administrative expenses for HOME. The increase from fiscal year 2022 activity was due to an increase in federal and state assistance in the HOME Program and a draw down of funds from the Build Illinois Bond Program. There is no net position for five of the Authority's major governmental funds. The net position of the Illinois Affordable Housing Trust Fund is recorded as Due to the State of Illinois. Revenues from the Rental Housing Support Program Fund, COVID-19 Emergency Rental Assistance Fund, COVID-19 Homeowner Assistance Fund and COVID-19 State and Local Fiscal Recovery Fund are disbursed as grant or administrative expenses, and therefore have no net position.

Total net program loans receivable (current and noncurrent), increased by $27.2 million, or 4.1%, to $715.3 million, mainly attributable to increased developments closing in fiscal year 2023 in the HOME and Illinois Affordable Housing Trust Fund programs. Development activity had been stalled during the pandemic, creating a backlog; therefore, picked up in late 2022 into 2023. Cash and Investments increased by $176.3 million mainly attributable to BIBP draw downs of $67.9 million of appropriations, higher funding received for COVID-19 Emergency Rental Assistance Program Fund, COVID-19 State and Local Fiscal Recovery Program Fund and decreased grant activity in Rental Housing Support Program Fund and Nonmajor Governmental Funds.

The Authority's liabilities (current and noncurrent) increased by $162.8 million, mainly due to increased unearned revenue & other liabilities for the COVID-19 Emergency Rental Assistance Fund, COVID-19 State and Local Fiscal Recovery Fund, and Nonmajor Governmental Funds by $173.4 million, offset by a decrease in the COVID-19 Homeowner Assistance Fund of $54.3 million. Amounts due to the State of Illinois (current and noncurrent) increased by $44.1 million. This item reflects a liability for the State of Illinois interest in the net position of the Affordable Housing Trust Fund as the Authority acts only as the administrator of the Housing Program and accounts for the interest in the net position to be that of the State of Illinois.

Business-Type Activities

The Authority's net position from business-type activities decreased by $17.7 million, or 2.1%, to $828.8 million.

Net program loans receivable (current and noncurrent) increased by $32.8 million, or 6.1%, to $573.8 million, mainly from the increase in the Mortgage Loan Program Fund $31.6 million due to loan originations exceeding loan repayments, and the increase in the Administrative Fund $9.1 million, offset by a decrease in the Single Family Program Fund $7.9 million.

Cash and investments (current and noncurrent) increased by $768.8 million, or 32.6%, mainly due to increases in Administrative Fund ($11.1 million) and the Single Family Program Fund ($764.2 million) offset by the decrease in Mortgage Loan Program Fund ($6.4 million). The increase in Single Family Program Fund is primarily due to bond proceeds net of related issuance costs.

Total bonds and notes payable (current and noncurrent) increased by $788.2 million, or 40.5%, due to increases in the Mortgage Loan Program Fund $20.3 million and in the Single Family Program Fund $769.7 million due to continued bond issuances net of principal payments, offset by a decrease in the Administrative Fund of $1.9 million.

The restricted net position of the Authority's business-type activities increased by $18.9 million, or 3.5%, mostly due to the increase in the Mortgage Loan Program Fund $19.3 million, and the Administrative Fund $0.3 million, offset by a decrease in the Single Family Program Fund $0.7 million. The net position of the Authority's Bond Funds (Mortgage Loan Program Fund and the Single Family Program Fund) is classified as restricted, except for $9.7 million net position invested in capital assets within the Mortgage Loan Program Fund. The negative unrestricted net position for Single Family Program Fund is primarily due to ($67.9) million net decrease in fair value of investments in the current fiscal year.

Statement of Activities

The statement of activities shows the sources and uses of the Authority's changes in net position as they arise through its various programs and functions.

The governmental activities consist of programs recorded in seven major governmental funds: Illinois Affordable Housing Trust Fund, HOME Program Fund, Rental Housing Support Program Fund, Build Illinois Bond Program Fund, COVID-19 Emergency Rental Assistance Program Fund, COVID-19 Homeowner Assistance Fund, and COVID-19 State and Local Fiscal Recovery Program Fund. Other programs are recorded in Nonmajor Governmental Funds.

The business-type activities consist of two housing lending programs, the results of which are primarily recorded within the funds comprising the two major bond funds (the Mortgage Loan Program Fund and the Single Family Program Fund). Federal assistance activities, which involve the allocation of various federal subsidy funds directly to certain of the Authority's borrowers, the tax credit authorization and monitoring, and Financial Adjustment Factor (FAF) lending programs, both of which activities are recorded in the Authority Administrative Fund.

A condensed summary of changes in net position for the fiscal year ended June 30, 2023, is shown in the following table.

Changes in Net Position
(In millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenue:						
Program Revenues:						
Charges for Services	$ 22.2	$ 4.8	$ 73.6	$ 70.0	$ 95.8	$ 74.8
Operating/Grant/Federal Revenues	506.5	803.3	10.7	19.3	517.2	822.6
General Revenues:						
Investment Income (Loss)	—	—	30.7	(39.0)	30.7	(39.0)
Total Revenues	528.7	808.1	115.0	50.3	643.7	858.4
Expenses:						
Direct	431.7	799.5	122.1	91.5	553.8	891.0
Administrative	56.6	59.9	10.7	19.9	67.3	79.8
Total Expenses	488.3	859.4	132.8	111.4	621.1	970.8
General Revenues and Transfers:						
Transfers In/Out	(0.2)	—	0.2	—	—	—
Total General Revenues and Transfers	(0.2)	—	0.2	—	—	—
Increase (Decrease) in Net Position	40.2	(51.3)	(17.6)	(61.1)	22.6	(112.4)
Net Position at Beginning of the Year	419.9	471.2	846.5	903.5	1,266.4	1,374.7
Change in Accounting Principle	—	—	—	4.1	—	4.1
Net Position at Beginning of Year, as Restated	419.9	471.2	846.5	907.6	1,266.4	1,378.8
Net Position at End of the Year	$ 460.1	$ 419.9	$ 828.9	$ 846.5	$ 1,289.0	$ 1,266.4

Governmental Activities

Revenues of the Authority’s governmental activities, decreased by $279.4 million from the prior year, due to decreases in the COVID-19 Emergency Rental Assistance Fund (ERA) $643.4 million and the Rental Housing Support Program (RHSP) $6.2 million in grant activities. The decrease was partially offset by increases in grant activities in the COVID-19 Homeowner Assistance Fund (HAF) $232.4 million, Build Illinois Bond Program (BIBP) $65.6 million, COVID-19 State and Local Fiscal Recovery Fund (CAHGP) $50.9 million and Illinois Affordable Housing Trust Fund (IAHTF) $20.4 million. The key driver of the increases is that the HAF and CAHGP programs were started in fiscal year 2022 and were fully active all of fiscal year 2023. The revenue increase is due to the Authority drawing down $67.9 million of the BIBP appropriation and $19.4 million of HUD assistance for HOME. The decrease in ERA is due to ERA1 closing in fiscal year 2023.

Direct expenses of the Authority’s governmental activities decreased by $367.8 million from the prior year, due to decreases in the COVID-19 Emergency Rental Assistance Fund from ERA1 and DuPage, Kane and Will counties ERA1 programs closing out in fiscal year 2023 which amounted to $643.4 million and lower grants issued for Build Illinois Bond Program $10.0 million, offset by increases in the COVID-19 Homeowner Assistance Fund $232.4 million, and COVID-19 State and Local Fiscal Recovery Fund $50.9 million due to HAF and SLFRF fully active all fiscal year 2023.

Business-Type Activities

Revenues of the Authority’s business-type activities increased by $64.7 million from the prior year, due to increases in investment income $69.7 million, and an increase in charges for services $3.6 million, offset by a decrease in operating/grant/federal revenues $8.6 million.

Direct expenses of the Authority’s business-type activities increased by $30.6 million, primarily due to an increase in interest expense of $29.0 million on the Authority debt incurred to fund its various lending programs. There is an increase in program grants of $6.1 million, an increase in salaries and benefits $3.6 million, an increase in financing costs of $3.4 million, and an increase in provision for estimated losses on real estate held for sale of $0.3 million offset by decrease in other general and administrative of $2.5 million, a decrease in provision for (reversal of) estimated losses on program loans receivable of $6.4 million, a decrease in change in accrual for estimated losses on mortgage participation certificate program of $0.4 million, and decrease in professional fees of $3.7 million,

Program revenues of the Mortgage Loan Program exceeded direct expenses by $22.0 million (see Statement of Revenue, Expenses and Change in Fund Net Position - Proprietary Funds). The Authority’s business-type activities had $30.7 million of restricted/unrestricted net investment gain (see the Statement of Activities).

Proprietary Fund Results

The net position of the Authority’s proprietary funds decreased by $17.7 million to $828.8 million from June 30, 2022 to June 30, 2023. The following table summarizes the revenues, expenses, and changes in fund net position of the Authority’s proprietary funds:

Changes in Net Position/Proprietary Funds
(In millions of dollars)

	Administrative Fund		Mortgage Loan Program Fund		Single Family Program Fund	
	2023	2022	2023	2022	2023	2022
Operating Revenues:						
Interest Earned on Program Loans	$ 0.8	$ 0.6	$ 16.4	$ 15.3	$ 4.0	$ 4.8
Interest and Other Income	24.8	20.2	11.9	1.3	64.7	29.4
Service Fees	13.5	11.3	—	—	—	—
Development Fees	7.6	8.5	—	—	—	—
HUD Savings	0.3	0.7	—	—	—	—
Tax Credit Reservation and Monitoring Fees	11.4	9.4	—	—	—	—
Other	6.4	6.3	13.3	12.3	—	—
Total Operating Revenues	64.8	57.0	41.6	28.9	68.7	34.2
Operating Expenses:						
Interest Expense	2.4	0.6	12.8	9.5	49.5	25.6
Salaries and Benefits	27.8	24.2	—	—	—	—
Professional Fees	1.6	5.3	—	—	—	—
Amortization Expense - Lease	1.4	1.3	—	—	—	—
Amortization Expense - SBITA	1.1	—	—	—	—	—
Other General and Administrative	2.0	3.0	6.6	8.1	0.3	0.3
Financing Costs	2.6	1.4	0.1	0.2	6.8	4.5
Program Grants	4.1	3.2	—	—	5.2	—
Change in Accrual for Estimated Losses on Mortgage Participation Certificate Program	0.5	0.9	—	—	—	—
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	(2.6)	3.5	0.1	(0.2)	(0.9)	(0.3)
Provision for Estimated Losses on Real Estate Held for Sale	—	—	—	—	0.6	0.3
Total Operating Expenses	40.9	43.4	19.6	17.6	61.5	30.4
Operating Income / Loss	23.9	13.6	22.0	11.3	7.2	3.8
Nonoperating Revenues and Expenses						
Gain/Loss on Investment Sale Revenue	(1.3)	49.4	—	—	0.9	(0.2)
Net Increase (Decrease) in Fair Value of Investments	(1.9)	(7.9)	(0.5)	(2.0)	(67.9)	(129.3)
State Assistance Revenues	—	0.7	—	—	—	—
State Assistance Expenses	—	(0.7)	—	—	—	—
Federal Assistance Programs Revenues	10.7	19.3	—	—	—	—
Federal Assistance Programs Expenses	(10.7)	(19.3)	—	—	—	—
Total Nonoperating Revenues and Expenses	(3.2)	41.5	(0.5)	(2.0)	(67.0)	(129.5)
Capital Contribution	—	0.1	—	—	—	—
Transfers	(0.3)	(12.9)	—	0.1	0.4	12.8
Change in Net Position	20.4	42.3	21.5	9.4	(59.4)	(112.9)
Net Position at Beginning of Year	371.0	324.6	368.5	359.1	107.0	219.9
Change in Accounting Principle		4.1	—	—	—	—
Net Position at Beginning of Year, as Restated	371.0	328.7	—	—	—	—
Net Position at End of Year	$ 391.4	$ 371.0	$ 390.0	$ 368.5	$ 47.6	$ 107.0

The net position of the Administrative Fund increased by $20.4 million compared to prior year increase of $42.3 million. Administrative Fund operating income was $23.9 million, an increase of $10.3 million compared to prior year operating income of $13.6 million, and net transfers out were $0.3 million, compared to $12.9 million in the prior year. The increase in fiscal year 2023 operating income was primarily due to the increases in: service fees $2.2 million, tax credit reservation and monitoring fees $2.0 million, interest and other investment income $4.6 million and lower professional fees $3.7 million and other general and administrative $1.0 million offset by a decrease in development fees $0.9 million, higher salaries and benefits of $3.6 million, higher interest expense $1.8 million, and higher financing cost $1.2 million.

The net position of the Mortgage Loan Program Fund increased by $21.5 million, compared to the prior year's increase of $9.4 million. Operating income was $22.0 million, an increase of $10.7 million from prior year, mainly due to an increase in interest earned on program loans $1.1 million, an increase in interest and other income $10.6 million, other income $1.0 million and lower other general and administrative $1.5 million, offset by higher interest expense $3.3 million.

The net position of the Single Family Program Fund decreased by $59.4 million, compared to the prior year's decrease of $112.9 million. The decrease in current year is primarily due to net decrease in fair value of investments $67.9 million. Operating income was $7.2 million, an increase of $3.4 million compared to prior year operating income mainly due to an increase in interest and other income $35.3 million, offset by a decrease in interest earned on program loans $0.8 million, increase in financing cost $2.3 million, program grants $5.2 million and interest expense $23.9 million.

The increase in interest and other income in the Proprietary Funds was due to higher short-term interest rates resulting in higher earnings. Continued increase of bond issuance in Mortgage Loan Program Fund and Single Family Program Fund also resulted in higher investments and related earnings offset by interest expense.

Non-operating Revenues and Expenses

Total fiscal year 2023 non-operating revenues and expenses increased by $19.3 million to $70.7 million, compared to fiscal year 2022 of $90.0 million. The increase was primarily due to $68.9 million improvement in fair value of investments, offset by a $49.6 million decline in gain on investment sale revenue.

Authority Debt

Authority gross debt issuances during the fiscal year 2023 totaled $3,087.3 million with the issuance of Revenue Bonds ($884.9 million) and premium on Revenue Bonds ($17.6 million) within the Single Family Program Fund, Multi-Family Revenue Bonds ($37.4 million), and Federal Home Loan Bank Advances ($2,147.4 million). Debt retirements within the Mortgage Loan Program, Single Family Program, and Administrative Funds were $17.1 million, $128.4 million, and $2,149.3 million, respectively. Net premium and discount on debt retirements that were fully amortized amounted to $4.4 million. Total bonds and notes payable increased by $788.2 million. For additional information, see Note 8 – Bonds and Notes Payable in the Notes to the Financial Statements.

Pursuant to the IHDA Act, the Authority has the power to hold up to $7.2 billion of general and special limited obligation bonds and notes outstanding, excluding those issued to refund outstanding bonds and notes. As of June 30, 2023, amounts outstanding against this limitation were approximately $4.6 billion.

As of June 30, 2023, the Authority's Issuer Credit Ratings were A1 (Stable) by Moody's Investors Service, AA (Stable) by Standard and Poor's (S&P) and AA (Stable) by Fitch Ratings. The rating on all General Obligation ("GO") debt was upgraded by both S&P and Fitch to AA from AA-.

Economic Factors and Outlook

During the majority of fiscal year 2023, tax-exempt bond rates were favorable for new issuance, which provided the Authority an opportunity to issue tax-exempt fixed/variable rate long-term bonds in the amount of $680.0 million, and taxable fixed/variable rate long-term bonds in the amount of $204.9 million in the Single Family Program. The Authority correspondingly issued tax-exempt fixed rate/variable rate long-term bonds in support of its Multi-Family Program in the amount of $37.4 million.

During fiscal year 2023, the Authority also financed a portion of its activity relating to homeownership in the State of Illinois through the sale of mortgage-backed securities to the secondary market. The Authority uses forward commitments to lock in the price of securities related to secondary market sales.

As a result of the global outbreak of COVID-19, the Authority administers new programs, with federal funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020) which established the COVID-19 Coronavirus Relief Fund (CRF) program and may be asked to administer additional programs in the future in response to the pandemic.

The Consolidated Appropriations Act (2021) established the COVID-19 Emergency Rental Assistance (ERA1) to assist eligible households with financial assistance and housing stability services.

The American Rescue Plan Act (2021) established the COVID-19 Emergency Rental Assistance (ERA2), COVID-19 Homeowner Assistance Fund (HAF) and State and Local Fiscal Recovery Fund (SLFRF) programs. COVID-19 Affordable Housing Grant program (CAHGP) was appropriated as part of the State of Illinois' SLFRF program. ERA2 assists households that are unable to pay rent and utilities. HAF assists homeowners who are unable to pay mortgages, utilities, and real estate taxes due to the COVID-19 pandemic. CAHGP provides vital funding for housing developments that have been awarded federal Low-Income Housing Tax Credits to overcome increased costs related to the pandemic. In partnership with the Illinois Department of Human Services (IDHS), the Authority administers and manages the ERA2 program.

As the Authority moves into fiscal year 2024 and into the future, the Authority will continue to explore new methods to expand its Single Family and Multi-Family lending activities that are consistent with the State's housing needs. The Authority will collaboratively work with other housing entities and stakeholders to provide effective and efficient housing solutions. The Authority will continue to explore solutions to prevent foreclosures by providing assistance to eligible homeowners who have and may still be experiencing significant financial hardship.

At this time, the Authority is not aware of any other facts, decisions, or conditions that are expected to have a significant effect on financial position or results of operations.

Capital Asset Activity

The Authority had no significant capital asset activity in fiscal year 2023. More details on capital asset activity can be found in Note 7 – Capital Asset in the Notes to the Financial Statements.

Contacting the Authority's Financial Management

This financial report is designed to provide the citizens of Illinois, our constituents, and investors with a general overview of the Authority's finances and to demonstrate the Authority's financial accountability over its resources. If you have questions about this report or need additional financial information, contact the Controller at the Illinois Housing Development Authority, 111 E. Wacker Drive, Suite 1000, Chicago, IL 60601, or visit our web site at: www.ihda.org.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATEMENT OF NET POSITION (DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023

Assets	Governmental Activities	Business-Type Activities	Total
Current Assets:			
Cash and Cash Equivalents	$ —	$ 93,463	$ 93,463
Cash and Cash Equivalents - Restricted	595,578	622,760	1,218,338
Total Cash and Cash Equivalents	595,578	716,223	1,311,801
Investments	—	25,628	25,628
Investments - Restricted	37,009	344,944	381,953
Investment Income Receivable	—	1,567	1,567
Investment Income Receivable - Restricted	92	9,906	9,998
Program Loans Receivable	45,265	18,486	63,751
Grant Receivable	32,002	—	32,002
Interest Receivable on Program Loans	257	1,941	2,198
Other	792	10,496	11,288
Internal Balances	6,037	(6,037)	—
Total Current Assets	717,032	1,123,154	1,840,186
Noncurrent Assets:			
Investments	—	193,235	193,235
Investments - Restricted	7,781	1,850,694	1,858,475
Program Loans Receivable, Net of Current Portion	777,656	566,721	1,344,377
Less Allowance for Estimated Losses	(107,755)	(11,373)	(119,128)
Net Program Loans Receivable	669,901	555,348	1,225,249
Real Estate Held for Sale	—	513	513
Less Allowance for Estimated Losses	—	(411)	(411)
Net Real Estate Held for Sale	—	102	102
Due from Fannie Mae	—	29,386	29,386
Due from Freddie Mac	—	4,305	4,305
Capital Assets, Net	—	32,747	32,747
Derivative Instrument Asset	—	21,182	21,182
Other	29	1,571	1,600
Total Noncurrent Assets	677,711	2,688,570	3,366,281
Total Assets	1,394,743	3,811,724	5,206,467
Deferred Outflows of Resources			
Accumulated Decrease in Fair Value of Hedging Derivatives	—	291	291
Total Deferred Outflows of Resources	—	291	291

See accompanying notes to the financial statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATEMENT OF NET POSITION (CONTINUED)
(DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current Liabilities:			
Due to Grantees	$ 68,097	$ —	$ 68,097
Due to State of Illinois	149,205	—	149,205
Bonds and Notes Payable	—	138,885	138,885
Accrued Interest Payable	—	23,510	23,510
Unearned Revenue	399,511	815	400,326
Deposits Held in Escrow	—	153,923	153,923
Lease Liability	—	1,365	1,365
Subscription Liability	—	840	840
Accrued Liabilities and Other	49	30,029	30,078
Total Current Liabilities	616,862	349,367	966,229
Noncurrent Liabilities:			
Due to State of Illinois	317,726	—	317,726
Bonds and Notes Payable, Net of Current Portion	—	2,597,060	2,597,060
Unearned Revenue	—	1,585	1,585
Lease Liability, Net of Current Portion	—	3,008	3,008
Subscription Liability, Net of Current Portion	—	2,205	2,205
Derivative Instrument Liability	—	291	291
Total Noncurrent Liabilities	317,726	2,604,149	2,921,875
Total Liabilities	934,588	2,953,516	3,888,104
Deferred Inflows of Resources			
Accumulated Increase in Fair Value of Hedging Derivatives	—	21,182	21,182
Unearned Revenue	—	8,470	8,470
Total Deferred Inflows of Resources	—	29,652	29,652
Net Position			
Net Investment in Capital Assets	—	11,544	11,544
Restricted for Bond Resolution Purposes	—	507,702	507,702
Restricted for Loan and Grant Programs	460,155	46,483	506,638
Unrestricted	—	263,118	263,118
Total Net Position	$ 460,155	$ 828,847	$ 1,289,002

See accompanying notes to the financial statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATEMENT OF ACTIVITIES
(DOLLARS IN THOUSANDS)
YEAR ENDED JUNE 30, 2023

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
Functions/programs	Expenses	Charges for Services and Interest Income	Operating Grant/ Federal Revenues	Capital Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Illinois Affordable Housing Trust Program	$ 30,113	$ 2,716	$ 27,397	$ —	$ —	$ —	$ —
HOME Program	15,863	2,186	19,419	—	5,742	—	5,742
Rental Housing Support Program	13,194	1,917	11,277	—	—	—	—
Build Illinois Bond Program Fund	36,073	1,759	67,925	—	33,611	—	33,611
COVID-19 Emergency Rental Assistance Fund	65,216	2,876	62,340	—	—	—	—
COVID 19 - Homeowner Assistance Fund	239,451	5,859	233,592	—	—	—	—
COVID 19 -State and Local Fiscal Recovery Fund	74,857	3,707	71,150	—	—	—	—
Other Programs	13,508	1,143	13,433	—	1,068	—	1,068
Total Governmental Activities	488,275	22,163	506,533	—	40,421	—	40,421
Business-Type Activities:							
Administrative Programs	51,553	39,966	10,661	—	—	(926)	(926)
Mortgage Loan Programs	19,713	29,689	—	—	—	9,976	9,976
Single Family Mortgage Loan Programs	61,535	3,980	—	—	—	(57,555)	(57,555)
Total Business-Type Activities	132,801	73,635	10,661	—	—	(48,505)	(48,505)
Total Authority	$ 621,076	$ 95,798	$ 517,194	$ —	40,421	(48,505)	(8,084)
General Revenues and Transfers:							
Net Investment Gain					—	30,684	30,684
Transfers					(174)	174	—
Total General Revenues and Transfers					(174)	30,858	30,684
Change in Net Position					40,247	(17,647)	22,600
Net Position at Beginning of Year					419,908	846,494	1,266,402
Net Position - End Of Year					$ 460,155	$ 828,847	$ 1,289,002

See accompanying notes to the financial statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
BALANCE SHEET – GOVERNMENTAL FUNDS
(DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023

	Major Funds								
Assets	Illinois Affordable Housing Trust Fund	HOME Program Fund	Rental Housing Support Program Fund	Build Illinois Bond Program Fund	COVID 19 - Emergency Rental Assistance Program Fund	COVID 19 - Homeowner Assistance Fund	COVID-19 State and Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total
Current Assets:									
Cash and Cash Equivalents - Restricted	$ 105,524	$ 10,535	$ 13,820	$ 61,275	$ 108,782	$ 150,009	$ 134,779	$ 10,854	$ 595,578
Investments - Restricted	—	—	37,009	—	—	—	—	—	37,009
Investment Income Receivable - Restricted	—	—	92	—	—	—	—	—	92
Program Loans Receivable	21,299	23,601	—	26	—	—	—	339	45,265
Grant Receivable	22,577	—	9,425	—	—	—	—		32,002
Interest Receivable on Program Loans	103	141	—	—	—	—	—	13	257
Other	—	—	—	—	792	—	—	—	792
Due from Other Funds	2,190	1,836	—	—	1,350	1,857	—	17	7,250
Total Current Assets	151,693	36,113	60,346	61,301	110,924	151,866	134,779	11,223	718,245
Noncurrent Assets:									
Investments, restricted	—	—	7,781	—	—	—	—	—	7,781
Program Loans Receivable, Net of Current	366,497	307,121	—	10,640	—	—	—	93,398	777,656
Less Allowance for Estimated Losses	(51,259)	(34,943)	—	(3,815)	—	—	—	(17,738)	(107,755)
Net Program Loans Receivable	315,238	272,178	—	6,825	—	—	—	75,660	669,901
Other	—	—	—	—	28	—	—	1	29
Total Noncurrent Assets	315,238	272,178	7,781	6,825	28	—	—	75,661	677,711
Total Assets	$ 466,931	$ 308,291	$ 68,127	$ 68,126	$ 110,952	$ 151,866	$ 134,779	$ 86,884	$ 1,395,956
Liabilities and Fund Balances									
Current liabilities:									
Due to Grantees	$ —	$ —	$ 68,097	$ —	$ —	$ —	$ —	$ —	$ 68,097
Due to State of Illinois	149,205	—	—	—	—	—	—	—	149,205
Unearned Revenue	—	141	—	—	110,926	151,849	134,025	2,724	399,665
Accrued Liabilities and Other	—	—	—	—	26	17	—	6	49
Due to Other Funds	—	—	30	139	—	—	754	290	1,213
Total Current Liabilities	149,205	141	68,127	139	110,952	151,866	134,779	3,020	618,229
Noncurrent Liabilities:									
Due to State of Illinois	317,726	—	—	—	—	—	—	—	317,726
Total Liabilities	466,931	141	68,127	139	110,952	151,866	134,779	3,020	935,955
Fund Balances:									
Restricted	—	308,150	—	67,987	—	—	—	83,864	460,001
Total Fund Balances Total	—	308,150	—	67,987	—	—	—	83,864	460,001
Liabilities and Fund Balances	$ 466,931	$ 308,291	$ 68,127	$ 68,126	$ 110,952	$ 151,866	$ 134,779	$ 86,884	$ 1,395,956
Amounts reported for Governmental Activities is the Statement of Net Position are: different due to:									
Unearned Interest Receivable on Certain Program Loans Receivable									$ 154
Net Position of Governmental Activities									$ 460,155

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS
(DOLLARS IN THOUSANDS)
YEAR ENDED JUNE 30, 2023

	Major Funds								
	Illinois Affordable Housing Trust Fund	HOME Program Fund	Rental Housing Support Program Fund	Build Illinois Bond Program Fund	COVID-19 Emergency Rental Assistance Program Fund	COVID-19 Homeowner Assistance Fund	COVID-19 State and Local Fiscal Recovery Program Fund	Nonmajor Governmental Funds	Total
Revenues:									
Grants from State of Illinois	$ 27,397	$ —	$ 11,277	$ 67,925	$ —	$ —	$ —	$ 851	$ 107,450
Federal Funds	—	19,419	—	—	62,340	233,592	71,150	12,582	399,083
Interest and Other Investment Income	2,716	2,192	1,985	1,759	2,876	5,858	3,707	226	21,319
Net Inc/Dec Fair Value Investment	—	—	(68)	—	—	—	—	—	(68)
Other Income	—	1	—	—	—	1	—	928	930
Total Revenues	30,113	21,612	13,194	69,684	65,216	239,451	74,857	14,587	528,714
Expenditures:									
Debt Services:									
Principal	—	—	—	—	316	585	—	—	901
Interest	—	—	—	—	11	20	—	—	31
General and Administrative	14,898	3,678	474	1	13,576	20,875	1,642	1,473	56,617
Grants	12,499	8,998	12,720	36,087	48,302	212,071	69,508	12,720	412,905
Financing Costs	—	1	—	—	135	42	3,707	1	179
Program Income Transferred to State of Illinois	2,716	—	—	—	2,876	5,858		55	15,212
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	—	3,186	—	(15)	—	—	—	(741)	2,430
Total Expenditures	30,113	15,863	13,194	36,073	65,216	239,451	74,857	13,508	488,275
Excess of Revenues Over Expenditures	—	5,749	—	33,611	—	—	—	1,079	40,439
Other Financing Sources (Uses):									
Transfer in	—	—	—	—	—	—	—	—	—
Transfer out	—	—	—	—	—	—	—	(174)	(174)
Total Other Financing Sources (Uses)	—	—	—	—	—	—	—	(174)	(174)
Net Change in Fund Balances	—	5,749	—	33,611	—	—		905	40,265
Fund Balances at Beginning of Year	—	302,401	—	34,376	—	—	—	82,959	419,736
Fund Balances at End of Year	$ —	$ 308,150	$ —	$ 67,987	$ —	$ —	$ —	$ 83,864	$ 460,001
Amounts reported for Governmental Activities in the									
Statement of Activities are different due to:									
Unearned Interest Receivable on Certain Program									
Loans Receivable									(18)
Change in Net Position of Governmental Activities									$ 40,247

See accompanying notes to the financial statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
(DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023

	Major Funds			
Assets	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
Current Assets:				
Cash and Cash Equivalents	$ 93,463	$ —	$ —	$ 93,463
Cash and Cash Equivalents - Restricted	187,281	298,510	136,969	622,760
Total Cash and Cash Equivalents	280,744	298,510	136,969	716,223
Investments	25,628	—	—	25,628
Investments - Restricted	36,096	32,050	276,798	344,944
Investment Income Receivable	1,567	—	—	1,567
Investment Income Receivable - Restricted	670	146	9,090	9,906
Program Loans Receivable	812	6,840	10,834	18,486
Interest Receivable on Program Loans	54	1,496	391	1,941
Due from Other Funds	29,970	45,803	—	75,773
Other	10,496	—	—	10,496
Total Current Assets	386,037	384,845	434,082	1,204,964
Noncurrent Assets:				
Investments	193,235	—	—	193,235
Investments – Restricted	9,960	30,736	1,809,998	1,850,694
Program Loans Receivable, Net of Current Portion	61,516	424,824	80,381	566,721
Less Allowance for Estimated Losses	(6,558)	(3,450)	(1,365)	(11,373)
Net Program Loans Receivable	54,958	421,374	79,016	555,348
Real Estate Held for Sale	75	—	438	513
Less Allowance for Estimated Losses	—	—	(411)	(411)
Net Real Estate Held for Sale	75	—	27	102
Due from Fannie Mae	—	29,386	—	29,386
Due from Freddie Mac	—	4,305	—	4,305
Capital Assets, Net	9,259	23,488	—	32,747
Derivative Instrument Asset	193	3,133	17,856	21,182
Other	1,339	232	—	1,571
Total Noncurrent Assets	269,019	512,654	1,906,897	2,688,570
Total Assets	655,056	897,499	2,340,979	3,893,534
Deferred Outflows of Resources				
Accumulated Decrease in Fair Value of Hedging Derivatives	115	—	176	291
Total Deferred Outflows of Resources	115	—	176	291

See accompanying notes to the financial statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (CONTINUED)
(DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023

Liabilities	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
Current Liabilities:				
Bonds and Notes Payable	$ 1,768	$ 32,743	$ 104,374	$ 138,885
Accrued Interest Payable	—	5,348	18,162	23,510
Unearned Revenue	815	—	—	815
Deposits Held in Escrow	153,923	—	—	153,923
Lease Liability	1,365	—	—	1,365
Subscription Liability	840	—	—	840
Accrued Liabilities and Other	25,014	4,065	950	30,029
Due to Other Funds	53,053	1,034	27,723	81,810
Total Current Liabilities	236,778	43,190	151,209	431,177
Noncurrent Liabilities:				
Bonds and Notes Payable, Net of Current Portion	19,943	461,188	2,115,929	2,597,060
Unearned Revenue	1,585	—	—	1,585
Lease Liability, Net of Current Portion	3,008	—	—	3,008
Subscription Liability, Net of Current Portion	2,205	—	—	2,205
Derivative Instrument Liability	115	—	176	291
Total Noncurrent Liabilities	26,856	461,188	2,116,105	2,604,149
Total Liabilities	263,634	504,378	2,267,314	3,035,326
Deferred Inflows of Resources				
Accumulated Increase in Fair Value of Hedging Derivatives	193	3,133	17,856	21,182
Unearned Revenue	3	—	8,467	8,470
Total Deferred Inflows of Resources	196	3,133	26,323	29,652
Net Position				
Net Investment in Capital Assets	1,841	9,703	—	11,544
Restricted for Bond Resolution Purposes	—	380,285	127,417	507,702
Restricted for Loan and Grant Programs	46,483	—	—	46,483
Unrestricted	343,017	—	(79,899)	263,118
Total Net Position	$ 391,341	$ 389,988	$ 47,518	$ 828,847

See accompanying notes to the financial statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION –
PROPRIETARY FUNDS
(DOLLARS IN THOUSANDS)
YEAR ENDED JUNE 30, 2023

	Major Funds			
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
Operating Revenues:				
Interest and Other Investment Income	$ 24,808	$ 11,894	$ 64,725	$ 101,427
Interest Earned on Program Loans	759	16,393	3,980	21,132
Service Fees	13,518	—	—	13,518
Development Fees	7,588	—	—	7,588
HUD Savings	325	—	—	325
Tax Credit Reservation and Monitoring Fees	11,388	—	—	11,388
Other Income	6,388	13,296	—	19,684
Total Operating Revenues	64,774	41,583	68,705	175,062
Operating Expenses:				
Interest Expense	2,364	12,830	49,542	64,736
Salaries and Benefits	27,814	—	—	27,814
Professional Fees	1,624	—	—	1,624
Amortization Expense - Lease	1,377	—	—	1,377
Amortization Expense - SBITA	1,134	—	—	1,134
Other General and Administrative	2,019	6,624	313	8,956
Financing Costs	2,575	86	6,773	9,434
Program Grants	4,112	23	5,146	9,281
Change in Accrual for Estimated Losses on Mortgage Participation Certificate Program	450	—	—	450
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	(2,577)	137	(856)	(3,296)
Provision for Estimated Losses on Real Estate Held for Sale	—	13	617	630
Total Operating Expenses	40,892	19,713	61,535	122,140
Total Operating Income	23,882	21,870	7,170	52,922
Nonoperating Revenues and Expenses				
Gain/(Loss) on Investment Sales	(1,273)	(5)	880	(398)
Net Increase (Decrease) in Fair Value of Investments	(1,972)	(465)	(67,908)	(70,345)
Federal Assistance Programs Revenues	10,661	—	—	10,661
Federal Assistance Programs Expenses	(10,661)	—	—	(10,661)
Total Nonoperating Income	(3,245)	(470)	(67,028)	(70,743)
Income Before Transfers	20,637	21,400	(59,858)	(17,821)
Transfers In	—	22,745	443	23,188
Transfers Out	(309)	(22,705)	—	(23,014)
Total Transfers	(309)	40	443	174
Change in Net Position	20,328	21,440	(59,415)	(17,647)
Transfers In/Out		—	—	
Net Position at Beginning of the Year	371,013	368,548	106,933	846,494
Net Position - End of the Year	$ 391,341	$ 389,988	$ 47,518	$ 828,847

See accompanying notes to the financial statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
(DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023

	Major Funds			
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
Cash Flows From Operating Activities:				
Receipts for Program Loans, Interest, and Service Fees	$ 81,238	$ 33,261	$ 24,733	$ 139,232
Payments for Program Loans	(56,124)	(48,088)	(12,197)	(116,409)
Receipts for Credit Enhancements	—	776	—	776
Payments for Program Grants	(4,112)	(23)	(5,146)	(9,281)
Payments to Suppliers	(5,537)	(5,589)	(7,601)	(18,727)
Payments to Employees	(27,814)	—	—	(27,814)
Receipts for Tax Credit Reservations and Monitoring Fees	11,388	—	—	11,388
Other Receipts	6,713	13,296	8,466	28,475
Net Cash Provided (Used) by Operating Activities	5,752	(6,367)	8,255	7,640
Cash Flows from Noncapital Financing Activities:				
Interest Paid on Revenue Bonds and Notes	(2,145)	(11,391)	(39,901)	(53,437)
Due to / from Other Funds	(6,312)	(19,344)	33,531	7,875
Proceeds from Sale of Bonds and Notes	2,147,430	37,440	902,459	3,087,329
Principal Paid on Bonds and Notes	(2,149,275)	(17,065)	(132,804)	(2,299,144)
Transfers In	—	22,745	443	23,188
Transfers Out	(309)	(22,705)	—	(23,014)
Net Cash provided (Used) by Noncapital Financing Activities	(10,611)	(10,320)	763,728	742,797
Cash Flows from Capital Financing and Related Activities:				
Acquisition of Capital Assets	(621)	(1,084)	—	(1,705)
Principal and Interest Paid on Lease	(1,449)	—	—	(1,449)
Principal and Interest Paid on SBITA	(2,067)	—	—	(2,067)
Net Cash provided (Used) by Capital Financing and Related Activities	(4,137)	(1,084)	—	(5,221)
Cash Flows from Investing Activities:				
Purchase of Investment Securities	(1,553,302)	(691,828)	(666,104)	(2,911,234)
Proceeds from Sales and Maturities of Investment Securities	905,793	694,008	610,542	2,210,343
Interest Received on Investments	17,611	4,010	56,559	78,180
Transfers In	—	(2,938)	(751,730)	(754,668)
Transfers Out	749,115	2,452	3,101	754,668
Net Cash Provided (Used) by Investing	119,217	5,704	(747,632)	(622,711)
Net Increase (Decrease) in Cash and Cash Equivalents	110,221	(12,067)	24,351	122,505
Cash and Cash Equivalents, Beginning of the Year	170,523	310,577	112,618	593,718
Cash and Cash Equivalents, End of the Year	$ 280,744	$ 298,510	$ 136,969	$ 716,223

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
(DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023

	Major Funds			
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating Income (Loss)	$ 23,882	$ 21,870	$ 7,170	$ 52,922
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Investment income (loss)	(24,808)	(11,894)	(64,725)	(101,427)
Interest expense	2,364	12,830	49,542	64,736
Depreciation and amortization	3,192	1,182	—	4,374
Change in accrual for estimated losses on mortgage participation certificate program	450	—	—	450
Changes in provision for (reversal of) estimated losses on program loans receivable	(2,577)	137	(856)	(3,296)
Changes in provision for estimated losses real estate held for sale	—	9	617	626
Changes in assets and liabilities:				
Program loans receivable	(7,006)	(31,853)	8,811	(30,048)
Interest receivable (payable) on program loans	13	(80)	208	141
Other assets	12,480	(2,828)	(10,440)	(788)
Other liabilities	(2,368)	190	(339)	(2,517)
Due from Fannie Mae	—	775	—	775
Due from Freddie Mac	—	1	—	1
Changes in Deferred Outflow of Resources	(62)	470	(176)	232
Changes in Deferred Inflow of Resources	192	2,824	18,443	21,459
Total adjustments	(18,130)	(28,237)	1,085	(45,282)
Net cash provided by (used in) operating/non operating	$ 5,752	$ (6,367)	$ 8,255	$ 7,640
Noncash investing capital and financing activities:				
Transfer of foreclosed assets	$ —	$ 13	$ 1,074	$ 1,087
Increase (decrease) in the fair value of investments	$ (1,972)	$ (465)	$ (67,908)	$ (70,345)

See accompanying notes to the financial statements.

Notes to the Financial Statements

NOTE 1 AUTHORIZING LEGISLATION

The Illinois Housing Development Authority (the Authority) is a body politic and corporate of the State of Illinois (the State) created by the Illinois Housing Development Act, as amended (the Act), for the purposes of assisting in the financing of decent, safe, and sanitary housing for persons and families of low and moderate income in the State and assisting in the financing of residential mortgages in the State. To accomplish its purposes, the Authority is authorized by the Act to make mortgage or other loans to nonprofit corporations and limited profit entities for the acquisition, construction, or rehabilitation of dwelling accommodations and to acquire, and to contract and enter into advance commitments to acquire, residential mortgage loans from lending institutions. The Act also authorizes the Authority to issue its bonds and notes to fulfill corporate purposes, including the financing of mortgage and construction loans, the acquisition of residential mortgage loans, and the making of loans for housing related commercial facilities. The Authority has issued various bonds and notes to finance mortgage loans and construction loans, to purchase residential mortgage loans from lending institutions, and to make loans to private lending institutions for making new residential mortgage loans.

The bonds and notes outstanding as of June 30, 2023, as shown on the Authority's financial statements consist of both general and special limited obligations of the Authority (see note 8). The full faith and credit of the Authority are pledged for payment of general obligation bonds and notes. The Authority has the power under the Act (20 ILCS 3805/22) to have up to $7.2 billion of general and special limited obligation bonds and notes outstanding, excluding those issued to refund outstanding bonds and notes. See reference footnote 8 F - Other Financings that impact the Authority debt authorization. At June 30, 2023, amounts outstanding against this limitation were approximately $4.6 billion.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

As defined by U.S. generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

a. Appointment of a voting majority of the component unit's board, and either a) the ability of the primary government to impose its will, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or

b. Fiscal dependency on the primary government.

For financial reporting purposes, the Authority is a component unit of the State of Illinois. The Authority has one component unit, the IHDA Dispositions LLC (the LLC). The LLC had no activity for fiscal year 2023.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

Government-Wide Statements – The government-wide statement of net position and statement of activities reports the overall financial activity of the Authority. Eliminations have been made to help minimize the double-counting of internal activities of the Authority. These statements distinguish between the governmental and business-type activities of the Authority. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents information showing how the Authority's net position has changed during the recent fiscal year. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements – The fund financial statements provide information about the Authority's funds. Separate statements for each fund category, governmental and proprietary, are presented. The emphasis on fund financial statements is on major and nonmajor governmental and proprietary (enterprise) funds, each displayed in a separate column.

As a quasi-governmental agency, the annual operating budget of the Authority is approved by the Board of Directors. Therefore, the Authority is not required to formally adopt budgets for each fund.

The Authority reports the following major governmental funds:

Illinois Affordable Housing Trust Fund

The Authority is designated administrator of the Illinois Affordable Housing Program (the Housing Program). The program is funded by the Illinois Affordable Housing Trust Fund with funds generated from a portion of the State real estate transfer tax collected by the Illinois Department of Revenue and held within the State Treasury. The funds are appropriated annually to the Illinois Department of Revenue by the General Assembly. In accordance with State statute, the Authority makes grants and low or no interest mortgages or other loans, some with deferred repayment terms, to acquire, construct, rehabilitate, develop, operate, insure, and retain affordable Single Family and Multi-Family housing for low and very low-income households.

As the administrator of the Housing Program, the Authority considers the interest in equity of the Housing Program to be that of the State of Illinois and the Authority records a liability to the State of Illinois for their equity share. Additionally, the Authority records amounts received to administer the Housing Program as grant revenue.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

HOME Program Fund

The Authority is the designated program administrator and the Participating Jurisdiction for the federally funded HOME Investment Partnerships Program (the HOME Program) for the State of Illinois. HOME funds are utilized for a variety of housing activities, according to local housing needs. Eligible uses of funds include tenant-based rental assistance, housing rehabilitation; assistance to homebuyers; and new construction of housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing.

Rental Housing Support Program Fund

The Authority is the designated administrator of the Rental Housing Support Program (RHSP). The program is funded by a surcharge for the recording of any real estate-related document. The funds are appropriated to the Illinois Department of Revenue by the General Assembly. The Authority awards funds to local administering agencies, which will contract with local landlords to make rental units affordable to households who earn less than 30% of the area median income.

Build Illinois Bond Program Fund

The Authority was appropriated a portion of the Build Illinois Bonds Program (BIBP). BIBP funds are utilized for a variety of housing activities, loans, and investments for low-income families, low-income senior citizens, low-income persons with disabilities and at-risk displaced veterans.

COVID-19 Emergency Rental Assistance Program Fund

The Authority administered the Emergency Rental Assistance (ERA) programs from funds received by the State, DuPage, Will, and Kane Counties, with funds received from Treasury's Emergency Rental Assistance Program, during fiscal year 2023. Eligible uses of funds include assisting households that were unable to pay rent and utilities due to the COVID-19 pandemic.

COVID-19 Homeowner Assistance Fund

The Authority administered the Homeowner Assistance Fund (HAF) Program. HAF funds were provided via State appropriation from U.S. Treasury's HAF program to prevent mortgage delinquencies and defaults, foreclosures, loss of utilities or home energy services, and displacement of homeowners experiencing financial hardship after January 21, 2020. Eligible uses of funds include assistance with mortgage payments, homeowner’s insurance, utility payments, and other specified purposes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

COVID-19 State and Local Fiscal Recovery Fund

SLFRF funds were provided by the State and County of Cook from Treasury's SLFRF program. The Authority administered the COVID-19 Affordable Housing Grant Program (CAHGP) program. The Authority provides grants, forgivable loans and administrative expenses associated with affordable housing developments eligible for COVID-19 Affordable Housing Grant Program (CAHGP) and housing counseling, and foreclosure mediation services for residents in Cook County.

The Authority reports the following major proprietary funds:

Administrative Fund

Development and financing fee income related to Multi-Family mortgage loans, income from service fees, and operating expenses of the Authority are accounted for in the Administrative Fund.

In addition, the Administrative Fund has provided for supplemental financing of certain developments through residual income loans and below market financing for various developments through the Authority’s Housing Partnership Program (see Note 5), and its lending program in conjunction with a debt service savings sharing agreement (the FAF Savings Program) with the U.S. Department of Housing and Urban Development (HUD) (see Note 14). The Administrative Fund also includes Section 8 New Construction and Section 8 Mod Rehab.

Mortgage Loan Program Fund

The Mortgage Loan Program Fund accounts for the financing of low- and moderate-income housing developments from the proceeds of Housing Bonds, Multi-Family Initiative Bonds, Multi-Family Revenue Bonds, and Affordable Housing Program Trust Fund Bonds, and for the retirement of such obligations.

The Authority holds first mortgage liens on such developments. Affordable Housing Program Trust Fund Bond accounts include a transfer of funds from the Illinois Affordable Housing Trust Fund.

Single Family Program Fund

The Single Family Program Fund accounts for the proceeds of Homeowner Mortgage Revenue Bonds, Housing Revenue Bonds, and Revenue Bonds, issued to provide funds for the purchase from lending institutions of mortgage loans on owner-occupied, one-to-four-unit dwellings acquired by eligible buyers. In most instances, it has been the Authority's

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

practice to pool loans into mortgage-backed securities and either sell them in the secondary market or retain and pledge them as collateral for bonds.

Unearned revenue includes fees earned from the buy down of homeowner mortgage interest rates to below market levels and amortized over the forgivable loan period of the down payment assistance provided.

The use of tax-exempt financing to provide eligible borrowers with affordable rate mortgage loans involves federal restrictions on expenses chargeable to the program. Unless described otherwise in the indenture, any expenses incurred in the program more than such maximum amounts are absorbed by the Administrative Fund.

C. Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and expenses resulting from exchange and exchange-like transactions are recognized when the exchange takes place, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Authority receives value without directly giving equal value in exchange, include federal and state grant revenue. Revenue from these sources is recognized in the fiscal year in which all eligibility requirements have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Separate fund financial statements are provided for governmental and proprietary funds. Major governmental and proprietary funds are reported as separate columns in the fund financial statements.

The accounting policies and financial reporting practices of the Authority conform to GAAP, as promulgated in the pronouncements of the Governmental Accounting Standards Board (GASB).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Impact of Future Accounting Pronouncements

In 2022, GASB issued Statement No. 99 *Omnibus 2022*. The primary objective of this Statement is to enhance comparability in accounting and financial reporting. GASB Statement No. 99 "Omnibus 22", is providing clarification on several recent statements, including GASB Statement No. 87 "Leases", and GASB Statement No. 96 "Subscription Based Information Technology Arrangements". The requirements of this statement are effective for the Authority's fiscal year ended June 30, 2024. The Authority is currently evaluating the future impact of this statement.

In 2022, GASB issued Statement No. 101, *Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for the Authority's fiscal year ended June 30, 2025. The Authority is currently evaluating the future impact of this statement.

E. Adoption of New Accounting Principles

As of July 1, 2022, the Authority implemented the requirements of GASB Statement No. 96, "*Subscription Based Information Technology Arrangements (SBITAs)*". GASB Statement No. 96 established uniform requirements for reporting SBITAs. Upon adoption of this Statement, the Authority recognized a subscription asset and subscription liability related to its right to use vendor software. The Authority is implementing Oracle as a subscription with a go-live date of July 1, 2024. The Authority paid $1,042,616 related to implementation costs for the subscription as of June 30, 2023 which are included as a prepaid asset. The implementation had no effect on beginning net position.

In 2019, the GASB issued Statement No. 91 *Conduit Debt Obligations.* The objective of Statement No. 91 is to improve financial reporting by addressing issues related to the method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The provisions of this Statement became effective for the Authority during fiscal year 2023 with no impact. The Authority has no additional or voluntary monetary commitments to make payments on its conduit debt obligations as of June 30, 2023 – see Note 8 Bonds and Notes Payable for further details.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Adoption of New Accounting Principles (Continued)

In 2020, GASB issued Statement No. 94 *Public-Private and Public-Public Partnerships and* Availability *Payment* Arrangements. The objectives of Statement No. 94 are to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements, and to provide guidance for accounting and financial reporting for availability payment arrangements. This statement is effective for the Authority's fiscal year ended June 30, 2023. The provisions of this Statement became effective for the Authority during fiscal year 2023 with no impact.

In 2022, GASB issued Statement No. 100*, Accounting Changes and Error Corrections.* The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The provisions of this Statement became effective for the Authority during fiscal year 2023 with no material impact.

F. Fund Balances

In the fund financial statements, governmental funds report fund balances in the following categories:

Nonspendable – This consists of amounts that cannot be spent because they are either a) not in spendable form, or b) legally or contractually required to be maintained intact.

Restricted – This consists of amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or b) imposed by law through constitutional provisions or enabling legislation.

Committed – This consists of amounts constrained by limitations that the Authority imposes upon itself through resolution by its board of directors. The commitment amount will be binding unless removed or amended in the same manner.

Assigned – This consists of net amounts that are constrained by the Authority's intent to be used for specific purposes, but that are neither restricted nor committed.

Unassigned – This consists of residual deficit fund balances.

In instances where restricted, committed, and assigned fund balances are available for use, the Authority's policy is to use restricted resources first, followed by committed resources, then assigned resources, as needed. Currently, all of the Authority's governmental funds fund balances are restricted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Net Position

In the government-wide and proprietary fund financial statements, net position is displayed in the following components:

Net Investment in Capital Assets – This consists of capital assets, net of accumulated depreciation/amortization and related debt, lease liabilities, and subscription liabilities.

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

All net position of the governmental activities column of the government-wide financial statements is restricted with respect to the use of cash, investments and loan amounts that are to be repaid to the Authority. (See note 5 for schedules of aging for the loans made under these programs).

The use of assets of each of the proprietary fund program funds is restricted by the related bond and note resolutions of the Authority. Certain amounts in the above program funds are considered subject to the restriction that they be applied to the financing of housing for the respective program purposes or to the retirement of obligations issued for such purposes; these amounts may include certain investment earnings attributable to the respective fund net position. When both restricted and unrestricted resources are available for use, generally it is the Authority's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted – This consists of net position that does not meet the criteria of the two preceding categories.

Designations of net position represent tentative plans by the Authority for financial resource utilization in a future period as documented in the minutes or budgeting process for a succeeding year. Such plans are subject to change from original authorizations and may never result in expenses.

A portion of the Authority's Administrative Fund unrestricted net position, as of the most recent fiscal year-end, is designated as follows, in thousands:

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Homeownership Mortgage Loan Program Provide funds to support Single Family Homeownership in the State of Illinois through second lien position loans and/or grants	$ 65,000
Multifamily Mortgage Loan Program To pay possible losses arising in the Multifamily Program attributable, but not limited to, delinquencies or defaults on uninsured or unsubsidized loans	20,000
Homeownership Mortgage Loan Program To pay possible losses arising in the Homeownership Program attributable, but not limited to, delinquencies or defaults on uninsured or unsubsidized loans	5,000
Homeownership Mortgage Loan Program Provide funds to purchase homeownership mortgage loans and/or mortgage-backed securities under the Program which may eventually be purchased with proceeds from future issuances of Authority debt or sold in the secondary market	130,000
Multifamily Mortgage Loan Program Provide funds to finance Multifamily loans originated under the Program	35,000
Provide funds for the Authority's planned technology enhancements	15,000
	$ 270,000

The designations of the Administrative Fund unrestricted net position may be amended or rescinded by the board members of the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, and expenditures during the reporting period. Actual results could differ from the estimates.

I. Deferred Outflows/Inflows of Resources

A deferred inflow of resources is defined as an acquisition of net assets by the government that is applicable to a future reporting period and a deferred outflow of resources is defined as a consumption of net assets by the government that is applicable to a future reporting period. A deferred inflow of resources has a negative impact on net position like liabilities but is required to be reported within the statement of net position in a separate section following liabilities. A deferred outflow of resources has a positive effect on net position like assets but is required to be reported in the statement of net position in a separate section following assets.

Deferred outflows/inflows of resources include:

i. Unamortized losses/gains on bond refundings, which are deferred and amortized over the shorter of the remaining life of the old debt or the life of the new debt.
ii. Amounts reported as accumulated decrease/increase in fair value of hedging derivatives, which represent the anticipated future utilization of the net position of interest rate swap agreements deemed to be effective hedging derivatives.

J. Risks and Uncertainties

The Authority invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. Such changes could materially affect the amounts reported in the financial statements.

The allowances for estimated losses on loans are reported based on certain assumptions pertaining to the Authority’s periodic review and evaluation of the loan portfolio, which is subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all cash, certificates of deposit, time deposits, and short-term repurchase agreements with original maturity dates of three months or less from date of purchase to be cash equivalents.

L. Investments

Investments of the Authority are reported at fair value. Fair value is determined by reference to public market prices and quotations from a securities pricing service.

The Authority records investment transactions based on trade date.

The investment of funds is restricted by various bond and note resolutions of the Authority and the Act, generally, to direct obligations of the United States government; specific bank obligations, certain of which are fully secured as required by the bond and note resolutions; and obligations of other governmental entities that meet defined standards. The type of collateral instruments that secure the demand repurchase agreements held by the Authority are subject to the same restrictions described above. Generally, collateral instruments are held by third-party institutions.

M. Program Loans Receivable

Program loans receivable include mortgage loans receivable, advances receivable, and residual income loans receivable. Mortgage loans receivable include certain amounts of interest and fees that have been charged by the Authority and added to the loan balance. The due dates for advances and residual income loans receivable are dependent upon future events as specified in the related loan or advance agreements.

N. Capital Assets

Capital assets in the Administrative Fund consist of investments in furniture, fixtures, leased space and equipment; computer hardware; computer software; and right to use building, and right to use subscriptions, and are defined by the Authority as assets with an initial, individual historical cost of $5 thousand or more, except for computers, camera, and video equipment, which are capitalized at any cost. Depreciation and amortization are recorded on a straight-line basis over a period of three to five years, depending upon the nature of the asset. Right to use assets are amortized over the term of the lease or subscriptions.

The Authority records depreciation against Lakeshore Plaza on a straight-line basis over forty years. At June 30, 2023, the net carrying value was $23.5 million which is net of accumulated depreciation of $28.2 million. Depreciation expense for fiscal year 2023 was $1.2 million. Although the Authority does not regularly own and operate properties as part of its normal business operations, for the benefit of furthering its affordable housing mission, it

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Capital Assets (Continued)

is within its scope to do so. Since its acquisition Lakeshore Plaza has continued to be owned and operated by the Authority as part of its business operations and therefore is reported as a capital asset of the Mortgage Loan Program Fund. This property is collateral for Housing Bond 2008B. The Authority will continue to evaluate the operation of Lakeshore Plaza and its impact on operations accordingly.

O. Real Estate Held for Sale

Real estate held for sale arises from foreclosures or other mortgage default related actions on properties pledged as collateral on Administrative ($75,000), and Single Family ($27,000). See Note 6 for analysis of real estate for sale, net of allowance for estimated losses. Real estate held for sale is recorded at the unpaid principal balance plus accrued interest on the loans as of the date the loans become real estate owned, plus subsequent expenses incurred less any insurance or other loan related payments received. Since several loans covered by pool insurance have reached maximum reimbursements allowable for loss claims and other loans in the portfolio are uninsured, it is anticipated that proceeds arising from the sale of such property and certain insurance proceeds may not fully cover any losses experienced.

Therefore, the Authority has established a provision for estimated losses on real estate held for sale based on a periodic review of such conditions which considers factors such as interest costs, holding costs, sales proceeds, mortgage insurance,and pool insurance recoveries to estimate losses.

P. Bond Premium/Discount, Issuance Costs and Gain/Loss on Refunding

Premium/discount on bonds is netted with bonds payable and amortized using a method approximating the effective interest method over the life of the bonds. Debt issuance costs are recorded as an expense in the period incurred. Unamortized gains and losses on refunding are reported as deferred inflows and outflows of resources, respectively, and are amortized over the shorter of the life of the old or new debt as a component of interest expense.

Q. Operations

Proprietary funds loan origination fee, development fee, and financing fee income are recognized as revenue in the period received. Fees earned on loans, which the Authority does not directly originate, such as loans financed through other financings (see Note 8E), are recognized as revenue in the Administrative Fund generally at the time of initial closing.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Operations (Continued)

Proprietary funds annual service fees charged by the Authority to loan recipients, which are deposited in the respective program funds or added to program loans receivable, are recognized as revenue in the Administrative Fund through interfund transfers.

Proprietary funds operating revenues and expenses are activities classified as core business activities of the fund. Proprietary funds operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund including interest income, service fees, development fees, interest, and other investment income. Proprietary funds operating expenses include grant program expenses, general and administrative expenses of the Authority; salaries and benefits; costs and expenses incurred in connection with the amortization, issuance, and sale of certain bonds and notes; fees and expenses of trustees and depository and paying agents; and costs related to analyses, surveys, appraisals, and other matters pertaining to maintenance and evaluation of program loans receivable. Operating costs and expenses are recognized as incurred.

Proprietary funds nonoperating revenues and expenses include the reporting of Section 8 Moderate Rehabilitation, and Section 8 New Construction. Also included in this section are activities not classified as core business activities to the Proprietary Fund.

A portion of the Authority's operating expenses of administering the Illinois Affordable Housing Trust Fund, HOME Program, Rental Housing Support Program, Build Illinois Bond Fund, COVID-19 Coronavirus Relief Fund, COVID-19 Emergency Rental Assistance Program Fund, and Nonmajor Governmental Funds are recorded within these governmental funds. Similarly, other related special assistance programs and resolutions of various bond programs allow for these program accounts to record a certain level of operating expenses. Expenses in excess of the allowable ceilings set forth in the resolutions are charged to the Administrative Fund.

Expenses are shown in the statement of activities by identifiable programs.

R. Compensated Absences

The Authority grants vacation and sick leave to all employees and accrues for unused compensated absences. Vacations are allotted on a calendar year basis and are intended to be taken during that year. Unused sick leave allowance is carried forward and accumulated. In the event of termination, employees are paid for all earned but unused vacation time, and of unused accumulated sick leave earned, to a maximum of 30 days at one-half of hourly pay rate. The Authority has no other post-employment benefits (OPEB).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Compensated Absences (Continued)

The following is the activity for the compensated absences recorded as accrued liabilities and other and liquidated from the Administrative Fund, in thousands.

Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023	Due Within One Year
$ 1,454	$ 2,432	$ (2,278)	$ 1,608	$ 1,608

S. Provision for Estimated Losses on Program Loans

The Authority provides for estimated losses on program loans in its proprietary and governmental funds based upon the periodic review and evaluation of the Multi-Family and developer loan portfolios and provides additional amounts, if it deems necessary, for estimated losses for individual loans in the funds. In making such a review and evaluation, the Authority considers current economic conditions, occupancy and rental level projections, financial statement analyses, on-site inspections, independent appraisals of certain developments, insurance coverage, and such other factors as it deems necessary. The estimated losses of the Single Family loan portfolio are based upon a periodic review and evaluation of the whole loan portfolio, including real estate owned properties and considers such factors as delinquencies, interest costs, holding costs, sales proceeds, mortgage insurance, and pool insurance recoveries for estimating losses. Although management uses the best available information to assess the adequacy of its provisions, adjustments may be required if the actual experience differs from the factors used in making those assessments.

T. Income Taxes

The Authority is a component unit of the State of Illinois and is generally exempt from federal, state, and local income taxes.

NOTE 3 CASH AND INVESTMENTS

The Authority's Financial Management Policy (the Policy) contains the following stated objectives:

- Safety of principal – Preservation and safety of principal is the foremost objective of the Authority's investments. Each investment transaction shall seek to ensure that capital losses within the investment portfolio are avoided, whether they are from securities defaults or erosion of fair value.
- Liquidity – The investments portfolio shall remain sufficiently flexible to enable the Authority to meet all operating requirements that may be reasonably anticipated in any fund. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demand.
- Maximum rate of return – The investment portfolio shall be designed with the purpose of regularly exceeding the average return of U.S. Treasury obligations of comparable maturities. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

A. Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will decrease as a result of an increase in interest rates. The Authority's policy does not limit the maturity of investments as a means of managing its exposure to fair value losses arising from an increasing rate environment.

As of June 30, 2023, the Authority had cash and cash equivalent totaling $1,312 million which consists of cash of $146 million and cash equivalents of $1,166 million.

The below table indicates the Authority's cash and cash equivalents held in investments as of June 30, 2023 (in thousands):

		Investment Maturities (in Days)			
Investments	Carrying Amount	Less Than 7	Less Than 30	Less Than 60	Less Than 90
Sweep Accounts-Money Market Fund - Restricted	$ 1,153,206	$ 1,153,206	$ —	$ —	$ —
Sweep Accounts-Money Market Fund	12,874	12,874	—	—	—
Total Cash Equivalents	$ 1,166,080	$ 1,166,080	—	—	—

Money market funds are collateralized by obligations of the U.S. Government (or its agencies), or direct investments of such obligations overnight and funds are available the next day.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

A. Interest Rate Risk (Continued)

As of June 30, 2023, the Authority had the following investments (in thousands):

		Investment Maturities (in Years)			
Investment	Carrying Amount	Less Than 1	1-5	6-10	More Than 10
Commercial Paper	$ 115,970	$ 115,970	$ —	$ —	$ —
Federal Home Loan Bank Bonds (FHLBB)	20,083	8,995	10,660	428	—
Federal Farm Credit Bank Bonds	79,490	79,490	—	—	—
Federal Home Loan Mortgage Corp. (FHLMC)	185,735	12,922	16,035	1,292	155,486
Federal Home Loan Discount Notes (FHLDN)	42,707	42,707	—	—	—
Federal National Mortgage Association	791,264	995	10,079	1,561	778,629
Federal National Mortgage Assn. Benchmark Notes	1,366	—	1,366	—	—
Government National Mortgage Association	1,037,185	—	—	—	1,037,185
Municipal Bonds	42,881	29,783	13,098	—	—
Investment Agreements 30/360 days	100,000	100,000	—	—	—
U.S Treasury Bills	11,817	11,817	—	—	—
U.S. Treasury Strips	1,485	—	881	525	79
U.S. Treasury Notes	29,308	4,902	24,406	—	—
Total	$ 2,459,291	$ 407,581	$ 76,525	$ 3,806	$ 1,971,379

B. Credit Risk

Credit risk is the risk the Authority will not recover its investments due to the inability of the counterparty to fulfill its obligation. Statutes of the State and resolutions of the Authority authorize the Authority to invest in obligations of the U.S. Government, agencies, and instrumentalities of the U.S. Government, demand repurchase agreements, and other banking arrangements. The Authority may also invest its funds in such investments as may be lawful for fiduciaries in the State. All funds are held outside of the State Treasury in various banks and financial institutions.

The Authority's investments in U.S. Government and Agency Obligations are rated Aaa by Moody's and/or AA+ by Standard & Poor's.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

C. Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Authority's cash carrying value balance totaled $146 million at June 30, 2023. The June 30, 2023, cash bank balance for the Authority totaled $149 million. Also, $10.2 million was not covered by federal depository insurance or by collateral held by an agent in the Authority's name. The amount is further addressed in Note 15 – Subsequent Events. Additionally, the Authority's cash equivalents at June 30, 2023, consisted of sweep accounts, held in the Authority's name, with the funds in these accounts invested in money market funds that invest in U.S. Treasury securities, or were held in accounts that were either Federal Deposit Insurance Corporation FDIC insured or collateralized with U.S. government obligations. The Authority's investments at June 30, 2023, were held in the Authority's name in separate Authority custodial accounts. Collateral is pledged in the Authority's name and consists of U.S. Treasury obligations.

D. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in any one single issuer. The Authority's policy does not limit the amounts the Authority may invest in any one issuer. The Authority is considered to have a concentration of credit risk if its investments in any one single issuer (other than securities explicitly guaranteed by the U.S. government) are greater than 5% of total investments.

Investments which comprise more than 5% of the Authority's investments as of June 30, 2023, are as follows, in thousands:

Investment		Fair Value
Governmental National Mortgage Association	$	1,037,185
Federal National Mortgage Association		792,630
Federal Home Loan (FHLBB, FHLMC, FHLDN)		248,525
Commercial Paper		115,970

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

E. Forward Commitments

The Authority sells forward commitments to deliver Government National Mortgage Association (GNMA) certificates, Fannie Mae (FNMA) and Freddie Mac (FHLMC) mortgage-backed securities (MBS). Commitments are sold as mortgage loan reservations, and are taken to hedge against market fluctuations prior to loan origination and securitization. The Authority is subject to fair value fluctuations in the event that mortgage loans are not originated as expected and the committed securities cannot be delivered. A net increase in fair value of $4.8 million on these forward commitments, classified as investment derivative instruments, has been recorded in investment income in the Administrative Fund for the year ended June 30, 2023. In addition, $3.5 million of forward commitments is recorded on the statement of net position as other current assets at June 30, 2023.

The Authority is subject to credit risk with respect to counterparties for the forward commitment contracts, summarized below with their credit ratings as of June 30, 2023, in thousands:

Counterparty	Rating (1)	Number of Contracts	Par Amount
Bank of New York Mellon	AA-/A-1+ Stable; Aa1(cr)/P-1(cr) Stable	12	$ 43,200
Bank of Oklahoma	A-/A-2 Stable; A1(cr)/P-1(cr) Stable	14	59,920
Citigroup Global Markets	A/A-1 Stable; A2 / Stable	5	25,589
Fannie Mae	AA+u/A-1+u Stable; AAA /WR Stable	4	6,786
Jefferies LLC	BBB/BBB Stable; Baa2/Baa2 Stable	23	84,200
Morgan Stanley	A-/A-2 Stable; A1/ P-1 Stable	1	2,000
Piper Sandler	A-/A-2 Stable; A1/ P-1 Stable	39	128,200
Raymond James	A-/Stable; A3/Stable	29	94,100
Stifel	BBB -/BBB-POS	28	97,100
Wells Fargo Securities, LLC	A+/A-1 Stable; Aa1(cr)/P-1(cr) Stable	13	65,600
Total Forward Commitments		168	$ 606,695

(1) S&P; Moody's

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

F. Fair Value Measurements

GASB Statement No. 72 explains that the government could determine the market price of an asset in one of three ways:

1) Actual market transactions for identical or similar items (market approach);
2) The current cost to replace the service capacity of an asset (cost approach); or
3) Discounting the current value of future cash flows (income approach).

It also establishes a three-tier hierarchy of input quality as follows:

Level 1 – inputs are quoted prices in active markets for identical items;
Level 2 – inputs are all inputs that are directly or indirectly observable, but not on Level 1; and
Level 3 – inputs are all inputs that are unobservable.

The statement directs governments to maximize their use of observable inputs and to minimize the use of unobservable inputs.

Fair value is most frequently applied to investments which GASB Statement No. 72 defines as a security or other asset that: A government holds primarily for the purpose of income or profit and has a present service capacity based solely on its ability to generate cash or to be sold to generate cash.

The Authority categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a description of the valuation methods and assumptions used by the Authority to estimate the fair value of its financial instruments. There have been no changes to the methods or assumptions used at June 30, 2023. The Authority management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Agency securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for similar securities.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

F. Fair Value Measurements (Continued)

Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates and foreign exchange rates.

Investments and derivative instruments measured at fair value as of June 30, 2023, are as follows (in thousands):

		Fair Value Measurements Using		
	At June 30, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable (Level 3)
Investments				
Commercial Paper	$ 115,970	$ —	$ 115,970	$ —
Federal Home Loan Bank Bonds	20,083	—	20,083	—
Federal Farm Credit Bank Bonds	79,490	—	79,490	—
Federal Home Loan Mortgage Corp.	185,735	—	185,735	—
Federal National Mortgage Assn. Benchmark Notes	1,366	—	1,366	—
Federal Home Loan Bank Discount Notes	42,707	—	42,707	—
Government National Mortgage Association	1,037,185	—	1,037,185	—
Federal National Mortgage Assn.	791,264	—	791,264	—
Investment Agreements	100,000	100,000	—	—
Municipal Bonds	42,881	—	42,881	—
U.S. Treasury Bills	11,817	11,817	—	—
U.S. Treasury Strips	1,485	1,485	—	—
U.S. Treasury Notes	29,308	29,308	—	—
	$ 2,459,291	$ 142,610	$ 2,316,681	$ —
Derivative Instruments				
Interest Rate Caps	$ 631	$ —	$ 631	$ —
Interest Rate Swaps	20,259	—	20,259	—
Forward Commitments	3,479	—	3,479	—
	$ 24,369	$ —	$ 24,369	$ —

NOTE 4 INTERFUND BALANCES AND TRANSFERS

A. Interfund Balances

The Authority reports interfund balances among its funds. These balances generally consist of accruals for various revenues or expenditures due to a fund, but received or paid to another, and subsidy transfers between funds. These amounts are generally paid or received within the subsequent fiscal year. Interfund accounts receivable (payable) balances at June 30, 2023, consisted of the following, in thousands:

	Payable from										
	Governmental Funds							Proprietary Funds			
Receivable to	Illinois Affordable Housing Trust Fund	HOME Program Fund	Rental Housing Program Fund	Building Illinois Bond Program Fund	COVID-19 Homeowner Assistance Fund	COVID-19 State and Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
Governmental Funds:											
Illinois Affordable Housing Trust Fund	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 2,190	$ —	$ —	$ 2,190
HOME Program Fund	—	—	—	—	—	—	—	1,836	—	—	1,836
COVID -19 Emergency Rental Assistance Fund	—	—	—	—	—	—	—	1,350	—	—	1,350
COVID -19 Homeowner Assistance Fund ARP	—	—	—	—	—	—	—	1,857	—	—	1,857
Nonmajor Governmental Funds	—	—	—	—	—	—	—	17	—	—	17
Proprietary Funds:											
Administrative Fund	—	—	30	139	—	754	290	$ —	1,034	27,723	29,970
Mortgage Loan Program Fund	—	—	—	—	—	—	—	45,803	—	—	45,803
Single Family Program Fund											
	$ —	$ —	$ 30	$ 139	$ —	$ 754	$ 290	$ 53,053	$ 1,034	$ 27,723	$ 83,023

The interfund accounts receivable (payable) between the Mortgage Loan Program Fund and the Administrative Fund primarily consist of Housing Bonds transfer for funding access 4% Down Payment Assistance program and Multi-Family Revenue Bond special program fund and Affordable Housing Trust Fund transfer for funding Single Family loan origination and securitization programs in fiscal year 2023. It also includes the fiscal year 2000 operating transfer of $10.4 million to Multi-Family Housing Revenue Bond Accounts made from the Administrative Fund in conjunction with the issuance of the Multi-Family Housing Revenue Bonds, Series 2000A, subsequently refunded with the Housing Bond 2008B, (Lakeshore Plaza Development) and the corresponding transfer of the carrying value of the real estate investment, partially reversed by a $5.4 million fiscal year 2006 transfer to the Administrative Fund. The Authority intends to reverse the remaining amounts of the transfers upon the disposition of Lakeshore Plaza.

