

# Foreign Investment in Revenue Bonds

**Illinois Housing Development Authority**

Management Innovation: Financial

**HFA Staff Contact**

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## **Increasing Bond Buyer Pool – Innovation**

Like many Housing Finance Agencies (HFAs), the demand for tax-exempt bonds has either met or surpassed the available supply of volume cap. Even with requests for other bonding authorities to cede excess cap, IHDA was forced to explore additional methods to ensure our programs could continue to thrive.

In January 2024, IHDA announced its single largest single-family revenue bond issuance at \$495 million. For this issuance, IHDA worked with our investment banking partners to specifically target foreign investors to purchase a portion of the taxable bonds.

IHDA was the first Housing Finance Agency (HFA) in the nation to receive foreign investment in its taxable bond issuance. The strategy was successful with more than \$20MM of orders placed by foreign investors, which contributed to a successful sale.

## **Record Homeownership Production**

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.

For over 40 years, IHDA has been providing down payment assistance programs that have evolved throughout the years in response to changing needs, but rely on a set of fundamental goals:

- to increase access for first-time homebuyers;
- to reduce disparities in homeownership by race and income; and
- to bring essential financial resources to historically underserved communities.

In 2023, IHDA purchased 9,985 loans for \$1,853,709,176 in loan volume. It was the highest number IHDA had ever achieved, and there were even rumors circulating throughout the real estate industry that the agency was running out of funding and would cease our down payment assistance programs. Luckily, that was not the case.

However, the cost of owning a home has gone up significantly compared to previous years. In Illinois, the average sales price is 7.3% higher than last year while the number of homes for sale is nearly 15% lower than it was a year ago. The demand to become a homeowner continues to increase in Illinois with more than 30 percent of homes sold in 2023 going above listing price, a 6% increase from the previous year.

## **Bonding Authority**

Like many HFAs, IHDA issues mortgage revenue bonds (MRBs) to facilitate affordable homeownership opportunities for low- to moderate-income individuals and families. These bonds provide a vital source of funding for IHDA, allowing us to offer below-market interest rates on mortgages.

MRBs typically carry tax-exempt status, which makes them an attractive investment option for investors seeking tax advantages. The revenue generated from the sale of these bonds is then used by HFAs to provide affordable mortgage financing to eligible homebuyers.

Furthermore, MRBs serve as a crucial tool in supporting economic development and community revitalization efforts. By making homeownership more accessible and affordable, MRBs contribute to stabilizing communities, fostering neighborhood pride, and stimulating local economies.

To continue production at 2023 level, with the increased purchasing costs due to more expensive mortgages, IHDA began exploring how we can generate more capital for our homeownership programs.

### **Taxable Debt**

Like many HFAs, IHDA's bond volume cap is severely constrained with many competing resources. As such, IHDA is began engaging in more taxable issuances as there is no volume cap. The taxable issuances allow for:

- Access to broader investor base: Attract a wider range of investors, including institutional investors and foreign investors who are not concerned with tax-exempt income. This broader investor base can lead to increased demand for the bonds, potentially resulting in lower borrowing costs for the issuer.
- Flexibility in use of proceeds: Unlike tax-exempt bonds, which are typically restricted to financing projects that meet specific public purposes, taxable bonds offer more flexibility in how the proceeds can be used. This flexibility allows IHDA to fund a variety of projects and initiatives.
- Higher borrowing capacity: Allow for IHDA to raise more capital compared to tax-exempt bonds because they are not subject to the volume cap limitations imposed on tax-exempt bond issuances.
- Simpler compliance requirements: Taxable bonds typically have fewer compliance requirements compared to tax-exempt bonds, which are subject to stringent regulations to maintain their tax-exempt status. This will reduce administrative burdens and costs for IHDA.

### **Seeking Foreign Investors**

Seeing a potential new route to sustain and grow internal operations through taxable bond debt, IHDA and our partners developed a new and unique strategy for reaching investors. We specifically targeted foreign investors for our transaction—and we were the first HFA in the nation to do so. We took this approach because we could leverage our strong credit rating and garner international attention for several reasons:

- Higher Yield: Taxable municipal bonds typically offer higher yields compared to their tax-exempt counterparts. Foreign investors, who do not benefit from the tax-exempt status of traditional municipal bonds, are drawn to taxable municipals because they offer potentially higher returns on investment.
- Diversification: Investing in taxable municipal securities allows foreign investors to diversify their portfolios beyond their home countries' bond markets. By spreading their investments across different asset classes and geographic regions, investors can reduce overall portfolio risk and enhance long-term returns.

- **Credit Quality:** With an a “AAA” rated indenture by Moody’s, there was limited risk in placing an order for a portion of the issuance from IHDA. This credit quality provides foreign investors with a level of security and stability in their investments.
- **Stable Currency:** For foreign investors, investing in securities denominated in the U.S. Dollar can help mitigate currency exchange rate risks and preserve the value of their investments.
- **Liquidity:** The market for taxable municipal securities is generally liquid, with active trading in major financial centers around the world. Foreign investors appreciate the liquidity of these securities, as it allows them to buy and sell their holdings easily, minimizing transaction costs and providing flexibility in portfolio management.
- **Global Economic Conditions:** Foreign investors may be attracted to taxable municipal securities as a way to gain exposure to specific sectors or regions experiencing favorable economic conditions. For example, investors seeking exposure to the US economy may find taxable municipal securities issued by state and local governments attractive due to the country's strong economic fundamentals.

However, IHDA did want to protect itself to ensure no bad actors were purchasing our bonds. IHDA worked with our bond counsel to ensure the offering documents included specific disclaimers and language targeting foreign investors, and the language vetted by counsels involved in the transaction ensured compliance with relevant state and federal guidelines.

## **Results**

In January 2024, IHDA priced the single largest single-family issuance in our history at \$495 million. The structure was: Series A included short and intermediate term, tax-exempt fixed rate bonds; Series B included short and intermediate term taxable fixed rate bonds; Series C consisted of taxable variable rate bonds; and Series D consisted of tax-exempt variable rate bonds. These bonds would provide IHDA with new money to redeploy capital for future originations and lock in long-term spread.

IHDA was successful in our strategy of seeking foreign investment in the 2024 Series B with more than \$20MM of orders placed by foreign investors. IHDA now has the knowledge that there is a market for our revenue bonds whose proceeds will be used to finance affordable housing through IHDA’s homebuyer and down payment assistance programs. Specifically, the bonds will finance mortgage loans generally made to low- and moderate-income first-time homebuyers throughout Illinois. The proceeds from the sale will purchase mortgage-backed securities backed by pools of such mortgage loans.

As many HFAs are having to find new and creative ways to stretch their resources as far as they can, selling taxable bonds to international investors may prove to be a new avenue to raise necessary capital to sustain and potentially expand operations. IHDA was pleased with how the process went and will certainly be exploring more of these transactions in the future.

*In the opinion of Ice Miller LLP, Chicago, Illinois (“Bond Counsel”), under existing federal statutes, decisions, regulations and rulings, interest on the Series 2024B Bonds (hereinafter defined) is not excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended, for federal income tax purposes. Under the Illinois Housing Development Act, in its present form, the Series 2024B Bonds and all income from the Series 2024B Bonds are free from all taxation of the State of Illinois or its political subdivisions except for estate, transfer and inheritance taxes. See “TAX MATTERS” herein.*



**\$349,250,000**  
**ILLINOIS HOUSING DEVELOPMENT AUTHORITY**  
**REVENUE BONDS**  
**2024 SERIES B (TAXABLE) (SOCIAL BONDS)**

**Purpose:**

Proceeds of the Illinois Housing Development Authority (the “Authority”) Revenue Bonds, 2024 Series B (the “Series 2024B Bonds”), together with other funds of the Authority, are expected to be used to: (a) finance qualifying mortgage loans through the purchase of, or reimbursement of the prior purchase of, Mortgage-Backed Securities (as defined herein) (or participation interests in such Mortgage-Backed Securities); (b) pay or reimburse the Authority for certain costs incurred in connection with the issuance of the Series 2024B Bonds; (c) pay accrued interest on the Series 2024B Bonds, if required; (d) fund reserve funds, if required; and (e) finance servicing release premiums and payments to lenders. See information under the captions “PLAN OF FINANCE,” “SOURCES AND USES OF FUNDS” and “THE GENERAL INDENTURE PROGRAM.”

**Social Bonds:**

The Series 2024B Bonds have been designated as “Social Bonds.” See “DESIGNATION OF THE SERIES 2024B BONDS AS SOCIAL BONDS” herein.

**Security:**

The Series 2024B Bonds are special limited obligations of the Authority. Together with other Bonds (as defined herein) previously issued or to be issued under the General Indenture (as defined herein), the Series 2024B Bonds have a claim for payment solely from Pledged Property as described in the General Indenture, including Revenues derived from Mortgage Loans and Mortgage-Backed Securities and certain Funds and Accounts held by the Trustee (each as defined herein). See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.” The Series 2024B Bonds: (i) are not general obligations of the Authority; (ii) do not constitute a debt of, and are not guaranteed by, the State of Illinois or the United States or any agency or instrumentality thereof; and (iii) are not secured by a pledge of the full faith and credit of the State of Illinois or the United States or any agency or instrumentality thereof. Further, 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 certain bonds of the Authority because of insufficient moneys available for such payments, shall not apply to the Bonds (including the Series 2024B Bonds).

**Dated/Delivery Date:**

March 6, 2024

**Due:**

April 1 and October 1, as shown on the inside front cover

**Interest Payment Dates:**

April 1 and October 1, commencing October 1, 2024

**Redemption:**

The Series 2024B Bonds are subject to redemption, including redemption at par without premium, as described under the caption “THE SERIES 2024B BONDS – Redemption.”

**Denominations:**

The Series 2024B Bonds will be issued in denominations of \$5,000 and any integral multiple thereof.

**Book-Entry-Only System:**

The Depository Trust Company, New York, New York (the “Securities Depository”). See “THE SERIES 2024B BONDS – Book-Entry-Only System.”

**Trustee and Tender Agent:**

The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois

**Bond Counsel:**

Ice Miller LLP

**Underwriters’ Counsel:**

Cozen O’Connor

*The Series 2024B Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, withdrawal or modification without notice, and to the approval of legality by Ice Miller LLP, Bond Counsel. Certain legal matters will be passed upon for the Authority by its General Counsel, Maureen G. Ohle, Esq., and for the Underwriters by their counsel, Cozen O’Connor, Chicago, Illinois. See information under the caption “LEGAL MATTERS.” It is expected that the Series 2024B Bonds will be available and delivered in book-entry-only form through DTC on or about March 6, 2024.*

**MORGAN STANLEY**

**BofA Securities**

**Loop Capital Markets**

**Siebert Williams Shank & Co., LLC**

**Barclays**

**Ramirez & Co., Inc.**

**TD Securities**

**RBC CAPITAL MARKETS**

**J.P. Morgan**

**Raymond James**

**Wells Fargo Securities**

## MATURITY SCHEDULE

### \$349,250,000 Revenue Bonds, 2024 Series B (Taxable)

#### \$44,270,000 Serial Bonds

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP<sup>†</sup> (45203M)</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>CUSIP<sup>†</sup> (45203M)</u>
4/1/25	\$2,375,000	5.070%	100%	WM9	10/1/31	\$3,330,000	5.294%	100%	WV9
10/1/25	2,440,000	5.070	100	WN7	4/1/32	3,420,000	5.324	100	WW7
4/1/26	2,500,000	5.020	100	WP2	10/1/32	3,515,000	5.424	100	WX5
10/1/26	2,565,000	4.970	100	WQ0	4/1/33	3,615,000	5.454	100	WY3
4/1/27	2,635,000	4.929	100	WR8	10/1/33	3,720,000	5.474	100	WZ0
10/1/30	3,155,000	5.194	100	WT4	4/1/34	3,825,000	5.504	100	XA4
4/1/31	3,240,000	5.244	100	WU1	10/1/34	3,935,000	5.524	100	XB2

\$17,305,000 5.094% Term Bonds due April 1, 2030 – Price 100%; CUSIP No. 45203MWS6<sup>†</sup>  
 \$46,240,000 5.614% Term Bonds due October 1, 2039 – Price 100%; CUSIP No. 45203MXC0<sup>†</sup>  
 \$61,990,000 5.784% Term Bonds due October 1, 2044 – Price 100%; CUSIP No. 45203MXD8<sup>†</sup>  
 \$73,775,000 5.884% Term Bonds due October 1, 2049 – Price 100%; CUSIP No. 45203MXE6<sup>†</sup>  
 \$25,670,000 5.914% Term Bonds due April 1, 2054 – Price 100%; CUSIP No. 45203MXF3<sup>†</sup>  
 \$80,000,000 6.000% PAC Term Bonds due April 1, 2054 – Price 101.638%; CUSIP No. 45203MXG1<sup>†</sup>

<sup>†</sup> CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by the CUSIP Service Bureau, operated by FactSet Research Systems Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service Bureau. This CUSIP number has been assigned by an independent company not affiliated with the Authority and is included solely for the convenience of the registered owners of the applicable Series 2024B Bonds. The Authority and the Underwriters are not responsible for the selection or uses of the CUSIP number, and no representation is made as to the correctness by the Authority and the Underwriters of the Series 2024B Bonds or as included herein. The CUSIP number for a specific maturity and interest rate of a series of the Series 2024B Bonds is subject to being changed after the issuance of the Series 2024B Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part 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 certain maturities and interest rates of a series of the Series 2024B Bonds.

No person has been authorized by the Authority to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Authority or the Underwriters. 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 2024B Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date as of which information is given in this Official Statement.

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

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

This Official Statement contains "forward-looking statements" within the meaning of the federal securities laws. These forward-looking statements may include, among others, statements concerning expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. The Authority has no duty, obligation or expectation to update any of the information contained in this Official Statement if actual results differ materially from those expressed in or implied by such forward-looking statements.

## **INFORMATION CONCERNING OFFERING RESTRICTIONS IN CERTAIN JURISDICTIONS OUTSIDE THE UNITED STATES**

REFERENCES IN THIS SECTION TO THE “ISSUER” MEANS THE AUTHORITY AND REFERENCES TO “BONDS” OR “SECURITIES” MEAN THE SERIES 2024B BONDS OFFERED HEREBY. THE AUTHORITY MAKES NO REPRESENTATION AS TO THE ACCURACY OR THE ADEQUACY OF THE INFORMATION THAT FOLLOWS RELATING TO OFFERINGS IN CERTAIN JURISDICTIONS OUTSIDE OF THE UNITED STATES.

### **MINIMUM UNIT SALES**

THE SERIES 2024B BONDS WILL TRADE AND SETTLE ON A UNIT BASIS (ONE UNIT EQUALING ONE BOND OF \$5,000 PRINCIPAL AMOUNT). FOR ANY SALES MADE OUTSIDE THE UNITED STATES, THE MINIMUM PURCHASE AND TRADING AMOUNT IS 30 UNITS (BEING 30 BONDS IN AN AGGREGATE PRINCIPAL AMOUNT OF \$150,000).

### **NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA (“EEA”)**

THE SERIES 2024B BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY EEA RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, AN “EEA RETAIL INVESTOR” MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, “MIFID II”); (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (AS AMENDED, THE “INSURANCE DISTRIBUTION DIRECTIVE”), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129 (AS AMENDED, THE “EU PROSPECTUS REGULATION”). CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO. 1286/2014 (AS AMENDED, THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE SERIES 2024B BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY EEA RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE SERIES 2024B BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY EEA RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

EACH SUBSCRIBER FOR OR PURCHASER OF THE SERIES 2024B BONDS LOCATED WITHIN THE EEA WILL BE DEEMED TO HAVE REPRESENTED, ACKNOWLEDGED AND AGREED THAT IT IS A “QUALIFIED INVESTOR” AS DEFINED IN THE EU PROSPECTUS REGULATION. THE ISSUER AND EACH UNDERWRITER AND OTHERS WILL RELY ON THE TRUTH AND ACCURACY OF THE FOREGOING REPRESENTATION, ACKNOWLEDGEMENT AND AGREEMENT.

## **NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM (“UK”)**

THE SERIES 2024B BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY UK RETAIL INVESTOR IN THE UK. FOR THESE PURPOSES A “UK RETAIL INVESTOR” MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) 2017/565 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (AS AMENDED, THE “EUWA”); OR (II) A CUSTOMER WITHIN THE MEANING OF PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, THE “FSMA”) AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA; OR (III) NOT A “QUALIFIED INVESTOR” AS DEFINED IN ARTICLE 2 OF REGULATION (EU) 2017/1129 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA (THE “UK PROSPECTUS REGULATION”). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA (AS AMENDED, THE “UK PRIIPS REGULATION”) FOR OFFERING OR SELLING THE SERIES 2024B BONDS OR OTHERWISE MAKING THEM AVAILABLE TO UK RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE SERIES 2024B BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY UK RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

EACH SUBSCRIBER FOR OR PURCHASER OF THE SERIES 204B BONDS LOCATED WITHIN THE UK WILL BE DEEMED TO HAVE REPRESENTED, ACKNOWLEDGED AND AGREED THAT IT IS A “QUALIFIED INVESTOR” AS DEFINED IN THE UK PROSPECTUS REGULATION. THE ISSUER AND EACH UNDERWRITER AND OTHERS WILL RELY ON THE TRUTH AND ACCURACY OF THE FOREGOING REPRESENTATION, ACKNOWLEDGEMENT AND AGREEMENT.

UK RESTRICTIONS ON SALES - THE SERIES 2024B BONDS MUST NOT BE OFFERED OR SOLD AND THIS OFFICIAL STATEMENT AND ANY OTHER DOCUMENT IN CONNECTION WITH THE OFFERING AND ISSUANCE OF THE SERIES 2024B BONDS MUST NOT BE COMMUNICATED OR CAUSED TO BE COMMUNICATED IN THE UK EXCEPT TO PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND QUALIFY AS INVESTMENT PROFESSIONALS UNDER ARTICLE 19 (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, (AS AMENDED, THE “ORDER”) OR ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A)-(D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER OR WHO OTHERWISE FALL WITHIN AN EXEMPTION SET FORTH IN SUCH ORDER SUCH THAT SECTION 21(1) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, “FSMA”) DOES NOT APPLY TO THE ISSUER OR ARE PERSONS TO WHOM THIS OFFICIAL STATEMENT OR ANY OTHER SUCH DOCUMENT MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”). ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS OFFICIAL STATEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

NEITHER THIS OFFICIAL STATEMENT NOR THE SERIES 2024B BONDS ARE OR WILL BE AVAILABLE TO PERSONS WHO ARE NOT RELEVANT PERSONS AND THIS OFFICIAL STATEMENT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. THE COMMUNICATION OF THIS OFFICIAL STATEMENT TO ANY PERSON IN THE UK WHO IS NOT A RELEVANT PERSON IS UNAUTHORIZED AND MAY CONTRAVENE THE FSMA.

#### **ADDITIONAL NOTICE TO PROSPECTIVE INVESTORS IN THE UK**

THIS OFFICIAL STATEMENT DOES NOT COMPRISE A PROSPECTUS WITH REGARD TO THE ISSUER OR THE SERIES 2024B BONDS FOR THE PURPOSES OF THE EU PROSPECTUS REGULATION IN RESPECT OF THE EEA OR UNDER THE UK PROSPECTUS REGULATION IN RESPECT OF THE UK. ACCORDINGLY, ANY PERSON MAKING OR INTENDING TO MAKE ANY OFFER IN THE EEA OR THE UNITED KINGDOM OF THE SERIES 2024B BONDS SHOULD ONLY DO SO IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE ISSUER OR ANY OF THE UNDERWRITERS TO PROVIDE A PROSPECTUS FOR SUCH OFFER. NEITHER THE ISSUER NOR THE UNDERWRITERS HAVE AUTHORIZED, NOR DO THEY AUTHORIZE, THE MAKING OF ANY OFFER OF SERIES 2024B BONDS THROUGH ANY FINANCIAL INTERMEDIARY, OTHER THAN OFFERS MADE BY THE UNDERWRITERS, WHICH CONSTITUTE THE FINAL PLACEMENT OF THE BONDS CONTEMPLATED IN THIS OFFICIAL STATEMENT.

#### **NOTICE TO INVESTORS IN SWITZERLAND**

THE SERIES 2024B BONDS MAY NOT BE PUBLICLY OFFERED IN SWITZERLAND AND WILL NOT BE LISTED ON THE SIX SWISS EXCHANGE (“*SIX*”) OR ON ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A PROSPECTUS OR A KEY INFORMATION DOCUMENT WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON FINANCIAL SERVICES (“*FINSA*”) OR A LISTING PROSPECTUS WITHIN THE MEANING OF THE SIX LISTING RULES OR THE LISTING RULES OF ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. NEITHER THIS OFFICIAL STATEMENT NOR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE SERIES 2024B BONDS OR THE OFFERING MAY BE PUBLICLY OFFERED OR OTHERWISE MADE PUBLICLY AVAILABLE IN SWITZERLAND. ACCORDINGLY, THIS OFFICIAL STATEMENT MAY BE COMMUNICATED IN OR FROM SWITZERLAND TO A LIMITED NUMBER OF SELECTED INVESTORS ONLY.

NONE OF THIS OFFICIAL STATEMENT OR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE OFFERING, THE ISSUER OR THE SERIES 2024B BONDS HAVE BEEN OR WILL BE FILED WITH OR APPROVED BY ANY SWISS REGULATORY AUTHORITY. IN PARTICULAR, THIS OFFICIAL STATEMENT WILL NOT BE FILED WITH, AND THE SERIES 2024B BONDS WILL NOT BE SUPERVISED BY, THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY (“*FINMA*”).

THE SERIES 2024B BONDS DO NOT CONSTITUTE COLLECTIVE INVESTMENTS SCHEMES WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES (“*CISA*”). ACCORDINGLY, INVESTORS ARE EXPOSED TO THE DEFAULT RISK OF THE ISSUER AND DO NOT HAVE THE BENEFIT OF THE SPECIFIC INVESTOR PROTECTION PROVIDED UNDER THE CISA.

## **NOTICE TO PROSPECTIVE INVESTORS IN HONG KONG**

THE CONTENTS OF THIS OFFICIAL STATEMENT HAVE NOT BEEN APPROVED BY THE SECURITIES AND FUTURES COMMISSION IN HONG KONG PURSUANT TO THE SECURITIES AND FUTURES ORDINANCE (CAP. 571 OF THE LAWS OF HONG KONG) (“SFO”) OR ANY REGULATORY AUTHORITY IN HONG KONG. ACCORDINGLY, YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFER OF THE SERIES 2024B BONDS. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFERING CONTEMPLATED IN THIS OFFICIAL STATEMENT. IF YOU ARE IN ANY DOUBT ABOUT ANY OF THE CONTENTS OF THIS OFFICIAL STATEMENT, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

THE SERIES 2024B BONDS MAY NOT BE OFFERED OR SOLD, AND THE OFFERING CONTEMPLATED IN THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN HONG KONG BY MEANS OF ANY DOCUMENT OTHER THAN (I) IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE AN OFFER OR INVITATION TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (CAP. 32 OF THE LAWS OF HONG KONG) (“C(WUMP)O”) OR WHICH DO NOT CONSTITUTE AN INVITATION TO THE PUBLIC WITHIN THE MEANING OF THE SFO, OR (II) TO “PROFESSIONAL INVESTORS” AS DEFINED IN THE SFO AND ANY RULES MADE THEREUNDER, OR (III) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THE DOCUMENT BEING A “PROSPECTUS” AS DEFINED IN THE C(WUMP)O. NO ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE SERIES 2024B BONDS MAY BE ISSUED OR MAY BE IN THE POSSESSION OF ANY PERSON FOR THE PURPOSE OF ISSUE (IN EACH CASE WHETHER IN HONG KONG OR ELSEWHERE), WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC IN HONG KONG (EXCEPT IF PERMITTED TO DO SO UNDER THE LAWS OF HONG KONG) OTHER THAN WITH RESPECT TO SERIES 2024B BONDS WHICH ARE OR ARE INTENDED TO BE DISPOSED OF (A) ONLY TO PERSONS OUTSIDE HONG KONG OR (B) ONLY TO “PROFESSIONAL INVESTORS” IN HONG KONG AS DEFINED IN THE SFO AND ANY RULES MADE THEREUNDER.

## **NOTICE TO PROSPECTIVE INVESTORS IN JAPAN**

THE PRIMARY OFFERING OF THE SERIES 2024B BONDS AND THE SOLICITATION OF AN OFFER FOR ACQUISITION THEREOF IN JAPAN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER PARAGRAPH 1, ARTICLE 4 OF THE FINANCIAL INSTRUMENTS AND EXCHANGE ACT OF JAPAN (NO. 25 OF 1948, AS AMENDED, THE “FIEA”). AS IT IS A PRIMARY OFFERING, IN JAPAN, THE SERIES 2024B BONDS MAY ONLY BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY TO, OR FOR THE BENEFIT OF CERTAIN QUALIFIED INSTITUTIONAL INVESTORS AS DEFINED IN THE FIEA (“QIIS”). A QII WHO PURCHASED OR OTHERWISE OBTAINED THE SERIES 2024B BONDS CANNOT RESELL OR OTHERWISE TRANSFER THE SERIES 2024B BONDS IN JAPAN TO ANY PERSON EXCEPT ANOTHER QII.

OTHER THAN THE PRIMARY OFFERING OF THE SERIES 2024B BONDS AND THE SOLICITATION OF AN OFFER FOR ACQUISITION THEREOF ABOVE OR PURSUANT TO OTHER EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF, AND OTHERWISE IN COMPLIANCE WITH, THE FIEA AND ANY OTHER APPLICABLE LAWS, REGULATIONS AND

MINISTERIAL GUIDELINES OF JAPAN, NEITHER THE SERIES 2024B BONDS NOR ANY INTEREST THEREIN MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN, OR TO, OR FOR THE BENEFIT OF, ANY "RESIDENT" OF JAPAN (AS DEFINED UNDER ITEM 5, PARAGRAPH 1, ARTICLE 6 OF THE FOREIGN EXCHANGE AND FOREIGN TRADE ACT (ACT NO. 228 OF 1949, AS AMENDED)) OR TO OTHERS FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN.

#### **NOTICE TO PROSPECTIVE INVESTORS IN TAIWAN (THE REPUBLIC OF CHINA)**

THE OFFER OF THE SERIES 2024B BONDS HAS NOT BEEN AND WILL NOT BE REGISTERED OR FILED WITH OR APPROVED BY THE FINANCIAL SUPERVISORY COMMISSION OF TAIWAN (THE "FSC") PURSUANT TO APPLICABLE SECURITIES LAWS AND REGULATIONS OF THE REPUBLIC OF CHINA ("TAIWAN") AND THE SERIES 2024B BONDS, INCLUDING ANY COPY OF THIS OFFICIAL STATEMENT OR ANY OTHER DOCUMENTS RELATING TO THE SERIES 2024B BONDS, MAY NOT BE OFFERED, SOLD, DELIVERED OR DISTRIBUTED WITHIN TAIWAN THROUGH A PUBLIC OFFERING OR IN CIRCUMSTANCES WHICH CONSTITUTE AN OFFER WITHIN THE MEANING OF THE SECURITIES AND EXCHANGE ACT OF TAIWAN THAT REQUIRES THE REGISTRATION WITH OR APPROVAL OF THE FSC. NO PERSON OR ENTITY IN TAIWAN HAS BEEN AUTHORIZED TO OFFER, SELL, DISTRIBUTE, GIVE ADVICE REGARDING OR OTHERWISE INTERMEDIATE THE OFFERING, SALE OR DISTRIBUTION OF THE SERIES 2024B BONDS UNLESS THE SERIES 2024B BONDS OFFERED OR SOLD TO INVESTORS IN TAIWAN ARE OTHERWISE THROUGH TAIWAN LICENSED FINANCIAL INSTITUTIONS TO THE EXTENT PERMITTED UNDER RELEVANT TAIWAN LAWS OR REGULATIONS. TAIWAN INVESTORS WHO SUBSCRIBE AND PURCHASE THE SERIES 2024B BONDS SHALL COMPLY WITH ALL RELEVANT SECURITIES, TAX AND FOREIGN EXCHANGE LAWS AND REGULATIONS IN EFFECT IN TAIWAN.

#### **NOTICE TO INVESTORS IN CANADA**

THE SERIES 2024B BONDS MAY BE SOLD IN CANADA ONLY TO PURCHASERS PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPAL THAT ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE SERIES 2024B BONDS MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS.

SECURITIES LEGISLATION IN CERTAIN PROVINCES OR TERRITORIES OF CANADA MAY PROVIDE A PURCHASER WITH REMEDIES FOR RESCISSION OR DAMAGES IF THIS OFFICIAL STATEMENT (INCLUDING ANY AMENDMENT THERETO) CONTAINS A MISREPRESENTATION, PROVIDED THAT THE REMEDIES FOR RESCISSION OR DAMAGES ARE EXERCISED BY THE PURCHASER WITHIN THE TIME LIMIT PRESCRIBED BY THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY. THE PURCHASER SHOULD REFER TO ANY APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY FOR PARTICULARS OF THESE RIGHTS OR CONSULT WITH A LEGAL ADVISOR.

PURSUANT TO SECTION 3A.3 (OR, IN THE CASE OF SECURITIES ISSUED OR GUARANTEED BY THE GOVERNMENT OF A NON-CANADIAN JURISDICTION, SECTION 3A.4) OF NATIONAL INSTRUMENT 33-105 UNDERWRITING CONFLICTS (NI 33-105), THE UNDERWRITERS ARE NOT REQUIRED TO COMPLY WITH THE DISCLOSURE REQUIREMENTS OF NI 33-105 REGARDING UNDERWRITERS' CONFLICTS OF INTEREST IN CONNECTION WITH THIS OFFERING.

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**OFFICIAL STATEMENT  
of the  
ILLINOIS HOUSING DEVELOPMENT AUTHORITY**

**Relating to**

**\$349,250,000**

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
REVENUE BONDS, 2024 SERIES B (TAXABLE) (SOCIAL BONDS)**

**INTRODUCTION**

This Official Statement (including the cover page and all appendices) is being furnished by the Illinois Housing Development Authority (the “Authority”) in order to furnish information in connection with its issuance of \$349,250,000 aggregate principal amount of Revenue Bonds, 2024 Series B Bonds (the “Series 2024B Bonds”). Proceeds of the Series 2024B Bonds will be used as described under the caption “PLAN OF FINANCE.”

The Series 2024B Bonds are to be designated by the Authority as “Social Bonds” as described in “DESIGNATION OF THE SERIES 2024B BONDS AS SOCIAL BONDS” herein.

In addition to the issuance of the Series 2024B Bonds, the Authority is also issuing \$145,000,000 aggregate principal amount of Revenue Bonds, 2024 Series A Bonds (Non-AMT) (Social Bonds) (the “Series 2024A Bonds”). The Series 2024A Bonds are being marketed and sold via a separate official statement and are not being offered under this Official Statement.

The Series 2024B Bonds and the Series 2024A Bonds are being issued by the Authority pursuant to the Illinois Housing Development Act, as amended (the “Act”), in furtherance of its single-family housing mortgage loan program, a resolution adopted by the Authority on January 19, 2024, a Revenue Bonds General Indenture dated as of March 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 Indenture, dated as of March 1, 2024, between the Authority and the Trustee (the “Series 2024A/B Indenture”; together with the General Indenture, the “Indenture”). Prior to the issuance of the Series 2024B Bonds and the Series 2024A Bonds, the Authority had issued \$3,305,660,562.00 of Bonds under the General Indenture. As of December 31, 2023, \$2,627,532,405.38 in principal amount was Outstanding. See APPENDIX A – “CERTAIN INFORMATION CONCERNING THE GENERAL INDENTURE PROGRAM.” The Authority may issue additional Bonds under the General Indenture pursuant to Series Indentures. See information under the caption “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Additional Bonds.” The Series 2024A Bonds, the Series 2024B Bonds and all other bonds subsequently issued under the General Indenture are referred to in this Official Statement as the “Bonds.” Only the Series 2024B Bonds are being offered pursuant to this Official Statement.