Other interfund payables from the Administrative Fund to governmental and proprietary funds primarily consist of deposits of loan debt service payments that will be transferred subsequent to

NOTE 4 INTERFUND BALANCES, AND TRANSFERS (CONTINUED

B. Transfers

the fiscal year end. Funds are transferred from one fund to support expenditures of other funds, including operating activities, bond issuances, and bond redemptions in accordance with authority established for the individual fund. Interfund balances result from timing differences between the date a disbursement is made by the Proprietary Funds and Governmental Funds and the date the Proprietary Funds and Governmental Funds receives reimbursement from other funds.

The Authority records transfers between program funds for various purposes including fund closings, earnings transfers, program subsidies, and advances for the initial financing of the Authority's programs.

Transfers (in thousands) for the year ended June 30, 2023, consisted of the following:

	Proprietary Funds Transfer Out Administrative Fund	Proprietary Funds - Transfer In Mortgage Loan Program Fund	Proprietary Funds - Transfer In Single Family Program Fund	Government Funds Transfer In Nonmajor Funds	Total
Proprietary Funds:					
Administrative Fund	$ —	$ —	$ —	$ —	$ —
Mortgage Loan Program Fund	40 (A)	(40) (A)	—	—	—
Single Family Program Fund	443 (B)	—	(443) (B)	—	—
Government Programs:					
Nonmajor Governmental Funds	(174) (C)			174 (C)	—
	$ 309	$ (40)	$ (443)	$ 174	$ —

(A) Transfer totaling $40 thousand from the Administrative Fund to Mortgage Loan Program Fund funded costs related to issuance of Multifamily Revenue Bonds ($40 thousand - MFRB2023C).

(B) Transfer totaling $443 thousand from the Administrative Fund to Single Family Program Fund funded costs related to issuance of Revenue Bonds ($443 thousand - RB2023BC).

(C) Transfer Land Bank Capacity Fund balance out of Administrative Fund and into Nonmajor Governmental Funds.

NOTE 5 PROGRAM LOANS RECEIVABLE

The following summarizes program loans receivable, net of allowance for estimated losses, activity for the Authority for the year ended June 30, 2023, in thousands:

	Net Program Loan Receivables June 30, 2022	Loan Disbursements	Loan Repayments	Loan Transfers In/(Out)	(Increase)/ Decrease in Loan Loss Allowance	Net Program Loan Receivables June 30, 2023
Governmental Funds:						
Illinois Affordable Housing						
Trust Fund	$ 318,645	$ 30,077	$ (10,378)	$ —	$ (1,807)	$ 336,537
HOME Program Fund	287,016	19,166	(7,266)	—	(3,137)	295,779
Build Illinois Bond Program	6,883	—	(47)	—	15	6,851
ARRA Program	58,550	1	(305)	—	(67)	58,179
NSP	2,629	1	2	—	—	2,628
CDBG	5,359	—	—	—	(259)	5,100
National Housing Trust Fund	9,028	20	(23)	—	1,067	10,092
Non-Major Governmental Funds	75,566	22	(330)	—	741	75,999
Total Governmental Funds	$ 688,110	$ 49,265	$ (18,021)	$ —	$ (4,188)	$ 715,166
Proprietary Fund:						
Administrative Fund	$ 46,637	$ 57,578	$ (51,056)	$ —	$ 2,611	$ 55,770
Mortgage Loan Program Fund:						
Housing Bonds	105,911	6,194	(5,804)	—	(263)	106,038
Multifamily Initiative Bonds	14,776	—	(455)	—	(56)	14.265
Affordable Housing Program Trust Fund Bonds	5,264	297	(550)	—	31	5,042
Multifamily Revenue Bonds	270,547	42,318	(10,194)	—	198	302,869
Total Mortgage Loan Program Fund	396,498	48,809	(17,003)	**—**	**(90)**	**428,214**
Single Family Program Fund:						
Homeowner Mortgage Revenue Bonds	97,694	12,197	(20,968)	—	855	89,778
Revenue Bonds	111	—	(40)	—	1	72
Total Single Family Program Fund	97,805	12,197	(21,008)	—	856	89,850
Total Proprietary Funds	**$ 540,940**	**$ 118,584**	**$ (89,067)**	**$ —**	**$ 3,377**	**$ 573,834**

Loans receivable in the Mortgage Loan Program Fund are secured by first mortgage liens on the related developments. Each development is subject to a regulatory agreement under which the Authority has certain powers relating to rents, profits, occupancy, management, and operations. Monies are required to be deposited in reserve accounts monthly by all mortgagors for real estate tax reserves and by substantially all mortgagors for insurance and replacement reserves. See note 9 regarding these reserves and other deposits held in escrow.

The ability of the mortgagors to make required payments on the mortgage loans receivable depends principally upon the related developments achieving and sustaining sufficient occupancy and rental levels to support such payments. With respect to most developments financed from proceeds of the Mortgage Loan Program Funds, the Authority, HUD, and the owners of the developments have entered into agreements whereby HUD will make, under its Section 8 Program, housing assistance payments for the developments. Such federal subsidies,

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

together with the rents to be paid by the tenants, are estimated by the Authority prior to its issuing an initial mortgage loan commitment, to provide sufficient funds to pay the costs of operation, maintenance, administration, mortgage payments, and Authority fees with respect to each of the developments.

For certain past delinquencies, the related developments have not been able to generate net rental income sufficient to pay scheduled debt service and reserve deposits in full. In the opinion of the Authority, these deficiencies of net rental income have arisen for various reasons including (i) the existence of physical defects in the development which have caused operational problems, (ii) higher than anticipated operating expenses of the development, and (iii) depressed rental market conditions in the development's local area.

In certain cases, cash deficiencies of developments, including certain developments as to which the related mortgage loans are not delinquent as to scheduled debt service payments or required reserve deposits, have been funded in part by advances from the owners of the respective developments. However, there generally can be no assurance that the owners will make additional advances for this purpose. For certain mortgage loans, the Authority holds reserve deposits and letters of credit that may be applied toward delinquencies.

At June 30, 2023, for loans financed under the Mortgage Loan Program Fund, one loan was in arrears in amounts equal to more than three months debt service payments or required deposits to tax and insurance and/or replacement reserves, totaling $140.5 thousand and $2.0 million, respectively.

The Authority has pursued actions available under the mortgage and regulatory agreements to cure certain delinquencies. With respect to some developments, the need for capital improvements, repairs, marketing campaigns and other expenditures may be indicated. Where necessary and appropriate, the Authority has committed and/or advanced residual income loans from the Administrative Fund or mortgage loan increases from the related program account to finance these expenditures. In certain instances, the Authority has initiated actions to effect necessary changes in the management of the developments. In addition, the Authority has, in some cases, filed suit against the applicable general contractors and/or bonding companies seeking corrections of the development's physical defects and has instituted foreclosure proceedings for certain developments.

The Authority's policy for converting mortgage loans, except for loans financed under the Single-Family Mortgage Loan Program, to non-accrual status is to discontinue the accrual of interest when a loan becomes 90 days past due. In addition, the Authority does not accrue interest income on loans in which payments are to be made from residual receipts of the development. Payments on such loans are recognized only as received. For loans receivable within the Single-Family Mortgage Loan Program, the Authority accrues interest income on all loans unless they become real estate owned properties, at which time the accrual is suspended.

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

The Authority does not accrue interest income on approximately $3.8 million of mortgage loans recorded in the Administrative Fund. Payments made on such loans, which generally are payable from residual receipts, if any, of the affected development funds, are recognized only as received. The annual amount of interest on these loans is approximately $78.6 thousand.

In fiscal year 2016, the Authority entered into a new financing agreement with the Federal Financing Bank (FFB), an arm of the United States Department of Treasury, for selling beneficial ownership interests in mortgage loans originated by housing finance agencies and insured under the FHA-HFA Risk Sharing Program. The Authority sells beneficial ownership interest in its mortgages under this program to FFB. Beneficial ownership interest in mortgage loans that the Authority sells to the FFB will be evidenced by certificates of participation from the Authority. The monthly mortgage payments from the borrower will be used to repay the interest to the FFB and principal payments will reflect the scheduled mortgage principal payments. Through fiscal year 2023, the Authority sold beneficial ownership interests in loans for 17 affordable Multi-Family developments totaling $117.9 million to the FFB.

The Authority, as of June 30, 2023, has 59 outstanding Risk Sharing Loans totaling $535.7 million and elected that HUD assume 10% to 90% of the loss with respect to those loans as a result of the existing Risk Sharing agreement. Five of these loans totaling $17.9 million were financed through the issuance of the Authority's Housing Bonds, one loan totaling $14.7 million was financed through the issuance of the Authority's Multi-Family Initiative Bonds, one loan totaling $2.0 million were financed through the issuance of the Administrative Fund, and 26 loans totaling $336.4 million were financed through the issuance of the Authority's Multi-Family Revenue Bonds. The remaining 26 loans totaling $164.7 million are not included in the Authority's financial statements as the Authority sold 10% to 90% participation interests in the loans to outside parties.

At June 30, 2023, for loans financed under the FHA-HFA Risk Sharing Program where the Authority sold 100% participation interest in the loans to outside parties, there were no amounts in arrears equal to more than two months debt service payments or required deposits to tax and insurance and/or replacement reserves.

At June 30, 2023, for loans financed under the Mortgage Participation Certificate Program, where the Authority has sold 100% participation interests in the loans to outside parties, there were no amounts in arrears equal to more than three months of debt service payments or required deposits to tax and insurance and/or replacement reserves. The loss reserve for loans financed under this program, totaling $2.3 million as of June 30, 2023, is recorded in accrued liabilities (and other) in the Administrative Fund.

As of June 30, 2023, for mortgage loans insured with Ambac Assurance Corporation (Ambac) on Multi-Family housing developments under the Authority's Mortgage Participation Certificate Program, the Authority has outstanding three Ambac loans totaling $5.3 million. These loans are not included in the Authority's financial statements as the Authority sold 100% participation interests in the loans to outside parties. Ambac has guaranteed repayment of principal and interest due on a timely or accelerated basis in accordance with the agreement between the

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

Authority and Ambac. The agreement allows (or provides) the Authority to share its risk with Ambac on the aggregate loan portfolio after the satisfaction of certain requirements and thresholds.

At June 30, 2023, for loans financed under Ambac Assurance Corporation (Ambac), one loan was in arrears an amount equals to more than three months debt service payments or required deposits to tax and insurance and/or replacement reserves, totaling $23.2 thousand and $1.0 million, respectively.

The following summarizes the changes in the allowance for estimated losses on program loans receivable during the year ended June 30, 2023, follows in, thousands:

	Allowance for estimated losses June 30, 2022	Provision for/ (reversal of) estimated losses	Write-offs of uncollectible losses, net of recoveries	Allowance for estimated losses June 30, 2023
Governmental Funds:				
Illinois Affordable Housing Trust Fund	$ 49,452	$ 1,874	$ (67)	$ 51,259
HOME Program Fund	31,806	3,186	(49)	34,943
Build Illinois Bond Program	3,830	(15)	—	3,815
Nonmajor Governmental Funds	18,479	(741)	—	17,738
Total Governmental Funds	$ 103,567	$ 4,304	$ (116)	$ 107,755
Proprietary Funds:				
Administrative Fund	$ 9,169	$ (2,577)	$ (34)	$ 6,558
Mortgage Loan Program Fund	3,360	137	(47)	3,450
Single Family Program Fund	2,221	(856)	—	1,365
Total Proprietary Funds	$ 14,750	$ (3,296)	$ (81)	$ 11,373

The provision for estimated losses for the Illinois Affordable Housing Trust Fund is recorded as a reduction to the amount due to the State of Illinois to reflect the State of Illinois net position interest in the program.

State statute (30 ILCS 205/2) requires that all uncollected receivables due that exceed $1,000 be submitted to the Illinois Attorney General to be certified as uncollectible before the Authority can delete such receivables from its records. As of June 30, 2023, the Authority has 11 loans certifications outstanding, totaling $213.7 thousand. Certification requests are anticipated to be filed as loss amounts are determined following the conclusion of foreclosure or other loss mitigation activities. The Authority has established provisions for estimated losses against such loans requested and to be requested for such certifications in amounts equal to the outstanding principal balances of the loans.

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

Scheduled receipts of principal on gross program loans receivable in certain governmental funds and proprietary funds in the five years subsequent to June 30, 2023, and thereafter are as follows (in thousands):

Governmental Funds

	Illinois Affordable Housing Trust Fund	HOME Program Fund	American Recovery and Reinvestment Act Fund	Build Illinois Bond Program
2024	$ 21,299	$ 23,601	$ 273	$ 26
2025	9,945	8,983	238	49
2026	11,344	15,852	248	26
2027	9,886	10,311	3,100	26
2028	9,375	11,147	9,258	26
After 2028	325,947	260,828	61,406	10,513
	$ 387,796	$ 330,722	$ 74,523	$ 10,666

Proprietary Funds

	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund
2024	$ 812	$ 6,840	$ 10,834
2025	1,006	8,893	10,815
2026	8,219	8,518	10,797
2027	52,291	8,650	10,783
2028	—	8,967	10,783
After 2028	—	389,796	37,203
	$ 62,328	$ 431,664	$ 91,215

Amounts recorded as due from FNMA (Fannie Mae) and the Federal Home Loan Mortgage Corporation (FHLMC/Freddie Mac) in the Mortgage Loan Program Fund represent the disbursed bond proceeds and accrued interest on certain bond issues which are secured by credit enhancements provided by FNMA and FHLMC. Under these obligations, the bond trustee may draw funds directly from FNMA and FHLMC when needed and in amounts sufficient to make timely payments of principal and interest on the bond issues when due and payable.

NOTE 6 REAL ESTATE HELD FOR SALE

An analysis of real estate for sale, net of allowance for estimated losses, as of June 30, 2023, is shown below (in thousands):

Proprietary Funds:

	Administrative Fund	Mortgage Loan Program	Single Family Program Fund	Total
Balance at June 30, 2022	$ 75	$ —	$ 181	$ 256
Transfers of loans	—	13	1,074	1,087
Proceeds received/write-offs	—	(13)	(955)	(968)
Change in loan loss allowance	—	—	(273)	(273)
Balance at June 30, 2023	$ 75	$ —	$ 27	$ 102

NOTE 7 CAPITAL ASSETS

Capital asset activity for year ended June 30, 2023, for governmental activities, was zero and capital asset activity for the fiscal year ended June 30, 2023, for business-type activities, was as follows (in thousands):

	Balance July 1, 2022 As Restated (1)	Additions	Deletions	Balance June 30, 2023
Capital assets being depreciated				
Administrative Fund				
Furniture and equipment	$ 7,178	$ 621	$ (84)	$ 7,715
Right to use Equipment	—	118	—	118
Right to use Building	7,264	—	(530)	6,734
Right to use SBITAs	5,051		—	5,051
Mortgage Loan Program Fund				
Real estate	50,557	1,084	—	51,641
Total capital assets being depreciated	70,050	1,823	(614)	71,259
Total capital assets	70,050	1,823	(614)	71,259
Accumulated depreciation and amortization				
Administrative Fund				
Furniture and equipment	5,910	681	(84)	6,507
Right to use Equipment	—	36		36
Right to use Building	1,341	1,341	—	2,682
Right to use SBITAs	—	1,134	—	1,134
Mortgage Loan Program Fund				
Real estate	26,971	1,182	—	28,153
Total accumulated depreciation and amortization	34,222	4,374	(84)	38,512
Capital assets, net of depreciation and amortization	$ 35,828	$ (2,551)	$ (530)	$ 32,747

(1) The beginning balance was restated due to implementation of GASB Statement No. 96. See Note 2E.

NOTE 8 BONDS AND NOTES PAYABLE

The following summarizes the debt activity for the Authority's proprietary funds for the fiscal year ended June 30, 2023, (in thousands):

	June 30, 2022	Additions	Deductions	June 30, 2023	Amount due within one year
Administrative Fund:					
Direct Borrowing					
Federal Home Loan Bank Advances	$ 23,556	$ 2,147,430	$ (2,149,275)	$ 21,711	$ 1,768
Total Administrative Fund	23,556	2,147,430	(2,149,275)	21,711	1,768
Mortgage Loan Program Fund:					
Direct Placement					
Multifamily Initiative Bonds	50,020	—	(1,240)	48,780	1,220
Multifamily Revenue Bonds	147,155	8,640	(850)	154,945	985
Other Debt					
Housing Bonds	86,575	—	(7,520)	79,055	28,445
Multifamily Revenue Bonds	189,806	28,800	(7,455)	211,151	2,093
Total Mortgage Loan Program Fund	473,556	37,440	(17,065)	493,931	32,743
Single Family Program Fund:					
Other Debt					
Homeowner Mortgage Revenue Bonds	202,250	—	(24,405)	177,845	67,020
Premium on Homeowner Mortgage Revenue Bonds	2,601	—	(265)	2,336	—
Housing Revenue Bonds	45,257	—	(4,460)	40,797	1,364
Premium on Housing Revenue Bonds	4	—	(1)	3	—
Discount on Housing Revenue Bonds	(654)	—	98	(556)	—
Revenue Bonds	1,166,020	884,870	(99,546)	1,951,344	35,990
Premium on Revenue Bonds	35,170	17,589	(4,225)	48,534	—
Total Single Family Program Fund	1,450,648	902,459	(132,804)	2,220,303	104,374
Total Proprietary Funds	$ 1,947,760	$ 3,087,329	$ (2,299,144)	$ 2,735,945	$ 138,885

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

Bonds and notes outstanding are general obligations (G.O.) of the Authority with the exception of Homeowner Mortgage Revenue Bonds, Housing Revenue Bonds, Revenue Bonds, Multi-Family Initiative Bonds and Multi-Family Revenue Bonds, which are special limited obligations (S.L.O.) of the Authority. S.L.O. bonds, other than Housing Revenue Bonds, Revenue Bonds, and specific series of Homeowner Mortgage Revenue Bonds are payable from pledged property as defined in their respective general resolutions. Housing Revenue Bonds, Revenue Bonds, and specific series of Homeowner Mortgage Revenue Bonds are payable from pledged mortgage-backed securities. Certain issues of Multi-Family Initiative Bonds are credit enhanced by FNMA and FHLMC. The Authority has also pledged its general obligations to a limited extent and amounts, of which there are no bonds or obligations outstanding as of June 30, 2023. Per GASB Statement No. 88 disclosure requirements, the Authority is required to disclose direct borrowings, direct placement of debt, as well as other debt that it may hold. As seen in the table above, the Authority currently holds $21.7 million in direct borrowings of debt, all within the Administrative Fund. The Authority also holds $203.7 million in direct placements of debt, all within the Mortgage Loan Program fund. The remainder of debt held by the Authority is classified as Other Debt, and is located within the Mortgage Loan Program Fund, totaling $290.2 million, and the Single Family Program Fund, totaling $2.2 billion, and for an Other Debt totaling of $2.5 billion.

The Authority has pledged future mortgage loan and mortgage-backed security revenues, net of specified operating expenses, to repay outstanding principal $2.6 billion of S.L.O. bonds as noted in the following schedules for the Mortgage Loan Program Fund and Single Family Program Fund. The total principal and interest remaining to be paid on the S.L.O. Bonds is $4.3 billion. For S.L.O. bonds payable from pledged property, interest paid for the fiscal year ended June 30, 2023, was $49.6 million, and total related mortgage loan principal and interest received were $19.4 million and $15.9 million, respectively.

The Authority's outstanding obligations from direct borrowing relating to business-type activities contain provisions declaring events of default based on nonpayment on monies owed, failure to meet certain conditions under the governing documents, the Authority ceasing to be eligible as a housing associate under the Act, and other defined provisions within the applicable agreements. The lenders under each of the agreements have rights of principal acceleration under the governing documents based on aforementioned events of default. Subject to the provisions outlined within the respective agreements, additional remedies and enforcement exist.

Bonds and notes outstanding at June 30, 2023, are as follows. Listed maturity dates are indicated as calendar years. The June 30, 2022, amounts are shown for comparative purposes only.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

A. Mortgage Loan Program Fund

Bonds outstanding of the Mortgage Loan Program Fund are as follows (in thousands):

	Maturity Dates	Interest Rate Range %	Debt Class	Amount June 30, 2023	Amount June 30, 2022
Housing Bonds:					
2008 Series A (1)	2023-2027	Variable	G.O.	$ 9,130	$ 9,490
2008 Series B (1)	2023-2027	Variable	G.O.	13,785	16,085
2008 Series C (1)	2023-2041	Variable	G.O.	4,085	4,220
2013 Series B (Taxable)	2023-2024	3.35-3.605	G.O.	2,175	4,000
2015 Series A-1	2023–2027	2.85-3.40	G.O.	1,815	2,190
2015 Series A-3 (Taxable) (1)	2045	Variable	G.O.	18,065	20,415
2017 Series A-1 (Taxable)	2022	291%	G.O.	—	175
2017 Series A-2 (Taxable) (1)	2027-2048	Variable	G.O.	30,000	30,000
Total Housing Bonds				$ 79,055	$ 86,575

1. In accordance with the indenture, interest rates on the bonds are determined weekly and are paid monthly at a rate established by the remarketing agents on each rate determination date. The variable rates paid on the subject bonds ranged from 3.95% to 5.25% at June 30, 2023. Pursuant to the liquidity agreements, the bonds are subject for purchase by liquidity providers in the event of a tender by bondholders (Bank Bonds). Subject to other provisions within the liquidity agreements, the Bank Bonds will bear interest at a rate specified within the agreements and continue to be subject for remarketing-by-remarketing agents. In the event the remarketing agents are unable to remarket the Bank Bonds over a certain period of time, the Bank Bonds are subject to a put whereby the Authority is required to purchase and redeem the Bank Bonds over a period stated within the agreements. The Authority has a take-out agreement with the liquidity providers to convert the bonds to an installment loan payable over a three-to-five-year period. The interest rate that is to be paid during the put periods is SOFR plus 175 basis points. The current liquidity agreements for 2008 Series A, B, and C expire on April 24, 2024. The current agreements for 2015 Series A-3 and 2017 Series A-2 expire on December 30, 2024, and November 3, 2026, respectively.

The Bonds and Bank Bonds are general obligations of the Authority and the timely payment of principal and interest on the Bonds and Bank Bonds are subject to credit enhancement agreements with credit enhancement providers. The Authority has a general obligation to reimburse the liquidity providers and credit enhancement providers for any such payments made.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

A. Mortgage Loan Program Fund (Continued)

Bonds outstanding of the Mortgage Loan Program Fund are as follows (in thousands):

	Maturity Dates	Range %	Debt Class	Amount June 30, 2023	Amount June 30, 2022
Multi-Family Initiative Bonds:					
Series 2009 E	2023–2042	2.32	S.L.O.	3,940	4,030
Series 2009 F	2023–2041	2.32	S.L.O.	4,720	4,830
Series 2009 G	2023–2041	2.32	S.L.O.	7,070	7,240
Series 2009 H	2023–2041	2.32	S.L.O.	9,400	9,620
Series 2009 I	2023–2051	2.32	S.L.O.	8,350	8,530
Series 2009 J	2023–2043	3.84	S.L.O.	15,300	15,770
Total Multi-Family Initiative Bonds				48,780	50,020
Multi-Family Revenue Bonds:					
2016 Series A (Taxable)	2023–2048	2.63	S.L.O.	7,753	13,283
2017 Series A	2023–2059	4.05	S.L.O.	25,057	25,297
2017 Series B	2023–2043	3.21	S.L.O.	9,550	9,785
2019 Series A	2023-2063	1.50-3.40	S.L.O.	29,051	29,050
2020 Series A	2023-2060	1.85-3.85	S.L.O.	5,655	5,705
2020 Series B	2023-2062	2.40-4.15	S.L.O.	2,910	2,930
2020 Series C	2023-2062	2.45-4.10	S.L.O.	1,625	1,645
2020 Series D (Taxable)	2023-2062	3.40-4.65	S.L.O.	1,685	1,695
2021 Series A	2024-2041	2.07	S.L.O.	84,895	84,895
2021 Series B	2023-2042	0.40-2.06	S.L.O.	27,925	28,475
2021 Series C	2025-2065	0.60-3.05	S.L.O.	77,005	78,005
2022 Series A	2023-2062	2.65	S.L.O.	21,610	21,810
2022 Series B	2023-2062	2.35-4.45	S.L.O.	10,760	10,815
2022 Series C	2023-2052	Variable	S.L.O.	23,175	23,571
2023 Series A	2023-2064	1.1-2.9	S.L.O.	8,640	—
2023 Series B	2023-2042	2.85-4.35	S.L.O.	17,070	—
2023 Series C	2023-2065	0.00	S.L.O.	11,730	—
Total Multi-Family Revenue Bonds				366,096	336,961
Total Mortgage Loan Program Fund				$ 493,931	$ 473,556

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

B. Single Family Program Fund

Bonds outstanding of the Single Family Program Fund are as follows (in thousands):

	Maturity Dates	Interest Rate Range %	Debt Class	Amount June 30, 2023	Amount June 30, 2022
Homeowner Mortgage Revenue Bonds:					
2002 Series B (Taxable) (1)	2023-2023	Variable	S.L.O.	$ —	$ 75
2004 Series C-3 (2)	2025–2034	Variable	S.L.O.	8,895	9,305
2014 Series A	2023-2024	3.25-3.40	S.L.O.	1,860	6,705
2014 Series A-4 (Taxable) (2)	2026-2034	Variable	S.L.O.	10,130	10,675
2014 Series A-5 (Taxable) (2)	2025-2035	Variable	S.L.O.	19,005	20,000
2014 Series B	2023-2024	3.25-3.40	S.L.O.	530	945
2016 Series A (Taxable)	2023-2034	4.00	S.L.O.	3,205	5,265
2016 Series B	2035-2046	3.00	S.L.O.	4,915	5,750
2016 Series C	2023-2046	1.90-3.50	S.L.O.	60,595	65,665
2018 Series A-1	2026-2048	2.95-4.00	S.L.O.	32,650	35,785
2018 Series A-2 (2)	2031-2038	Variable	S.L.O.	30,000	30,000
2018 Series A-3	2023-2026	3.00-3.35	S.L.O.	6,060	12,080
				177,845	202,250
Plus Unamortized Premium Thereon				2,336	2,601
Total Homeowner Mortgage Revenue Bonds				$ 180,181	$ 204,851

(1) In accordance with the indenture, interest rates on the 2002 Series B bonds are determined and paid semi-annually based upon an index of the one-month LIBOR rate plus 0.415%. There are no longer any bonds outstanding at June 30, 2023.

(2) In accordance with the indenture, interest rates on the bonds are determined weekly and are paid monthly at a rate established by the remarketing agents on each rate determination date. The variable rates paid on the subject bonds ranged from 3.200% to 5.130% at June 30, 2023. Pursuant to the liquidity agreements, the bonds are subject for purchase by liquidity providers in the event of a tender by bondholders ("Bank Bonds"). Subject to other provisions within the liquidity agreements, the Bank Bonds will bear interest at a rate specified within the agreements and continue to be subject for remarketing by remarketing agents. In the event the remarketing agents are unable to remarket the Bank Bonds over a certain period of time, the Bank Bonds are subject to a put whereby the Authority is required to purchase and redeem the Bank Bonds over a period stated within the agreements. The Authority has a take-out agreement with the liquidity providers to convert the bonds to an installment loan payable over a three-to-five-year period. The interest rate that is to be paid during the put periods is SOFR plus 175 basis points. The liquidity agreement for 2004 Series C-3 expires on July 13, 2025. The liquidity agreements for 2014 Series A-4 and 2014 Series A-5 expire on March 15, 2024, and March 10, 2024, respectively, and the liquidity agreements for 2018 Series A-2 expire on July 11, 2028.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

B. Single Family Program Fund (Continued)

Bonds outstanding of the Single Family Program Fund are as follows (in thousands):

	Maturity Dates	Interest Rate Range %	Debt Class	Amount June 30, 2023	Amount June 30, 2022
Housing Revenue Bonds:					
Series 2011-1A	2023–2041	3.285%	S.L.O.	$ 2,040	$ 2,297
Series 2011-1C	2023–2041	3.285	S.L.O.	5,785	6,512
Series 2012A (Taxable)	2023–2042	2.625	S.L.O.	7,470	8,273
Series 2013A	2023–2043	2.450	S.L.O.	16,800	18,373
Series 2013B (Taxable)	2023–2043	2.750	S.L.O.	4,751	5,395
Series 2013C	2023–2043	3.875	S.L.O.	3,951	4,407
				40,797	45,257
Plus: Unamortized Premium Thereon				3	4
Less: Unamortized Discount				(556)	(654)
Total Housing Revenue Bonds				$ 40,244	$ 44,607

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

B. Single Family Program Fund (Continued)

Bonds outstanding of the Single Family Program Fund are as follows (in thousands):

	Maturity Dates	Interest Rate Range %	Debt Class	Amount June 30, 2023	Amount June 30, 2022
Revenue Bonds:					
2016 Series A	2023-2046	2.05-4.00%	S.L.O.	$ 13,875	$ 18,485
2017 Series A	2023–2047	—	S.L.O.	21,803	23,909
2017 Series B	2023–2048	2.30-4.00	S.L.O.	39,290	48,425
2018 Series A	2023–2048	2.70-4.50	S.L.O.	33,305	40,370
2019 Series A	2023–2049	—	S.L.O.	18,780	21,510
2019 Series B (1)	2042	variable	S.L.O.	30,000	30,000
2019 Series C	2023–2049	1.70-4.00	S.L.O.	44,205	51,130
2019 Series D	2023-2050	1.50-3.75	S.L.O.	66,960	76,800
2020 Series A	2023-2050	1.00-3.75	S.L.O.	82,185	91,220
2020 Series B	2023-2050	0.45-3.00	S.L.O.	55,115	64,045
2020 Series C (1)	2042	variable	S.L.O.	40,000	40,000
2021 Series A	2023-2051	0.30-3.00	S.L.O.	78,525	85,150
2021 Series B	2023-2051	0.35-3.00	S.L.O.	110,300	120,245
2021 Series C (taxable)	2023-2031	0.353-2.228	S.L.O.	16,960	18,650
2021 Series D	2023-2051	0.25-3.00	S.L.O.	113,575	122,915
2021 Series E (taxable)	2023-2031	0.42-2.08	S.L.O.	16,385	18,165
2022 Series A	2023-2052	1.85-3.50	S.L.O.	119,745	125,000
2022 Series B (taxable)	2023-2032	2.60-4.03	S.L.O.	19,115	20,000
2022 Series C	2023-2052	2.30-4.50	S.L.O.	87,770	90,140
2022 Series D	2045	variable	S.L.O.	59,861	59,861
2022 Series E	2023-2052	2.35-5.25	S.L.O.	98,735	—
2022 Series F	2045	variable	S.L.O.	50,000	—
2022 Series G	2023-2052	5.5-6.25	S.L.O.	149,985	—
2022 Series H	2053	3.5	S.L.O.	100,000	—
2023 Series A	2023-2053	3.20-5.25	S.L.O.	120,000	—
2023 Series B (taxable)	2023-2053	4.895-5.628	S.L.O.	37,500	—
2023 Series C (taxable)	2046	variable	S.L.O.	37,500	—
2023 Series D	2029-2053	3.20-5.50	S.L.O.	100,000	—
2023 Series E (taxable)	2024-2053	4.528-5.75	S.L.O.	86,580	—
2023 Series F (taxable)	2046	variable	S.L.O.	43,290	—
2023 Series G	2054	3.5	S.L.O.	60,000	—
				1,951,344	1,166,020
Plus: Unamortized Premium Thereon				48,534	35,170
Total Revenue Bonds				1,999,878	1,201,190
Total Single Family Program Fund				$ 2,220,303	$ 1,450,648

(1) In accordance with the indenture, interest rates on the bonds are determined weekly and are paid monthly at a rate established by the remarketing agents on each rate determination date. The variable rates paid on the subject bonds ranged from 3.95% to 5.08% at June 30, 2023, Pursuant to the liquidity agreements, the bonds are subject for purchase by liquidity providers in the event of a tender by bondholders (Bank Bonds). Subject to other provisions within the liquidity agreements, the Bank Bonds will bear interest at a rate specified within the agreements and continue to be subject for remarketing by remarketing agents. In the event the remarketing agents are unable to remarket the Bank Bonds over a certain period of time, the Bank Bonds are subject to a put whereby the Authority is required to purchase and redeem the Bank Bonds over a period stated within the agreements. The Authority has a take-out agreement with the liquidity providers to convert the bonds to an installment loan payable over a three-to-five-year period. The interest rate that is to be paid during the put periods is SOFR plus 175 basis points for all bonds issued prior to 2023; the interest rate that will be paid during the put periods on the Series 2023 C and Series 2023 F is SOFR plus 275 basis points. The liquidity agreement for 2019 Series B expires on March 7, 2024, the liquidity agreement for 2020 Series C expires on October 15, 2025, the liquidity agreement for 2022 Series D expires on May 18, 2027, the liquidity agreement for 2022 Series F expires on September 21, 2027, the liquidity agreement for 2023 C expires on March 29, 2028, and the liquidity agreement for 2023 F expires on June 1, 2028.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

C. Administrative Fund

Outstanding debt of the Administrative Fund is as follows (in thousands):

	Maturity Date	Interest Rate (1)	Debt Class	Amount June 30, 2023	Amount June 30, 2022
Direct Borrowing:					
Federal Home Loan Bank Advances:					
	2022	1.37	Loan	$ —	$ 12,556
	2023	5.23	Loan	11,060	—
	2024	2.35	Loan	1,406	1,406
	2027	2.37	Loan	657	808
	2027	2.70	Loan	8,588	8,786
				$ 21,711	$ 23,556

(1) Interest rate on the loan(s) may be fixed or variable, and is determined by type, length, and use of proceeds.

D. Current Refundings of Debt

On March 29, 2023, the Authority issued three (3) series of fixed rate and variable rate, tax-exempt and taxable Single Family Revenue Bonds designated as Revenue Bonds Series 2023 ABC ("Bonds"), totaling $195 million to: (i) finance Mortgage-Backed Securities and down payment assistance loans or refinancing existing Mortgage Loans, (ii) refund at or in advance of maturity all or a portion of a number of series of the Authority's outstanding bonds or other obligations, and (iii) various other purposes as described in the corresponding Series Indenture. Within ninety (90) days of issuance, $35.76 million of proceeds from the Bonds were used to redeem and/or refund prior series of Revenue Bonds and or obligation(s) ("Refunded Obligations"). Following the refunding of the Refunded Obligations, an approximate amount of $35.76 million currently allocated to the Refunded Obligations were reallocated to the Bonds to purchase participation interest in Mortgage-Backed Securities. Due to the nature of this replacement refunding there is no economic gain.

On September 22, 2022, the Authority issued two (2) series of fixed rate and variable rate, tax-exempt Single Family Revenue Bonds designated as Revenue Bonds Series 2022 EF ("Bonds"), totaling $150 million to: (i) finance Mortgage-Backed Securities and down payment assistance loans or refinancing existing Mortgage Loans, (ii) refund at or in advance of maturity all or a portion of a number of series of the Authority's outstanding bonds or other obligations, and (iii) various other purposes as described in the corresponding Series Indenture. Within ninety (90) days of issuance, $16.39 million of proceeds from the Bonds were used to redeem and/or refund prior series of Revenue Bonds and or obligation(s) ("Refunded Obligations").

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

D. Current Refundings of Debt (Continued)

Following the refunding of the Refunded Obligations, an approximate amount of $16.39 million currently allocated to the Refunded Obligations will be reallocated to the Bonds to purchase participation interest in Mortgage-Backed Securities. Due to the nature of this replacement refunding there is no economic gain.

E. Other Financings

From time to time, the Authority has issued conduit obligations with a claim for repayment solely from payments received with respect to the mortgage loans. The bonds are not general obligations of the Authority, and they are not a debt of the State of Illinois; neither is liable to pay interest and principal on the bonds. Accordingly, the bonds and the related mortgage loans are not included in the Authority's financial statements. The bonds do, however, apply toward the Authority's authorized debt limitation.

As of June 30, 2023, there were 130 series of such bonds or notes outstanding, with an aggregate principal amount payable of $1,892 million.

F. Assets Restricted for Capital and Debt Service Reserves

Pursuant to the Act and various resolutions of the Authority, certain assets (principally investments) are maintained in capital and debt service reserve funds and may be used only for the payment of principal and interest on certain bonds. The reserve funds must be maintained at an amount at least equal to the following:

Bonds	Requirement
Housing Bonds	The amount established by each series resolution, currently six months of maximum principal and interest payments.
Multifamily Initiative Bonds	The maximum amount of principal and interest due on any interest payment date excluding the final interest payment date.
Multifamily Revenue Bonds	One-half of the maximum amount of principal and interest due for the then-current or any future calendar year.
Homeowner Mortgage Revenue Bonds	The sum of all amounts established by each series resolution, but such amount cannot be less than 2% for the Homeowner Mortgage Revenue Bonds of the sum of (i) the outstanding principal balance of related mortgage loans, and (ii) the amount on deposit to the credit of series program accounts of the program fund.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

F. Assets Restricted for Capital and Debt Service Reserves (Continued)

The amounts of such reserves, for measurement purposes against the various bond resolution reserve requirements, are valued at book value or par, or, if purchased at less than par, at their cost to the Authority. At June 30, 2023, these reserve amounts, which were not less than the amounts required are as follows, in thousands:

Housing Bonds	$ 3,611
Multifamily Initiative Bonds	561
Multifamily Revenue Bonds	9,092
Homeowner Mortgage Revenue Bonds	1,962
Total	$ 15,226

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

G. Debt Service Requirements

Debt service requirements dollars in millions through 2028 and five year increments thereafter to maturity for the Authority's proprietary fund are as follows (in million):

	Administrative Fund Direct Borrowing:		Single Family Program Fund Other Debt:	
	Principal	Interest	Principal	Interest
YEAR ENDING JUNE 30:				
2024	$ 1.8	$ 1.4	$ 104.4	$ 81.0
2025	11.4	1.9	50.5	77.9
2026	0.4	1.3	50.1	76.7
2027	0.4	1.3	55.4	75.3
2028	7.7	0.6	56.9	73.8
FIVE YEAR ENDED JUNE 30:				
2029-2033	—	—	293.8	342.4
2034-2038	—	—	258.2	295.9
2039-2043	—	—	384.1	243.8
2044-2048	—	—	418.9	157.2
2049-2053	—	—	337.1	67.0
2054-2058	—	—	160.7	4.9
	$ 21.7	$ 6.5	$ 2,170.1	$ 1,495.9

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

G. Debt Service Requirements (Continued)

	Mortgage Loan Program Fund					
	Direct Placement of Debt:		Other Debt:		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
Year ending June 30:						
2024	$ 2.2	$ 4.9	$ 30.5	$ 9.7	$ 32.7	$ 14.6
2025	4.5	4.9	3.5	9.2	8.0	14.0
2026	4.1	4.8	16.8	9.1	20.9	13.9
2027	4.2	4.7	16.9	8.6	21.1	13.3
2028	4.4	4.6	5.6	8.4	9.9	13.0
FIVE YEAR ENDED JUNE 30:						
2029-2033	23.7	21.1	29.3	38.9	53.0	60.1
2034-2038	27.3	18.0	32.0	33.0	59.4	51.0
2039-2043	102.4	12.1	29.6	27.1	132.1	39.2
2044-2048	8.0	4.1	43.9	18.8	51.9	22.9
2049-2053	8.1	2.9	25.2	12.3	33.2	15.2
2054-2058	7.3	1.8	26.0	7.8	33.3	9.5
2059-2063	7.2	0.6	23.2	3.4	30.4	4.0
2064-2068	0.3	—	7.7	0.4	8.0	0.4
	$ 203.7	$ 84.4	$ 290.2	$ 186.7	$ 493.9	$ 271.1

The Authority's outstanding obligations from direct borrowing relating to business-type activities contain provisions declaring events of default based on nonpayment on monies owed, failure to meet certain conditions under the governing documents, the Authority ceasing to be eligible as a housing associate under the Act and other defined provisions within the applicable agreements. The lenders under each of the agreements have rights of principal acceleration under the governing documents based on aforementioned events of default. Subject to the provisions outlined within the respective agreements, additional remedies and enforcement exist.

The Authority has a line of credit in the Administrative Fund for cash advances with the Federal Home Loan Bank of Chicago up to $250 million. The current undrawn portion of the Authority's authorized amount is $228 million. The drawn amount of $22 million is included in Bonds and Notes Payable.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

H. Derivative Instruments

The incurring of obligations by the Authority involves a variety of interest rate payments and other risks, for which a variety of financial instruments are available to offset, hedge, or reduce these payments and risks. It is the policy of the Authority to utilize risk management agreements to better manage its assets and liabilities. The Authority may execute risk management agreements if the transaction can be expected to result in at least one of, but not limited to the following:

a) The achievement of savings over alternative products existing in the capital markets;
b) The management of the Authority's exposure to floating and fixed interest rates;
c) Ability to access the capital markets more rapidly than may be possible with conventional debt instruments;
d) The management of the Authority's exposure to the risk of changes in the legal and regulatory treatment of tax-exempt bonds; and
e) The ability of the Authority to increase income, lower costs, or strengthen the Authority's financial position.

As of June 30, 2023, the Authority has active swap and interest rate cap contracts. Details are shown in the following tables, in thousands.

	Changes in fair value			Fair Value at June 30, 2023				
	Classification		Amount	Classification		Amount		Notional
Business-Type Activities:								
Cash Flow Hedges:								
Pay-Fixed/Receive Variable, Interest Rate Swaps:								
HMRB	Deferred Inflow	$	1,558	**	$	1,663	$	30,000
RB	Deferred Inflow	$	8,420	**	$	16,193	$	223,150
RB 2023 C	Deferred Outflow	$	(176)	*	$	(176)	$	37,500
MFRB Maywood	Deferred Inflow	$	2,330	**	$	2,133	$	24,995
MFRB Burnham Manor	Deferred Inflow	$	384	**	$	111	$	12,725
MFRB Autumn Ridge	Deferred Inflow		258	**		258		11,730
General Obligation	Deferred Inflow	$	246	**	$	193	$	9,065
General Obligation Otto	Deferred Outflow	$	(49)	*	$	(49)	$	4,835
General Obligation Beach Street	Deferred Outflow	$	(66)	*	$	(66)	$	3,480
Rate Caps								
HB	Deferred Inflow	$	(41)	**	$	43	$	15,080
MFRB	Deferred Inflow	$	364	**	$	588	$	23,175

* The fair value is classified as derivative instrument liability and a deferred outflow of resources.
** The fair value is classified as derivative instrument asset and a deferred inflow of resources.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

H. Derivative Instruments (Continued)

The fair value of the interest rate swaps was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps. The fair value of the interest rate swap and rate caps were estimated by the Authority using data provided by the Authority's swap advisor.

June 30, 2023 (Dollars in Thousands)

Associated Bond Issue	Notional Amounts	Effective Date	Fixed Rate Paid (3)	Variable Rate Received	Fair Values (1)	Termination Date	Counter-Party Credit Rating (2)
Active Swap Contracts:							
Single Family Program Fund:							
HMRB**:							
HMRB 2018 A-2	$ 30,000	8/1/2018	2.3940	70% LIBOR	$ 1,663	2/1/2038	Aa1 / AA- / AA-
RB***:							
RB 2019B	30,000	3/7/2019	2.4310	100% SIFMA -> 70% LIBOR	2,044	4/1/2042	Aa2/ A+/ AA
RB 2020C	40,000	10/15/2020	1.0565	100% SIFMA -> 70% LIBOR	7,610	4/1/2042	Aa1 / AA- / AA-
RB 2022D	59,860	5/19/2022	2.4320	70% SOFR + .08%	3,488	4/1/2045	Aa2/ A+/ AA
RB 2022F	50,000	9/22/2022	0.0026	70% SOFR +.10%	2,096	4/1/2045	Aa1/ AA-/ AA-
RB 2023C	37,500	3/29/2023	0.0045	100% SOFR +0.15%	(176)	10/1/2046	Aa2/ A+ /AA
RB 2023F	43,290	10/1/2046	0.0041	100% SOFR + .15%	955	10/1/2046	Aa1 / AA- / AA
	$ 260,650				$ 16,017		
Active Swap Contracts:							
Mortgage Loan Program Fund:							
MFRB***:							
MFRB Maywood	$ 24,995	7/1/2024	2.1470	LIBOR	$ 2,133	7/1/2064	Aa2/ A+/ AA
MFRB Burnham Manor	12,725	1/1/2025	2.7755	70% SOFR + 0.08%	111	1/1/2065	Aa2/ A+/ AA
MFRB Autumn Ridge	11,730	2/9/2023	0.0030	70% SOFR + 0.10%	258	7/1/2065	Aa1/ AA-/ AA-
	$ 49,450				$ 2,502		
Active Swap Contracts:							
General Obligation:							
GO Otto Veteran	$ 4,835	3/1/2026	0.0033	100% SOFR	$ (49)	10/1/2053	A1/ AA+
GO Poplar Place	3,495	5/1/2026	0.0031	100% SOFR	85	11/1/2053	A1/ A /A+
GO 835 Wilson	$ 3,365	6/1/2025	2.9630	100% SOFR	$ 85	11/1/2052	A1 / A / A+
GO Millbrook	2,205	7/1/2025	2.8286	100% SOFR	22	12/1/2052	A1 / A / A+
GO Beech Street Senior Lofts	3,480	6/1/2026	3.5200	100% USD-SOFR-COMPUND	(66)	12/1/2053	A1 / A+ / A+
	$ 17,380				$ 77		
Active Interest Rate Caps:							
Mortgage Loan Program Fund:							
HB****:							
Series 2008 A	$ 10,930	1/1/2018	6.0000	100% SIFMA	$ 15	1/1/2027	A1 / A / A+
Series 2008 C	4,150	5/9/2022	4.0000	70% USD-SOFR-COMPOUND + 0.18%	28	7/1/2027	A1 / A / A+
MFRB****:							
Series 2022 C	23,175	5/12/2022	4.0000	100% USD-SOFR-COMPOUND + 0.11%	588	7/1/2025	Aa2/ A+/ AA
	$ 38,255				$ 631		

**Homeowner Mortgage Revenue Bonds
*** Revenue Bonds
**** Housing Bonds
(1) Includes accrued interest.
(2) S&P/Moody's
(3) Represents rate for swap and cap rate for interest rate caps.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

H. Derivative Instruments (Continued)

To protect against the potential of rising interest rates, the Authority has entered into pay fixed, receive variable, interest rate swap agreements. The objective of these agreements is to achieve a synthetic fixed interest rate on the underlying bonds at a cost anticipated to be less than the amounts paid had the Authority issued fixed rate debt. In addition, the Authority has entered into interest rate caps agreement, the objective of which is to establish a maximum debt service which may be paid over the life of the underlying bonds.

The terms, fair values, and credit ratings of the outstanding agreements as of June 30, 2023, are shown in the above table. The notional amount of the swap and caps match the principal amount of the associated debt except in the case of Series 2008 A where early redemption of bonds has reduced the outstanding bond amount leaving the notional amount of the interest rate cap at its original scheduled value.

The Authority's swap and cap agreements in most cases contain scheduled reductions to outstanding notional amounts that are expected to approximately follow scheduled or an anticipated reduction in the associated bonds payable category.

Because interest rates have increased since the execution of the swap agreements in the Single-Family Program Fund, they have positive fair values as of June 30, 2023. The positive fair value may be countered by increases in total interest payments required under the variable-rate bonds, creating higher synthetic interest rates. Because the coupons on the Authority's variable rate bonds adjust to changing interest rates, the bonds do not have corresponding fair value changes.

As of June 30, 2023, the Authority was not exposed to credit risk for the swaps that had negative fair value of $291 thousands. As interest rates change and the fair value becomes positive, the Authority is exposed to credit risk in the amount of the swap's or cap's fair value. The Authority is exposed to credit risk on the caps and swaps with positive fair value. The aggregate fair value of hedging derivative instruments with positive fair value on June 30, 2023, was $21.2 million. This represents the maximum loss that would be recognized at the reporting date if all counter-parties failed to perform as contracted. Fair value is a factor only upon termination.

Basis risk on a swap occurs when the variable payment received is based on an index other than the index on the underlying bonds. The Authority believes its swap agreements have been structured to minimize or eliminate this risk.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

H. Derivative Instruments (Continued)

The Authority or the counterparty may terminate the swap agreements if the other party fails to perform under the terms of the agreements. If a swap is insured, a termination event occurs if the insurer fails to meet its obligations under the agreement

The Authority is not exposed to rollover risk on its swap agreements. The Authority is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these hedging derivative instruments terminate, the Authority will be re-exposed to the risks being hedged by the hedging derivative instrument. The Authority is exposed to rollover risk on the caps which have termination dates that occur prior to the final maturity of the related bonds.

As of June 30, 2023, debt service requirements of the Authority's outstanding variable-rate debt and net swap payments, assuming current interest rates remain the same, for their term are as follows, in thousands:

	Variable-Rate Bonds		Interest Rate	
	Principal	Interest	Swap, Net	Total
YEAR ENDING JUNE 30:				
2024	$ 1,205	$ 14,758	$ (5,275)	$ 10,688
2025	1,240	14,704	(5,275)	10,669
2026	1,280	14,648	(5,275)	10,653
2027	9,015	14,590	(5,274)	18,331
2028	1,000	14,227	(5,274)	9,953
	13,740	72,927	(26,373)	60,294
FIVE YEAR ENDED JUNE 30:				
2033	19,335	70,094	(26,931)	62,498
2038	108,135	57,650	(22,580)	143,205
2043	126,590	31,126	(14,072)	143,644
2048	58,440	7,503	(16,460)	49,483
2053	5,130	2,089	(3,942)	3,277
2058	2,600	1,259	(3,149)	710
2063	3,070	696	(181)	3,585
2068	1,730	106	(27)	1,809
	325,030	170,523	(87,342)	408,211
Total	$ 338,770	$ 243,450	$ (113,715)	$ 468,505

As rates vary, variable rate bond interest payments and net swap payments will vary.

NOTE 9 DEPOSITS HELD IN ESCROW

Deposits from developers, which are held in escrow in the Administrative Fund, may be used when necessary to pay principal and interest payments and fund construction cost overruns, change orders, tax and insurance payments,and capital improvements (see Note 5). In addition, on certain developments, letters of credit and assignments of syndication proceeds are held by the Authority for similar purposes and to fund potential operating deficits of the related developments. Investment income earned on deposited funds is credited to the respective developer’s escrow accounts.

NOTE 10 LEASES

The Authority has entered into a lease for office facilities and leases for office equipments with remaining lease terms ranging from five to ten years. If renewal is reasonably assured, leases by the Authority are considered noncancelable leases for financial reporting purposes. Periods covered by renewal and termination options are not included in the right-to-use asset or lease liability balance until they are reasonably certain of exercise.

Lease payments (dollars in thousands) through 2027 and five year increments to maturity for the Authority's administrative fund are as follows:

Year Ending	Principal	Interest
2024	1,243	$ 146
2025	1,254	109
2026	1,312	54
2027	564	6
2028	—	—
Total lease payments	$ 4,373	$ 315

NOTE 11 SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Authority has entered into Subscription Based Information Technology Arrangements (SBITA's) with remaining subscription terms ranging from one to five years. Periods covered by renewal and termination options are not included in the right-to-use asset or subscriptions liability balance until they are reasonably certain of exercise.

Subscriptions payments through 2028 in the Authority's administrative and governmental funds are as follows (in thousands):

Fiscal Year Ended	Government Principal	Government Interest	Proprietary Principal	Proprietary Interest
June 30, 2024	$ 494	$ 73	$ 346	$ 16
June 30, 2025	284	51	487	85
June 30, 2026	296	39	—	—
June 30, 2027	308	27	509	44
June 30, 2028	321	14	—	—
Total	1,703	204	1,342	145

NOTE 12 RISK MANAGEMENT

The bonds issued by the Authority after 1980 are subject to a variety of Internal Revenue Service (IRS) regulations that limit the amount of income that may be earned with nonpurpose investments to an amount not greater than the amount that would have been earned had the

NOTE 12 RISK MANAGEMENT (CONTINUED)

funds been invested at the yield on the bonds as defined by the IRS. Excess earnings must be rebated annually, or every five years, depending on the date and type of bond issue. It has been determined that there is an estimated rebate liability of $1.0 million as of June 30, 2023. The rebate liability are included in Accrued Liabilities and Other in the Authority's financial statement in the Single Family Program Fund.

In connection with various federal and state grant programs, the Authority is obligated to administer related programs and spend the grant funding in accordance with regulatory restrictions and is subject to audits by the grantor agencies. In the opinion of Authority management, any grant expenditures that may be disallowed by the grantor agency, if any, would not result in a material liability to the Authority.

The Authority carries commercial insurance for directors and officer’s liability, general liability, employee health, workers’ compensation, cyber liability, crime, property, and automobile ownership and usage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Insurance coverage has not changed significantly since the prior year.

NOTE 13 RETIREMENT PLAN

The Authority provides a voluntary defined contribution retirement plan for the benefit of its employees through an agreement with Vanguard Investments. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Full time employees are eligible to participate in and are fully vested in the plan from the date of employment. All plan assets and investments are administered by a trustee, which maintains an individual account for each participant. The Authority contributes 6% of its employees’ salaries and employees, at their option, may contribute up to 100% (within a maximum dollar limit) of their salaries to the plan. In addition, the Authority, under the provisions of the Economic Growth and Tax Relief Act of 2001, permits additional contributions each calendar year for those employees who attain age 50 (or higher) during the calendar year. The plan may be amended or terminated by the Authority at any time and for any reason in the future, but no such action can deprive employees of their vested interests.

The Authority’s total payroll for the fiscal year 2023 was $32.9 million. The Authority’s contributions were calculated using the base salary amount of $32.6 million. The Authority contributed $1.9 million, or 6.00% of the base salary amount, in fiscal year 2023. Employee contributions amounted to $2.7 million, in fiscal year 2023, or approximately 8.36% of the base salary amount.

NOTE 14 COMMITMENTS AND CONTINGENCIES

A. Loans

At June 30, 2023, the Authority had authorized loans and grants totaling $37.6 million for the Illinois Affordable Housing Trust Fund.

Under the HOME Program, $582.0 million and $18.6 million for federal fiscal years 1992 through 2022 and 2023, respectively, have been allocated to the State by HUD, to be administered by the Authority, under the HOME Program provisions of the 1990 National Affordable Housing Act. At June 30, 2023, the Authority had authorized loans and grants totaling $11.4 million for the HOME Program.

In accordance with an agreement (the FAF Agreement) entered into by the Authority in 1982, annual Section 8 contributions payable to HUD with respect to the developments financed by certain of the Authority’s Multi-Family Housing Bonds, would be reduced to the extent of the debt service savings resulting from the early redemption of these bonds.These redemptions were accomplished through subsequent issuance of Multi-Family Housing Bonds.

In November 2006, the Authority entered into a new agreement (the FAF Refunding Agreement) with HUD at the time of delivery of the Authority’s Housing Bonds, 2006 Series G to refund the Multi-Family Housing Bond refunding bonds. Pursuant to federal legislation and a written agreement with the Authority, HUD has agreed to share a portion of such savings (the FAF Savings Program) with the Authority in order to create and maintain affordable housing opportunities for individuals of “very low income” (as such term is defined in the 1937 Housing Act) in the State. These savings, which are to be used solely for the purposes stated above, are recorded as other income of the Administrative Fund. At June 30, 2023, loans receivable under this program were approximately $41.8 million.

Due to the ongoing COVID-19 pandemic the Authority has been appropriated further funds to assist with rental (ERA2) and mortgage (HAF) assistance grants in the approximate amount of $150.0 million and $241.0 million, respectively. Additionally, the Authority has been appropriated funds to provide grants and forgivable loans for development of affordable housing, permanent supportive housing, and down payment assistance (SLFRF) in the approximate amount of $201.0 million.

NOTE 14 COMMITMENTS AND CONTINGENCIES (CONTINUED)

B. Issuances

A Summary of the Authority's outstanding issuances as of June 30, 2023, is as follows (in thousands):

Series	Date of Commitment	Estimated Delivery Date	Amount Not to Exceed
Multifamily Revenue Bonds:			
Southbridge 4% - As part of a 2023 non-taxable refunding issuance	5/17/2019	9/15/2023	$ 9,000
Southbridge 9% - As part of a 2022 taxable refunding issuance	5/17/2019	9/15/2023	7,000
Barwell Manor - As part of a 2022 refunding issuance	10/18/2019	7/27/2023	13,500
Hebron Apartments - As part of a 2023 refunding issuance	12/22/2020	7/25/2023	5,300
Maywood SLF - As part of a 2024 refunding issuance	6/18/2021	12/1/2023	24,995
Taft Homes 4% - As part of a 2024 non-taxable refunding issuance	5/21/2021	9/17/2024	6,000
Armory Terrace - As part of a 2024 non-taxable refunding issuance	11/24/2021	11/24/2024	9,000
Burnham Manor - As part of a 2025 refunding issuance	3/18/2022	6/29/2024	12,725

C. Legal

The Authority is a defendant in various legal actions arising from normal business activities. Management believes, after consultation with legal counsel, that the ultimate liability, if any, resulting from these legal actions, will not materially affect the Authority's financial position or results of operations.

NOTE 15 SUBSEQUENT EVENTS

On June 30, 2023, the Authority entered into an Intergovernmental Agreement with the City of Chicago, through its Department of Housing, to administer the city's court based rental assistance program to eligible households within the City of Chicago. The City of Chicago will allocate between $7 million and $10 million.

On July 3, 2023, the $10.2 million of the Authority’s bank balances that were not covered by federal depository insurance, or collateral held by an agent – as described in Note 3 - were fully collateralized by additional securities provided by the banking institution.

On July 21, 2023, the Authority authorized the approval of the issuance of 2023 Multifamily Housing Revenue Bonds not to exceed $31,320,000 (6900 Crandon), proceeds of which will be used for the acquisition and rehabilitation of a 151-unit multifamily senior development located in Chicago. The project has an estimated closing date of December 19, 2023.

On July 21, 2023, the Authority authorized the approval of the issuance of 2023 Multifamily Housing Revenue Bonds not to exceed $30,000,000 (South Shore HHDC), proceeds of which will be used for the acquisition and rehabilitation of a 126-unit multifamily development located in Chicago. The project has an estimated closing date of December 19, 2023.

On July 21, 2023, the Authority authorized the approval of the issuance of 2023 Multifamily Housing Revenue Notes and Bonds not to exceed $59,000,000 (Greenwood Senior Living), proceeds of which will be used for the acquisition and rehabilitation four (4) multifamily senior developments consisting of 217-units located in Chicago. The project has an estimated closing date of December 14, 2023.

On July 21, 2023, the Authority authorized the approval of the issuance of 2023 Multifamily Housing Revenue Bonds not to exceed $510,000,000 (400 Lake Shore Drive), proceeds of which will be used for the new construction of a 635-unit multifamily development located in Chicago. The project has an estimated closing date of November 22, 2023.

On August 3, 2023, the Authority issued its revenue Bonds, 2023 Series H, I, and J, in the aggregate principal amount of $275 million. Proceeds of the Series 2023 H, I, and J Bonds together with other funds of the Authority are expected to be used to: (a) purchase, and/or reimburse the Authority for its prior purchase of mortgage-backed securities guaranteed as to timely payment of principal and interest by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation (or participation interests in such mortgage-backed securities), and (b) pay/reimburse the Authority for certain costs incurred in connection with the issuance of the Series 2023 H, I. and J Bonds.

On September 6, 2023, the Authority issued Multifamily Housing Revenue Notes Series 2023 A & B in the aggregate principal amount of $19,400,000 (Buena Vista Townhomes), proceeds of which will be used for the acquisition and rehabilitation of a multifamily development consisting of 120-units located in Elgin.

NOTE 15 SUBSEQUENT EVENTS (CONTINUED

On September 7, 2023, the Authority issued Multifamily Housing Revenue Notes Series 2023 A & B in the aggregate principal amount of $50,167,000 (Greenwood Senior Living), proceeds of which will be used for the acquisition and rehabilitation of four (4) multifamily senior developments consisting of 217-units located in Chicago.

On September 15, 2023, the Authority authorized the approval of the issuance of 2023 Multifamily Housing Revenue Bonds not to exceed $49,500,000 (Island Terrace), proceeds of which will be used for the acquisition and rehabilitation of a 300-unit multifamily development located in Chicago. The project has an estimated closing date of December 15, 2023.

On September 28, 2023, the Authority issued taxable Multifamily Revenue Bonds (Refunding Bonds) in an aggregate amount of $6.60 million to refund a taxable Construction Note, the proceeds of which were used to finance the acquisition, construction and equipping of a 103-unit multifamily rental housing development located in Chicago, Illinois. The Authority placed the Refunding Bonds with Citibank, N.A. pursuant to a forward bond purchase agreement by and between the Authority and Citibank, the Bonds were issued on September 28, 2023 to refund the taxable Construction Note issued on January 17, 2020 in an amount of $6.60 million.

On October 12, 2023, Moody's Investors Service has upgraded the issuer rating of the Illinois Housing Development Authority to Aa3 from A1. No outstanding debt is affected by this rating upgrade.

On October 20, 2023, the Authority authorized the approval of the issuance of Revenue Bonds, 2023 Series P, Q, R, and S, in the aggregate principal amount not to exceed $300 million. Proceeds of the Series 2023 P, Q, R, and S Bonds together with other funds of the Authority are expected to be used to: (a) purchase, and/or reimburse the Authority for its prior purchase of mortgage-backed securities guaranteed as to timely payment of principal and interest by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation (or participation interests in such mortgage-backed securities), (b) pay/reimburse the Authority for certain costs incurred in connection with the issuance of the Series 2023 P, Q, R, and S Bonds, and (c) refund previously issued series of bonds under the Revenue Bonds Indenture. The bonds have an estimated closing date of November 30, 2023.

On October 20, 2023, the Authority authorized the approval of the issuance of 2023 Multifamily Revenue Bonds not to exceed $24,995,000 (Maywood SLF), proceeds of which will be used to refund a previously issued conduit note and finance a permanent Risk-Share Mortgage for a 100-unit senior supportive living facility located in Maywood. The project has an estimated closing date of November 30, 2023.

On October 25, 2023, the Authority issued its Revenue Bonds, 2023 Series K, L, and M, in the aggregate principal amount of $275 million. Proceeds of the Series 2023 K, L, and M Bonds together with other funds of the Authority are expected to be used to: (a) purchase, and/or reimburse the Authority for its prior purchase of mortgage-backed securities guaranteed as to timely payment of principal and interest by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation (or participation interests in such mortgage-backed securities), and (b) pay/reimburse the Authority for certain costs incurred in connection with the issuance of the Series 2023 K,L, and M Bond.

NOTE 15 SUBSEQUENT EVENTS (CONTINUED)

On November 9, 2023, the Authority issued Multifamily Housing Revenue Notes Series 2023 in an aggregate principal amount of $19,370,000 (Round Barn Manor), proceeds of which will be used for the acquisition and rehabilitation of a 156-unit multifamily senior development located in Champaign.

On November 15, 2023, the Authority issued Multifamily Housing Revenue Note Series 2023 in an aggregate principal amount of $24,500,000 (South Park Plaza), proceeds of which will be used for the acquisition and rehabilitation of a 134-unit multifamily development located in Chicago.

On November 16, 2023, the Authority issued Multifamily Housing Revenue Note Series 2023 A & B in the aggregate principal amount $41,200,000 (Huntington Towers), proceeds of which will be used for the acquisition and rehabilitation of a 214-unit multifamily senior development located in Mouth Prospect.

On November 30, 2023, the Authority issued its Revenue Bonds, 2023 Series N, O, and P, in the aggregate principal amount of $289.53 million. Proceeds of the Series 2023 N, O, and P Bonds together with other funds of the Authority are expected to be used to: (a) purchase, and/or reimburse the Authority for its prior purchase of mortgage-backed securities guaranteed as to timely payment of principal and interest by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation (or participation interests in such mortgage-backed securities), and (b) pay/reimburse the Authority for certain costs incurred in connection with the issuance of the Series 2023 N, O, and P Bonds, and (c) refund previously issued series of bonds under the Revenue Bonds Indenture.

At this time, the Authority is not aware of any other facts, decisions or conditions that are expected to have a significant impact on financial position or results of operations.