The Authority has been involved in the financing of low-and-moderate income housing in the State for more than 40 years. The Authority established the Program under the General Indenture (the “General Indenture Program”) to provide funds to purchase residential mortgage loans originated throughout the State of Illinois (the “State”) (or participation interests in such loans) (“Mortgage Loans”) and mortgage-backed securities that are backed by Mortgage Loans and guaranteed by the Government National Mortgage Association (“GNMA”), the Federal National Mortgage Association (“Fannie Mae”) or the Federal Home Loan Mortgage Corporation (“Freddie Mac” or “FHLMC”) (or participation interests in such securities) (“Mortgage-Backed Securities”), in each case in accordance with the requirements of State and

federal law and the General Indenture. The Authority is authorized by the Act to have up to \$7,200,000,000 aggregate principal amount of bonds outstanding, excluding those issued to refund its outstanding bonds and notes. See “THE AUTHORITY – Powers and Duties.” For more information about the General Indenture Program, see information under the caption “THE GENERAL INDENTURE PROGRAM – General” and APPENDIX A – “CERTAIN INFORMATION CONCERNING THE GENERAL INDENTURE PROGRAM.”

On June 3, 2019, Fannie Mae and Freddie Mac (each an “Enterprise” and together, the “Enterprises”) began issuing common, single mortgage-backed securities, formally known as the Uniform Mortgage-Backed Securities (“UMBS”). The UMBS issued by the Enterprises finance the same types of fixed-rate mortgages that back Fannie Mae Securities and FHLMC Securities and are guaranteed by either Fannie Mae or Freddie Mac depending upon which Enterprise issues the UMBS. As a first-level security, the UMBS are backed by fixed-rate mortgage loans purchased entirely by one of the Enterprises; thus, there is no commingling of collateral. The UMBS have characteristics similar to Fannie Mae Securities and FHLMC Securities and Freddie Mac has modified its security structure to more closely align with Fannie Mae Securities. The Enterprises may be required to consult with each other to ensure specific Enterprise programs or policies do not cause or have the potential to cause cash flows to investors of mortgage-backed securities to misalign. A portion of the proceeds of the Series 2024B Bonds will be used to acquire Mortgage-Backed Securities, which include UMBS. For purposes of this Official Statement, the term “Mortgage-Backed Securities” includes UMBS.

The Series 2024B Bonds are subject to redemption, including redemption at par without premium, as described under the caption “THE SERIES 2024B BONDS – Redemption.”

The Series 2024B Bonds are special limited obligations of the Authority. The Bonds, including the Series 2024B Bonds, are secured under the General Indenture by “Pledged Property,” including Revenues derived from the Mortgage Loans and Mortgage-Backed Securities and certain Funds and Accounts held by the Trustee. See APPENDIX A – “CERTAIN INFORMATION CONCERNING THE GENERAL INDENTURE PROGRAM,” APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE – Certain Definitions” and “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” below. The General Indenture provides that the details of Mortgage Loans or the Mortgage-Backed Securities eligible to be purchased with the proceeds of a Series of Bonds must conform to any Series Program Determinations (as defined herein) set forth in the related Series Indenture. Mortgage-Backed Securities and Mortgage Loans may include participation interests as described under the caption “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Mortgage Loans and Mortgage-Backed Securities – Participation Agreements” below.

The Series 2024B Bonds: (i) are not general obligations of the Authority; (ii) do not constitute a debt of, and are not guaranteed by, the State of Illinois or the United States or any agency or instrumentality thereof; and (iii) are not secured by a pledge of the full faith and credit of the State of Illinois or the United States or any agency or instrumentality thereof. Further, Section 26.1 of the 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 certain bonds of the Authority because of insufficient moneys available for such payments, will not apply to the Bonds (including the Series 2024B Bonds).

The descriptions and summaries of various documents set forth in this Official Statement do not purport to be comprehensive or definitive, and reference is made to each document for the complete details of all terms and conditions. All statements in this Official Statement are qualified in their entirety by reference to each document. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE – Certain Definitions” for definitions of certain capitalized words and terms used in this Official Statement.

## **DESIGNATION OF THE SERIES 2024B BONDS AS SOCIAL BONDS**

### **Overview**

The Authority's mission is to finance the creation and preservation of affordable housing in the State. Affordable housing is a fundamental component of strong communities and serves as the foundation of personal and economic well-being. Where a family lives determines access to schools, jobs, transportation, healthcare and more. For these reasons, expanding the availability and access to quality housing is one of the most essential actions that the Authority takes on behalf of Illinois families. Through the Authority's homebuyer programs, the Authority's purpose is to achieve the following objectives: (i) the provision of funds to finance, at affordable interest rates and/or other terms more favorable than those otherwise available, residential mortgage loans for low and moderate income persons and families; (ii) the provision of housing to alleviate the shortage of adequate housing in the State for persons and families that are residents of the State; and (iii) the effective participation by mortgage lenders in the Authority's homebuyer programs.

The Authority's homebuyer programs, down payment assistance programs, and pre-purchase homebuyer education and counseling requirements are discussed in detail in the Authority's Impact Framework, which is attached hereto as APPENDIX G.

### **Social Bonds Designation**

The Authority is designating the Series 2024B Bonds as Social Bonds based on the intended use of proceeds: to finance affordable housing through IHDA's homebuyer programs and down payment assistance programs, in furtherance of the Authority's mission. Specifically, the Series 2024B Bonds will finance Mortgage Loans generally made to first-time homebuyers of low and moderate income throughout the State. The Series 2024B Bond proceeds will be utilized to purchase Mortgage-Backed Securities backed by pools of such Mortgage Loans.

The Authority believes the intended use of proceeds of the Series 2024B Bonds and the manner of expenditure of such funds are consistent with the four core components described by the International Capital Market Association ("ICMA") in its publication, Social Bond Principles. See "I. IHDA'S SINGLE FAMILY PROGRAM – Social Bonds" of the Authority's Impact Framework, located on the Authority's investor relations page, for a detailed discussion of the Single Family Program and alignment with the ICMA core components. The Authority also has determined that its homebuyer programs map to certain of the United Nations SDGs adopted September 25, 2015, as part of the United Nation's 2030 Agenda for Sustainable Development. For a detailed discussion of the ICMA core components as mapped to the SDGs, see APPENDIX G – "ILLINOIS HOUSING DEVELOPMENT AUTHORITY IMPACT FRAMEWORK."

### **Post-Issuance Reporting**

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 Series 2024B Bonds for the financing of Mortgage Loans or Mortgage-Backed Securities backed by pools of Mortgage Loans. The Authority expects that such annual updates will consist of the information outlined in APPENDIX H – "FORM OF SOCIAL BONDS ANNUAL REPORT"; 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. While the Authority expects to post such annual updates as voluntary filings on the Electronic Municipal Market Access system ("EMMA") of the Municipal Securities Rulemaking Board ("MSRB"), this reporting is separate from the

Authority's obligations described under "CONTINUING DISCLOSURE." Failure by the Authority to provide such updates is not a default or an event of default under the Indenture or the Continuing Disclosure Undertaking.

The term "Social 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 Social Bonds is entitled to any additional security beyond that provided therefor in the Indenture. Holders of Social Bonds do not assume any specific risk with respect to any of the funded Mortgage Loans or Mortgage-Backed Securities by reason of the Series 2024B Bonds being designated as Social Bonds and such Series 2024B Bonds are secured on parity with all other Bonds issued and to be issued under the General Indenture.

## **THE SERIES 2024B BONDS**

### **General**

The Series 2024B Bonds will be dated the date of their delivery. The Series 2024B Bonds will bear interest from their dated date at the rate or rates set forth on the inside cover page of this Official Statement, payable semiannually on each April 1 and October 1, with the first interest payment date being October 1, 2024. The Series 2024B Bonds are issuable only in fully registered form in denominations of \$5,000 or any integral multiple of \$5,000.

The Series 2024B 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 2024B Bonds. Purchasers of the Series 2024B Bonds will not receive physical delivery of the bond certificates representing their beneficial ownership interests. See "THE SERIES 2024B BONDS – Book-Entry-Only System."

Interest on the Series 2024B Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. As long as the Series 2024B Bonds are registered in the name of a nominee of DTC, the principal of, interest on and redemption premium, if any, will be paid pursuant to the book-entry procedures as described under "THE SERIES 2024B BONDS – Book-Entry-Only System."

If at any time the book-entry procedures described under "THE SERIES 2024B BONDS – Book-Entry-Only System" do not apply to the Series 2024B Bonds and beneficial owners are delivered certificated Series 2024B Bonds pursuant to the Series 2024A/B Indenture, the principal of and redemption premium, if any, on the Series 2024B Bonds will be payable at the principal corporate trust office of the Trustee and interest due on the Series 2024B Bonds will be paid to the Owners by the Trustee by check (or, in the case of Owners of Series 2024B Bonds in a principal amount equal to or exceeding \$1 million upon request by wire transfer) to the person in whose name the Series 2024B Bond is registered as of the fifteenth day of the month preceding each Interest Payment Date.

### **Redemption**

Under the conditions described below, the Series 2024B Bonds are subject to redemption prior to maturity. As described below, the Series 2024B Bonds are subject to redemption pursuant to optional redemption, mandatory sinking fund redemption or special redemption.

#### *Optional Redemption of Series 2024B Bonds*

Except as provided below for the Series 2024B PAC Bonds, the Series 2024B Bonds are subject to redemption at the option of the Authority on any date on or after April 1, 2034, in whole or in part, from

any moneys available for such purpose at a redemption price equal to 100 percent of the principal amount of such Series 2024B Bonds so redeemed, as applicable, plus accrued interest, if any, to the date of redemption, without premium.

Any Series 2024B PAC Bonds optionally redeemed pursuant to the first paragraph of this subsection will be redeemed at a redemption price of par, plus accrued interest, plus the unamortized premium thereon as determined by the Authority by a straight-line amortization of the original issue premium on the Series 2024B PAC Bonds between the date of issue and the date the premium would reduce to zero, as reflected in the following table:

**2024 Series B PAC Bonds**

<u>Date Redeemed</u>	<u>Redemption Price (%)</u>	<u>Date Redeemed</u>	<u>Redemption Price (%)</u>
Issue Date to 9/30/24	101.638	4/1/29 to 9/30/29	100.779
10/1/24 to 3/31/25	101.491	10/1/29 to 3/31/30	100.702
4/1/25 to 9/30/25	101.379	4/1/30 to 9/30/30	100.623
10/1/25 to 3/31/26	101.282	10/1/30 to 3/31/31	100.542
4/1/26 to 9/30/26	101.200	4/1/31 to 9/30/31	100.459
10/1/26 to 3/31/27	101.132	10/1/31 to 3/31/32	100.373
4/1/27 to 9/30/27	101.065	4/1/32 to 9/30/32	100.285
10/1/27 to 3/31/28	100.996	10/1/32 to 3/31/33	100.195
4/1/28 to 9/30/28	100.926	4/1/33 to 9/30/33	100.191
10/1/28 to 3/31/29	100.853	10/1/33 and later	100.000

*Sinking Fund Redemption for the Series 2024B Term Bonds*

The Series 2024B Bonds that are Term Bonds maturing on April 1, 2030 are subject to mandatory redemption in part, on October 1 and April 1 at the times and in the amounts shown below, at a redemption price equal to 100 percent of the principal amount of such Series 2024B Bonds so redeemed plus accrued interest to the date of redemption, without premium:

<u>Redemption Date</u>	<u>Sinking Fund Requirement (\$)</u>
October 1, 2027	\$2,700,000
April 1, 2028	2,770,000
October 1, 2028	2,845,000
April 1, 2029	2,920,000
October 1, 2029	2,995,000
April 1, 2030 <sup>†</sup>	3,075,000

<sup>†</sup> Maturity

The Series 2024B Bonds that are Term Bonds maturing on October 1, 2039 are subject to mandatory redemption in part, on April 1 and October 1 at the times and in the amounts shown below, at a

redemption price equal to 100 percent of the principal amount of such Series 2024B Bonds so redeemed plus accrued interest to the date of redemption, without premium:

<u>Redemption Date</u>	<u>Sinking Fund Requirement (\$)</u>
April 1, 2035	\$4,050,000
October 1, 2035	4,165,000
April 1, 2036	4,290,000
October 1, 2036	4,415,000
April 1, 2037	4,540,000
October 1, 2037	4,675,000
April 1, 2038	4,810,000
October 1, 2038	4,955,000
April 1, 2039	5,095,000
October 1, 2039 <sup>†</sup>	5,245,000

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<sup>†</sup> Maturity

The Series 2024B Bonds that are Term Bonds maturing on October 1, 2044 are subject to mandatory redemption in part, on April 1 and October 1 at the times and in the amounts shown below, at a redemption price equal to 100 percent of the principal amount of such Series 2024B Bonds so redeemed plus accrued interest to the date of redemption, without premium:

<u>Redemption Date</u>	<u>Sinking Fund Requirement (\$)</u>
April 1, 2040	\$5,400,000
October 1, 2040	5,565,000
April 1, 2041	5,730,000
October 1, 2041	5,905,000
April 1, 2042	6,085,000
October 1, 2042	6,270,000
April 1, 2043	6,460,000
October 1, 2043	6,655,000
April 1, 2044	6,855,000
October 1, 2044 <sup>†</sup>	7,065,000

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<sup>†</sup> Maturity

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The Series 2024B Bonds that are Term Bonds maturing on October 1, 2049 are subject to mandatory redemption in part, on April 1 and October 1 at the times and in the amounts shown below, at a redemption price equal to 100 percent of the principal amount of such Series 2024B Bonds so redeemed plus accrued interest to the date of redemption, without premium:

<u>Redemption Date</u>	<u>Sinking Fund Requirement (\$)</u>
April 1, 2045	\$6,405,000
October 1, 2045	6,605,000
April 1, 2046	6,810,000
October 1, 2046	7,025,000
April 1, 2047	7,240,000
October 1, 2047	7,465,000
April 1, 2048	7,690,000
October 1, 2048	7,930,000
April 1, 2049	8,175,000
October 1, 2049 <sup>†</sup>	8,430,000

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<sup>†</sup> Maturity

The Series 2024B Bonds that are Term Bonds maturing on April 1, 2054 are subject to mandatory redemption in part, on April 1 and October 1 at the times and in the amounts shown below, at a redemption price equal to 100 percent of the principal amount of such Series 2024B Bonds so redeemed plus accrued interest to the date of redemption, without premium:

<u>Redemption Date</u>	<u>Sinking Fund Requirement (\$)</u>
April 1, 2050	\$3,835,000
October 1, 2050	2,590,000
April 1, 2051	2,670,000
October 1, 2051	2,750,000
April 1, 2052	2,840,000
October 1, 2052	2,930,000
April 1, 2053	3,020,000
October 1, 2053	3,115,000
April 1, 2054 <sup>†</sup>	1,920,000

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<sup>†</sup> Maturity

*Sinking Fund Redemption for Series 2024B PAC Term Bonds*

The Series 2024B Bonds that are PAC Term Bonds maturing on April 1, 2054 are subject to mandatory redemption in part, on April 1 and October 1 at the times and in the amounts shown below, at a redemption price equal to 100 percent of the principal amount of such Series 2024B PAC Bonds so redeemed plus accrued interest to the date of redemption, without premium:

<u>Redemption Date</u>	<u>Sinking Fund Requirement (\$)</u>
April 1, 2045	\$ 870,000
October 1, 2045	895,000
April 1, 2046	925,000
October 1, 2046	950,000
April 1, 2047	980,000
October 1, 2047	1,010,000
April 1, 2048	1,045,000
October 1, 2048	1,075,000
April 1, 2049	1,110,000
October 1, 2049	1,140,000
April 1, 2050	6,035,000
October 1, 2050	7,585,000
April 1, 2051	7,825,000
October 1, 2051	8,070,000
April 1, 2052	8,320,000
October 1, 2052	8,580,000
April 1, 2053	8,850,000
October 1, 2053	9,125,000
April 1, 2054 <sup>†</sup>	5,610,000

<sup>†</sup> Maturity

*Special Redemption of Series 2024B Bonds from Unexpended Proceeds of the Series 2024B Bonds*

The Series 2024B Bonds shall also be subject to redemption prior to maturity, in whole or in part, at any time upon notice as required by the General Indenture from proceeds of the Series 2024B Bonds that are not spent to acquire Mortgage-Backed Securities at a redemption price equal to 100 percent of the outstanding principal amount thereof, plus accrued interest to the redemption date except for 2024 Series B PAC Bonds which shall be redeemed at a redemption price set forth below. Accrued interest, if any, to the redemption date will be paid upon redemption. Any such redemption shall be allocated among the maturities of Series 2024B Bonds being redeemed, as nearly as practicable, on a pro rata basis according to the respective principal amounts of each maturity then Outstanding. Any Series 2024B PAC Bonds redeemed pursuant to this paragraph shall be redeemed at the applicable redemption prices reflected during the time periods shown in the table for the 2024 Series B PAC Bonds set forth under “*Optional Redemption of Series 20243B Bonds*” above, plus accrued interest. The Series 2024B PAC Bond sinking fund amounts set forth above are to be reduced pro rata to the extent that amounts are applied to the redemption of the Series 2024B PAC Bonds from non-origination proceeds as described above. The Authority expects to expend proceeds of the Series 2024B Bonds to acquire Mortgage-Backed Securities by April 1, 2024.