ILLINOIS HOUSING
DEVELOPMENT AUTHORITY

SUPPLEMENTARY INFORMATION

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS (DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

Assets	American Recovery and Reinvestment Act Fund	Neighborhood Stabilization Program Fund	Foreclosure Prevention Program Fund	Community Development Block Grant Fund	Abandoned Property Program Fund	Section 811 Project Rental Assistance Demonstration Program Fund	National Housing Trust Fund	Foreclosure Prevention Graduated Program Fund	Land Bank Capacity Program Fund	COVID-19 Coronavirus Relief Fund	Housing Stability Counseling Program Fund	Housing Counseling Resource Program Fund
Current Assets:												
Cash and Cash Equivalents - Restricted	$ 1,189	$ 17	$ 435	$ —	$ 6,092	$ 43	$ 206	$ 112	$ 165	$ 319	$ 915	$ 1,308
Program Loans Receivable	273	3	—	—	—	—	63	—	—	—	—	—
Interest Receivable on Program Loans	13	—	—	—	—	—	—	—	—	—	—	—
Due from Other Funds	—	—	—	—	—	—	—	—	3	14	—	—
Total Current Assets	1,475	20	435	—	6,092	43	269	112	168	333	915	1,308
Noncurrent Assets:												
Program Loans Receivable, Net of Current Portion	74,250	2,698	—	6,234	—	—	10,216	—	—	—	—	—
Less Allowance for Estimated Losses	(16,344)	(73)	—	(1,134)	—	—	(187)	—	—	—	—	—
Net program Loans Receivable	57,906	2,625	—	5,100	—	—	10,029	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	1	—	—
Total Noncurrent Assets	57,906	2,625	—	5,100	—	—	10,029	—	—	1	—	—
Total Assets	$ 59,381	$ 2,645	$ 435	$ 5,100	$ 6,092	$ 43	$ 10,298	$ 112	$ 168	$ 334	$ 915	$ 1,308
Liabilities and Fund Balances												
Current Liabilities:												
Unearned Revenue	$ 13	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 168	$ 334	$ 915	$ 1,294
Accrued Liabilities and Other	—	—	—	—	—	6	—	—	—	—	—	—
Due to Other Funds	—	17	—	—	—	37	169	—	—	—	—	14
Total Current Liabilities	13	17	—	—	—	43	169	—	168	334	915	1,308
Fund Balances:												
Restricted	59,368	2,628	435	5,100	6,092	—	10,129	112	—	—	—	—
Total Fund Balances	59,368	2,628	435	5,100	6,092	—	10,129	112	—	—	—	—
Total Liabilities and Fund Balances	**$ 59,381**	**$ 2,645**	**$ 435**	**$ 5,100**	**$ 6,092**	**$ 43**	**$ 10,298**	**$ 112**	**$ 168**	**$ 334**	**$ 915**	**$ 1,308**

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
(DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

Assets	National Council of State Housing Agencies Grant Fund	Total
Current Assets:		
Cash and Cash Equivalents - Restricted	$ 53	$ 10,854
Program Loans Receivable	—	339
Interest Receivable on Program Loans	—	13
Due from Other Funds	—	17
Total Current Assets	53	11,223
Noncurrent Assets:		
Program Loans Receivable, Net of Current Portion	—	93,398
Less Allowance for Estimated Losses	—	(17,738)
Net program Loans Receivable	—	75,660
Others	—	1
Total Noncurrent Assets	—	75,661
Total Assets	$ 53	$ 86,884
Liabilities and Fund Balances		
Current Liabilities:		
Unearned Revenue	$ —	$ 2,724
Accrued Liabilities and Other	—	6
Due to Other Funds	53	290
Total Current Liabilities	53	3,020
Fund Balances:		
Restricted	—	83,864
Total Fund Balances	—	83,864
Total Liabilities and Fund Balances	$ 53	$ 86,884

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (DOLLARS IN THOUSANDS)
YEAR ENDED JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	American Recovery and Reinvestment Act Fund	Neighborhood Stabilization Program Fund	Foreclosure Prevention Program Fund	Community Development Block Grant Fund	Abandoned Property Program Fund	Section 811 Project Rental Assistance Demonstration Program Fund	National Housing Trust Fund	Foreclosure Prevention Graduated Program Fund	Land Bank Capacity Fund	COVID-19 Coronavirus Relief Fund	Housing Stability Counseling Program Fund	Housing Counseling Resource Program Fund
Revenues:												
Grant from State of Illinois	$ —	$ —	$ —	$ —	$ 1	$ —	$ —	$ —	$ 850	$ —	$ —	$ —
Federal Funds	—	178	—	—	—	1,862	8,639	—	—	—	1,903	—
Interest and Other Investment Income	157	14	—	—	—	—	—	—	—	29	—	26
Other Income	—	1	—	—	—	—	—	—	—	—	—	807
Total Revenues	157	193	—	—	1	1,862	8,639	—	850	29	1,903	833
Expenditures:												
General and Administrative	$ 1	$ 17	$ —	$ —	$ 1	$ 98	$ 1,024	$ —	$ 6	$ —	$ 145	$ 61
Grants	—	178	—	—	—	1,764	7,605	—	670	—	1,757	746
Financing Costs	—	—	—	—	—	—	—	—	—	—	1	—
Program Income Transferred to State of Illinois	—	—	—	—	—	—	—	—	—	29	—	26
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	67	—	—	259	—	—	(1,067)	—	—	—	—	—
Total Expenditures	68	195	—	259	1	1,862	7,562	—	676	29	1,903	833
Other Financing Sources (Uses):												
Transfer in	—	—	—	—	—	—	—	—	—	—	—	—
Transfer out	—	—	—	—	—	—	—	—	(174)	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—	—	—	—	—	(174)	—	—	—
Net Change in Fund Balances	89	(2)	—	(259)	—	—	1,077	—	—	—	—	—
Fund Balances at Beginning of the Year	59,279	2,630	435	5,359	6,092	—	9,052	112	—	—	—	—
Fund Balances at End of the Year	**$ 59,368**	**$ 2,628**	**$ 435**	**$ 5,100**	**$ 6,092**	**$ —**	**$ 10,129**	**$ 112**	**$ —**	**$ —**	**$ —**	**$ —**

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
(DOLLARS IN THOUSANDS)
YEAR ENDED JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	National Council of State Housing Agencies Grant Fund	Total
Revenues:		
Grant from State of Illinois	$ —	$ 851
Federal Funds	—	12,582
Interest and Other Investment Income	—	226
Other Income	120	928
Total Revenues	120	14,587
Expenditures:		
General and Administrative	$ 120	$ 1,473
Grants	—	12,720
Financing Costs	—	1
Program Income Transferred to State of Illinois	—	55
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	—	(741)
Total Expenditures	120	13,508
Other Financing Sources (Uses):		
Transfer in	—	—
Transfer out	—	(174)
Total Other Financing Sources (Uses)	—	(174)
Net Change in Fund Balances	—	905
Fund Balances at Beginning of the Year	—	82,959
Fund Balances at End of the Year	$ —	$ 83,864

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING SCHEDULE OF NET POSITION – MORTGAGE LOAN PROGRAM FUND
(DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Housing Bonds	Multifamily Initiative Bonds	Multifamily Revenue Bonds	Affordable Housing Program Trust Fund Bonds	Total
Assets:					
Current Assets:					
Cash and Cash Equivalents - Restricted	$ 246,826	$ 2,011	$ 48,489	$ 1,184	$ 298,510
Investments - Restricted	4,665	—	5,736	21,649	32,050
Investment Income Receivable - Restricted	25	—	98	23	146
Program Loans Receivable	2,743	475	3,086	536	6,840
Interest Receivable on Program Loans	335	53	1,094	14	1,496
Due from Other Funds	34,005	1,891	—	9,907	45,803
Total Current Assets	288,599	4,430	58,503	33,313	384,845
Noncurrent Assets:					
Investments - Restricted	3,235	—	27,501	—	30,736
Program Loans Receivable, Net of Current Portion	105,662	14,246	300,326	4,590	424,824
Less Allowance for Estimated Losses	(2,367)	(456)	(543)	(84)	(3,450)
Net Program Loans Receivable	103,295	13,790	299,783	4,506	421,374
Due from Fannie Mae	—	29,386	—	—	29,386
Due from Freddie Mac	—	4,305	—	—	4,305
Capital Assets, Net	23,488	—	—	—	23,488
Others	232	—	—	—	232
Derivative Instrument Asset	43	—	3,090	—	3,133
Total Noncurrent Assets	130,293	47,481	330,374	4,506	512,654
Total Assets	418,892	51,911	388,877	37,819	897,499
Liabilities:					
Current Liabilities:					
Bonds and Notes Payable	28,445	1,220	3,078	—	32,743
Accrued Interest Payable	534	455	4,359	—	5,348
Accrued Liabilities and Other	71	—	3,994	—	4,065
Due to Other Funds	—	—	1,034	—	1,034
Total Current Liabilities	29,050	1,675	12,465	—	43,190
Noncurrent Liabilities:					
Bonds and Notes Payable, Net of Current Portion	50,610	47,560	363,018	—	461,188
Total Noncurrent Liabilities	50,610	47,560	363,018	—	461,188
Total Liabilities	79,660	49,235	375,483	—	504,378
Deferred Inflows of Resources:					
Accumulated Increase in Fair Value of Hedging Derivatives	43	—	3,090	—	3,133
Total Deferred Inflows of Resources	43	—	3,090	—	3,133
Net Position:					
Net Investment in Capital Assets	9,703	—	—	—	9,703
Restricted for Bond Resolution Purposes	329,486	2,676	10,304	37,819	380,285
Total Net Position	$ 339,189	$ 2,676	$ 10,304	$ 37,819	$ 389,988

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
MORTGAGE LOAN PROGRAM FUND (DOLLARS IN THOUSANDS)
YEAR ENDED JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Housing Bonds	Multifamily Initiative Bonds	Multifamily Revenue Bonds	Affordable Housing Program Trust Fund Bonds	Total
Operating Revenues:					
Interest and Other Investment Income	$ 9,073	$ 50	$ 2,189	$ 582	$ 11,894
Interest Earned on Program Loans	4,611	642	11,022	118	16,393
Other Income	13,295	—	—	1	13,296
Total Operating Revenues	26,979	692	13,211	701	41,583
Operating Expenses:					
Interest Expense	2,925	595	9,310	—	12,830
Other General and Administrative	6,624	—	—	—	6,624
Financing Costs	—	46	40	—	86
Program Grants	—	—	—	23	23
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	309	56	(197)	(31)	137
Provision for Estimated Losses on Real Estate Held for Sale	4	—	—	9	13
Total Operating Expenses	9,862	697	9,153	1	19,713
Operating Income (Loss)	17,117	(5)	4,058	700	21,870
Nonoperating Revenues and Expenses					
Loss on Investment Sale Revenues	(5)	—	—	—	(5)
Net Increase (Decrease) in Fair Value of	(174)	2	(239)	(54)	(465)
Total Nonoperating Income	(179)	2	(239)	(54)	(470)
Income Before Transfers	16,938	(3)	3,819	646	21,400
Transfers In	—	—	22,745	—	22,745
Transfers Out	—	(22,705)	—	—	(22,705)
Total Transfers	—	(22,705)	22,745	—	40
Change in Net Position	16,938	(22,708)	26,564	646	21,440
Net Position - Beginning Of Year	322,251	25,384	(16,260)	37,173	368,548
Net Position - End Of Year	$ 339,189	$ 2,676	$ 10,304	$ 37,819	$ 389,988

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING SCHEDULE OF CASH FLOWS – MORTGAGE LOAN PROGRAM FUND
(DOLLARS IN THOUSANDS)
YEAR ENDED JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Housing Bonds	Multifamily Initiative Bonds	Multifamily Revenue Bonds	Affordable Housing Program Trust Fund Bonds	Total
Cash flows from operating activities:					
Receipts for program loans, interest, and service fees	$ 10,375	$ 1,098	$ 21,125	$ 663	$ 33,261
Payments for program loans	(6,194)	—	(41,597)	(297)	(48,088)
Receipts for credit enhancements	—	776	—	—	776
Payments for program grants	—	—	—	(23)	(23)
Payments to suppliers	(5,503)	(46)	(40)	—	(5,589)
Other receipts	13,295	—	—	1	13,296
Net cash provided by (used in) operating activities	11,973	1,828	(20,512)	344	(6,367)
Cash flows from noncapital financing activities:					
Interest paid on revenue bonds and notes	(2,567)	(607)	(8,217)	—	(11,391)
Due to / from Other Funds	(194)	21,856	(41,039)	33	(19,344)
Proceeds from sale of housing bonds and notes	—	—	37,440	—	37,440
Principal paid on bonds and notes	(7,520)	(1,240)	(8,305)	—	(17,065)
Transfers in	—	—	22,745	—	22,745
Transfers out	—	(22,705)	—	—	(22,705)
Net cash provided by (used in) noncapital financing activities	(10,281)	(2,696)	2,624	33	(10,320)
Cash flows from capital financing and related activities:					
Acquisition of capital assets	(1,084)	—	—	—	(1,084)
Cash flows from investing activities:					
Purchase of investment securities	(627,910)	(3,617)	(55,672)	(4,629)	(691,828)
Proceeds from sales and maturities of investment securities	627,807	5,104	56,888	4,209	694,008
Interest received on investments	2,294	—	1,560	156	4,010
Transfers In	—	—	(2,938)	—	(2,938)
Transfers Out	2,452		—	—	2,452
Net cash provided by (used) in investing activities	4,643	1,487	(162)	(264)	5,704
Net increase (decrease) in cash and cash equivalents	5,251	619	(18,050)	113	(12,067)
Cash and cash equivalents at beginning of year	241,575	1,392	66,539	1,071	310,577
Cash and cash equivalents at end of year	$ 246,826	$ 2,011	$ 48,489	$ 1,184	$ 298,510
Reconciliation of operating income to net cash provided by (used in) operating activities:					
Operating Income (Loss)	$ 17,117	$ (5)	$ 4,058	$ 700	$ 21,870
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Investment Income	(9,073)	(50)	(2,189)	(582)	(11,894)
Interest expense	2,925	595	9,310	—	12,830
Depreciation and amortization	1,182	—	—	—	1,182
Changes in provision for (reversal of) estimated losses on program loans receivable	309	56	(197)	(31)	137
Changes in provision for Estimated Losses on Real Estate Held for Sale				9	9
Changes in assets and liabilities:					
Program loans receivable	(436)	455	(32,125)	253	(31,853)
Interest receivable on program loans	5	1	(90)	4	(80)
Other assets	46	—	(2,865)	(9)	(2,828)
Other liabilities	(61)	—	251	—	190
Due from Fannie Mae	—	775	—	—	775
Due from Freddie Mac	—	1	—	—	1
Changes in Deferred Outflow of Resources	—	—	470	—	470
Changes in Deferred Inflow of Resources	(41)	—	2,865	—	2,824
Total adjustments	(5,144)	1,833	(24,570)	(356)	(28,237)
Net cash provided by (used in) operating activities	$ 11,973	$ 1,828	$ (20,512)	$ 344	$ (6,367)
Noncash investing capital and financing activities:					
Transfer of foreclosed assets	$ 4	$ —	$ —	$ 9	$ 13
Increase (decrease) in the fair value of investments	**$ (174)**	**$ 2**	**$ (239)**	**$ (54)**	**$ (465)**

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING SCHEDULE OF NET POSITION – SINGLE FAMILY PROGRAM FUND
(DOLLARS IN THOUSANDS)
AS OF JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Homeowner Mortgage Revenue Bonds	Housing Revenue Bonds	Revenue Bonds	Inter-Account Eliminations	Total
Assets					
Current Assets:					
Cash and Cash Equivalents - Restricted	$ 10,323	$ 7,693	$ 118,953	$ —	$ 136,969
Investments - Restricted	116,099	—	160,699	—	276,798
Investment Income Receivable - Restricted	768	124	8,198	—	9,090
Program Loans Receivable	10,803	—	31	—	10,834
Interest Receivable on Program Loans	391	—	—	—	391
Due from Other Funds	23,512	593	—	(24,105)	—
Total Current Assets	161,896	8,410	287,881	(24,105)	434,082
Noncurrent Assets:					
Investments - Restricted	63,801	39,510	1,706,687	—	1,809,998
Program Loans Receivable, Net of Current Portion	80,336	—	45	—	80,381
Less Allowance for Estimated Losses	(1,361)	—	(4)	—	(1,365)
Net Program Loans Receivable	78,975	—	41	—	79,016
Real Estate Held for Sale	438	—	—	—	438
Less Allowance for Estimated Losses	(411)	—	—	—	(411)
Net Real Estate Held for Sale	27	—	—	—	27
Derivative Instrument Assets	1,663	—	16,193	—	17,856
Other Receivables	—	—	—	—	—
Total Noncurrent Assets	144,466	39,510	1,722,921	—	1,906,897
Total Assets	306,362	47,920	2,010,802	(24,105)	2,340,979
Deferred Outflow of Resources					
Accumulated Decrease in Fair Value of Hedging Derivatives	—	—	176	—	176
Total Deferred Outflows of Resources	—	—	176	—	176
Liabilities					
Current Liabilities:					
Bonds and Notes Payable	67,020	1,364	35,990	—	104,374
Accrued Interest Payable	2,147	96	15,919	—	18,162
Accrued Liabilities and Other	62	(1)	889	—	950
Due to Other Funds	—	2,473	49,355	(24,105)	27,723
Total Current Liabilities	69,229	3,932	102,153	(24,105)	151,209
Noncurrent Liabilities:					
Bonds and Notes Payable, Net of Current Portion	113,161	38,880	1,963,888	—	2,115,929
Derivative Instrument Liability	—	—	176	—	176
Total Noncurrent Liabilities	113,161	38,880	1,964,064	—	2,116,105
Total Liabilities	182,390	42,812	2,066,217	(24,105)	2,267,314
Deferred Inflow of Resources					
Accumulated Increase in Fair Value of Hedging Derivatives	1,663	—	16,193	—	17,856
Unearned Revenue			8,467		8,467
Total Deferred Inflows of Resources	1,663	—	24,660	—	26,323
Net Position					
Restricted for Bond Resolution Purposes	122,309	5,108	—	—	127,417
Unrestricted	—	—	(79,899)	—	(79,899)
Total Net Position	$ 122,309	$ 5,108	$ (79,899)	$ —	$ 47,518

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
SINGLE FAMILY PROGRAM FUND (DOLLARS IN THOUSANDS)
YEAR ENDED JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Homeowner Mortgage Revenue Bonds	Housing Revenue Bonds	Revenue Bonds	Total
Operating Revenues:				
Investment and Other Investment Income	$ 6,934	$ 1,886	$ 55,905	$ 64,725
Interest Earned on Program Loans	3,980	—	—	3,980
Other Income	—	—	—	—
Total Operating Revenues	10,914	1,886	55,905	68,705
Operating Expenses:				
Interest Expense	6,041	1,298	42,203	49,542
Other General and Administrative	313	—	—	313
Financing Costs	937	168	5,668	6,773
Program Grants	—	—	5,146	5,146
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	(855)	—	(1)	(856)
Provision for Estimated Losses on Real Estate Held for Sale	617	—	—	617
Total Operating Expenses	7,053	1,466	53,016	61,535
Operating Income	3,861	420	2,889	7,170
NonOperating Revenues and Expenses				
Gain/Loss on Investment Sale Revenues	248	87	545	880
Net Decrease in Fair Value of Investments	(3,286)	(1,994)	(62,628)	(67,908)
Total Nonoperating Loss	(3,038)	(1,907)	(62,083)	(67,028)
Income (Loss) Before Transfers	823	(1,487)	(59,194)	(59,858)
Transfers In	—	—	443	443
Transfers Out	—	—	—	—
Total Transfers	—	—	443	443
Change in Net Position	823	(1,487)	(58,751)	(59,415)
Net Position - Beginning Of Year	121,486	6,595	(21,148)	106,933
Net Position - End Of Year	$ 122,309	$ 5,108	$ (79,899)	$ 47,518

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
COMBINING SCHEDULE OF CASH FLOWS – SINGLE FAMILY PROGRAM FUND
(DOLLARS IN THOUSANDS)
YEAR ENDED JUNE 30, 2023
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Homeowner Mortgage Revenue Bonds	Housing Revenue Bonds	Revenue Bonds	Total
Cash Flows From Operating Activities:				
Receipts for Program Loans, Interest and Service Fees	$ 24,693	$ —	$ 40	$ 24,733
Payments for Loan Program Loans	(12,197)	—	—	(12,197)
Payments for Program Grants	—	—	(5,146)	(5,146)
Payments to Suppliers	(1,765)	(168)	(5,668)	(7,601)
Other Receipts	—	—	8,466	8,466
Net Cash Provided (Used) by Operating/Nonoperating Activities	10,731	(168)	(2,308)	8,255
Cash Flows From Noncapital Financing Activities:				
Interest Paid on Revenue Bonds and Notes	(5,799)	(1,319)	(32,783)	(39,901)
Due To / From Other Funds	2,026	(287)	31,792	33,531
Proceeds From Sale of Revenue Bonds and Notes	—	—	902,459	902,459
Principal Paid on Revenue Bonds and Notes	(24,670)	(4,363)	(103,771)	(132,804)
Transfers In	—	—	443	443
Net Cash Provided (Used) by Noncapital Financing Activities	(28,443)	(5,969)	798,140	763,728
Cash Flows From Investing Activities:				
Purchase of Investment Securities	(306,470)	(13,574)	(346,060)	(666,104)
Proceeds From Sales and Maturities of Investment Securities	323,640	19,611	267,291	610,542
Interest Received on Investments	3,540	1,767	51,252	56,559
Transfers In	—	—	(751,730)	(751,730)
Transfers Out	3,101	—	—	3,101
Net Cash Provided (Used) by Investing Activities	23,811	7,804	(779,247)	(747,632)
Net Increase (Decrease) in Cash and Cash Equivalents	6,099	1,667	16,585	24,351
Cash and Cash Equivalents at Beginning of the Year	4,224	6,026	102,368	112,618
Cash and Cash Equivalents at End of the Year	$ 10,323	$ 7,693	$ 118,953	$ 136,969
Reconciliation of Operating Income (Loss) to Net Cash provided (Used) by Operating Activities:				
Operating Income	$ 3,861	$ 420	$ 2,889	$ 7,170
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Investment Income	(6,934)	(1,886)	(55,905)	(64,725)
Interest Expense	6,041	1,298	42,203	49,542
Changes in Provision for (Reversal of) Estimated Losses on Program Loans Receivable	(855)	—	(1)	(856)
Changes in Provision for for Estimated Losses on Real Estate Held for Sale	617	—		617
Changes in Assets and Liabilities:				
Program Loans Receivable	8,771	—	40	8,811
Interest Receivable on Program Loans	208	—	—	208
Other Assets	(2,020)	—	(8,420)	(10,440)
Other Liabilities	(515)	—	176	(339)
Changes in Deferred Outflow of Resources	—	—	(176)	(176)
Changes in Deferred Inflow of Resources	1,557	—	16,886	18,443
Total Adjustments	6,870	(588)	(5,197)	1,085
Net Cash Provided (Used) by Operating/Nonoperating Activities	$ 10,731	$ (168)	$ (2,308)	$ 8,255
Noncash Investing Capital and Financing Activities:				
Transfer of Foreclosed Assets	$ 1,074	$ —	$ —	$ 1,074
Decrease in Fair Value of Investments	$ (3,286)	$ (1,994)	$ (62,628)	$ (67,908)

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

STATISTICAL SECTION

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
STATISTICAL SECTION
YEAR ENDED JUNE 30, 2023

This part of the Illinois Housing Development Authority Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the Authority's overall financial health.

Financial Trends
These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity
These tables contain information to help the reader assess the Authority's various revenue sources.

Debt Capacity
These tables present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

Economic and Demographic Information
These tables offer economic and demographic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Operating Indicators
These tables contain data to assist the reader in understanding how the information in the Authority's financial report relates to the communities and services the Authority provides and the population it serves.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
FINANCIAL TRENDS INFORMATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net Investment in Capital Assets	$ 175,334	$ 123,458	$ 50,658	$ 107,148	$ 69,032	$ 41,515	$ 21,753	$ —	$ —	$ —
Restricted for Bond Resolution Purposes	—	—	—	—	—	—	—	—	—	—
Restricted for Loan and Grant Programs	485,895,024	435,344,602	431,808,386	534,647,449	412,077,611	476,703,527	415,059,050	471,241,000	419,908,000	460,155,000
Unassigned	—	—	—	—	—	—	—	—	—	—
Total Governmental activities net position	$ 486,070,358	$ 435,468,060	$ 431,859,044	$ 534,754,597	$ 412,146,643	$ 476,745,042	$ 415,080,803	$ 471,241,000	$ 419,908,000	$ 460,155,000
Business-type activities										
Net Investment in Capital Assets	$ (5,323,424)	$ (3,772,979)	$ (2,265,038)	$ 166,222	$ 2,522,305	$ 4,754,494	$ 6,945,706	$ 7,853,000	$ 8,616,000	$ 11,544,000
Restricted for Bond Resolution Purposes	328,747,862	352,081,420	399,697,878	423,610,724	431,445,905	484,872,295	553,477,860	572,656,200	489,128,200	507,702,200
Restricted for Loan and Grant Programs	41,195,659	41,842,372	42,478,467	43,107,146	43,798,573	44,082,897	44,082,747	44,083,000	46,158,000	46,483,000
Unrestricted	143,702,212	156,453,396	178,722,561	204,845,037	230,173,606	244,033,016	256,208,846	278,963,900	302,591,900	263,117,900
Total Business-type activities net position	$ 508,322,309	$ 546,604,209	$ 618,633,868	$ 671,729,129	$ 707,940,389	$ 777,742,702	$ 860,715,159	$ 903,556,100	$ 846,494,100	$ 828,847,100
Entity-wide										
Net Investment in Capital Assets	$ (5,148,090)	$ (3,649,521)	$ (2,214,380)	$ 273,370	$ 2,591,337	$ 4,796,009	$ 6,967,459	$ 7,853,000	$ 8,616,000	$ 11,544,000
Restricted for Bond Resolution Purposes	328,747,862	352,081,420	399,697,878	423,610,724	431,445,905	484,872,295	553,477,860	572,656,200	489,128,200	507,702,200
Restricted for Loan and Grant Programs	527,090,683	477,186,974	474,286,853	577,754,595	455,876,184	520,786,424	459,141,797	515,324,000	466,066,000	506,638,000
Unrestricted	143,702,212	156,453,396	178,722,561	204,845,037	230,173,606	244,033,016	256,208,846	278,963,900	302,591,900	263,117,900
Total entity-wide net position	$ 994,392,667	$ 982,072,269	$1,050,492,912	$1,206,483,726	$1,120,087,032	$1,254,487,744	$1,275,795,962	$1,374,797,100	$1,266,402,100	$1,289,002,100

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
FINANCIAL TRENDS INFORMATION
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
Illinois Affordable Housing Trust Fund Program	$ 12,568,375	$ 28,716,779	$ 10,632,652	$ 2,939,528	$ 7,301,940	$ 8,764,155	$ 8,119,987	$ 11,584,000	$ 9,682,000	$ 30,113,000
HOME Program	13,580,940	11,367,784	4,287,866	2,182,083	18,266,884	(194,128)	8,865,268	4,735,000	6,081,000	15,863,000
Rental Housing Support Program	18,912,367	515,723	23,673,316	31,295,385	20,553,059	13,123,090	12,466,200	21,427,000	19,425,000	13,194,000
Hardest Hit Fund	158,769,187	48,616,605	35,510,094	76,189,962	116,164,137	89,840,917	52,370,908	—	—	—
ARRA Fund	—	—	—	—	—	—	—	—	—	—
Build Illinois Bond Program	21,206,222	102,396,242	13,358,746	—	—	—	—	8,786,000		36,073,000
Neighborhood Stabilization Program	—	—	—	—	—	—	—	—	—	—
COVID-19 Coronavirus Relief Fund	—	—	—	—	—	—	—	330,621,000	—	—
COVID-19 Emergency Rental Assistance Fund	—	—	—	—	—	—	—	111,701,000	708,578,000	65,216,000
COVID-19 Homeowner Assistance Fund	—	—	—	—	—	—	—	—	7,051,000	239,451,000
COVID-19 State and Local Recovery Program	—	—	—	—	—	—	—	—	—	74,857,000
Other Programs	11,906,883	10,532,713	4,592,256	6,373,551	17,958,368	14,994,649	18,284,675	33,016,000	108,573,000	13,508,000
Total Governmental activities	$ 236,943,974	$ 202,145,846	$ 92,054,930	$ 118,980,509	$ 180,244,388	$ 126,528,683	$ 100,107,038	$ 521,870,000	$ 859,390,000	$ 488,275,000
Business-type Activities:										
Administrative Programs	$ 19,555,784	$ 17,776,979	$ 14,627,899	$ 15,672,823	$ 18,926,134	$ 21,352,859	$ 29,335,017	$ 90,899,000	$ 63,379,000	$ 51,553,000
Multi-Family Mortgage Loan Programs	29,810,315	21,554,716	22,187,467	23,312,712	24,505,866	24,702,251	19,851,370	13,071,000	17,642,000	19,713,000
Multi-Family Federal Assistance Programs	119,890,678	116,262,641	109,660,510	97,889,564	80,118,448	60,702,300	59,086,028	—	—	—
Single-Family Mortgage Loan Programs	36,132,832	35,700,914	28,198,229	24,729,020	23,648,330	32,223,452	35,221,586	29,686,000	30,420,000	61,535,000
Tax Credit Authorization and Monitoring	1,391,482	1,631,256	2,511,320	2,421,895	2,273,964	2,721,506	1,158,499	—	—	—
FAF Lending Program	—	—	—	—	—	—	—	—	—	—
IHDA Dispositions LLC*	688,602	113,437	41,630	388,768	209,987	57,834	—	—	—	—
Total Business-type activities	$ 207,469,693	$ 193,039,943	$ 177,227,055	$ 164,414,782	$ 149,682,729	$ 141,760,202	$ 144,652,500	$ 133,656,000	$ 111,441,000	$ 132,801,000
Total entity-wide expenses	$ 444,413,667	$ 395,185,789	$ 269,281,985	$ 283,395,291	$ 329,927,117	$ 268,288,885	$ 244,759,538	$ 655,526,000	$ 970,831,000	$ 621,076,000
Program Revenues										
Governmental activities:										
Illinois Affordable Housing Trust Fund Program	$ 17,768,375	$ 33,916,779	$ 15,832,652	$ 8,139,528	$ 7,301,940	$ 8,764,155	$ 8,119,987	$ 11,584,000	$ 9,693,000	$ 30,113,000
HOME Program	22,334,881	24,891,370	17,983,890	22,161,492	6,045,918	20,730,321	8,494,616	16,025,000	13,776,000	21,605,000
Rental Housing Support Program	18,912,367	515,723	23,673,316	31,295,385	20,553,059	13,123,090	12,466,200	21,427,000	19,418,000	13,194,000
Hardest Hit Fund	170,573,363	46,872,267	52,282,305	143,497,834	1,117,127	128,823,137	895,285	—	—	—
ARRA Fund	—	—	—	—	—	—	—	—	—	—
Build Illinois Bond Program	80,541,538	57,918,940	669,030	—	—	—	—	70,012,000	—	69,684,000
Neighborhood Stabilization Program	—	—	—	—	—	—	—	—	—	—
COVID-19 Coronavirus Relief Fund	—	—	—	—	—	—	—	330,621,000	—	—
COVID-19 Emergency Rental Assistance Fund	—	—	—	—	—	—	—	111,701,000	708,578,000	65,216,000
COVID-19 Homeowner Assistance Fund	—	—	—	—	—	—	—	—	7,051,000	239,451,000
COVID-19 State and Local Recovery Program	—	—	—	—	—	—	—	—	—	74,857,000
Other Programs	21,425,962	4,242,264	3,082,721	21,981,823	22,618,390	19,686,379	8,466,711	16,660,000	49,568,000	14,576,000
Total Governmental activities	$ 331,556,486	$ 168,357,343	$ 113,523,914	$ 227,076,062	$ 57,636,434	$ 191,127,082	$ 38,442,799	$ 578,030,000	$ 808,084,000	$ 528,696,000

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
FINANCIAL TRENDS INFORMATION
CHANGE IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Administrative Programs	$ 1,984,814	$ 1,958,748	$ 3,535,603	$ 5,294,335	$ 5,708,146	$ 3,194,576	$ 4,850,765	$ 67,680,000	$ 56,802,000	$ 50,627,000
Multi-Family Mortgage Loan Programs	48,213,041	45,702,775	47,006,563	46,426,238	45,164,087	50,578,849	49,558,312	23,549,000	27,639,000	29,689,000
Multi-Family Federal Assistance Programs	119,890,678	116,262,641	109,660,510	97,889,564	80,118,448	60,702,300	59,106,028	—	—	—
Single-Family Mortgage Loan Programs	20,335,407	18,895,381	32,357,060	25,794,707	16,535,971	63,500,109	78,439,693	6,149,000	4,827,000	3,980,000
Tax Credit Authorization and Monitoring	6,233,950	5,239,797	7,069,882	5,405,549	8,476,003	6,799,304	6,381,178	—	—	—
FAF Lending Program	864,233	646,713	636,095	628,679	691,426	577,694	536,275	—	—	—
IHDA Dispositions LLC*	1,110,287	140,816	55,310	60,183	38,516	21,945	—	—	—	—
Total Business-type activities	$ 198,632,410	$ 188,846,871	$ 200,321,023	$ 181,499,255	$ 156,732,597	$ 185,374,777	$ 198,872,251	$ 97,378,000	$ 89,268,000	$ 84,296,000
Total entity-wide revenues	$ 530,188,896	$ 357,204,214	$ 313,844,937	$ 408,575,317	$ 214,369,031	$ 376,501,859	$ 237,315,050	$ 675,408,000	$ 897,352,000	$ 612,992,000
Net (Expenses)/Revenue										
Governmental activities	$ 94,612,512	$ (33,788,503)	$ 21,468,984	$ 108,095,553	$ (122,607,954)	$ 64,598,399	$ (61,664,239)	$ 56,160,000	$ (51,306,000)	$ 40,421,000
Business-type activities	(8,837,283)	(4,193,072)	23,093,968	17,084,473	7,049,868	43,614,575	54,219,751	(36,278,000)	(22,173,000)	(48,505,000)
Total entity-wide net (expense)/revenue	$ 85,775,229	$ (37,981,575)	$ 44,562,952	$ 125,180,026	$ (115,558,086)	$ 108,212,974	$ (7,444,488)	$ 19,882,000	$ (73,479,000)	$ (8,084,000)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Transfers	$ (5,200,000)	$ (5,200,000)	$ (25,078,000)	$ (5,200,000)	$ —	$ —	$ —	$ —	$ (27,000)	$ (174,000)
Total Governmental activities	$ (5,200,000)	$ (5,200,000)	$ (25,078,000)	$ (5,200,000)	$ —	$ —	$ —	$ —	$ (27,000)	$ (174,000)
Business-type activities										
Unrestricted Investment Income	$ 31,771,381	$ 36,934,972	$ 24,072,985	$ 30,629,303	$ 29,161,392	$ 26,187,738	$ 28,752,706	$ 79,119,000	$ (39,072,000)	$ 30,684,000
Gain on Disposition	1,076,274	—	—	—	—	—	—	—	—	—
Capital Contributions	—	340,000	(215,294)	181,485	—	—	—	—	75,000	—
Transfers	5,200,000	5,200,000	25,078,000	5,200,000	—	—	—	—	27,000	174,000
Total Business-type activities	$ 38,047,655	$ 42,474,972	$ 48,935,691	$ 36,010,788	$ 29,161,392	$ 26,187,738	$ 28,752,706	$ 79,119,000	$ (38,970,000)	$ 30,858,000
Total entity-wide	$ 32,847,655	$ 37,274,972	$ 23,857,691	$ 30,810,788	$ 29,161,392	$ 26,187,738	$ 28,752,706	$ 79,119,000	$ (38,997,000)	$ 30,684,000
Change in Net Position										
Governmental activities	$ 89,412,512	$ (38,988,503)	$ (3,609,016)	$ 102,895,553	$ (122,607,954)	$ 64,598,399	$ (61,664,239)	$ 56,160,000	$ (51,333,000)	$ 40,247,000
Business-type activities	29,210,372	38,281,900	72,029,659	53,095,261	36,211,260	69,802,313	82,972,457	42,841,000	(61,143,000)	(17,647,000)
Total entity-wide	$ 118,622,884	$ (706,603)	$ 68,420,643	$ 155,990,814	$ (86,396,694)	$ 134,400,712	$ 21,308,218	$ 99,001,000	$ (112,476,000)	$ 22,600,000

* Previously referred to as Illinois Housing Authority LLC

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
FINANCIAL TRENDS INFORMATION
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Funds										
Nonspendable	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Restricted	485,680,980	435,144,826	431,601,517	534,469,129	411,889,835	476,536,646	414,886,387	471,071,000	419,736,000	460,001,000
Committed	—	—	—	—	—	—	—	—	—	—
Assigned	—	—	—	—	—	—	—	—	—	—
Unassigned	—	—	—	—	—	—	—	—	—	—
Total Fund Balances of Governmental Funds	$485,680,980	$435,144,826	$431,601,517	$534,469,129	$411,889,835	$476,536,646	$414,886,387	$471,071,000	$419,736,000	$460,001,000

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
FINANCIAL TRENDS INFORMATION
CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Grant from State of Illinois	$ 127,524,104	$ 93,596,775	$ 39,584,627	$ 58,940,833	$ 45,577,161	$ 35,129,032	$ 23,477,758	$ 110,798,000	$ 33,286,000	$ 107,450,000
Federal Funds	177,137,490	59,426,431	67,748,985	163,308,121	6,504,355	149,122,045	9,406,149	464,823,000	769,988,000	399,083,000
Interest and investment income	26,878,511	15,348,405	6,183,209	4,855,657	5,100,422	6,896,901	4,856,321	2,411,000	4,808,000	21,319,000
Other	—	—	—	—	445,040	—	696,789	2,000	—	862,000
Total revenues	$ 331,540,105	$ 168,371,611	$ 113,516,821	$ 227,104,611	$ 57,626,978	$ 191,147,978	$ 38,437,017	$ 578,034,000	$ 808,082,000	$ 528,714,000
Expenditures										
Debt Service:										
Principal	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 901,000
Interest	—	—	—	—	—	—	—	—	—	31,000
Grants	211,094,946	186,941,023	81,105,677	106,937,208	144,148,525	110,956,653	72,423,328	471,001,000	785,557,000	412,905,000
General and administrative	24,619,322	27,730,873	7,542,114	13,796,506	16,799,873	16,445,993	17,288,339	45,796,000	59,916,000	56,617,000
Program income transferred to State of Illinois	8,893	13,182	13,780	49,506	222,827	450,917	540,671	11,000	281,000	15,212,000
Provision for estimated losses on program loans receivable	1,289,622	(12,591,108)	3,320,559	(1,746,221)	19,035,047	(1,352,396)	9,343,187	4,899,000	13,627,000	2,430,000
Financing Costs	—	—	—	—	—	—	491,751	141,000	9,000	179,000
Total expenditures	$ 237,012,783	$ 202,093,970	$ 91,982,130	$ 119,036,999	$ 180,206,272	$ 126,501,167	$ 100,087,276	$ 521,848,000	$ 859,390,000	$ 488,275,000
Excess/(deficiency) of revenues over expenditures	$ 94,527,322	$ (33,722,359)	$ 21,534,691	$ 108,067,612	$ (122,579,294)	$ 64,646,811	$ (61,650,259)	$ 56,186,000	$ (51,308,000)	$ 40,439,000
Other Financing Sources (Uses)										
Transfers In	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 7,406,000	$ —
Transfers Out	(5,200,000)	(5,200,000)	(25,078,000)	(5,200,000)	—	—	—	—	(7,433,000)	(174,000)
Total Other Financing Sources (Uses)	$ (5,200,000)	$ (5,200,000)	$ (25,078,000)	$ (5,200,000)	$ —	$ —	$ —	$ —	$ (27,000)	$ (174,000)
Net Change in Fund Balances	$ 89,327,322	$ (38,922,359)	$ (3,543,309)	$ 102,867,612	$ (122,579,294)	$ 64,646,811	$ (61,650,259)	$ 56,186,000	$ (51,335,000)	$ 40,265,000
Special Item	$ 85,190	$ (66,143)	$ (65,707)	$ 27,941	$ (28,660)	$ (48,412)	$ (13,891)	$ (26,000)	$ 2,000	$ —
Net Change in Net Position of Governmental Activities	$ 89,412,512	$ (38,988,502)	$ (3,609,016)	$ 102,895,553	$ (122,607,954)	$ 64,598,399	$ (61,664,150)	$ 56,160,000	$ (51,333,000)	$ 40,265,000
Debt Service as a percentage of noncapital expenditures	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
REVENUE CAPACITY INFORMATION
SIGNIFICANT "OWN-SOURCE" REVENUE BASE – MORTGAGE LOANS RECEIVABLE
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Illinois Affordable Housing Trust Fund Program	$309,945,861	$313,406,304	$312,348,399	$301,905,192	$287,491,717	$292,351,926	$315,403,150	$323,466,000	$318,645,000	$ 336,537,000
HOME Program	227,494,714	241,265,832	249,751,628	267,219,937	253,462,229	272,657,527	273,743,369	283,043,000	287,016,000	295,779,000
Hardest Hit Fund	9,349,559	23,746,035	10,683,336	3,775,232	1,967,692	788,007	768,571	—	—	—
ARRA Fund	—	—	—	—	—	—	—	—	—	—
Build Illinois Bond Program	—	1,203,783	3,708,553	—	—	—	—	3,989,000	—	6,851,000
COVID-19 Coronavirus Relief Fund	—	—	—	—	—	—	—	—	—	—
COVID-19 Homeowner Assistance Fund	—	—	—	—	—	—	—	—	—	—
COVID-19 Emergency Rental Assistance Fund	—	—	—	—	—	—	—	—	—	—
Neighborhood Stabilization Program	—	—	—	—	—	—	—	—	—	—
Other Programs	78,297,938	77,830,792	78,608,204	83,853,080	89,667,656	96,079,161	87,641,749	85,170,000	82,449,000	75,999,000
Total governmental activities	$625,088,072	$657,452,746	$655,100,120	$656,753,441	$632,589,294	$661,876,621	$677,556,839	$695,668,000	$688,110,000	$ 715,166,000
Business-type activities:										
Administrative Fund	93,605,611	76,142,457	73,685,337	89,031,763	72,954,983	64,906,919	49,290,810	50,380,000	46,637,000	55,770,000
Mortgage Loan Program Fund	477,023,657	431,981,128	426,390,151	347,136,659	330,938,292	287,270,228	264,618,180	362,898,000	396,498,000	428,214,000
Single Family Program Fund	331,735,097	280,678,961	251,300,032	213,949,890	183,492,165	159,653,305	135,963,731	114,210,000	97,805,000	89,850,000
IHDA Dispositions LLC*	—	—	—	—	—	—	—	—	—	—
	$902,364,365	$788,802,546	$751,375,520	$650,118,312	$587,385,440	$511,830,452	$449,872,721	$527,488,000	$540,940,000	$ 573,834,000
Total entity-wide	$1,527,452,437	$1,446,255,292	$1,406,475,640	$1,306,871,753	$1,219,974,734	$1,173,707,073	$1,127,429,560	$1,223,156,000	$1,229,050,000	$1,289,000,000
Total interest income on loans	$ 47,029,997	$ 42,230,120	$ 36,942,609	$ 32,142,357	$ 30,137,414	$ 25,924,997	$ 21,580,727	$ 19,768,000	$ 20,776,000	$ 21,132,000
Average rate of return for year	3.08 %	2.92 %	2.63 %	2.46 %	2.47 %	2.21 %	1.91 %	1.62 %	1.69 %	1.64 %

* Previously referred to as Illinois Housing Authority LLC

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
REVENUE CAPACITY INFORMATION
SIGNIFICANT “OWN-SOURCE” REVENUE RATES – INTEREST INCOME ON MORTGAGE RECEIVABLES
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Illinois Affordable Housing Trust Fund Program	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
HOME Program	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Rental Housing Support Program	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Hardest Hit Fund	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
ARRA Fund	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Build Illinois Bond Program	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
COVID-19 Homeowner Assistance Fund	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
COVID-19 Emergency Rental Assistance Fund	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Other Programs	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Business-type activities:										
Administrative Fund	2.11 %	2.97 %	3.02 %	1.44 %	2.74 %	2.09 %	1.52 %	1.10 %	1.30 %	1.36 %
Mortgage Loan Program Fund	5.22 %	4.96 %	4.83 %	5.35 %	5.30 %	5.43 %	5.04 %	3.60 %	3.87 %	3.83 %
Single Family Program Fund	6.08 %	6.61 %	5.62 %	5.74 %	5.78 %	5.62 %	5.52 %	5.38 %	4.94 %	4.43 %
IHDA Dispositions LLC*	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Average rate of return for year	3.08 %	2.92 %	2.63 %	2.46 %	2.47 %	2.21 %	1.91 %	1.62 %	1.69 %	1.64 %

* Previously referred to as Illinois Housing Authority LLC

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
DEBT CAPACITY INFORMATION
DEBT LIMITATION INFORMATION / RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Securitized Mortgage Loans and Mortgage Loans Receivable, Net, at Fiscal Year Ended June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Bonds and Notes Payable	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Governmental activities	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Business-type activities:										
Bonds and Notes Payable	$1,282,075,926	$1,083,981,566	$1,080,340,780	$1,147,673,217	$1,164,424,724	$1,386,721,017	$1,529,870,979	$1,731,239,000	$1,947,760,000	$2,735,945,000
Total Business-type activities	$1,282,075,926	$1,083,981,566	$1,080,340,780	$1,147,673,217	$1,164,424,724	$1,386,721,017	$1,529,870,979	$1,731,239,000	$1,947,760,000	$2,735,945,000
Total entity-wide	$1,282,075,926	$1,083,981,566	$1,080,340,780	$1,147,673,217	$1,164,424,724	$1,386,721,017	$1,529,870,979	$1,731,239,000	$1,947,760,000	$2,735,945,000
Entity-wide										
Investments	$ 92,545,748	$ 104,293,828	$ 236,566,316	$ 264,042,157	$ 313,030,834	$ 283,831,811	$ 229,724,194	$ 136,068,000	$ 310,187,000	$ 218,863,000
Restricted Investments	419,596,462	306,216,011	513,741,455	745,588,980	709,126,352	1,092,121,142	1,262,584,807	1,292,847,000	1,506,282,000	2,240,428,000
Net Mortgage Loans Receivable	1,462,671,953	1,372,832,695	1,308,120,241	1,248,091,598	1,134,927,383	1,113,295,366	1,127,429,560	1,223,156,000	1,229,050,000	1,289,000,000
Total investments, restricted investments and net mortgage loans receivable	$1,974,814,163	$1,783,342,534	$2,058,428,012	$2,257,722,735	$2,157,084,569	$2,489,248,319	$2,619,738,561	$2,652,071,000	$3,045,519,000	$3,748,291,000
Debt as a percentage of investments, restricted investments and net mortgage loans receivable	64.92 %	60.78 %	52.48 %	50.83 %	53.98 %	55.71 %	58.40 %	65.28 %	63.95 %	72.99 %

Note: Details regarding the Authority's outstanding debt can be found in Note 8 to the current financial statements.

Authority Debt Limitation

Pursuant to the IHDA Act(20 ILCS 3805/22), the Authority has the power to have up to $7.2 billion of general and special limited obligation bonds and notes outstanding, excluding those issued to refund outstanding bonds and notes.
At June 30, 2023 amounts outstanding against this limitation were approximately $4.6 billion.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
DEMOGRAPHIC AND ECONOMIC INFORMATION
STATE OF ILLINOIS DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDARS YEARS

	2014	2015	2016	2017	2018	2019	2020	2021*	2022*	2023*
State of Illinois										
Population	12,885,092	12,859,585	12,821,709	12,779,893	12,724,685	12,671,821	12,812,508	12,582,032	n/a	n/a
Personal income (millions of dollars)	638,640	666,944	673,691	693,331	728,366	748,812	792,136	850,197	n/a	n/a
Per capita personal income (dollars)	49,238	51,443	52,036	53,645	56,512	58,273	61,957	67,095	n/a	n/a
Unemployment rate	6.2 %	6.1 %	5.4 %	4.7 %	4.5 %	3.6 %	7.5 %	5.1 %	n/a	n/a
Poverty rate	14.4 %	13.6 %	13.0 %	12.6 %	12.1 %	11.5 %	12.0 %	11.9 %	n/a	n/a
Median home value (dollars)	175,700	173,800	174,800	179,700	187,200	194,500	202,100	212,600	n/a	n/a

* Data not yet available

Sources: U.S. Census Bureau, U.S. Department of Commerce - Bureau of Economic Analysis

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
DEMOGRAPHIC AND ECONOMIC INFORMATION EMPLOYMENT BY INDUSTRY SECTORS - MOST RECENT YEAR AND NINE YEARS AGO

	Calendar Year 2022			Calendar Year 2013		
Sector	Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
Trade, Transportation & Utilities	1,216,800	1	20.82 %	1,161,758	1	20.02 %
Professional & Business Services	924,133	2	15.81 %	883,592	2	15.23 %
Education & Health Services	905,242	3	15.49 %	875,158	3	15.08 %
Government	780,042	4	13.34 %	828,217	4	14.27 %
Manufacturing	553,825	5	9.47 %	579,633	5	9.99 %
Leisure & Hospitality	502,750	6	8.60 %	546,392	6	9.41 %
Financial Activities	406,842	7	6.96 %	378,942	7	6.53 %
Other Services	238,492	8	4.08 %	249,917	8	4.31 %
Construction	222,508	9	3.81 %	191,392	9	3.30 %
Information	88,417	10	1.51 %	98,883	10	1.70 %
Mining & Logging	6,575	11	0.11 %	9,675	11	0.17 %
Totals	5,845,626			5,803,559		

Note: Figures represent State of Illinois annual averages of monthly employment for all industries outside of Farming/Agriculture.

Source: U.S. Bureau of Labor Statistics

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
A COMPONENT UNIT OF THE STATE OF ILLINOIS
OPERATING INFORMATION
IHDA FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Function										
Executive	6	3	5	8	7	5	8	9	10	9
Accounting	12	12	12	13	15	11	16	19	19	20
Legal	17	18	18	20	19	18	22	24	26	28
Human Resources	5	6	6	7	7	7	6	6	8	10
Asset Management *	52	48	53	53	65	67	66	71	70	75
Homeownership (Single Family) *	20	21	15	15	23	26	31	30	30	31
Finance	9	11	11	12	15	15	17	19	23	25
Operational Excellence	5	6	6	8	7	7	7	6	6	8
Information Technology	19	17	19	21	24	24	30	39	37	39
Communications (Public Affairs)	5	4	6	5	5	5	5	6	7	5
Internal Audit	5	6	5	5	3	5	4	5	4	6
Strategic Planning & Reporting	5	6	18	19	19	19	18	20	22	22
Community Affairs	10	8	11	10	11	11	12	13	14	15
Hardest Hit Fund Department ***	28	21	32	35	44	23	19	0	0	0
Multifamily	29	30	28	31	31	28	34	36	37	45
Loan Portfolio Management *	19	29	31	27	0	0	0	0	0	0
Housing Coordination	8	6	0	0	0	0	0	0	0	0
Strategic Response **	0	0	0	0	0	0	0	26	28	27
Total entity full-time equivalent	254	252	276	289	295	271	295	329	341	365

* Loan Portfolio Management department was shuttered following FY2017 and functionality was moved into the Asset Management and Homeownership departments in FY2018.
** Strategic Response department was created in FY2021.
*** Hardest Hit Fund program and department closed in FY2021. Some personnel moved to the new Strategic Response department.

Source: Illinois Housing Development Authority

®

APPENDIX B

CERTAIN INFORMATION REGARDING THE SERIES 2024E LOAN

As of August 1, 2024

Loan Name	No. of Units	Principal Balance	Anticipated First Disbursement	Expected Amort. Start Date	Amort. Term (Years)	Expected Final Maturity	Interest Rate	Anticipated Placed in Service Date	Expected DSCR	Anticipated Loan Lockout Date Expiration	Anticipated LIHTC Compliance Expiration Date	Anticipated Sect. 8 Expiration Date	No. of Section 8 Units	Anticipated Extended Use Expiration Date
Series 2024E Risk Share Loan	100	$12,725,000	08/08/2024	10/01/2024	40	9/01/2064	4.30%	11/30/2023	1.11	10/01/2034	12/31/2037	6/30/2042	100	12/31/2052

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APPENDIX C

FORM OF SERIES 2024E INDENTURE

(Draft as of August 1, 2024)

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ILLINOIS HOUSING DEVELOPMENT AUTHORITY

SERIES INDENTURE

Dated as of August 1, 2024

PROVIDING FOR THE ISSUANCE OF

$12,725,000 PRINCIPAL AMOUNT
ILLINOIS HOUSING DEVELOPMENT AUTHORITY
MULTIFAMILY REVENUE BONDS, 2024 SERIES E

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(This Table of Contents is not part of the 2024 Series E Indenture, but is included for convenience of reference only.)

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MISCELLANEOUS PROVISIONS

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

$12,725,000 PRINCIPAL AMOUNT
ILLINOIS HOUSING DEVELOPMENT AUTHORITY
MULTIFAMILY REVENUE BONDS, 2024 SERIES E

2024 SERIES E INDENTURE

This 2024 Series E Indenture is dated as of August 1, 2024, and is executed and made by the ILLINOIS HOUSING DEVELOPMENT AUTHORITY (the "Authority"), and delivered to THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee (the "Trustee") under the Trust Indenture, dated as of September 1, 2016, pertaining to the Authority's Multifamily Revenue Bonds.

ARTICLE I

AUTHORITY AND DEFINITIONS

Section 1.01. 2024 Series E Indenture.

(a) This 2024 Series E Indenture (hereinafter referred to as the "2024 Series E Indenture") is adopted in accordance with the Resolution of the Authority dated July 19, 2024 (the "Resolution") and the General Indenture, as defined below, and pursuant to the authority contained in the Act. This 2024 Series E Indenture constitutes a "Series Indenture" as defined in the General Indenture for the purpose of authorizing a Series of Bonds under the General Indenture.

(b) Except as otherwise provided in this 2024 Series E Indenture, the provisions of the General Indenture (as such provisions exist on the date of execution and delivery of this 2024 Series E Indenture) shall be deemed incorporated into this 2024 Series E Indenture as if such provisions were set forth herein.

(c) The 2024 Series E Bonds issued pursuant to this 2024 Series E Indenture shall be deemed and secured and defined as "Bonds" under the General Indenture and shall **not** be considered Separately-Secured Bonds as provided for under Section 12.09 of the General Indenture and the provisions of Section 12.09 of the General Indenture shall not be applicable to the 2024 Series E Bonds**.**

Section 1.02. Definitions. The definitions contained in Article I of the General Indenture are incorporated by reference herein. In addition, for the purposes of this 2024 Series E Indenture, the following terms shall have the meanings set forth below:

"*Account*" means one of the special accounts created and established pursuant to this 2024 Series E Indenture.

"*Authorized Denominations*" (i) with respect to the 2024 Series E Bonds means $5,000 or any integral multiple in excess thereof, and (ii) with respect to the 2024 Series E Bonds has the meaning set forth in Exhibit C hereto.

"*Available Moneys*" means, as of any date of determination, any of the following, as applicable:

(a) the proceeds of the 2024 Series E Bonds;

(b) moneys drawn on a letter of credit;

(c) moneys received by the Trustee representing advances to the Borrower (or an affiliate) of funds from other third parties representing loans earmarked for the Financed Development;

(d) any other amounts, including the proceeds of refunding bonds, for which the Trustee has received an opinion of counsel to the effect that the use of such amounts to make payments on the 2024 Series E Bonds would not violate Section 362(a) of the Bankruptcy Code (or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court) or be avoidable as preferential payments under Section 547 of the Bankruptcy Code should the Authority or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;

(e) any payments made by the Borrower and held by the Trustee for a continuous period of 123 days, provided that no Act of Bankruptcy has occurred during such period; or

(f) investment earnings derived from the investment of moneys described in (a) through (f) above.

"*Bond Purchase Fund*" has the meaning set forth in Exhibit C hereto.

"*Book Entry Depository*" shall have the meaning as provided in Section 2.06 of this 2024 Series E Indenture.

"*Borrower*" means Elgin Manor Preservation Associates I Limited Partnership, an Illinois limited partnership.

"*Cash Flow Projection*" means a cash flow projection prepared by an independent firm of certified public accountants, a financial advisory firm, or independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by the Authority, or the Remarketing Agent and the Rating Agency, establishing, to the satisfaction of the Authority, the Remarketing Agent and the Rating Agency, the sufficiency of (a) the amount on deposit in the 2024 Series E Risk Share Loan Subaccount of the 2024 Series E Account of the Program Fund, if any, (b) projected investment income to accrue on amounts on deposit in the 2024 Series E Risk Share Loan Subaccount of the 2024 Series E Account of the Program Fund, if any, during the applicable period and (c) any additional Available Moneys (the "*Remarketing Deposit*") to be delivered to the Trustee by or on behalf of the Borrower which is needed to pay principal and interest on the 2024 Series E Bonds for the Remarketing Period and the administrative expenses, in each instance, when due and payable, in connection with a proposed remarketing of the 2024 Series E Bonds, as provided in Section 3.10 of this 2024 Series E Indenture.

"*Closing Date*" means August 8, 2024.

"*Determination*" means the Determination or, collectively, the Determinations of the Authority authorizing the issuance of the 2024 Series E Bonds.

"*Federal Insurance*" means insurance of certain of the 2024 Series E Loan(s) by HUD under Section 542(c) of the Housing and Community Development Act of 1992, as amended and the regulations promulgated thereunder, or under any section of the National Housing Act, as amended, that provides for payment of insurance claims in cash at least equal to the amounts permitted under the above referred to section of the Housing and Community Development Act.

"*Financed Development*" means each housing development financed in whole or in part with a Loan made with the proceeds of the 2024 Series E Bonds; each such "*Financed Development*" also constitutes a "Project" for purposes of this 2024 Series E Indenture and the 2024 Series E Loan Documents.

"*General Indenture*" means the Trust Indenture dated as of September 1, 2016 between the Authority and the Trustee.

"*HUD*" means the United States of America acting through the Department of Housing and Urban Development.

"*HUD Regulations*" means the regulations promulgated by HUD regarding FHA Insurance which shall include temporary regulations until final regulations are promulgated, and, upon promulgation thereof, final regulations.

"*IHDA Regulatory Agreement*" means the IHDA Regulatory Agreement entered into between the Borrower and the Authority setting forth certain restrictions on the occupancy and operation of the Development, as required by the Act.

"*Interest Payment Date*" has the meaning set forth in Exhibit C hereto and any Redemption Date, and the Maturity Date.

"*Loan*" or "*2024 Series E Loan*" means the 2024 Series E Risk Share Loan, and includes any instrument evidencing an ownership interest in or security for such Loan and any related documents with respect to the related Financed Development.

"*Local Time*" means the Central Time zone in effect at the time.

"*Moody's*" means Moody's Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating Authority, designated by the Authority, as assigns credit ratings.

"*Mortgage*" means the first lien mortgage or deed of trust executed to secure payment obligation under the 2024 Series E Risk Share Loan.

"*Qualified Project Period*" means a period beginning on the first day on which 10% of the residential units in a Financed Development are occupied and ending on the latest of (a) the date which is 15 years after the date on which 50% of the residential units in such Development are occupied, (b) the first day on which no tax-exempt private activity bond issued with respect to such Financed Development is outstanding, or (c) the date on which any assistance provided with respect to such Financed Development under the Section 8 Project-Based Rental Assistance Housing Assistance Payments Contract terminates.

"*Rating Agency*" shall mean Moody's Investors Service or any nationally recognized statistical rating Authority then maintaining a rating on the 2024 Series E Bonds at the request of the Authority.

"*Record Date*" has the meaning set forth in Exhibit C hereto.

"*Redemption Date*" means any date upon which the 2024 Series E Bonds are to be redeemed pursuant to this 2024 Series E Indenture.

"*Remarketing Agent*" means the remarketing agent designated in accordance with Section 3.12 hereof.

"*Remarketing Account*" has the meaning set forth in the Tender Agent Agreement.

"*Remarketing Expenses*" means the costs and expenses incurred by the Trustee and its counsel, the Remarketing Agent and its counsel, the Authority and its counsel, and Bond Counsel in connection with the remarketing of the 2024 Series E Bonds, including bond printing and registration costs, costs of funds advanced by the Remarketing Agent, registration and filing fees, rating agency fees and other costs and expenses incurred in connection with or properly attributable to the remarketing of 2024 Series E Bonds as certified to the Trustee by the Remarketing Agent in writing.

"*Reserve Requirement*" means an amount equal to $312,630 with respect to the 2024 Series E Bonds.

"*Risk Sharing Act*" means Section 542(c) of the Housing and Community Development Act of 1992, as amended, and the regulations promulgated thereunder.

"*Securities Depository*" means, initially, The Depository Trust Company, New York, New York, and its successors and assigns, and any replacement securities depository appointed under this 2024 Series E Indenture.

"*Tax Certificate*" means the Arbitrage and Tax Certificate of the Authority delivered in connection with the issuance of the 2024 Series E Bonds.

"*Tax Regulatory Agreement*" means the Use Restriction Agreement, dated as of August 1, 2024 entered into by and among the Authority, the Borrower and the Trustee.

"*2024 Series E Bonds*" means the Illinois Housing Development Authority Multifamily Revenue Bonds, 2024 Series E, authorized by this 2024 Series E Indenture.

"*2024 Series E Cash Collateral Account*" means the Account created under this 2024 Series E Indenture as a part of the Revenue Fund which secures a portion of the 2024 Series E Bonds.

"*2024 Series E Cost of Issuance Subaccount*" means the segregated Account designated the 2024 Series E Cost of Issuance Subaccount into which amounts relating to the 2024 Series E Bonds are deposited, which subaccount is established in Section 4.01 of this 2024 Series E Indenture.

"*2024 Series E Indenture*" means this 2024 Series E Indenture.

"*2024 Series E Loan Documents*" means all of the documents evidencing the Loan(s) made by the Authority to the Borrower which secure the Bonds.

"*2024 Series E Risk Share Loan*" means the Loan made by the Authority to the Borrower under the provisions of the HUD Risk Sharing Act.

"*2024 Series E Term Bonds*" means the 2024 Series E Bonds issued as Term Bonds pursuant to Section 2.03 hereof subject to mandatory sinking fund redemption and maturing on January 1, 2065.

"*Tender Agent Agreement*" means the Tender Agent Agreement, dated as of August 1, 2024 entered into by and among the Authority, the Trustee, The Bank of New York Mellon Trust Company, N.A., as Tender Agent, and the Remarketing Agent.

"*Trustee*" means The Bank of New York Mellon Trust Company, N.A., the commercial bank, trust company or national banking association appointed pursuant to act as trustee hereunder, and its successor or successors and any other commercial bank, trust company or national banking association at any time substituted in its place pursuant to the General Indenture.

"*Underwriter*" means Loop Capital Markets LLC, as sole underwriter of the 2024 Series E Bonds.

ARTICLE II

AUTHORIZATION OF 2024 SERIES E BONDS

Section 2.01. Principal Amount, Designation and Form. Pursuant to the provisions of the General Indenture and, specifically, Section 2.09 thereof, the 2024 Series E Bonds are hereby authorized in the aggregate principal amount of $12,725,000. Such 2024 Series E Bonds shall be issued in one Series of Bonds, designated "Multifamily Revenue Bonds, 2024 Series E" (the "2024 Series E Bonds"). The 2024 Series E Bonds will be issued only as fully registered bonds.

Section 2.02. Purposes.

(a) The 2024 Series E Bonds are being issued as special, limited obligations of the Authority, with a claim for payment solely from the Trust Estate pledged under the General Indenture and as further described in this 2024 Series E Indenture.

(b) The State shall not be liable on the 2024 Series E Bonds, and the 2024 Series E Bonds shall not be a debt of the State. Section 26.1 of the Act shall not apply to the 2024 Series E Bonds. The 2024 Series E Bonds are not Subordinate Bonds.

(c) The 2024 Series E Bonds are being issued to currently refund the Authority's Multifamily Housing Revenue Note, Series 2022A (Burnham Manor) (the "Series 2022A Note"). Proceeds of the Series 2022A Note in the aggregate principal amount of at least $12,725,000 were used to fund the Loan(s) to the Borrower to enable the Borrower to fund the acquisition, rehabilitation, renovation and equipping of the Financed Development.

Section 2.03. Dates, Maturities and Interest Rates of 2024 Series E Bonds. The 2024 Series E Bonds shall be dated the date of their delivery (August 8, 2024) and shall mature on the date and in the principal amount as follows, and shall bear interest at the rates per annum provided in Exhibit C hereto. The 2024 Series E Bonds will initially bear interest for a Weekly Interest Rate Period. The 2024 Series E Bonds will continue to bear interest for a Weekly Interest Rate Period until adjusted at the option of the Authority to bear interest for a Daily Interest Rate Period, a Short-Term Interest Rate Period or a Long-Term Interest Rate Period, as more fully described in Exhibit C hereto, at the rate or rates determined during such Interest Rate Period and calculated and payable as described in Exhibit C hereto.

2024 Series E Term Bonds

Maturity Date	Principal Amount
January 1, 2065	$12,725,000

Section 2.04. Interest Payments and Payments of Principal and Redemption Price. The 2024 Series E Bonds shall bear interest from the date of issuance and authentication thereof, payable on each Interest Payment Date. Interest on the 2024 Series E Bonds will be calculated as provided in Exhibit C hereto. The 2024 Series E Bonds will initially bear interest at the Weekly

Interest Rates applicable to such series of the variable rate bonds, payable on January 1 and July 1 in each year, with the first interest Payment Date being January 1, 2025. Appropriate assignments of subseries designations shall be made by the Authority with respect to each tranche of the 2024 Series E Bonds which are variable rate bonds made subject to each such mode change. The 2024 Series E Bonds initially will be registered in the name of Cede & Co., as Owner and nominee of DTC, which will act as securities depository for the 2024 Series E Bonds which are variable rate bonds.

Section 2.05. Denominations, Numbers and Letters. The 2024 Series E Bonds of each Series shall be issued in Authorized Denominations, not exceeding the aggregate principal amount of the 2024 Series E Bonds of such Series maturing on the particular Maturity Date of each maturity of the 2024 Series E Bonds of such Series. The 2024 Series E Bonds shall be issued initially with Weekly Interest Rates in fully registered form without coupons in authorized denominations of $100,000 or any integral multiple of $5,000 in excess of $100,000 during any Weekly Interest Rate Period. The 2024 Series E Bonds shall be numbered from RE-1, as the case may be, upward.

At the direction of the Authority, "CUSIP" identification numbers will be imprinted on the 2024 Series E Bonds for each maturity thereof, but such numbers shall not constitute a part of the contract evidenced by the 2024 Series E Bonds and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the 2024 Series E Bonds. In addition, failure on the part of the Authority to use such CUSIP numbers in any notice to Bondowners of the 2024 Series E Bonds shall not constitute an event of default or any similar violation of the Authority's contract with such Bondowners.

Section 2.06. Book Entry Provisions.

(a) The Authority designates The Depository Trust Company to act as Book Entry Depository in connection with the 2024 Series E Bonds.

(b) A Representation Letter in the form as provided by The Depository Trust Company (the "Representation Letter") shall be executed and delivered on behalf of the Authority by its Chairman, Vice Chairman, Executive Director, Deputy Executive Director or Chief Financial Officer-Assistant Treasurer, or any one or more of them, with such changes as shall be approved by the officer or officers executing the Representation Letter on behalf of the Authority.

(c) The 2024 Series E Bonds of shall be initially issued in the form of a separate fully registered Bond for each of the maturities of such 2024 Series E Bonds established in this 2024 Series E Indenture. Upon initial issuance, the ownership of each such 2024 Series E Bond shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of The Depository Trust Company. Except as provided in subsection (d) of this Section, all of the Outstanding 2024 Series E Bonds shall continue to be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of The Depository Trust Company.

(d) The Authority may determine in its sole discretion that (i) The Depository Trust Company is unwilling or unable to discharge its responsibilities as Book Entry Depository under this 2024 Series E Indenture and the Representation Letter, or (ii) it is in the best interest of the Authority that the beneficial owners of the 2024 Series E Bonds be able to obtain certificated 2024 Series E Bonds. If the Authority determines as provided in clause (i) of the first sentence of this subsection (d), the Authority and the Trustee may enter into a supplement to this 2024 Series E Indenture designating a person to act as successor Book Entry Depository and authorizing the execution of a new representation letter. If a successor securities depository is appointed, that successor or its nominee will be treated by the Trustee and the Authority as the sole and exclusive owner of the 2024 Series E Bonds, and as in the case of The Depository Trust Company, the responsibilities and obligations of the Trustee and the Authority shall be solely to that successor securities depository or its nominee and not to any participant in the successor or any person claiming a beneficial ownership interest in any 2024 Series E Bond except as otherwise provided in this 2024 Series E Indenture. If the Authority determines as provided in clause (i) or (ii) of the first sentence of this subsection (d), the Authority and the Trustee may enter into a supplement to this 2024 Series E Indenture providing for the execution by the Authority, authentication by the Trustee and delivery to the beneficial owners of the 2024 Series E Bonds of certificates for their 2024 Series E Bonds. The Authority shall provide notice of any determination made by the Authority under this subsection (d) to the Book Entry Depository as provided in the Representation Letter. Prior to any transfer of the 2024 Series E Bonds outside the Book-Entry System (including, but not limited to, the initial transfer outside the Book-Entry System) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(e) In accordance with the Indenture, as long as any 2024 Series E Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, all payments of Principal or Redemption Price of or interest on the 2024 Series E Bond so registered shall be made to Cede & Co., as nominee of The Depository Trust Company, or to any successor nominee designated by The Depository Trust Company to the Authority and the Trustee.

With respect to 2024 Series E Bonds registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of The Depository Trust Company, the Authority and the Trustee shall have no responsibility or obligation to any person owning a beneficial interest in any of the 2024 Series E Bonds or any nominee of such person except as provided in this 2024 Series E Indenture. Without limiting the immediately preceding sentence, the Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of The Depository Trust Company or Cede & Co., or any brokers, dealers, banks and other financial institutions which are members of The Depository Trust Company with respect to any ownership interest in the 2024 Series E Bonds, (ii) the delivery to any person, other than a Bondowner as shown in the registration books kept by the Trustee, of any notice with respect to the 2024 Series E Bonds, including any notice of redemption, or (iii) the payment to any person, other than a

Bondowner as shown in the registration books kept by the Trustee, of any amount with respect to Principal or Redemption Price of or interest on the 2024 Series E Bonds. The Authority and the Trustee may treat and consider the person in whose name each 2024 Series E Bond is registered in the registration books kept by the Trustee as the Bondowner and absolute owner of such 2024 Series E Bond of or interest with respect to such 2024 Series E Bond, for the purpose of registering transfers with respect to such 2024 Series E Bond, and for all other purposes whatsoever, and the Authority and the Trustee shall not be affected by notice to the contrary. The Trustee shall pay all Principal or Redemption Price of and interest on the 2024 Series E Bonds only to the respective Bondowners, as shown in the registration books kept by the Trustee, and all such payments shall be valid and effective to satisfy and discharge fully the Authority's obligations with respect to payment of the Principal or Redemption Price of or interest on the 2024 Series E Bonds to the extent of the sum or sums so paid. No person other than a Bondowner, as shown in the registration books kept by the Trustee, shall be issued a certificate evidencing the obligation of the Authority to make payments of Principal or Redemption Price of or interest on the 2024 Series E Bonds.

Section 2.07. Condition of Issuance. The Authority shall execute and deliver to the Trustee, and the Trustee shall authenticate, the 2024 Series E Bonds and deliver them to or for the account of the Underwriter or to such persons as the Underwriter specify, in each case in the records of DTC, provided, however, that prior to delivery of the 2024 Series E Bonds to the Underwriter each of the following must be delivered to the Trustee:

(a) this 2024 Series E Indenture;

(b) executed original counterparts of agreements, documents and instruments to be executed and delivered on the closing date by the parties to those agreements, documents and instruments;

(c) a Bond Counsel Opinion;

(d) a written request and authorization by an Authorized Representative of the Authority to the Trustee to authenticate and deliver the 2024 Series E Bonds to or for the account of the Underwriter; and

(e) receipt from the Underwriter of the 2024 Series E Bonds.

Section 2.08. Execution and Authentication of 2024 Series E Bonds. The Chairman, Vice Chairman or Treasurer is authorized to execute by manual or facsimile signature the 2024 Series E Bonds and to cause the corporate seal (or a facsimile of the corporate seal) of the Authority to be affixed, imprinted, engraved or otherwise reproduced on the 2024 Series E Bonds, and the Executive Director or the Deputy Executive Director or any person designated by the Members of the Authority is authorized and directed to attest manually the execution of the 2024 Series E Bonds and to cause the 2024 Series E Bonds to be authenticated by the manual signature of the Trustee or its authorized agent, all in accordance with the provisions of Section 3.03 of the Indenture. No 2024 Series E Bond shall be valid or obligatory until it has been authenticated by the manual signature of the Trustee or its authorized agent.

Section 2.09. Places of Payment and Paying Agent. Subject to Section 2.06, the principal and redemption price of, and interest on, 2024 Series E Bonds shall be as provided in the form of the 2024 Series E Bonds as attached to this 2024 Series E Indenture. Subject to Section 2.06, the 2024 Series E Bonds shall be transferable at the corporate trust office of the Trustee.

Section 2.10. Form of 2024 Series E Bonds. The 2024 Series E Bonds shall be in substantially the form set forth in Exhibit A to this 2024 Series E Indenture.

Section 2.11. Delivery of 2024 Series E Bonds. Subject to the provisions of Section 2.06 and Section 2.08, the Chairman, the Vice-Chairman, the Executive Director and the Deputy Executive Director, or any of them, are authorized and directed to cause to be delivered fully executed and registered 2024 Series E Bonds to The Depository Trust Company upon payment of the purchase price of those 2024 Series E Bonds that are to be placed in book-entry form with The Depository Trust Company. The Chairman, the Vice Chairman, the Executive Director, the Deputy Executive Director, the Secretary and the Treasurer, or any, of them, are authorized to take all action necessary or appropriate to carry out the issuance, sale and delivery of the 2024 Series E Bonds as provided in the Indenture and this 2024 Series E Indenture, including, without limitation, to make such representations and certifications as they deem proper to the Trustee and the Master Paying Agent.

Section 2.12. Special Authority Covenants. The Authority covenants and agrees with the Bondowners from time to time of the 2024 Series E Bonds as follows:

(a) The Authority will use all reasonable efforts to require that the Financed Development be used, during the period that it is so financed, to provide dwelling accommodations for low and moderate income persons and families at low and moderate rentals, in accordance with the Act.

(b) The Authority will take no action in the investment of the proceeds of the 2024 Series E Bonds or any other funds which would result in making interest on the 2024 Series E Bonds includable in gross income for federal income tax purposes by reason of causing the 2024 Series E Bonds to be "arbitrage bonds" within the meaning of federal tax law and any applicable regulations. The Executive Director, the Deputy Executive Director, the Assistant Treasurer and the Chief Financial Officer of the Authority, or any one or more of them, are authorized and directed to make any representations or certifications that they deem proper to establish that the 2024 Series E Bonds do not constitute such arbitrage bonds. The covenants and agreements of the Authority set forth in this subsection (b) shall apply as long as any of the 2024 Series E Bonds continue to bear interest (whether or not they are Outstanding) and shall also apply after the 2024 Series E Bonds cease to bear interest but within such subsequent period as shall be required for the Authority to comply with the covenants of this subsection (c). The Executive Director, the Deputy Executive Director, the Assistant Treasurer and the Chief Financial Officer, or any one or more of them, may execute an agreement in the name of and on behalf of the Authority to ensure compliance with the requirements of this subsection (c).

(c) The Authority will, without limitation: (i) restrict the yield on investments of amounts received upon the sale of the 2024 Series E Bonds, and other amounts, and (ii) timely rebate to the United States of America certain amounts which may be received as interest or other investment earnings on the proceeds of the 2024 Series E Bonds, including amounts held in the Reserve Fund that are allocated to the 2024 Series E Bonds, and its other funds established by the Indenture and allocated to the 2024 Series E Bonds, all as shall be necessary to comply with this subsection (c). The Authority shall also make or cause to be made such identifiable investments of amounts allocable to the 2024 Series E Bonds as shall be necessary or appropriate in order to be able to ascertain the amounts which may be required so to be rebated to the United States of America. The Authority shall from time to time determine the amounts that shall be subject to such rebate and those amounts shall be held by the Authority in the 2024 Series E Rebate Account of the Rebate Fund established pursuant to the General Indenture and this 2024 Series E Indenture for the 2024 Series E Bonds and shall be rebated to the United States of America in the amounts and at the times required. The amount held in the 2024 Series E Rebate Account from time to time shall not be available for the other purposes for which the funds and accounts established by this 2024 Series E Indenture may be applied. At the time of delivery of the 2024 Series E Bonds, and from time to time after their delivery, the Authority shall provide such instructions to the Trustee as to the restrictions placed on the yield, the segregation of investments and the calculation and rebate of amounts to the United States of America, as are required in order for the Authority to comply with this subsection (d).