*Special Redemption of the Series 2024B Bonds from Recoveries of Principal*

The Series 2024B Bonds will be subject to redemption prior to maturity at the option of the Authority, in whole or in part, on any date, at a redemption price equal to 100 percent of the principal amount thereof, from Recoveries of Principal (as defined herein) received by or on behalf of the Authority and allocable to any Series of Bonds under the General Indenture; provided, however, that the Authority’s right to so redeem Series 2024B PAC Bonds is limited as described under “*Series 2024B PAC Bonds*” below, and the Authority is required to redeem Series 2024B PAC Bonds from certain Recoveries of

Principal as described under “*Series 2024B PAC Bonds*” below. Accrued interest, if any, to the redemption date will be paid upon redemption.

*Series 2024B PAC Bonds*

The Series 2024B PAC Bonds will be subject to redemption as described below in an amount up to the cumulative amounts set forth in column (A) in the table below during the applicable redemption period beginning and ending on the dates as set forth in the table below. Such redemptions (i) will be made by the Authority at least once every six months commencing with the period ending October 1, 2024 from Taxable Prepayments (as defined below) not previously applied to redeem Series 2024B PAC Bonds (or used as described in “*Use of Excess Taxable Prepayments*” below), and (ii) at the option of the Authority, may be made more frequently or from any of the sources referred to in “*Special Redemption of the Series 2024B Bonds from Recoveries of Principal*” above and “*Special Redemption of Series 2024B Bonds from Revenues Available under the General Indenture*” below, but in each case only to the extent that redemptions described in the foregoing clauses (i) and (ii) in any period set forth in the following table do not cause the cumulative amounts of Series 2024B PAC Bonds redeemed to exceed the cumulative amounts for such period set forth in column (A) of the table below. If the amount available for a redemption described in clause (i) is less than \$100,000, the Authority may delay redemption of the Series 2024B PAC Bonds until the amount of Taxable Prepayments available totals \$100,000 or more. The cumulative amounts in column (A) in the table below are intended to be equal to 79.26% of the cumulative amounts of Taxable Prepayments that would be received by the end of the respective period if certain assumptions were realized, including the assumption that all of the prepayments on the Mortgage-Backed Securities allocable to the Series 2024B Bonds are received at a rate equal to 75% of the SIFMA Prepayment Model (as defined below). “Taxable Prepayments” as of any date means Recoveries of Principal with respect to the Unrestricted Mortgage-Backed Securities (as defined below) (other than proceeds of a sale or other disposition of such an Unrestricted Mortgage-Backed Security) received by the Trustee and not theretofore applied, or then required to be applied, pursuant to the General Indenture to eliminate a deficiency in the Debt Service Account. “Unrestricted Mortgage-Backed Securities” means Mortgage-Backed Securities purchased or deemed to have been purchased with proceeds of the Series 2024B Bonds or financed with a payment of principal or Recovery of Principal with respect to a Mortgage-Backed Security financed with the proceeds of the Series 2024B Bonds.

Notwithstanding the preceding paragraph, to the extent cumulative Taxable Prepayments since the date of issuance of the Series 2024B Bonds in any period exceed the amounts set forth in column (B) of the table below for such period, the Authority may use such excess Taxable Prepayments to redeem Series 2024B PAC Bonds in any amount in excess of the cumulative amount set forth in column (A) for such period. The cumulative amounts in column (B) of the table below are intended to be the cumulative amounts of Taxable Prepayments that would be received by the end of the respective period if certain assumptions were realized, including the assumption that all of the prepayments on the Mortgage-Backed Securities allocable to the Series 2024B Bonds are received at a rate equal to 400% of the SIFMA Prepayment Model (as defined below). In addition, notwithstanding the preceding paragraph, Series 2024B PAC Bonds may be redeemed as described below under “*Special Redemption of Series 2024B Bonds from Revenues Available under the General Indenture*” if no other Series 2024B Bonds are Outstanding.

<u>Date</u>	<u>PAC</u>	(A) 75% PSA Lower Band <u>Cumulative Table</u>	(B) 400% PSA Upper Band <u>Cumulative Table</u>
10/1/2024	\$ 925,000	\$ 925,000	\$ 7,605,000
4/1/2025	2,405,000	3,330,000	25,415,000
10/1/2025	3,605,000	6,935,000	54,500,000
4/1/2026	4,750,000	11,685,000	85,205,000
10/1/2026	5,705,000	17,390,000	118,870,000
4/1/2027	5,730,000	23,120,000	151,030,000
10/1/2027	5,570,000	28,690,000	180,685,000
4/1/2028	5,405,000	34,095,000	206,735,000
10/1/2028	5,250,000	39,345,000	226,585,000
4/1/2029	5,095,000	44,440,000	244,105,000
10/1/2029	4,940,000	49,380,000	257,635,000
4/1/2030	4,790,000	54,170,000	269,635,000
10/1/2030	4,645,000	58,815,000	279,030,000
4/1/2031	4,500,000	63,315,000	287,385,000
10/1/2031	4,365,000	67,680,000	293,975,000
4/1/2032	4,220,000	71,900,000	299,845,000
10/1/2032	4,090,000	75,990,000	304,500,000
4/1/2033	3,935,000	79,925,000	308,655,000
10/1/2033	75,000	80,000,000	311,965,000

Use of Excess Taxable Prepayments. During any period set forth in the table above, if Series 2024B PAC Bonds have been redeemed in a cumulative amount at least equal to the amounts set forth in column (A) of the above table for such period, Taxable Prepayments may then be applied to the redemption of Series 2024B Bonds other than the Series 2024B PAC Bonds, but limited as provided above, or the redemption of Bonds of other Series to the extent permitted by the General Indenture and the related Series Indenture, or may be transferred to the Program Fund to the extent permitted by the General Indenture. Taxable Prepayments in excess of the cumulative amounts for each redemption period set forth in column (B) of the above table may be applied as described in the preceding sentence, or may be applied to the redemption of the Series 2024B PAC Bonds.

Weighted Average Life of Series 2024B PAC Bonds. Weighted average life refers to the average amount of time that will elapse from the date of issuance of a bond until each dollar of principal of such bond will be repaid to the investor. The weighted average life of the Series 2024B PAC Bonds will be influenced by the rate at which the principal on the Unrestricted Mortgage-Backed Securities are paid (and may be influenced by the rate at which the principal of Mortgage-Backed Securities or Mortgage Loans financed with future Series of Bonds are paid). Principal payments on Mortgage-Backed Securities may be in the form of scheduled amortizations or prepayments including prepayments and liquidations due to default or other dispositions of Mortgage Loans underlying Mortgage-Backed Securities. Prepayments on Mortgage Loans are commonly measured by a prepayment standard or model.

The model used in the following discussion is the “SIFMA Prepayment Model.” The SIFMA Prepayment Model is based on an assumed rate of prepayment each month of the then unpaid principal balance of the Mortgage Loans. The SIFMA Prepayment Model assumes a prepayment rate of 0.2% in the first month, increasing by 0.2% in each succeeding month until the thirtieth month of the mortgages’ lives and then assumes a constant prepayment rate of six percent (6%) per annum of the unpaid principal balance

for the remaining lives of the mortgages. The SIFMA Prepayment Model is sometimes referred to by market participants as the PSA Prepayment Model.

As used in this Official Statement, “0% PSA” assumes no prepayments on the principal of the Mortgage Loans acquired with the proceeds of the Series 2024B Bonds. “25% PSA” assumes the principal of Mortgage Loans will prepay at a rate one-quarter times as fast as the prepayment rates for 100% of the SIFMA Prepayment Model. “50% PSA” assumes the principal of such Mortgage Loans will prepay at a rate one-half times as fast as the prepayment rates for 100% of the SIFMA Prepayment Model. “75% PSA” assumes the principal of such Mortgage Loans will prepay at a rate three-quarters times as fast as prepayment rates for 100% of the SIFMA Prepayment Model. “100% PSA” assumes the principal of the Mortgage Loans will prepay at a rate equal to the prepayment rates for 100% of the SIFMA Prepayment Model. “150% PSA” assumes the principal of the Mortgage Loans will prepay at a rate one and one-half times as fast as the prepayment rates for 100% of the SIFMA Prepayment Model. “200% PSA” assumes the principal of such Mortgage Loans will prepay at a rate twice as fast as the prepayment rates for 100% of the SIFMA Prepayment Model. “300% PSA” assumes the principal of such Mortgage Loans will prepay at a rate three times as fast as the prepayment rates for 100% of the SIFMA Prepayment Model. “400% PSA” assumes the principal of such Mortgage Loans will prepay at a rate four times as fast as the prepayment rates for 100% of the SIFMA Prepayment Model. “500% PSA” assumes the principal of such Mortgage Loans will prepay at a rate five times as fast as the prepayment rates for 100% of the SIFMA Prepayment Model.

There is no assurance, however, that prepayment of the principal of such Mortgage Loans will conform to any level of the SIFMA Prepayment Model. The rate of principal payments of mortgage loans is influenced by a variety of economic, geographic, social and other factors, including the level of mortgage interest rates and the rate at which homeowners sell their homes or default on their mortgage loans. In general, if prevailing interest rates fall significantly, such Mortgage Loans are likely to be subject to higher prepayment rates than if prevailing rates remain at or above the interest rates on such Mortgage Loans. Conversely, if interest rates rise, the rate of prepayment would be expected to decrease. Other factors affecting prepayment of Mortgage Loans include, but are not limited to, changes in mortgagors’ housing needs, job transfers, unemployment and ‘mortgagors’ net equity in the mortgaged properties. In addition, as homeowners move or default on their Mortgage Loans, the houses are generally sold and the Mortgage Loans prepaid, although under certain circumstances the Mortgage Loans may be assumed by a new buyer. Because of the foregoing and since the rate of prepayment of principal of such Mortgage-Backed Securities will depend on the rate of repayment (including prepayments) of the Mortgage Loans, the actual maturity of any Series 2024B Bond is likely to occur earlier, and could occur significantly earlier than, its stated maturity.

The figures in the following table utilize the General Indenture Program assumptions as described under the heading “ASSUMPTIONS REGARDING REVENUES, DEBT SERVICE REQUIREMENTS AND PROGRAM EXPENSES” and various additional assumptions, including, but not limited to (1) all Unrestricted Mortgage-Backed Securities are purchased at the times currently anticipated, (2) Taxable Prepayments on such Mortgage-Backed Securities in amounts not exceeding a cumulative percentage of 400% of the SIFMA Prepayment Model are applied as described above under the captions “Series 2024B PAC Bonds” and “Use of Excess Taxable Prepayments”; (3) Taxable Prepayments in excess of 400% of the SIFMA Prepayment Model are applied proportionally to the redemption of the Series 2024B Bonds then Outstanding, including the Series 2024B PAC Bonds; and (4) the Series 2024B Bonds are not redeemed pursuant to optional redemption. However, Taxable Prepayments in excess of 400% of the SIFMA Prepayment Model are not required to be applied proportionally to the redemption of all the Series 2024B Bonds then Outstanding. The table assumes that Taxable Prepayments are received at the various rates listed in the following table. There can be no assurance that such assumptions will in fact prove to be accurate.

<u>PSA Prepayment Speed (%)</u>	<u>Average Life in Years</u>	<u>Last Date Outstanding</u>
0	27.5	4/1/2054
25	14.1	4/1/2054
50	7.0	4/1/2038
75	5.0	10/1/2033
100	5.0	10/1/2033
200	5.0	10/1/2033
300	5.0	10/1/2033
400	5.0	10/1/2033
500	4.7	10/1/2033

*Special Redemption of Series 2024B Bonds from Revenues Available under the General Indenture*

The Series 2024B Bonds will be subject to redemption prior to maturity, in whole or in part, on any date, at the option of the Authority, or as required by law, at a redemption price equal to 100 percent of the principal amount thereof, plus accrued interest to the redemption date from Revenues and amounts in excess of the Reserve Requirement transferred from the Reserve Fund to the Revenue Fund that are available under the General Indenture after making all payments required to be made therefrom pursuant to the General Indenture; provided, however, that the Authority's right to so redeem Series 2024B PAC Bonds is limited as described under "Series 2024B PAC Bonds" above; and, provided further, that the Series 2024B PAC Bonds may be redeemed pursuant to this paragraph, notwithstanding the limitations set forth under "Series 2024B PAC Bonds" above, if no other Series 2024B Bonds are outstanding. Accrued interest, if any, to the redemption date will be paid upon redemption.

In connection with any redemption from such Revenues, the Series 2024B Bonds will be selected for redemption as directed by the Authority provided that no Series 2024B PAC Bonds will be redeemed in amounts that would cause the outstanding principal amount of such bonds following such redemption to be less than the Series 2024B PAC Bond Outstanding Applicable Amount (set forth above), as of such date, unless no other Series 2024B Bonds remain outstanding.

*Selection of Amounts and Maturities of Series 2024B Bonds for Redemption*

The amounts and maturity dates of any Series 2024B Bonds to be redeemed pursuant to any redemption as provided above will be determined at the discretion of the Authority, as provided in a written direction to the Trustee (which shall be accompanied by a Compliance Certificate or Cash Flow Statement, as appropriate, giving effect to such redemption).

**General Redemption Provisions**

As long as the Series 2024B Bonds are held by Cede & Co., as nominee of DTC, notice of any redemption of Series 2024B Bonds will be mailed not less than 20 days and not more than 90 days prior to the date set for redemption. Such notices will be furnished to DTC. The Authority has been informed that DTC will in turn forward the information to the Participants (as defined below), which will then provide the appropriate notification to correspondents and Beneficial Owners (as defined below).

Failure of DTC or any Participant to provide notice to any Beneficial Owner will not affect the validity of the proceedings for the redemption of the applicable Series 2024B Bonds.

If the Series 2024B Bonds are not held by the nominee of DTC or the nominee of any successor securities depository, notice of any redemption will be mailed at least 20 days but no more than 90 days prior to the date established for the redemption of Series 2024B Bonds to the Bondowners of the Series 2024B Bonds, or portions thereof, to be redeemed at their addresses as they appear on the registry books of the Authority. Redemption notices shall be sent by first-class mail. Such notice will specify the redemption price, the redemption date, the place or places where amounts due upon redemption will be payable, the maturities and the distinctive numbers, if any, of the Series 2024B Bonds to be redeemed and, if less than all of the Series 2024B Bonds of a given maturity are to be redeemed, the portion of the principal amounts 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 shall not have been satisfied on or prior to the redemption date, such notice shall be of no force and effect and such Series 2024B Bonds shall not be redeemed. Once notice of redemption is sent in accordance with the General Indenture, it will be effective whether or not the Bondowners actually receive such notice. Failure to send notice of redemption, or any defect in such notice, with respect to any Series 2024B Bond will not affect the validity of the proceedings for the redemption of any other Series 2024B Bond.