(d) The Authority covenants and agrees to take all steps within its power that are required to maintain the status of interest on the 2024 Series E Bonds as not includable in gross income of their owners under existing federal law.

(e) The Authority shall not refinance any Financed Development except upon receiving an opinion of nationally recognized bond counsel selected by it that the refinancing shall not cause interest on the 2024 Series E Bonds to be included in gross income for federal income tax purposes.

Section 2.13. Authority Representations and Warranties. The Authority represents and warrants that:

(a) The Authority is duly authorized under the Act, to (i) issue the 2024 Series E Bonds, (ii) execute and deliver this 2024 Series E Indenture, (iii) assign its interest in the 2024 Series E Loan Documents and (iv) pledge and assign the Trust Estate as set forth in the General Indenture for the benefit of the Bondowners, to secure the payment of the principal of and interest and any premium on the Bonds (including the 2024 Series E Bonds) in accordance with the terms and provisions of the General Indenture and this 2024 Series E Indenture.

(b) All actions on the part of the Authority for the issuance, sale and delivery of the 2024 Series E Bonds and for the execution and delivery of this 2024 Series E Indenture and the 2024 Series E Loan Documents and the endorsement of the mortgage notes have been or will be taken duly and effectively.

(c) The 2024 Series E Bonds will be valid and enforceable special, limited obligations of the Authority according to their terms, subject to bankruptcy and equitable principles.

ARTICLE III

REDEMPTION OF 2024 SERIES E BONDS; MANDATORY TENDER OF 2024 SERIES E BONDS

Section 3.01. Redemption. The 2024 Series E Bonds are subject to redemption prior to maturity only as set forth in Exhibit C hereto and this Article III. All redemptions must be in a manner that all such 2024 Series E Bonds Outstanding after such selection are in Authorized Denominations.

Section 3.02. Optional Redemption. The 2024 Series E Bonds are subject to redemption at the option of the Authority as provided in Exhibit C hereto.

Section 3.03. Sinking Fund Redemption. The 2024 Series E Term Bonds maturing on January 1, 2065 are subject to mandatory sinking fund redemption on January 1 and July 1 at the times and in the amounts shown below, at a Redemption Price equal to 100% of the principal amount of such 2024 Series E Term Bonds so redeemed, plus accrued interest to the date of redemption, without premium:

Redemption Date	Sinking Fund Requirement ($)
July 1, 2025	$ 90,000
January 1, 2026	90,000
July 1, 2026	90,000
January 1, 2027	90,000
July 1, 2027	95,000
January 1, 2028	95,000
July 1, 2028	95,000
January 1, 2029	95,000
July 1, 2029	100,000
January 1, 2030	100,000
July 1, 2030	100,000
January 1, 2031	100,000
July 1, 2031	105,000
January 1, 2032	105,000
July 1, 2032	105,000
January 1, 2033	110,000
July 1, 2033	110,000
January 1, 2034	110,000
July 1, 2034	115,000
January 1, 2035	115,000
July 1, 2035	115,000

January 1, 2036	120,000
July 1, 2036	120,000
January 1, 2037	120,000
July 1, 2037	120,000
January 1, 2038	125,000
July 1, 2038	125,000
January 1, 2039	130,000
July 1, 2039	130,000
January 1, 2040	130,000
July 1, 2040	135,000
January 1, 2041	135,000
July 1, 2041	135,000
January 1, 2042	140,000
July 1, 2042	140,000
January 1, 2043	145,000
July 1, 2043	145,000
January 1, 2044	145,000
July 1, 2044	150,000
January 1, 2045	150,000
July 1, 2045	150,000
January 1, 2046	155,000
July 1, 2046	155,000
January 1, 2047	160,000
July 1, 2047	160,000
January 1, 2048	165,000
July 1, 2048	165,000
January 1, 2049	170,000
July 1, 2049	170,000
January 1, 2050	170,000
July 1, 2050	175,000
January 1, 2051	180,000
July 1, 2051	180,000
January 1, 2052	180,000
July 1, 2052	185,000
January 1, 2053	185,000
July 1, 2053	190,000
January 1, 2054	190,000
July 1, 2054	195,000
January 1, 2055	200,000
July 1, 2055	200,000
January 1, 2056	205,000
July 1, 2056	205,000
January 1, 2057	210,000
July 1, 2057	210,000
January 1, 2058	215,000
July 1, 2058	215,000

January 1, 2059	220,000
July 1, 2059	225,000
January 1, 2060	225,000
July 1, 2060	230,000
January 1, 2061	230,000
July 1, 2061	235,000
January 1, 2062	240,000
July 1, 2062	245,000
January 1, 2063	245,000
July 1, 2063	250,000
January 1, 2064	255,000
July 1, 2064	255,000
January 1, 2065*	260,000

*maturity

Section 3.04. Special Redemptions. The 2024 Series E Bonds are also subject to special redemption at the option of the Authority, in any order of maturity as determined by the Authority, and within a maturity by lot, at any time, in whole or in part, at their principal amount plus accrued interest, if any, to the date fixed for redemption, from the following sources:

(a) Loan Prepayments and Recovery Payments with respect to any Loans, which Loan Prepayments may include, without limitation, voluntary prepayments from proceeds of any Loans made by the Authority, including Loans financed by other Bonds or other obligations of the Authority and may also include money received upon a voluntary sale or disposition by the Authority of a Loan not in default, including a sale to secure obligations of the Authority other than Bonds;

(b) Payments made by the Authority, to the extent Loan Prepayments or Recovery Payments (excluding, in each case, amounts received for Bond redemption premium or other redemption costs) to be used to redeem 2024 Series E Bonds are less than the Outstanding principal amount of the Bonds that financed the portion of the Loans with respect to which that Loan Prepayment or Recovery Payment was received;

(c) Money available from a reduction in the Reserve Requirement; and

(d) Available funds (including excess Revenues) under the Indenture, upon filing of a Compliance Certificate or Cash Flow Certificate, as appropriate, in accordance with the Indenture.

Notwithstanding any provisions of this 2024 Series E Indenture or the 2024 Series E Bonds to the contrary, the Authority shall be permitted to hold or direct prepayments, in full or in part, and repayments (other than regular amortizing payments), in full, of the Loans to a custodian or trustee (including the Trustee or the Paying Agent) selected by the Authority, in lieu of application to repay a like portion of the 2024 Series E Bonds, so long as the Authority simultaneously causes other funds to be applied to repay such portion of the 2024 Series E Bonds. The preceding provisions shall apply only for purposes of preserving or "recycling" private activity bond volume cap in accordance with Section 146(i)(6) of the Code. Except as otherwise consented to by the Trustee or Paying Agent in its reasonable discretion, the transfers between the parties described in the preceding provisions shall be satisfied pursuant to a funds exchange agreement that will provide that, for the convenience of the parties, payments may be netted or other transfers made to accomplish the result outlined herein.

Section 3.05. Redemption Procedures. Subject to the provisions of the 2024 Series E Indenture, notice of redemption of any 2024 Series E Bonds shall be given as provided in the General Indenture. The mailing of such notice shall be a condition precedent to redemption, *provided* that any notice which is mailed in accordance with the Indenture shall be conclusively presumed to have been duly given whether or not the Bondowners received such notice, and failure to give notice by mail, or any defect in such notice, to the Bondowner of any 2024 Series E Bond designated for redemption in whole or in part shall not affect the validity of the redemption of any other 2024 Series E Bond as to which notice was properly given.

Section 3.06. Notice of Redemption to Registered Owners.

(a) ***Additional Notice***. At the same time notice of redemption is sent to the registered owners of the 2024 Series E Bonds, the Trustee shall send notice of redemption by Electronic Means, first class mail, overnight delivery service or other overnight means, postage or service prepaid (i) to the Rating Agency and (ii) the MSRB.

(b) ***Book Entry Bonds***. Notwithstanding provisions of this 2024 Series E Indenture to the contrary, so long as the 2024 Series E Bonds shall be registered in the name of Cede & Co., notices of redemption shall be made as set forth in Section 2.06 hereof.

Section 3.07. Purchase in Lieu of Redemption. 2024 Series E Bonds called for redemption pursuant to the preceding Sections of this Article III or Exhibit C hereto are subject to purchase in lieu of redemption on the Redemption Date, at the option of the Authority from any funds available to the Authority, in whole or in part, at the principal amount thereof plus accrued interest, if any, to the Redemption Date. Purchase in lieu of redemption shall be available for all of the 2024 Series E Bonds called for redemption or for such lesser portion of such 2024 Series E Bonds as constitute Authorized Denominations. The Authority may direct the Trustee to purchase all or such lesser portion of the 2024 Series E Bonds so called for redemption.

Section 3.08. Tender of 2024 Series E Bonds. While the 2024 Series E Bonds are variable rate bonds, they may be subject to optional or mandatory tender, as described in Exhibit C hereto.

ARTICLE IV

ESTABLISHMENT AND OPERATION OF ACCOUNTS

Section 4.01. Establishment of Accounts. In connection with the issuance of the 2024 Series E Bonds, the following Accounts are established within the Funds established under the General Indenture, each of which shall be held by the Trustee:

(a) A 2024 Series E Account of the Program Fund, and within the 2024 Series E Account, the following Subaccounts:

(i) 2024 Series E Costs of Issuance Subaccount; and

(ii) 2024 Series E Risk Share Loan Subaccount.

(b) A 2024 Series E Debt Service Account of the Revenue Fund and, within the 2024 Series E Account, the following Subaccounts:

(i) 2024 Series E Debt Service Subaccount;

(ii) 2024 Series E Special Receipts Subaccount; and

(iii) 2024 Series E Redemption Subaccount.

(c) A 2024 Series E Account of the Reserve Fund.

(d) A 2024 Series E Account of the Rebate Fund.

There shall also be established such additional funds, accounts and subaccounts as may be determined to be necessary and desirable by the Authority or in accordance with Exhibit C.

Section 4.02. Amounts in Accounts. The amounts in the Accounts set forth above shall be applied in accordance with Section 5.01 and the General Indenture.

ARTICLE V

DISPOSITION OF 2024 SERIES E BOND PROCEEDS

Section 5.01. Application of Bond Proceeds and Other Moneys on Delivery Date. On the Delivery Date, the Proceeds of the 2024 Series E Bonds and other funds received from the Authority or other listed sources shall be deposited as follows:

(a) No funds shall be deposited in the 2024 Series E Costs of Issuance Subaccount of the 2024 Series E Account of the Program Fund. Funds for payment of costs of issuance shall be paid from amounts contributed by the Authority.

(b) Proceeds of the 2024 Series E Bonds in the amount of $12,725,000 shall be deposited in the 2024 Series E Risk Share Loan Subaccount of the 2024 Series E Account of the Program Fund and used to currently refund the Series 2022A Note which will make funds available to fund the 2024 Series E Risk Share Loan.

(c) Funds received by the Authority from the Borrower in the amount of \$312,630 shall be deposited in the 2024 Series E Account of the Reserve Fund to satisfy the Reserve Requirement for the 2024 Series E Bonds.

Section 5.02. Satisfaction of the Reserve Requirement. A Reserve Requirement for the 2024 Series E Bonds is established as \$312,630 which is calculated as the maximum semiannual debt service on the 2024 Series E Bonds, plus one month's interest on the 2024 Series E Risk Share Loan. Any change from time to time in the amount of this Reserve Requirement shall be evidenced by a calculation made by the Authority and submitted in writing to the Trustee. The Trustee may conclusively rely on any such calculation by the Authority.

ARTICLE VI

AUTHORITY COVENANTS

Section 6.01. Tax Covenants. The Authority covenants and agrees with the Owners from time to time of the 2024 Series E Bonds that:

(a) with respect to the Loan(s), the Authority will take all necessary steps to meet the applicable requirements of the Code;

(b) the Authority will take all steps that are within its power as are necessary to maintain the status of interest on the 2024 Series E Bonds as not included in gross income of the owners thereof for federal income tax purposes under existing laws and will comply with the Tax Certificate; and

(c) the Authority will use all payments received on the Loan(s) financed in whole or in part with the proceeds of the 2024 Series E Bonds as provided in the Tax Certificate.

Section 6.02. Continuing Disclosure Covenant. The Authority shall enter into (or cause the Borrower to enter into as agreed to by the Underwriter) one or more Continuing Disclosure Undertakings with respect to the 2024 Series E Bonds and shall make all required filings and reports so that all requirements of Rule 15c2-12(b)(5) of the United States Securities and Exchange Commission, as amended from time to time, are met with respect to the 2024 Series E Bonds.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 7.01. Counterparts. This 2024 Series E Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 7.02. Notice. The Authority expects to finance the 2024 Series E Loan as described herein no later than August 8, 2024. If the 2024 Series E Loan is not financed by the date set forth herein, the Authority will notify the Rating Agency that has an outstanding Rating on the 2024 Series E Bonds.

Section 7.03. HUD Requirements.

(a) An Event of Default under the General Indenture shall not constitute a default under the 2024 Series E Risk Share Loan and the terms of the HUD documents related to such 2024 Series E Risk Share Loan.

(b) No amendment to this 2024 Series E Indenture shall conflict with any HUD Regulations or documents applicable to the 2024 Series E Risk Share Loan.

(c) To the extent that there is any conflict, inconsistency or ambiguity between or among this 2024 Series E Indenture and any applicable HUD mortgage insurance or HUD statutory, regulatory or administrative requirements or any of the other documents which have been or are required by HUD to be executed by a mortgagor, the HUD mortgage insurance and HUD statutory, regulatory and administrative requirements and the terms of said HUD documents will be deemed to be controlling and any such ambiguity or inconsistency will be resolved in favor of, and pursuant to, the HUD mortgage insurance and HUD statutory, regulatory and administrative requirements and the terms of said HUD documents.

Section 7.04. Borrower Agreements.

(a) The Borrower with respect to the Loan(s) financed with proceeds of the 2024 Series E Bonds shall covenant under the terms of a related regulatory or use restriction agreement that it will comply with the requirements of the 40-60 Test elected pursuant to Section 142(d) of the Code. "40-60 Test" means 40% or more of the residential units in the Development are to be occupied by individuals whose income is 60% or less of area median gross income (as that term is defined in Section 142(d)(2)(B) of the Code). This covenant may be amended if a Bond Counsel Opinion is issued to the Authority and the Trustee to the effect that notwithstanding such amendment to this covenant, interest on the 2024 Series E Bonds will remain excludable from gross income for federal income tax purposes.

(b) The Borrower under the Loans financed with proceeds of the 2024 Series E Bonds shall covenant in a related regulatory agreement that all of the dwelling units in such Financed Development must be rented or available for rental on a continuous basis during the Qualified Project Period. In order to satisfy this requirement, a Financed Development which contains fewer than five units must not have a unit occupied by the owner of such Financed Development. This covenant is subject to subsection (a) of this Section 7.04 and in addition may be amended if a Bond Counsel Opinion is issued to the Authority and the Trustee to the effect that notwithstanding or as a result of an amendment to this covenant, interest on the 2024 Series E Bonds will remain excludable from gross income for federal income tax purposes.

(c) Enterprise Housing Partners XXXVII Limited Partnership, a Maryland limited partnership, shall have the same rights to receive notice of, and to cure, any default or event of default of a Borrower with respect to this 2024 Series E Indenture to the same extent and with the same effect as is set forth in Section 11(d) of the Use Restriction Agreement.

Section 7.05. Multifamily Housing Program.

(a) The Authority shall from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act, the provisions of this Indenture and sound banking practices and principles, diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Authority to protect its rights with respect to, collect payment under and maintain any insurance, guaranty, letter of credit or collateral on or securing any 2024 Series E Risk Share Loan or subsidy payments in connection with the residential housing or the occupancy thereof, including, but not limited to, any Federal Insurance which includes, upon the expiration of the applicable grace period following the occurrence of a default under the 2024 Series E Risk Share Loan financed with the proceeds of the 2024 Series E Bonds and endorsed to evidence Federal Insurance coverage, filing a claim for Federal Insurance with respect to the 2024 Series E Risk Share Loan.

(b) Whenever necessary in order to protect and enforce the interests and security of the owners of the 2024 Series E Bonds, the Authority shall commence foreclosure or pursue other appropriate remedies with respect to any Loan which is in default after any applicable notice and cure periods. In the event that the Authority shall, in its discretion, determine such action to be in the best interests of the owners of the 2024 Series E Bonds, the Authority may bid for and purchase the Financed Development securing any such 2024 Series E Loan at any foreclosure sale thereof or may otherwise take possession of or acquire such Financed Development prior to the purchase or acquisition of any such Financed Development and shall take such further action as determined by the Authority as it shall deem most appropriate having due regard for the interests of the owners of the 2024 Series E Bonds.

(c) The Authority may at any time sell, assign or otherwise dispose of the 2024 Series E Risk Share Loan (or the Financed Development to which such 2024 Series E Risk Share Loan relates), and such Loan (or Financed Development to which such Loan relates) shall be released free and clear of the lien of the Indenture in order to:

(i) realize the benefits of any Federal Insurance with respect to such 2024 Series E Risk Share Loan or Financed Development;

(ii) provide funds to finance another 2024 Series E Loan having substantially equivalent terms as the remainder of such 2024 Series E Loan; or

(iii) provide funds for the redemption or purchase of a principal amount of 2024 Series E Bonds corresponding to the unpaid principal amount of such Loan.

In addition, the Authority may sell any Financed Development if it determines that (i) the proposed sale and the terms thereof are in the best interests of the Bondowners and (ii)(a) the loss of revenues available for the payment or retirement of 2024 Series E Bonds as a result of such sale is less than that estimated to result if the Financed Development were not so sold or (b) the risk of such a loss in the event that the Financed Development is not so sold is substantial.

(d) The Authority shall enforce diligently and take or cause to be taken all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of the 2024 Series E Loans consistent with sound banking practices and principles, including the prompt collection of all Mortgage Repayments and all other amounts due the Authority thereunder. The Authority shall service the 2024 Series E Loans or appoint a servicer for the 2024 Series E Loans, and if it appoints a servicer shall enter into a servicing agreement with respect thereto, effective not later than the date of delivery of the 2024 Series E Loans. The Authority or such servicer shall service the 2024 Series E Loans in accordance with acceptable mortgage servicing practices of prudent lending institutions or in accordance with such other standards as are required to maintain the Federal Insurance with respect to the 2024 Series E Risk Share Loan. The Authority shall not without good cause release the obligations of any of the Borrower under any financing agreement, or of the servicer under the servicing agreement and, to the extent permitted by law, at all times shall defend, enforce, preserve and protect the rights and privileges of the Authority, the Trustee and the Bondowners under or with respect to the financing agreements securing the 2024 Series E Loans and any servicing agreement; provided, however, that nothing in this Section shall be construed to prevent the Authority from settling a default on a 2024 Series E Loan on such terms as the Authority shall determine to be in the best interests of the Authority and the Bondowners.

Section 7.06. Enforcement and Federal Insurance.

(a) The Authority shall diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of, all terms, covenants and conditions of the 2024 Series E Loans, including the prompt collection of 2024 Series E Loan repayments.

(b) The Authority shall do all that is reasonably necessary on the part of the Authority to maintain the Federal Insurance, to the extent applicable, and shall not amend this 2024 Series E Indenture in a manner that conflicts with HUD regulations or other covenants, agreements, stipulations or documents with respect thereto. Whenever it shall be necessary to protect and enforce the rights of the Authority under a mortgage securing the 2024 Series E Risk Share Loan and to protect and enforce the rights and interests of Bondowners under this 2024 Series E Indenture, the Authority shall do, or cause to be done, all things necessary to enforce its rights under any Federal Insurance and to receive payment of any claims thereon in cash. In the event of any default of the 2024 Series E Risk Share Loan having the benefit of Federal Insurance, the Authority shall notify HUD of the tax-exempt status of the security for which such 2024 Series E Risk Share Loan is pledged and that a claim under the Federal Insurance may be forthcoming. Notwithstanding the above, with respect to Federal Insurance, the Authority shall not request any extension of the time for filing its election to assign the 2024 Series E Risk Share Loan having the benefit of Federal Insurance beyond any extension period granted by HUD, without first notifying each Rating Agency in writing of its intention to make such a request, and receiving confirmation from each Rating Agency that such a request would not adversely affect the Rating on the Bonds. The Trustee shall, following written notice to the Authority, have full power and authority to perform the Authority's covenants contained in this paragraph to the extent the Authority fails or threatens to fail to perform such covenants on a timely basis and shall, to the extent applicable, use best efforts to itself perform such covenant on a timely basis.

Section 7.07. HUD Provisions. The Authority will maintain certain required project escrow funds in trust for the benefit of the mortgagor with respect to the 2024 Series E Risk Share Loan financed by the 2024 Series E Bonds having the benefit of Federal Insurance and not subject to the terms of the 2024 Series E Indenture. The Authority will not amend this Indenture in a manner which conflicts with HUD regulations or documents.

Section 7.08. Supplemental Indentures. In addition to the Supplemental Indentures permitted by Section 10.01 of the General Indenture, the Authority and the Trustee may, from time to time and at any time, enter into a Supplemental Indenture to make such modifications or changes herein in order to comply with any requirements of HUD imposed as a condition of providing Federal Insurance, with respect to the 2024 Series E Risk Share Loan, if such modifications or changes will not, in the judgment of the Authority, adversely impact the ability of the mortgagor thereof to make payments to the Authority sufficient to pay the principal and redemption price of, and interest on, the 2024 Series E Bonds.

Section 7.09. Limitations on Liability. Notwithstanding any other provision of this 2024 Series E Indenture to the contrary:

(a) The obligations of the Authority with respect to the 2024 Series E Bonds are not general obligations of the Authority but are special, limited obligations of the Authority payable by the Authority solely from the Trust Estate.

(b) Nothing contained in the 2024 Series E Bonds or in this 2024 Series E Indenture shall be considered as assigning or pledging any funds or assets of the Authority other than the Trust Estate.

(c) The 2024 Series E Bonds are not and will not be a debt of the Authority, and neither the Authority nor any other political subdivision of the State is or will be liable for the payment of the 2024 Series E Bonds.

(d) Neither the faith and credit of the Authority, the State nor of any other political subdivision of the State are pledged to the payment of the principal of or interest or any premium on the 2024 Series E Bonds.

(e) No failure of the Authority to comply with any term, condition, covenant or agreement in this 2024 Series E Indenture or in any document executed by the Authority in connection with the mortgaged property or the issuance, sale and delivery of the 2024 Series E Bonds shall subject the Authority to liability for any claim for damages, costs or other charges except to the extent that the same can be paid or recovered from the Trust Estate.

(f) The Authority shall not be required to advance any moneys derived from any source other than the Trust Estate for any of the purposes of this 2024 Series E Indenture or any of the other transaction documents, whether for the payment of the principal or Redemption Price of, or interest on, the 2024 Series E Bonds, the payment of Expenses or otherwise.

Section 7.10. Further Assurances; Security Agreement. The Authority, to the extent permitted by law, shall execute, acknowledge and deliver such supplemental resolutions and other instruments and documents, and perform such further acts, as the Trustee may reasonably require to perfect, and maintain perfected, the security interest in the Trust Estate or to better assure, transfer, convey, pledge, assign and confirm to the Trustee all of its respective interest in the property described in this 2024 Series E Indenture and the revenues, receipts and other amounts pledged by this 2024 Series E Indenture. The Authority shall cooperate to the extent necessary with the Trustee in its defenses of the Trust Estate against the claims and demands of all Persons.

Section 7.11. Effective Date. This 2024 Series E Indenture shall take effect immediately upon its execution and delivery to the Trustee.

Section 7.12. Filing of Form C-08. No later than 30 days after a principal and/or interest payment is made, the Authority or the Trustee will prepare and file with the Office of Comptroller of the State of Illinois a C-08, Notice of Payment of Bond Interest and/or Principal through the Bond Tracking System (BITS) (https://bits.illinoiscomptroller.gov).

Section 7.13. Derivative Payments. There shall initially be a Derivative Agreement between the Authority and a counterparty in connection with the issuance of the 2024 Series E Bonds. Scheduled Derivative Payments thereunder (but not termination fee, indemnification obligation or other fee payments) by the Authority are payable from the Revenue Fund from revenues transferred to the Debt Service Account on a parity with interest on Bonds (including the 2024 Series E Bonds). While the Authority initially intends that Derivative Payments from a counterparty under such Derivative Agreement be included in Revenues, the Authority may, in the future, limit the extent to which Derivative Payments from a counterparty are treated as Revenues in accordance with Section 10.01(m) of the General Indenture without the consent of the Bondowners. Any obligations other than regularly scheduled payments of the Authority under the Derivative Agreement will be payable from funds in the Revenue Fund on a priority subordinate only to the payments of principal and interest on the Bonds, transfers to the Reserve Fund in amounts necessary to satisfy the Reserve Requirement and payment of other Expenses.

Section 7.14. Sustainability Bonds Designation.

(a) The 2024 Series E Bonds are designated by the Authority as “Sustainability Bonds.” The Authority is issuing the 2024 Series E Bonds as Sustainability Bonds based on the intended use of proceeds of the 2024 Series E Bonds to finance the 2024 Series E Loans that are expected to provide affordable housing and to include energy efficiency standards and features. The Authority finds that the intended uses of the proceeds of the

2024 Series E Bonds in a manner that is consistent with the *Green Bond Principles*, *Social Bond Principles*, and *Sustainability Bond Guidelines* as promulgated by the International Capital Markets Association.

(b) The Authority expects to provide annual updates, as of the last day of each calendar year commencing with calendar year 2024, regarding the disbursement of the proceeds of the 2024 Series E Bonds to finance the Financed Development. The specific form and content of such updates are in the absolute discretion of the Authority. The Authority will cease to update such information when the applicable lendable proceeds have been fully expended.

Section 7.15. Notification of Prepayment. Borrower must notify the Authority of any prepayment of the 2024 Series E Bonds by email to treasury@ihda.org not later than ten (10) business days prior to such prepayment.

[Signatures Appear on Following Page]

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By:______________________________
Executive Director

Approved as to Form:

____
Chief Financial Officer

____
Interim General Counsel

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By:______________________________

Title:______________________________

EXHIBIT A
FORM OF 2024 SERIES E BOND

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

MULTIFAMILY REVENUE BONDS,
2024 SERIES E

BOND NO.: RE-1	PRINCIPAL SUM: $12,725,000
DATE OF BOND: AUGUST 8, 2024	REGISTERED OWNER: CEDE & CO.
DATE OF MATURITY: JANUARY 1, 2065	CUSIP: 45202B SH0

The Illinois Housing Development Authority (the "Authority"), a body politic and corporate of the State of Illinois, acknowledges itself indebted to, and for value received, promises to pay, but solely from the Trust Estate as described below, to the registered owner named above, or its registered assignee, the Principal Sum named above on the Date of Maturity set forth above, unless previously redeemed as provided in this Bond, upon the presentation and surrender of this Bond at the designated corporate trust operations office of The Bank of New York Mellon Trust Company, N.A., as Trustee, or its successor in that capacity, and to pay to the registered owner of this Bond interest on such principal sum from the date of this Bond to the date of maturity or earlier redemption of this Bond at the interest rate per annum determined in accordance with the Series Indenture, as defined below, with respect to the applicable variable or fixed rate mode, payable on each January 1 and July 1, with the first interest payment date being on January 1, 2025. Interest shall be payable by check or draft marked to the address of the registered owner, as shown on the registration bonds at the close of business on the Record Date immediately preceding each interest payment date, or in the case of a registered owner of all of the Outstanding 2024 Series E Bonds, upon request by wire transfer. The interest payable on this Bond on each such interest payment date will be paid to the person in whose name it is registered at the close of business on the applicable Record Date next preceding such interest payment date. Interest shall be calculated in accordance with the Series Indenture, as defined below, with respect to the applicable variable or fixed rate mode. Both principal and interest and redemption premium, if any, on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment, shall be legal tender for the payment of public and private debts.

THE STATE IS NOT LIABLE ON THIS BOND AND THIS BOND IS NOT A DEBT OF THE STATE. SECTION 26.1 OF THE ILLINOIS HOUSING DEVELOPMENT ACT SHALL NOT APPLY TO THIS BOND.

This bond is one of a duly authorized issue of bonds of the Authority designated "Multifamily Revenue Bonds," issued under and pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq., as amended and supplemented (the "Act"), and under and pursuant to a Trust Indenture (the "General Indenture"), dated as of September 1, 2016, between the Authority and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"). As provided under Section 2.09 of the General Indenture, a Series of Bonds may be issued pursuant to a Series Indenture (as such terms re defined in the General Indenture). This Bond is issued pursuant to the

General Indenture and the 2024 Series E Indenture (the "Series Indenture"; together with the General Indenture, the "Indentures"), dated as of August 1, 2024, between the Authority and the Trustee. This Bond is one of Series of Bonds designated "Multifamily Revenue Bonds, 2024 Series E" (the "2024 Series E Bonds"), issued in the aggregate principal amount of $12,725,000, under the Series Indenture. Copies of the Indentures are on file at the office of the Authority and at the corporate trust office of the Trustee, and reference to the Indentures and to the Act is made for a description of the pledges and covenants securing the 2024 Series E Bonds; the nature, extent and manner of enforcement of those pledges; the rights and remedies of the owners of the 2024 Series E Bonds; and the terms and conditions upon which the Bonds are issued and may be issued. To the extent and in the manner permitted by the terms of the Indentures, the provisions of the Indentures, or of any amendatory or supplemental indenture to them, may be modified or amended by the Authority.

The General Indenture provides for the issuance, from time to time, under the conditions, limitations and restrictions set forth therein, of additional bonds on a parity with all Series of Bonds (other than Separately-Secured Bonds), including the 2024 Series E Bonds, issued under the General Indenture, for the purposes set forth in the Act. This Bond is part of an issue under the General Indenture and will be equally and ratably secured by the pledges and covenants made in the General Indenture, and secured by the Trust Estate as provided in the General Indenture.

The Bonds are special limited obligations of the Authority with a claim for payment solely from the Trust Estate (as defined in the General Indenture).

The 2024 Series E Bonds will be issued to provide funds to be applied, together with other available funds, for the purpose of (a) financing a mortgage loan or loans, (b) making a Reserve Fund deposit or paying the cost of a Cash Equivalent for the Reserve Fund, and (c) paying costs of issuance of the 2024 Series E Bonds.

This Bond is transferable, as provided in the Indentures, only upon the books of the Authority kept for that purpose at the corporate trust office of the Trustee by the registered owner in person, or by the registered owner's agent duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the registered owner's agent duly authorized in writing, and a new registered 2024 Series E Bond or Bonds, and in the same aggregate principal amount and of the same maturity, shall be issued to the transferee in exchange for this Bond as provided in the Indentures, and upon the payment of the charges, if any, prescribed in them.

The 2024 Series E Bonds are issuable in the denominations provided in the Series Indenture. 2024 Series E Bonds, upon their surrender at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or the registered owner's agent duly authorized in writing, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of 2024 Series E Bonds of the same maturity of any of the authorized denominations, in the manner, subject to the conditions, and upon the payment of the charges, if any, provided in the Indentures.

The 2024 Series E Bonds shall be subject to redemption prior to maturity as set forth in the 2024 Series E Indenture. Notice of redemption shall be given as set forth in the Indentures.

Certain of the 2024 Series E Bonds which are in a variable rate mode may be subject to optional and/or mandatory tender in accordance with the term of the Series Indenture.

IT IS CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State of Illinois and the Indentures to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 2024 Series E Bonds, together with all other indebtedness of the Authority, is within every debt and other limit prescribed by law.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the Illinois Housing Development Authority has caused this Bond to be executed in its name by the manual or facsimile signature of its Chairman and its corporate seal (or a facsimile of the seal) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual signature of the Executive Director, all as of the date set forth above.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By:____________________________________
Chairman

(Seal)

Attest:

____
Executive Director

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the issue designated in this bond and is issued under the provisions of the within-mentioned Indentures.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., Trustee

By:______________________________________
Authorized Officer

Date of Authentication:

ASSIGNMENT

The following abbreviations, when used in the inscription on this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

UNIF GIFT MIN ACT - _________ Custodian ______
(Cust)

(Minor)

under Uniform Gifts to Minors Act _________
(State)

TEN COM -	as tenants in common
TEN ENT -	as tenants by the entireties
JT TEN -	as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name, Address and Social Security Number or Tax Identification Number of Assignee)

the within Certificate and irrevocably constitutes and appoints ___________________________ attorney to transfer the said Certificate on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Signature guaranteed:

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Certificate in every particular, without alteration or enlargement or any change whatever.

NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in approved Signature Guarantee Medallion Program).

EXHIBIT B

2024 SERIES E FINANCED DEVELOPMENT

Financed Development	Mortgage Loan Amount ($) (as of August 8, 2024)
Burnham Manor a/k/a Elgin Manor	$12,725,000 (Risk Share Loan)

EXHIBIT C

TERMS APPLICABLE TO 2024 SERIES E BONDS

EXHIBIT C

TERMS APPLICABLE TO 2024 SERIES E BONDS
(VARIABLE RATE)

TABLE OF CONTENTS

(Unless otherwise stated, references in this Exhibit C to Sections are to Sections of this Exhibit.)

ARTICLE I

DEFINITIONS

The following definitions apply to this **Exhibit C**. Definitions in the text of the Series Indenture also apply to this **Exhibit C** unless the context requires otherwise.

"Alternate Liquidity Facility" shall mean an irrevocable letter of credit, a standby bond purchase agreement, a line or lines of credit, or other similar agreement or agreements or any other agreement or agreements used to provide liquidity support for the 2024 Series E Bonds, satisfactory to the Authority and the Remarketing Agent and containing administrative provisions reasonably satisfactory to the Trustee, issued and delivered to the Trustee in accordance with Section 302 of this Exhibit C.

"Authenticating Agent" shall mean the Trustee.

"Authorized Denominations" shall mean: (a) with respect to any Long-Term Interest Rate Period, any integral multiple of $5,000 thereof; and (b) with respect to any Short-Term Interest Rate Period, Daily Interest Rate Period or Weekly Interest Rate Period, $100,000 and any integral multiple of $5,000 in excess of $100,000.

"Beneficial Owner" shall mean, when the 2024 Series E Bonds are in Book Entry Form, any person who acquires a beneficial ownership in the 2024 Series E Bonds held by the Book Entry Depository.

"Bond Counsel" shall mean an attorney or firm of attorneys, designated by the Authority, of nationally recognized standing in matters pertaining to the debt obligations of states, political subdivisions and public corporations.

"Bond Interest Term" shall mean, with respect to any 2024 Series E Bond, each period established in accordance with Section 201(f) during which such 2024 Series E Bond shall bear interest at a Bond Interest Term Rate.

"Bond Interest Term Rate" shall mean, with respect to each 2024 Series E Bond, a term, non-variable interest rate on such 2024 Series E Bond established periodically in accordance with Section 201(f).

"Bond Purchase Fund" shall mean the fund so designated which is established with the Tender Agent pursuant to the Tender Agreement and Section 501(b)(ii).

"Book Entry Form" or **"Book Entry System"** shall mean a form or system, as applicable, under which physical 2024 Series E Bond certificates in fully registered form are registered only in the name of the Book Entry Depository or its nominee, with the physical 2024 Series E Bond certificates "immobilized" in the custody of the Book Entry Depository.

“Business Day” shall mean any day other than (a) a Saturday, a Sunday or any other day on which banks located in the cities in which the Principal Offices or the Designated Corporate Trust Offices of the Trustee, the Tender Agent, the Remarketing Agent, the Paying Agent, the Registrar, the Authority, the Liquidity Provider or the Authenticating Agent are located, or in which the office of the Liquidity Provider from which payments are made pursuant to the Liquidity Facility is located, are authorized or required to remain closed or (b) a day on which the New York Stock Exchange is closed.

“Daily Interest Rate” shall mean a variable interest rate on the 2024 Series E Bonds established in accordance with Section 201(g).

“Daily Interest Rate Period” shall mean each period during which a Daily Interest Rate is in effect.

“Determination” means the Determination of the Authority authorizing the issuance of the 2024 Series E Bonds.

“Expiration Date” shall have the meaning assigned to such term in the Liquidity Facility, as in effect from time to time.

“Favorable Opinion of Bond Counsel” shall mean an opinion of Bond Counsel addressed to the Authority, the Remarketing Agent and the Trustee to the effect that the action proposed to be taken is authorized or permitted by the law, the General Indenture or the Series Indenture and in the case of 2024 Series E Bonds issued on a tax-exempt basis, will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the 2024 Series E Bonds.

“General Indenture” shall mean the Trust Indenture dated as of September 1, 2016.

“Interest Accrual Date” shall mean (a) with respect to any Daily Interest Rate Period or Weekly Interest Rate Period, the first day thereof and thereafter, each next Interest Payment Date, and (b) with respect to each Bond Interest Term within a Short-Term Interest Rate Period, the first day of that Bond Interest Term.

“Interest Payment Date” shall mean (a) with respect to any Daily Interest Rate Period, each January 1 and July 1, (b) with respect to any Weekly Interest Rate Period, each January 1 and July 1, commencing January 1, 2025 with respect to the initial Weekly Interest Rate Period, (c) with respect to any Long-Term Interest Rate Period, each January 1 and July 1, or, if any such January 1 or July 1 shall not be a Business Day, the next succeeding Business Day, (d) with respect to any Short-Term Interest Rate Period, the day next succeeding the last day of each Bond Interest Term, and (e) with respect to each Interest Rate Period, the day next succeeding the last day of the Period (or the day next succeeding the day that would have been the last day of any Interest Rate Period had one of the events specified in Sections 201(e)(ii)(D) or 201(k) not occurred); provided that notwithstanding anything herein to the contrary, the first Interest Payment Date for the 2024 Series E Bonds shall be as provided in the Determination or the Series Indenture and the Interest Payment Date with respect to Purchased Bonds shall have the meaning set forth in the Liquidity Facility.

"Interest Rate Period" shall mean any Daily Interest Rate Period, Weekly Interest Rate Period, Short-Term Interest Rate Period or Long-Term Interest Rate Period.

"Liquidity Facility" shall mean, initially, as to any 2024 Series E Bonds, a standby bond purchase agreement or such other agreement, as provided in the Determination, among the Authority, the Liquidity Provider, the Trustee, and the Tender Agent relating to such 2024 Series E Bonds, as the same may be amended or supplemented from time to time, and upon the issuance of any Alternate Liquidity Facility, such Alternate Liquidity Facility.

"Liquidity Provider" shall mean, initially, State Street Bank and Trust Company, as the provider of the initial Liquidity Facility for the 2024 Series E Bonds, and if an Alternate Liquidity Facility is provided, its provider and in any case where a Liquidity Facility is provided by more than one bank or other entity, the term "Liquidity Provider" shall mean all such entities collectively, provided that (a) each such entity's obligation for the purchase price of bonds tendered for purchase shall be determined in accordance with the Liquidity Facility, (b) references to the Liquidity Provider in respect of notices or other communications shall be deemed to refer to the agent under such Liquidity Facility (the "Agent"), (c) payments required to be made to the Liquidity Provider shall be made to the Agent for application and (d) references to the Liquidity Provider in respect of consents required to be obtained hereunder shall be deemed to refer to the Agent or any or all of such entities as determined under the Liquidity Facility.

"Long-Term Interest Rate" shall mean, with respect to each 2024 Series E Bond, a term, non-variable, interest rate on such 2024 Series E Bond established in accordance with Section 201(e), including a fixed rate to maturity.

"Long-Term Interest Rate Period" shall mean each period during which a Long-Term Interest Rate is in effect.

"Mandatory Tender for Purchase Date" shall mean the mandatory tender for purchase date set forth in Sections 201(d)(iii), 201(e)(iii), 201(f)(iii), 201(g)(iii), 202(b), 202(c) and 202(d), as applicable. In Section 202(e), the words "the date specified in such notice" shall be the date five days prior to the termination, expiration, reduction, suspension, modification or replacement event giving rise to the related mandatory tender for purchase.

"Maturity Date" shall mean the maturity date established by a Bond Determination Delegation or any Supplemental Determination.

"Maximum Rate" shall mean the lesser of (i) 12% per year and (ii) the maximum rate permitted by law, and in the case of Purchased Bonds, the maximum rate permitted by law.

"Outstanding" or **"Bonds Outstanding"** shall have the meaning set forth in the General Indenture and Series Indenture and shall also mean all 2024 Series E Bonds which have been authenticated and delivered by the Trustee under the General Indenture and Series Indenture except Undelivered Bonds where funds in the amount of the purchase price of such 2024 Series E Bonds are available for payment to their holder(s) on the date and at the time specified for the pertinent tender.

“Participant” shall mean one of the entities which is a member of the Book Entry Depository (a “Direct Participant”) or otherwise deposits securities, directly or indirectly, in the Book Entry System (an “Indirect Participant”).

“Paying Agent” shall mean the Trustee.

“Person” shall mean any natural person, corporation, cooperative, partnership, trust or unincorporated organization, government or governmental body or agency, political subdivision or other legal entity as in the context may be appropriate.

“Principal Office” shall mean, with respect to the Tender Agent, 311 South Wacker Drive, Suite 6200B, Mailbox #44, Chicago, IL 60606 or as other provided by the Authority.

“Purchased Bond” shall mean any 2024 Series E Bond or beneficial interest in it tendered or deemed tendered for purchase pursuant to Section 202 to the Tender Agent and purchased with funds provided by the Liquidity Provider until the remarketing of such Bond or the beneficial interest in it pursuant to Section 508.

“Purchased Bondholder” shall mean the Liquidity Provider (but only in its capacity as the owner of Purchased Bonds or beneficial interests therein pursuant to the Series Indenture) and any other Person that has acquired Purchased Bonds or beneficial interests therein from the Liquidity Provider or from another Purchased Bondholder.

“Record Date” shall mean (a) with respect to any Interest Payment Date in respect of any Daily Interest Rate Period or of any Weekly Interest Rate Period or any Bond Interest Term, the Business Day immediately preceding such Interest Payment Date, and (b) with respect to any Interest Payment Date in respect of any Long-Term Interest Rate Period, the 15th day immediately preceding such Interest Payment Date or, in the event that an Interest Payment Date shall occur less than 15 days after the first day of a Long-Term Interest Rate Period, such first day.

“Registrar” shall mean the Trustee until the appointment or any other entity assigned to maintain the Authority’s books of registration under the General Indenture or the Series Indenture.

“Remarketing Account” shall have the meaning given such term in the Tender Agreement.

“Remarketing Agent” shall mean (i) initially, the entity identified as such in the Determination, or, upon notice to the Authority by the initial Remarketing Agent, any wholly-owned subsidiary of such entity to which all or substantially all of the initial Remarketing Agent’s municipal markets business is transferred and (ii) any successor remarketing agent appointed in accordance with Section 501(a). “Principal Office” of the Remarketing Agent shall mean the address for the Remarketing Agent as set forth in Article VI, or such other office designated in writing to the Authority, the Trustee, the Registrar, the Tender Agent, the Paying Agent, the Liquidity Provider, and the Authenticating Agent. So long as the 2024 Series E Bonds are held in the Book Entry System, any Remarketing Agent must be a Participant in the Book Entry System with respect to the 2024 Series E Bonds.

"Remarketing Agreement" shall mean a Remarketing Agreement between the Authority and the Remarketing Agent, as the same may be amended or supplemented from time to time, or any remarketing agreement entered into with a successor Remarketing Agent.

"Series Indenture" shall mean the Series Indenture dated as of August 1, 2024 with respect to the 2024 Series E Bonds.

"Short-Term Interest Rate Period" shall mean each period, comprised of Bond Interest Terms, during which Bond Interest Term Rates are in effect.

"**SIFMA**" means the Securities Industry and Financial Markets Association.

"SIFMA Rate" shall mean a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by SIFMA (formerly The Bond Markets Association) or any Person acting in cooperation with or under the sponsorship of SIFMA; provided that in no event shall the SIFMA Rate exceed the Maximum Rate.

"Tender Agent" shall mean the Trustee and any successor or additional tender agent appointed in accordance with Section 501(b). "Principal Office" of the Tender Agent shall mean the address for the Tender Agent set forth in Article VI. "Designated Corporate Trust Office" of the Tender Agent shall mean the address of the Tender Agent set forth in Article VI or such other office designated in writing to the Authority, the Trustee, the Registrar, the Paying Agent, the Authenticating Agent, the Liquidity Provider and the Remarketing Agent.

"Tender Agreement" shall mean a Tender Agent Agreement among the Trustee, the Authority, the Tender Agent, the Registrar, the Paying Agent, the Authenticating Agent and the Remarketing Agent relating to the 2024 Series E Bonds.

"Undelivered Bonds" shall mean any 2024 Series E Bond so designated in accordance with the provisions of Section 202.

"Weekly Interest Rate" shall mean a variable interest rate on the 2024 Series E Bonds established in accordance with Section 201(d).

"Weekly Interest Rate Period" shall mean each period during which a Weekly Interest Rate is in effect.

ARTICLE II

TERMS OF THE 2024 SERIES E BONDS

Section 201. Terms.

(a) The 2024 Series E Bonds shall be dated the date of delivery and shall mature, subject to prior redemption upon the terms and conditions set forth in this Section, on the Maturity Date.

(b) Each 2024 Series E Bond shall bear interest from and including the Interest Accrual Date immediately preceding the date of its authentication, or, if such date of authentication shall be an Interest Accrual Date to which interest on the 2024 Series E Bonds has been paid in full or duly provided for or the date of initial authentication of the 2024 Series E Bonds, from such date of authentication; provided, however, that if, as shown by the records of the Registrar, interest on the 2024 Series E Bonds shall be in default, 2024 Series E Bonds issued in exchange for 2024 Series E Bonds surrendered for registration of transfer or exchange shall bear interest from the date to which interest has been paid in full on the 2024 Series E Bonds or, if no interest has been paid on the 2024 Series E Bonds, from the date of the first authentication of 2024 Series E Bonds hereunder. For any Daily Interest Rate Period, interest on the 2024 Series E Bonds will be payable on each Interest Payment Date for the period commencing on the second preceding Interest Accrual Date and ending on the calendar day preceding the immediately preceding Interest Accrual Date, unless the Interest Payment Date is the day next succeeding the last day of a Daily Interest Rate Period, in which case interest will be payable on such Interest Payment Date for the period commencing on the Interest Accrual Date to which interest has been paid in full and ending on the day immediately preceding such Interest Payment Date. For any Weekly Interest Rate Period, interest on the 2024 Series E Bonds will be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date and ending on the calendar day immediately preceding such Interest Payment Date. For any Short-Term Interest Rate Period or Long-Term Interest Rate Period, interest on the 2024 Series E Bonds shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date and ending on the day immediately preceding such Interest Payment Date. In any event, interest on the 2024 Series E Bonds shall be payable for the final Interest Rate Period to but not including the date on which the 2024 Series E Bonds shall have been paid in full. Interest shall be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve 30-day months, and in the case of any other Interest Rate Period, on the basis of a 365 or 366-day year, as appropriate, for the actual number of days elapsed, except as otherwise provided in the Determination or Series Indenture.

(c) The term of the 2024 Series E Bonds will be divided into consecutive Interest Rate Periods during each of which the 2024 Series E Bonds shall bear interest at a Daily Interest Rate, a Weekly Interest Rate, Bond Interest Term Rates or a Long-Term Interest Rate. No holder of a 2024 Series E Bond shall be paid interest for any period at a rate higher than the applicable Maximum Rate. The first Interest Rate Period shall commence on the date of issuance of the 2024 Series E Bonds and shall be a Weekly Interest Rate Period. Upon the date of issuance of the 2024 Series E Bonds, the initial Weekly Interest Rate borne by the 2024 Series E Bonds shall be the rate set by the Underwriter on or prior to the delivery of the 2024 Series E Bonds.

(d)(i) Determination of Weekly Interest Rate. During each Weekly Interest Rate Period, the 2024 Series E Bonds shall bear interest at the Weekly Interest Rate, which shall be determined by the Remarketing Agent by 4:30 p.m., New York City time, on Wednesday of each week during such Weekly Interest Rate Period, or if such day shall not be a Business Day, then on the next succeeding Business Day. The first Weekly Interest Rate determined for each Weekly Interest Rate Period shall be determined on or prior to the first day of such Weekly Interest Rate Period and shall apply to the period commencing on the first day of such Weekly Interest Rate Period and ending on the next succeeding Wednesday. Thereafter, each Weekly Interest Rate shall apply to the period commencing on Thursday and ending on the next succeeding Wednesday, unless such Weekly Interest Rate Period shall end on a day other than Wednesday, in which event the last Weekly Interest Rate for such Weekly Interest Rate Period shall apply to the period commencing on Thursday preceding the last day of such Weekly Interest Rate Period and ending on the last day of such Weekly Interest Rate Period. The Weekly Interest Rate, except for the initial Weekly Interest Rate, shall be the rate of interest per annum determined by the Remarketing Agent (based on then-prevailing market conditions) to be the minimum interest rate which, if borne by the 2024 Series E Bonds, would enable the Remarketing Agent to sell the 2024 Series E Bonds on such date of determination at a price (without regarding accrued interest) equal to its principal amount. In the event that the Remarketing Agent fails to establish a Weekly Interest Rate for any week (other than the initial Weekly Interest Rate), then the Weekly Interest Rate for such week shall be the same as the Weekly Interest Rate for the immediately preceding week if the Weekly Interest Rate for such preceding week was determined by the Remarketing Agent. In the event that the Weekly Interest Rate for the immediately preceding week was not determined by the Remarketing Agent, or in the event that the Weekly Interest Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the interest rate for such week shall be equal to 110% of the SIFMA Rate made available for the week preceding the date of determination, or if such index is no longer available, or no such index was so made available, for the week preceding the date of determination, 125% of the interest rate on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in The Wall Street Journal on the day the Weekly Interest Rate would otherwise be determined as provided herein for such Weekly Interest Rate Period, in either case as determined by the Authority.

(ii) Adjustment to Weekly Interest Rate. At any time, the Authority, upon written notice to the Trustee, the Authenticating Agent, the Paying Agent, the Registrar, the Remarketing Agent, the Tender Agent and the Liquidity Provider may elect, subject to Section 201(k), that the 2024 Series E Bonds shall bear interest at a Weekly Interest Rate. Such notice of the Authority shall specify the effective date of such adjustment to a Weekly Interest Rate, which shall be (A) a Business Day not earlier than the 15th day following the second Business Day after receipt by the Registrar of such notice, (B) in case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then- current Long-Term Interest Rate Period or a day on which the 2024 Series E Bonds would otherwise be subject to optional redemption pursuant to Section 203(b) if such adjustment did not occur and (C) in the case of an adjustment from a Short-Term Interest Rate Period, the day immediately following the last day of the Short-Term Interest Rate Period. In addition, the direction of the Authority shall be accompanied by a Favorable Opinion of Bond Counsel and by a form of notice to be mailed to the holders of the 2024 Series E Bonds by the Registrar as provided in Section 201(d)(iii). During each Weekly Interest Rate Period commencing on a date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the 2024 Series E Bonds shall be a Weekly Interest Rate.

(iii) Notice of Adjustment to Weekly Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Weekly Interest Rate Period to the holders of the 2024 Series E Bonds and, if a Book Entry System is in effect, the Book Entry Depository, not less than 15 days prior to the effective date of such Weekly Interest Rate Period. Such notice shall state (1) that the interest rate on the 2024 Series E Bonds will be adjusted to a Weekly Interest Rate unless Bond Counsel fails to deliver to the Authority, the Trustee, and the Remarketing Agent a Favorable Opinion of Bond Counsel as to such adjustment on the effective date of such adjustment in the Interest Rate Period, in which case the 2024 Series E Bonds, if being adjusted from a Daily Interest Rate Period or a Short-Term Interest Period, shall continue to bear interest at the Daily Interest Rate or Bond Interest Term Rates as in effect immediately prior to such proposed adjustment in the Interest Rate Period, or if the 2024 Series E Bonds are being adjusted from a Long-Term Interest Rate Period, the 2024 Series E Bonds shall be adjusted to bear interest at a Weekly Interest Rate, (2) the effective date of such Weekly Interest Rate Period, (3) that the 2024 Series E Bonds are subject to mandatory tender for purchase on such effective date, setting forth the applicable purchase price and (4) if the 2024 Series E Bonds are no longer in Book Entry Form and are therefore in certificated form, information with respect to required delivery of bond certificates and payment of the purchase price under Section 202(f).

(e)(i) Determination of Long-Term Interest Rate. During a Long-Term Interest Rate Period, the 2024 Series E Bonds shall bear interest at the Long-Term Interest Rate. The Long-Term Interest Rate for the 2024 Series E Bonds shall be determined by the Remarketing Agent on a Business Day no later than 10:00 a.m., New York City time, on the effective date of such Long-Term Interest Rate Period with respect to the 2024 Series E Bonds. The Long-Term Interest Rate shall be the rate of interest per year determined by the Remarketing Agent (based on then-prevailing market conditions) to be the minimum interest rate, if any, at which the Remarketing Agent will agree to purchase the 2024 Series E Bonds on such effective date for resale at a price (without regarding accrued interest) equal to its principal amount. If, for any reason, the Long-Term Interest Rate is not so determined for any Long-Term Interest Rate Period by the Remarketing Agent on or prior to the first day of such Long-Term Interest Rate Period, then the 2024 Series E Bonds shall bear interest at the Weekly Interest Rate as provided in Section 201(d), and shall continue to bear interest at a Weekly Interest Rate determined in accordance with Section 201(d) until such time as the interest rate on the 2024 Series E Bonds shall have been adjusted to a Daily Interest Rate, Bond Interest Term Rates or a Long-Term Interest Rate as provided in this Exhibit C, and the 2024 Series E Bonds shall be subject to purchase upon notice from their owners as described in Section 202(a). In the event that the Authority shall specify a Long-Term Interest Rate Period of one year or greater than the Liquidity Facility (if any) shall be terminated as to the 2024 Series E Bonds during such Long-Term Interest Rate Period.

(ii) Adjustment to or Continuation of Long-Term Interest Rate.

(A) At any time, upon written notice to the Trustee, the Registrar, the Tender Agent, the Paying Agent, the Authenticating Agent, the Liquidity Provider and the Remarketing Agent, the Authority may elect, subject to Section 201(k), that the 2024 Series E Bonds shall bear, or continue to bear, interest at a Long-Term Interest Rate. Such notice of the Authority, required by the first sentence of this paragraph (A), (1) shall specify the duration of the Long-Term Interest Rate Period during which the 2024 Series E Bonds shall bear interest at a Long-Term Interest Rate; (2) shall specify the effective date of such Long-Term Interest Rate Period, which date shall be (aa) a Business Day not earlier than the 15th day following the second Business Day after receipt by the Registrar of such notice, (bb) in the case of an adjustment from a Long-Term Interest Rate Period to another Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the 2024 Series E Bonds would otherwise be subject to optional redemption pursuant to Section 203(b) if such adjustment did not occur and (cc) in the case of an adjustment from a Short-Term Interest Rate Period, the day immediately following the last day of the Short-Term Interest Rate Period; (3) shall specify the last day of such Long-Term Interest Rate Period (which last day shall be either the day immediately prior to the Maturity Date, or a day which both immediately precedes a Business Day and is at least 181 days after its effective date); (4) shall specify a date on or prior to which holders are required to deliver such 2024 Series E Bonds to be purchased (if other than such effective date), and (5) if such Long-Term Interest Rate Period is for a period of one year or more, and a Liquidity Facility is in effect prior to the commencement of such Long-Term Interest Rate Period, shall direct the Trustee to terminate such Liquidity Facility after the effective date of such Long-Term Interest Rate Period.

(B) Such direction of the Authority shall be accompanied by a Favorable Opinion of Bond Counsel and by a form of the notice to be mailed by the Registrar to the holders of the 2024 Series E Bonds as provided in Section 201(e)(iii).

(C) If, by the second Business Day preceding the 15th day prior to the last day of any Long-Term Interest Rate Period, the Registrar shall not have received notice of the Authority's election that, during the next succeeding Interest Rate Period, the 2024 Series E Bonds shall bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, or at Bond Interest Term Rates, the next succeeding Interest Rate Period shall be a Weekly Interest Rate Period until such time as the interest rate on the 2024 Series E Bonds shall be adjusted to a Daily Interest Rate, a Long-Term Interest Rate or Bond Interest Term Rates as provided in Section 201 and the 2024 Series E Bonds shall be subject to mandatory purchase as provided in Section 202(c) on the first day of such Weekly Interest Rate Period.

(D) In the event that the Authority shall deliver to the Registrar, the Remarketing Agent, the Tender Agent, the Liquidity Provider and the Trustee on or prior to the date that the interest rate for any Long-Term Interest Rate Period is determined a notice to the effect that the Authority elects to rescind its election to have the 2024 Series E Bonds bear interest at a Long-Term Interest Rate, then the interest rate on the 2024 Series E Bonds shall not be adjusted to a Long-Term Interest Rate, and the 2024 Series E Bonds shall bear interest at a Daily Interest

Rate, a Weekly Interest Rate or Bond Interest Term Rates as in effect prior to such event, or if the 2024 Series E Bonds were to be adjusted from a Long-Term Interest Rate, then the 2024 Series E Bonds shall bear interest at a Weekly Interest Rate for the period commencing on the date which would have been the effective date of such Long-Term Interest Rate Period, and the 2024 Series E Bonds shall continue to be subject to mandatory purchase as provided in Section 202(c) on the day which would have been the effective date of such Long-Term Interest Rate Period.

(iii) Notice of Adjustment to or Continuation of Long-Term Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a (or the establishment of another) Long-Term Interest Rate Period to the holders of the 2024 Series E Bonds and, if a Book Entry System is in effect, the Book Entry Depository, not less than 15 days prior to the effective date of such Long-Term Interest Rate Period. Such notice shall state: (1) that the interest rate on the 2024 Series E Bonds shall be adjusted to, or continue to be, a Long-Term Interest Rate unless (x) Bond Counsel fails to deliver to the Authority, the Trustee, and the Remarketing Agent a Favorable Opinion of Bond Counsel as to such adjustment in the Interest Rate Period on the effective date of such adjustment, or (y) the Authority shall elect, on or prior to the date of determination of such Long-Term Interest Rate, to rescind its election to cause the adjustment of the interest rate on the 2024 Series E Bonds to a Long-Term Interest Rate, in which case the 2024 Series E Bonds, if being adjusted from a Daily Interest Rate Period, a Weekly Interest Rate Period or a Short-Term Interest Rate Period, shall continue to bear interest at a Daily Interest Rate, a Weekly Interest Rate or Bond Interest Term Rates as in effect immediately prior to such proposed adjustment in the Interest Rate Period, or if the 2024 Series E Bonds are being adjusted from a Long-Term Interest Rate Period, which is not a fixed rate to maturity, the 2024 Series E Bonds shall be adjusted to bear interest at a Weekly Interest Rate, (2) the effective date and the last day of such Long-Term Interest Rate Period, (3) that the 2024 Series E Bonds are subject to mandatory tender for purchase on such effective date and the purchase price applicable thereto, (4) if the 2024 Series E Bonds are secured by a Liquidity Facility immediately prior to such effective date, that the Liquidity Facility applicable to the 2024 Series E Bonds will be terminated as of the effective date of such Long-Term Interest Rate period and the ratings applicable to the 2024 Series E Bonds after the termination of such Liquidity Facility, or that no such ratings have been obtained and (5) if a Book Entry System is no longer in effect with respect to the 2024 Series E Bonds, information with respect to the required delivery of bond certificates and payment of purchase price under Section 202(f).

(iv) Adjustment from Long-Term Interest Rate Period. In addition to an adjustment from a Long-Term Interest Rate Period on the day immediately following the last day of the Long-Term Interest Rate Period, which is not a fixed rate to maturity, at any time during a Long-Term Interest Rate Period (subject to the provisions in this paragraph (iv)), including a Long-Term Interest Rate Period extending to the Maturity Date, the Authority may elect, subject to Sections 201(k) and 201(1), that the 2024 Series E Bonds no longer shall bear interest at a Long-Term Interest Rate and shall instead bear interest at a Daily Interest Rate, Weekly Interest Rate, Bond Interest Term Rates or a new Long-Term Interest Rate, as specified in such election. In the notice of such election, the Authority shall also specify the effective date of the new Interest Rate Period, which date shall be (1) a Business Day no earlier than the 15th day after the second Business Day following the date of receipt by the Registrar of the notice of election from the Authority, or, in the case of adjustment to a new Long-Term Interest Rate Period, the 15th day following the date of receipt by the Registrar of such notice and (2) a day on which the 2024 Series E Bonds shall be subject to optional redemption in accordance with Section 203(b). Such notice shall also (i) describe the Liquidity Facility in effect or to be in effect upon such adjustment from a Long-Term Interest Rate Period and identify the provider of such Liquidity Facility, (ii) state the date of termination or expiration of such Liquidity Facility, and the date of the proposed provision of such Liquidity Facility (which shall be on or prior to the date of such adjustment) if no Liquidity Facility for the Interest Rate Period following such Long-Term Interest Rate Period already is in effect and (iii) specify the ratings, if any, to be applicable to the 2024 Series E Bonds after such adjustment or state that no ratings will be assigned to the 2024 Series E Bonds subsequent to such adjustment. The 2024 Series E Bonds shall be subject to mandatory tender for purchase on the effective date of the new Interest Rate Period in accordance with Section 202(c), at a purchase price equal to the optional redemption price set forth in Section 203(b) which would be applicable on that date.

(f)(i) Determination of Bond Interest Terms and Bond Interest Term Rates.

(A) During each Short-Term Interest Rate Period, each 2024 Series E Bond shall bear interest during each Bond Interest Term for such 2024 Series E Bond at the Bond Interest Term Rate for such 2024 Series E Bond. The Bond Interest Term and the Bond Interest Term Rate for each 2024 Series E Bond need not be the same for any two 2024 Series E Bonds, even if determined on the same date. Each of such Bond Interest Terms and Bond Interest Term Rates for each 2024 Series E Bond shall be determined by the Remarketing Agent no later than 12:00 noon, New York City time, on the first day of each Bond Interest Term. Each Bond Interest Term for each 2024 Series E Bond shall be a period of not less than one day nor more than 180 days, determined by the Remarketing Agent to be the period which, together with all other Bond Interest Terms for all 2024 Series E Bonds then outstanding, will result in the lowest overall interest expense on the 2024 Series E Bonds, taking into account the following factors: (I) existing short-term tax-exempt market rates and indices of such short-term rates, (II) the existing market supply and demand for short-term tax-exempt securities, (III) existing yield curves for short-term and long-term tax-exempt securities for obligations of credit quality comparable to the 2024 Series E Bonds, (IV) general economic conditions, (V) economic and financial conditions that may affect or be relevant to the 2024 Series E Bonds, (VI) the Bond Interest Terms of other 2024 Series E Bonds and (VII) such other facts, circumstances and conditions pertaining to financial markets as the Remarketing Agent, in its sole discretion, shall determine to be relevant. Any 2024 Series E Bond purchased on behalf of the Authority and remaining unsold by the Remarketing Agent as of the close of business on the first day of the Bond Interest Term for that 2024 Series E Bond shall have a Bond Interest Term of one day or, if that Bond Interest Term would not end on a day immediately preceding a Business Day, a Bond Interest Term ending on the day immediately preceding the next Business Day. Each Bond

Interest Term shall end on either a day which immediately precedes a Business Day or on the day immediately preceding the Maturity Date, but in no event shall any Bond Interest Term extend beyond the day which is three Business Days prior to the Expiration Date of the Liquidity Facility. If for any reason a Bond Interest Term for any 2024 Series E Bond cannot be so determined by the Remarketing Agent, or if the determination of such Bond Interest Term is held by a court of law to be invalid or unenforceable, then such Bond Interest Term shall be 30 days, but if the last day so determined shall not be a day immediately preceding a Business Day, shall end on the first day immediately preceding the Business Day next succeeding such last day, or if such last day would be after the day immediately preceding the Maturity Date, shall end on the day immediately preceding the Maturity Date. In determining the number of days in each Bond Interest Term, the Remarketing Agent shall take into account the following factors: (I) existing short-term tax-exempt market rates and indices of such short-term rates, (II) the existing market supply and demand for short-term tax-exempt securities, (III) existing yield curves for short-term and long-term tax-exempt securities for obligations of credit quality comparable to the 2024 Series E Bonds, (IV) general economic conditions, (V) economic and financial conditions that may affect or be relevant to the 2024 Series E Bonds, (VI) the Bond Interest Terms of other 2024 Series E Bonds and (VII) such other facts, circumstances and conditions pertaining to financial markets as the Remarketing Agent, in its sole discretion, shall determine to be relevant.

(B) The Bond Interest Term Rate for each Bond Interest Term for each 2024 Series E Bond shall be the rate of interest per year determined by the Remarketing Agent (based on then-prevailing market conditions) to be the minimum interest rate which, if borne by such 2024 Series E Bond, would enable the Remarketing Agent to sell such 2024 Series E Bond on the date and at the time of such determination at a price (without regarding accrued interest) equal to its principal amount. If for any reason a Bond Interest Term Rate for any 2024 Series E Bond is not so established by the Remarketing Agent for any Bond Interest Term, or such Bond Interest Term Rate is determined by a court of law to be invalid or unenforceable, then the Bond Interest Term Rate for such Bond Interest Term shall be the rate per year equal to 125% of the interest rate on high grade unsecured commercial paper notes sold through dealers by major corporations as reported by The Wall Street Journal on the first day of such Bond Interest Term and which maturity most nearly equals the Bond Interest Term for which a Bond Interest Term Rate is being calculated, as determined by the Issuer.

(ii) Adjustment to Bond Interest Term Rates. At any time the Authority, upon written notice to the Trustee, the Authenticating Agent, the Paying Agent, the Remarketing Agent, the Liquidity Provider, the Registrar and the Tender Agent may elect, subject to Section 201(k), that the 2024 Series E Bonds shall bear interest at Bond Interest Term Rates, provided that the Liquidity Facility then in effect has an interest component of at least 180 days of interest coverage. Such notice of the Authority shall specify the effective date of the Short-Term Interest Rate Period (during which the 2024 Series E Bonds shall bear interest at Bond Interest Term Rates), which shall be (A) a Business Day not earlier than the 15th day following the second Business Day after receipt by the Registrar of such notice, (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the 2024 Series E Bonds would otherwise be subject to optional redemption pursuant to Section 203(b) if such adjustment did not occur; provided that, if prior to the Authority's making such election any 2024 Series E Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Short-Term Interest Rate Period shall not precede such redemption date; and (C) in the case of an adjustment from a Daily Interest Rate Period or a Weekly Interest Rate Period, the day immediately following the last day of such Interest Rate Period. In addition, the direction of the Authority shall be accompanied by a Favorable Opinion of Bond Counsel and a form of the notice to be mailed by the Registrar to the holders of the 2024 Series E Bonds as provided in Section 201(g)(iii). During each Short-Term Interest Rate Period commencing on the date so specified and ending, with respect to each 2024 Series E Bond, on the day immediately preceding the effective date of the next succeeding Interest Rate Period with respect to such 2024 Series E Bond, each 2024 Series E Bond shall bear interest at a Bond Interest Term Rate during each Bond Interest Term for such 2024 Series E Bond.

(iii) Notice of Adjustment to Bond Interest Term Rates. The Registrar shall give notice by first-class mail of an adjustment to a Short-Term Interest Rate Period to the holders of the 2024 Series E Bonds and, if a Book Entry System is in effect, the Book Entry Depository, not less than 15 days prior to the effective date of such Short-Term Interest Rate Period. Such notice shall state (1) that the 2024 Series E Bonds shall bear interest at Bond Interest Term Rates unless Bond Counsel fails to deliver to the Trustee, the Authority and the Remarketing Agent a Favorable Opinion of Bond Counsel as to such adjustment on the effective date of such adjustment in the Interest Rate Period, in which case the 2024 Series E Bonds, if being adjusted from a Daily Interest Rate Period or a Weekly Interest Rate Period, shall continue to bear interest at a Daily Interest Rate or a Weekly Interest Rate as in effect immediately prior to such proposed adjustment in the Interest Rate Period, or if the 2024 Series E Bonds are being adjusted from a Long-Term Interest Rate Period, the 2024 Series E Bonds shall be adjusted to bear interest at a Weekly Interest Rate and that during such Short-Term Interest Rate Period, each 2024 Series E Bond will have one or more consecutive Bond Interest Terms during each of which such 2024 Series E Bond will bear a Bond Interest Term Rate, (2) the effective date of such Short-Term Interest Rate Period, (3) that the 2024 Series E Bonds are subject to mandatory tender for purchase on the effective date of such Short-Term Interest Rate Period, setting forth the applicable purchase price and (4) if the 2024 Series E Bonds are no longer in Book Entry Form, information with respect to the required delivery of bond certificates and payment of the purchase price under Section 202(f) of this Indenture.

(iv) Adjustment from Short-Term Interest Rate Period. At any time during a Short-Term Interest Rate Period, the Authority may elect, pursuant to Section 201(d)(ii) 201(e)(ii) or 201(g)(ii) (and with the notice provided in such Sections), but subject to Section 201(k), that the 2024 Series E Bonds no longer shall bear interest at Bond Interest Term Rates and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, as specified in such election.

The date on which all Bond Interest Terms determined shall end shall be the last day of the then-current Short-Term Interest Rate Period and the day next succeeding such date shall be the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by the Authority.

(g)(i) Determination of Daily Interest Rate. During each Daily Interest Rate Period, the 2024 Series E Bonds shall bear interest at the Daily Interest Rate, which shall be determined by the Remarketing Agent by 9:30 a.m., New York City time, on each Business Day during such Daily Interest Rate Period. The Daily Interest Rate shall be the rate of interest per year determined by the Remarketing Agent (based on then-prevailing market conditions) to be the minimum interest rate which, if borne by the 2024 Series E Bonds, would enable the Remarketing Agent to sell the 2024 Series E Bonds on such date of determination at a price (without regarding accrued interest) equal to the principal amount thereof. In the event that the Remarketing Agent fails to establish a Daily Interest Rate for any day, then the Daily Interest Rate for such day shall be the same as the Daily Interest Rate for the immediately preceding Business Day if the Daily Interest Rate for such preceding Business Day was determined by the Remarketing Agent. In the event that the Daily Interest Rate for the immediately preceding day was not determined by the Remarketing Agent, or in the event that the Daily Interest Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the interest rate for such day shall be equal to 110% of the SIFMA Rate made available for the week preceding the date of determination, or if such index is no longer available, or no such index was so made available for the week preceding the date of determination, 125% of the interest rate on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in The Wall Street Journal on the day the Daily Interest Rate would otherwise be determined as provided herein for such Daily Interest Rate Period in either case as determined by the Issuer.