The Series 2024B Bonds selected for redemption and redeemed in part from time to time shall be redeemed in one or more units of \$5,000 or any integral multiple of \$5,000 of principal of such Series 2024B Bonds. If, on the redemption date, (i) the conditions precedent, if any, to such redemption have been satisfied, (ii) in the case of any redemption other than pursuant to Sinking Fund Requirements, money for the redemption of all the Series 2024B Bonds or portions thereof to be redeemed, together with interest to the redemption date, is held by the Trustee so as to be available therefor on such date (or, in the case of interest, has been mailed to the Bondowners), and (iii) notice of redemption has been given as aforesaid, then the Series 2024B Bonds or portions thereof so called for redemption will become due and payable at the applicable redemption price, plus accrued interest, if any, and from and after the date fixed for redemption, interest on the Series 2024B Bonds or portions thereof so called for redemption will cease to accrue.

Pursuant to the Indenture, the Trustee, upon receipt of an Authority Request, may purchase Series 2024B Bonds from amounts on deposit in the Redemption Account at the most advantageous price obtainable with reasonable diligence, such price not to exceed (except to the extent permitted by the Indenture and applicable law) the redemption price plus accrued interest that would be payable on (i) the next redemption date, if such Series 2024B Bonds are then redeemable, or (ii) on the date such Series 2024B Bonds are first redeemable. Such Authority Request shall be accompanied by a Cash Flow Statement if such purchase is not consistent with the assumptions set forth in the most recently filed Cash Flow Statement.

Any Series 2024B Bonds to be purchased or redeemed, other than pursuant to Sinking Fund Requirements, will be purchased or redeemed by the Trustee upon written direction of the Authority (which shall be accompanied by a Cash Flow Statement if such purchase or redemption is not consistent with the assumptions set forth in the most recently filed Cash Flow Statement).

So long as the Series 2024B Bonds are held by a nominee of DTC, DTC will determine the method of allocating the redemption among the Beneficial Owners of the maturity of such Series 2024B Bonds to be redeemed on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC operational arrangements then in effect. If the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, such Bonds will be selected for redemption in accordance with DTC procedures, by lot. If Series 2024B Bonds are not held by a nominee of DTC and if less than all of the Series 2024B Bonds of one series and maturity are called for redemption, the particular

Series 2024B Bonds of such series and maturity to be redeemed will be selected on a pro rata basis not later than 25 days prior to the date fixed for redemption, or such lesser number of days as shall be acceptable to the Trustee; provided that (1) the portion of any Series 2024B Bonds to be redeemed is in the principal amount of \$5,000 or an integral multiple thereof, and (2) in selecting Series 2024B Bonds for purchase upon redemption, each Series 2024B Bond will be treated as representing that number of Series 2024B Bonds that is obtained by dividing the principal amount of such Series 2024B Bond by \$5,000.

If less than all of the Term Bonds Outstanding of any one maturity of a series of Series 2024B Bonds is purchased for cancellation or called for redemption (other than in satisfaction of Sinking Fund Requirements), the principal amount of such Term Bonds that are so purchased or redeemed shall be credited, to the extent practicable, except as otherwise directed by the Authority, against all remaining Sinking Fund Requirements for such Term Bonds in the proportion which the then-remaining balance of each such Sinking Fund Requirement bears to the total of all such series of Series 2024B Bonds of such maturity then Outstanding.

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

The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources the Authority and the Underwriters believe to be reliable, but neither the Authority nor the Underwriters take any responsibility for the accuracy or completeness thereof.

DTC will act as securities depository for the Series 2024B Bonds. The Series 2024B Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2024B Bond certificate will be issued for each maturity of the Series 2024B Bonds in the aggregate principal amount of such maturity, and such Series 2024B Bond certificate will be deposited with DTC.

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

Purchases of Series 2024B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024B Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024B Bond ("Beneficial Owner") is in turn to be recorded

on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written 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 Series 2024B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024B Bonds, except in the event that use of the book-entry system for the Series 2024B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024B 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 2024B 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 2024B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024B 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 notice and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2024B Bonds may wish to take certain steps to augment transfers to them of notices of significant events with respect to Series 2024B Bonds, such as redemption, tenders, defaults and proposed amendments to the Series 2024B Bond documents. For example, Beneficial Owners of the Series 2024B Bonds may wish to ascertain that the nominee holding the Series 2024B Bonds has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2024B Bonds within a maturity are being redeemed, DTC shall determine the amount of the interest of each Direct Participant in such maturity to be redeemed on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC operational arrangements then in effect. If the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, such Bonds will be selected for redemption in accordance with DTC procedures, by lot according to the respective principal amounts of each maturity then outstanding.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024B Bonds unless authorized by a Direct Participant in accordance with DTC's 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 2024B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments (including redemption proceeds) on the Series 2024B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Trustee or the Authority, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such

Participant and not of DTC, 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 (including redemption proceeds) to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2024B 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, certificates for the affected Series 2024B Bonds are required to be printed and delivered.

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

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

NEITHER THE TRUSTEE NOR THE AUTHORITY WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY PARTICIPANT, ANY PERSON CLAIMING A BENEFICIAL OWNERSHIP INTEREST IN ANY SERIES 2024B BONDS UNDER OR THROUGH DTC OR ANY PARTICIPANT, OR ANY OTHER PERSON THAT IS NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A BONDOWNER, 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 PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON ANY SERIES 2024B BOND, ANY NOTICE THAT IS REQUIRED TO BE GIVEN TO BONDOWNERS 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 2024B BONDS, OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF THE SERIES 2024B BONDS.

#### *Revision of Book-Entry-Only System*

In the event that the Authority and the Trustee receive written notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Series 2024B Bonds will no longer be restricted to being registered in the register of the Authority kept by the Trustee in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names the Bondowners transferring or exchanging Series 2024B Bonds will designate, in accordance with the Indenture.

### **ASSUMPTIONS REGARDING REVENUES, DEBT SERVICE REQUIREMENTS AND PROGRAM EXPENSES**

#### **General**

The Authority made certain assumptions, including those set forth under this caption, in establishing the principal amounts of and the maturities and Sinking Fund Requirements with respect to the Series 2024B Bonds.

The Authority expects scheduled payments under the Mortgage-Backed Securities, together with Recoveries of Principal, if any, and other moneys and securities held under the General Indenture and the income thereon, to be sufficient to pay, when due, Expenses of the General Indenture Program and the debt service attributable to the Series 2024B Bonds. In forming this expectation, the Authority has not considered the issuance of additional Bonds, other than the Series 2024A Bonds, or the application or investment of the proceeds thereof; however, a condition to issuing such additional Bonds is the filing of a Cash Flow Statement accompanied by a Rating Certificate. Because all Bonds issued under the General Indenture will rank equally and ratably with the Series 2024B Bonds with respect to the security afforded by the General Indenture, availability of money for repayment of the Series 2024B Bonds could be significantly affected by the issuance, application, and investment of proceeds of additional Bonds.

The Authority believes it is reasonable to make the assumptions set forth below, but can give no assurance that the actual receipt of moneys will correspond to estimated Revenues available to pay the debt service on and the Expenses incurred in connection with the Series 2024B Bonds.

### **Assumptions**

In connection with the issuance of the Series 2024B Bonds, the Authority has made the following assumptions in determining the sufficiency of revenues available under the General Indenture for payment of debt service attributable to the Series 2024B Bonds:

- (a) Approximately \$349,250,000 of the proceeds of the Series 2024B Bonds will be used to acquire participation interests (see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Mortgage Loans and Mortgage-Backed Securities” and “– Participation Agreements”) in Mortgage-Backed Securities that have a weighted average pass-through rate of approximately 6.69%, an approximate weighted average term of 356 months on the closing date.
- (b) Amounts on deposit in various Funds and Accounts under the General Indenture applicable to the Series 2024B Bonds will be invested at the minimum re-investment rate as required by the Rating Agency.
- (c) All Expenses with respect to the Series 2024B Bonds, including the expenses of the Trustee, will be paid in full on a timely basis from investment income on funds held by the Trustee and a portion of interest paid on Mortgage-Backed Securities.

## **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

### **General**

All Series 2024B Bonds are special limited obligations of the Authority with a claim for payment solely from Pledged Property, as defined in the General Indenture. The Series 2024B Bonds: (i) are not general obligations of the Authority; (ii) do not constitute a debt of, and are not guaranteed by, the State of Illinois or the United States or any agency or instrumentality thereof; and (iii) are not secured by a pledge of the full faith and credit of the State of Illinois or the United States or any agency or instrumentality thereof.

All Series 2024B Bonds are secured by a pledge and assignment and grant of a lien on and security interest in the Pledged Property. Pledged Property includes all Revenues, as defined in the General Indenture, including money received by or on behalf of the Authority or the Trustee representing:

- (i) principal and interest payments on Mortgage Loans, including, without limitation, Recoveries of Principal;
- (ii) payments on the Mortgage-Backed Securities and the documents evidencing and securing the Mortgage-Backed Securities, including any guaranty of such Mortgage-Backed Securities;
- (iii) interest earnings on Funds and Accounts held by the Trustee (other than the Rebate Fund); and
- (iv) all Funds and Accounts held by the Trustee (other than the Rebate Fund).

Pledged Property does not include amounts required 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.

SECTION 26.1 OF THE 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 CERTAIN OF ITS BONDS BECAUSE OF INSUFFICIENT MONEYS AVAILABLE FOR SUCH PAYMENT, SHALL NOT APPLY TO THE BONDS (INCLUDING THE SERIES 2024B BONDS).

### **Mortgage Loans and Mortgage-Backed Securities**

Pursuant to the General Indenture, the Authority is permitted to issue Bonds to finance Mortgage Loans or Mortgage-Backed Securities, in addition to the other purposes described in “Additional Bonds” below (which may include the financing of other types of loans or securities). Pools of Mortgage Loans underlying Mortgage-Backed Securities are not Pledged Property under the General Indenture. The terms of the Mortgage Loans, the Mortgage Loans underlying Mortgage-Backed Securities and the type of Mortgage-Backed Securities which may be purchased from the proceeds of a particular Series of Bonds must conform to any restrictions set forth in the respective Series Indenture relating to that Series of Bonds.

For information regarding the requirements of Mortgage Loans purchased by the Authority under the General Indenture Program and Mortgage Loans underlying Mortgage-Backed Securities purchased by the Authority under the General Indenture Program, see information under the captions “THE GENERAL INDENTURE PROGRAM – Mortgage Loans” and “– Mortgage-Backed Securities.”

#### *Mortgage Loans*

Each Mortgage Loan must be evidenced by a note and secured by a mortgage or equivalent security on an owner-occupied residence in the State or a participation interest in such a loan pursuant to a Participation Agreement. The Series Indenture for each Series of Bonds may include Series Program Determinations establishing additional requirements of the Mortgage Loans eligible to be purchased with proceeds of such Bonds.

### *Mortgage-Backed Securities*

Each Mortgage-Backed Security must be a GNMA Security, a UMBS, or a participation interest in any of the foregoing pursuant to a Participation Agreement. The terms of the GNMA, Fannie Mae and FHLMC single-family mortgage-backed securities programs require that all Mortgage Loans: (i) if underlying a GNMA Security, be insured by FHA or guaranteed by the Department of Veteran's Affairs ("VA") or the United States Department of Agriculture Rural Development ("USDA/RD"), or guaranteed by HUD and administered by the Office of Public and Indian Housing ("PIH") or (ii) if underlying a UMBS, be insured by a private mortgage insurance policy (if in an amount in excess of certain loan-to-value ratios).

### *GNMA Securities*

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

GNMA is authorized to guarantee the timely payment of the principal of and interest on securities ("GNMA Securities" or "GNMA Certificates") that are based on and backed by trusts or pools composed of mortgages that are insured or guaranteed by (i) the FHA; (ii) the VA; (iii) the USDA/RD; or (iv) guaranteed by HUD under Section 184 of the Housing and Community Development Act of 1992, as amended and administered by the Office of Public and Indian Housing ("PIH"). The GNMA Certificates are issued by approved servicers. GNMA guarantees the timely payment of principal of and interest on the GNMA Certificates. The full faith and credit of the United States is pledged to the payment of all amounts required to be paid under each such guaranty. To the extent necessary, GNMA will borrow from the United States Treasury any amounts necessary to enable GNMA to honor its guaranty of the GNMA Securities. GNMA is required to honor its guaranty only if the Master Servicer is unable to make the full payment on any GNMA Certificate, when due. GNMA Certificates constitute GNMA Securities under the Indenture.

GNMA administers two mortgage-backed securities programs, the "Ginnie Mae I MBS Program" and the "Ginnie Mae II MBS Program." The principal differences between the two programs relate to the interest rate structure of the mortgage loans backing the GNMA Certificates, maximum maturities of such mortgage loans and the means by which principal and interest payments are made. These differences are not expected to affect adversely the availability of Revenues to pay principal of and interest on the Bonds.

See APPENDIX D for more information regarding GNMA and its mortgage-backed security program.

### *Fannie Mae Securities*

The Federal National Mortgage Association ("Fannie Mae") is a federally-chartered, private, stockholder-owned corporation organized and existing under the Federal National Mortgage Association Charter Act (12 U.S.C. § 1716 et seq.). Fannie Mae is subject to the supervision and regulation of the Federal Housing Finance Agency, an independent agency of the federal government, to the extent provided in the Housing and Economic Recovery Act of 2008 ("HERA"). The Authority cannot predict the long-term consequences of the conservatorship of this entity and the corresponding impact on the participants and the Program. The Secretary of HUD also exercises regulatory power over Fannie Mae. Among other things, Fannie Mae issues mortgage-backed securities primarily in exchange for pools of mortgage loans from lenders.

Fannie Mae operates a mortgage-backed securities program pursuant to which Fannie Mae issues UMBS backed by pools of mortgage loans (“Fannie Mae Certificates” or “Fannie Mae Securities”). Each Fannie Mae Certificate represents an undivided ownership interest in a specified pool of mortgage loans purchased by Fannie Mae. Generally, Fannie Mae Certificates are issued in book-entry form, representing a minimum of \$1,000 unpaid principal amount of mortgage loans. As of June 3, 2019, each Fannie Mae Certificate is a UMBS.

Fannie Mae guarantees to the registered holders of Fannie Mae Certificates that it will distribute amounts representing (i) scheduled principal and interest at the applicable pass-through rate on the mortgage loans in the pools represented by such Fannie Mae Certificates, whether or not received, and (ii) the full principal balance of any foreclosed or other finally liquidated mortgage loans, whether or not such principal balance is actually received. FANNIE MAE’S OBLIGATIONS UNDER THE FANNIE MAE CERTIFICATES, INCLUDING ANY UMBS ISSUED BY FANNIE MAE, ARE OBLIGATIONS SOLELY OF FANNIE MAE AND ARE NOT BACKED BY, OR ENTITLED TO, THE FULL FAITH AND CREDIT OF THE UNITED STATES OR ANY OF ITS AGENCIES OR INSTRUMENTALITIES OTHER THAN FANNIE MAE. If Fannie Mae is unable to satisfy such obligation, distributions on the Fannie Mae Certificates would consist solely of payments and other recoveries on the underlying mortgage loans. Accordingly, such monthly distributions after a Fannie Mae default could be adversely affected by delinquent payments and defaults on such mortgage loans and could adversely affect payments on the Series 2024B Bonds. Fannie Mae Certificates constitute Fannie Mae Securities under the Indenture.

See the information in APPENDIX D for more information regarding Fannie Mae and its mortgage-backed security program and actions taken in 2008 by the federal government regarding its supervision and regulation of Fannie Mae.

#### *FHLMC Securities*

Freddie Mac is a shareholder-owned, government-sponsored enterprise created on July 24, 1970, pursuant to the Federal Home Loan Mortgage Corporation Act (Title III of the Emergency Home Finance Act of 1970, as amended (12 U.S.C. §§ 1451-1459)) (the “Freddie Mac Act”). Freddie Mac is also subject to the supervision and regulation of the Federal Housing Finance Authority to the extent provided in HERA. Furthermore, Freddie Mac has operated under conservatorship with the FHFA as Conservator since September 6, 2008. Upon its appointment, FHFA, as Conservator, immediately succeeded to all rights, titles, powers and privileges of Freddie Mac and of any stockholder, officer or director of Freddie Mac with respect to Freddie Mac and its assets. The Authority cannot predict the long-term consequences of the conservatorship of this entity and the corresponding impact on the participants and the Program.

Freddie Mac issues UMBS guaranteed by Freddie Mac (“Freddie Mac Certificates”) under its Guarantor Program (as defined in Appendix D hereto). Freddie Mac Certificates are issued only in book-entry form through the Federal Reserve Banks’ book-entry system. Each Freddie Mac Certificate represents an undivided interest in a pool of mortgages. Payments by borrowers on the mortgages in the pool are passed through monthly by Freddie Mac to record holders of the Freddie Mac Certificates representing interests in that pool. All of the mortgages are either conventional mortgages or mortgages guaranteed or insured by FHA, the Department of Veterans Affairs, the U.S. Department of Agriculture Rural Development, or HUD (“FHA/VA Mortgages”). Conventional mortgages are pooled separately from FHA/VA mortgages. Freddie Mac issues two types of Freddie Mac Certificates — Gold PCs and ARM PCs. Gold PCs are backed by (i) fixed-rate, level payment, fully amortizing mortgages, (ii) fixed-rate Initial Interest Mortgages, or (iii) Modified Mortgages with or without Step Rate Increases. ARM PCs are backed by adjustable rate mortgages. In connection with its single security initiative, Freddie Mac has ceased issuing new Gold PCs as of June 3, 2019. As of June 3, 2019, the Freddie Mac Certificates are UMBS.

See the information in APPENDIX D for more information regarding FHLMC and its mortgage-backed security program.

#### *Participation Agreements*

Under the General Indenture, a Mortgage-Backed Security or Mortgage Loan purchased with proceeds of Bonds may be a participation interest in a GNMA Security, Fannie Mae Security or FHLMC Security, or a participation interest in a loan described under “Mortgage Loans” above, financed in part with funds under the General Indenture and in part with funds under another bond resolution or indenture of the Authority. In such cases, the underlying security or loan, and the participation interest therein financed by such other bond resolution or indenture, is not Pledged Property under the General Indenture. Pursuant to a Participation Agreement, principal payments and prepayments on such a security or loan would be allocated between the General Indenture and such other bond resolution or indenture according to a specified ratio, generally expected to be in proportion to the respective amount financed, but interest payments may be allocated in different proportion, such that the effective interest rate, or yield, to the General Indenture on the principal amount of the participation financed with funds under the General Indenture may be higher or lower than the interest rate of the underlying security or loan. A portion of the Mortgage-Backed Securities to be purchased with amounts deposited to the 2024 Series B Program Account are expected to be such participation interests in GNMA Securities, Fannie Mae Securities, and FHLMC Securities, as described under the caption “PLAN OF FINANCE” below.

#### *Series Program Determinations*

The Series Indenture for each Series of Bonds may include Series Program Determinations establishing additional requirements of the Mortgage Loans eligible to be purchased with proceeds of such Bonds. Series Program Determinations may vary between Series of Bonds under the General Indenture.

#### *Master Servicer*

Acting pursuant to a Mortgage Servicing Agreement, dated as of December 27, 2018 (the “Master Servicing Agreement”), between U.S. Bank National Association (the “Master Servicer”) and the Authority, as amended from time to time, the Master Servicer will purchase Mortgage Loans from those qualified mortgage lending institutions participating in the General Indenture Program (each a “Mortgage Lender”). The Master Servicer will issue the GNMA Securities or acquire the Fannie Mae Securities and Freddie Mac Certificates with respect to such Mortgage Loans. The Master Servicer is required to be, and is, an FHA-, VA- and USDA/RD-approved mortgagee, an approved issuer of GNMA Securities, a Fannie Mae-approved seller and servicer of Fannie Mae Securities and a Freddie Mac-approved seller and servicer of Freddie Mac Certificates.

#### *Servicing of Mortgage Loans*

Mortgage Loans supporting or represented by the Mortgage-Backed Securities held and pledged under the General Indenture will be serviced by the Master Servicer in accordance with the Master Servicing Agreement and the GNMA Guide, the Fannie Mae Guide or the FHLMC Guide, as applicable.

The Master Servicer is required to remit to the Trustee all scheduled payments of principal, interest and any principal prepayments that are payable with respect to the applicable GNMA Security, Fannie Mae Security or FHLMC Security when any of the same shall be due and payable (excluding the payments on a GNMA Security, Fannie Mae Security or FHLMC Security received in the month such GNMA Security, Fannie Mae Security or FHLMC Security is purchased) and to meet all of its obligations under the GNMA Guide, the GNMA Guaranty Agreements, the Fannie Mae Guide and the Fannie Mae Pool Purchase

Contract, the FHLMC Guide and the FHLMC Pool Purchase Contract or contractual agreements entered into between the Master Servicer and GNMA, Fannie Mae or FHLMC.

*Program Securities Pledged under the Indenture*

As of December 31, 2023, the following Program Securities (comprised of GNMA Securities, FHLMC Securities, and Fannie Mae Securities) were pledged to secure Outstanding Bonds under the Indenture:

<u>Program Securities</u>	<u>Principal Outstanding Balance</u>	<u>Percentage</u>
Federal Home Loan Mortgage Corporation	\$ 330,679,828.56	12.52%
Federal National Mortgage Association	1,034,888,797.90	39.18
Ginnie Mae I	19,909,736.34	0.75
Ginnie Mae II	<u>1,255,589,516.76</u>	47.54
TOTAL	<u>\$2,641,067,879.56</u>	100.00%

SEE APPENDIX A – “CERTAIN INFORMATION CONCERNING THE GENERAL INDENTURE PROGRAM.”

**Reserve Fund**

The General Indenture establishes a Reserve Fund to be used to pay debt service on Bonds to the extent amounts available in the Revenue Fund are insufficient. The General Indenture establishes a Reserve Requirement, as of any particular date of calculation, equal to the sum of all amounts established as Series Reserve Requirements in the respective Series Indentures for the Bonds Outstanding. The Series Reserve Requirement for the Series 2024B Bonds is zero dollars (\$0).

On each debt service payment date, after paying debt service on Bonds, any Hedge Payments payable from the Revenue Fund, various credit or liquidity fees and Expenses, amounts in the Revenue Fund are required to be transferred to the Reserve Fund until the amount on deposit in the Reserve Fund equals the Reserve Requirement.

**Cash Flow Statements and Rating Certificates**

*General.* The General Indenture allows the Authority to take various actions subject to filing with the Trustee a Cash Flow Statement (or Cash Flow Certificate) and a Rating Certificate. A Cash Flow Statement is a certificate of an Authorized Representative stating that each set of cash flow projections included in the certificate demonstrates that there will at all times be available sufficient amounts in the Funds and Accounts to pay timely all principal of and interest on the Bonds, and to make when due all Hedge Payments that are payable from the Revenue Fund (as provided in a Series Indenture or in a Supplemental Indenture pursuant the General Indenture), and to fund the Reserve Fund to the Reserve Fund Requirement, and to pay Expenses described in clause (i) of the definition thereof in the General Indenture, under the assumptions set forth in the Cash Flow Statement. A Rating Certificate is a Certificate stating that the Authority has been advised by each Rating Agency (including by means of published rating criteria) that the then Rating of the Bonds by the Rating Agency will not be reduced as a result of the actions to be taken by the Authority. A Cash Flow Statement must be filed with the Trustee in connection with the issuance of the Series 2024B Bonds.

A Cash Flow Statement may include a single set of cash flow projections or more than one set of cash flow projections, and each set of projections shall set forth the assumptions, which shall be consistent

with the Authority's reasonable expectations at the time such Cash Flow Statement is filed, as to actions to be taken pursuant to the Indenture and as to the characteristics and behavior of Pledged Property and of the Authority's payment obligations under the Indenture, upon which such projections are based. Amounts credited to the Special Program Fund (other than amounts restricted to the payment of debt service on the Bonds) shall not be taken into account when preparing a Cash Flow Statement.

A Cash Flow Certificate or a Cash Flow Statement, as appropriate, and a Rating Certificate are required prior to the Authority taking any of the following actions:

1. issuing any Series of Bonds;
2. making certain supplements or amendments to a Series Indenture including, without limitation, Series Program Determinations;
3. entering into any Hedge Agreement;
4. remarketing any Bonds in connection with a change in tender period except as required at the time of their issuance; or
5. causing amounts to be transferred from the Authority Program Accounts to the Authority.

In addition to the above requirements, prior to taking certain other actions, the General Indenture requires the Authority to file with the Trustee a Cash Flow Certificate or a Cash Flow Statement. A Cash Flow Certificate with respect to any action is a Certificate stating that the action is consistent with the assumptions set forth in the most recently filed Cash Flow Statement. The actions for which either a Cash Flow Certificate or a Cash Flow Statement must be filed are:

1. any purchase or redemption of Bonds (other than mandatory redemption pursuant to Sinking Fund Requirements, other mandatory redemptions as provided in a Series Indenture, certain other purchases of Bonds as provided in the General Indenture, and any purchase or redemption of Bonds that is consistent with the assumptions set forth in the most recently filed Cash Flow Statement);
2. withdrawals of amounts from the Revenue Fund to pay Expenses in excess of (or other than) those specified in a Series Indenture, or to a Series Program Account or Authority Program Account, or to the Authority free and clear of the pledge and lien of the Indenture;
3. any amendment or sale or other disposition of any Mortgage Loan not in default or Mortgage-Backed Securities not in default that would cause the aggregate principal amount of the Mortgage Loans and Mortgage-Backed Securities amended or sold or disposed of since filing of the last Cash Flow Statement to exceed five percent (5%) of the aggregate principal amount of all Mortgage Loans and Mortgage-Backed Securities;
4. any use of Recoveries of Principal with respect to Mortgage Loans or Mortgage-Backed Securities (other than Mortgage Loans or Mortgage-Backed Securities acquired solely with amounts in any Authority Program Account) for any use other than purchase or redemption of Bonds or payment of scheduled debt service;
5. any transfer of amounts from the Redemption Account to an Account of the Program Fund pursuant to the General Indenture;

6. any payment of Expenses described in clause (ii) of the definition thereof in the General Indenture; or
7. making any material change not consistent with the assumptions set forth in the most recently filed Cash Flow Statement.

For information concerning assumptions made by the Authority in connection with its delivery of the Cash Flow Certificate for the issuance of the Series 2024B Bonds, see information under the caption “ASSUMPTIONS REGARDING REVENUES, DEBT SERVICE REQUIREMENTS AND PROGRAM EXPENSES.”

### **Additional Bonds**

Under the General Indenture, the Authority may issue additional Bonds on parity with Outstanding Bonds for the purpose of financing Mortgage Loans, financing Mortgage-Backed Securities, making deposits in Funds and Accounts under the General Indenture, refunding Bonds or other Authority obligations, or any other lawful purposes of the Authority as specified in a Series Indenture. Additional Series of Bonds may be issued only upon filing a Cash Flow Certificate or a Cash Flow Statement, as appropriate, and a Rating Certificate with the Trustee. See “Cash Flow Statements and Rating Certificates” above.

### **PLAN OF FINANCE**

The Authority expects to use proceeds of the Series 2024B Bonds, together with other funds of the Authority, to: (a) finance qualifying mortgage loans through the purchase of, or reimbursement of the prior purchase of, Mortgage-Backed Securities (or participation interests in such Mortgage-Backed Securities); (b) pay or reimburse the Authority for certain costs incurred in connection with the issuance of the Series 2024B Bonds; (c) pay accrued interest on the Series 2024B Bonds, if required; (d) fund reserve funds, if required; and (e) finance servicing release premiums and payments to lenders.

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## SOURCES AND USES OF FUNDS

The estimated sources and uses of funds in connection with the issuance of the Series 2024B Bonds are as follows, rounded to the nearest dollar:

### Sources:

Principal Amount of Series 2024B Bonds	\$349,250,000
Premium on Series 2024B PAC Bonds	1,310,400
Funds of the Authority	<u>1,135,539</u>
<b>Total Sources</b>	<b><u>\$351,695,939</u></b>

### Uses:

Deposit into Taxable Bonds Subaccount of 2024 Series B Program Account to acquire Unrestricted Mortgage-Backed Securities (and participation interests in Unrestricted Mortgage-Backed Securities)	\$349,250,000
Costs of Issuance	<u>2,445,939</u>
<b>Total Uses</b>	<b><u>\$351,695,939</u></b>

## THE AUTHORITY

### **Powers and Duties**

The Authority is a body politic and corporate of 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 not-for-profit 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 \$7,200,000,000 of bonds and notes outstanding, excluding those issued to refund its outstanding bonds and notes. As of December 31, 2023, the Authority had debt outstanding in the amount of \$5,625,377,049.28, which consisted of general obligation debt, special limited obligation debt and conduit debt. The conduit debt, which is special limited obligation debt, accounts for \$2,207,598,886.29 of the total as of that same date.

### **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:

<u>Members</u>	<u>Office</u>
King Harris	Chairman – Chairman, Harris Holdings
Luz Ramirez	Vice Chairman – Chief Administrative Officer, YWCA Northwestern Illinois
Salvatore Tornatore	Treasurer – Principal, Tornatore Law Office
Tommy Arbuckle	Secretary – Developer
Sonia Berg	Member – Realtor, Ruhl & Ruhl Realtors
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 for Strategy and Planning, Civic Committee and Commercial Club of Chicago

## **Management**

The Authority employs a staff of approximately 350 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.

**KRISTIN FAUST**, Executive Director, joined the Authority in November of 2019 and brings 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. Ms.

Faust previously served as Chief Deputy Treasurer for the State of California and worked for Nehemiah Corporation of California. Earlier in her career, Executive Director Faust spent 15 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 the John F. Kennedy School of Government at Harvard University, where she obtained a Master's 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 the Authority in October of 2021. Prior to joining the Authority, 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.

**KEITH EVANS**, Chief Information Officer/Interim Chief Financial Officer, joined the Authority as Chief Information Officer in July 2022 and was designated as the Authority's interim CFO on September 15, 2023. He has served in CIO roles since 2003 in real estate/property management and financial services organizations. Prior to joining the Authority, Mr. Evans was most recently Managing Director of

Information Technology at Wespath Benefits and Investments, a not-for-profit administrative agency of the United Methodist Church (“UMC”), responsible for safeguarding the well-being of the UMC clergy and lay employees through the provision of retirement plans, investment solutions and health benefit plans. Mr. Evans started his career in finance and accounting, and he has held leadership roles in finance, consulting, strategy, operations and IT. Mr. Evans earned his M.B.A. in Finance and Marketing from the Kellogg School of Management at Northwestern University and his undergraduate degree in Economics from Stanford University.

**MAUREEN G. OHLE**, General Counsel and Assistant Secretary, joined the Authority in November of 2010 as Senior Counsel and was promoted to General Counsel in August of 2011. Before joining the Authority, she worked in the real estate group at Sidley Austin LLP, practicing as a staff attorney in the firm’s Chicago office. Prior to this, she worked as a Vice President/Transaction Manager for JP Morgan Chase Bank, N.A. in the commercial mortgage-backed securities group, having started her career as an associate at Sidley Austin’s Washington, D.C. office. Ms. Ohle holds a Bachelor of Arts degree in Political Studies from the University of Illinois-Springfield and a Juris Doctorate degree from The Catholic University of America Columbus School of Law. Ms. Ohle is currently a volunteer member of the Digs with Dignity finance committee.