(ii) Adjustment to Daily Interest Rate. At any time, the Authority, upon written notice to the Trustee, the Authenticating Agent, the Paying Agent, the Remarketing Agent, the Tender Agent, the Liquidity Provider and the Registrar and may elect, subject to Section 201(k), that the 2024 Series E Bonds shall bear interest at a Daily Interest Rate. Such notice of shall specify the effective date of such adjustment to a Daily Interest Rate, which shall be (A) a Business Day not earlier than the 15th day following the second Business Day after receipt by the Registrar of such direction, (B) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the 2024 Series E Bonds would otherwise be subject to optional redemption pursuant to Section 203(b) if such adjustment did not occur and (C) in the case of an adjustment from a Short-Term Interest Rate Period, the day immediately following the last day of the Short-Term Interest Rate Period. In addition, the direction of the Authority shall be accompanied by a Favorable Opinion of Bond Counsel and by a form of notice to be mailed to the holders of the 2024 Series E Bonds by the Registrar as provided in Section 201(g)(iii). During each Daily Interest Rate Period commencing on a date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period or the Maturity Date, the interest rate borne by the 2024 Series E Bonds shall be a Daily Interest Rate.

(iii) Notice of Adjustment to Daily Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Daily Interest Rate Period to the holders of the 2024 Series E Bonds not less than 15 days prior to the effective date of such Daily Interest Rate Period. Such notice shall state (1) that the interest rate on the 2024 Series E Bonds will be adjusted to a Daily Interest Rate unless Bond Counsel fails to deliver to the Trustee, the Authority and the Remarketing Agent a Favorable Opinion of Bond Counsel as to such adjustment on the effective date of such adjustment in the Interest Rate Period, in which case the 2024 Series E Bonds, if being adjusted from a Weekly Interest Rate Period or a Short-Term Interest Rate Period, shall continue to bear interest at the Weekly Interest Rate or Bond Interest Term Rates as in effect immediately prior to such proposed adjustment in the Interest Rate Period, or if the 2024 Series E Bonds are being adjusted from a Long-Term Interest Rate Period, the 2024 Series E Bonds shall be adjusted to bear interest at a Weekly Interest Rate, (2) the effective date of such Daily Interest Rate Period, and (3) that the 2024 Series E Bonds are subject to mandatory tender for purchase on such effective date, setting forth the applicable purchase price.

(h) The determination of the Daily Interest Rate, Weekly Interest Rate and Long-Term Interest Rate and each Bond Interest Term and Bond Interest Term Rate by the Remarketing Agent, shall be conclusive and binding upon the Remarketing Agent, the Trustee, the Registrar, the Tender Agent, the Authenticating Agent, the Authority, the Paying Agent, the Liquidity Provider and the holders of the 2024 Series E Bonds.

(i) Subject to the provisions of the General Indenture and Series Indenture and the Series Indenture relating to 2024 Series E Bonds held in the Book Entry System, principal of and any premium on the 2024 Series E Bonds shall be payable as provided in this Exhibit C, in such coin or currency of the United States of America as, at the respective time of payment, shall be legal tender for the payment of public and private debts, to the holders of the 2024 Series E Bonds upon presentation and surrender of such 2024 Series E Bonds at the Principal Office of the Paying Agent. Interest on the 2024 Series E Bonds shall be payable on each Interest Payment Date by the Paying Agent during any Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period, by check mailed on the date on which due to the holders of the 2024 Series E Bonds at the close of business on the Record Date in respect of such Interest Payment Date at the registered addresses of holders as shall appear on the registration books of the Authority. In the case of (i) 2024 Series E Bonds bearing interest at a Bond Interest Term Rate, or (ii) any holder of 2024 Series E Bonds bearing interest at other than a Bond Interest Term Rate in an aggregate principal amount in excess of $1,000,000 as shown on the registration books kept by the Registrar who, prior to the Record Date next preceding any Interest Payment Date, shall have provided, or caused to be provided to, the Paying Agent with wire transfer instructions, interest payable on such 2024 Series E Bonds shall be paid in accordance with the wire transfer instructions provided by the holder of such 2024 Series E Bond (or by the Remarketing Agent on behalf of such holder); provided, however, that during any Short-Term Interest Rate Period, interest on any 2024 Series E Bond shall be payable only upon presentation and surrender of such 2024 Series E Bond to the Tender Agent at its Principal Office for delivery of 2024 Series E Bonds, subject to applicable provisions of Section 202 of this Exhibit C.

If and to the extent, however, that the Authority fails to make payment or provision for payment of interest on any 2024 Series E Bond on any Interest Payment Date, interest shall continue to accrue thereon but shall cease to be payable to the holder of that 2024 Series E Bond as of the applicable Record Date. When money becomes available for payment of the interest, (a) the Registrar shall establish a Special Record Date for the payment of that interest which Special Record Date shall be not more than 15 nor fewer than 10 days prior to the date of the proposed payment, and (b) the Registrar shall give notice by first-class mail of the proposed payment and of the Special Record Date to each holder not fewer than 10 days prior to the Special Record Date and, subsequently, the interest shall be payable as provided herein to the holders of the 2024 Series E Bonds as of the Special Record Date at the close of business on the Special Record Date. The form of such notice shall be provided to the Registrar by the Authority, or in the event the Authority fails to provide such notice, by the Trustee.

(j) In the event that the Authority shall elect to convert the interest rate on the 2024 Series E Bonds to a Weekly Interest Rate, Bond Interest Term Rates, Long-Term Interest Rate or Daily Interest Rate as provided in Sections 201(d)(ii), 201(e)(ii), 201(f)(ii) or 201(g)(ii), then the written direction furnished by the Authority to the Trustee, the Liquidity Provider, the Registrar, the Tender Agent, the Authenticating Agent and the Remarketing Agent as required by such Sections shall be made by registered or certified mail, or by telex or telecopy, confirmed by registered or certified mail. Any such direction of the Authority shall specify whether the 2024 Series E Bonds are to bear interest at the Weekly Interest Rate, Bond Interest Term Rates, the Long-Term Interest Rate or the Daily Interest Rate and shall be accompanied by a copy of the notice required to be given by the Registrar pursuant to Section 201(d)(iii), 201(e)(iii), 201(f)(iii) or 201(g)(iii) as the case may be.

(k) Notwithstanding anything in this Section 201 to the contrary, in connection with any adjustment of the Interest Rate Period on the 2024 Series E Bonds, the Authority shall cause to be provided to the Trustee, the Liquidity Provider and the Remarketing Agent a Favorable Opinion of Bond Counsel on the effective date of such adjustment. In the event that Bond Counsel fails to deliver a Favorable Opinion of Bond Counsel on any such date, then the Interest Rate Period on the 2024 Series E Bonds shall not be adjusted, and the 2024 Series E Bonds shall continue to bear interest at a Daily Interest Rate, Weekly Interest Rate or Bond Interest Term Rates, as the case may be, as in effect immediately prior to such proposed adjustment in the Interest Rate Period; provided, however, that in the event that the 2024 Series E Bonds are being adjusted from a Long-Term Interest Rate Period and Bond Counsel fails to deliver such Favorable Opinion of Bond Counsel on the effective date of such adjustment, then the 2024 Series E Bonds nevertheless shall be adjusted to bear interest at a Weekly Interest Rate as provided in Section 201(d). In any event, if notice of such adjustment has been mailed to the owners of the 2024 Series E Bonds as provided in Section 201 and Bond Counsel fails to deliver a Favorable Opinion of Bond Counsel on the effective date as herein described, the 2024 Series E Bonds shall continue to be subject to mandatory purchase on the date which would have been the effective date of such adjustment as provided in Section 202.

(l) Any Purchased Bond shall bear interest (subject to the Maximum Rate), and shall amortize prior to maturity, and be subject to redemption, if applicable, as set forth in the Liquidity Facility for the period commencing on and including the purchase date of such Bond and continuing to but excluding the date on which such Bond is no longer a Purchased Bond.

Section 202. Purchase of 2024 Series E Bonds.

(a) During Daily Interest Rate Period or Weekly Interest Rate Period.

(i) During any Daily Interest Rate Period when a Book Entry System is in effect, a Beneficial Owner (through its direct Participant in the Book Entry Depository) may tender his interest in a 2024 Series E Bond on any Business Day at a purchase price equal to its principal amount plus accrued interest, if any, from and including the Interest Accrual Date immediately preceding the date of purchase through and including the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date, in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office for delivery of notices, with a copy to the Remarketing Agent, of an irrevocable written notice or telephonic notice, promptly confirmed in writing, which states the principal amount of such 2024 Series E Bond and the date on which the same shall be purchased, which date shall be the date of the delivery of such notice to the Tender Agent. Any notice delivered to the Tender Agent after 10:30 a.m., New York City time, shall be deemed to have been received on the next succeeding Business Day.

(ii) During any Weekly Interest Rate Period when a Book Entry System is in effect, a Beneficial Owner (through its direct Participant in the Book Entry Depository) may tender his interest in a 2024 Series E Bond on any Business Day to be purchased on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from and including the Interest Accrual Date immediately preceding the date of purchase through and including the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date, in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office for delivery of notices, with a copy to the Remarketing Agent, of an irrevocable written notice or telephonic notice, promptly confirmed in writing, which states the principal amount of such 2024 Series E Bond and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Tender Agent. Any notice delivered to the Tender Agent after 4:00 p.m., New York City time, shall be deemed to have been received on the next succeeding Business Day.

Purchased Bonds may not be tendered for purchase at the option of the holder thereof. The Tender Agent shall promptly send a copy of any notice delivered to it pursuant to this Section 202(a) by telecopy or electronic mail to the Remarketing Agent and the

Liquidity Provider. On the date for purchase specified in the notice, the Beneficial Owner shall effect delivery of such 2024 Series E Bonds by causing the direct Participant through which such Beneficial Owner owns such 2024 Series E Bonds to transfer its interest in such 2024 Series E Bonds equal to such Beneficial Owner's interest on the records of the Book Entry Depository for such 2024 Series E Bonds to the participant account of the Tender Agent with the Book Entry Depository not later than 12:00 noon, New York City time.

During any Daily Interest Rate Period or Weekly Interest Rate Period when a Book Entry System is not in effect, an owner of a 2024 Series E Bond may tender the 2024 Series E Bond by delivery of the notice described above by the time set forth above and shall also deliver the 2024 Series E Bond to the Tender Agent by 12:00 noon, New York City time, on the date specified for purchase.

(b) Mandatory Tender for Purchase On Day Next Succeeding the Last Day of Each Bond Interest Term. On the day next succeeding the last day of each Bond Interest Term for a 2024 Series E Bond, unless such day is the Maturity Date or the first day of a new Interest Rate Period (in which event such 2024 Series E Bond shall be subject to mandatory purchase pursuant to Section 202(c)), such 2024 Series E Bond shall be purchased from its holder at a purchase price equal to its principal amount payable in immediately available funds. The purchase price of any 2024 Series E Bond so purchased shall be payable only upon surrender of such 2024 Series E Bond to the Tender Agent at its Principal Office for delivery of 2024 Series E Bonds, accompanied, when such 2024 Series E Bonds are not in a Book Entry System, by an instrument of transfer, in form satisfactory to the Tender Agent, executed in blank by the holder thereof or his duly authorized attorney, with such signature guaranteed by a bank, trust company or member firm of the New York Stock Exchange.

(c) Mandatory Tender for Purchase on First Day of Each Interest Rate Period. The 2024 Series E Bonds shall be subject to mandatory tender for purchase on the first day of each Interest Rate Period, or on the day which would have been the first day of an Interest Rate Period had one of the events specified in Sections 201(e)(ii)(D) or 201(k) not occurred which resulted in the interest rate on the 2024 Series E Bonds not being adjusted, at a purchase price, payable in immediately available funds, equal to the principal amount of the 2024 Series E Bonds or, in the case of a purchase on the first day of an Interest Rate Period which shall be preceded by a Long-Term Interest Rate Period and which shall commence prior to the day originally established as the last day of such preceding Long-Term Interest Rate Period, at a purchase price equal to the optional redemption price set forth in Section 203(b) which would have been applicable to the 2024 Series E Bonds on such mandatory purchase date if such preceding Long-Term Interest Rate Period had continued to the day originally established as its last day, plus accrued interest if any.

(d) Mandatory Tender for Purchase upon Termination, Expiration, Reduction, Modification or Replacement of the Liquidity Facility. If at any time the Registrar shall give notice in accordance with Section 304 that any 2024 Series E Bond or 2024 Series E Bonds which, at such time, are subject to purchase under the Liquidity Facility as then in effect, shall on the date specified in such notice cease to be payable from such Liquidity

Facility as a result of (i) (A) the termination or expiration of the term of such Liquidity Facility, or (B) the Liquidity Facility being reduced, replaced or modified (other than a reduction or modification in connection with the redemption of 2024 Series E Bonds) with the effect that the purchase price of such 2024 Series E Bond or 2024 Series E Bonds are no longer payable from such Liquidity Facility (in each case, whether or not any Alternate Liquidity Facility has been obtained unless the mandatory tender notice is conditioned upon receipt of an Alternate Liquidity Facility), or (ii) the Liquidity Provider notifying the Trustee that an "Event of Default" has occurred under the Liquidity Facility and that the Liquidity Provider is terminating or, if applicable, suspending the Liquidity Facility in accordance with its terms (unless such "Event of Default" is also an immediate termination or suspension event), then on the date specified by the Authority to the Registrar, Tender Agent and the Trustee in writing which is no later than 5 days prior to the applicable event, in the case of (i) above (or no later than the date of replacement with an Alternate Liquidity Facility if the existing Liquidity Facility is being replaced in accordance with Section 302 hereof), and no later than 30 days after the date of the notice specified in clause (ii) above or such other period permitted by the Liquidity Facility, each such 2024 Series E Bond shall be subject to mandatory tender for purchase as provided herein; provided, however, that no mandatory tender for purchase shall occur under this Section 202(d) as a result of such Liquidity Facility being reduced or modified in connection with 2024 Series E Bonds being redeemed and no mandatory tender for purchase shall occur under this Section 202(d) as a result of an "Event of Default" under the Liquidity Facility if the occurrence of such "Event of Default" results in the immediate suspension, if applicable, or termination of the obligation of the Liquidity Provider to purchase 2024 Series E Bonds thereunder. The purchase price for such 2024 Series E Bonds shall be equal to the principal amount thereof, plus accrued interest (if any).

(e) Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of 2024 Series E Bonds in accordance with Sections 202(c) or 202(d), the Trustee shall give notice of a mandatory tender for purchase as a part of the notice given pursuant to Sections 201(d)(iii), 201(e)(iii), 201(f)(iii), 201(g)(iii) or 204. Such notice shall state (A) in the case of a mandatory tender for purchase pursuant to Section 202(c), the type of Interest Rate Period to commence on such mandatory purchase date; (B) in the case of a mandatory tender for purchase pursuant to Sections 202(d) and 304, that the Liquidity Facility will expire, terminate, be reduced, be replaced or be modified and that the 2024 Series E Bonds shall no longer be payable from the Liquidity Facility then in effect or that the coverage thereof with respect to the 2024 Series E Bonds shall be reduced and that any rating applicable thereto may be reduced or withdrawn; (C) that the purchase price of any 2024 Series E Bond so subject to mandatory purchase shall be payable only upon (i) if a Book Entry System is not in effect, surrender of such 2024 Series E Bond to the Tender Agent at its Principal Office for delivery of 2024 Series E Bonds, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the holder thereof or his duly-authorized attorney, with such signature guaranteed by a bank, trust company or member firm of the New York Stock Exchange or (ii) if a Book Entry System is in effect, registration of the ownership rights in such 2024 Series E Bond to the Tender Agent on the records of the Book Entry Depository; (D) that, provided that moneys sufficient to effect such purchase have been provided through the remarketing of such 2024 Series E Bonds by the Remarketing Agent, through the Liquidity Facility or through payments made by the Authority, all 2024 Series E Bonds so subject to mandatory tender for purchase shall be purchased on the mandatory purchase date, and that if any owner of a 2024 Series E Bond subject to mandatory tender for purchase shall not surrender such 2024 Series E Bond to the Tender Agent for purchase (or if a Book Entry System is in effect, effect the transfer of ownership rights to the Tender Agent on the records of the Book Entry Depository) on such mandatory purchase date, and moneys sufficient to pay the purchase price are on deposit with the Tender Agent as described in Article V, then such 2024 Series E Bond shall be deemed to be an Undelivered Bond, and that no interest shall accrue on it and after such mandatory purchase date and that the holder thereof shall have no rights under the General Indenture and Series Indenture other than to receive payment of the purchase price thereof; and (E) in the event that moneys sufficient to pay the purchase price of such 2024 Series E Bonds have not been provided to the Tender Agent from (i) proceeds of remarketing of such 2024 Series E Bonds, (ii) amounts drawn on the Liquidity Facility, and (iii) amounts legally available therefor under the General Indenture and Series Indenture, then no such tendered or deemed tendered 2024 Series E Bonds shall be purchased, and instead, all outstanding 2024 Series E Bonds (x) shall thereafter bear interest in the Weekly Interest Rate Period, at a rate, reset weekly, equal to the SIFMA Rate plus 3% (not to exceed the Maximum Rate), and (y) Owners of such 2024 Series E Bonds shall have no further right to tender their 2024 Series E Bonds for purchase.

In connection with any mandatory tender for purchase of 2024 Series E Bonds in accordance with Section 202(d) as a result of the termination, expiration, reduction, modification or replacement of a Liquidity Facility as described above, such notice also shall (F) describe generally the Alternate Liquidity Facility, if any, in effect or to be in effect upon such termination, expiration, reduction, modification or replacement and identify the provider of such Alternate Liquidity Facility, (G) state the date of such termination, expiration, reduction, modification or replacement, and the date of the proposed provision of the Alternate Liquidity Facility, if any, (H) specify the ratings, if any, to be applicable to such 2024 Series E Bonds after such termination, expiration, reduction, modification or replacement of the Liquidity Facility, or state that no ratings will be assigned to such 2024 Series E Bonds subsequent to such termination, expiration, reduction, modification or replacement of the Liquidity Facility, and (I) describe any special restrictions or procedures (if any) applicable to the registration of transfer of such 2024 Series E Bonds. The Authority shall provide the Trustee and the Liquidity Provider with a form of any such notice. No notice of mandatory purchase shall be given in connection with the provision of an Alternate Liquidity Facility unless and until the Alternate Liquidity Facility shall have been delivered to the Tender Agent or unless a firm commitment to deliver such Alternate Liquidity Facility has been delivered to the Trustee or unless the notice to the holder of the 2024 Series E Bonds is conditioned upon receipt of such Alternate Liquidity Facility. If the notice is conditioned upon receipt of the Alternate Liquidity Facility, and the Alternate Liquidity Facility is not delivered, then the 2024 Series E Bonds shall not be purchased and the holders of the 2024 Series E Bonds shall retain their 2024 Series E Bonds.

Subject to the provisions of the General Indenture and Series Indenture and the Series Indenture relating to 2024 Series E Bonds held in a Book Entry System, for payment of the purchase price of any 2024 Series E Bond required to be purchased pursuant to this Section 202 on the date specified, such 2024 Series E Bond must be delivered, at or prior to 12:00 p.m., New York City time, on the date specified in such notice, to the Tender Agent at its Principal Office for delivery of 2024 Series E Bonds, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the holder thereof or his duly authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange. In the event any such 2024 Series E Bond is delivered after 12:00 noon, New York City time, on such date, payment of the purchase price of such 2024 Series E Bond need not be made until the Business Day following the date of delivery of such 2024 Series E Bond, but such 2024 Series E Bond shall nonetheless be deemed to have been purchased on the date specified in such notice and no interest shall accrue thereon after such date.

(f) Irrevocable Notice Deemed to be Tender of 2024 Series E Bond; Undelivered Bonds.

(i) The giving of notice by an owner of a 2024 Series E Bond as provided in Section 202(a) shall constitute the irrevocable tender for purchase of each such 2024 Series E Bond with respect to which such notice shall have been given, regardless of whether such 2024 Series E Bond is delivered to the Tender Agent for purchase on the relevant purchase date as provided in Section 202 provided that moneys sufficient to pay the purchase price of such 2024 Series E Bonds are on deposit with the Tender Agent for such purpose.

(ii) The Tender Agent may refuse to accept delivery of any 2024 Series E Bonds for which a proper instrument of transfer has not been provided; such refusal, however, shall not affect the validity of the purchase of such 2024 Series E Bond as herein described. If any holder of a 2024 Series E Bond who shall have given notice of tender of purchase pursuant to Section 202(a), if a Book Entry System is not in effect, shall fail to deliver such 2024 Series E Bond to the Tender Agent at the place and on the applicable date and at the time specified, or shall fail to deliver such 2024 Series E Bond properly endorsed, or if a Book Entry System is in effect, shall fail to cause its beneficial ownership to be transferred to the Tender Agent on the records of the Book Entry Depository, and moneys sufficient to pay the purchase price are on deposit with the Tender Agent for such purpose, such 2024 Series E Bond shall constitute an Undelivered Bond. If funds in the amount of the purchase price of the Undelivered Bonds (including the Undelivered Bonds referred to in Section 202(e)) are available for payment to the holder thereof on the date and at the time specified, from and after the date and time of that required delivery, (1) each Undelivered Bond shall be deemed to be purchased and shall no longer be deemed to be outstanding under the General Indenture and Series Indenture; (2) interest shall no longer accrue; and (3) funds in the amount of the purchase price of each such Undelivered Bond shall be held by the Tender Agent for the benefit of its holder (provided that the holder shall have no right to any investment proceeds derived from such funds), to be paid on delivery (and proper endorsement) of such Undelivered Bond to the Tender Agent at its Principal Office for delivery of 2024 Series E Bonds. Any funds held by the Tender Agent as described in clause (3) of the preceding sentence shall be held uninvested and not commingled.

Section 203. Redemption Provisions. In addition to the other circumstances under which the 2024 Series E Bonds are subject to redemption, the 2024 Series E Bonds shall be subject to redemption prior to maturity as follows:

(a) (i) On any date during a Daily Interest Rate Period or Weekly Interest Rate Period, the 2024 Series E Bonds shall be subject to optional redemption by the Authority, at the direction of the Authority, in whole or in part, from any moneys available for such purchase at a Redemption Price equal to 100% of the principal amount so redeemed, plus accrued interest, if any, to the date of redemption, without premium; and

(ii) On the day succeeding the last day of any Bond Interest Term with respect to any 2024 Series E Bond, such 2024 Series E Bond shall be subject to optional redemption by the Authority, at the direction of the Authority in whole or in part, at a redemption price of par plus accrued interest, if any, to the redemption date.

(b) (i) During any Long-Term Interest Rate Period, other than the period when the Long-Term Interest Rates are a rate fixed to maturity, the 2024 Series E Bonds shall be subject to optional redemption by the Authority, at the direction of the Authority (which shall be delivered to the Trustee in writing or by facsimile confirmed in writing by notice delivered by first class mail), on the first day of such Long-Term Interest Rate Period, in whole or in part, at the redemption price of par, and thereafter, during the periods specified below to the Registrar at the redemption prices (expressed as a percentage of principal amount) hereinafter indicated, plus accrued interest, if any, to the redemption date:

Length of Long-Term Interest Rate Period (expressed in years)	**Redemption Prices**
greater than 15	after 10 years at 101%, declining by 1% after a year to 100%
less than or equal to 15 and greater than 10	after 7 years at 101%, declining by 1% after a year to 100%
less than or equal to 10 or greater than 7	after 5 years at 101%, declining by 1% after a year to 100%
less than or equal to 7 and greater than 4	after 3 years at 101%, declining by 1% after a year to 100%
less than or equal to 4	at any time at 100%

(ii) During any Long-Term Interest Rate Period when the Long-Term Interest Rates are fixed to maturity, the 2024 Series E Bonds shall be subject to optional redemption by the Authority on any date on and after the earliest first day of a month that is at least 10 years after the start of such Long-Term Interest Rate Period, in whole or in part, at a redemption price of par.

(c) If provided for in the Liquidity Facility, Purchased Bonds shall be subject to mandatory redemption on the dates, in the amounts and at the prices as may be set forth in the Liquidity Facility. Purchased Bonds shall be optionally redeemed by the Authority prior to the redemption of any other 2024 Series E Bonds.

(d) Any Purchased Bonds shall be subject to optional redemption by the Authority, at the direction of the Authority, at any time in whole or in part, at a redemption price of par plus accrued interest, subject to such restrictions as shall be set forth in the Liquidity Facility (including, with respect to the initial Liquidity Facility, Section 5.1(h) thereof).

ARTICLE III

LIQUIDITY FACILITIES

Section 301. Liquidity Facility for 2024 Series E Bonds.

(a) The Authority will cause to be executed and delivered to the Tender Agent simultaneously with the issuance of the 2024 Series E Bonds a Liquidity Facility providing for the purchase, in accordance with its terms, of the 2024 Series E Bonds which are tendered for purchase as provided in Articles II and V and not remarketed. The Tender Agent is directed to take such actions as may be required under the Liquidity Facility from time to time in accordance with its terms to purchase 2024 Series E Bonds subject to purchase but not remarketed in accordance with such Articles.

(b) If the Authority shall have determined to cause an Alternate Liquidity Facility to be obtained, the Authority shall give prompt notice to the existing Liquidity Provider. If at any time there shall have been delivered to the Tender Agent an Alternate Liquidity Facility pursuant to Section 302 and the documents required by such Section 302, then the Tender Agent shall accept such new Liquidity Facility and surrender the previously held Liquidity Facility for cancellation in accordance with the terms of such Liquidity Facility, provided that no such surrender shall occur until after the date on which the 2024 Series E Bonds are subject to mandatory purchase in accordance with Section 202(d). If at any time all of the 2024 Series E Bonds then supported by the Liquidity Facility shall have been defeased pursuant to the General Indenture and Series Indenture, the Tender Agent shall surrender the Liquidity Facility in effect prior to such defeasance to the Liquidity Provider in accordance with the terms of such Liquidity Facility for cancellation. The Tender Agent shall comply with the procedure set forth in the Liquidity Facility relating to its termination and is authorized to deliver certificates reducing the amount available for the payment of the purchase price of 2024 Series E Bonds under the Liquidity Facility in accordance with its provisions. No Alternate

Liquidity Facility shall become effective until all obligations owed to the then current Liquidity Provider shall have been paid in full.

(c) In connection with the replacement, termination, expiration, reduction or modification of the Liquidity Facility requiring mandatory purchase of 2024 Series E Bonds as provided in Section 202(d), the Registrar is directed to give the notice of mandatory tender for purchase of the 2024 Series E Bonds as provided in Section 202(d).

Section 302. Alternate Liquidity Facility for 2024 Series E Bonds. If at any time there shall be delivered to the Tender Agent:

(a) an Alternate Liquidity Facility covering the 2024 Series E Bonds which shall contain administrative provisions reasonably satisfactory to the Tender Agent;

(b) a Favorable Opinion of Bond Counsel;

(c) an opinion of counsel satisfactory to the Trustee and the Tender Agent to the effect that such Alternate Liquidity Facility is a valid and enforceable obligation of the issuer or provider thereof;

(d) an opinion of counsel addressed to the Trustee and the Tender Agent that no registration of the 2024 Series E Bonds or such Alternate Liquidity Facility is required under the Securities Act of 1933, as amended, or qualification of an indenture under the Trust Indenture Act of 1939, as amended, is required in connection with the delivery of such Alternate Liquidity Facility;

(e) an acknowledgment from the current Liquidity Provider that it has been paid in full for outstanding obligations; and

(f) all information required to give the notice of mandatory tender for purchase of the 2024 Series E Bonds as required by Section 202(d), then the Tender Agent shall accept such Alternate Liquidity Facility and, after the date of the mandatory tender for purchase established pursuant to Section 202(d), promptly surrender the Liquidity Facility then in effect to the Liquidity Provider which issued such Liquidity Facility in accordance with its terms for cancellation. For purposes of this Article and Section 202(d), the extension of the termination date of a Liquidity Facility shall not be considered to be the provision of an Alternate Liquidity Facility.

In lieu of the opinion of counsel required by paragraph (d) of this Section, there may be delivered an opinion of counsel reasonably satisfactory to the Authority and the Trustee and the Tender Agent to the effect that either (a) at all times during the term of the Alternate Liquidity Facility, the 2024 Series E Bonds will be offered, sold and held by owners in transactions not constituting a public offering of the 2024 Series E Bonds or the Liquidity Facility under the Securities Act of 1933, as amended (the "1933 Act"), and accordingly neither the registration of the 2024 Series E Bonds under the 1933 Act nor the qualification of an indenture in respect thereof under the Trust Indenture Act of 1939, as amended (the "TIA"), will be required in connection with the execution and delivery of the Liquidity Facility or the remarketing of the 2024 Series E Bonds, or (b) the obligation of the Liquidity Provider under the Liquidity Facility has been registered under the 1933 Act, and any indenture required to be qualified with respect to it under the TIA has been so qualified, and accordingly neither the registration of the 2024 Series E Bonds under the 1933 Act nor the qualification of an indenture in respect thereof under the TIA will be required in connection with the issuance of such Alternate Liquidity Facility or the remarketing of the 2024 Series E Bonds.

In the event that the Tender Agent shall be provided with an Alternate Liquidity Facility, together with the other items required by this Section 302, then the Trustee shall mail notice to the owners of the 2024 Series E Bonds as described in Section 304.

Section 303. Rights and Duties under Liquidity Facilities relating to 2024 Series E Bonds. The initial Liquidity Facility will be delivered to the Tender Agent upon the issuance of the 2024 Series E Bonds, and the Tender Agent is instructed, without further direction, to draw amounts under the Liquidity Facility in accordance with its terms at such times, in the manner and for the purposes set forth in this Exhibit, particularly Article V. The Authority agrees that the Tender Agent in its name or in the name of the Authority may enforce all rights of the Tender Agent and of the Authority and all obligations of the Liquidity Provider under and pursuant to the Liquidity Facility, for the benefit of the holders of the 2024 Series E Bonds.

Section 304. Notice of Termination, Suspension or Other Change in Liquidity Facility for 2024 Series E Bonds. The Registrar shall give notice by mail to the holders of the 2024 Series E Bonds then payable from the Liquidity Facility (a) on or before the 20th day preceding the scheduled expiration of any Liquidity Facility in accordance with its terms, or on or before the 20th day preceding any reduction, replacement or modification of the terms of the Liquidity Facility with the effect that the purchase price of such 2024 Series E Bonds are no longer payable from such Liquidity Facility (or, in the case of replacement with an Alternate Liquidity Facility, if the existing Liquidity Facility is being replaced in accordance with Section 302 hereof, on or before the 15th day preceding the replacement date) or (b) in the case of receipt by the Trustee of notice from the Liquidity Provider that an "Event of Default" has occurred under the Liquidity Facility (but only if such Event of Default would result in the 2024 Series E Bonds being subject to tender pursuant to Section 202(d)), within one Business Day following the receipt of such notice of an "Event of Default". Any such notice shall, to the extent applicable, (i) describe generally the Alternate Liquidity Facility, if any, in effect or to be in effect upon such replacement, termination, expiration, reduction, suspension or modification, and identify the provider of such Alternate Liquidity Facility and whether in the case of each event of suspension or termination thereof there is an obligation to purchase upon mandatory tender of the 2024 Series E Bonds pursuant to such Alternate Liquidity Facility, and if not, the events which give rise to the suspension or termination of the obligation to purchase under such Alternate Liquidity Facility without an obligation to purchase upon mandatory tender of the 2024 Series E Bonds, (ii) state the date of such replacement, termination, expiration, reduction or modification, and the date of the proposed provision of the Alternate Liquidity Facility (if any), (iii) describe any reduction, termination, expiration, suspension or modification of the Liquidity Facility, and the effective date of that event, (iv) specify the ratings, if any, to be applicable to such 2024 Series E Bonds after such replacement, termination, expiration, reduction or modification of the Liquidity Facility, or state that no ratings have been obtained with respect to such 2024 Series E Bonds for the period subsequent to such replacement, termination, expiration, reduction or modification of the Liquidity Facility, and (v) state that a mandatory tender for purchase of the 2024 Series E Bonds is required in connection with that event, and that the 2024 Series E Bonds will be purchased pursuant to Section 202(d) on the date specified in Section 202(d). The Authority will give the Trustee, the Tender Agent, the Registrar and the Paying Agent written notification of any replacement, termination, expiration, reduction, suspension or modification of the Liquidity Facility as soon as practicable after receiving knowledge of that event. The Authority shall provide the Trustee and the Registrar with written notice of any information required to enable the Registrar to give the foregoing notice and shall provide the Registrar with the form of such notice; provided, however, that in the event the Authority shall fail to provide such notice, the Trustee shall provide such notice to the Registrar.

Section 305. Notice by Trustee to Reduce Liquidity Facility Relating to the 2024 Series E Bonds. In the event that the 2024 Series E Bonds shall be redeemed in whole or in part, the Trustee, at the written direction of the Authority, shall give notice to the Liquidity Provider and the Trustee in the manner required by the Liquidity Facility to reflect such reduction in the principal amount of the 2024 Series E Bonds as a result of such redemption and no notice to the owners of the 2024 Series E Bonds of such reduction, nor any purchase of them under Sections 202(d) or 304, shall occur as a result of that redemption.

ARTICLE IV

SUPPLEMENTAL INDENTURES

The following shall be added to the matters that may be the subject of a Supplemental Indenture without Bondowners' consent:

(a) to increase or decrease the number of days specified in Sections 201(d)(ii) and (iii), 201(e)(ii) and (iii), 201(f)(ii) and (iii), and 201(g)(ii) and (iii); *provided* that no decreases in any such number of days shall become effective except during a Daily Interest Rate Period or a Weekly Interest Rate Period and until 30 days after the Registrar shall have given notice to the holders of the 2024 Series E.

ARTICLE V

REMARKETING AGENT; TENDER AGENT; PURCHASE AND REMARKETING OF BONDS

Section 501. Remarketing Agreement and Tender Agent.

(a) The Authority shall appoint any successor Remarketing Agent to the initial Remarketing Agent for the 2024 Series E Bonds subject to the conditions set forth in Section 502(a). Each Remarketing Agent shall designate its Principal Office (other than the initial Remarketing Agent whose Principal Office is listed in Article VI) and signify its acceptance of the duties and obligations imposed upon it under the Series Indenture by a written instrument of acceptance delivered to the Authority and the Liquidity Provider under which such Remarketing Agent will agree, particularly, to keep such books and records with respect to its duties as Remarketing Agent as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Authority and the Liquidity Provider at all reasonable times.

(b) The Authority shall appoint any successor Tender Agent for the 2024 Series E Bonds, subject to the conditions set forth in Section 502(b). Any Tender Agent shall meet the requirements applicable to a successor Fiscal Agent stated in the General Indenture. The Tender Agent shall carry out its duties under this Determination, the Tender Agreement and the Liquidity Facility in accordance with the standards of conduct and liability assigned to the Trustee under the General Indenture and Series Indenture and the Series Indenture. Each Tender Agent shall designate its Principal Office(s) for delivery of notices and delivery of 2024 Series E Bonds (except for such offices of the initial Tender Agent which shall receive delivery of notices and delivery of 2024 Series E Bonds at the address listed in Article VI) and signify its acceptance of the duties and obligations imposed upon it under the Series Indenture by a written instrument of acceptance delivered to the Trustee, the Registrar, the Authenticating Agent, the Authority, the Liquidity Provider and the Remarketing Agent. By acceptance of its appointment under the Series Indenture, the Tender Agent agrees:

(i) to hold all 2024 Series E Bonds delivered to it pursuant to Section 202, as agent and bailee of, and in escrow for the benefit of, the respective owners which shall have so delivered such 2024 Series E Bonds until moneys representing the purchase price of such 2024 Series E Bonds shall have been delivered to or for the account of or to the order of such owners;

(ii) to establish and maintain a separate segregated trust fund designated as the Illinois Housing Development Authority Multifamily Revenue Bonds, 2024 Series E Bond Purchase Fund (the "Bond Purchase Fund"), until such time as it has been discharged from its duties as Tender Agent;

(iii) to hold all money (without investment) delivered to it as Tender Agent in the Bond Purchase Fund for the purchase of 2024 Series E Bonds pursuant to Section 202, as agent and bailed of, and in escrow for the benefit of, the person or entity which shall have so delivered such moneys until the 2024 Series E Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity;

(iv) to hold all money delivered to it by the Liquidity Provider for the purchase of 2024 Series E Bonds pursuant to Section 202, as agent and bailee of, and in escrow for the benefit of, the owners or former owners who shall deliver 2024 Series E Bonds to it for purchase until the 2024 Series E Bonds purchased with such money shall have been delivered to or for the account of the Liquidity Provider; provided, however, that if the 2024 Series E Bonds shall at any time become due and payable, the Tender Agent shall cause such moneys (other than moneys held pursuant to Section 503(c)(ii)) to be returned to the Liquidity Provider;

(v) to hold all 2024 Series E Bonds registered in the name of the new owners which have been delivered to it by the Registrar for delivery to the Remarketing Agent in accordance with the Tender Agreement;

(vi) to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Authority, the Trustee, the Liquidity Provider and the Remarketing Agent at all reasonable times.

The Authority shall cooperate with the Authority, the Trustee and the Registrar to cause the necessary arrangements to be made and to be thereafter continued to enable the Tender Agent to perform its duties and obligations described above.

Section 502. Qualifications of Remarketing Agent and Tender Agent; Resignation; Removal.

(a) The Remarketing Agent shall be a member of the Financial Industry Regulatory Authority, having a combined capital stock, surplus and undivided profits of at least $15,000,000, shall have, or be a subsidiary of another corporation or a partnership which includes as a general partner an entity which shall have, senior unsecured long-term debt which shall be rated, so long as the 2024 Series E Bonds shall be rated by Moody's, at least Baa3/P-3 or otherwise qualified by Moody's, and authorized by law to perform all the duties hereby imposed upon it. The Remarketing Agent may at any time resign and be discharged of its duties and obligations only after a successor remarketing agent has been appointed, except that if the Remarketing Agent gives notice of its resignation to the Authority, the Tender Agent, the Liquidity Provider, the Paying Agent and the Trustee and the Authority has not appointed a successor remarketing agent within 30 days thereafter, the Remarketing Agent may resign at any time 60 days after the end of such 30-day period whether or not a successor is appointed. The Authority shall use its best efforts to appoint a successor remarketing agent. The Remarketing Agent may be removed at any time, at the direction of the Authority with the written consent of the Liquidity Provider, by an instrument signed by the Authority, filed with the Trustee, the Tender Agent, the Registrar, the Liquidity Provider and the Remarketing Agent at least 30 days prior to the effective date of such removal.

(b) The Tender Agent shall be a corporation duly organized under the laws of the United States of America or any state or territory of the United States, and, if not a bank or trust company, for so long as the 2024 Series E Bonds shall be rated by Moody's, shall have senior unsecured debt which shall be rated at least Baa3/P-3 or otherwise qualified by Moody's, and in any case having a combined capital stock, surplus and undivided profits of at least $15,000,000 and authorized by law to perform all the duties imposed upon it by the Series Indenture and the Tender Agreement. The Tender Agent may at any time resign and be discharged of the duties and obligations by giving at least 60 days' notice to the Trustee, the Registrar, the Authority, the Liquidity Provider, the Authenticating Agent and the Remarketing Agent. The Tender Agent may be removed, at the direction of the Authority with the written consent of the Liquidity Provider and the Authority, by an instrument signed by the Authority, filed with the Tender Agent, the Trustee, the Registrar, the Authenticating Agent, the Liquidity Provider and the Remarketing Agent. Such resignation or removal shall take effect on the day a successor Tender Agent shall have been appointed by the Authority and the successor Tender Agent shall have accepted such appointment and the Liquidity Facility shall have been transferred to the successor Tender Agent.

Upon the effective date of resignation or removal of the Tender Agent, the Tender Agent shall deliver any 2024 Series E Bonds and moneys held by it in such capacity to its successor.

Section 503. Notice of 2024 Series E Bonds Delivered for Purchase; Purchase of 2024 Series E Bonds; Insufficient Funds for Purchase.

(a) The Tender Agent shall determine timely and proper delivery of 2024 Series E Bonds and the proper endorsement of such 2024 Series E Bonds. Such determination shall be binding on the owners of such 2024 Series E Bonds, the Authority, the Remarketing Agent, the Liquidity Provider and the Trustee, absent manifest error. In accordance with the provisions of the Tender Agreement, the Tender Agent shall give notice by telephone, telecopy or telex promptly confirmed by a written notice, to the Trustee, the Registrar, the Remarketing Agent, the Liquidity, Provider and specifying the principal amount of 2024 Series E Bonds, if any, as to which it shall receive notice of tender for purchase in accordance with Section 202(a).

(b) 2024 Series E Bonds required to be purchased in accordance with Section 202 shall be purchased from their owners, on the date and at the purchase price at which such 2024 Series E Bonds are required to be purchased. Funds for the payment of such purchase price shall be derived from the following sources in the order of priority indicated:

(i) proceeds of the sale of such 2024 Series E Bonds remarketed to any person pursuant to Section 504 and furnished to the Tender Agent by the purchasers or by the Remarketing Agent for deposit into the Remarketing Account of the Bond Purchase Fund;

(ii) money furnished to the Tender Agent for deposit into the Purchase Account of the Bond Purchase Fund representing moneys received from draws on the Liquidity Facility; and

(iii) money furnished to the Tender Agent for deposit into the Bond Purchase Fund representing moneys lawfully available for such purpose under the Series Indenture.

The Tender Agent may establish separate accounts or sub-accounts within the Bond Purchase Fund for such purposes as the Tender Agent may deem appropriate.

In the event that amounts described in clauses (i) and (ii) above shall be insufficient to pay the purchase price of 2024 Series E Bonds tendered and deemed tendered on a particular date, the Authority shall direct the Trustee to transfer to the Tender Agent, from all money lawfully available for such purpose under the General Indenture and Series Indenture, the amount required to satisfy the payment of the whole of such purchase price. In the event that the sources of funds described in items (i), (ii) and (iii) above shall be insufficient to provide for the payment of the purchase price for all 2024 Series E Bonds tendered or deemed tendered for purchase on the date such purchase price is due, no such tendered or deemed tendered 2024 Series E Bonds shall be purchased. Instead, all outstanding 2024 Series E Bonds (x) shall subsequently bear interest in the Weekly Interest Rate Period at a rate, reset weekly, equal to the SIFMA Rate plus three percent (not to exceed the Maximum Rate) and (y) Owners of such Bonds shall have no further right to tender their Bonds for purchase.

(c) (i) If a Book Entry System is not in effect, the Registrar or the Authenticating Agent shall authenticate a new 2024 Series E Bond or 2024 Series E Bonds in an aggregate principal amount equal to the principal amount of 2024 Series E Bonds purchased in accordance with Section 503(b), whether or not the 2024 Series E Bonds so purchased are presented by the owners thereof, bearing a number or numbers not contemporaneously outstanding. Every 2024 Series E Bond authenticated and delivered as provided in this Section 503 shall be entitled to all the benefits of the General Indenture and Series Indenture equally and proportionately with any and all other 2024 Series E Bonds. The Registrar shall maintain a record of the 2024 Series E Bonds purchased as provided in this Section 503, together with the names and addresses of their former owners and shall make the notation required to be made on the Bond Register in the case of any 2024 Series E Bonds purchased pursuant to Section 503(b)(ii). If a Book Entry System is in effect with respect to the 2024 Series E Bonds, on any date on which beneficial ownership in the 2024 Series E Bonds is tendered at the option of the owner of such beneficial interest (acting through its Participant in the Book Entry Depository) in accordance with Section 202(a) (including transfer of the beneficial ownership interest of the tendering owner to the account of the Tender Agent at the Book Entry Depository), the Tender Agent shall transfer ownership of such beneficial ownership on the records of the Book Entry Depository. In the event a Book Entry System is in effect with respect to the 2024 Series E Bonds, on any date on which beneficial ownership interest in the 2024 Series E Bonds is subject to mandatory tender in accordance with Section 202, the Tender Agent shall transfer beneficial ownership of the 2024 Series E Bonds on the records of the Book Entry Depository as provided in Section 202, regardless of whether the owners of the beneficial interests subject to mandatory tender transfer their beneficial ownership of the 2024 Series E Bonds to the Tender Agent on the records of the Book Entry Depository, and moneys for the purchase of the beneficial interests subject to mandatory tender shall be transferred by the Tender Agent to the Book Entry Depository for transfer to the owners of such beneficial interests subject to mandatory purchase.

(ii) If a Book Entry System is not in effect, in the event any 2024 Series E Bonds purchased as provided in this Section 503 shall not be presented to the Tender Agent, the Tender Agent shall segregate and hold the money for the purchase price of such 2024 Series E Bonds in trust for the benefit of the former owners of such 2024 Series E Bonds, who shall, except as provided in the following sentence, thereafter be restricted exclusively to such money for the satisfaction of any claim for the purchase price of such

2024 Series E Bonds. Any money which the Tender Agent shall segregate and hold in trust for the payment of the purchase price of any 2024 Series E Bond and remaining unclaimed for two (2) years after the date of purchase shall, upon the Authority's written request to the Tender Agent, be paid to the Authority. After the payment of such unclaimed moneys to, the former Bondholder of such 2024 Series E Bond shall look only to the Authority for the payment, and shall not be liable for any interest on it and shall not be regarded as a trustee of such money. If a Book Entry System is in effect with respect to the 2024 Series E Bonds, if the 2024 Series E Bonds are subject to mandatory tender in accordance with the terms of the Series Indenture, then the Tender Agent shall transfer ownership beneficial ownership of the 2024 Series E Bonds on the records of the Book Entry Depository, regardless of whether the owners of the beneficial interests subject to mandatory tender transfer their beneficial ownership of the 2024 Series E Bonds to the Tender Agent on the records of the Book Entry Depository, and money for the purchase of the beneficial interests subject to mandatory tender shall be transferred by the Tender Agent to the Book Entry Depository for transfer to the owner of such beneficial interest subject to mandatory purchase.

Section 504. Remarketing of 2024 Series E Bonds; Notice of Interest Rates.

(a) Upon notice of the tender for purchase of 2024 Series E Bonds, the Remarketing Agent shall offer for sale and use reasonable efforts to sell such 2024 Series E Bonds, any such sale to be made on the date of such purchase in accordance with Section 202 at the best rate available in the marketplace at a purchase price of par; provided, however, that the Remarketing Agent shall not remarket any 2024 Series E Bonds unless a Liquidity Facility is then in effect with respect to such 2024 Series E Bonds or unless such 2024 Series E Bonds are being remarketed in a Long-Term Interest Rate Period or a Short-Term Interest Rate Period that extends to the day immediately preceding the Maturity Date. Any 2024 Series E Bond which is tendered for purchase pursuant to Section 202(a) after such 2024 Series E Bond has become subject to mandatory tender for purchase pursuant to Section 202(c) or 202(d), shall be sold by the Remarketing Agent only to a purchaser who agrees to (i) refrain from selling that 2024 Series E Bond other than under the terms of the Series Indenture, or (ii) hold that 2024 Series E Bond only to the date of mandatory purchase. The Remarketing Agent shall not remarket 2024 Series E Bonds to the Authority, any Liquidity Provider or any other guarantor.

(b) The Remarketing Agent shall determine the rate of interest to be borne by the 2024 Series E Bonds during each Interest Rate Period (other than for Purchased Bonds) and by each 2024 Series E Bond during each Bond Interest Term for such 2024 Series E Bond and the Bond Interest Terms for each 2024 Series E Bond during each Short-Term Interest Rate Period as provided in Section 201 and shall furnish to the Authority, the Trustee and the Registrar on the Thursday after the Wednesday such rate of interest was determined with respect to 2024 Series E Bonds bearing interest at a Weekly Interest Rate and on every Friday with respect to 2024 Series E Bonds bearing interest at a Daily Interest Rate and on the Business Day such rate of interest was determined with respect to each 2024 Series E Bond bearing interest at a Bond Interest Term Rate and Bond Interest Term so determined by telex, telephone or telecopy, promptly confirmed in writing or shall make such information available to the Authority, the Trustee and the Registrar by readily accessible electronic means.

(c) The Remarketing Agent shall give the Tender Agent written or telephonic notice (promptly confirmed in writing) not later than (i) 5:00 p.m., New York City time, on the Business Day preceding the Business Day on which the 2024 Series E Bonds are to be purchased pursuant to Section 202(a)(ii), (c) or (d) or (ii) 11:20 a.m., New York City time, on the Business Day on which 2024 Series E Bonds are to be purchased pursuant to Section 202(a)(i) or (b) of the aggregate principal amount of 2024 Series E Bonds subject to purchase which have not been remarketed. By 11:50 a.m., New York City time, on the Purchase Date (as defined in the Tender Agreement), the Remarketing Agent shall deliver the Purchase Price (as defined in the Tender Agreement) of such 2024 Series E Bonds to the Tender Agent. The Remarketing Agent shall give telephonic or telegraphic notice, promptly confirmed by a written notice, to the Authority, the Trustee, the Registrar, the Authenticating Agent and the Tender Agent on each date on which 2024 Series E Bonds shall have been purchased pursuant to Section 503(b), specifying the principal amount of 2024 Series E Bonds, if any, sold by it pursuant to Section 504(a).

Section 505. Delivery of 2024 Series E Bonds.

(a) 2024 Series E Bonds purchased with moneys described in clause (i) of Section 503(b) shall be made available by the Registrar or by the Authenticating Agent to the Remarketing Agent for delivery to their purchasers against payment in accordance with the Tender Agreement.

(b) 2024 Series E Bonds purchased with moneys described in clause (ii) of Section 503(b) shall be held by the Tender Agent as agent for the Liquidity Provider.

(c) 2024 Series E Bonds delivered as provided in this Section 505 shall be registered in the manner directed by the recipient or in the Tender Agreement.

Section 506. Delivery of Proceeds of Sale. The proceeds of the sale by the Remarketing Agent of any 2024 Series E Bonds delivered to it by, or held by it for the account of, the Trustee or the Authority, or delivered to it by any other Bondholder, shall be turned over to the Tender Agent as provided in the Tender Agreement.

Section 507. Draws on Liquidity Facility to Pay Purchase Price of 2024 Series E Bonds. Under the Tender Agreement, the Tender Agent, on each day on which 2024 Series E Bonds are required to be purchased pursuant to Section 202, is directed to make drawings under the Liquidity Facility relating to those Bonds by such times and in such manner as shall be required to receive in immediately available funds at or before 2:30 p.m. New York City time on such date amounts sufficient to pay the purchase price plus accrued interest, if any, of 2024 Series E Bonds then payable from the Liquidity Facility tendered for purchase or required to be purchased pursuant to the provisions hereof which have not been remarketed by the Remarketing Agent and to deposit the proceeds of such drawings in the Bond Purchase Fund pending application of such moneys to the payment of the purchase price of such 2024 Series E Bonds. In determining the amount of any such purchase price then due, the Tender Agent shall not take into consideration any purchase price due on 2024 Series E Bonds held by the Authority or any affiliate of either of them and no drawings under the Liquidity Facility shall be made or be used to pay the purchase price of any 2024 Series E Bonds held by the Authority or any affiliate of either of them or any Bonds of any series other than the 2024 Series E Bonds.

Section 508. Notice of Remarketing of Purchased Bonds; Election Not to Sell Purchased Bonds. The Remarketing Agent shall continue to remarket Purchased Bonds at a price which, together with any moneys to be provided by the Paying Agent, will equal the principal amount thereof plus accrued and unpaid interest to such date. Such Purchased Bonds or beneficial interest shall be returned to or released by the Tender Agent by 1:00 p.m. (New York time) on the Sale Date against receipt of the Purchase Price in immediately available funds by the Purchased Bondholder or at the Purchased Bondholder's address listed in the Bond Register, as the case may be. From and after any sale by the Remarketing Agent and receipt by the Tender Agent on behalf of the Liquidity Provider (or any subsequent owner of the Purchased Bonds) of the purchase price (including accrued interest to the date of delivery), such 2024 Series E Bonds shall cease to be Purchased Bonds and shall bear interest as provided herein for 2024 Series E Bonds other than Purchased Bonds.

ARTICLE VI

NOTICES

The notice addresses for a Liquidity Provider, Tender Agent and Remarketing Agent shall be set forth in the Determination or as otherwise provided to the Authority in writing.

ARTICLE VII

DEFEASANCE

Notwithstanding the provisions of Article XI of the General Indenture and Series Indenture, any defeasance of the 2024 Series E Bonds shall be based on the actual payment of said 2024 Series E Bonds pursuant to the General Indenture and Series Indenture and not on the setting aside of moneys or Government Obligations as described in Section 1101(b) of the General Indenture and Series Indenture, unless otherwise authorized by the Authority, upon consultation with the rating agencies.

ARTICLE VIII

NOTICES TO RATING AGENCIES

In addition to all other notices required by the provisions of the General Indenture and Series Indenture or the Series Indenture, written notice of the following matters shall be promptly given to each of the rating agencies that shall have rated the 2024 Series E Bonds at the request of the Authority:

(a) expiration, termination, extension or substitution of the Liquidity Facility or Liquidity Provider,

(b) conversion of the 2024 Series E Bonds to bear interest in a Long-Term Interest Rate Period of one year or greater,

(c) redemption of the 2024 Series E Bonds in whole,

(d) acceleration of the maturity of the 2024 Series E Bonds pursuant to the General Indenture and Series Indenture,

(e) amendment of the Series Indenture, the Determination, the Tender Agreement or the Liquidity Facility,

(f) change in identity of the Tender Agent, and

(g) defeasance of all of any portion of the 2024 Series E Bonds.

So long as it shall have ratings on the 2024 Series E Bonds, notices to Moody's Investors Service shall be given to it at 7 World Trade Center, 250 Greenwich Street, New York, NY 10007 (Attention: Public Finance Group).

EXHIBIT D

FORM C-08

Notice of Payment of Bond
Interest and/or Principal

STATE OF ILLINOIS
COMPTROLLER
SUSANA A. MENDOZA

To: Office of the Comptroller
Research and Fiscal Reporting
Bonded Indebtedness Section
325 West Adams Street
Springfield, Illinois 62704-1858
FAX: 217-782-8160
Email: bondpayments@illinoiscomptroller.gov

By: ______________________________

On Behalf of: ______________________________

To Paying Agent: ______________________________

For Principal in Amount of: ____________

For Interest in Amount of: ____________

For Premium in Amount of: ____________

Due On: ____________ Paid On: ____________

Bond Issue Title: ______________________________

Amount of Bond Principal Outstanding ______________________________

Note: Outstanding after Principal Payment

Comptrollers Use Only

Rec'd ____________
Refer No. ____________
Posted To ____________
Posted By ____________

By: ______________________________
Title: ______________________________
Email Address: ______________________________
Telephone Number ______________________________
Date: ______________________________
Date Trustee Statement Received ____________

APPENDIX D

EXECUTION COPY OF GENERAL INDENTURE

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ILLINOIS HOUSING DEVELOPMENT AUTHORITY,
Issuer

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
Trustee

TRUST INDENTURE

Authorizing the Issuance of

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
MULTIFAMILY REVENUE BONDS

Dated as of September 1, 2016

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part of this Indenture)

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CONCERNING THE TRUSTEE AND THE MASTER PAYING AGENT

TRUST INDENTURE

This TRUST INDENTURE is dated as of September 1, 2016, is entered into by and between ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate of the State of Illinois (the "Authority"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as Trustee (the "Trustee"):

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms are defined as follows for use in this Trust Indenture:

"Accountant" means a major national Firm of independent certified public accountants of recognized national standing for auditing financial statements of major issuers of state and local government bonds throughout the United States.

"Acquired Bond Redemption Receipts" means amounts received by the Trustee upon a redemption (other than pursuant to sinking fund installments) of an Acquired Bond, and amounts received upon a voluntary sale of an Acquired Bond not in default (consistent with Section 6.07(b)(iv)).

"Acquired Bonds" means any Obligations which are not issued pursuant to this Indenture but which a Series Indenture authorizes the Authority to acquire with amounts deposited in Funds and Accounts specified in the Series Indenture.

"Acquired Development" means a Development which the Authority has (i) acquired or constructed and owns and operates on its own behalf or (ii) acquired title to or taken possession of, through protection and enforcement of its rights conferred by law, contract or mortgage or security interest with respect to such Development, but only during the period of ownership or possession by the Authority, and to the extent the Acquired Development is financed by Bonds (and not Acquired Bonds) or acquired with amounts in Funds or Accounts under this Trust Indenture.

"Acquired Development Expenses" means all of the costs and expenses incurred by the Authority in connection with the acquisition, ownership or operation of an Acquired Development, including the repayments required to be paid pursuant to any mortgage on such Acquired Development, which mortgage does not secure a Loan, except as limited with respect to any Series of Bonds by the applicable Series Indenture.

"Acquired Development Expense Requirement" means such amount of money as may from time to time be determined by the Authority to be necessary for the payment of the Acquired Development Expenses for an Acquired Development.

"Acquired Development Fund" means the Fund of that name established pursuant to Section 4.01 of this Indenture.

"Acquired Development Operating Income" means the amount during any period by which Acquired Development Receipts from an Acquired Development exceed Acquired Development Expenses for the Acquired Development.

"Acquired Development Receipts" means all moneys received by the Authority in connection with its acquisition, ownership or operation of an Acquired Development, except as limited with respect to any Series of Bonds by the related Series Indenture.

"Act" means the Illinois Housing Development Act, 20 ILCS 3805, as amended from time to time.

"Additional Bonds" means any additional Bonds issued pursuant to Section 2.09 of this Indenture.

"Amortized Value" means the purchase price of securities, excluding accrued interest, plus an amortization of any discount or less an amortization of any premium on the purchase price. The premium or discount shall be amortized on a straight line basis by multiplying the amount of that premium or discount by a fraction, the numerator of which is the number of days having then passed from the date of purchase and the denominator is the number of days from the date of purchase to the maturity date.

"Appreciated Amount" shall mean with respect to a Deferred Interest Bond, as of any date of computation, an amount equal to its initial principal amount plus the interest accrued on it from the date of its original issuance to the earlier of the date of computation or the date, if any, set forth in the related Series Indenture on which interest to be paid on a current interest payment date shall begin to accrue. The accrued interest shall be calculated at the rate or rates per year set forth in the related Series Indenture, and shall be compounded on such dates set forth in that Series Indenture, with accrual between compounding dates in equal daily amounts. For the purposes of actions, requests, notifications, consents or directions of Bondowners under this Indenture, the calculation of the Appreciated Amount shall be as of the interest payment date or compounding date preceding such date of calculation (unless such date of calculation shall be an interest payment date or compounding date, in which case it shall be as of the date of calculation).

"Authority" means the Illinois Housing Development Authority.

"Authority Program Account(s)" mean(s) any one or more accounts by that name in the Program Fund as established from time to time by a Series Supplement Indenture or Supplemental Indenture.

"Authority Program Determinations" mean any determination(s) by the Authority relating to Mortgage Loans to be financed with amounts in a related Authority Program Account, all consistent with this Indenture. Authority Program Determinations may include, without limitation, such matters as are set forth in the definition of Series Program Determination.

"Authority Request" means a written request or direction of the Authority signed by an Authorized Representative.

"Authorized Representative" means the Chairman, Vice Chairman, Executive Director, Acting Executive Director, Deputy Executive Director, Assistant Executive Director, Treasurer, Secretary, Assistant Treasurer, Assistant Secretary of the Authority and any other authorized representative as from time to time may be designated by resolution or by law to act on behalf of the Authority under this Indenture.

"Bond" or "Bonds" means any Bond or Bonds issued pursuant to this Indenture.

"Bond Counsel Opinion" means an opinion of a lawyer or firm of lawyers nationally recognized as bond counsel, selected by the Authority.

"Bondowner" or "Owner of Bonds" or "Owner" means the registered owner of any registered Bond.

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

"Cash Flow Certificate" means a certificate of an Authorized Representative filed with the Trustee and meeting the requirements of Section 6.07(d) of this Indenture.

"Certificate" means a signed document either attesting to or acknowledging the circumstances, representations or other matters stated in it or setting forth matters to be determined pursuant to this Indenture or a Series Indenture.

"Code" means applicable provisions of the Internal Revenue Code of 1986, as amended, and the applicable regulations under it, or predecessor or successor provisions, as applicable.

"Compliance Certificate" means a certificate of an Authorized Representative filed with the Trustee and meeting the requirements of Section 6.07(c) of this Indenture.

"Contributed Assets" means any monies or assets contributed by the Authority to be held under this Indenture as additional Trust Estate, as and to the extent set forth in any Series Indenture or Supplemental Indenture.

"Costs of Issuance" means items of expense payable or reimbursable directly or indirectly by the Authority and related to the authorization, sale, issuance and remarketing of the Bonds, as certified by an Authorized Representative.

"Counsel's Opinion" means an opinion of a lawyer or firm of lawyers selected by the Authority, including a lawyer in the regular employment of the Authority.

"Debt Service Account" means the Account of that name in the Revenue Fund established pursuant to Section 4.01 of this Indenture.

"Deferred Interest Bond" means any Bond designated as such by the related Series Indenture.

"Electronic Means" means the following communications methods: e-mail, 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 hereunder.

"Derivative Agreement" means an agreement with respect to any Bonds, such as an interest rate swap, collar, floor, cap, or other functionally similar agreement, creating Derivative Payments, between the Authority and a counterparty but only if the Derivative Payments to the Authority are to be included in Revenues or the Derivative Payments by the Authority are to be payable from Revenues, as provided in the related Series Indenture.

"Derivative Payment" means a payment obligation created by a Derivative Agreement, which payment is equal to interest on an amount, based upon a fixed or a variable rate index or formula, or to interest on amount above or below an interest rate cap or floor. Derivative Payments include only payments under a Derivative Agreement determined by reference to such interest on an amount and shall not, except as provided in the related Series Indenture or a Supplemental Indenture, include any other payments under such agreement (for example, any termination fee, indemnification obligation or other fee payment to the counterparty). Derivative Payments from a counterparty include all payments from the counterparty under the Derivative Agreement except to the extent provided in the related Series Indenture or in a Supplemental Indenture pursuant to Section 10.01(m) of this Indenture.

"Development" means a development, as such term is defined in the Act, as amended from time to time, in respect of which the Authority is authorized by law and under a Series Indenture either to make a Loan to an eligible borrower or to acquire, construct and operate on its own behalf.

"Development Receipts" means amounts held, or received by the Authority to be held, in custodial escrow or other accounts as funds of the owner or for the benefit, of a Development for which there is a Loan. Development Receipts include, without limitation, amounts for payments of real property taxes and insurance, repair and replacement reserves, working cash reserves and capital improvement reserves.

"Event of Default" means any of the events of default described in Section 7.02 of this Indenture.

"Expenses" means any money required or determined to be used by the Authority to pay the fees or expenses of the Trustee; any expenses which the Authority lawfully may pay relating to the Program, including without limitation, expenses, maintaining, administering, collecting, enforcing and insuring Loans or Acquired Bonds or the Bonds and also including, without limitation, fees or premiums for Supplemental Coverage, and costs of the redemption of Bonds, except as limited with respect to any Series of Bonds by the related Series Indenture. Expenses shall not include Acquired Development Expenses; and any fees payable to the Authority.

"Fiscal Year" means the year beginning on the first day of July and ending on the last day of June in the next succeeding year.

"Fund" or "Account" means a Fund or Account created by or pursuant to this Indenture or a Series Indenture.

"Government Obligations" means (i) direct obligations of or obligations fully guaranteed as to timely payment by the United States of America which may include, but are not limited to: United States Treasury obligations; Separate Trading or Registered Interest and Principal of Securities (STRIPS) and Coupons Under Book-Entry Safekeeping (CUBES), provided that the underlying United States Treasury obligation is not callable prior to maturity; certificates of beneficial ownership of the Farmers Home Administration; participation certificates of the General Services Administration; guaranteed Title IX financings of the U.S. Maritime Administration; guaranteed participation certificates and guaranteed pool certificates of the Small Business Administration; guaranteed mortgage-backed securities and guaranteed participation certificate of the Government National Mortgage Association; local authority bonds guaranteed by the U.S. Department of Housing and Urban Development; guaranteed transit bonds of the Washington Metropolitan Area Transit Authority and (ii) interest obligations of the Resolution Funding Corporation (REFCORP), including, but not limited to, interest obligations of REFCORP stripped by the Federal Reserve Bank of New York.

"Indenture" means this Trust Indenture, as amended or supplemented by Supplemental Indentures and any Series Indenture (to the extent that such Series Indenture purports to amend this Indenture). References to "this Indenture" mean the Indenture.

"Insurance Proceeds" means payments received with respect to Acquired Developments, Loans or Acquired Bonds under any bond insurance policy, guarantee or fidelity bond, including amounts available under any Supplemental Coverage, less any expenses incurred in realizing such payments and less any reimbursement of advances due the insurer or provider of such guarantee or bond. Insurance Proceeds do not include amounts received for casualty insurance on Developments or otherwise with respect to property securing Loans or Acquired Developments to the extent applied to the repair, reconstruction or replacement of the insured property.

"Lender" means any entity or person approved by the Authority from whom Loans may be acquired.

"Loan" means any loan authorized by a Series Indenture and financed with proceeds of Bonds or other amounts deposited in the Funds and Accounts (as specified in the Series Indenture) and includes any instrument evidencing an ownership interest in or security for such a loan, and includes also any loan financed by any Obligations refunded by Bonds to the extent the Series Indenture for those Bonds so determines that such a loan shall be a Loan under this Indenture.

"Loan Prepayments" means amounts received upon a voluntary payment of principal or interest on a Loan including any prepayment penalty or other amounts due upon a prepayment of a Loan and amounts received upon the encumbrance, sale or other disposition of Loans not in default (consistent with Section 6.07(b)).

"Master Paying Agent" shall mean a Master Paying Agent, designated from time to time by the Authority pursuant to this Indenture and initially The Bank of New York Mellon Trust Company, N.A., or its successor.

"Obligations" means bonds, notes or other obligations of the Authority for borrowed money which are not Bonds.

"Outstanding" means, with respect to any Bonds as of any date, all Bonds authenticated and delivered by the Trustee under this Indenture to that date, except:

(i) any Bond deemed paid in accordance with this Indenture;

(ii) any Bond cancelled by, or delivered for cancellation to, the Trustee because of payment at maturity or redemption or purchase prior to maturity; and

(iii) any Bond in lieu of or in substitution for which another Bond has been authenticated and delivered pursuant to Section 2.10 of this Indenture, unless proof satisfactory to the Trustee is presented that any Bond for which such Bond has been authenticated and delivered is held by a bona fide purchaser, as that term is defined in Article Eight of the Illinois Uniform Commercial Code, as amended, in which case both the Bond so substituted and replaced and the Bond or Bonds authenticated and delivered in lieu of, or in substitution for, it shall be deemed outstanding.

"Permitted Investments" means, to the extent authorized by law at the time of such investment,

(i) (A) Government Obligations, or (B) obligations with the highest long term rating by each Rating Agency at the time of purchase, of any state of the United States of America or any political subdivision of such a state, payment of which is secured by an irrevocable pledge of Government Obligations;

(ii) (A) notes, bonds, debentures or other obligations issued by Student Loan Marketing Association (excluding securities which do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date), Federal Home Loan Banks, the Tennessee Valley Authority, Farm Credit System, Federal Home Loan Mortgage Corporation (which guarantees full and timely payment of principal and interest), the Resolution Trust Corporation and the Small Business Administration; or (B) bonds, debentures or other obligations issued by Federal National Mortgage Association; in each case (1) excluding mortgage securities which are valued greater than par on the portion of unpaid principal or mortgage securities which represent payments of principal only or interest only with respect to the underlying mortgage loans and (2) with a rating by each Rating Agency at the time of purchase at least equal to that Rating Agency's existing Rating on the Bonds, other than Subordinate Bonds;

(iii) any other obligations of any agency controlled or supervised by and acting as an instrumentality of the United States pursuant to authority granted by the Congress of the United States, as set forth in a Series Indenture, with a rating by each Rating Agency at the time of purchase at least equal to that Rating Agency's existing Rating on the Bonds, other than Subordinate Bonds;

(iv) time deposits, certificates of deposit or any other deposit with a bank, trust company, national banking association, savings bank, federal mutual savings bank, savings and loan association, federal savings and loan association or any other institution chartered or licensed by any state or the United States, including the Trustee and its affiliates (as used in this (iv), "deposits" shall mean obligations evidencing deposit liability which rank at least on a parity with the claims of general creditors in liquidation), which are fully insured by the Federal Deposit Insurance Corporation;

(v) certificates of deposit, time deposits or other deposit products of any bank, trust company or national banking association, including the Trustee and its affiliates, if all of the direct, unsecured debt obligations of such bank, trust company or national banking association at the time of purchase of such certificates of deposit or time deposits which have a rating by each Rating Agency at the time of purchase at least equal to that Rating Agency's then existing Rating on the Bonds, Bonds, or are rated in the highest rating category assigned by each such Rating Agency (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) for short-term obligations if the investment is for a period not exceeding one year;

(vi) repurchase agreements backed by or related to obligations described in (i), (ii) or (iii) above, (A) with any institution whose unsecured debt securities have a rating by each Rating Agency at the time of purchase at least equal to that Rating Agency's existing Rating on the Bonds, other than Subordinate Bonds (or the highest rating for short-term obligations if the investment is for a period not exceeding one year) or (B) with an institution that does not qualify under (A) and as to whom a Rating Certificate is filed with the Trustee;

(vii) investment agreements, structured and secured in such a manner as set forth in a Series Indenture, secured or unsecured, as required by the Authority, (A) with any institution whose debt securities have a rating by each Rating Agency at the time of purchase at least equal to that Rating Agency's existing Rating on the Bonds, other than Subordinate Bonds (or the highest rating of short-term obligations), if the investment is for a period not exceeding one year), or (B) with an institution which does not qualify under (A) and as to whom a Rating Certificate is filed with the Trustee;

(viii) direct and general obligations of or obligations guaranteed by any state, municipality or political subdivision or agency of a state or municipality, and certificates of participation in obligations of the State which obligation may be subject to annual appropriations which obligations have a rating by each Rating Agency at the time of purchase at least equal to that Rating Agency's existing Rating on the Bonds, other than Subordinate Bonds;

(ix) bonds, debentures, or other obligations (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date) issued by any bank, trust company, national banking association, insurance company, corporation, government or governmental entity (foreign or domestic), provided that such bonds, debentures or other obligations (A) are payable in any coin or currency of the United States of America which at the time of payment will be legal tender for the payment of public and private debts and (B) have a rating by each Rating Agency at the time of purchase at least equal to that Rating Agency's existing Rating on the Bonds, other than Subordinate Bonds;

(x) commercial paper (having original maturities of not more than 365 days) with the highest short-term rating by each Rating Agency at the time of purchase;

(xi) money market and similar funds which invest their assets exclusively in obligations described in clauses (i) through (x) above and which have been rated by each Rating Agency in the highest rating category assigned by each such Rating Agency (without regard to any refinement or gradation of rating category by numerical modifier or otherwise), provided that with respect to S&P Global Ratings such funds have ratings with the subscripts "m" or "m-G", including those for which the Trustee or an affiliate performs services for a fee, whether as custodian, transfer agent, investment advisor or otherwise; and

(xii) any investments not described in (i) through (xi) above and authorized in a Series Indenture authorizing Bonds so long as the purchase of such investments by such Series Indenture does not, as of the date of such purchase, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Bonds, other than Subordinate Bonds, by any Rating Agency then rating the Bonds.