**TIMOTHY HICKS**, Managing Director of Accounting/Deputy Chief Financial Officer, joined the Authority in January of 2019 as the Authority’s Controller and was promoted to Managing Director of Accounting/Deputy Chief Financial Officer in July of 2023. Mr. Hicks is a licensed Certified Public Accountant (“CPA”), having started as a CPA in Colorado, 2001-2021, and later with Illinois, 2016-present. Before joining the Authority, Mr. Hicks worked at the Forest Preserve District of Cook County as the Comptroller. In that capacity, he was responsible for managing all aspects of accounting and finance including financial planning & reporting, budgeting, treasury, accounts payable, fixed assets and payroll. Prior to this, he worked as the Assistant City Treasurer for the City of Chicago. Mr. Hicks received his Master of Business Administration in Finance and Marketing from the University of Illinois, Chicago and his Bachelor of Science Degree in Accounting from Alabama State University

**MUHAMMAD JALALUDDIN**, Controller/Deputy Director of Accounting, joined the Authority in September of 2020 as the Assistant Controller. Mr. Jalaluddin was promoted to Deputy Controller/Director of Accounting in July of 2021 and was promoted to Controller in July of 2023. Mr. Jalaluddin is a licensed Certified Public Accountant (CPA), having started as a CPA in October in Colorado, 2009-present, and later with Illinois, 2019-present. Throughout his career, he has held various roles in accounting, demonstrating a deep understanding of accounting practices. Previously, he served as the Director of Financial Reporting at Brookfield Properties and as an Assistant Vice President, Manager of Financial Reporting at BMO Harris Bank. Mr. Jalaluddin holds an MBA and an undergraduate degree from Northern Illinois University. Mr. Jalaluddin has previously served as the Authority’s Chief Accountability Officer.

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 GENERAL INDENTURE PROGRAM**

*The description of the General Indenture Program that follows reflects the current policies of the Authority and is subject to change, including in connection with the issuance of additional Bonds, which will be secured on a parity basis with the Series 2024B Bonds.*

## **General**

The purpose of the General Indenture Program is to provide funds to acquire Mortgage-Backed Securities with amounts available under the Series Program Accounts, which Mortgage-Backed Securities are backed by Mortgage Loans made to eligible borrowers (“Eligible Borrowers”) for owner-occupied, one-to four-unit residences (“Qualified Residences”). Under the General Indenture, the Authority may also purchase Mortgage Loans (which are not underlying Mortgage-Backed Securities) made to Eligible Borrowers for Qualified Residences in accordance with the requirements of State and federal law and the General Indenture, and may offer Eligible Borrowers down payment assistance or closing cost assistance.

Under the Authority’s current program, Eligible Borrowers may receive second-lien loans for such down payment assistance or closing cost assistance (“Assistance Loans”): (i) in the amount of \$10,000 with a term of 10 years, bearing interest at 0% per annum with equal monthly payments of principal to amortize the loan over its term; or (ii) in the amount of \$7,500 with a term of 5 years, bearing interest at 0% per annum with equal amounts of principal forgiven each month over its term; or (iii) in an amount of 4% of the purchase price, not to exceed \$6,000, with a term of 10 years, bearing interest at 0% per annum with equal amounts of principal forgiven each month over its term; or (iv) in an amount of 5% of the purchase price, not to exceed \$7,500 with a term of 30 years, unless repaid sooner in the event of a refinance or sale of the property, at which time the funds will be due bearing interest at 0% per annum. Any remaining balance of an Assistance Loan is due upon the refinancing of the borrower’s first-lien mortgage loan.

## **Mortgage-Backed Securities**

Each Mortgage-Backed Security purchased by the Authority under the General Indenture must be a GNMA Security, a Fannie Mae Security or an FHLMC Security (or a participation interest in any of them pursuant to a Participation Agreement). Each Mortgage Loan underlying a Mortgage-Backed Security must meet the general conditions of the Authority’s General Indenture Program as well as all other conditions of GNMA, Fannie Mae or FHLMC, as the case may be, all as set forth in the Master Servicing Agreement, the Master Servicer Lender Guide and the GNMA Guide, the Fannie Mae Guide and the FHLMC Guide, as the case may be (the “Program Agreements”).

Under the Master Servicing Agreement, the Master Servicer determines the eligibility of Mortgage Loans prior to pooling them for the purpose of issuing a Mortgage-Backed Security for purchase by the Authority. Each Mortgage Loan that backs a GNMA Security must be FHA-insured or VA- or USDA/RD-guaranteed, and each Mortgage Loan that backs a Fannie Mae Security or an FHLMC Security must be insured by a private mortgage insurance policy (if in an amount in excess of certain loan-to-value ratios). Further, each Mortgage Loan that backs a Mortgage-Backed Security must (i) be made only to an Eligible Borrower for the purpose of providing financing for the purchase, or in certain circumstances set forth in a Series Indenture, the refinancing, of a Qualified Residence and (ii) meet the origination and loan-to-value standards set forth in the Program Agreements. The maximum loan-to-value ratio will be the FHA maximum with respect to the FHA-insured Mortgage Loans, the VA maximum with respect to VA-guaranteed Mortgage Loans, the USDA/RD maximum with respect to USDA/RD-guaranteed Mortgage Loans and the Fannie Mae and FHLMC maximums, as the case may be, with respect to conventional Mortgage Loans. Each Mortgage Loan underlying a Mortgage-Backed Security will provide for substantially level monthly payments of principal and interest on the first day of each month.

## **Program Eligibility**

Under the Act, the Authority may acquire Mortgage-Backed Securities consisting of pools of Mortgage Loans secured by a lien on real property located within the State and improved by a residential structure, or unimproved if the Mortgage Loan proceeds are used for the erection of a residential structure.

The Authority has adopted rules and regulations for Mortgage Loans governing, among other things, the types of residences, the eligibility requirements for borrowers, the mortgage lenders and the Mortgage Loans.

The General Indenture provides that the details of the Mortgage Loans to be purchased with the proceeds of a Series of Bonds or to be pooled into Mortgage-Backed Securities to be purchased with the proceeds of a Series of Bonds must conform to any Series Program Determinations set forth in the related Series Indenture.

The Authority will adjust the limitations on Eligible Borrower household gross income and acquisition costs from time to time in accordance with requirements of the Code. There is no assurance that any such adjustments will not reduce the maximum Eligible Borrower household gross income or the maximum acquisition cost applicable to the General Indenture Program.

### **Origination and Purchase of Mortgage-Backed Securities**

Historically, the Authority purchased Mortgage Loans from Mortgage Lenders which were approved by the Authority and which entered into mortgage purchase agreements with the Authority (each, a “Purchase Agreement”). The Purchase Agreement, together with the Master Servicing Agreement, allows Mortgage Lenders to originate and sell Mortgage Loans to U.S. Bank National Association, as master servicer (the “Master Servicer”) in order that the Master Servicer may pool such Mortgage Loans into Mortgage-Backed Securities and sell them to the Authority. The terms of the Purchase Agreements are subject to change so long as there is compliance with State and federal law and the Indenture.

Mortgage Lenders must process all Mortgage Loans in compliance with the requirements of the Purchase Agreements and the Master Servicing Agreement. The Mortgage Lender performs the initial underwriting of the Mortgage Loan. Credit underwriting must be in compliance with:

- (i) accepted mortgage industry underwriting standards;
- (ii) for Mortgage Loans required to have private mortgage insurance, standards approved by the qualified private mortgage insurer;
- (iii) for Mortgage Loans that are FHA-insured, VA-guaranteed or USDA/RD-guaranteed, standards specified by the applicable agency; and
- (iv) for Mortgage Loans that are to be pooled into Mortgage-Backed Securities, standards specified in the Program Agreements. The Authority’s procedure manual emphasizes use of FHA underwriting guidelines (other than with respect to VA-insured Mortgage Loans or USDA/RD-guaranteed Mortgage Loans, which shall be subject to VA or USDA/RD underwriting guidelines, respectively).

The Mortgage Lender must obtain an application package consisting of all required credit and employment information, appraisals, affidavits, certificates and other documents required by the Master Servicer Lender Guide and forward the application package to the Master Servicer. The Master Servicer, in accordance with the applicable procedures under the Master Servicing Agreement, reviews the compliance package and mortgage file for each Mortgage Loan to be pooled in order to back a Mortgage Security and determines its acceptability before pooling them into a related Mortgage-Backed Security.

The Authority purchases Mortgage-Backed Securities backed by pools of Mortgage Loans in accordance with the provisions of the Master Servicing Agreement. All Mortgage Loans financed through

the acquisition of Mortgage-Backed Securities must meet (i) any requirements outlined in the applicable Series Program Determination, (ii) the requirements of the GNMA Guide, the Fannie Mae Guide or the FHLMC Guide, as applicable, and (iii) the requirements of the Master Servicing Agreement. The purchase price for Mortgage Loans underlying Mortgage-Backed Securities will be the price set forth in the Master Servicing Agreement, as amended from time to time.

### **Loan Servicing**

Pursuant to the Master Servicing Agreement with the Master Servicer, the Master Servicer is responsible for servicing the Mortgage Loans underlying the Mortgage-Backed Securities. Such Mortgage Loans must be in the form of a mortgage or other instrument approved by the FHA in the case of an FHA insured loan, USDA/RD in the case of a loan guaranteed by USDA/RD, Fannie Mae or FHLMC in the case of a conventional loan, or as approved by the Authority for other loans and which meets the requirements set forth in the Purchase Agreement.

Pursuant to the Master Servicing Agreement, the Master Servicer is expected to issue GNMA Securities, and acquire Fannie Mae Securities and FHLMC Securities, in each case backed by Mortgage Loans which the Master Servicer has purchased from the Mortgage Lenders, and sell such Mortgage-Backed Securities to the Authority. From time to time proceeds of Bonds will be used to reimburse the Authority for the purchase price of Mortgage-Backed Securities (which meet the requirements of the General Indenture Program and the applicable Series Program Determinations) previously purchased by the Authority. Upon such reimbursement, those Mortgage-Backed Securities are transferred to the General Indenture as Pledged Property.

Under the Master Servicing Agreement, the Master Servicer is primarily responsible for the purchase, pooling and servicing of Mortgage Loans that underlie Mortgage-Backed Securities that are to be purchased by the Authority under the General Indenture Program.

Under the terms of the Master Servicing Agreement, the Master Servicer must service the applicable Mortgage Loans in accordance with generally accepted practices of the mortgage lending industry, the Master Servicing Agreement and with the requirements of the GNMA Guide, Fannie Mae Guide or FHLMC Guide, as applicable, including maintenance of all accounts required thereby, cause monthly principal and interest payments under the GNMA Securities, Fannie Mae Securities and FHLMC Securities to be paid to the Trustee in accordance with the GNMA Guide, the Fannie Mae Guide or FHLMC Guide, and perform all loan servicing duties in accordance and in compliance with the applicable mortgage loan guarantors, mortgage loan insurer's (FHA-HUD), private mortgage loan insurers', and mortgage loan security agencies' (GNMA, Fannie Mae, Freddie Mac) published guidelines.

The Master Servicer has agreed not to consent to any changes in the terms and conditions of any Mortgage Loan, the release of specified property from the lien of a Mortgage or the grant of an easement or right of way upon property securing a Mortgage Loan, except any such amendment, release or grant which is not inconsistent with or prejudicial to the rights and interests of GNMA, Fannie Mae or FHLMC, the Authority, the Trustee or the owners of the Bonds; provided that no such change may affect the time or amounts of payment of principal and interest on any Mortgage Loan or the obligation to pay taxes and maintain insurance on the property securing any Mortgage Loan at the times and in the manner specified in the Purchase Agreements.

The Master Servicer must diligently enforce and take all reasonable steps, actions and the proceedings necessary for the enforcement of all terms, covenants and conditions of all Mortgage Loans, including the prompt payment of all Mortgage Loan principal and interest payments and all other amounts due thereunder and compliance with all provisions of the Purchase Agreements. Except as provided in the

Purchase Agreements, the Master Servicer has agreed not to release the obligations of any mortgagor under any Mortgage Loan.

The Master Servicer must undertake reasonable efforts to collect all payments required under the terms and provisions of the Mortgage Loans it is obligated to service. The Master Servicer shall, at a minimum, take the following actions in an effort to mitigate the potential for losses resulting from delinquent Mortgage Loans: (i) if a Mortgage Loan becomes delinquent for 17 days, contact the mortgagor via automated telephone call; (ii) if a Mortgage Loan is delinquent for more than 17 days but less than 30 days, contact the mortgagor via a second automated telephone call; (iii) if a Mortgage Loan is delinquent for more than 30 days, contact the mortgagor via personal telephone call; (iv) if a Mortgage Loan is delinquent for more than 30 days but less than 60 days, contact the mortgagor by written notice and personal telephone call; and (v) if a Mortgage Loan is delinquent for more than 60 days, send to the mortgagor any loss mitigation materials deemed appropriate by the Master Servicer and offer to the mortgagor extended delinquencies options, as permissible.

### **Information Concerning the Master Servicer**

THE FOLLOWING INFORMATION ABOUT THE SERVICER RELATES TO AND WAS SUPPLIED BY U.S. BANK NATIONAL ASSOCIATION. SUCH INFORMATION HAS NOT BEEN VERIFIED BY THE AUTHORITY, THE UNDERWRITERS, THEIR COUNSEL OR BOND COUNSEL AND IS NOT GUARANTEED AS TO COMPLETENESS OR ACCURACY BY AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, THE AUTHORITY, THE UNDERWRITERS, THEIR COUNSEL OR BOND COUNSEL.

The Servicer is U.S. Bank National Association. As of December 31, 2023, the Servicer serviced 1,358,208 single-family mortgage loans purchased through its U.S. Bank Home Mortgage Division, with an aggregate principal balance of approximately \$225.3 billion. The Servicer currently services single-family mortgage loans for State and Local Housing Finance Authorities, mutual savings banks, life insurance companies, savings and loan associations, commercial banks, as well as Fannie Mae, GNMA and Freddie Mac.

As of December 31, 2023, according to its unaudited quarterly financial statements, U.S. Bancorp had total assets of approximately \$663.5 billion and a net worth of \$55.3 billion. For the twelve months ending December 31, 2023, the Servicer, through its U.S. Bank Home Mortgage Division, originated and purchased single-family mortgage loans in the total principal amount of approximately \$38.3 billion.

The Servicer is (i) an FHA- and VA-approved lender in good standing. (ii) a GNMA-approved seller and servicer of mortgage loans and an issuer of mortgage-backed securities guaranteed by GNMA and (iii) a Fannie Mae approved seller and servicer of Fannie Mae Securities (iv) a FHLMC approved seller and servicer of FHLMC securities.

The Servicer is not liable for the payment of the principal of the Bonds or the interest or redemption premium, if any thereon.

The holding company for U.S. Bank National Association is U.S. Bancorp, the 5th largest financial services holding company in the United States.

## **OTHER SINGLE-FAMILY PROGRAMS OF THE AUTHORITY**

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

In addition to the General Indenture Program (which is more fully described under the caption “THE GENERAL INDENTURE PROGRAM”), the Authority has issued bonds to fund its single-family mortgage loan purchase program under its: (a) Homeowner Mortgage Revenue Bonds General Resolution adopted on July 15, 1994, as amended and restated on September 19, 2008 (as subsequently supplemented and amended, the “Homeowner Resolution”); and (b) Residential Mortgage Revenue Bond General Indenture adopted on August 19, 1983 (as amended and supplemented, the “1983 Resolution”). Bonds issued under the Homeowner Resolution are used for the purpose of acquiring Mortgage Loan and Mortgage-Backed Securities. As of December 31, 2023 \$151,540,000.00 aggregate principal amount of Bonds were Outstanding under the Homeowner Resolution. As of December 31, 2023, Mortgage Loans outstanding in the program account under the Homeowner Resolution totaled \$90,658,995.80 and Mortgage-Backed Securities outstanding in the program account under the Homeowner Resolution totaled \$91,771,930.45. Bonds issued under the 1983 Resolution were used for the purpose of purchasing mortgage loans from approved lending institutions located throughout the State, on owner-occupied, one-to-four unit dwellings acquired by eligible buyers. From 1983 through 1993, the Authority issued 32 series of bonds (none of which remain outstanding) under the 1983 Resolution for an aggregate amount of approximately \$1.8 billion in lendable proceeds. The Authority does not expect to issue additional bonds under the 1983 Resolution.