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 Investments may be amended and additional obligations included by a Certificate of an Authorized Representative filed with the Trustee accompanied by a Rating Certificate.

For purposes of this definition, "institution" means an individual, partnership, corporation, trust or unincorporated organization, or a government or agency, instrumentality, program, account, fund, political subdivision or corporation of a government.

Any reference in this definition to the highest rating of short-term obligations or to a rating category shall be without regard to any refinement or gradation such as a "+" or a "1".

"Principal" means (i) with respect to the principal amount of a Deferred Interest Bond, the Appreciated Amount and (ii) with respect to any other Bond, the stated principal amount.

"Proceeds" means the amounts received by the Authority or the Trustee, other than Loan Prepayments, upon any sale, encumbrance, taking, disposition or enforcement of any Loans or security for pledged rights in Loans, Acquired Developments and Acquired Bonds, less any costs and expenses incurred in realizing such amounts.

"Program" means the multifamily program of the Authority financed by the Bonds.

"Program Fund" means the Fund of that name established pursuant to Section 4.01 of this Indenture.

"Rating" means at any date the then existing rating of Bonds (other than Subordinate Bonds) by a Rating Agency and, with respect to any Series of Bonds which has a rating based on bond insurance or other similar credit support for that Series of Bonds, the then existing underlying rating of such Bonds, without regard to such bond insurance or other similar credit support, as determined by a Rating Agency or in such other manner as shall be acceptable to the Trustee and the Authority.

"Rating Agency" means any nationally recognized rating agency maintaining a rating of any Bonds (other than Subordinate Bonds), pursuant to a request for a rating by the Authority.

"Rating Certificate" means, in connection with certain actions to be taken by the Authority, a Certificate of an Authorized Representative filed with the Trustee that the Authority has been advised by each Rating Agency (rating criteria published by a Rating Agency also constituting advice of that Rating Agency) that the Rating of that Rating Agency will not be reduced or withdrawn as a result of the Authority taking that action.

"Rebate Fund" means the Fund of that name and Accounts in it which may be created and designated in Series Indentures pursuant to Section 4.01 of this Indenture.

"Recovery Payments" means amounts received with respect to any sale or enforcement of Loans or Acquired Bonds (other than Loan Prepayments or Acquired Bond Redemption Receipts) and received as Proceeds or Insurance Proceeds. Recovery Payments also include any recovery from Supplemental Coverage to the extent not included in Insurance Proceeds.

"Redemption Account" means the Account of that name in the Revenue Fund established pursuant to Section 4.01 of this Indenture.

"Redemption Price" means, with respect to a Bond or portion of a Bond, the portion of the principal amount of such Bond or portion plus the applicable premium, if any, payable upon redemption of a Bond in the manner contemplated by this Indenture and the related Series Indenture.

"Reserve Fund" means the Fund of that name established pursuant to Section 4.01 of this Indenture.

"Reserve Requirement" means, as of any particular date of calculation, an amount equal to the sum of all amounts established as Series Reserve Requirements in the Series Indentures for all Series of Bonds Outstanding authorizing the issuance of such Outstanding Bonds, other than Subordinate Bonds, except as otherwise provided for Separately-Secured Bonds. The Trustee may rely upon a Certificate from an Authorized Representative of the Authority which states the Reserve Requirement as of the date of the Certificate.

"Responsible Officer" means, when used with respect to the Trustee, any vice president, assistant vice president, senior associate, associate or other officer of the Trustee within the corporate trust office specified in Section 12.02 (or any successor corporate trust office) customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the corporate trust office specified in Section 12.02 because of such person's knowledge of and familiarity with the particular subject and having direct responsibility for the administration of this Indenture.

"Revenue Fund" means the Fund of that name established pursuant to Section 4.01 of this Indenture.

"Revenues" means all money received by or on behalf of the Authority or the Trustee representing (i) principal and interest and related payments on Acquired Bonds and Loans, payments of service and other fees or charges to the Authority with respect to Loans, payments on Loans to reimburse the Authority for costs of issuance of Bonds (or other costs of the Authority with respect to Bonds payable from the Revenue Fund) and also including, without limitation, Loan Prepayments, Acquired Bond Redemption Receipts and Recovery Payments; (ii) Acquired Development Operating Income; (iii) Insurance Proceeds; (iv) Proceeds; (v) any Derivative Payments by a counterparty with respect to a Series of Bonds to the extent the related Series Indenture provides for those Derivative Payments to be included in Revenues; and (vi) subject to Section 5.02 of this Indenture, interest and other investment earnings received on the investment of amounts in any Account or Fund (other than the Acquired Development Fund or the Rebate Fund), all in the manner and to the extent described in this Indenture and the Series Indentures. Except as provided in a Series Indenture, Revenues do not include (vii) discount, points or other initial Loan fees charged by the Authority; (viii) any payment of interest on a Loan or other payment with respect to a Loan to the extent to be used for paying mortgage insurance premiums or other fees for credit enhancement of the Loan; or (ix) Development Receipts.

"Separately-Secured Bonds" means bonds issued under a Separately-Secured Indenture, as described in Section 12.09 hereof.

"Separately-Secured Indenture" shall have the meaning set forth in Section 12.09 hereof.

"Serial Bonds" means Bonds which are not Term Bonds.

"Series" means one of the series of Bonds issued under this Indenture pursuant to a Series Indenture.

"Series Indenture" means a Supplemental Indenture of the Authority authorizing the issuance of a Series of Bonds and executed prior to issuance of those Bonds. Series Indenture includes any supplemental indenture of the Authority amending a Series Indenture as provided in Section 2.09 of this Indenture.

"Series Program Accounts" means the Series Program Accounts in the Program Fund established by Series Indentures.

"Series Program Determinations" means determinations by the Authority as to the terms of and security for Loans in connection with a Series of Bonds, as provided in a Series Indenture.

"Series Reserve Requirement" means an amount established by a Series Indenture as the reserve requirement in respect of the Bonds of the Series while those Bonds are Outstanding. Series Indentures for more than one Series of Bonds may establish a composite Series Reserve Requirement applicable to all those Series of Bonds.

"Sinking Fund Installments" means, as of any particular date of calculation, with respect to the Term Bonds of any Series and maturity, the amount of money required to be applied on any applicable date to the redemption prior to maturity or the purchase of those Bonds. Sinking Fund Installments may be established as fixed dollar amounts or by formula.

"Special Receipts Account" means the account of that name in the Revenue Fund established pursuant to Section 4.01 of this Indenture.

"State" means the State of Illinois.

"Subordinate Bonds" means Bonds payable on a basis as set forth in the related Series Indenture with a claim to payment which is subordinate to the claim of Bonds which are not Subordinate Bonds.

"Subordinate Bonds Account" means the account of that name in the Revenue Fund established pursuant to Section 4.01 of this Indenture.

"Supplemental Coverage" means the coverage, if any, whether in the form of insurance, Cash Equivalents or additional pledged funds, of losses from Loan or Acquired Bond defaults, as provided in a Series Indenture. Supplemental Coverage may include any insurance or reserve fund funded by the Authority.

"Supplemental Indenture" means any supplemental indenture of the Authority supplementing or amending this Indenture. It includes Series Indentures.

"Term Bonds" means the Bonds of a Series with respect to which Sinking Fund Installments have been established.

"Trust Estate" means Revenues, Funds and Accounts established under this Indenture and Series Indentures (other than the Acquired Development Fund and Rebate Fund), Acquired Bonds, including the investments, if any, of such amounts, and the earnings, if any, on such investments until applied in accordance with the terms of this Indenture; all right, title and interest of the Authority in and to the Loans and the documents evidencing and securing the Loans; all right, title and interest of the Authority in and to insurance proceeds and liquidation proceeds, but excluding Loan accrued interest not purchased by the Authority. The Trust Estate also includes all Contributed Assets, except as provided in Section 4.16 of this Indenture. The Trust Estate does not include amounts required under federal income tax law to be paid as rebate to the United States. The pledge of Funds and Accounts established in a Series Indenture may be limited in purpose and time, as set forth in the Series Indenture and security for the rights in Loans which rights are part of the Trust Estate, in each case solely to the extent such items are subject to the pledge, assignment, lien and security interest as provided in Section 6.01.

"Trustee" means the institution appointed to act as trustee with respect to the Bonds, and its successors as provided in this Indenture, initially The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America, and its successors, including as a result of any consolidation, conversion, merger or transfer of all or substantially all of its corporate trust business and assets to which it or its successors may be a party, all as may be provided for herein or in accordance herewith.

Section 1.02. Miscellaneous Definitions. Unless the context shall otherwise indicate, words which import the singular shall include the plural, and words which import the plural shall include the singular. The word "person" shall include, without limitation, any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

Section 1.03. Requirement of Signed Writing. Every "request," "order," "demand," "application," "appointment," "notice," "statement," "certificate," "consent" or similar action by the Authority or the Trustee, unless its form is specifically provided, shall, in the case of the Authority, be in writing signed by an Authorized Representative (subject to Section 8.11(b) of this Indenture) and in the case of the Trustee, be in writing signed by an authorized officer or agent of the Trustee, as applicable.

ARTICLE II

FORM, EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS

Section 2.01. Issuance of Bonds. For the purposes set forth in the Act, Bonds of the Authority may be issued under and secured by this Indenture. The Bonds shall be special limited obligations of the Authority, with a claim for payment solely from the Trust Estate pledged hereunder, except as otherwise provided in a Series Indenture. The State shall not be liable on the Bonds and the Bonds shall not be a debt of the State, and the Bonds shall contain on their face a statement to such effect. Section 26.1 of the Act shall not apply to the Bonds.

Section 2.02. Limitation on Issuance of Bonds. No Bonds may be issued under the provisions of this Indenture except in accordance with the provisions of this Article.

Section 2.03. Form of Bonds. Bonds are issuable as registered Bonds. The principal denomination at maturity of any Series of Bonds shall be specified in the Series Indenture authorizing the issuance of such Series. The Bonds of any Series shall be in the form specified in the Series Indenture authorizing the issuance of such Series of Bonds, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture, and with such additional changes as may be necessary or appropriate to conform to the provisions of the Series Indenture. All such Bonds may include such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect to such Bond, or as may be authorized by the Authority.

Section 2.04. Details of Bonds. The Bonds shall be dated, shall mature on the dates and in the amounts, shall bear interest, if any, until their payment in full, at the rates and on the dates, as established in the applicable Series Indenture.

Unless otherwise required by law or provided by a Series Indenture, Bonds shall be signed by, or bear the facsimile signature of, the Chairman, Vice Chairman, Executive Director or Deputy Executive Director of the Authority, with the corporate seal or a facsimile of the corporate seal of the Authority imprinted on the Bonds, and attested to by the manual or facsimile signature of a second Authorized Representative.

If any officer whose signature or a facsimile of whose signature appears on any Bonds shall cease to be such officer before the delivery of such Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes as if that officer had remained in office until the delivery. Subject to the provisions of the Act and any other applicable law any Bond may bear the facsimile signature of, or may be signed by, such persons as at the time of the execution of such Bond shall be the proper officers to sign such Bond even though at the date of such Bond such persons may not have been such officers.

Except as may be provided in a Series Indenture, both the principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America which on their respective dates of payment is legal tender for the payment of public and private debts. Subject to alternative provisions established in any Series Indenture with respect to the related Series of Bonds, the principal and Redemption Price of all Bonds shall be payable only to the Owner or the Owner's legal representative at the designated corporate trust office of the Trustee (or Master Paying Agent, if one is appointed and serving) and payment of the interest on each Bond shall be made by the Trustee (or Master Paying Agent, if one is appointed and serving) on each interest payment date to the Owner appearing on the registration books of the Authority or to the designee of such Owner on such date, as provided in the Series Indenture, by check mailed to the Owner at the Owner's address as it appears on such registration books or, if to the Owner's designee, to the address of such designee. If so provided in the applicable Series Indenture the Trustee (or Master Paying Agent, if one is appointed and serving), in connection with a letter of credit, a tender option feature, a standby bond purchase agreement, or other similar liquidity or credit arrangements for Bonds may pay (and the Series Indenture may require that the Trustee pay), in whole or in part, the principal or Redemption Price of and/or interest on a Bond to a provider of such an arrangement rather than the Owner (or the Owner's designee). The Trustee (or Master Paying Agent, if one is appointed and serving) may enter into an agreement or agreements with or for the benefit of any Owner for the payment of principal of or interest on Bonds in a manner or in a place different from that set forth in this paragraph.

Section 2.05. Authentication of Bonds. Only Bonds which have endorsed on them a certificate of authentication substantially in the form set forth in the applicable Series Indenture, duly executed by the Trustee (or Master Paying Agent, if one is appointed and serving), shall be entitled to any benefit or security under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication is duly executed by the Trustee (or Master Paying Agent, if one is appointed and serving) and such certificate of the Trustee (or Master Paying Agent, if one is appointed and serving) upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Trustee's or Master Paying Agent's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Trustee, or Master Paying Agent, as the case may be, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued at any one time.

Section 2.06. Exchange of Bonds. Subject to, and in accordance with, Section 2.07 of this Indenture, Bonds, upon their surrender at the designated corporate trust operations office of the Trustee (or Master Paying Agent, if one is appointed and serving), together with an assignment duly executed by the Owner or that Owner's agent or legal representative in such form as shall be satisfactory to the Trustee or Master Paying Agent as the case may be, may, at the option of their Owner, be exchanged for an equal aggregate principal amount of Bonds of like tenor and of the same Series and maturity, bearing interest at the same rate, of any denomination or denominations authorized by this Indenture.

The Authority shall make provisions for the exchange of Bonds at the designated corporate trust office of the Trustee (or Master Paying Agent, if one is appointed and serving), at its designated corporate trust office.

Section 2.07. Negotiability, Registration and Registration of Transfer of Bonds. The transfer of any Bonds may be registered only upon the books kept for that purpose upon their surrender to the Trustee (or Master Paying Agent, if one is appointed and serving), together with an assignment duly executed by the registered Owner or the Owner's agent in such form as shall be satisfactory to the Trustee or Master Paying Agent. Upon any such registration of a Bond transfer, the Authority shall execute and the Trustee or Master Paying Agent shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, in any denomination or denominations authorized by this Indenture, in an aggregate principal amount equal to the principal amount of such Bond of same tenor and Series having the same maturity and bearing interest at the same rate.

In all cases in which Bonds are exchanged or Bonds are transferred by registration, the Authority shall execute and the Trustee or Master Paying Agent shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any exchange or registration of transfer shall be cancelled by the Trustee or Master Paying Agent. The Authority, or, at the direction of the Authority, the Trustee or Master Paying Agent may make a charge for the expense incurred in every such exchange or registration of transfer of Bonds, including a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer. A Series Indenture may provide neither the Authority nor the Trustee (or Master Paying Agent) shall be required to make any such exchange or registration of transfer of Bonds of the related Series during the fifteen (15) days (or such other period for Bonds of a Series as provided in the related Series Indenture) immediately preceding an interest payment date on those Bonds, or, in the case of any proposed redemption of Bonds, immediately preceding the date of notice of that redemption, or after such Bonds or any portion of those Bonds shall have been selected for redemption.

Pursuant to a Series Indenture, the Trustee or Master Paying Agent may record different Owners with respect to the principal or Redemption Price of, and/or interest on a Bond.

Section 2.08. Ownership of Bonds. The person in whose name any Bond shall be registered shall be deemed and regarded as the Owner of such Bond for all purposes. Payment of or on account of the principal of and interest on any Bond of a Series shall be made only to its Owner or the Owner's legal representative. All such payments shall be valid and effective to satisfy and discharge the liability upon such Bond, including interest on it, to the extent of the sum or sums so paid.

Section 2.09. Issuance of the Bonds. (a) Each Series of Bonds shall be authorized and issued under this Indenture pursuant to the authorization contained in a Series Indenture and shall be secured as set forth in the Series Indenture. The Bonds of each Series shall be designated as provided by the Series Indenture. The Bonds shall be in such subseries (if any), shall be in such denominations, shall be dated, shall bear interest at a rate or rates, not exceeding the maximum rate then permitted by law, payable beginning on such date, shall be stated to mature on such dates, shall be made redeemable at such times and prices (subject to the provisions of Article III of this Indenture), shall have such Series Reserve Requirements, shall have such interest payment dates, shall be numbered and the Term Bonds of such Series shall have such Sinking Fund Installments, all as may be provided by the Series Indenture for such Bonds. Except as may otherwise be provided for Subordinate Bonds in a related Series Indenture and subject to Section 10.01(j) of this Indenture, and except with respect to differences in maturities, interest payment dates, rates and redemption provisions, such Bonds shall be on a parity with and shall be entitled to the same benefits and security under this Indenture as all other Bonds issued under this Indenture; provided, however, that the Authority may issue a Series of Bonds or a portion of a Series of Bonds which may be further secured by a credit facility, a bond insurance policy or other further security securing only such Series of Bonds or a portion of such Series of Bonds as determined by the applicable Series Indenture in addition to the security provided in.

(b) Each Series Indenture authorizing the issuance of a Series of Bonds shall specify and determine:

(i) the authorized principal amount of such Series of Bonds;

(ii) the purposes for which such Series of Bonds are being issued, which shall be one or more of the following purposes: (a) the acquisition, construction, renovation, rehabilitation, improvement, expansion or equipping of any Development, including any Acquired Development and including providing reserves for those purposes, (b) the purchase, acquisition or making of Loans, (c) the purchase or acquisition of Acquired Bonds, (d) the making of such deposits in amounts, if any, required by this Indenture or Series Indentures to be paid into various Funds and Accounts, (e) the refunding of Bonds including prior to their redemption or maturity dates, (f) the acquisition, purchase, redemption or refunding of Obligations, (g) the purposes set forth in Section 12.10

hereof, or (h) other lawful purposes of the Authority as specified in the Series Indenture or Supplemental Indenture;

(iii) the maturity date or dates, the amounts of each maturity, and the interest payment dates of the Bonds of such Series;

(iv) the interest rate or rates of the Bonds of such Series (which may be a variable rate or rates) or method of determining the rate or rates;

(v) the denomination or denominations of, and the manner of dating, numbering and lettering the Bonds of such Series;

(vi) in the case of Term Bonds, if any, provision for Sinking Fund Installments;

(vii) in the case of Deferred Interest Bonds, the provisions as to accrual and compounding of interest;

(viii) the Redemption Price or Redemption Prices, if any, the time or times and the terms and conditions upon which the Bonds of such Series may be redeemed prior to their maturities, including without limitation the method of selection for redemption as among maturities;

(ix) the amounts to be deposited from the proceeds of such Series of Bonds in the Funds and Accounts created and established by this Indenture and the Series Indenture;

(x) any Series Reserve Requirement with respect to Bonds other than Subordinate Bonds, the extent to which the Series Reserve Requirement may be met by a Cash Equivalent or accumulated over time, the amounts, including proceeds of the Bonds of such Series, which shall be deposited in the Series Reserve Account or used to acquire a Cash Equivalent for deposit in the Series Reserve Account and any limitation on investments of the Series Reserve Account;

(xi) the Series Program Determinations, if any;

(xii) whether there shall be any Derivative Agreement with respect to the Series of Bonds, the extent to which the related Derivative Payments by the counterparty are to be included in Revenues and whether the Derivative Payments by the Authority are to be payable from amounts in the Revenue Fund (and if so, the priority of their payment as set forth in Section 2.12 of this Indenture);

(xiii) whether the Series of Bonds shall be Subordinate Bonds;

(xiv) any instruments to be deposited with the Trustee under Section 6.01(b); and

(xv) any other provisions deemed advisable by the Authority not in conflict with the provisions of this Indenture.

The Bonds shall be executed substantially in the form and manner set forth above and shall be deposited with the Trustee or Master Paying Agent for authentication. Before the Bonds of the Series shall be authenticated and delivered by the Trustee or Master Paying Agent there shall be on file with the Trustee the following:

(xvi) a copy of this Indenture and the applicable Series Indenture duly certified by an Authorized Representative;

(xvii) a Bond Counsel's Opinion stating in the opinion of such counsel that (a) this Indenture and the applicable Series Indenture have been duly authorized, executed and delivered by the Authority and are valid and binding obligations of the Authority and (b the Bonds being issued are valid and legally binding obligations special limited of the Authority, payable and secured in the manner and to the extent set forth in this Indenture and the applicable Series Indenture, and are entitled to the benefit, protection and security of the provisions, covenants and agreements contained in this Indenture and the applicable Series Indenture;

(xviii) in the case of each Series other than the initial Series of Bonds, by a Rating Certificate with respect to Bonds other than Subordinate Bonds; and

(xix) a request and authorization to the Trustee or Master Paying Agent on behalf of the Authority, signed by an Authorized Representative, to authenticate and deliver the Bonds to the purchaser or purchasers identified in such request upon payment to the Trustee for the account of the Authority of the purchase price of the Bonds.

When the documents mentioned in clauses (xvi) to (xix), inclusive, of this Section have been filed with the Trustee and when the Bonds described in the Series Indenture mentioned in clauses (i) through (xv) above have been executed and authenticated as required by this Indenture, the Trustee or Master Paying Agent shall deliver such Bonds at one time to or upon the order of the purchaser or purchasers named in the request and authorization mentioned in clause (xix) of this Section 2.09(b) (or for registration to facilitate issuance of the Bonds under a book-entry system), but only upon payment to the Trustee of the purchase price of those Bonds. The Trustee or Master Paying Agent shall be entitled to rely upon such request and authorization as to the amount of such purchase price. Simultaneously with the delivery of such Bonds the Trustee shall deposit or credit the proceeds of those Bonds into the Funds and Accounts as specified by this Indenture and the applicable Series Indenture.

(c) Except as expressly provided in a Series Indenture, the Authority may from time to time supplement or amend a Series Indenture without consent of Owners of Bonds to amend or supplement any provisions in a Series Indenture for the Series Reserve Requirement, the payment and security for Derivative Payments on a Derivative Agreement relating to that Series of Bonds from the Revenue Fund and the extent to which Derivative Payments with respect to that Series of Bonds are to be treated as Revenues, the use of Cash Equivalents in the Reserve

Fund, Supplemental Coverage, Permitted Investments or the Series Program Determination, but only in compliance with Section 6.07(a)(ii) of this Indenture.

Section 2.10. Mutilated, Destroyed or Lost Bonds. If any Bond is mutilated, destroyed or lost, the Authority shall cause to be executed, and the Trustee or Master Paying Agent shall authenticate and deliver, a new Bond of the same tenor in exchange and substitution for and upon cancellation of such mutilated Bond or in lieu of and in substitution for such destroyed or lost Bond, upon the Owner's paying the reasonable expenses and charges of the Authority and the Trustee in connection with such exchange. In the case of a destroyed or lost Bond, the Owner shall file with the Trustee or Master Paying Agent evidence satisfactory to it and to the Authority that (i) such Bond was destroyed or lost and (ii) of the Owner's ownership of such Bond, and furnish the Authority and the Trustee or Master Paying Agent indemnity reasonably satisfactory to them.

Section 2.11. Book-Entry. The Authority may provide in the Series Indenture for a Series of Bonds, or any part of a Series, to be issued under a book-entry system. The applicable Series Indenture shall designate one or more book-entry depositories for the Series and shall describe the manner of the Authority's participation in the book-entry system applicable to the Series or any part of a Series, and shall approve the Authority's (and, if applicable, the Trustee's or Master Paying Agent's) entry into an agreement with such book-entry depository or depositories.

Section 2.12. Derivative Agreements; Derivative Payments. Except as expressly provided in a Series Indenture, the Authority may from time to time enter into one or more Derivative Agreements with respect to one or more Series of Bonds, but only in compliance with Section 6.07(a)(iii) of this Indenture. As provided in the related Series Supplemental Indenture, Derivative Payments payable by the Authority under any Derivative Agreement, other than with respect to Subordinate Bonds, may be payable from moneys on deposit in the Debt Service Account and, with respect to Subordinate Bonds, the Subordinate Bond Accounts, on a parity with, or, as provided in a Series Indenture, subordinate to interest payments on related Bonds as provided in Sections 4.03(f)(i) and 4.03(f)(vii), respectively, of this Indenture. Notwithstanding anything to the contrary contained in this Indenture, and as provided in the related Series Indenture, Derivative Payments payable by the Authority pursuant to a Derivative Agreement, other than with respect to Subordinate Bonds, may be secured by and payable from moneys on deposit in the Debt Service Account and the Subordinate Bond Accounts, on a parity with, or, as provided in the related Series Supplemental Indenture, subordinate to interest payments on related Bonds; provided, however, in no event shall any such Derivative Payments be paid with any amounts drawn under the credit facility or bond insurance policy securing the related Bond or remarketing proceeds derived from the related Bonds. Derivative Payments may include insurance premiums or insurance of the Authority's obligation to make such payments, as provided in the related Series Indenture.

ARTICLE III

REDEMPTION OF BONDS

Section 3.01. Redemption of Bonds. The Bonds issued under the provisions of this Indenture shall be made subject to redemption, both in whole and in part and at such times and Redemption Prices, as may be provided in the applicable Series Indenture. Term Bonds shall be made subject to sinking fund redemption pursuant to their Sinking Fund Installments on the dates and during the period during which such Sinking Fund Installments are in effect, as established in the applicable Series Indenture.

The Trustee (or Master Paying Agent, if one is appointed and serving) shall select the Bonds or portions of Bonds to be redeemed or purchased in accordance with this Indenture and the applicable Series Indenture. Except as otherwise stated in the related Series Indenture, money shall, upon an Authority Request to the Trustee and the Master Paying Agent accompanied by a Compliance Certificate or Cash Flow Certificate, as appropriate, be applied by the Trustee (or Master Paying Agent, if one is appointed and serving) to the purchase or the redemption of Bonds selected from among the Series (and subseries, if applicable), maturities and interest rates on the basis specified by the Authority in that Authority Request. Except as otherwise provided in a Series Indenture, the Authority Request relating to each redemption of Bonds shall be filed with the Trustee and the Master Paying Agent at least five (5) days prior to the date notice of redemption (or, if no such notice is required pursuant to a Series Indenture, five (5) days prior to the date fixed for redemption) is to be given pursuant to Section 3.02 (or such other period set forth in a Series Indenture) or such lesser number of days as shall be acceptable to the Trustee and the Master Paying Agent.

Except as otherwise provided in a Series Indenture, if less than all of the Bonds of one Series (and subseries, if applicable) and one maturity bearing the same interest rate (and otherwise of like tenor) are to be redeemed, the particular Bonds of such Series (and subseries if applicable) and maturity bearing the same rate of interest (and otherwise of like tenor) to be redeemed shall be selected not later than five (5) days prior to the date notice of redemption is required to be given pursuant to Section 3.02 and the related Series Indenture to registered Owners of Bonds to be redeemed (or, if no such notice is required pursuant to a Series Indenture, five (5) days prior to the date fixed for redemption), or such other period set forth in a Series Indenture, or such lesser number of days as shall be acceptable to the Trustee and the Master Paying Agent in such manner as directed by the Authority. Except as otherwise provided in a Series Indenture, if no such direction is received by the Trustee (or Master Paying Agent, if one is appointed and serving), it shall select the Bonds to be redeemed by lot or in such other manner as it in its discretion may determine. The portion of Bonds of any Series (and subseries, if applicable) to be redeemed shall be in the minimum principal amount or some integral multiple of such minimum principal amount established for such Bonds in the applicable Series Indenture, and in selecting Bonds for redemption, the Trustee (or Master Paying Agent, if one is appointed and serving) shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by such minimum principal amount.

Except as otherwise provided in a Series Indenture, if less than all of the Term Bonds Outstanding of any one maturity of a Series (or subseries, if applicable) are purchased for cancellation or called for redemption (other than in satisfaction of Sinking Fund Installments), the principal amount of such Term Bonds that are so purchased or redeemed shall be credited, to the extent practicable, except as otherwise provided in an Authority Request, against all remaining Sinking Fund Installments for the Term Bonds of such Series (and subseries, if applicable) and maturity in the proportion which the then remaining balance of each such Sinking Fund Requirement bears to the total of all Bonds of such Series (and subseries, if applicable) and maturity then Outstanding. A Master Paying Agent shall notify the Trustee in writing of its selection of Bonds to be redeemed as provided in this Section and the Trustee shall provide the Master Paying Agent with all necessary information as to the Outstanding Bonds for that selection to be made.

Section 3.02. Redemption Notice. Except as provided in a Series Indenture, at least twenty (20) days but not more than ninety (90) days before the redemption date of any Bonds, the Trustee (or Master Paying Agent, if one is appointed and serving) shall cause a notice of any such redemption, either in whole or in part, signed by the Trustee (or Master Paying Agent, if one is appointed and serving) to be mailed, first class postage prepaid, to all registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books kept by the Trustee (or Master Paying Agent, if one is appointed and serving). Each such notice shall set forth the date fixed for redemption, the Redemption Price to be paid, the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds then Outstanding are called for redemption, the Series (or subseries), the maturities and the distinctive numbers, if any, of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount to be redeemed. The notice of redemption may be conditional. If conditional, the notice shall set forth in summary terms the conditions precedent to such redemption and that if such conditions have not been satisfied on or prior to the redemption date, such notice shall be of no force and effect and such Bonds shall not be redeemed. If such conditions are not satisfied, or if the Authority by written notice to the Trustee and Master Paying Agent given prior to the date fixed for redemption revokes the redemption (other than a mandatory redemption), the redemption shall not be made and the Trustee (or Master Paying Agent, if one is appointed and serving) shall within a reasonable time give notice to the affected Owners, in the manner in which the notice of redemption was given, that such conditions were not satisfied. An affidavit of the Trustee (or Master Paying Agent, if one is appointed and serving) of mailing the notice of redemption shall be conclusive and binding upon the Authority and owners of the Bonds. Once notice is sent in accordance with the provisions of this Indenture, it shall be effective whether or not received by a Bondowner. If any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond of the same maturity and series (and subseries, if applicable), bearing interest at the same rate and in principal amount equal to the unredeemed portion of such Bond, will be issued. A Bondowner may waive its right to receive notice pursuant to this Section. Failure to send any required notice of redemption, or any defect in such notice, with respect to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond.

Section 3.03. Effect of Selection for Redemption. On the designated redemption date, if (i) the conditions precedent, if any, to such redemption have been satisfied, (ii) the required notice, if any, has been given or waived, and (iii) with respect to a redemption other than a mandatory redemption, sufficient money to pay the Redemption Price and accrued interest are held by the Trustee or Master Paying Agent in trust for the Owners of the Bonds or portions of Bonds to be redeemed, the Bonds or portions of Bonds so selected for redemption shall become and be due and payable at their Redemption Price, such Bonds or portions of Bonds shall cease to be Outstanding under the provisions of this Indenture, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds or portions of Bonds shall cease to be entitled to any benefit or security under this Indenture and the Owners of such Bonds or portions of Bonds shall have no other rights except to receive payment of the Redemption Price and the accrued interest on such Bonds to the date of redemption and, to the extent provided in Section 3.04 of this Indenture, to receive Bonds for any unredeemed portion of Bonds.

Section 3.04. Redemption of Portion of Bond. If part but not all of an Outstanding Bond is selected for redemption, the Owner of such Bond or the Owner's agent or legal representative shall present and surrender such Bond (with, if the Authority or the Trustee (or Master Paying Agent, if one is appointed and serving) so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Authority and the Trustee (or Master Paying Agent, if one is appointed and serving) duly executed by the Owner or the Owner's agent or legal representative) to the Trustee (or Master Paying Agent, if one is appointed and serving) for payment of the principal amount so selected for redemption. The Authority shall execute and the Trustee (or Master Paying Agent, if one is appointed and serving) shall authenticate and deliver to or upon the order of such Owner or his legal representative, without charge, a new Bond for the unredeemed portion of the principal amount of the Bond so surrendered. Such new Bond shall be issued in any denomination or denominations authorized by this Indenture at the option of such Owner or the Owner's agent, shall be of the same maturity and Series (and subseries, if applicable), shall bear interest at the same rate and shall otherwise be of same tenor as the Bond partially redeemed.

ARTICLE IV

APPLICATION OF REVENUES AND OTHER MONEY

Section 4.01. Establishment of Funds and Accounts. The following Funds and Accounts are established, each of which (other than the Acquired Development Fund) shall be held by the Trustee:

- Program Fund
  - Series Program Accounts
- Revenue Fund
  - Debt Service Account
  - Special Receipts Account
  - Redemption Account
  - Subordinate Bond Accounts
- Reserve Fund
- Acquired Development Fund
- Rebate Fund
  - Series Rebate Accounts

Additional Funds and Accounts may be created and designated in Series Indentures, including as provided in Section 2.09 of this Indenture. The full designation of each such Fund and Account shall include the term "Illinois Housing Development Authority Multifamily Revenue Bonds," which term shall precede the designation as set forth above. Each such Fund and Account shall be held by the Trustee (other than the Acquired Development Fund), in trust, separate and apart from all other funds of the Authority, for the purposes provided in this Indenture. In Series Indentures or Supplemental Indentures establishing Authority Program Accounts, the Authority may provide for the deposit of amounts in Funds and Accounts, which amounts shall be subject to the lien of this Indenture, if so designated, in the amounts and for the purposes and period of time set forth in the applicable Series Indenture or Supplemental Indenture.

Section 4.02. Program Fund. (a) For each Series of Bonds there shall be a Series Program Account in the Program Fund. Except as may be provided by a Series Indenture for Subordinate Bonds, amounts received upon the sale of a Series of Bonds shall be deposited in the Program Fund and credited to the related Series Program Account in the amount, if any, provided in the applicable Series Indenture. In addition, amounts shall be deposited in the Program Fund from the Revenue Fund as provided in Sections 4.03(b), 4.03(e) and 4.03(f)(vi) of this Indenture and shall be credited to the Series Program Account as specified in the Authority Request directing the transfer. Amounts available from or upon the refunding of Authority bonds shall be deposited in Funds and Accounts as provided in the applicable Series Indenture. For a series of bonds issued as convertible option bonds there may be a Series Program Account (COB Rate Period) and a Series Program Account (Fixed Rate Period) as provided in the Series Indenture.

(b) Amounts in a Series Program Account shall be used to pay Costs of Issuance of the related Series of Bonds, or to reimburse the Authority for Costs of Issuance, in either case in the amount specified in or pursuant to the Series Indenture, upon a requisition stating generally the nature and amount of those Costs of Issuance signed by an Authorized Representative.

(c) Amounts in Series Program Accounts other than amounts used or to be used to pay Costs of Issuance shall be applied by the Trustee to finance the purposes for which such Series of Bonds were issued as specified in the Series Indenture.

(d) Except as may be provided by a Series Indenture, the Trustee shall transfer unexpended amounts in a Series Program Account to the Revenue Fund to the credit of the Redemption Account, or to the Reserve Fund, in either case as specified by an Authority Request.

(e) The Trustee shall transfer amounts from the Program Fund to the Debt Service Account as provided in Sections 4.03(a) and 4.09 of this Indenture, or to the Rebate Fund upon an Authority Request.

(f) The Trustee shall transfer amounts in a Series Program Account for Bonds refunded in whole or in part by Bonds to the Series Program Account for the refunding Bonds, if so directed by the Series Indenture for the refunding Bonds.

(g) The Authority may establish an Authority Program Account by Series Indenture or Supplemental Indenture and in such Series Indenture or Supplemental Indenture may provide for the deposit of monies of the Authority (other than the existing Trust Estate) into the Authority Program Account. Upon their deposit in an Authority Program Account, such monies will be Contributed Assets. Amounts in Authority Program Accounts shall be applied by the Trustee to finance Loans (the characteristics of which conform to the related Authority Program Determination) or as otherwise provided in the applicable Authority Program Determination or Series Indenture.

(h) The Trustee shall transfer unexpended amounts in an Authority Program Account to the Authority as specified in an Authority Request accompanied by a Ratings Certificate.

Section 4.03. Revenue Fund. (a) The Authority shall immediately transfer all Revenues received by it, other than Acquired Development Operating Income, to the Trustee. Acquired Development Operating Income shall be deposited in the Revenue Fund as provided in Section 4.10 of this Indenture. All Revenues received by the Trustee shall be deposited in the Revenue Fund. The Trustee shall transfer to and deposit in the Revenue Fund all amounts transferred to it from the Program Fund as provided in Sections 4.02(d) and 4.02(e) of this Indenture or from the Reserve Fund as provided in Section 4.09 of this Indenture and shall credit those amounts to the Accounts as specified in those Sections, except as otherwise provided in a Series Indenture or Supplemental Indenture. Amounts received upon the sale of a Series of Bonds shall be deposited in the Revenue Fund in the amount, if any, provided in the applicable Series Indenture, for credit to the Debt Service Account to pay debt service as specified in the Series Indenture.

(b) Except as provided in a Series Indenture, the Authority shall identify and notify the Trustee in writing of the amount of any Revenues which are Acquired Bond Redemption Receipts, Loan Prepayments or Recovery Payments. Those Revenues shall be credited to the Special Receipts Account. Except as may be limited by a Series Indenture, amounts in the Special Receipts Account may be transferred at any time upon an Authority Request to the Redemption Account, the Debt Service Account or, upon filing with the Trustee a Cash Flow Certificate, any Series Program Account or an Authority Program Account.

(c) All Derivative Payments with respect to any Subordinate Bonds shall be credited to the related Subordinate Bond Account of the Revenue Find;

(d) At any time, upon Authority Request, the Trustee shall apply amounts in the Revenue Fund not credited to any Account in the Fund to pay the accrued interest portion of the cost of acquiring any Loan or Acquired Bond consistent with the related Series Indenture.

(e) Upon their receipt, the Authority shall notify the Trustee as to any amounts which have been received for accrued interest with respect to Loans made or acquired, or Acquired Bonds acquired, from amounts which were expended from a Series Program Account or Authority Program Account (to the extent not so funded from a transfer from the Revenue Fund). The Trustee shall transfer those amounts to the credit of the applicable Series Program Account or Authority Program Account.

(f) On or prior to each debt service payment date for the Bonds (including any date of redemption pursuant to Sinking Fund Installments or other mandatory redemption requirements that are payable from the Debt Service Account) or any due date of Derivative Payments by the Authority payable from the Revenue Fund the Trustee shall credit or transfer all amounts in the Revenue Fund not in any Account in the Revenue Fund to the credit of Funds and Accounts, in the following priority:

(i) credit to the Debt Service Account, an amount sufficient, together with amounts on deposit in that Account, timely to pay interest and principal, at maturity or mandatory redemption (pursuant to Sinking Fund Installments or any other mandatory redemption requirements), due on such debt service payment date on the Bonds, other than Subordinate Bonds, to pay any fees in connection with tender option features, letter of credit, standby bond purchase agreements and other forms of credit or liquidity related to such Bonds as set forth in the Series Supplemental Indenture or a Supplemental Indenture and to pay any Derivative Payments related to such Bonds payable from the Revenue Fund on a parity with interest on the Bonds (other than Subordinate Bonds) due on such debt service payment date as set forth in the Series Indenture or a Supplemental Indenture;

(ii) transfer amounts to the Rebate Fund for Series Rebate Accounts for Bonds other than Subordinate Bonds as set forth in an Authority Request.

(iii) pay Expenses specified in a Series Indenture, or such other Expenses as may be provided in an Authority Request accompanied by a Compliance Certificate or Cash Flow Certificate, as applicable;

(iv) transfer to the Reserve Fund, an amount sufficient to cause the amount on deposit in that Fund, including Cash Equivalents permitted by a Series Indenture, to equal the Reserve Requirement;

(v) credit to the Redemption Account an amount as specified in an Authority Request;

(vi) transfer to any Series Program Account or Authority Program Account in the Program Fund an amount as specified in an Authority Request accompanied by a Compliance Certificate or Cash Flow Certificate, as appropriate;

(vii) credit to any Subordinate Bond Accounts, an amount sufficient together with amounts on deposit in that Account, established by a Series Indenture for Subordinate Bonds, timely to pay interest and principal, at maturity or mandatory redemption, due on such succeeding debt service payment date on the Subordinate Bonds, to pay any fees in connection with tender option features, letters of credit, standby bond purchase agreements and other forms of credit or liquidity related to such Bonds as set forth in the Series Indenture or a Supplemental Indenture and to pay any Derivative Payments related to such Bonds due on such debt service payment date as set forth in the Series Supplemental Indenture or a Supplemental Indenture, or to provide any reserve with respect to Subordinate Bonds; or

(viii) pay to the Authority, for any other purpose authorized or required under the Act free and clear of the pledge and lien of this Indenture. No such payment shall be made except upon filing of a Compliance Certificate or Cash Flow Certificate, as appropriate;

(g) In addition, at any time the Trustee shall, upon Authority Request, apply amounts in the Revenue Fund not credited to any Account for the following purposes:

(i) to make required arbitrage rebates together with amounts in the Rebate Fund to the United States as required by the Code.

(ii) to the purchase of Bonds at the times, in the manner and for the purposes set forth in Section 4.05 of this Indenture.

(iii) to pay Expenses, upon filing a Compliance Certificate or a Cash Flow Certificate.

Section 4.04. Debt Service Account. (a) The Trustee shall, on each principal and interest payment date, including for mandatory redemptions (including mandatory redemptions pursuant to Sinking Fund Installments or other mandatory redemption requirements that are payable from the Debt Service Account) withdraw from the Debt Service Account and pay to the Master Paying Agent, if one is appointed and serving, by wire transfer (or other method of transfer acceptable to the Authority and the Master Paying Agent or as provided in Series Indentures) the amounts required for making all payments then due from the Debt Service Account as described in Section 4.03(f). The Trustee (or Master Paying Agent, if one is appointed and serving) shall remit by mail or as otherwise provided in the Series Indentures to each Owner of Bonds, other than Subordinate Bonds, the amounts required for paying the interest on such Bonds as such interest becomes due and payable. Amounts for paying principal shall be held in trust by the Trustee (or Master Paying Agent, if one is appointed and serving) for paying that principal. The Trustee (or Master Paying Agent, if one is appointed and serving) shall remit to any credit or liquidity provider, as described in Section 4.03(f)(i), its fees in connection with such credit or liquidity arrangement. The Trustee (or Master Paying Agent, if one is appointed and serving) shall remit to the counterparty under a Derivative Agreement, as described in Section 4.03(f)(i), the Derivative Payments due to the counterparty under the Derivative Agreement. An Authorized Representative of the Authority shall advise the Trustee (or Master Paying Agent, if one is appointed and serving) in writing regarding the amount of any such liquidity fees and Derivative Payments and when payment is due.

Section 4.05. Purchase of Bonds from Revenue Fund. Amounts on deposit in the Revenue Fund and not credited to any Account in it may be applied as applicable to the purchase of Term Bonds of each Series then Outstanding subject to Sinking Fund Installments on the next date in such year. Such payments are scheduled as provided in this Section. The Trustee (or Master Paying Agent, if one is appointed and serving), upon an Authority Request, shall endeavor to purchase from such amounts the Term Bonds or portions of Term Bonds of each Series stated to mature on the next maturity date or to be redeemed pursuant to Sinking Fund Installments for Term Bonds of such Series then Outstanding.

(b) Subject to applicable law, the Trustee (or Master Paying Agent, if one is appointed and serving) may pay a purchase price for any such Bond in excess of the Redemption Price which would be payable on the next redemption date to the Owner of such Bond under the provisions of the applicable Series Indenture if an Authorized Representative so directs to the Trustee and the Master Paying Agent. The Trustee shall pay the interest accrued on such Term Bonds or portions of Term Bonds to the date of settlement for the Term Bonds from the Revenue Fund. No such purchase of a Bond shall be made by the Trustee after the giving of notice of redemption as to that Bond by the Trustee. Purchased Bonds shall be cancelled by the Trustee, unless otherwise directed by the Authority.

Section 4.06. Subordinate Bond Account(s). Amounts on deposit in the Revenue Fund to the credit of any Subordinate Bond Account(s) shall be applied as provided in the Series Indenture authorizing those Bonds.

Section 4.07. Use of Amounts in Redemption Account. The Trustee shall apply money in the Redemption Account for the purchase or redemption of Bonds as follows:

(a) The Trustee (or Master Paying Agent, if one is appointed and serving), upon Authority Request accompanied by evidence that a Compliance Certificate or a Cash Flow Certificate, as appropriate, has been filed with the Trustee, shall endeavor to purchase, from such amounts, Bonds or portions of Bonds then Outstanding, whether or not such Bonds or portions of Bonds shall then be subject to redemption, to the owners of such Bonds if such Bonds or portions of Bonds should be selected for redemption. Such maximum purchase price may exceed the Redemption Price if so directed by the Authority, subject to applicable law. The interest accrued on such Bonds to the date of settlement shall be paid from the Debt Service Account or the Revenue Fund (not credited to any Account in it), but no such purchase shall be contracted for by the Trustee (or Master Paying Agent, if one is appointed and serving) after the Trustee (or Master Paying Agent, if one is appointed and serving) has given notice that such Bonds have been called for redemption except from money other than the money set aside in the Redemption Account or other Account established by Series Indenture for the redemption of such Bonds.

(b) The Trustee (or Master Paying Agent, if one is appointed and serving), upon Authority Request accompanied by evidence that a Compliance Certificate or Cash Flow Certificate, as appropriate, has been filed with the Trustee, shall select Bonds for redemption, on the earliest practicable date on which those Bonds are subject to redemption, from money in the Redemption Account, and, with respect to interest on such Bonds payable upon redemption, the Debt Service Account or the Revenue Fund (not credited to any Account in it).

(c) Upon an Authority Request amounts in the Redemption Account not required for redemption of Bonds for which notice of redemption has been given or for payment of a contract for purchase of Bonds, shall be transferred to any Account of the Program Fund, upon filing with the Trustee either a Compliance Certificate or Cash Flow Certificate, if appropriate, or to the Revenue Fund and not in an account.

Section 4.08. Reserve Fund. The Authority shall deposit amounts in the Reserve Fund as provided in the Series Indentures and as provided in Sections 4.02(d) or 4.03 of this Indenture. Except as provided in a Series Indenture, the Trustee shall transfer money held in the Reserve Fund to the Debt Service Account, pursuant to Section 4.09, to be applied to pay the principal of and interest on the Bonds other than Subordinate Bonds or payments under Derivatives relating to Bonds, other than Subordinate Bonds, to the extent no other funds (other than the Program Fund) are available for that purpose. The Reserve Fund may be funded in whole or in part through Cash Equivalents. Amounts held in the Reserve Fund as of any date in excess of the Reserve Requirement, taking into account any Cash Equivalents in the Reserve Fund, shall upon an Authority Request, be transferred to the Revenue Fund or a Series Program Account, unless otherwise provided in the Series Indenture. A Series Indenture may provide that the Series Reserve Requirement with respect to the applicable Series of Bonds may be funded in whole or in part through Cash Equivalents.

Section 4.09. Deficiencies in Debt Service Account. Except as provided in a Series Indenture, including a Separately-Secured Indenture, in the event that amounts in the Debt Service Account are insufficient on any interest payment date or principal payment date of redemption pursuant to Sinking Fund Installments (or other mandatory redemption requirements that are payable from the Debt Service Account, as provided in a Series Indenture), or due date of Derivative Payments that are payable from the Revenue Fund (as provided in a Series Indenture or in a Supplemental Indenture pursuant to Section 10.01(i) of this Indenture), to pay the principal of and interest on the Bonds (but only for Bonds other than Subordinate Bonds) due and unpaid on such date, whether at the stated payment or maturity date or by the retirement of such Bonds in satisfaction of the Sinking Fund Installments or such other mandatory redemption requirements, and to pay such Derivative Payments due and unpaid on such date, the Trustee shall withdraw amounts from the following Funds and Accounts in the following order of priority to the extent necessary to eliminate such deficiency:

(a) Revenue Fund (not credited to any Account);

(b) Special Receipts Account;

(c) Redemption Account;

(d) Reserve Fund;

(e) Program Fund; and

(f) Special Program Fund (first from amounts restricted therein to the payment of debt service on Bonds and second from unrestricted amounts therein).

No amounts on deposit in the Revenue Fund being held to pay the Redemption Price of Bonds called for redemption or purchase shall be used for such purpose to the extent that such amounts have been set aside for the payment of Bonds which have been identified for purchase or selected for redemption, and no amounts on deposit in any Series Program Account shall be used for such purpose to the extent that the Authority is contractually obligated to finance identified Loans or Acquired Bonds or other purposes acceptable for financing with amounts on deposit in that Series Program Account.

Section 4.10. **Acquired Development Fund**. The Acquired Development Fund shall be held by the Authority. It shall be held separate and apart from all other funds and accounts of the Authority and investments of the Acquired Development Fund shall not be commingled with any other investments of the Authority. All Acquired Development Receipts shall be deposited in and held in the Acquired Development Fund and may be used to pay Acquired Development Expenses.

The Authority at any time may, and not less than two days prior to the date any interest or principal payments or Derivative Payments are due on or with respect to any Bonds, other than Subordinate Bonds, shall, transfer all Acquired Development Operating Income to the Revenue Fund.

Section 4.11. **Money Sufficient to Purchase or Redeem Bonds**. Except as provided in a Series Indenture (including a Separately-Secured Indenture), whenever money and securities held for the credit of the Revenue Fund, the Reserve Fund and the Special Program Fund (excluding amounts in the Special Program Fund not restricted to payment of debt service on Bonds unless the Authority otherwise directs that such amounts be applied for such purpose) are sufficient to pay, purchase or redeem all Bonds in whole on the next succeeding interest payment date, the Trustee shall apply such money, upon receipt of an Authority Request requesting such application, to the payment, purchase or redemption of the Bonds in accordance with Section 11.01 of this Indenture.

Section 4.12. **Money Held in Trust**. All money which the Trustee or Master Paying Agent has withdrawn or set aside for the purpose of payment of principal, interest or Redemption Price of any of the Bonds secured by this Indenture, either at their maturity or upon call for redemption, shall be held in trust for the respective Owners of such Bonds and such money shall not be subject to lien or attachment by any creditor of the Authority or the Trustee or Master Paying Agent, except as provided in a Series Indenture. Any money that is so set aside by the Trustee or Master Paying Agent and which shall remain unclaimed by the Owners of such Bonds for the period of two (2) years after the date on which such Bonds or the interest on such Bonds shall become due and payable shall upon written request be paid to the Authority or to such officer, board or body as may then be entitled by law to receive it. Thereafter the Owners of such Bonds shall look only to the Authority or to such officer, board or body, as the case may be, for payment and then only to the extent of the amounts so received without any interest on such amounts, and the Trustee or Master Paying Agent shall have no responsibility with respect to such money.

Section 4.13. **Purchase, Redemption and Cancellation of Bonds**. (a) Upon the retirement of any Bonds by purchase or redemption, the Trustee shall file with the Authority a statement briefly describing such Bonds and setting forth the date of their purchase or redemption, the amount of the purchase price or the Redemption Price of such Bonds and the amount paid as interest on them. The expenses in connection with the purchase or redemption of any such Bonds shall be paid pursuant to Section 4.03(f)(iii) or Section 4.03(g) of this Indenture, except as provided in a Series Indenture. Subject to paragraph (b) of this Section, all Bonds paid, redeemed or purchased, either at or before maturity, shall be cancelled upon the payment, redemption or purchase of such Bonds and shall be delivered to the Trustee when such payment, redemption or purchase is made. All Bonds cancelled under any of the provisions of this

Indenture shall be destroyed by the Trustee or Master Paying Agent in accordance with its customary procedures. The Trustee (or Master Paying Agent, if one is appointed and serving) shall execute a certificate in duplicate describing the Bonds so destroyed, and one executed certificate shall be filed with the Authority and the other executed certificate shall be retained by the Trustee or Master Paying Agent.

(b) Notwithstanding paragraph (a) of this Section, subject to applicable law, Bonds purchased with amounts in any Fund or Account under this Indenture or any Series Indenture or with other moneys of the Authority shall not be cancelled by reason of such purchase to the extent that upon such purchase the Authority shall have delivered to the Trustee (i) a Certificate of an Authorized Representative to the effect that such Bonds are being purchased with the intention that they will not be cancelled and (ii) if interest on such Bonds is intended to be excluded from the gross income of the recipient thereof for federal income tax purposes, a Bond Counsel Opinion to the effect that the failure to cancel such Bonds, in and of itself, will not adversely affect such exclusion.

Section 4.14. Rebate Fund. The Rebate Fund shall be used to make arbitrage rebate payments as provided by Authority Request or, to the extent determined by the Authority not to be needed for that purpose, shall be transferred to the Revenue Fund, upon Authority Request, except as provided in a Series Indenture.

Section 4.15. Exchange of Money and Securities. Upon Authority Request, the Trustee shall exchange money and/or Permitted Investments on deposit in any Fund or Account for an equal amount of money and/or Permitted Investments on deposit in any other Fund or Account or in any fund or account held under another bond resolution or indenture of the Authority.

Section 4.16. Special Program Fund. (a) At the direction of an Authorized Representative, the Trustee shall deposit in the Special Program Fund any cash, securities, loans, investments or other property of the Authority provided by the Authority and not otherwise pledged hereunder. While on deposit in the Special Program Fund, such cash, securities, loans, investments or other property shall be held in trust pursuant to Section 5.01 hereof and pledged hereunder.

(b) Notwithstanding the provisions of Section 5.02 hereof, any moneys held in the Special Program Fund may be invested or reinvested in such securities, loans or other investments as may be directed by an Authorized Representative, which may include Permitted Investment or securities (or participation interests) referred to in the definition of Mortgage-Backed Securities, but is not restricted thereto unless otherwise provided in a Series Indenture or Supplemental Indenture. Any interest or income earned with respect to any said securities, loans or other property shall likewise be retained in the Special Program Fund or upon the filing of an Authority Request released to the Authority, except as otherwise provided herein. Any such investment shall be in accordance with Illinois law, including without limitation the Public Funds Investment Act, 30 ILCS 235.

(c) If on any date payments are required to be made from the Debt Service Account and there are not sufficient funds in the Debt Service Account to make such payments, the

Trustee shall, after applying the prior sources as set forth in Section 4.09, withdraw (i) from the Special Program Fund amounts restricted for transfer to the Debt Service Account pursuant to this Section and (ii) to the extent necessary, from the unrestricted amounts in the Special Program Fund, and to the extent of such amounts transfer to the Debt Service Account such available amounts as are necessary to provide sufficient funds for the required transfers from the Debt Service Account.

(d) At any time that no Event of Default exists, at the direction of an Authorized Representative, the Trustee shall withdraw from the Special Program Fund and pay to the Authority, free and clear of the lien of this Indenture, such amounts, securities, loans, investments or other property as shall be specified therein, including any interest or income earned thereon, unless otherwise restricted by a Series Indenture or Supplemental Indenture.

(e) Upon the filing with the Trustee of an Authority Request, the Authority may create a lien on all or any part of the moneys, securities, loans, investments or other property held in the Special Program Fund, and not otherwise restricted by a Series Indenture or Supplemental Indenture or previous Authority Request, to secure any obligation of the Authority under this Indenture, including, without limitation, all Outstanding Bonds, a particular class of Outstanding Bonds or a particular series of Bonds, and, if so specified in such Authority Request, such lien shall be prior to the lien on the otherwise unrestricted moneys, securities, loans, investments or other property in the Special Program Fund granted by this Indenture to the Trustee in favor of the Outstanding Bonds.

Section 4.17. Trustee Payment of Expenses. (a) The Authority grants to the Trustee, and the Trustee retains at all times, an interest in the Trust Estate, sufficient to enable the Trustee to make any payments to be made by it as provided in this Section. This interest is not in limitation of the ability of the Authority to sell or otherwise dispose of Loans and to expend amounts in Funds and Accounts as provided in this Indenture. However, the right of the Trustee to use unexpended amounts in the Revenue Fund to make payments of Expenses, as provided in this Section, shall have priority over any payment of amounts in the Revenue Fund to the Authority.

(b) If the Trustee, in its sole discretion, shall conclude that the Authority for any reason, including without limitation, its inability to act, has failed timely to pay any of the Expenses described in clause (i) of the definition thereof in Section 1.01 of this Indenture relating to the Trustee or the Program and that such failure, if not corrected, has resulted or may result in an Event of Default, the Trustee may at any time itself apply any amounts in the Revenue Fund (which are or would be available for payment of Expenses under Sections 4.03(f)(iii), 4.03(f)(vii) and 403(h) of this Indenture) to pay any such Expenses other than general administrative expenses of the Authority, including, without limitation, the following:

(i) the fees or expenses of the Trustee;

(ii) costs of servicing Loans and of realizing on any Loan upon any default;

(iii) costs of maintaining all necessary records with respect to the Trust Estate, preparing any necessary cash flow projections and complying with any covenant in this Indenture or any Series Indenture, including any tax covenant;

(iv) any payments required to comply with any tax covenants; and

(v) any other expenses determined by the Trustee, in its sole discretion, to be necessary or appropriate to maintain the value of the Trust Estate.

(c) The Authority shall give the Trustee written notice if for any reason it fails or is unable timely to pay any Expenses. The Trustee shall give the Authority written notice of any payment of Expenses under this Section.

(d) Any powers given the Trustee in this Section are in addition to and not in lieu of or in limitation on any other rights or remedies of the Trustee under this Indenture, except that to the extent Section 7.06 applies, payments received by the Trustee shall be applied as provided in Section 7.06 and not this Section.

ARTICLE V

DEPOSITARIES OF MONEY, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 5.01. Security for Deposits. Any and all money held by the Trustee or the Master Paying Agent under this Indenture, except as otherwise expressly provided in this Indenture, shall be held in trust, shall be applied only in accordance with provisions of this Indenture and shall not be subject to any lien, charge or attachment by any creditor of the Authority.

All money deposited with the Trustee in any Account or Fund created under this Indenture shall, until invested in Permitted Investments in accordance with Section 5.02 of this Indenture, to the extent such deposits are in excess of the amount guaranteed by the Federal Deposit Insurance Corporation or other federal agency, be continuously secured for the benefit of the Authority and the Owners of the Bonds either (i) by lodging with a bank, trust company or national banking association or trust company selected by the Authority as custodian, or, if then permitted by law, by setting aside under control of the trust department of the bank, trust company or national banking association holding such deposit as collateral security, Government Obligations or, with the approval of the Trustee, other marketable securities eligible as security for the deposit of trust funds under regulations of the Comptroller of the Currency of the United States of America, having a market value at all times (exclusive of accrued interest) not less than the amount of such deposit or (ii) if the furnishing of security as provided in clause (i) of this Section is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds. However, it shall not be necessary, except as otherwise provided in this Indenture, for the Trustee to give security for any money which shall be represented by obligations purchased under the provisions of this Article as an investment of such money.

All money deposited with the Trustee pursuant to this Indenture shall be credited to the particular Account or Fund to which such money belongs.

Section 5.02. Investment of Money. Other than money deposited in the Special Program Fund, which shall be invested as provided in Section 4.16 hereof, money deposited with the Trustee under this Indenture shall, as nearly as is practicable, be fully and continuously invested or reinvested by the Trustee upon the direction of an Authorized Representative (promptly confirmed by delivery of an Authority Request) in Permitted Investments which shall be in such amounts and bear interest at such rates that sufficient money will be available to pay the principal and interest due on the Bonds and to make required Derivative Payments and shall mature, or which shall be subject to redemption by the holder at the option of the holder, at such times that sufficient money will be available for the purposes intended. The Trustee may conclusively rely on such an investment direction with respect to the suitability and legality of such investments, in accordance with the terms of this Indenture. In the absence of investment instructions from the Authority, the Trustee shall not be responsible or liable for keeping the moneys held by it hereunder fully invested in Permitted Investments. The Trustee upon receipt of an Authority Request shall sell Permitted Investments and reinvest the proceeds in Permitted Investments meeting the requirements of this Indenture or apply the proceeds as provided in this Indenture.

Any Permitted Investments so purchased in any Account or Fund shall be deemed at all times to be part of such Account or Fund. Except as may be provided in a Series Indenture with respect to a Series Program Account, any interest paid on the investment in any Account or Fund (except the Rebate Fund and the Acquired Development Fund) shall be credited to the Revenue Fund and shall be treated as Revenues. Any interest paid on the investment of the Rebate Fund shall be credited to the Rebate Fund and interest paid on the investment of the Acquired Development Fund shall be paid to that Fund. Any profit or loss resulting from an investment shall be credited to or charged against the applicable Account or Fund of which it is an investment. The Trustee shall sell or present for redemption any obligations so purchased whenever it shall be necessary so to do in order to provide money to meet any payment or transfer from any such Account or Fund. The Trustee when authorized by an Authorized Representative may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, may charge its ordinary and customary fees for such trades, including investment maintenance fees, and may trade with itself in the purchase and sale of securities for such investment. Neither the Trustee nor the Authority shall be liable or responsible for any loss resulting from any such investment.

For the purposes of making any investment, the Trustee may consolidate money in any Fund or Account with money in any other Fund or Account and may transfer an interest in an investment from one Fund or Account to another without liquidating the investment.

Except as may be provided in a Series Indenture with respect to the Reserve Fund, in computing the amount on deposit to the credit of any Account or Fund, Permitted Investments in such Account or Fund shall be valued at Amortized Value plus the amount of interest on such obligations purchased with money in such Account or Fund.

Although the Authority recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Authority agrees that confirmations of investments made by the Trustee pursuant to this Section 5.02 are not required to be issued by the Trustee for each month in which a monthly statement is rendered pursuant to Section 8.06. No such statement need be rendered pursuant to the provisions of this Section if no activity occurred in the fund or account during such preceding month.

ARTICLE VI

PARTICULAR COVENANTS AND PROVISIONS

Section 6.01. Security Interests. (a) As security for the payment of interest on and principal of and the redemption premium, if any, of the Bonds, subject to the Series Indentures and subject to application as provided in this Indenture and as supplemented by Series Indentures, and subject to the rights of the Authority specified in the Indenture, the Authority pledges and assigns and grants a lien on and security interest to the Trustee in all:

(i) Funds and Accounts held by the Trustee and all deposits and investments of those Funds and Accounts (other than the Rebate Fund);

(ii) Acquired Bonds (which shall be registered in the name of the Trustee);

(iii) Revenues; and

(iv) all right, title and interest of the Authority in and to the Loans and the documents evidencing and securing the Loans and rights of the Authority to the payments of amounts in connection with Loans to the extent the payments would be included in Revenues, including, to the extent they may be so pledged, any right to governmental subsidies payable to the Authority to be used to pay principal of or interest on Loans, and also all security for the pledged rights in Loans including, without limitation, mortgages, assignments of rents and other security interests and agreements and, if applicable, liquidation proceeds and insurance proceeds.

The Trust Estate may be applied as provided in or pursuant to this Indenture, except as provided with respect to any Series Indenture. The Trust Estate also includes all Contributed Assets, except as provided in Section 4.16 of this Indenture. The Trust Estate does not include amounts required under federal income tax law to be paid as rebate to the United States. The pledge of Funds and Accounts established in a Series Indenture may be limited in purpose and time, as set forth in the Series Indenture.

(b) To the extent provided in a Series Indenture instruments evidencing Loans or security for Loans shall be deposited with the Trustee. The Trustee shall have no duty to examine any of these instruments and documents but only to retain them on deposit or apply them as provided in this Indenture. Loans, and the security for them are subject to release by the Trustee to the Authority upon an Authority Request in connection with a sale, a disposition, an enforcement action, a restructuring of a Loan by the Authority as provided in paragraph (c) of this Section of this Indenture.

(c) Notwithstanding the assignment, pledge and grant in this Section, the Authority shall, except as may be provided in a Series Indenture, have the right to sell, encumber, or dispose of Acquired Bonds or Loans as provided in this Indenture and shall have the right to restructure and enforce Loans in such manner as determined by the Authority in its discretion consistent with the provisions of this Indenture, including the ability to compromise, and release security for, Loans.

(d) Any pledge, assignment, lien and security interest made pursuant to this Indenture and any Series Indenture shall be valid and binding and effective upon its being made or granted, or upon property becoming subject to it, without any physical delivery, filing, recording or further act. The pledge, assignment, lien and security interest shall be valid and binding as against, and shall be superior to any claims of any others having claims of any kind against the Authority or any other person, irrespective of whether such other parties have notice of the pledge, assignment, lien or security interest other than as may otherwise be required by law in the case of any interest in real property.

(e) Except for the issuance of Bonds pursuant to this Indenture, the Authority shall not make or grant any pledge, assignment, lien or security interest in any of the Trust Estate which is senior to or on a parity with the security provided by this Indenture. Except with respect to Subordinate Bonds, and except as expressly provided in or pursuant to this Indenture or any Series Indenture, all security for the Bonds under this Indenture shall be for the equal and proportionate benefit of the obligations of the Authority on all Bonds; provided, however, that a Series of Bonds may be further secured by a credit facility, a bond insurance policy or other further security not applicable to any one or more other Series of Bonds, as shall be provided by the applicable Series Indenture in addition to the security provided in this Indenture.

(f) Except as may be limited by a Series Indenture, upon all Bonds of any Series that financed or continued the financing of any particular Loan or Loans having been paid or treated as paid under this Indenture, the pledge, assignment, lien and security interest of the Trustee with respect to that Loan or Loans and any security for it or them shall be released to the Authority subject to compliance with <u>Section 6.07(a)(v)</u> of this Indenture. Except as may be limited by a Series Indenture, upon all Bonds of any Series that have financed the acquisition of Acquired Bonds, or that refinanced such Bonds, having been paid or treated as paid under this Indenture, the pledge, assignment, lien and security interest of the Trustee with respect to those Acquired Bonds shall be released and those Acquired Bonds shall be registered as the Authority shall direct, but subject to compliance with <u>Section 6.07(a)(v)</u> of this Indenture.

Section 6.02. <u>Payment of Principal, Interest and Premium</u>. The Authority covenants that it will promptly pay, but only from the Trust Estate, the principal of and interest, if any, on each and every Bond issued under the provisions of this Indenture at the places, on the dates and in the manner specified in this Indenture, the Series Indentures and the Bonds. The Authority covenants that it will pay, but only from the Trust Estate, any premium required for the retirement of Bonds by purchase or redemption according to their true intent and meaning. The Bonds are not general obligations of the Authority. The State is not liable on the Bonds and the Bonds are not a debt of the State.

Section 6.03. **Covenant to Perform Obligations Under this Indenture**. The Authority covenants that it will faithfully perform at all times all covenants, undertakings, stipulations, provisions and agreements contained in this Indenture, each Series Indenture and in each Bond.

Section 6.04. **No Extension of Maturities or Claims for Interest**. The Authority will not directly or indirectly extend or assent to the extension of the time for the payment of any principal of or interest on any Bond and will not directly or indirectly be a party to any arrangement for that purpose without the consent of any Bondowner materially adversely affected by the arrangement.

Section 6.05. **Further Instruments and Actions**. The Authority covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such supplemental indentures and such further acts, instruments and transfers as may be necessary or desirable to confirm, make effective or otherwise implement the pledge, assignment, lien and security interest granted by this Indenture or any Series Indenture.

Section 6.06. **Maintenance of Security**. The Authority covenants that, except as otherwise expressly permitted by this Indenture as supplemented by Series Indentures, it will not sell, convey, mortgage, encumber or otherwise dispose of the money or investments held for the credit of any Fund or Account created under this Indenture, or the Revenues.

Section 6.07. **Rating Certificate; Compliance Certificates and Cash Flow Certificates**. (a) Prior to taking any of the following actions the Authority shall file with the Trustee a Rating Certificate, except as provided in a Series Indenture:

(i) issuing any Series of Bonds (except no Rating Certificate is required for the initial Series of Bonds);

(ii) making any supplement or amendment to a Series Indenture as provided in Section 2.09(c) of this Indenture;

(iii) entering into any Derivative Agreement relating to any Series of Bonds after the date of issuance of such Bonds;

(iv) remarketing any Bonds in connection with a change in tender period except as required at the time of their issuance; or

(v) releasing the pledge, assignment, lien or security interest of this Indenture in Loans or Acquired Bonds as provided in Section 6.01(e) of this Indenture.

(b) Prior to taking any of the following actions, the Authority shall file with the Trustee either a Compliance Certificate or a Cash Flow Certificate, as appropriate, except as provided in a Series Indenture:

(i) any purchase or redemption of Bonds (other than mandatory redemption pursuant to Sinking Fund Installments or other mandatory redemptions as provided in a Series Indenture, purchases of Bonds as provided in Section 4.05 of this Indenture, and purchases of Bonds as provided in Section 4.05 of this Indenture) and any purchase or redemption of Bonds that is consistent with the assumptions set forth in the most recently filed Cash Flow Certificate),

(ii) any withdrawal of amounts from the Revenue Fund pursuant to Sections 4.03(f)(iii), 4.03(f)(v), 4.03(f)(vi), 4.03(f)(viii) or 4.07(c) of this Indenture,

(iii) any amendment, encumbrance, sale or other disposition of any Loan or Acquired Bond not in default or any restructuring or compromising of any Loan,

(iv) any use of Acquired Bond Redemption Receipts, Prepayments or Recovery Payments for any use other than purchase or redemption of Bonds or payment of scheduled debt service, or

(v) any material change in any operating policies or assumptions set forth in the most recent Cash Flow Certificate.

(c) A Compliance Certificate with respect to any action is a certificate of an Authorized Representative stating that the action complies with the operating policies of the Authority as set forth in the then current Cash Flow Certificate.

(d) A Cash Flow Certificate is a certificate of an Authorized Representative stating that, as shown in the cash flow projections included in the certificate and based upon the assumptions stated in the certificate, there will at all times be available sufficient amounts in the Funds and Accounts, timely to pay all principal of and interest on the Bonds, and to make Derivative Payments under the assumptions stated in the Certificate for each set of cash flow scenarios as described below. Except as provided in the Series Indenture, a Cash Flow Certificate for Bonds which are not Subordinate Bonds need only show the sufficiency of amounts so as to pay debt service and to make Derivative Payments for Bonds which are not Subordinate Bonds. The Cash Flow Certificate shall include projections of the amounts available for payment of debt service on Bonds and of Derivative Payments under the assumptions stated in the Certificate each then current cash flow scenario and the assumptions used in computing the projections.

The Cash Flow Certificate shall set forth various cash flow scenarios, that is, sets of stated assumptions including, without limitation, the following:

(i) the timing and amounts of prepayments;

(ii) the timing and amounts of the receipt of payments of scheduled principal of and interest on Loans and Acquired Bonds;

(iii) the investment return on Funds and Accounts;

(iv) availability of amounts in the Reserve Fund;

(v) Expenses to be paid; and

(vi) the form of any Supplemental Coverage.

The Cash Flow Certificate shall also include a set of operating policies setting forth rules or limitations to be followed with respect to discretionary activities of the Authority under this Indenture and Series Indentures. Cash flow projections shall take into account the financial position of the Loans and Acquired Bonds as of the stated date of the projection, shall be consistent with this Indenture and the Series Indentures and shall assume compliance with the operating policies set forth in the Cash Flow Certificate and the various Series Program Determinations.

(e) A copy of each Cash Flow Certificate and Compliance Certificate filed with the Trustee shall also be provided to each Rating Agency prior to the Authority taking any of the actions set forth in paragraph (b) of this Section 6.07 and, for actions described in paragraph (b)(ii) and (b)(iii) of this Section 6.07 at least 10 days prior to taking such action.

Section 6.08. Tax Covenants. The Authority shall at all times comply with the applicable tax covenants contained in any applicable Series Indenture and in any tax certificate of the Authority related to a Series of Bonds.

Section 6.09. Enforcement of Rights Under Loans. Notwithstanding any pledge, assignment or grant of a lien on or security interest in any Loan or Acquired Bonds, the Authority covenants to enforce all rights and obligations under and pursuant to the Loans and the Acquired Bonds as necessary to obtain payment of amounts to be paid to the Trustee as due and to comply with the Act and all covenants with regard to federal income taxation of interest on Bonds, and agrees that the Trustee, in the name of the Authority, whether or not an Event of Default exists, may enforce all rights of the Authority under and pursuant to the Loans and the Acquired Bonds for and on behalf of the Bondowners pursuant to Section 7.04 of this Indenture. The Trustee shall be under no obligation to service Loans itself, but shall use its best efforts at the expense of the Authority to obtain servicing for the Loans to the extent that the Authority informs the Trustee in writing, or the Trustee concludes upon an Event of Default, that the Authority is unable to perform or obtain such servicing.

Section 6.10. Maintenance of Corporate Existence of Authority. The Authority shall at all times use its best efforts to maintain its corporate existence and to maintain, preserve and renew all its rights, powers, privileges and franchises, and it will comply with all valid acts, rules, regulations, orders and directions of any legislative, administrative or judicial body applicable to this Indenture and any Series Indenture.

Section 6.11. Books and Records. (a) The Trustee shall keep proper books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and applications of all money received by the Trustee under this Indenture, and such books shall be available for inspection by the Authority and any Bondowner during business hours, upon reasonable notice and under reasonable conditions.

(b) On or before the tenth business day of each month the Trustee shall furnish to the Authority in accordance with Section 8.06 of this Indenture a written statement of the Funds and Accounts held pursuant to this Indenture and any Series Indenture.

(c) The Authority shall keep proper books of records and account for all its transactions, other than those recorded in the books maintained by the Trustee pursuant to subsection (a) of this Section 6.11, and such books shall be available for inspection by the Trustee and any Bondowner during business hours and upon reasonable notice.

Section 6.12. Annual Audit. The Authority shall annually, within 120 days of the end of each Fiscal Year, file with the Trustee and each Rating Agency a copy of its audited financial statements for its previous Fiscal Year, accompanied by the related report of an Accountant. The Trustee shall have no duty to review, analyze or verify such financial statements and shall hold such financial statements solely as a repository for the benefit of the Bondholders. The Trustee shall not be deemed to have notice of any information contained therein or event of default which may be disclosed therein in any manner.

Section 6.13. Notice of an Event of Default. The Authority shall promptly notify the Trustee in writing of the occurrence of an Event of Default.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01. Extend Principal or Interest Payment. Neither the Trustee nor the Authority shall consent or agree directly or indirectly to extend the time for payment of any principal or interest on any Bond, except as permitted hereunder. In case the time for the payment of the principal of or interest on any Bond shall be extended, whether or not such extension be by or with the consent of the Authority, such principal or interest so extended shall not be entitled in case of default under this Indenture to the benefit or security of this Indenture unless the principal of and interest on all Outstanding Bonds (the time for the payment of interest which has not been extended) is paid in full.

Section 7.02. Events of Default. An "Event of Default" occurs if:

(a) payment of interest on or the principal or Redemption Price of any of the Bonds is not made when due and payable; or

(b) default in the due and punctual performance of any other covenants or agreements contained in the Bonds or in this Indenture or any Series Indenture and such default continues for ninety (90) days after written notice requiring the default to be remedied, has been given to the Authority by the Trustee. The Trustee may give such notice in its discretion and shall give such notice at the written request of the owners of not less than twenty-five percent (25 %) in aggregate principal amount of Bonds then Outstanding. However, if such default can be remedied, so long as following such notice the Authority is diligently taking actions to remedy such default, such default shall not be an Event of Default.

An Event of Default with respect to Subordinate Bonds is not an Event of Default on Bonds which are not Subordinate Bonds. For purposes of determining the percentages of Owners of Bonds as provided in this Indenture, only Bonds other than Subordinate Bonds shall be taken into account unless the Event of Default relates only to Subordinate Bonds in which case the percentage relates only to Subordinate Bonds. In the case of an Event of Default relating only to Subordinate Bonds any acceleration or other remedy shall relate only to Subordinate Bonds.

It shall not be an Event of Default for the Authority to fail to foreclose upon or otherwise to enforce its rights to payment under Loans to the extent the Authority applies other monies (other than withdrawals from the Reserve Fund) sufficient to make all required payments due from the Debt Service Account.

Section 7.03. **Acceleration of Maturity**. Upon the happening and continuance of any Event of Default under paragraph (a) of Section 7.02 (except as may be limited in a Series Indenture, as set forth in the last paragraph of Section 7.04 of this Indenture), then and in every such case the Trustee may and, subject to Section 8.02 of this Indenture, upon the written direction of the Owners of not less than two-thirds (2/3) in aggregate principal amount of the Outstanding Bonds and receipt of indemnification satisfactory to the Trustee shall, by notice in writing to, the Authority, declare the principal of all the Outstanding Bonds (if not then due and payable) to be due and payable immediately. Upon such declaration, the principal of all Outstanding Bonds shall become immediately due and payable, anything contained in the Bonds or in this Indenture to the contrary notwithstanding. However, if 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 Event of Default, or before the completion of the enforcement of any other remedy under this Indenture, money shall have accumulated in the Debt Service Account sufficient to pay the principal of all matured Bonds and all arrears of interest, if any, upon all the Outstanding Bonds (except the principal and interest of any Bonds which have become due and payable by reason of such declaration and except the principal of any Bonds not then due and payable by their terms and the interest accrued on such Bonds since the last interest payment date), and the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee and the Authority and all other amounts then payable by the Authority under this Indenture have been paid or a sum sufficient to make that payment has been deposited with the Trustee, and every other default known to the Trustee in the observance or performance of any covenant, condition or agreement or provision contained in the Bonds or in this Indenture (except a default in the payment of the principal of such Bonds then due and payable only because of a declaration under this Section) has been remedied to the satisfaction of the Trustee, then and in every such case the Trustee may, and upon the written request of the Owners of not less than two-thirds (2/3) in aggregate principal amount of the Outstanding Bonds not then due and payable by their terms shall, by written notice to the Authority, rescind and annul such declaration and its consequences. No such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent to it. If an Event of Default applies to Bonds other than Subordinate Bonds then any reference in this Section to Bonds is to Bonds that are not Subordinate Bonds. If an Event of Default applies to Subordinate Bonds, then reference to this Section to Bonds is to Subordinate Bonds.

Section 7.04. **Enforcement of Remedies**. Upon the happening and continuance of any Event of Default, then and in every such case the Trustee may, and upon the written direction of the Owners of not less than twenty-five percent (25 %) in aggregate principal amount of the Outstanding Bonds shall proceed, subject to the provisions of Section 8.02 of this Indenture, to protect and enforce its rights and the rights of the Bondowners under applicable laws or under this Indenture by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained in this Indenture or in aid or execution of any power granted in this Indenture or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under this Indenture the Trustee shall be entitled (i) to sue for, enforce payment of and recover judgment for, in its own name as Trustee of an express trust, any and all amounts then or after any default becoming, and at any time remaining, due from the Authority for unpaid principal, premium, if any, interest or otherwise under any of the provisions of this Indenture or the Bonds, with, to the extent permitted by the applicable law, interest on overdue payments of principal of and interest at the rate or rates of interest specified in the Bonds, together with any and all costs and expenses of collection and of all proceedings under this Indenture and under the Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondowners, and (ii) to recover and enforce any judgment or decree against the Authority, but solely as provided in this Indenture, the Series Indenture and the Bonds, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect, in any manner provided by law, the money adjudged or decreed to be payable.

If a covenant is set forth in a Series Indenture, limitations on the remedies available upon an Event of Default related to such covenant may be set forth in such Series Indenture.

Section 7.05. Trustee May File Claim In Bankruptcy. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other similar judicial proceeding relative to the Authority, its property or creditors, the Trustee (irrespective of whether the principal of the Bonds shall then be due and payable or by declaration or otherwise and irrespective of whether the Trustee has made any demand on the Authority for the payments equal to overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal, and premium, if any, and interest in respect of the Bonds and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Bondowners allowed in such judicial proceeding; and

(b) to collect and receive any money or other property payable or deliverable on any such claims and to distribute them;

and any receiver, assignee, trustee, liquidator, sequestrator (or other similar official) in any such judicial proceeding is authorized by each Bondowner to make such payments to the Trustee, and if the Trustee consents to the making of such payments directly to the Bondowners, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Sections 8.02 and 8.05 of this Indenture.

Section 7.06. Pro Rata Application of Funds. Notwithstanding anything in this Indenture to the contrary, but subject to the terms of a Series Indenture (including a Separately-Secured Indenture), if at any time the money in the Funds and Accounts (other than the Rebate Fund) maintained under this Indenture is not sufficient to pay the principal of or interest on the Bonds as they become due and payable (either by the terms of the Bonds or by acceleration of maturities under the provisions of Section 7.03 of this Indenture) and Derivative Payments payable from the Revenue Fund (as provided in a Series Indenture or in a Supplemental Indenture) such money, together with any money then or later available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied, following the satisfaction of any payments due to the Trustee under the provisions of Sections 8.02 and 8.05 of this Indenture and payment of such Expenses as the Trustee concludes shall enhance the value of the Trust Estate, as follows:

(a) If the principal of all the Bonds (other than Subordinate Bonds) has not become or has not been declared due and payable, all such money shall be applied:

first: to the payment of all installments (except interest on overdue principal) of interest on Bonds, other than Subordinate Bonds and Derivative Payments that are payable from the Revenue Fund on a parity with interest on Bonds then accrued and unpaid in the chronological order in which such installments of interest and such Derivative Payments accrued and, if the amount available is not sufficient to pay in full any particular installment and all such Derivative Payments accruing on the same date as such installment, then to the payment, ratably, according to the amounts due on such installment and the amounts of such Derivative Payments, on Bonds other than Subordinate Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds and the Derivative Agreements under which such Derivative Payments are due, other than Subordinate Bonds;

second: to the payment of all Derivative Payments that are subordinate to payment of interest on Bonds and are then accrued and unpaid in the chronological order in which such Derivative Payments accrued and, if the amount available is not sufficient to pay in full all such Derivative Payments accruing on any date, then to the payment, ratably, according to the amounts of such Derivative Payments accruing on the such date, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Derivative Agreements under which such Derivative Payments are due;

third: to the payment of the unpaid principal of any of the Bonds, other than Subordinate Bonds, which have become due and payable (except Bonds other than Subordinate Bonds selected for redemption for the payment of which, money is held pursuant to the provisions of this Indenture) in the order of their stated payment dates (including dates of redemption pursuant to Sinking Fund Requirements or pursuant to other mandatory redemption requirements that are payable from the Debt Service Account as provided in a Series Indenture), with interest on the principal amount of such Bonds, other than Subordinate Bonds, at the respective rates specified in such Bonds from the respective dates upon which such Bonds, other than Subordinate Bonds, became due and payable, and, if the amount available is not sufficient to pay in full the principal of the Bonds, other than Subordinate Bonds, by their stated terms due and payable (including by redemption pursuant to Sinking Fund Requirements or such other mandatory redemption requirements) on any particular date together with such interest, then (1) to the payment first of such interest, ratably, according to the amount of such interest due on such date, and (2) to the payment of such principal, ratably, according to the amount of such principal due on such date, of Bonds, other than Subordinate Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds, other than Subordinate Bonds;

fourth: to the payment of the interest on and the principal of the Bonds, other than Subordinate Bonds, to the purchase and retirement of Bonds, other than Subordinate Bonds, and to the redemption of the Bonds, other than Subordinate Bonds, all in accordance with the provisions of Article III of this Indenture;

fifth: to the payment of interest (except interest on overdue principal) on Subordinate Bonds and payments with respect to Derivative Payments that are payable on a parity with interest on Subordinate Bonds then accrued and unpaid in the chronological order in which such installments of interest accrued and, if the amount available is not sufficient to pay in full any particular installment or such Derivative Payment, then to the payment, ratably, according to the amounts due on such installment or such Derivative Payment, of Subordinate Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Subordinate Bonds;

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

seventh: to the payment of the interest on and the principal of the Subordinate Bonds, to the purchase and retirement of Subordinate Bonds and to the redemption of Subordinate Bonds.

(b) If the principal of all the Bonds has become or has been declared due and payable, all such money shall be applied first, to the payment of the principal and premium, if any, and interest then accrued and unpaid upon the Bonds which are not Subordinate Bonds, and Derivative Payments that are payable from the Revenue Fund on a parity with interest on Bonds (as provided in a Series Indenture or in a Supplemental Indenture) without preference or priority of principal over interest or of interest over principal, or of principal and interest over such Derivative Payments or of such Derivative Payments over principal and interest, or of any daily accrual of interest or Derivative Payments over any other daily accrual of interest or Derivative Payments, or of any Bond or Derivative Payment over any other Bond or Derivative Payment, or of any daily accrual of interest over any other daily accrual of interest, or of any Bond which is not a Subordinate Bond over any other Bond which is not a Subordinate Bond, ratably, according to the amounts due respectively for principal and interest, without any discrimination or preference except as to the respective rates of interest specified in the Bonds which are not Subordinated Bonds, and the Derivative Agreements under which such Derivative Payments are due and second, to the payment of the principal and premium, if any, and interest then accrued and unpaid upon the Subordinate Bonds, without preference or priority of principal over interest or of interest over principal, or of any daily accrual of interest over any other daily accrual of interest, or of any Subordinate Bond over any other Subordinate Bond, ratably, according to the amounts due respectively for principal and interest, without any discrimination or preference except as to the respective rates of interest specified in the Subordinate Bonds and to the payment of all Derivative Payments that are subordinate to payment of interest on Bonds (as provided in a Series Indenture or in a Supplemental Indenture) and are then accrued and unpaid, without preference or priority of any daily accrual Derivative Payments over any other daily accrual of Derivative Payments, or of Derivative Payment over any other Derivative Payment, ratably, according to the amounts due, without any discrimination or preference except as to the respective rates of interest specified in the Derivative Agreements under which such Derivative Payments are due.

(c) If the principal of all the Bonds has been declared due and payable and if such declaration has been rescinded and annulled under the provisions of Section 7.03 of this Indenture, then, subject to the provisions of subsection (b) of this Section 7.06 if the principal of all the Bonds later becomes or is declared to be due and payable, the money remaining in and later accruing to the Debt Service Account, any Subordinate Bond Debt Service Account of the Revenue Fund and the Reserve Fund, together with any other money held by the Trustee under this Indenture, shall be applied in accordance with the provisions of subsection (a) of this Section 7.06, except as provided in a Series Indenture.

The provisions of subsections (a), (b) and (c) of this Section 7.06 are in all respects subject to the provisions of Section 7.01 of this Indenture and each Series Indenture.

Whenever money is to be applied by the Trustee pursuant to the provisions of this Section 7.06, such money shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for such application in the future. The deposit of such money with any paying agent, or otherwise setting aside such money, in trust for the proper purpose shall constitute proper application by the Trustee. The Trustee shall incur no liability to the Authority, to any Bondowner or to any other person for any delay in applying any such money, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the money in accordance with the provisions of this Indenture. Whenever the Trustee exercises discretion in applying money, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to the Owner of any Bond until such Bond surrendered to the Trustee for appropriate endorsement, or for cancellation if fully paid.

Section 7.07. **Effect of Discontinuance of Proceedings**. In case any proceeding taken by the Trustee or Bondowners on account of any Event of Default has been discontinued or abandoned for any reason, then and in every such case the Authority, the Trustee and the Bondowners shall be restored to their former positions and rights under this Indenture, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

Section 7.08. **Owners of Majority in Principal Amount of Bonds May Control Proceedings**. Notwithstanding anything in this Indenture to the contrary, but subject to the Series Indentures, the Owners of a majority in principal amount of the Bonds then Outstanding (other than Subordinate Bonds) shall have the right, subject to the provisions of Sections 7.11 and 8.02 of this Indenture, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee or exercising any trust or power conferred upon the Trustee, provided that such direction shall not be otherwise than in accordance with law, the provisions of this Indenture and the Act and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of Bondowners not joining in such direction. Nothing in this Section 7.08 shall impair the right of the Trustee in its discretion to take any other action under this Indenture which it may deem proper and which is not inconsistent with such direction by Bondowners

Section 7.09. **Restrictions Upon Actions by Individual Bondowners**. (a) No Owner of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Bond or to enforce this Indenture or any Series Indenture unless such Owner previously has given to the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, and unless also the Owners of not less than fifteen percent (15%) in aggregate principal amount of the Bonds then Outstanding (other than Subordinate Bonds) have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, has accrued, and have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by this Indenture or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred as a result, and the Trustee has refused or neglected to comply with such request within a reasonable time, except as provided in a Series Indenture. Such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture or to any other remedy under it. However, notwithstanding the foregoing provision of this Section 7.09, the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding (other than Subordinate Bonds) may institute any such suit, action or proceeding in their own names for the benefit of all Owners of Bonds, except as provided in a Series Indenture. Except as otherwise above provided, no one or more Owners of the Bonds secured by this Indenture shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right under it except in the manner provided in this Indenture or a Series Indenture. All suits, actions and proceedings at law or in equity shall be instituted and maintained in the manner provided and for the benefit of all Owners of such Outstanding Bonds. Any individual right of action or other right given to one or more of such Owners by law is restricted by this Indenture to the rights and remedies provided.

(b) Notwithstanding subsection (a) of this Section, nothing in this Article VII shall affect or impair the right of any Bondowner to enforce the payment of the principal of and interest on that Owner's Bond, or obligation of the Authority to pay the principal of and interest on each Bond to its Owner at the time and place expressed in such Bond.

Section 7.10. Actions by Trustee. All rights of action under this Indenture or under any of the Bonds enforceable by the Trustee may be enforced by it without the possession of any of the Bonds or the production of the Bonds in the trial or other proceeding relative to them, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all of the Owners of such Bonds, subject to the provisions of this Indenture and any Series Indenture.

Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondowners under this Indenture, the Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers of the Trust Estate, pending such proceedings with such powers as the court making such appointment shall confer, whether or not any such amounts payable shall be deemed sufficient ultimately to satisfy the Bonds Outstanding.

Section 7.11. Limitation on Trustee's Acquisition of Real Estate. The Trustee shall not acquire possession of or take any other action with respect to any real estate securing any Loan or Acquired Bond, if as a result of any such action, the Trustee would be considered to hold title to, to be a "mortgagee-in-possession of," or to be an "Owner" or "operator" of any such real estate within the meaning of the Comprehensive Environmental Responsibility Cleanup and Liability Act of 1980, as amended from time to time, unless the Trustee has previously determined, based on a report prepared by a person who regularly conducts environmental audits, that:

(a) such real estate is in compliance with applicable environmental laws or, if not, that it would be in the best interest of the Owners of the Bonds to take such actions as are necessary for such real estate to comply with such laws; and

(b) there are not circumstances present at such real estate relating to the use, management or disposal of any hazardous wastes for which investigation, testing, monitoring, containment, clean-up or remediation could be required under any federal, state or local law or regulation, or that if any such materials are present for which such action could be required, that it would be in the best economic interest of the Owners of the Bonds to take such actions with respect to such real estate.

The environmental audit report contemplated by this Section shall not be prepared by an employee or affiliate of the Trustee, but shall be prepared by a person who regularly conducts environmental audits for purchasers of commercial property, as determined (and, if applicable, selected) by the Trustee, and the cost of the audit shall be borne by the Authority or paid from the Trust Estate (as Expenses).

Section 7.12. No Remedy Exclusive. No remedy conferred upon or reserved to the Trustee or to the Owners of the Bonds is intended to be exclusive of any other remedy or remedies provided. Each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Indenture or by law.

Section 7.13. No Delay or Omission Construed to be a Waiver. No delay or omission of the Trustee or of any Owner of the Bonds to exercise any right or power shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence in such default. Every power and remedy given by this Indenture to the Trustee and to the Owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 7.14. Waiver of Defaults. The Trustee, upon written direction of the Owners of not less than a majority in aggregate principal amount of the Outstanding Bonds, other than Subordinate Bonds, except as provided in a Series Indenture, shall waive any Event of Default, which in the opinion of those Owners has been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by them under the provisions of this Indenture or before the completion of the enforcement of any other remedy under this Indenture, but no such waiver shall extend to or affect any other existing or any subsequent Event or Events of Default or impair any rights or remedies consequent to it.

Section 7.15. Notice of an Event of Default. The Trustee shall send to the Authority and to all Bondowners by first class mail, postage prepaid, written notice of the occurrence of any Event of Default within thirty (30) days after the Trustee has received written notice of such Event of Default from the Authority, subject to the provisions of Section 7.08 of this Indenture and the provisions of any Series Indenture, that any such Event of Default has occurred. The Trustee shall not, however, be subject to any liability to any Bondowner by reason of a failure to mail any such notice.

Section 7.16. Limitations on Remedies for Series of Bonds. A Series Indenture authorizing a Series of Bonds which shall have bond insurance may provide limitations on remedies available with respect to those Bonds including, without limitation, acceleration of their maturity, without the consent of the bond insurer and may give the bond insurer rights of Owners of those Bonds with respect to remedies.

Section 7.17. Right to Appoint Statutory Trustee Abrogated. In accordance with the provisions of Section 17 of the Act, Sections 25 and 26 of the Act shall not apply to the Bonds.

ARTICLE VIII

CONCERNING THE TRUSTEE AND THE MASTER PAYING AGENT

Section 8.01. Acceptance of Trusts and Duties. The Trustee accepts the duties and obligations and agrees to execute the trusts imposed upon it by this Indenture but only upon the terms and conditions set forth in this Article and subject to the provisions of this Indenture. Prior to the occurrence of an Event of Default and after the curing of all Events of Default, the Trustee undertakes to perform only those duties as are specifically set forth in this Indenture and to perform such trusts as an ordinarily prudent trustee under a bond resolution or indenture. No implied covenants or obligations should be read into this Indenture against the Trustee. If an Event of Default has occurred and is continuing, the Trustee shall, subject to Section 8.02 of this Indenture, exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care a prudent person would exercise in the circumstances in the conduct of such person's own affairs. The Master Paying Agent shall signify its acceptance of the duties and responsibilities as Master Paying Agent by a written instrument of acceptance, filed with the Trustee and the Authority.

Section 8.02. Trustee Entitled to Indemnity. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be named as a defendant, or to take any steps in the execution of the trusts created or in the enforcement of any rights and powers, until it is indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability, including, but not limited to, any liability arising directly or indirectly under any federal, state or local statute, rule, law or ordinance related to the protection of the environment or hazardous substances and except liability which is adjudicated to have resulted from its negligence or willful default in connection with any action so taken. The Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity. In such case the Authority shall reimburse, from the Trust Estate (as Expenses), the Trustee for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection with such action.

Section 8.03. Limitation of Obligations and Responsibilities of Trustee or Master Paying Agent. The Trustee shall be under no obligation (i) to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the Authority, (ii) to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur or (iii) to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall be under no obligation to record or file this Indenture, or any other security instruments and financing statements, or continuation statements with respect to it, except pursuant to directions from the Authority, in form and substance satisfactory to the Trustee, set forth in an Authority Request. The Trustee and the Master Paying Agent shall have no responsibility in respect of the validity, sufficiency, due execution or acknowledgment by the Authority of this Indenture, or m respect of the validity of the Bonds or their due execution or issuance. The Trustee shall be under no obligation to see that any duties imposed upon the Authority or any party other than itself, or any covenants on the part of any party other than itself to be performed, are done or performed, and the Trustee shall be under no obligation for failure to see that any such duties or covenants are so done or performed. The Trustee and the Master Paying Agent may execute any of the trusts or powers of this Indenture and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be answerable for the conduct of the same if appointed in accordance with the standard specified above and the Trustee and the Master Paying Agent shall be entitled to advice of counsel concerning all matters of trusts and duties under this Indenture, and may pay reasonable compensation to any lawyer or agent retained by it under this Indenture. The Trustee and the Master Paying Agent may act upon the opinion or advice of an attorney, surveyor, engineer or accountant selected by it in the exercise of reasonable care or, if selected or retained by the Authority, approved by the Trustee in the exercise of such care. The Trustee and the Master Paying Agent shall not be responsible for any loss or damage resulting from any action or nonaction based on its good faith reliance upon such opinion or advice.

The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty. The Trustee shall not be answerable for other than its gross negligence or willful default. The Trustee may (but shall be under no duty to) require of the Authority full information and advice as to the performance of the covenants, conditions and agreements in this Indenture.

At any and all reasonable times, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all books, papers and records of the Authority pertaining to the Bonds, and to take such memoranda from and in regard to those books, papers and records, as may be desired.

All money received by the Trustee or the Master Paying Agent shall, until used or applied or invested as provided in this Indenture or a Series Indenture, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law, by this Indenture or a Series Indenture. The Trustee shall not be under any liability for interest on any money received under this Indenture except such as may be agreed upon with the Authority.

Section 8.04. Trustee Not Liable for Failure of Authority to Act. The Trustee and the Master Paying Agent shall not be liable or responsible because of the failure of the Authority or of any of its employees or agents to make any collections or deposits or to perform any act required of the Authority. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other money deposited with it and paid out, withdrawn or transferred if such application, payment, withdrawal or transfer is made in accordance with the provisions of this Indenture and Series Indentures. The immunities and exemptions from liability of the Trustee and the Master Paying Agent shall extend to its directors, officers, employees, attorneys and agents.

Section 8.05. Compensation and Indemnification of Trustee. Subject to the provisions of any contract between the Authority and the Trustee relating to the compensation of the Trustee, the Authority shall pay, from the Trust Estate, to the Trustee reasonable compensation for all services performed by it and also all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the administration and execution of the trusts created and the performance of its powers and duties, and from such source only, shall indemnify and save the Trustee harmless against any liabilities, losses, damages, costs and expenses (including attorney's fees and expenses of the Trustee), causes of action, suits, claims, demands and judgments of any kind and nature ("Losses") which it may incur in the exercise and performance of its powers and duties, except Losses resulting from the negligence or willful misconduct of the Trustee. Payment of compensation for the Master Paying Agent shall be by separate agreement. The indemnifications set forth herein shall survive the termination of this Indenture and/or the resignation or removal of the Trustee.

Section 8.06. **<u>Monthly Statements from Trustee</u>**. The Trustee shall, on or before the 10th day of each month, file with the Authority a statement setting forth in respect of the preceding calendar month:

(a) the amount withdrawn or transferred by it and the amount deposited within or to the account of each Fund and Account held by it under the provisions of this Indenture and the Series Indentures;

(b) the amount on deposit with it at the end of such month to the credit of each Fund and Account;

(c) a brief description of all Permitted Investments held by it in each such Fund and Account;

(d) the amount applied to the purchase or redemption of Bonds and a description of the Bonds or portions of Bonds so purchased or redeemed; and

(e) any other information which the Authority may reasonably request.

All records and files pertaining to the trusts in the custody of the Trustee shall be open at all reasonable times to the inspection of the Authority and its agents and representatives.

Section 8.07. **<u>Trustee May Rely on Certificates</u>**. If at any time it is necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Indenture provides for permitting or taking any action, the Trustee may rely conclusively upon any certificate, requisitions, opinion or other instrument required or permitted to be filed with it under the provisions of this Indenture. Any such instrument shall be conclusive evidence of such fact to protect the Trustee in any action that it may or may not take or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Indenture, any request, notice, certificate or other instrument from the Authority to the Trustee shall be deemed to have been signed by the proper party or parties if signed by an Authorized Representative, and the Trustee may accept and rely upon a certificate signed by an Authorized Representative as to any action taken by the Authority.

Section 8.08. **Notice of Default**. Except upon the happening of any Event of Default specified in clause (a) of Section 7.02 of this Indenture, the Trustee shall not be obliged to take notice or be deemed to have notice of any Event of Default unless a Responsible Officer of the Trustee is specifically notified in writing of such Event of Default by the Authority or by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Outstanding Bonds other than Subordinate Bonds as provided in a Series Indenture. All notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the corporate trust office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default.

Section 8.09. **Trustee and Master Paying Agent May Deal in Bonds**. The bank, trust company or national banking association acting as Trustee or Master Paying Agent under this Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued under and secured by this Indenture, may join in any action which any Bondowner may be entitled to take with like effect as if such bank, trust company or national banking association were not the Trustee or Master Paying Agent under this Indenture, may engage or be interested in any financial or other transaction with the Authority and may maintain any and all other general banking and business relations with the Authority as if the Trustee were not a party to this Indenture. No implied covenant shall be read into this Indenture against the Trustee in respect of such matters.

Section 8.10. **Trustee and the Master Paying Agent Not Responsible for Recitals**. The recitals, statements and representations contained in this Indenture and in the Bonds (excluding the Trustee or Master Paying Agent's certificate of authentication on the Bonds) shall be taken and construed as made by and on the part of the Authority and not by the Master Paying Agent or the Trustee and the Master Paying Agent and the Trustee assumes and shall be under no responsibility for their correctness.

Section 8.11. **Trustee and the Master Paying Agent Protected in Relying on Certain Documents**. (a) The Trustee and the Master Paying Agent shall be protected and shall incur no liabilities in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture or any Series Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person to have been prepared and furnished pursuant to any of the provisions of this Indenture or any Series Indenture, or upon the written opinion of any attorney, engineer or accountant believed by the Trustee or Master Paying Agent, as applicable, or to be qualified in relation to the subject matter, and the Trustee or Master Paying Agent shall be under no duty to make any investigation or inquiry as to any statement contained or matters referred to in such an instrument. The Trustee or Master Paying Agent shall not be under any obligation to see to the recording or filing of this Indenture or any Series Indenture.

(b) Notwithstanding anything to the contrary in this Indenture, but subject to the terms of any Series Indenture, the Trustee shall accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and any Series Indenture and complying with the requirements of this Indenture and such Series Indenture but delivered using Electronic Means, rather than in writing and signed by an Authorized Representative;

provided, however, that the Trustee may at any time cease (or suspend) accepting Instructions delivered pursuant to Electronic Means with immediate effect by notice to the Authority; and provided further, however, that the Authority shall provide to the Trustee an incumbency certificate listing Authorized Representative with the authority to provide such Instructions and containing specimen signatures of such Authorized Representatives, which incumbency certificate shall be amended by the Authority whenever a person is to be added or deleted from the listing. Because the Trustee cannot determine the identity of the actual sender of Instructions delivered using Electronic Means, the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Representative listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Representative. The Authority shall ensure that only Authorized Representatives transmit such Instructions, and the Authority shall safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority. As between the Authority and the Trustee, the Authority agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 8.12. Resignation and Removal of Trustee Subject to Appointment of Successor. No resignation or removal of the Trustee or the Master Paying Agent and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 8.15.

Section 8.13. Resignation of Trustee. Subject to Section 8.12 of this Indenture, the Trustee may resign and thereby become discharged from the trusts, by notice in writing to be given to the Authority and mailed, first class, postage prepaid, to all registered Owners of Bonds at their addresses as they appear on the registration books kept by the Trustee, not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee, if such new Trustee is appointed before the time limited by such notice and then accepts the trusts. No resignation of the Trustee shall be effective if an Event of Default, or any event which upon the passage of time would be an Event of Default has occurred and is continuing except upon the consent of Owners of a majority in principal amount of the Outstanding Bonds.

Section 8.14. Removal of Trustee. Subject to Section 8.12 of this Indenture, the Trustee may be removed at any time, upon not less than 30 days' written notice, by an instrument or concurrent instruments in writing executed by the Owners of not less than a majority in principal amount of the Outstanding Bonds (other than Subordinate Bonds) and filed with the Authority. A facsimile copy of each such instrument shall be delivered promptly by the Authority to the Trustee. Subject to Section 8.12 of this Indenture, the Trustee may also be removed at any time for reasonable cause by any court of competent jurisdiction upon the application of Owners of not less than ten percent (10%) in aggregate principal amount of the Outstanding Bonds (other than Subordinate Bonds). Subject to Section 8.12 of this Indenture, the Trustee may be removed at any time by the Authority if an Event of Default has not occurred and is continuing.

Section 8.15. Appointment of Successor Trustee. If at any time the Trustee resigns, be removed, be dissolved or otherwise become incapable of acting, or the bank, national banking association or trust company acting as Trustee is taken over by any governmental official, agency, department or board, the Authority shall appoint a successor and shall cause notice of such appointment to be mailed, first class, postage prepaid, to all registered Owners of Bonds at their addresses as they appear on the registration books kept by the Trustee.

If no appointment of a successor Trustee is made pursuant to this Section within ten (10) days after the vacancy has occurred, the Owner of any Outstanding Bond (other than Subordinate Bonds) or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may, after such notice, if any, as such court may deem proper and prescribed, appoint a successor Trustee.

Any Trustee appointed under this Indenture shall be a bank, national banking association or trust company having a principal corporate trust office in the State, duly authorized to exercise corporate trust powers and subject to examination by federal or State authority, of good standing, and having at the time of its appointment a combined capital and surplus aggregate not less than Fifty Million Dollars ($50,000,000), as shown on its most recently published report of its financial condition.

Section 8.16. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed shall execute, acknowledge and deliver to its predecessor and also to the Authority, an instrument in writing accepting such appointment. Each successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessor. Such predecessor shall, nevertheless, on the written request of its successor or of the Authority, and upon payment of the expenses, charges and other disbursements of such predecessor which are payable pursuant to Section 8.05, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities, powers and trusts of such predecessor. Every predecessor Trustee shall deliver all property and money held by it under this Indenture to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Authority.

Any bank, national banking association or trust company having power to perform the duties and execute the trusts of this Indenture and otherwise qualified to act as Trustee with or into which the bank or trust company acting as Trustee may be merged, converted or consolidated, or to which the corporate trust assets and business of such bank, national banking association or trust company may be sold, shall be deemed the successor of the Trustee without any further action.

Section 8.17. Master Paying Agent. During such time as there shall be a Master Paying Agent:

(i) the Master Paying Agent shall perform all duties of the Trustee under the Indenture with respect to the authentication, registration, transfer, exchange, and delivery of Bonds, the disposition of Bonds upon payment and the payment to Bondowners of principal, and redemption price of and interest on Bonds; and

(ii) all references in this Indenture and in each Supplemental Indenture to the Trustee with regard to any such duties shall refer instead to the Master Paying Agent and in that regard reference to an office of the Trustee shall refer instead to the comparable office of the Master Paying Agent.

Section 8.18. Successor Master Paying Agent. The Master Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 120 days' written notice to the Authority and the Trustee. The Master Paying Agent may be removed at any time by an instrument filed with it and the Trustee and signed by an Authorized Officer of the Authority. Any successor Master Paying Agent shall be appointed by the Authority and shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having a capital and surplus aggregating at least Five Million Dollars ($5,000,000) and willing and able to accept the office of Master Paying Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

Section 8.19. Cooperation Among Master Paying Agent and Trustee. The Trustee and Master Paying Agent shall cooperate to carry out their respective duties under this Indenture and shall provide the other with copies of all notices, reports and information necessary to the other.

ARTICLE IX

EXECUTION OF INSTRUMENTS BY BONDOWNERS, PROOF OF OWNERSHIP OF BONDS AND DETERMINATION OF CONCURRENCE OF BONDOWNERS

Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondowners may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondowners or their attorneys or legal representatives. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved by the verification of any officer in any jurisdiction who has legal power to take affidavits within such jurisdiction, to the effect that such instrument was subscribed and sworn to before him, or by an affidavit of a witness to such execution.

Where such execution is on behalf of a person other than an individual such verification or affidavit shall also constitute sufficient proof of the authority of the signor.

(b) The ownership of Bonds is proved by the registration books kept under the provisions of Section 2.07 of this Indenture.

Nothing contained in this Article IX shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters stated which it may deem sufficient. Any request or consent of the Owner of any Bond shall bind every future holder of the same Bond in respect of anything done by the Trustee in pursuance of such request or consent.

Notwithstanding any of these provisions of this Article IX, the Trustee shall not be required to recognize any person as an Owner of any Bond or to take any action at his request unless such Bond is deposited with it.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.01. Bondowners' Consent Not Required. The Authority and the Trustee may, from time to time and at any time, enter into Supplemental Indentures:

(a) To authorize the issuance of a Series of Bonds;

(b) to cure any ambiguity or defect or omission in this Indenture; or

(c) to grant to or confer upon the Trustee for the benefit of the Bondowners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondowners or the Trustee; or

(d) to include as Revenues or in the Trust Estate any additional amounts, receipts or property; or

(e) to cure any ambiguity, to correct or supplement any provision which may be inconsistent with any other provision, or to make any other provisions with respect to matters or questions arising under this Indenture, provided such action shall not materially adversely affect the interest of the Bondowners; or

(f) to add to the covenants and agreements of the Authority in this Indenture additional covenants and agreements to be observed by the Authority or to surrender any right or power reserved to or conferred upon the Authority; or

(g) to modify any of the provisions of the Indenture in any respect whatever not otherwise set forth in this Section 10.01, provided (i) such modification shall apply only to Series of Bonds issued after the effective date of the Supplemental Indenture and shall not materially adversely affect the interests of the owners of Bonds of any Series Outstanding on the effective date of the Supplemental Indenture or (ii) (A) such modification shall be, and be expressed to be, effective only after all Bonds of any Series Outstanding at the date of the execution of such Supplemental Indenture shall cease to be Outstanding and (B) such Supplemental Indenture shall be specifically referred to in the text of all Bonds of any Series authenticated and delivered after the date of the execution of such Supplemental Indenture and of Bonds issued in exchange for, or in place of, such Bonds; or

(h) to modify, amend or supplement this Indenture or any Supplemental Indenture in such manner as to permit, if presented, the qualification of this Indenture and any Supplemental Indenture under the Trust Indenture Act of 1939 or any similar federal statute then in effect or under any state Blue Sky Law; or

(i) to surrender any right, power or privilege reserved to or conferred upon the Authority by the terms of this Indenture, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Authority contained in this Indenture or a Series Indenture; or

(j) to make any other change if either (i) such change, in the judgment of the Trustee, does not materially adversely affect the interests of the Bondowners or (ii) such change relates to the security for the Bonds and there is filed with the Trustee a Rating Certificate with respect to such change; or

(k) to add to the definition of Permitted Investments pursuant to the last proviso of that definition in this Indenture; or

(l) to modify, amend or supplement this Indenture or any Supplemental Indenture in such manner as to permit a trustee (other than the Trustee) with respect to any Subordinate Bonds issued under this Indenture; or

(m) to amend in any manner consistent with Section 6.08 hereof any provisions in a Series Indenture for (i) a Reserve Requirement, (ii) the Series Program Determinations, (iii) the payment of Derivative Payments on a Derivative Agreement relating to that Series of Bonds from the Revenue Fund (and the priority of their payment as set forth in Section 2.12 of this Indenture), or (iv) the extent to which Derivative Payments with respect to that Series of Bonds are to be treated as Revenues; provided that there is filed with the Trustee (a) in each case, a Cash Flow Certificate or a Compliance Certificate, as appropriate, accompanied by a Rating Certificate, with respect to such amendment and (b) in the case of an amendment pursuant to clause (iii) or (iv), if interest on the Bonds of such Series is intended to be excluded from the gross income of the recipient thereof for federal income tax purposes, a Bond Counsel Opinion to the effect that such amendment, in and of itself, will not adversely affect such exclusion; or

(n) to make any other change if either (i) such change, in the judgment of the Trustee, does not materially adversely affect the interests of the Bondowners or (ii) such change relates to the security for the Bonds and there is filed with the Trustee a Rating Certificate with respect to such change; or

(o) to provide for an issuance of Series of Bonds which are not on parity with the other Bonds issued under the Indenture.

Section 10.02. Supplements and Amendments Requiring Consent. This Indenture and any Supplemental Series Indenture may be modified, supplemented or amended by a Supplemental Indenture in ways not described in Sections 2.09(c) and 10.01, pursuant to this Section. No such Supplemental Indenture shall be effective except upon the consent of (i) the Owner of greater than fifty percent (50%) in aggregate principal amount of Outstanding Bonds (other than Subordinate Bonds); (ii) if less than all of the Outstanding Bonds are affected, of the Owners of greater than fifty percent (50%) in principal amount of Bonds then Outstanding, other than Subordinate Bonds so affected and, if Subordinate Bonds are affected, 50% of the aggregate principal amount of the Subordinate Bonds so affected; and (iii) in case the terms of any Sinking Fund Installments are changed, of the Owners of greater than fifty percent (50%) in principal amount of the Outstanding Bonds of the particular Series and maturity entitled to such Sinking Fund Installments. However, without the consent of all adversely affected Bondowners, no Supplemental Indenture shall (a) change the terms of redemption or of the maturity of the principal of or the interest on any Bond, or (b reduce the principal amount of any Bond or the redemption premium or the rate of interest on it, or (c) create or grant a pledge, assignment, lien or security interest of the Trust Estate, or any part of it, other than as created or permitted by this Indenture without the Supplemental Indenture, or (d) create a preference or priority of any Bond or Bonds over any other Bond or Bonds, except as may be permitted by this Indenture or (e) reduce the aggregate principal amount or classes of the Bonds required for consent to such Supplemental Indenture. If any such modification, supplement or amendment will by its terms, not take effect so long as any Bonds of any specified Series and maturity remain Outstanding, the consent of the Owners of those Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. For the purpose of this Section, a Series shall be deemed to be affected by a modification or amendment of this Indenture if it adversely affects or diminishes the rights of the Owner of Bonds of such Series. The Trustee may in its discretion determine whether Bonds of any particular Series and maturity would be affected by any modification, supplement or amendment of this Indenture or a Supplemental Indenture and any such determination shall be binding and conclusive on the Authority and all Owners of Bonds.

The Trustee shall, at the expense of the Authority, cause notice of the proposed execution of such Supplemental Indenture to be mailed, first class mail postage prepaid, to all affected Bondowners at their addresses as they appear on the registration books. Such notices shall summarize the proposed Supplemental Indenture and shall state that copies of it are on file at the principal office of the Trustee for inspection by all Bondowners The Trustee shall not, however, be subject to any liability to any Bondowners by reason of its failure to mail the notice required by this Section 10.02, and any such failure shall not affect the validity of such Supplemental Indenture when consented to and approved as provided in this Section 10.02.

Whenever, at any time within one year after the date of the first mailing of such notice, the Authority delivers to the Trustee an instrument or instruments in writing purporting to be executed by the Owners of not less than fifty-one percent (50%) in aggregate principal amount of the affected Outstanding Bonds, other than Subordinate Bonds so affected and, if Subordinate Bonds are affected, which instrument or instruments shall refer to the proposed Supplemental

Indenture described in such notice and shall specifically consent to and approve the execution of it in substantially the form of the copy referred to in such notice, then, but not otherwise, the Trustee may perform its duties under such Supplemental Indenture in substantially such form, without liability or responsibility to any Bondowner, whether or not such Bondowner shall have consented to it.

If the required number of Owners at the time of the execution of such Supplemental Indenture have consented to and approved its execution, no Bondowner shall have any right to object to the execution of such Supplemental Indenture, or to object to any of the terms and provisions contained in it or its operation, or in any manner to question the propriety of its execution, or to enjoin or restrain the Trustee or the Authority from executing it or from taking any action pursuant to its provisions.

The Authority may provide in any Series Indenture that Bondowners of all Bonds issued under that Series Indenture shall be deemed to have consented to a Supplemental Indenture, and if it so provides, the Bondowners from time to time of that Series of Bonds shall be deemed irrevocably to have consented to such a Supplemental Indenture for all purposes including the required percentage of Owners of Bonds required to consent.

Section 10.03. Supplements and Amendments Deemed Part of Indenture. Any Supplemental Indenture entered into in accordance with the provisions of this Article shall form a part of this Indenture. All of the terms and conditions contained in any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture.

Section 10.04. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as provided in this Article X may, and, if the Trustee or the Authority so determines, shall bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of the Bond for the purpose at the designated corporate trust office of the Trustee or upon any transfer of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any such transfer by the Trustee as to any such action, if the Authority or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the Authority to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Owner of any Bond then Outstanding, shall be exchanged, without cost to such Bondowner, for Bonds then Outstanding, upon surrender of such Bonds for Bonds of the same Series and maturity then Outstanding.

Section 10.05. Opinion. In connection with a supplemental indenture under this Article X, the Authority shall deliver to the Trustee a Counsel's Opinion to the effect that such supplemental indenture is authorized and permitted pursuant to the terms of this Indenture.

ARTICLE XI

DEFEASANCE

Section 11.01. Defeasance. (a) If the Authority pays or causes to be paid, or there is otherwise paid, to the Registered Owners of the Bonds then Outstanding, the principal, redemption premium, if any, and interest to become due on them, at the times and in the manner stipulated in this Indenture and in the Series Indentures, then the covenants, agreements and other obligations of the Authority to the registered Owners of the Bonds shall be discharged and satisfied. In such event, the Trustee shall pay over or deliver to the Authority all money or securities held by it pursuant to this Indenture which are no longer required for the payment or redemption of Bonds not already then surrendered for such payment or redemption and shall assign, transfer and convey to the Authority all its interest in Acquired Bonds and Loans.

(b) Bonds for the payment or redemption of which money has been set aside and held in trust by the Trustee or the related Master Paying Agent (through deposit by the Authority of funds for such payment or redemption or otherwise), whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning of and with the effect expressed in paragraph (a) of this Section. Except as provided in a Series Indenture, all Bonds or any of them shall, prior to their maturity or redemption date, be deemed to have been paid within the meaning of and with the effect expressed in paragraph (a) of this Section if:

(i) there is deposited with such Trustee or Master Paying Agents either money in an amount which is sufficient, or Government Obligations the principal of and interest on which when due will provide money which, without reinvestment, when added to the money, if any, deposited with such Trustee or Master Paying Agents at the same time, is sufficient to pay the principal of those Bonds at maturity, or on sinking fund installment dates for Term Bonds, or the principal, redemption premium, if any, and interest due and to become due on those Bonds on and prior to the redemption date or maturity date (or sinking fund installment dates for Term Bonds) of the Bonds, as the case may be;

(ii) there is deposited with the Trustee a report of an Accountant verifying the sufficiency of the deposit;

(iii) in case any of the Bonds are to be redeemed on any date prior to their maturity, the Authority has given to the Master Paying Agent(s) irrevocable instruction to give any required notice of redemption, which instruction the Master Paying Agent has accepted in writing; and

(iv) the Authority has received a Bond Counsel Opinion to the effect that the defeasance of the Bonds shall not cause interest on the tax-exempt Bonds to be included in "gross income of the registered Owners for federal income tax purposes if the Authority has covenanted in the Series Indenture not to take such action.

Upon being defeased as provided in this subsection (b), Bonds shall continue to be payable as to principal, interest and redemption premiums, if any, and to be subject to redemption, but shall have a claim for payment only with respect to the money or Governmental Obligations so held by the Trustee. The Authority may enter into an escrow agreement with the Trustee providing for funds to be so held.

(v) Government Obligations, money deposited with the Trustee pursuant to this Section and principal or interest payments of any such Government Obligations shall not be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal (at maturity or upon redemption), redemption premium, if any, and interest on those Bonds, provided that any cash received from such principal or interest payments on such Government Obligations, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Government Obligations maturing at times and in principal amounts sufficient to pay when due the principal, redemption premium, if any, and interest to become due on those Bonds on and prior to such redemption date or maturity date of the Bonds, as the case may be.

Section 11.02. Unclaimed Money. Anything in this Indenture to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years after the date of deposit of such moneys if deposited with the Trustee after the date when the Bonds became due and payable shall, at the written request of the Authority, be repaid by the Trustee to the Authority, as its absolute property and free from trust, and the Trustee shall then be released and discharged with respect to such amounts and the Owners of the Bonds shall look only to the Authority for the payment of such Bonds.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.01. Successorship of Authority; Effect of Covenants; Construction of Indenture. All covenants, stipulations, obligations and agreements of the Authority contained in this Indenture or any Series Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Authority to the full extent authorized or permitted by law. All such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors of the Authority, and upon any officer, board, body, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

No covenant, stipulation, obligation or agreement contained in this Indenture or any Series Indenture shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Authority in his or her individual capacity, and they shall not be liable personally on the Bonds or be subject to any personal liability or responsibility by reason of their issuance.

The laws of the State shall govern the construction of this Indenture and Series Indentures.

Section 12.02. Manner of Giving Notice. Any notice, demand, direction, request or other instrument authorized or required by this Indenture or any Series Indenture (unless otherwise provided in it) to be given to or filed with the Authority, or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this Indenture and a Series Indenture if made, given, furnished or filed in writing as follows and if and when delivered by hand or sent by first class mail, postage prepaid, return receipt requested, or sent by any delivery service which provides receipt for delivery, addressed as follows (unless changed by notice as later provided): (i)(a) to the Authority, if addressed to the Executive Director, 401 North Michigan Avenue, Suite 900, Chicago, Illinois 60611; and (b) to the Trustee or any Master Paying Agent, if addressed to it at its principal corporate trust office, or to any successor Trustee or Master Paying Agent, if addressed to it at its principal corporate trust office; (ii) in writing, sent by e-mail or facsimile addressed to the e-mail address or facsimile number provided by the Authority or the Trustee, as the case may be, as changed by notice from time to time, and an electronic confirmation of delivery has been obtained by the sender; provided, however, that if such delivery occurs a day that is not a business day or after 4:00 p.m., Central Standard Time on a business day, such delivery shall instead be deemed to have occurred on the next succeeding business day, or (iii) subject to Section 8.11(b) of this Indenture, sent to the Trustee by Electronic Means.

The Trustee shall, while Bonds remain Outstanding, retain in its possession all documents received by it under the provisions of this Indenture, subject at all reasonable times to the inspection of the Authority, any agency or officer of the State, any Bondowner, and the agents and representatives of each.

Section 12.03. Parties and Bondowners Alone Have Rights Under Indenture. Except as otherwise expressly provided, nothing in this Indenture expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the Authority, the Trustee, the Master Paying Agents and the Owners of the Bonds any right, remedy or claim, legal or equitable, under or by reason of this Indenture. This Indenture and all its provisions is for the sole and exclusive benefit of its parties and the Owners from time to time of the Bonds.

Section 12.04. Effect of Partial Invalidity. In case any one or more of the provisions of this Indenture or a Series Indenture or other Supplemental Indenture, or of the Bonds, is for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Indenture, any Series Indenture or the Bonds. This Indenture, any Series Indenture and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained in them. If any covenant, stipulation, obligation or agreement contained in the Bonds, any Series Indenture or in this Indenture is for any reason be held to be in violation of law, then such covenant stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Authority to the full extent permitted by law.

Section 12.05. Substitute for Mailing. If, by reason of the suspension of regular mail service as a result of a strike, work stoppage or similar activity, it is impractical to mail notice of any event to Bondowners when such notice is required to be given pursuant to any provision of this Indenture or any Series Indenture any manner of giving notice as shall be satisfactory to the Trustee and the Authority shall be deemed to be a sufficient giving of such notice.

Section 12.06. Headings, Table of Contents and Notes for Convenience Only. Any heading preceding the text of the several articles of this Indenture or any Series Indenture and any table of contents or marginal notes appended to copies of it shall be solely for convenience of reference and shall not constitute a part of this Indenture or any Series Indenture, nor shall they affect its meaning, construction or effect.

Section 12.07. Payment Due or Acts to be Performed on Weekends and Holidays. If the date for making any payment of principal or premium, if any, or interest or the last date for performance of any act or the exercising of any right, as provided in this Indenture, is a legal holiday or a day on which banking institutions in the city where the Trustee is located are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or not a day on which such banking institutions are authorized by law to remain closed, unless otherwise provided in a Series Indenture, with the same force and effect as if done on the nominal date provided in this Indenture.

Section 12.08. Authority Request or Direction of Authorized Representative. In connection with any Authority Request or direction of an Authorized Representative delivered under this Indenture, if such Authority Request or direction involves a calculation in which the outstanding principal balance of Loans is relevant, then such Authority Request shall include the amount of the outstanding principal balance of Loans, as of the relevant date.

Section 12.09. Separately-Secured Bonds. (a) An indenture entered into by and between the Authority and the Trustee authorizing the issuance of a series of bonds of the Authority may provide that such bonds shall be designated "Illinois Housing Development Authority Multifamily Revenue Bonds" but shall be subject to this Section 12.09 (each such indenture and the bonds of such series, a "Separately-Secured Indenture" and "Separately-Secured Bonds," respectively).

(b) Separately-Secured Bonds shall not be considered Bonds for any purpose of this Indenture or any Series Indenture. Neither the Trust Estate under this Indenture, nor any property pledged under any Series Indenture, shall under any circumstances (including, but not limited to, upon the occurrence of an event of default under a Separately-Secured Indenture) be available for the payment of interest on or principal of or the redemption premium, if any, of Separately-Secured Bonds or for the payment of any other obligation under a Separately-Secured Indenture. No person shall have any right under this Indenture or any Series Indenture by reason of ownership of a Separately-Secured Bond.

(c) With respect to each Separately-Secured Indenture and the related Separately-Secured Bonds:

(i) Except as otherwise provided in such Separately-Secured Indenture, (A) the Bonds shall not be considered such Separately-Secured Bonds for any purpose of such Separately-Secured Indenture, (B) no property pledged under such Separately-Secured Indenture shall under any circumstances (including, but not limited to, upon the occurrence of an Event of Default under this Indenture) be available for the payment of (x) the payment of interest on and principal of and the redemption premium, if any, of Bonds issued under this Indenture and any Series Indenture or (y) any Expenses or Derivative Payments under this Indenture or any Series Indenture, and (C) no person shall have any right under such Separately-Secured Indenture by reason of ownership of a Bond.

(ii) Except as otherwise provided in such Separately-Secured Indenture, the provisions of this Indenture preceding this Section 12.09 (as such provisions exist on the date of execution and delivery of such Separately-Secured Indenture) shall be deemed incorporated into such Separately-Secured Indenture as if such provisions were set forth therein; provided that, for purposes of such Separately-Secured Indenture, each reference to "Bonds", to "Funds and Accounts" and to the "Indenture" (or particular sections thereof) in such provisions shall be deemed to refer instead to, respectively, such Separately-Secured Bonds, the funds and accounts established in such Separately-Secured Indenture, and the provisions of the Indenture (or the particular referenced sections) as so incorporated in such Separately-Secured Indenture.

Section 12.10. Pledge and Assignment of Additional Assets. (a) Upon written direction of the Authority to the Trustee, the Authority may deposit with the Trustee, from time to time and at any time, and subject to the pledge and lien of this Indenture, additional unencumbered assets of the Authority in the form of cash and/or mortgage loans. The Authority may also confirm any prior transfer of unencumbered assets of the Authority in the form of cash and/or mortgage loans as being subject to the provisions of this Section.

(b) Any cash so deposited shall be held by the Trustee in a separate and segregated account of the Revenue Fund, entitled "Transferred Cash Component Account" and shall, while so held be available to the Authority for lending in accordance with the provisions of the Act. All mortgage loans originated from the amount on deposit in the Transferred Cash Component Account shall constitute "Loans" hereunder, and all proceeds of such Loans shall constitute "Revenues" hereunder. The Transferred Cash Component Account of the Revenue Fund shall be subject to the provisions of Section 6.01 hereof. In addition to being available to the Authority for the purposes of making mortgage loans under the Act, the Authority may direct the Trustee, from time to time and at any time, to transfer all or any portion of the amount on deposit in the Transferred Cash Component Account to any other Fund or Account hereunder.

(c) All mortgage loans transferred to the Trustee pursuant to paragraph (a) above, shall constitute "Loans" hereunder, and all proceeds of such Loans shall constitute "Revenues" hereunder.

(d) Notwithstanding anything in this Section to the contrary, the amount on deposit to the credit of the "Transferred Cash Component Account" may be applied by the Authority to the making of new mortgage loans, the acquisition of existing mortgage loans, the refinancing of existing mortgage loans or other obligations, the refunding of outstanding bonds of the Authority for the purpose of causing the transfer of existing mortgage loans and other assets (including related reserve funds and surplus cash equity) held as security for such bonds, and/or the payment of costs of issuing Bonds (and capitalized interest thereon) utilized by the Authority in effecting the foregoing purposes, all in accordance with the provisions of the Act. All mortgage loans originated from the amount on deposit in the Transferred Cash Component Account, as provided above, shall constitute "Loans" hereunder, and all proceeds of such Loans shall constitute "Revenues" hereunder.

(e) "Assigned Loans" shall constitute Loans held under this Section 12.10 (the "12.10 Loans") the cash flow of which has been allocated to Bonds pursuant to a Supplemental Indenture, and "Unassigned Loans" shall be 12.10 Loans the cash flow of which has not been allocated to Bonds pursuant to a Supplemental Indenture. The Authority may assign Unassigned Loans to specific series of Bonds issued hereunder, even though such Loans shall remain as collateral for all Bonds issued under this Indenture.

(f) The Authority may issue Bonds hereunder to securitize any Unassigned Loans.

(g) The Authority may issue Bonds hereunder to reimburse the Transferred Cash Component Account for moneys expended in making or acquiring Loans.

(h) The Authority may issue Bonds hereunder to increase the liquidity of the Transferred Cash Component Account.

Section 12.11. Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Authority has caused this Indenture to be executed on its behalf by its Executive Director and attested by its Secretary, and the seal of Authority to be affixed to it and duly attested; and the Trustee, to evidence its acceptance of the trust created under this Indenture, has caused this Indenture to be executed in its name by its duly authorized signatory, all as of the day and year first above written.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By: ______________________
Executive Director

(SEAL)

ATTEST:

____
Secretary

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

By: ______________________
Title: ______________________

IN WITNESS WHEREOF, the Authority has caused this Indenture to be executed on its behalf by its Executive Director and attested by its Secretary, and the seal of Authority to be affixed to it and duly attested; and the Trustee, to evidence its acceptance of the trust created under this Indenture, has caused this Indenture to be executed in its name by its duly authorized signatory, all as of the day and year first above written.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By: ______________________________
Executive Director

(SEAL)

ATTEST:

____
Secretary

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

By: ______________________________
Title: Vice President

APPENDIX E

FORM OF BOND COUNSEL OPINION

____________, 2024

Illinois Housing Development Authority
111 East Wacker Drive, Suite 1000
Chicago, Illinois 60601

Ladies and Gentlemen:

We have acted as Bond Counsel to the Illinois Housing Development Authority (the "Authority") and in such capacity have examined a certified copy of the record of proceedings of the Authority relating to the issuance by the Authority on the date hereof of its not to exceed $________ aggregate principal amount of Multifamily Revenue Bonds, 2024 Series E (the "Bonds"), including the authorization, execution and delivery of the Trust Indenture, dated as of September 1, 2016 (the "General Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") and the 2024 Series E Indenture, dated as of August 1, 2024 (together with the General Indenture, the "Indenture"), between the Authority and the Trustee.

From such examination, we are of the opinion that:

1. The Authority is a legally existing body politic and corporate of the State of Illinois.

2. Under the Illinois Housing Development Act, as amended (the "Act"), the Authority has the right and power to execute and deliver the Indenture and issue the Bonds.

3. The Indenture has been duly authorized, executed and delivered by the Authority and is the valid and binding obligation of the Authority and enforceable against the Authority in accordance with its terms.

4. The Bonds have been duly authorized, executed and issued and are valid and legally binding special limited obligations of the Authority, payable and secured in the manner and to the extent set forth in the Indenture, and are entitled to the benefit, protection and security of the provisions, covenants and agreements contained in the Indenture.

5. Under existing statutes and court decisions, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), except that no opinion is expressed as to such exclusion of interest on any Bond for any period during which such Bond is held by a person who, within the meaning of Section 147(a) of the Code, is a "substantial user" of the facilities financed with the proceeds of the Bonds or a "related person", and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code imposed on individuals. Interest on the Bonds may affect the federal alternative minimum tax imposed on certain corporations. In rendering such opinion, we have relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Authority, the Borrower (as defined in the Indenture) and others in connection with the Bonds, and we have assumed compliance by the Authority and the Borrower with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

6. Under the Act, interest on the Bonds is exempt from Illinois income taxes.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated in paragraphs 5 and 6 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

In rendering this opinion, we are advising you that the enforceability of the Bonds and the Indenture may be limited by bankruptcy, moratorium, insolvency, or other laws affecting creditors' rights or remedies and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Very truly yours,

APPENDIX F

FHA RISK-SHARING PROGRAM

The following is a description of the Risk Sharing Program, and is qualified in its entirety by reference to Section 542(c) of the Housing and Community Development Act of 1992 and the regulations promulgated thereunder at 24 CFR Part 266 (the "*Federal Act*").

The Federal Act directs the Secretary of HUD, acting through the Federal Housing Administration ("*FHA*"), to carry out programs that will demonstrate the effectiveness of providing forms of federal credit enhancement for multifamily loans. Section 542 of the Federal Act, entitled "Multifamily Mortgage Credit Demonstrations," provides independent insurance authority that is not available under the National Housing Act. Section 542(c) of the Federal Act directs the Secretary of HUD to carry out a program of risk-sharing with qualified State and local housing finance agencies ("*HFAs*"). The qualified HFAs are authorized to underwrite and process loans. HUD provides full mortgage insurance on mortgages with respect to affordable multifamily housing projects processed by such HFAs under this program.

Pursuant to Section 542(c) of the Federal Act, the Authority and HUD have entered into a risk-sharing agreement, dated as of June 20, 1994, as amended pursuant to an Addendum dated as of July 15, 1996 (the "*Risk-Sharing Agreement*") under which HUD has agreed to provide federal insurance on certain mortgage loans made by the Authority, and the Authority has agreed to reimburse HUD for 10 percent to 90 percent (as negotiated for each specific mortgage loan) of the payments made by HUD on any of the mortgage loans insured under the federal insurance. However, any failure by the Authority to reimburse HUD pursuant to the Risk-Sharing Agreement will not affect HUD's obligation to pay the insurance claim as described below. Claims made by the Authority under the federal insurance program will be made at the times and in the manner described below.

Under the terms of such Section 542(c), if a mortgagor has failed to make a mortgage payment when due (a "*Payment Default*"), or if a mortgagor has defaulted in the performance of one of its covenants under the mortgage and as a result thereof the mortgagee has accelerated the debt and the mortgagor fails to pay the full amount due (a "*Covenant Default*"), then the Authority becomes eligible to file an insurance claim with HUD if such default has continued for 30 days. Unless a written extension has been granted by HUD, the Authority must file within 75 days of the date of default (defined, in the case of a payment default, as the date of the first missed payment) an application for initial insurance claim payment. The initial claim payment will be paid by HUD to the Authority in an amount equal to 100 percent of the outstanding principal of the mortgage note, plus interest at the rate set forth in such mortgage note from the Date of Default to the date on which initial claim payment is made. Since interest is paid one month in arrears, the mortgagee will not, in the event of a claim for insurance benefits, be reimbursed for interest which had accrued in the previous month and was due and payable on the date of default. The accrual of interest on the initial claim may be curtailed in the event the Authority fails to meet certain deadlines by the number of days by which the required action is late. In addition, the claim will be reduced by any delinquent mortgage insurance premiums. In the Series 2024E Indenture, for Series 2024E Bonds subject to the Risk-Sharing Program, the Authority has covenanted to do all things necessary to receive such payment in cash. Under the Federal Act, "Date of Default" is defined as (1) the date of the first uncorrected failure to perform a mortgage covenant or obligation, or (2) the date of the first failure to make a mortgage payment that is not covered by subsequent payments.

In connection with making a claim payment, the Federal Act requires that the Authority issue Authority debentures to HUD no later than 30 days following the initial claim payment. Authority debentures will be issued in an amount equal to the initial claim payment.

Subject to certain conditions, the Authority may file with HUD a request for a partial claim payment (but not in excess of 50 percent of the amount of the unpaid balance of the mortgage) if the restructured mortgage will be financially viable, the default was beyond the control of the mortgagor, and certain other conditions are satisfied.

Following the receipt of HUD insurance proceeds relating to a default on a loan for a Series 2024E Financed Development subject to the Risk-Sharing Program, the Authority will redeem, at a redemption price of 100 percent, a proportionate amount of the Series 2024E Bonds relating to such Series 2024E Financed Development.

The Federal Act provides that the HUD insurance will terminate upon the occurrence of any of the following: (i) the mortgage is paid in full; (ii) the Authority acquires the development insured by HUD and notifies HUD that it will not file an insurance claim; (iii) a party other than the Authority acquires the property at a foreclosure sale; (iv) the Authority or its successors commit fraud or make a material misrepresentation to HUD with respect to information used in obtaining the insurance or while the federal insurance is in existence; or (v) HUD receives an application from the Authority for a final settlement of the loss as between the Authority and HUD.

APPENDIX G

FORM OF AUTHORITY CONTINUING DISCLOSURE UNDERTAKING

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

$12,725,000
MULTIFAMILY REVENUE BONDS,
2024 Series E
(Variable Rate)
(Sustainability Bonds)

CONTINUING DISCLOSURE UNDERTAKING OF THE ILLINOIS HOUSING DEVELOPMENT AUTHORITY

In connection with the issuance of the Bonds referenced above (the "**Series 2024E Bonds**"), the Illinois Housing Development Authority (the "**Authority**") has executed and delivered this Continuing Disclosure Undertaking (this "**Agreement**"). Capitalized terms appearing in this Agreement that are not otherwise defined herein, shall have the meanings assigned to such terms in the Official Statement relating to the Series 2024E Bonds dated August 1, 2024 (the "**Official Statement**"). The Authority agrees as follows:

(a) Undertaking. The Authority shall make all required filings and reports so that all requirements of Rule 15c2-12(b)(5) (the "**Rule**") of the United States Securities and Exchange Commission (the "**SEC**"), as amended from time to time, are met with respect to the Series 2024E Bonds.

(b) Monthly Loan Reports. On a monthly basis, commencing September 1, 2024, the Authority shall provide to the Municipal Securities Rulemaking Board (the "**MSRB**") through its Electronic Municipal Market Access System ("**EMMA**") or through such other electronic format or system prescribed by the MSRB or the SEC for purposes of the Rule, the following information regarding the Series 2024E Loan: (i) the current payment number, (ii) the loan status (i.e., on watch list, number of days or months late, bankruptcy), (iii) the loan balance remaining, and (iv) the current reserve balance, and the current principal and interest paid (and remaining due, if any).

(c) Annual Financial Information. Each year the Authority shall provide annual financial information concerning the Series 2024E Bonds to the MSRB through EMMA or through such other electronic format or system prescribed by the MSRB or the SEC for purposes of the Rule. The annual financial information shall include (i) the Authority's audited financial statements, prepared in accordance with generally accepted accounting principles as in effect from time to time, not later than the 180th day following the end of each fiscal year of the Authority, commencing with the fiscal year ending June 30, 2024, and (ii) the audited annual financial statements for the Developments, within ten (10) days of receipt of such statements from the respective Borrowers (expected within 150 days of the end of the fiscal year for such Borrowers). In the event that the Authority has not received the audited annual financial statements for the Developments within 180 days of the end of the fiscal year for such respective Borrower, the Authority shall provide notice of such failure to the MSRB through EMMA or through such other electronic format or system prescribed by the MSRB or the SEC for purposes of the Rule. The annual financial information shall also include (i) the principal amount of Outstanding Bonds, (ii) the amount of money and securities in the Reserve Fund, if any, and (iii) an update of the information relating to the Loan contained in APPENDIX B to the Official Statement, as it may be supplemented or amended.

The annual financial information may include any or all information by incorporating, by specific reference, other documents which have been provided to the MSRB. If the incorporated information is in an Official Statement, it must be available from the MSRB.

(d) Reporting Significant Events. Upon the occurrence of any of the following events with respect to the Series 2024E Bonds, the Authority shall report the event to the MSRB in a timely manner and in any event within ten (10) business days of the occurrence of such event:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults, if material;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers or their failure to perform;

(vi) if applicable, 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 Series 2024E Bonds, or other material events affecting the tax status of the Series 2024E Bonds;

(vii) modifications to rights of Owners of the Series 2024E Bonds, if material;

(viii) bond calls, if material, and tender offers;

(ix) defeasances;

(x) release, substitution, or sale of property securing repayment of the Series 2024E Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the Authority;*

(xiii) the consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, 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 such actions, other than pursuant to its terms, if material;

(xiv) the appointment of a successor or additional trustee or the change of the name of a trustee, if material;

(xv) incurrence of a Financial Obligation of the Authority, if material, or agreement by the Authority to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation, any of which affect Bondowners, if material; and

(xvi) default, event of acceleration, termination event, modification of terms or other similar events under the terms of any Financial Obligation of the Authority, any of which reflect financial difficulties.

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

The SEC requires the listing of (i) through (xvi) although some of such events may not be applicable to the Series 2024E Bonds. For purposes of the events identified in subparagraphs (xv) and (xvi), "Financial Obligation" means a (x) debt obligation; (y) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligations; or (z) guarantee of (x) or (y). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The Authority will give a copy of each such report to the Trustee. The Authority will give notice in a timely manner to the Trustee and to the MSRB of any failure timely to provide the annual financial information as provided in this Agreement.

(e) Enforcement. The undertaking of the Authority described in this Agreement shall be solely for the benefit of the beneficial and registered owners of the Series 2024E Bonds from time to time, and shall create no right in anyone else. It may be enforced by any beneficial or registered owner of Series 2024E Bonds**.** The sole remedy with respect to the Authority's compliance with its undertaking described in this Agreement shall be to require compliance. The Trustee shall have no powers or duties with respect to the undertaking described in this Agreement. No violation by the Authority of any provision described in this Agreement shall constitute any Event of Default or a default under the Indenture or under the Act.

(f) Termination. The obligation of the Authority described in this Agreement shall terminate if the Authority shall no longer have any legal liability for any obligation on or relating to repayment of the Series 2024E Bonds. The Authority shall give notice of termination to the MSRB in the same manner and timeframe as described above under "Reporting Significant Events."

(g) Amendment and Waiver. The Authority may by resolution amend this Agreement at any time to the extent and in the manner allowed by the Rule, as amended from time to time, *provided* that the Authority's agreements under this Agreement, as amended, continue to comply with the Rule. Any amendment will be effective upon receipt by the Authority of an opinion to that effect delivered by counsel with significant federal securities law expertise as selected by the Authority. Any amendment must be described in the Authority's next annual financial information disclosure provided to the MSRB and the Trustee.

[Signature Page Follows]

____________________, 2024

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By:____
Kristin Faust, Executive Director

Approved as to form:

____
Seth H. Runkle, Chief Financial Officer

____
Kathryn Finn, Interim General Counsel

APPENDIX H

FORM OF BORROWER CONTINUING DISCLOSURE UNDERTAKING

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

$12,725,000
MULTIFAMILY REVENUE BONDS,
2024 Series E
(Variable Rate)
(Sustainability Bonds)

BORROWER CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "**Agreement**") is executed and delivered by Elgin Manor Preservation Associates I Limited Partnership (the "**Borrower**"), in connection with the issuance of the Series 2024E Bonds referenced above (the "**Series 2024E Bonds**") by the Illinois Housing Development Authority (the "**Authority**"). Capitalized terms appearing in this Agreement that are not otherwise defined herein, shall have the meanings assigned to such terms in the Official Statement relating to the Series 2024E Bonds dated August 1, 2024 (the "**Official Statement**").

BACKGROUND

1. The Series 2024E Bonds are being issued to provide moneys to (i) make a loan (the "**Loan**") to the Borrower to refinance the acquisition, rehabilitation, construction and equipping of a 100 unit senior living apartment development formerly known as Burnham Manor, now known as Elgin Manor (the **"Financed Development"**) and (ii) make certain deposits to the funds and accounts specified in the Series 2024E Indenture.

2. In order to allow the Participating Underwriter (as defined in Rule 15c2-12 defined below) of the Series 2024E Bonds to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities and Exchange Act of 1934 (17 CFR Part 240, § 240.15c2-12) as amended to the date hereof ("**Rule 15c2-12**"), the Borrower has agreed to make certain continuing disclosure undertakings for the benefit of owners (including beneficial owners) of the Series 2024E Bonds.

3. This Agreement is intended to satisfy the requirements of said Rule 15c2-12, as in effect on the date hereof.

SERIES 2024E BORROWER COVENANTS AND AGREEMENTS

Section 1. Definitions.

(a) **"Annual Financial Information"** means the financial information or operating data of the Borrower relating to its Loan from the Authority funded by proceeds of the 2024E Bonds, delivered at least annually pursuant to Sections 2(a) and 2(b) hereof, of the type set forth under the captions "PLAN OF FINANCE – The Series 2024E Loan" and "PLAN OF FINANCE – The Series 2024E Financed Development" contained in the Official Statement.

(b) **"Audited Financial Statements"** means the annual financial statements for the Borrower prepared in accordance with generally accepted accounting principles, consistently applied, as in effect from time to time, audited by a firm of certified public accountants.

(c) **"Authority Continuing Disclosure Undertaking"** means the Continuing Disclosure Undertaking delivered by the Authority for the benefit of owners of the Series 2024E Bonds on the date hereof.

(d) **"EMMA"** means the MSRB's Electronic Municipal Market Access System, with a portal at http://emma.msrb.org.

(e) **"MSRB"** means the Municipal Securities Rulemaking Board. The current address of the MSRB is 1300 I Street, NW, Suite 1000, Washington, DC 20005; fax: 202-898-1500.

(f) **"Official Statement"** means the Official Statement delivered in connection with the original issue and sale of the Series 2024E Bonds.

(g) **"Rule 15c2-12"** means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, § 240.15c2-12), as the same may be amended from time to time.

(h) **"SEC"** means the Securities and Exchange Commission.

(i) **"State"** means the State of Illinois.

(j) **"Underwriter"** means Loop Capital Markets LLC, as the Participating Underwriter.

Section 2. Provision of Annual Information; Event Notice.

(a) Commencing with the first fiscal year of the Borrower following the fiscal year of the Borrower in which this Agreement is executed and annually while the Series 2024E Bonds remain outstanding, the Borrower agrees to provide or cause to be provided annually to the Authority (with a copy, upon request, to the requesting Underwriter) the Annual Financial Information and the Audited Financial Statements.

(b) Such Annual Financial Information shall be provided to the Authority not later than 150 days after the end of each fiscal year for the Borrower. If not provided at the same time as the Annual Financial Information, the Audited Financial Statements will be provided when available. The Authority shall forward the Annual Financial Information and Audited Financial Statements so provided to EMMA upon receipt from the Borrower in accordance with the Authority Continuing Disclosure Undertaking. The Authority shall have no obligation to examine or review the Annual Financial Information and Audited Financial Statements, and shall have no duty to verify the accuracy or completeness of the Annual Financial Information and Audited Financial Statements.

(c) At any time the Series 2024E Bonds are outstanding, the Borrower shall provide, in a timely manner, to the Authority, notice of any failure of the Borrower to timely provide the Annual Financial Information or Audited Financial Statements as specified in Sections 2(a) and 2(b) hereof.

(d) At any time the Series 2024E Bonds are outstanding, the Borrower shall provide to the Authority, in a timely manner not in excess of five (5) business days after the occurrence, notice of (i) any bankruptcy, insolvency or receivership, or the consummation of a merger, consolidation or acquisition involving the Borrower, (ii) the sale of all or substantially all of the assets of the Borrower or any of its members, 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 or (iii) the release, substitution or sale of any property securing repayment of the Series 2024E Bonds.

Section 3. Method of Transmission. Subject to technical and economic feasibility, the Authority shall employ such methods of electronic or physical information transmission as is requested or recommended by the MSRB unless otherwise required by law. The Borrower shall provide to the Authority Annual Financial Information and Audited Financial Statements in such form and by such means as shall be requested by the Authority from time to time to enable the Authority to comply with the preceding sentence.

Section 4. Enforcement. The obligations of the Borrower hereunder shall be for the benefit of the owners (including beneficial owners) of the Series 2024E Bonds. The owner or beneficial owner of any Series 2024E Bonds is authorized to take action to seek specific performance by court order to compel the Borrower to comply with its obligations under this Agreement, which action shall be the exclusive remedy available to it or any other owners or beneficial owners of the Series 2024E Bonds; provided, that, any owner or beneficial owner of Series 2024E Bonds seeking to require the Borrower to comply with this Agreement shall first provide at least 30 days' prior written notice to the Borrower of the Borrower's failure, giving reasonable detail of such failure following which notice the Borrower shall have 30 days to comply. Any such action shall be brought only in a court of competent jurisdiction in the City of Chicago, Cook County, Illinois. Breach of the obligations of the Borrower hereunder shall not constitute an Event of Default under the Indenture and none of the rights and remedies provided by the Indenture shall be available to the owners of the Series 2024E Bonds or the Trustee therein appointed.

Section 5. Additional Information. Nothing in the Agreement shall be deemed to prevent the Borrower 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 annual information, in addition to that which is required by this Agreement; provided that the Borrower shall not be required to do so. If the Borrower chooses to include any annual information in addition to that which is specifically required by this Agreement, the Borrower shall have no obligation under this Agreement to update such information or include it in any future annual filing.

Section 6. Term. This Agreement shall be in effect from and after the issuance and delivery of the Series 2024E Bonds and shall extend to the earliest of (i) the date all principal and interest on the Series 2024E Bonds shall have been deemed paid or legally defeased pursuant to the terms of the Indenture; (ii) the date that the Borrower shall no longer constitute an "obligated person" with respect to the Series 2024E Bonds within the meaning of Rule 15c2-12; or (iii) the date on which those portions of Rule 15c2-12 which require this Agreement are determined to be invalid by a court of competent jurisdiction in a nonappealable action, have been repealed retroactively or otherwise do not apply to the Series 2024E Bonds, the determination of (i), (ii) or (iii) herein to be made in any manner deemed appropriate by the Authority by an opinion of counsel experienced in federal securities law selected by the Authority.

Section 7. Amendments and Waivers. Notwithstanding any other provision of the Agreement, the Borrower may amend this Agreement from time to time, and any provision of this Agreement may be waived, without the consent of the owners or beneficial owners of the Series 2024E Bonds upon the Borrower's receipt of an opinion of counsel experienced in federal securities laws satisfactory to and approved by the Authority, to the effect that such amendment or waiver will not adversely affect compliance with Rule 15c2-12. The Borrower shall provide notice of such amendment or waiver to the Authority and the Underwriter, and the Authority shall then forward such notice to EMMA.

Section 8. Beneficiaries. This Agreement shall inure solely to the benefit of the Borrower, the Underwriter, the Authority and the owners (including beneficial owners) from time to time of the Series 2024E Bonds, and shall create no rights in any other person or entity.

Date: ___________________, 2024.

ELGIN MANOR PRESERVATION ASSOCIATES I LIMITED PARTNERSHIP,
an Illinois limited partnership

BY: POAH ELGIN MANOR, LLC,
an Illinois limited liability company,
its general partner

BY: PRESERVATION OF AFFORDABLE HOUSING, INC.,
an Illinois not-for-profit corporation,
its sole member

BY:____________________________

AGREED to with regard to the Authority's duties under Sections 2(b), 3 and 7:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By:____
Kristin Faust, Executive Director

APPENDIX I

THE VARIABLE RATE BONDS

With respect to the Variable Rate Bonds only, this Official Statement is intended to describe the terms of any such Bond only while it bears interest at the Weekly Interest Rate and only while the Initial Liquidity Facility is in effect. The following is certain information related to the Variable Rate Bonds supplementing the information set forth under the caption "THE 2024 SERIES E BONDS."

Definitions

The following are definitions in summary form of certain terms contained in the Series 2024E Indenture with respect to the Variable Rate Bonds.

"*Alternate Liquidity Facility*" means an irrevocable letter of credit, a standby bond purchase agreement, a line or lines of credit or other similar agreement or agreements or any other agreement or agreements used to provide liquidity support for the Variable Rate Bonds, satisfactory to the Authority and the Remarketing Agent and containing administrative provisions reasonably satisfactory to the Trustee, issued and delivered to the Trustee in accordance with the Series 2024E Indenture.

"*Authenticating Agent*" means the Trustee.

"*Bond Interest Term*" means, with respect to any Variable Rate Bond, each period during which such Variable Rate Bond shall bear interest at a Bond Interest Term Rate.

"*Bond Interest Term Rate*" means, with respect to any Variable Rate Bond, a term, non-variable interest rate on such Variable Rate Bond established for a Bond Interest Term.

"*Bond Purchase Fund*" means the fund so designated which is established with the Tender Agent pursuant to the Tender Agreement and the Indenture.

"*Business Day*" means any day other than (a) a Saturday, a Sunday or any other day on which banks located in the cities in which the Principal Offices or the Designated Corporate Trust Offices of the Trustee, the Tender Agent, the Remarketing Agent, the Paying Agent, the Registrar, the Authority, the Liquidity Provider or the Authenticating Agent are located, or in which the office of the Liquidity Provider from which payments are made pursuant to the Liquidity Facility is located, are authorized or required to remain closed or (b) a day on which the New York Stock Exchange is closed.

"*Determination*" means the Determination of the Authority authorizing the issuance of the Variable Rate Bonds.

"*Favorable Opinion of Bond Counsel*" means an opinion of Bond Counsel addressed to the Authority, the Remarketing Agent and the Trustee to the effect that the action proposed to be taken is authorized or permitted by the law, the General Indenture or the Series 2024E Indenture, and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Variable Rate Bonds.

"*Interest Accrual Date*" means with respect to any Weekly Interest Rate Period, the first day thereof, and, thereafter, each next Interest Payment Date.

"*Interest Payment Date*" means, with respect to any Weekly Interest Rate Period, each January 1 and July 1, commencing January 1, 2025 with respect to the initial Weekly Interest Rate Period, and with respect to each Interest Rate Period, the day next succeeding the last day thereof (or the day next succeeding the day that would have been the last day thereof had one of the events described in this Appendix below under "— Favorable Opinion of Bond Counsel as Condition to Any Adjustment of An Interest Rate Period" not occurred, or a rescission of the election to adjust the Interest Rate Period had not occurred); provided that notwithstanding anything herein to the contrary, the first Interest Payment Date for the Variable Rate Bonds shall be as provided in the Determination or the Series 2024E Indenture and the Interest Payment Date with respect to Purchased Bonds shall have the meaning set forth in the Liquidity Facility.

"*Interest Rate Period*" means any Daily Interest Rate Period, Weekly Interest Rate Period, Short-Term Interest Rate Period or Long-Term Interest Rate Period.

"*Liquidity Facility*" means, initially, as to any Variable Rate Bonds, a standby bond purchase agreement or such other agreement,, as provided in the Determination, among the Authority, the Liquidity Provider, the Trustee and the Tender Agent relating to such Variable Rate Bonds, as the same may be amended or supplemented from time to time, and upon the issuance of any Alternate Liquidity Facility, such Alternate Liquidity Facility.

"*Liquidity Provider*" means, initially, the State Street Bank and Trust Company, as the provider of the initial Liquidity Facility for the Variable Rate Bonds, and if an Alternate Liquidity Facility is provided, the provider thereof and in any case where a Liquidity Facility is provided by more than one bank or other entity, the term "Liquidity Provider" means all such entities collectively, *provided* that (a) each such entity's obligation for the purchase price of bonds tendered for purchase shall be determined in accordance with the applicable Liquidity Facility, (b) references to the applicable Liquidity Provider in respect of notices or other communications shall be deemed to refer to the agent under such Liquidity Facility (the "*Agent*"), (c) payments required to be made to the Liquidity Provider shall be made to the Agent for application and (d) references to the Liquidity Provider in respect of consents required to be obtained under the Liquidity Facility shall be deemed to refer to the Agent or any or all of such entities as determined under the Liquidity Facility.

"*Long-Term Interest Rate*" means, with respect to each Variable Rate Bond, a term, non-variable interest rate on such Variable Rate Bond established in accordance with the terms of the Series 2024E Indenture, including a fixed rate to maturity.

"*Long-Term Interest Rate Period*" means each period during which a Long-Term Interest Rate is in effect.

"*Mandatory Tender for Purchase Date*" shall mean the mandatory tender for purchase date set forth in the Series 2024E Indenture.

"*Maximum Rate*" shall mean the lesser of (i) 12% per year and (ii) the maximum rate permitted by law, and, in the case of Purchased Bonds, the maximum rate permitted by law.

"*Paying Agent*" means the Trustee.

"*Purchased Bond*" means any Variable Rate Bond or beneficial interest in it tendered or deemed tendered for purchase pursuant to the Series 2024E Indenture to the Tender Agent and purchased with funds provided by the Liquidity Provider until the remarketing of such Bond or the beneficial interest in it pursuant to the Series 2024E Indenture.

"*Record Date*" means with respect to any Interest Payment Date in respect of any Weekly Interest Rate Period, the Business Day immediately preceding such Interest Payment Date.

"*Registrar*" means the Trustee until the appointment or any other entity assigned to maintain the Authority's books of registration under the General Indenture of the Series 2024E Indenture.

"*Remarketing Agent*" means Loop Capital Markets LLC, the initial remarketing agent, and any successor remarketing agent for the Variable Rate Bonds appointed in accordance with the Series 2024E Indenture.

"*Short-Term* Interest *Rate Period*" means each period, comprised of Bond Interest Terms, during which Bond Interest Term Rates are in effect.

"*SIFMA*" means the Securities Industry and Financial Markets Association.

"*SIFMA Rate*" means a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by SIFMA (formerly The Bond Markets Association) or any Person acting in cooperation with or under the sponsorship of SIFMA; provided that in no event shall the SIFMA Rate exceed the Maximum Rate.

"*Tender Agent*" means the Trustee, and any successor or additional tender agent appointed in accordance with the Series 2024E Indenture.

"*Tender Agreement*" means a Tender Agent Agreement among the Trustee, the Authority, the Tender Agent, the Registrar, the Paying Agent, the Authenticating Agent and the Remarketing Agent relating to the Variable Rate Bonds.

"*Undelivered Bonds*" means any Variable Rate Bond so designated in accordance with the Series 2024E Indenture..

"*Weekly Interest Rate*" means a variable interest rate on the Variable Rate Bonds established for each period from Thursday to Wednesday, inclusive, during a Weekly Interest Rate Period.

"*Weekly Interest Rate Period*" means each period during which a Weekly Interest Rate is in effect.

General

The Variable Rate Bonds will be dated the date of their delivery and will mature on the maturity date set forth on the inside cover page of this Official Statement.

The Variable Rate Bonds will be issued in authorized denominations of $100,000 or any integral multiple of $5,000 in excess of $100,000 during any Weekly Interest Rate Period.

The principal of and redemption premium, if any, on the Variable Rate Bonds shall be payable at the principal corporate trust office of the Trustee. Interest due on the Variable Rate Bonds will be paid to the registered owners thereof by the Trustee by check or, in the case of owners of Variable Rate Bonds in a principal amount equal to or exceeding $1 million upon request by wire transfer. The Variable Rate Bonds initially will be registered in the name of Cede & Co., as registered owner and nominee of DTC, which will act as securities depository for the Variable Rate Bonds. Purchasers of the Variable Rate Bonds will not receive a physical delivery of the bond certificates representing their beneficial ownership interests. See "THE SERIES 2024E BONDS – Book-Entry Only System."

The Variable Rate Bonds will bear interest from and including the Interest Accrual Date immediately preceding the date of authentication thereof, or, if such date of authentication is an Interest Accrual Date to which interest on the Variable Rate Bonds has been paid in full or duly provided for or the date of initial authentication of the Variable Rate Bonds, from such date of authentication. However, if, as shown by the records of the Registrar, interest on the Variable Rate Bonds is in default, Variable Rate Bonds issued in exchange for Variable Rate Bonds surrendered for registration of transfer or exchange will bear interest from the date to which interest has been paid in full on the Variable Rate Bonds or, if no interest has been paid on the Variable Rate Bonds, from the date of the first authentication of Bonds hereunder. Interest will be computed on the basis of a 365- or 366-day year, as appropriate, for the actual number of days elapsed.

At any time, all Variable Rate Bonds must bear interest at a Daily Interest Rate, a Weekly Interest Rate, Bond Interest Term Rates or a Long-Term Interest Rate. No holder of a Variable Rate Bond shall be paid interest for any period at a rate higher than the applicable Maximum Rate. The first Interest Rate Period for the Variable Rate Bonds shall commence on the date of issuance of the Variable Rate Bonds and shall be a Weekly Interest Rate Period. Upon the date of issuance of the Variable Rate Bonds, the initial Weekly Interest Rate borne by the Variable Rate Bonds shall be the rate set by the Underwriter on or prior to the delivery of the Variable Rate Bonds.

Following the date of issuance, the determination of the interest rate of Variable Rate Bonds by the Remarketing Agent shall be conclusive and binding upon the Authority, the Trustee, the Authenticating Agent, the Paying Agent, the Registrar, the Remarketing Agent, the Tender Agent, the Liquidity Provider and the holders of the Variable Rate Bonds, except that the interest rate borne by Purchased Bonds shall be determined in accordance with the Liquidity Facility (subject to the Maximum Rate).

Interest Rate Periods

Weekly Interest Rate Period

Determination of Weekly Interest Rate. During each Weekly Interest Rate Period, the Variable Rate Bonds shall bear interest at the Weekly Interest Rate, which shall be determined by the Remarketing Agent by 4:30 p.m., New York City time, on Wednesday of each week during such Weekly Interest Rate Period, or if such day shall not be a Business Day, then on the next succeeding Business Day. The first Weekly Interest Rate determined for each Weekly Interest Rate Period shall be determined on or prior to the first day of such Weekly Interest Rate Period and shall apply to the period commencing on the first day of such Weekly Interest Rate Period and ending on the next succeeding Wednesday. Thereafter, each Weekly Interest Rate shall apply to the period commencing on Thursday and ending on the next succeeding Wednesday, unless such Weekly Interest Rate Period shall end on a day other than Wednesday, in which event the last Weekly Interest Rate for such Weekly Interest Rate Period shall apply to the period commencing on Thursday preceding the last day of such Weekly Interest Rate Period and ending on the last day of such Weekly Interest Rate Period. The Weekly Interest Rate, except for the initial Weekly Interest Rate, shall be the rate of interest per annum determined by the Remarketing Agent (based on then-prevailing market conditions) to be the minimum interest rate which, if borne by the Variable Rate Bonds, would enable the Remarketing Agent to sell the Variable Rate Bonds on such date of determination at a price (without regarding accrued interest) equal to the principal amount thereof. In the event that the Remarketing Agent fails to establish a Weekly Interest Rate for any week (other than the initial Weekly Interest Rate), then the Weekly Interest Rate for such week shall be the same as the Weekly Interest Rate for the immediately preceding week if the Weekly Interest Rate for such preceding week was determined by the Remarketing Agent. In the event that the Weekly Interest Rate for the immediately preceding week was not determined by the Remarketing Agent, or in the event that the Weekly Interest Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the interest rate for such week shall be equal to 110% of the SIFMA Rate made available for the week preceding the date of determination, or if such index is no longer available, or no such index was so made available for the week preceding the date of determination, 125% of the interest rate on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in *The Wall Street Journal* on the day the Weekly Interest Rate would otherwise be determined in accordance with the provisions of the Indenture for such Weekly Interest Rate Period, in either case as determined by the Authority.

Daily Interest Rate Period

Adjustment to Daily Interest Rate. At any time, the Authority, upon written notice to the Trustee, the Authenticating Agent, the Paying Agent, the Registrar, the Remarketing Agent, the Tender Agent and the Liquidity Provider, may elect, subject to the Authority's providing to the Trustee and the Remarketing Agent a Favorable Opinion of Bond Counsel, that the Variable Rate Bonds shall bear interest at a Daily Interest Rate. Such notice of the Authority shall specify the effective date of such adjustment to a Daily Interest Rate, which shall be a Business Day not earlier than the 15th day following the second Business Day after receipt by the Registrar of such notice.

Notice of Adjustment to Daily Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Daily Interest Rate Period to the holders of the Variable Rate Bonds not less than 15 days prior to the effective date of such Daily Interest Rate Period. Such notice shall state (1) that the interest rate on the Variable Rate Bonds will be adjusted to a Daily Interest Rate unless Bond Counsel fails to deliver to the Trustee, the Authority and the Remarketing Agent a Favorable Opinion of Bond Counsel as to such adjustment on the effective date of such adjustment in the Interest Rate Period, in which case the Variable Rate Bonds, if being adjusted from a Weekly Interest Rate Period, shall continue to bear interest at the Weekly Interest Rate as in effect immediately prior to such proposed adjustment in the Interest Rate Period, (2) the effective date of such Daily Interest Rate Period, and (3) that the Variable Rate Bonds are subject to mandatory tender for purchase on such effective date, setting forth the applicable purchase price. See "The Variable Rate Bonds – Purchase of Bonds — Mandatory Tender for Purchase on First Day of Each Interest Rate Period" in this Appendix.

Short-Term Interest Rate Period

Adjustment to Bond Interest Term Rates. At any time, the Authority, upon written notice to the Trustee, the Authenticating Agent, the Paying Agent, the Registrar, the Remarketing Agent, the Tender Agent and the Liquidity Provider, may elect, subject to the Authority's providing to the Trustee and the Remarketing Agent a

Favorable Opinion of Bond Counsel, that the Variable Rate Bonds shall bear interest at Bond Interest Term Rates; *provided* that the Liquidity Facility then in effect must have an interest component of at least 180 days of interest coverage. Such notice of the Authority shall specify the effective date of the Short-Term Interest Rate Period (during which the Variable Rate Bonds shall bear interest at Bond Interest Term Rates), which shall be (A) a Business Day not earlier than the 15th day following the second Business Day after receipt by the Registrar of such notice, and (B) in the case of an adjustment from a Weekly Interest Rate Period, the day immediately following the last day of such Interest Rate Period.

Notice of Adjustment to Bond Interest Term Rates. The Registrar shall give notice by first-class mail of an adjustment to a Short-Term Interest Rate Period to the holders of the Variable Rate Bonds and, if a Book Entry System is in effect, the Book Entry Depository, not less than 15 days prior to the effective date of such Short-Term Interest Rate Period. Such notice shall state (1) that the Variable Rate Bonds shall bear interest at Bond Interest Term Rates unless Bond Counsel fails to deliver to the Trustee, the Authority and the Remarketing Agent a Favorable Opinion of Bond Counsel as to such adjustment on the effective date of such adjustment in the Interest Rate Period, in which case the Variable Rate Bonds, if being adjusted from a Weekly Interest Rate Period, shall continue to bear interest at a Weekly Interest Rate as in effect immediately prior to such proposed adjustment in the Interest Rate Period, (2) the effective date of such Short-Term Interest Rate Period, (3) that the Variable Rate Bonds are subject to mandatory tender for purchase on the effective date of such Short-Term Interest Rate Period, setting forth the applicable purchase price (see "The Variable Rate Bonds – Purchase of Bonds — Mandatory Tender for Purchase on First Day of Each Interest Rate Period" in this Appendix), and (4) if the Variable Rate Bonds are no longer in Book Entry Form, information with respect to the required delivery of Bond certificates and payment of the purchase price.

Long-Term Interest Rate Period

Adjustment to Long-Term Interest Term Rates. At any time, upon written notice to the Registrar, the Authenticating Agent, the Paying Agent, the Trustee, the Remarketing Agent, the Tender Agent and the Liquidity Provider, the Authority may elect, subject to the Authority's providing to the Trustee and the Remarketing Agent a Favorable Opinion of Bond Counsel, that the Variable Rate Bonds shall bear interest at a Long-Term Interest Term Rate. Such notice of the Authority shall specify (1) the duration of the Long-Term Interest Rate Period during which the Variable Rate Bonds shall bear interest at a Long-Term Interest Rate; (2) the effective date of the Long-Term Interest Rate Period (during which the Variable Rate Bonds shall bear interest at a Long-Term Interest Rate), which shall be a Business Day not earlier than the 15th day following the second Business Day after receipt by the Registrar of such notice; (3) the last day of such Long-Term Interest Rate Period (which last day shall be either the day immediately prior to the Maturity Date, or a day which both immediately precedes a Business Day and is at least 181 days after its effective date); (4) a date on or prior to which holders are required to deliver such Variable Rate Bonds to be purchased (if other than such effective date); and (5) if such Long-Term Interest Rate Period is for a period of one year or more and a Liquidity Facility is in effect prior to the commencement of such Long-Term Interest Rate Period, the Authority shall direct the Trustee to terminate such Liquidity Facility after the effective date of such Long-Term Interest Rate Period. Such direction of the Authority shall be accompanied by a Favorable Opinion of Bond Counsel and by a form of the notice to be mailed by the Registrar to the holders of the Variable Rate Bonds.

In the event that the Authority shall deliver to the Registrar, the Remarketing Agent, the Tender Agent, the Liquidity Provider and the Trustee on or prior to the date that the interest rate for any Long-Term Interest Rate Period is determined a notice to the effect that the Authority elects to rescind its election to have the Variable Rate Bonds bear interest at a Long-Term Interest Rate, then the interest rate on the Variable Rate Bonds shall not be adjusted to a Long-Term Interest Rate, and the Variable Rate Bonds shall bear interest at a Weekly Interest Rate as in effect prior to such event, or if the Variable Rate Bonds were to be adjusted from a Long-Term Interest Rate, then the Variable Rate Bonds shall bear interest at a Weekly Interest Rate for the period commencing on the date which would have been the effective date of such Long-Term Interest Rate Period, and the Variable Rate Bonds shall continue to be subject to mandatory purchase on the day which would have been the effective date of such Long-Term Interest Rate Period.

Notice of Adjustment to a Long-Term Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Long-Term Interest Rate Period to the holders of the Variable Rate Bonds and, if a Book Entry System is in effect, the Book Entry Depository, not less than 15 days prior to the effective date of such Long-Term

Interest Rate Period. Such notice shall state: (1) that the interest rate on the Variable Rate Bonds shall be adjusted to a Long-Term Interest Rate unless (x) Bond Counsel fails to deliver to the Authority, the Trustee, and the Remarketing Agent a Favorable Opinion of Bond Counsel as to such adjustment in the Interest Rate Period on the effective date of such adjustment, or (y) the Authority shall elect, on or prior to the date of determination of such Long Term Interest Rate, to rescind its election to cause the adjustment of the interest rate on the Variable Rate Bonds to a Long Term Interest Rate, in which case the Variable Rate Bonds, if being adjusted from a Weekly Interest Rate Period, shall continue to bear interest at a Weekly Interest Rate as in effect immediately prior to such proposed adjustment, (2) the effective date and the last day of such Long-Term Interest Rate Period, (3) that the Variable Rate Bonds are subject to mandatory tender for purchase on such effective date and the purchase price applicable thereto, (4) if the Variable Rate Bonds are secured by a Liquidity Facility immediately prior to such effective date, that the Liquidity Facility applicable to the Variable Rate Bonds will be terminated as of the effective date of such Long-Term Interest Rate period and the ratings applicable to the Variable Rate Bonds after the termination of such Liquidity Facility, or that no such ratings have been obtained and (5) if a Book Entry System is no longer in effect with respect to the Variable Rate Bonds, information with respect to the required delivery of bond certificates and payment of purchase price.

Favorable Opinion of Bond Counsel as Condition to Any Adjustment of an Interest Rate Period

In connection with any adjustment of the Interest Rate Period on the Variable Rate Bonds, the Authority shall cause to be provided to the Trustee, the Liquidity Provider and the Remarketing Agent a Favorable Opinion of Bond Counsel on the effective date of such adjustment. In the event that Bond Counsel fails to deliver a Favorable Opinion of Bond Counsel on any such date, then the Interest Rate Period on the Variable Rate Bonds shall not be adjusted, and the Variable Rate Bonds shall continue to bear interest at the Weekly Interest Rate as in effect immediately prior to such proposed adjustment in the Interest Rate Period. In any event, if notice of such adjustment has been mailed to the owners of the Variable Rate Bonds and Bond Counsel fails to deliver a Favorable Opinion of Bond Counsel on the effective date as herein described, the Variable Rate Bonds shall continue to be subject to mandatory purchase on the date which would have been the effective date of such adjustment.

Purchased Bonds

Purchased Bonds will bear interest at the rate or rates (subject to the Maximum Rate), and shall amortize prior to maturity, and shall be payable and subject to redemption in such amounts and in such manner, as provided in the Initial Liquidity Facility.

Purchase of Bonds

Described below are the circumstances under which the Variable Rate Bonds are subject to optional and mandatory tender for purchase.

During a Weekly Interest Rate Period. During any Weekly Interest Rate Period when a Book Entry System is in effect, a Beneficial Owner (through its direct Participant in the Book Entry Depository) may tender its interest in a Variable Rate Bond on any Business Day to be purchased on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from and including the Interest Accrual Date immediately preceding the date of purchase through and including the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date, in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its principal corporate trust office for delivery of notices, with a copy to the Remarketing Agent, of an irrevocable written notice or telephonic notice, promptly confirmed in writing, which states the principal amount of such Bond and the date on which the same shall be purchased, which date shall be a Business Day not prior to the 7th day next succeeding the date of the delivery of such notice to the Tender Agent. Any notice delivered to the Tender Agent after 4:00 p.m., New York City time, shall be deemed to have been received on the next succeeding Business Day.

On the date for purchase specified in the notice, the Beneficial Owner shall effect delivery of such Bonds by causing the direct Participant through which such Beneficial Owner owns such Bonds to transfer its interest in such Bonds equal to such Beneficial Owner's interest on the records of the Book Entry Depository for such Bonds to the participant account of the Tender Agent with the Book Entry Depository not later than 12:00 noon, New York City time. During any Weekly Interest Rate Period when a Book Entry System is not in effect, an owner of a Bond may tender the Variable Rate Bond by delivery of the notice described above by the time set forth above and shall also deliver the Variable Rate Bond to the Tender Agent by 12:00 noon, New York City time, on the date specified for purchase.

Mandatory Tender for Purchase on First Day of Each Interest Rate Period. The Variable Rate Bonds shall be subject to mandatory tender for purchase on the first day (or, under certain circumstances resulting in the interest rate on the Variable Rate Bonds not being adjusted, on the day that otherwise would have been the first day) of each Interest Rate Period at a purchase price, payable in immediately available funds, equal to the principal amount of the Variable Rate Bonds.

Mandatory Tender for Purchase Upon Termination, Expiration, Reduction, Suspension, if applicable, Modification or Replacement of the Liquidity Facility. If the Registrar shall give holders of the Variable Rate Bonds payable from the Liquidity Facility (or if a Book Entry System is in effect, the Book Entry Depository) notice that the Variable Rate Bonds shall, on the date specified in such notice, cease to be payable from such Liquidity Facility as a result of (i) (A) the termination or expiration of the term of such Liquidity Facility, or (B) the Liquidity Facility being reduced, replaced or modified (other than a reduction or modification in connection with the redemption of Variable Rate Bonds) with the effect that the purchase price of such Variable Rate Bond or the Variable Rate Bonds are no longer payable from the Liquidity Facility (in each case, whether or not any Alternate Liquidity Facility has been obtained unless the mandatory tender notice is conditioned upon receipt of an Alternate Liquidity Facility), or (ii) the Liquidity Provider notifying the Trustee that an "Event of Default" has occurred under the Liquidity Facility and that the Liquidity Provider is terminating or, if applicable, suspending the Liquidity Facility in accordance with its terms (unless such "Event of Default" is also an immediate termination or suspension event) as described under the caption "Initial Liquidity Facility and Initial Liquidity Provider – Liquidity Facility Events of Default" in APPENDIX J, then on a date specified by the Authority to the Registrar, Tender Agent and the Trustee in writing which is no later than 5 days prior to the applicable event, in the case of clause (i) above (or no later than the date of replacement with an Alternate Liquidity Facility if the existing Liquidity Facility is being replaced in accordance with the Series 2024E Indenture), and no later than 30 days after the date of the notice specified in clause (ii) above or such other period permitted by the Initial Liquidity Facility, each Variable Rate Bond shall be subject to mandatory tender for purchase; *provided, however,* that no mandatory tender for purchase shall occur as a result of such Liquidity Facility being reduced in connection with Variable Rate Bonds being redeemed and no mandatory tender for purchase shall occur as a result of an "Event of Default" under the Liquidity Facility if such "Event of Default" results in the immediate suspension, if applicable, or termination of the obligation of the Liquidity Provider to purchase Variable Rate Bonds thereunder. See "Initial Liquidity Facility and Initial Liquidity Provider – Liquidity Facility Events of Default" in APPENDIX J. Notice of such mandatory tender will be given by the Registrar (a) on or before the 20th day preceding the scheduled expiration of the Initial Liquidity Facility in accordance with its terms, or on or before the 20th day preceding any reduction, replacement or modification of the terms of the Initial Liquidity Facility (or, in the case of replacement with an Alternate Liquidity Facility, if the existing Liquidity Facility is being replaced in accordance with the Series 2024E Indenture, on or before the 15th day preceding the replacement date), or (b) in the case of receipt by the Trustee of notice from the Liquidity Provider of the occurrence of a Liquidity Facility Event of Default (but only if such Event of Default would result in the Variable Rate Bonds being subject to tender) within one Business Day following the receipt of such notice of such Liquidity Event of Default. The purchase price for such Variable Rate Bonds shall be equal to the principal amount thereof, plus accrued interest (if any).

Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of Variable Rate Bonds pursuant to the provisions of the Series 2024E Indenture described in the immediately preceding three paragraphs, the Trustee shall give notice of a mandatory tender for purchase. Such notice shall state (A) in the case of a mandatory tender for purchase described under "Mandatory Tender for Purchase on First Day of Each Interest Rate Period" in this Appendix, the type of Interest Rate Period to commence on such mandatory purchase date; (B) in the case of a mandatory tender for purchase described under "Mandatory Tender for Purchase Upon Termination, Expiration, Reduction, Suspension, if applicable, Modification or Replacement of Liquidity Facility" in this Appendix, that the Liquidity Facility will expire, terminate, be reduced, be replaced or be modified and that the Variable Rate Bonds shall no longer be payable from the Liquidity Facility then in effect or that the coverage thereof with respect to the Variable Rate Bonds shall be reduced and that any rating applicable thereto may be reduced or withdrawn; (C) that the purchase price of any Variable Rate Bond so subject to mandatory purchase shall be payable only upon (i) if a Book Entry System is not in effect, surrender of such Variable Rate Bond to the

Tender Agent at its Principal Office for delivery of Variable Rate Bonds, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the holder thereof or his duly authorized attorney, with such signature guaranteed by a bank, trust company or member firm of the New York Stock Exchange; or (ii) if a Book Entry System is in effect, registration of the ownership rights in such Variable Rate Bond to the Tender Agent on the records of the Book Entry Depository; (D) that, *provided* that moneys sufficient to effect such purchase have been provided through the remarketing of such Variable Rate Bonds by the Remarketing Agent, through the Liquidity Facility or through payments made by the Authority, all Variable Rate Bonds so subject to mandatory tender for purchase shall be purchased on the mandatory purchase date, and that if any owner of a Variable Rate Bond subject to mandatory tender for purchase shall not surrender such Variable Rate Bond to the Tender Agent for purchase (or if a Book Entry System is in effect, effect the transfer of ownership rights to the Tender Agent on the records of the Book Entry Depository) on such mandatory purchase date, and moneys sufficient to pay the purchase price thereof are on deposit with the Tender Agent, then such Variable Rate Bond shall be deemed to be an Undelivered Bond, and that no interest shall accrue thereon on and after such mandatory purchase date and that the holder thereof shall have no rights under the Indenture other than to receive payment of the purchase price thereof, and (E) in the event that moneys sufficient to pay the purchase price of such Variable Rate Bonds have not been provided to the Tender Agent from (i) proceeds of remarketing of such Variable Rate Bonds, (ii) amounts drawn on the Liquidity Facility, and (iii) amounts legally available therefor under the Indenture, then no such tendered or deemed tendered Variable Rate Bonds shall be purchased, and instead, all outstanding Variable Rate Bonds (x) shall thereafter bear interest in the Weekly Interest Rate Period, at a rate, reset weekly, equal to the SIFMA Rate plus 3% (not to exceed the Maximum Rate), and (y) Owners of such Variable Rate Bonds shall have no further right to tender their Variable Rate Bonds for purchase.

In connection with any mandatory tender for purchase of Variable Rate Bonds as a result of the termination, expiration, reduction, modification or replacement of a Liquidity Facility (see “The Variable Rate Bonds – Purchase of Bonds — Mandatory Tender for Purchase Upon Termination, Expiration, Modification or Replacement of Liquidity Facility” in this Appendix), such notice also shall (F) describe generally the Alternate Liquidity Facility, if any, in effect or to be in effect upon such termination, expiration, reduction, modification or replacement and identify the provider of such Alternate Liquidity Facility, (G) state the date of such termination, expiration, reduction, modification or replacement and the date of the proposed provision of the Alternate Liquidity Facility, if any, (H) specify the ratings, if any, to be applicable to such Variable Rate Bonds after such termination, expiration, reduction, modification or replacement of the Liquidity Facility or state that no ratings will be assigned to such Variable Rate Bonds subsequent to such termination, expiration, reduction, modification or replacement of the Liquidity Facility, and (I) describe any special restrictions or procedures (if any) applicable to the registration of transfer of such Variable Rate Bonds. The Authority shall provide the Trustee and the Liquidity Provider with a form of any such notice.

No notice of mandatory purchase shall be given in connection with the provision of an Alternate Liquidity Facility unless and until the Alternate Liquidity Facility shall have been delivered to the Tender Agent or unless a firm commitment to deliver such Alternate Liquidity Facility has been delivered to the Trustee or unless the notice to the holder of the Variable Rate Bonds is conditioned upon receipt of such Alternate Liquidity Facility. If the notice is conditioned upon receipt of the Alternate Liquidity Facility, and the Alternate Liquidity Facility is not delivered, then the Variable Rate Bonds shall not be purchased and the holders of the Variable Rate Bonds shall retain their Variable Rate Bonds.

Subject to the provisions of the Indenture relating to Variable Rate Bonds held in a Book Entry System, for payment of the purchase price of any Variable Rate Bond required to be purchased pursuant an optional or mandatory tender for purchase described herein, on the date specified, such a Variable Rate Bond must be delivered, at or prior to 12:00 noon, New York City time, on the date specified in such notice, to the Tender Agent at its Principal Office for delivery of Variable Rate Bonds, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the holder thereof or his duly authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange. In the event any such Variable Rate Bond is delivered after 12:00 noon, New York City time, on such date, payment of the purchase price of such Variable Rate Bond need not be made until the Business Day following the date of delivery of such Variable Rate Bond, but such Variable Rate Bond shall nonetheless be deemed to have been purchased on the date specified in such notice and no interest shall accrue thereon after such date.

Irrevocable Notice Deemed to be Tender of Bond; Undelivered Bonds. The giving of notice by an owner of a Variable Rate Bond shall constitute the irrevocable tender for purchase of each such Variable Rate Bond with respect to which such notice shall have been given, regardless of whether such Variable Rate Bond is delivered to the Tender Agent for purchase on the relevant purchase date; *provided* that moneys sufficient to pay the purchase price of such Variable Rate Bonds are on deposit with the Tender Agent for such purpose. The Tender Agent may refuse to accept delivery of any Bonds for which a proper instrument of transfer has not been provided; such refusal, however, shall not affect the validity of the purchase of such Variable Rate Bond as herein described. If any holder of a Variable Rate Bond who shall have given notice of tender of purchase, if a Book Entry System is not in effect, shall fail to deliver such Variable Rate Bond to the Tender Agent at the place and on the applicable date and at the time specified, or shall fail to deliver such Variable Rate Bond properly endorsed, or if a Book Entry System is in effect, shall fail to cause its beneficial ownership to be transferred to the Tender Agent on the records of the Book Entry Depository, and moneys sufficient to pay the purchase price thereof are on deposit with the Tender Agent for such purpose, such Variable Rate Bond shall constitute an Undelivered Bond. If funds in the amount of the purchase price of the Undelivered Bonds are available for payment to the holder thereof on the date and at the time specified, from and after the date and time of that required delivery, (1) each Undelivered Bond shall be deemed to be purchased and shall no longer be deemed to be outstanding under the Indenture, (2) interest shall no longer accrue thereon, and (3) funds in the amount of the purchase price of each such Undelivered Bond shall be held by the Tender Agent for the benefit of the holder thereof *(provided* that the holder shall have no right to any investment proceeds derived from such funds), to be paid on delivery (and proper endorsement) of such Undelivered Bond to the Tender Agent at its Principal Office for delivery of Variable Rate Bonds. Any funds held by the Tender Agent as described in clause (3) of the preceding sentence shall be held uninvested and not commingled.

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APPENDIX J

INITIAL LIQUIDITY FACILITY AND INITIAL LIQUIDITY PROVIDER

Initial Liquidity Facility

The Initial Liquidity Facility contains various provisions, covenants and conditions, certain of which are summarized below. Such summary does not purport to be a complete description or restatement of the material provisions of the Initial Liquidity Facility. Investors should obtain and review copies of the Initial Liquidity Facility in order to understand all of the terms of such document. Capitalized terms used under the heading "THE INITIAL LIQUIDITY FACILITY" and not otherwise defined herein shall have the meaning set forth in the Initial Liquidity Facility.

The Authority, the Trustee, the Tender Agent and the State Street Bank and Trust Company (the "Initial Liquidity Provider") intend to enter into a Standby Bond Purchase Agreement dated as of August 1, 2024 (the "Initial Liquidity Facility") with respect to the Variable Rate Bonds. The following summary is qualified in its entirety by reference to the Initial Liquidity Facility, copies of which are available from the Trustee.

Subject to the terms of the Initial Liquidity Facility, the Initial Liquidity Provider agrees, at the request from time to time of the Trustee or Tender Agent (or agent) on behalf of the Authority, to purchase, during the "Commitment Period" (as such term is defined below), any Variable Rate Bonds tendered for purchase in accordance with the Series 2024E Indenture with respect to which the Trustee does not, on the date any such tendered Bonds are required to be purchased pursuant to the Series 2024E Indenture, have sufficient funds from the remarketing of such tendered Bonds to make such purchase.

The "Available Commitment" under the Initial Liquidity Facility for the Series 2024E Bonds initially is $13,503,143 ($12,725,000 of that amount is the "Available Principal Commitment" for the Series 2024E Bonds and $778,143 of that amount is the "Available Interest Commitment" for the Series 2024E Bonds).

The Available Principal Commitment for the Variable Rate Bonds is subject to (i) reduction by the principal amount of Variable Rate Bonds which are redeemed, repaid or otherwise paid pursuant to the Indenture, (ii) reduction by the principal amount of any Variable Rate Bonds purchased by the Initial Liquidity Provider and (c) increase by the principal amount of any Variable Rate Bonds purchased by the Initial Liquidity Provider that are resold by the Remarketing Agent. The Available Interest Commitment for the Variable Rate Bonds is calculated based on 186 days of interest at an assumed rate of twelve percent per annum and a three hundred sixty-five day year (actual days elapsed) or such other amount as the Authority and the Initial Liquidity Provider shall agree (the "Interest Amount"), and is subject to (i) reduction by an amount that bears the same proportion to the Interest Amount as the amount of any reduction in the Available Principal Commitment bears to the Available Principal Component prior to such reduction and (ii) increase by an amount that bears the same proportion to the Interest Amount as the amount of any increase in the Available Principal Commitment bears to the Available Principal Commitment prior to such increase (but not above the amount of the aggregate Available Commitment) for the principal amount of Variable Rate Bonds which are held for the account of the Initial Liquidity Provider and remarketed. As a result, the Available Commitment for the Variable Rate Bonds will, during the Commitment Period, always equal at least 100 percent of the aggregate principal amount of Variable Rate Bonds outstanding, plus 186 days of accrued interest at an assumed rate of twelve percent per annum, less the principal amount of any Variable Rate Bonds held for the account of the Initial Liquidity Provider from time to time.

The obligation of the Initial Liquidity Provider to purchase any Variable Rate Bond on any Business Day (each, a "Bank Purchase Date") is subject to: (i) receipt by the Initial Liquidity Provider of a notice from the Trustee or the Tender Agent (or any agent designated by the Trustee with the written consent of the Initial Liquidity Provider) that funds are needed for the purchase of Variable Rate Bonds which have been tendered and for which remarketing proceeds are not available (a "Notice of Bank Purchase," as provided for in the Initial Liquidity Facility), and (ii) the condition that no Automatic Termination Event (as defined below) shall have occurred.

The term "Commitment Period" for the Initial Liquidity Facility means the period from August 8, 2024 to and including the earliest of: (i) the close of business on August 8, 2028 (the "Expiration Date"); (ii) the close of business on the date that is the earlier of (A) the mandatory tender date for the conversion of the Bonds to a rate other than a Covered Rate, or (B) one Business Day following the date on which all Bonds have been converted to a rate other than a Covered Rate; (iii) the date on which the Available Commitment has been (A) reduced to zero by reason of a redemption, repayment or other payment of all of the principal amount of the Bonds so that such Bonds cease to be Outstanding or (B) terminated in its entirety by reason of an Automatic Termination Event; (iv) the close of business on the date on which an Alternate Liquidity Facility for the Bonds is delivered to the Trustee and becomes effective (which date shall not be prior to the Substitution Date); provided, however, that such period shall not end until any necessary tenders are completed; or (v) the date that is one Business Day following the close of business on the Special Mandatory Tender Date.

The "Special Mandatory Tender Date" for an Initial Liquidity Facility is the date specified by the Initial Liquidity Provider as the date on which the Available Commitment under that Initial Liquidity Facility will terminate as a result of a Liquidity Facility Event of Default (as defined below) (which Liquidity Facility Event of Default is not cured and is not also an Automatic Termination Event). After the Special Mandatory Tender Date for the Variable Rate Bonds, the Initial Liquidity Provider will not be obligated to purchase Variable Rate Bonds.

Variable Rate Bonds purchased by and held for the account of the Initial Liquidity Provider are referred to in the Initial Liquidity Facility as "Purchased Bonds." Purchased Bonds bear interest from their date of purchase at the "Bank Rate".

"*Bank Rate*" means, for each period specified below, beginning with and including the date funds are advanced under this Agreement and ending on but excluding the date they are repaid in full with interest thereon as provided herein, the interest rate specified below with respect to such period, which interest rates shall be computed and recorded on the basis set forth in the Initial Liquidity Facility:

	Period	**Rate**
I.	Purchase Date through and including 30th day after the Purchase Date	Base Rate
II.	From and including the 31st day through and including 90th day after the Purchase Date	Base Rate plus 1.00%
III.	From and including the 91st day after the Purchase Date and thereafter	Base Rate plus 2.00%

provided, however, that from and after the occurrence of an Event of Default, the Bank Bonds and all amounts due hereunder and under the Fee Letter shall bear interest at the Default Rate. Notwithstanding the foregoing, at no time will the "Bank Rate," but only as such term is applied to any Bank Bond, be lower than the rate of interest borne by Bonds that do not constitute Bank Bonds.

"*Base Rate*" means, the greatest of, for any day, (a) the Prime Rate plus 1.0%, (b) the Federal Funds Rate plus 2.0%, or (c) 7.0% per annum. The Base Rate shall change at the time of any change in the Prime Rate or Federal Funds Rate, as applicable, effective on the date of such change. The Base Rate is not intended to be the lowest rate of interest charged by the Bank in connection with the extension of credit to customers and shall never be less than the rate of interest borne by the Bonds that do not constitute Bank Bonds.

Following a Liquidity Facility Event of Default, from the date of such Liquidity Facility Event of Default until such date as Purchased Bonds are fully repaid, Purchased Bonds shall bear interest at the "*Default Rate*" which means the Purchased Bond Rate from time to time in effect plus 3.00%, but not to exceed the Maximum Interest Rate.

Subject to the provisions set forth in the fee letter related to any payment of any fees thereto, the Authority may terminate the Initial Liquidity Facility at any time upon (1) not less than 30 days' prior written notice to the Initial Liquidity Provider of such termination, (2) upon not less than one (1) day's prior written notice to the Initial Liquidity Provider, if the Authority has first provided at least five (5) days' prior written notice and opportunity to cure any default by the Initial Liquidity Provider in honoring its payment obligations under the Initial Liquidity Facility, or (3) immediately upon written notice to the Initial Liquidity Provider that the rating on senior unsecured short-term obligations issued by the Initial Liquidity Provider shall have been reduced to a category below "A-1" by S&P or below "P-1" by Moody's. Any such termination is conditioned upon (1) the payment to the Bank of all fees, expenses, and other amounts payable hereunder, and (2) the payment to the Bank of all principal and accrued interest owing on any Purchased Bonds. The Available Commitment shall automatically terminate upon the expiration of the Commitment Period.

Any Purchased Bond that has not been remarketed, purchased or redeemed by the Authority within 60 days (which may be extended to 90 days upon written notice by the Authority to the Initial Liquidity Provider, the Trustee and the Tender Agent prior to the expiration of the 60-day period) following the Bank Purchase Date with respect thereto shall become an "Amortizing Purchased Bond." Each Amortizing Purchased Bond will mature on the date that is five years from the date on which such bond became an Amortizing Purchased Bond (the "Purchased Bond Maturity Date"). The Authority shall make a scheduled repayment of the outstanding principal amount of each Amortizing Purchased Bond on each semi-annual payment date, with the first such semi-annual payment date occurring on the date that is twelve months after such Bond has become an Amortizing Purchased Bond, with respect thereto in an amount equal to 1/9th of the aggregate principal amount of all Amortizing Principal Bonds scheduled for repayment on such semi-annual payment date, plus all accrued and unpaid interest upon such Amortizing Purchased Bonds. If a Liquidity Facility Event of Default has occurred and is continuing on or at any time following a Bank Purchase Date, the Purchased Bond Maturity Date of any Purchased Bond (including any Amortizing Purchased Bond) purchased by the Initial Liquidity Provider before the occurrence of or during the continuance of such Liquidity Facility Event of Default shall be the earliest, with respect to each such Purchased Bond, of (i) the date that is 60 days after such Bank Purchase Date for such Purchased Bond or (ii) the date that is 60 days after the occurrence of such Liquidity Facility Event of Default.

Purchased Bonds shall at all times be deemed outstanding for all purposes, and the Initial Liquidity Provider, as beneficial owner of such Purchased Bonds, shall have all of the rights of any Owner of Variable Rate Bonds, except as such rights may be modified by the Initial Liquidity Facility (for example, as set forth above, Purchased Bonds bear interest at a rate which is or may be different than the rate on other outstanding Variable Rate Bonds). Under certain circumstances this may enable the Initial Liquidity Provider to exercise control over certain enforcement proceedings (see "Liquidity Facility Events of Default" below).

The aggregate principal amount of Variable Rate Bonds or portions of Variable Rate Bonds purchased for the account of the Initial Liquidity Provider shall be in Authorized Denominations and shall not exceed the Available Principal Commitment on such date. The aggregate amount of the Purchase Price comprising interest on any Bank Purchase Date (the "*Interest Component*") shall not exceed the lesser of (1) the Available Interest Commitment of the Bank and (2) the actual amount of interest accrued on Bonds so purchased; *provided* that if the Purchase Date is on an Interest Payment Date, the amount described in this Sentence shall be reduced by the amount of interest payable on such Interest Payment Date. Once a Bond is converted to any mode other than a Covered Rate, such Bond will not be subject to purchase by the Bank (including any such Bond that is subsequently converted to any other Mode).

The Initial Liquidity Facility includes typical affirmative and negative covenants of the Authority, including among others a requirement for notice of certain events, provision of audited annual financial statements and a prohibition of amendments to certain documents without the prior written consent of the Initial Liquidity Provider, except for amendments necessary to issue new bonds under the Indenture and amendments which do not in any way negatively affect the terms of the Variable Rate Bonds or the obligations of the Initial Liquidity Provider under the Initial Liquidity Facility or certain related documents. These covenants are for the benefit of the Initial Liquidity Provider and not for the benefit of the Owners, which will have no rights with respect to them.

The Authority's obligation to reimburse the Initial Liquidity Provider for amounts paid under the Initial Liquidity Facility and other obligations of the Authority under the Initial Liquidity Facility will be the direct and general obligations of the Authority.

Liquidity Facility Events of Default

The “Events of Default” (each, a “Liquidity Facility Event of Default”) are as set forth below. A Liquidity Facility Event of Default described in clauses 1, 6, 7, 8, 9 or 10 below is called an “Automatic Termination Event,” provided, that a Liquidity Facility Event of Default under clause 9 shall only constitute an Automatic Termination Event if (i) the Variable Rate Bonds become unrated by Moody’s for credit related reasons or (ii) the rating assigned to the Variable Rate Bonds is below Baa3 by Moody’s. Upon the occurrence of an Automatic Termination Event under an Initial Liquidity Facility, the Initial Liquidity Provider's obligation to purchase Variable Rate Bonds under that Initial Liquidity Facility shall immediately terminate without notice or demand to any person, and thereafter the Initial Liquidity Provider shall be under no obligation to purchase Variable Rate Bonds of the applicable series.

1. The Authority shall default in the payment when due of any principal of or interest on any Bond, whether or not a Purchased Bond (other than as a result of the acceleration of the payment of any Purchased Bond due to the occurrence of a Liquidity Facility Event of Default that is not an Automatic Termination Event).

2. The Authority shall default in the payment when due of any commitment fee or other payment obligation under the Initial Liquidity Facility.

3. Any representation or warranty of the Authority made or deemed to be made in the Initial Liquidity Facility, the Indenture, the Variable Rate Bonds or the Remarketing Agreement (the "Related Documents") or in any other documents relating to the Variable Rate Bonds or any other writing or certificate furnished by or on behalf of the Authority to the Initial Liquidity Provider for the purposes of or in connection with the Initial Liquidity Facility or any such Related Document is or shall be incorrect when made in any material respect.

4. The Authority shall amend, modify, terminate or grant, or permit the amendment, modification, termination or grant of, any waiver under, or consent to, or permit or suffer to occur any action or omission which results in, or is equivalent to, an amendment, modification, or grant of a waiver under any Related Document without the prior written consent of the Initial Liquidity Provider, except the amendments relating to the issuance from time to time of additional bonds under the Indenture or other amendments which do not negatively affect the terms of the Variable Rate Bonds or the obligations of the Initial Liquidity Provider under the Initial Liquidity Facility.

5. The Authority shall default in the due performance and observance of any covenant, agreement, term or obligation (other than those addressed in the other numbered paragraphs under this subheading "Liquidity Facility Events of Default") contained in the Initial Liquidity Facility or in any other Related Document, and such default shall continue unremedied for a period of 30 days after notice thereof shall have been given to the Authority by the Initial Liquidity Provider.

6. A default shall occur in the payment when due (subject to any applicable grace period), whether by acceleration or otherwise, of any indebtedness of the Authority (other than the Variable Rate Bonds indebtedness described in paragraph 1 above) having a principal amount, individually or in the aggregate, in excess of $5,000,000, or a default shall occur in the performance or observance of any obligation or condition with respect to such indebtedness if the effect of such default is to accelerate the maturity of any such indebtedness or such default shall continue unremedied for any applicable period of time to permit or cause such indebtedness to become due and payable prior to its expressed maturity.

7. Any judgment or order for the payment of money in excess of $10,000,000 shall be rendered against the Authority and such judgment or order shall remain unstayed, unsatisfied, or bonded for more than 60 days or enforcement proceedings shall have been commenced by a creditor upon such judgment or order.

8. The Authority shall (i) become insolvent within the meaning of the Bankruptcy Code or admit in writing its inability to pay debts as they become due; (ii) apply for, consent to, or acquiesce in, the appointment of a trustee, receiver, or other custodian for the Authority or any property of any thereof, or make a general assignment for the benefit of creditors; (iii) in the absence of such application, consent, or acquiescence, permit or suffer to exist the appointment of a trustee, receiver, or other custodian for the Authority, which appointment shall not be discharged within 60 days; (iv) permit or suffer to exist the commencement of any bankruptcy, reorganization, debt arrangement or other case or proceeding under any bankruptcy or insolvency law, or any dissolution, winding up or liquidation proceeding, in respect of the Authority, and, if any such case or proceeding is not commenced by the Authority, such case or proceeding shall be consented to or acquiesced in by the Authority or shall result in the entry of an order for relief or shall remain for 60 days undismissed; (v) become subject to a moratorium (whether or not in writing) with respect to any of the Variable Rate Bonds or any parity debt such as bonds, notes or similar obligations of the Authority that (A) has been declared by the Authority or (B) has been imposed as a result of any finding or ruling by any government agency or authority having jurisdiction over the Authority; or (vi) take any action authorizing, or in furtherance of, any of the foregoing.

9. The Variable Rate Bonds shall be rated lower than A3 by Moody's, which will constitute a notice event of default, or lower than Baa3 by Moody's and below Investment Grade by any other Rating Agency then rating the Bonds or such ratings shall be suspended or withdrawn for credit-related reasons.

10. Any provision of the Initial Liquidity Facility, the Indenture, the Bonds, or any Parity Debt relating to the payment of the principal of or interest on the Bonds (including any Purchased Bonds) or any Parity Debt or the security therefor shall at any time and for any reason cease to be valid and binding on the Authority as a result of (A) finding or ruling, (B) enactment or adoption of legislation, (C) issuance of an executive order or (D) entry of a judgment or decree, in each instance, by a Governmental Authority having appropriate jurisdiction over the Authority that such a provision is null and void, invalid or unenforceable.

11. An event of default contained in the Indenture shall occur and such event of default remains unremedied after any applicable specified grace period.

Remedies

In the case of a Liquidity Facility Event of Default that is an Automatic Termination Event, the Initial Liquidity Provider's obligation to purchase Variable Rate Bonds under the Initial Liquidity Facility shall immediately terminate without notice or demand to any person. In the case of a Liquidity Facility Event of Default that is not an Automatic Termination Event, the Initial Liquidity Provider may, in its sole discretion, give written notice of such Liquidity Facility Event of Default to the Remarketing Agent, requesting a mandatory tender of all Variable Rate Bonds, and to the Authority and the Trustee (the "Special Termination Notice"), specifying such Liquidity Facility Event of Default and the date on which the Available Principal Commitment and Available Interest Commitment will terminate should said Liquidity Facility Event of Default not be cured, which such date shall be a Special Mandatory Tender Date and not be less than 30 days from the Authority's receipt of the Special Termination Notice. After the Special Mandatory Tender Date, the Initial Liquidity Provider shall be under no obligation to purchase Variable Rate Bonds. Upon the occurrence of a Liquidity Facility Event of Default, all Purchased Bonds shall become due and payable as provided in the Liquidity Facility (provided that payments of principal and interest on any Purchased Bonds shall be governed by acceleration rights under the Indenture).

In addition to the rights and remedies set forth in the preceding paragraph, following the occurrence of a Liquidity Facility Event of Default, the Initial Liquidity Provider shall also have all rights and remedies available to it under the Indenture and pursuant to law or equity, including, without limitation, specific performance.

Initial Liquidity Provider

The following information has been provided by the State Street Bank and Trust Company (the "Initial Liquidity Provider"). You should assume that the information in this Appendix, as well as the information referred to below that the Initial Liquidity Provider previously filed with the Securities and Exchange Commission ("SEC"), is accurate only as of the dates referred to below or in the document containing such information. The Initial Liquidity Provider does not undertake any duty to update any such information as a result of new information, subsequent events or otherwise. Neither the Authority, the Underwriter for the Variable Rate Bonds, nor the Remarketing Agent makes any representation or warranty as to the accuracy or completeness of the information contained in this Appendix.

The Initial Liquidity Provider is a wholly-owned subsidiary of State Street Corporation (the "Corporation"). The Corporation (NYSE: STT) through its subsidiaries, including the Initial Liquidity Provider, provides a broad range of financial products and services to institutional investors worldwide. With $41.81T in assets under custody and administration and $4.13T in assets under management as of December 31, 2023, the Corporation operates in more than 100 geographic markets worldwide. As of December 31, 2023, the Corporation had consolidated total assets of $297.26B, consolidated total deposits of $220.97B, total investment securities of $101.64B, total loans, net of unearned income and allowance for losses, of $36.50B, and total shareholders' equity of $23.80B.

The Initial Liquidity Provider's Consolidated Reports of Condition and Income for A Bank With Domestic and Foreign Offices Only -- FFIEC 031 (the "Call Reports") through December 31, 2023 have been submitted through the Federal Financial Institutions Examination Council and provided to the Board of Governors of the Federal Reserve System, the primary U.S. federal banking agency responsible for regulating the Corporation and the Initial Liquidity Provider. Publicly available portions of those Call Reports, and future Call Reports so submitted by the Initial Liquidity Provider, are available on the Federal Deposit Insurance Corporation's website at www.fdic.gov. The Call Reports are prepared in conformity with regulatory instructions that do not in all cases follow U.S. generally accepted accounting principles.

Additional financial and other information related to the Corporation and the Initial Liquidity Provider, including the Corporation's Annual Report on Form 10-K for the year ended December 31, 2023 and additional annual, quarterly and current reports subsequently filed or furnished by the Corporation with the U.S. Securities and Exchange Commission (the "SEC"), can be accessed free of charge on the SEC's website at www.sec.gov.

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

A copy of any or all of the publicly available portions of the documents referred to above, other than exhibits to such documents, may be obtained without charge to each person to whom a copy of this Official Statement has been delivered, on the written request of any such person. Written requests for such copies should be directed to Investor Relations, State Street Corporation, One Congress Street, Boston, Massachusetts 02114, telephone number 617-786-3000.

The Initial Liquidity Facility is an obligation solely of the Initial Liquidity Provider and is not an obligation of, or otherwise guaranteed by, the Corporation or any of its affiliates (other than the Initial Liquidity Provider). Neither the Corporation nor any of its affiliates (other than the Initial Liquidity Provider) is required to make payments under the Initial Liquidity Facility. None of the Initial Liquidity Provider, the Corporation or any of their respective affiliates makes any representation as to, or is responsible for the suitability of the Series 2024E Bonds for any investor, the feasibility or performance of any project or compliance with any securities or tax laws or regulations. The Series 2024E Bonds are not direct obligations of, or guaranteed by, the Initial Liquidity Provider, the Corporation or any of their respective affiliates.

THE ABOVE INFORMATION RELATING TO THE INITIAL LIQUIDITY PROVIDER RELATES TO AND HAS BEEN SUPPLIED BY THE INITIAL LIQUIDITY PROVIDER. YOU SHOULD ASSUME THAT THE INFORMATION IN THIS APPENDIX, AS WELL AS THE INFORMATION THE INITIAL LIQUIDITY PROVIDER PREVIOUSLY FILED WITH THE SEC, IS ACCURATE ONLY AS OF THE DATE REFERRED TO IN THIS APPENDIX OR THE DOCUMENT CONTAINING SUCH INFORMATION. THE INITIAL LIQUIDITY PROVIDER DOES NOT UNDERTAKE ANY DUTY TO UPDATE ANY SUCH INFORMATION AS A RESULT OF NEW INFORMATION, SUBSEQUENT EVENTS OR OTHERWISE. NEITHER THE AUTHORITY, THE UNDERWRITER, NOR THE REMARKETING AGENT MAKES ANY REPRESENTATION AS TO THE ABILITY OF THE INITIAL LIQUIDITY PROVIDER TO FULFILL ITS OBLIGATIONS PURSUANT TO THE LIQUIDITY FACILITY.

APPENDIX K

GREEN STANDARDS

The Illinois Energy Conservation Code

The Illinois Energy Conservation Code (the "*Illinois Code*") is the official building energy code for the State of Illinois (the "*State*") and is based on the International Energy Conservation Code (the "*IECC*"). The IECC sets forth minimum efficiency standards for new construction for a structure's walls, floors, ceilings, lighting, windows, doors, duct leakage and air leakage. The Illinois Code requires design and construction professionals to follow the latest published edition of the IECC. The Illinois Code applies to both privately-funded and state-funded construction projects, and allows local municipalities to adopt more stringent energy codes. The Code is amended periodically to align with revisions to the IECC. As it applies to Authority Financed Projects, the Illinois Code provides minimum specifications for exterior wall insulation, minimum U-values for windows, minimum requirements for roof insulation and minimum efficiency requirements for HVAC systems, among others.

Illinois Housing Development Authority Standards for Architectural Planning and Construction

In connection with applying for financing from the Authority, an applicant must demonstrate that the Project will satisfy the Authority's "Standards for Architectural Planning and Construction," which detail the Authority's minimum quality standards for the design and construction of quality affordable housing. These Standards are used by the Authority to evaluate plans and specifications for proposed affordable housing developments, including new construction, rehabilitation, and the adaptive reuse of buildings. The Standards incorporate the Enterprise Green Communities Criteria, the nation's only national green building program designed for green affordable housing construction. Under the Standards, rehabilitation or adaptive reuse Projects must comply with the standards for new materials. The Authority's Standards impose the following mandatory requirements that exceed the requirements of the Illinois Code:

Water Conserving Fixtures – Rehabilitation and new construction projects must include EPA WaterSense certified plumbing fixtures. All newly installed plumbing fixtures are required to meet the following minimum specifications: toilets – 1.28 GPF, urinals – 0.5 GPF, showerheads - 2.0 GPM, kitchen faucets - 2.0 GPM, bathroom faucets – 1.5 GPM.

Energy Efficiency – Rehabilitation and new construction projects must include the installation of ENERGY STAR Certified clothes washers, dishwashers, range hoods, refrigerators, bathroom exhaust, and electric dryers.

Landscaping – Rehabilitation and new construction projects financed by the Authority must include site improvements. Applicants for multifamily financing must provide a tree or plant list, certified by the architect or landscape architect, that the selection of new trees and plants are at least 50% native and/or adaptive species, 100% appropriate to the site's soils and microclimate, and that such landscaping will not include invasive species. The minimums cost for landscaping must be 2% of the hard construction cost of the project, including vegetation, fencing, irrigation, lighting, and furnishings.

Air Quality – All paints, sealants, and adhesives must be low VOC.

Projects that intend to seek third party certification from Enterprise Green Communities, U.S. Green Building Councils LLED certification, or ICC 700-2012 National Green Building Bronze Level or higher certification, are exempt from and supersede the Standards' mandatory requirements.

Illinois Housing Development Authority Qualified Allocation Plan

Any multifamily Project financed by the Authority that includes the use of federal Low Income Housing Tax Credits ("*LIHTC*") must adhere to the Qualified Allocation Plan ("*QAP*") for the State. The Authority is the designated tax credit allocating agency for the State. The QAP incorporates, by reference, the Authority's Standards for Architectural Planning and Construction.

In order to enable the Authority to evaluate the sustainable design measures of each project under both its QAP and Standards for Architectural Planning and Construction, developers provide information regarding green building techniques and sustainable design. Among other criteria, this evaluation assesses a project's inclusion of energy standards, water conservation, efficient appliances, high-efficacy lighting, and efficient HVAC systems. Applicants for Projects seeking LIHTC tax credits are assessed for energy efficiency and sustainability. Specifically, projects receive additional points for certifying to one of the following certification standards:

- Minimum LEED for Homes Silver or other LEED NC certification level
- Enterprise Green Communities Certification
- ICC/ASHRAE 700 National Green Building Standard™ (NGBS)
- Passive Housing Institute of the U.S., Passive House Certification, or another pre-approved Net-Zero Capable certification.

In the alternative, Projects may receive additional points by selecting ten items from the Authority's Sustainable Design Checklist. Such items include, but are not limited to, the installation of: efficient or water reuse irrigation systems; ENERGY STAR water heater with minimum efficiency of 95%; solar hot water heating system; minimum furnace efficiency of 95%; minimum SEER 15 air conditioning; minimum SEER 18 heat pump heating system; ENERGY STAR ceiling fans, ENERGY STAR Advanced lighting packages; and, kitchen exhaust directly vented to the exterior of each unit, minimum of 20% of total energy load provided by renewable energy (solar, wind, geothermal, etc.).

Projects that involve the rehabilitation of existing buildings may earn additional points for, among other things, replacing: all existing plumbing fixtures with fixtures that meet the minimum criteria set forth in the Standards for Architectural Planning and Construction; all electrical fixtures with ENERGY STAR fixtures; all flooring throughout the Project; and repairing or replacing one additional major system (furnaces, water heaters, central boilers, air conditioning equipment, elevator, windows, roofing, tuckpoint of exterior masonry) throughout each building.

<u>Illinois Housing Development Authority Standards for Environmental Reviews and Professionals</u>

All applicants for multifamily financing from the Authority must submit a Phase I Environmental Report from a professional firm experienced in providing environmental reports. The State's QAP, discussed in greater detail above, requires that the Phase I environmental assessment be completed within one year prior to the QAP application deadline, consistent with the requirements of the Illinois Housing Development Authority Standards for Environmental Reviews and Professionals.

The Standards for Environmental Review and Professionals provides guidance as to the minimum criteria that should be considered when selecting an environmental firm, and requires that the environmental assessment and report exceed the basic scope of a standard Phase I report. In addition to detailing whether the Project site contains hazardous substances such as lead-based paint, mercury, PCBs, hazardous liquids or gases, elevated radon levels or asbestos, the Authority requires that the Phase I report address the following:

- if the project is located in a flood zone, the developer must include a Federal Emergency Management Agency (FEMA) floodplain map for the Project area with boundaries of the Project site clearly defined. Projects proposing rehabilitation of existing buildings must submit a site plan that clearly indicates (i) the FEMA determined elevation of the floodplain or floodway; (ii) the elevation of the lowest floor level in the existing buildings; and (iii) the location of the existing buildings;

- the developer must submit a Historic Preservation Checklist to the Authority, which then submits the checklist to the Illinois Department of Natural Resources (IDNR). If the property is listed, or is eligible to be listed, in the Federal Register of Historic Places, the developer must submit additional reports for the IDNR;

- whether the Project is located in or near wetlands and, if so, whether any hydrophilic plants are present;

- whether the Project is located in close proximity to a railroad, major road, highway, freeway, airport, or any other noise generating source such as an industrial plant;

- whether the site is located near a coastal zone, an area designated as being supported by a sole source aquifer, or a designated wild and scenic river;

- whether the Project will impact federally-listed or proposed threatened and endangered species, or designated or proposed critical habitats; and

- whether there is any indication that the Project may raise issues related to environmental justice.

These heightened standards of environmental review and reporting furthers the mission of the Authority to finance the creation and preservation of affordable housing that increases the supply of decent and safe places for people of low or moderate means to live.

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Illinois Housing Development Authority • Multifamily Revenue Bonds, 2024 Series E (Non-AMT) (Variable Rate) (Sustainability Bonds)

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