### **Housing Revenue Bonds**

In the years 2011, 2012 and 2013, the Authority issued (i) \$67,638,829 Housing Revenue Bonds, Series 2011 (Mortgage-Backed Securities), (ii) \$40,863,097 Federally Taxable Housing Revenue Bonds, Series 2012A (MBS Pass-Through Program), (iii) \$78,750,000 Housing Revenue Bonds, Series 2013A (MBS Pass-Through Program), (iv) \$21,250,000 Federally Taxable Housing Revenue Bonds, Series 2013B (MBS Pass-Through Program), and (v) \$16,926,210 Housing Revenue Bonds, Series 2013C (MBS Pass-Through Program) (collectively, the “MBS Series”) to acquire mortgage-backed securities relating to homeownership loans. Such bonds supplemented the Authority’s single-family program financing for the period between the issuance of the Authority’s Homeowner Mortgage Revenue Bonds, 2011 Series D and B, and the issuance of the Authority’s Homeowner Mortgage Revenue Bonds, 2014 Series E (Non-AMT) on July 24, 2014. The MBS Series were all issued under closed indentures and are not secured in any way by the General Indenture and, also, do not constitute a general obligation of the Authority.

The MBS Series are fully originated. The Authority reserves the right to issue further similar series of Bonds in the future, some of which might compete with the issuance of future series of Bonds under the General Indenture.

### **Other Programs**

In addition to the General Indenture Program and other single-family programs of the Authority, the Authority has also established various multi-family mortgage loan programs to be used to finance new mortgage loans, and to make additional loans for, multi-family developments.

## **TAX MATTERS**

In the opinion of Ice Miller LLP, Chicago, Illinois, Bond Counsel, under existing federal statutes, decisions, regulations and rulings, interest on the Series 2024B Bonds is not excludable from gross income under Section 103 of the Code for federal income tax purposes.

Bond Counsel is further of the opinion that under the Act, in its present form, the Series 2024B Bonds and all income from the Series 2024B Bonds are free from all taxation of the State of Illinois or its political subdivisions except for estate, transfer and inheritance taxes. Future legislation enacted in the State could alter the State tax status of bonds issued by the Authority prior to enactment. There is no way to predict the scope of future legislative proposals, and whether such proposals, if enacted, will alter the tax status of the Series 2024B Bonds. In addition, the Series 2024B Bonds and the income therefrom may be subject to taxation under the laws of states other than the State of Illinois. See APPENDIX E – “FORM OF OPINION OF BOND COUNSEL” attached hereto.

Although Bond Counsel will render an opinion that interest on the Series 2024B Bonds is not excludable from federal gross income and that interest on the Series 2024B Bonds is free from all taxation of the State of Illinois or its political subdivisions except for estate, transfer and inheritance taxes, the accrual or receipt of interest on the Series 2024B Bonds may otherwise affect a bondholder’s federal income tax or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder’s particular tax status and a bondholder’s other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Series 2024B Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Series 2024B Bonds should consult their tax advisors with regard to the tax consequences of owning the Series 2024B Bonds.

#### **Tax Status of the Series 2024B Bonds**

The following discussion summarizes the material United States federal income tax consequences generally applicable to the purchase, ownership and disposition of Series 2024B Bonds by a beneficial owner thereof (the “Owner”). The discussion is limited to the tax consequences to the initial investors of the Series 2024B Bonds who purchase the Series 2024B Bonds at the issue price within the meaning of Section 1273 of the Code and generally does not address the tax consequences to subsequent purchasers of Series 2024B Bonds. The discussion does not purport to be a complete analysis of all of the potential United States federal income tax consequences relating to the purchase, ownership and disposition of Series 2024B Bonds, nor does this discussion address any state, local, foreign taxes, or federal estate or gift tax consequences. Moreover, there can be no assurance that the IRS will not take a contrary view, and no ruling from the IRS has been, or is expected to be, sought on the issues discussed herein, potentially with retroactive effect. Legislative, judicial, or administrative changes or interpretations may occur that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may or may not be retroactive and could adversely affect the tax consequences discussed below. **Interest on the Series 2024B Bonds is not excludable from gross income from federal income tax purposes.**

The following is a summary of certain material federal income tax consequences of holding and disposing of the Series 2024B Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect. Legislative, judicial and administrative changes may occur, possibly with retroactive effect, that could alter or modify the continued validity of the statements and conclusions set forth herein. This summary does not discuss all aspects of federal income taxation that may be relevant to investors. This summary is intended as a general explanatory discussion of the consequences of holding the Series 2024B Bonds generally and does not purport to furnish information in the level of detail or with the investor’s specific tax circumstances that would be provided by an investor’s own tax advisor. For example, except as explicitly provided below, it generally is addressed only to original purchasers of the Series 2024B Bonds that are “U.S. Holders” (as defined below), deals only with Series 2024B Bonds held as capital assets within the meaning of Section 1221 of the Code and does not address tax consequences to holders that may be relevant to investors subject to special rules, such as individuals, trusts, estates,

tax-exempt investors, cash method taxpayers, dealers in securities, currencies or commodities, banks, thrifts, insurance companies, electing large partnerships, mutual funds, regulated investment companies, real estate investment trusts, S corporations, persons that hold Series 2024B Bonds as part of a straddle, hedge, integrated or conversion transaction, and persons whose “functional currency” is not the U.S. dollar. In addition, this summary does not address alternative minimum tax issues or the indirect consequences to a holder of an equity interest in a holder of Series 2024B Bonds. This summary was prepared in connection with the offering of the Series 2024B Bonds. Each prospective investor should consult with its own tax advisor regarding the application of United States federal income tax laws, as well as any state, local, foreign or other tax laws, to such investor’s particular situation.

As used herein, a “U.S. Holder” is a “U.S. person” that is a beneficial owner of a Series 2024B Bond. A “Non-U.S. Holder” is a holder (or beneficial owner) of a Series 2024B Bond that is not a U.S. Person. For these purposes, a “U.S. person” is a citizen or resident of the United States, a corporation or partnership created or organized in or under the laws of the United States or any political subdivision thereof (except, in the case of a partnership, to the extent otherwise provided in Treasury regulations), an estate the income of which is subject to United States federal income taxation regardless of its source or a trust if (i) a United States court is able to exercise primary supervision over the trust’s administration and (ii) one or more United States persons have the authority to control all of the trust’s substantial decisions. If a partnership (or an entity taxable as a partnership) holds Series 2024B Bonds, the United States federal income tax treatment of a partner generally will depend upon the status of the partner and the tax status of the partnership. Partners of partnerships holding Series 2024B Bonds should consult their own tax advisors with regard to the U.S. federal income tax treatment of the purchase, ownership and disposition of the Series 2024B Bonds.

The Series 2024B Bonds will be treated, for federal income tax purposes, as a debt instrument. Accordingly, interest will be included in the income of the holder as it is paid (or, if the holder is an accrual method taxpayer, as it is accrued) as interest.

If the excess of the stated redemption price at maturity of a Series 2024B Bond over its “issue price” exceeds a specified de minimis amount (generally equal to 0.25% of the stated redemption price at maturity multiplied by the number of complete years to maturity), the excess is treated as original issue discount (“OID”). The issue price of the Series 2024B Bonds is the first price at which a substantial amount of the Series 2024B Bonds is sold to the public. The issue price of the Series 2024B Bonds is expected to be the amount set forth on the inside cover pages of this Official Statement but is subject to change based on actual sales.

With respect to a U.S. Holder that purchases in the initial offering a Series 2024B Bond issued with OID, the amount of OID that accrues during any accrual period equals (i) the “adjusted issue price” of the Bond at the beginning of the accrual period (which price equals the issue price of such Series 2024B Bond plus the amount of OID that has accrued on a constant-yield basis in all prior accrual periods minus the amount of any payments, other than “qualified stated interest,” received on the Series 2024B Bond in prior accrual periods) multiplied by (ii) the yield to maturity of such Series 2024B Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of each accrual period) less (iii) any qualified stated interest payable on the Series 2024B Bond during such accrual period. The amount of OID so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period.

A U.S. Holder of a Series 2024B Bond issued with OID must include in gross income for federal income tax purposes the amount of OID accrued with respect to each day during the taxable year that the U.S. Holder owns a Series 2024B Bond. Such an inclusion in advance of receipt of the cash attributable to the income is required even if the U.S. Holder is on the cash method of accounting for United States federal

income tax purposes. The amount of OID that is includible in a U.S. Holder's gross income will increase the U.S. Holder's tax basis in a Series 2024B Bond. The adjusted tax basis in a Series 2024B Bond will be used to determine taxable gain or loss upon a disposition (for example, upon a sale or retirement) of the Series 2024B Bond.

A holder of a Series 2024B Bond who purchases such Series 2024B Bond at a cost that exceeds the stated principal amount of such Series 2024B Bond will have amortizable bond premium equal to such excess. If the holder elects to amortize the bond premium, such election will apply to all Series 2024B Bonds held by the holder on the first day of the taxable year to which the election applies, and to all Series 2024B Bonds thereafter acquired by the holder. The premium must be amortized using constant yield principles based on the purchaser's yield to maturity. Amortizable bond premium is generally treated as an offset to interest income, but a reduction in basis is required for amortizable bond premium even though such premium is applied to reduce interest payments. Bond premium on a Series 2024B Bond held by a holder that has not elected to amortize bond premium will decrease the gain or loss otherwise recognized on the disposition of the Series 2024B Bond.

If a holder purchases the Series 2024B Bonds after the initial offering for an amount that is less than the principal amount of the Series 2024B Bonds, and such difference is not considered to be de minimis, then such discount will represent market discount that ultimately will constitute ordinary income (and not capital gain). Further, absent an election to accrue market discount currently, upon a sale or exchange of a Series 2024B Bond, a portion of any gain will be ordinary income to the extent it represents the amount of any such market discount that was accrued through the date of sale. In addition, absent an election to accrue market discount currently, the portion of any interest expense incurred or continued to carry a market discount Bond that does not exceed the accrued market discount for any taxable year, will be deferred.

### **Medicare Tax**

An additional 3.8% tax will be imposed on the net investment income (which includes interest, original issue discount and gains from a disposition of a Series 2024B Bond) of certain individuals, trusts and estates. Prospective investors in the Series 2024B Bonds should consult their tax advisors regarding the possible applicability of this tax to an investment in the Series 2024B Bonds.

### **Sale and Exchange of a Series 2024B Bond; Defeasance**

Upon a sale or exchange of a Series 2024B Bond, a holder generally will recognize gain or loss on the Series 2024B Bonds equal to the difference between the amount realized on the sale and its adjusted tax basis in such Series 2024B Bond. Such gain or loss generally will be capital gain (although any gain attributable to accrued market discount of the Series 2024B Bond not yet taken into income will be ordinary) if the holder holds a Series 2024B Bond as a capital asset. The adjusted basis of the holder in a Series 2024B Bond (without OID) will (in general) equal its original purchase price and decreased by any payments received on the Series 2024B Bond. In general, if the Series 2024B Bond is held for longer than one year, any gain or loss would be long term capital gain or loss, and capital losses are subject to certain limitations.

If the Series 2024B Bonds are legally defeased, under current tax law a holder will be deemed to have sold or exchanged such Series 2024B Bond. In the event of such a legal defeasance, a holder generally will recognize gain or loss on the deemed exchange of the Series 2024B Bond. Ownership of the Series 2024B Bonds after a deemed sale or exchange as a result of a legal defeasance may have tax consequences different than those described in this "TAX MATTERS" section and each holder should consult its own tax advisor regarding the consequences to such holder of a legal defeasance of the Series 2024B Bonds.

## Backup Withholding

The Trustee must report annually to the IRS and to each U.S. Holder any interest that is payable to the U.S. Holder, subject to certain exceptions. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's federal income tax liability and may entitle the owner to a refund, provided that the required information is timely furnished to the IRS. U.S. Holders should consult their tax advisors concerning the application of information reporting and backup withholding rules.

## Certain U.S. Federal Income and Estate Tax Consequences to Non-U.S. Holders

This section describes certain U.S. federal income and estate tax consequences to Non-U.S. Holders.

Payments of interest (including OID) on a Series 2024B Bond to an owner that is not a United States Holder (a "*Non-U.S. Holder*") are generally not subject to United States federal income tax or nonresident withholding tax so long as the requirements under Code Section 871(h) are satisfied, including that:

- the Non-U.S. Holder is not actually or constructively a "10-percent shareholder" under Section 871(h) or 881(c)(3)(B) of the Code;
- the Non-U.S. Holder is not, for United States federal income tax purposes, a controlled foreign corporation with respect to which the Authority is a "related person" within the meaning of Section 881(c)(3)(C) of the Code;
- the Non-U.S. Holder is not a bank receiving interest described in Section 881(c)(3)(A) of the Code;
- the certification requirements under Section 871(h) or 881(c) of the Code and regulations (summarized below) are met; and
- the Series 2024B Bond interest is not effectively connected with the conduct by the Non-U.S. Holder of a trade or business in the United States under Section 871(b) or Section 882 of the Code.

In order to obtain the exemption from income and withholding tax, either (1) the Non-U.S. Holder must provide its name and address, and certify, under penalties of perjury on Internal Revenue Service Form W-8BEN, W-8BEN-E, W-8IMY or W-8EXP, as applicable, to the Authority, its paying agent, or other applicable withholding agent as the case may be, that such Owner is a Non-U.S. Holder or (2) a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business ("Financial Institution") and holds a Series 2024B Bond on behalf of the Non-U.S. Holder, must certify, under penalties of perjury, to the Authority or its paying agent that such certificate has been received from the Owner by it or by any intermediary Financial Institution and must furnish the Authority or its paying agent with a copy of the certificate. A certificate is generally effective only with respect to payments of interest made to the certifying Non-U.S. Holder after issuance of the certificate in the calendar year of its issuance and the two immediately succeeding calendar years. A Non-U.S. Holder who does not satisfy the exemption requirements under Code Section 871(h) is generally subject to United States withholding tax on payments of interest (including OID).

Interest on a Series 2024B Bond (including OID) that is effectively connected with the conduct of a United States trade or business by the Non-U.S. Holder is generally subject to United States federal income tax in the same manner as with a United States Owner, except to the extent otherwise provided under an applicable tax treaty. Effectively connected interest income received by a corporate Non-U.S. Holder may also, under certain circumstances, be subject to an additional branch profits tax. Effectively connected interest income will not be subject to withholding tax if the Non-U.S. Holder delivers a properly completed Internal Revenue Service Form W-8ECI to the Trustee.

### **Foreign Account Tax Compliance Act**

Pursuant to the Foreign Account Tax Compliance Act (commonly referred to as “FATCA”), foreign financial institutions (which term includes most foreign banks, hedge funds, private equity funds, mutual funds, securitization vehicles and other investment vehicles) and certain other foreign entities generally must comply with certain information reporting rules with respect to their U.S. account holders and investors or confront a withholding tax on U.S.-source payments made to them (whether received as a Beneficial Owner or as an intermediary for another party). A foreign financial institution or such other foreign entity that does not comply with the FATCA reporting requirements will generally be subject to a 30% withholding tax with respect to any “withholdable payments.” For this purpose, withholdable payments generally include U.S.-source payments otherwise subject to nonresident withholding tax (e.g., U.S.-source interest including OID) and also include the entire gross proceeds from the sale or other disposition of any debt instruments of U.S. issuers, even if the payment would otherwise not be subject to U.S. nonresident withholding tax (e.g., because it is capital gain). Under the applicable final Treasury regulations, withholding under FATCA, if required, generally will apply to payments of U.S.-source interest on the bonds and to payments of gross proceeds from dispositions (including redemptions) of the bonds. However, the IRS issued proposed Treasury regulations that eliminate withholding on payments of gross proceeds (but not on payments of interest). Pursuant to the proposed Treasury regulations, the Authority and any applicable withholding agent may (but are not required to) rely on this proposed change to FATCA withholding until the final regulations are issued or the proposed regulations are withdrawn. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States pursuant to FATCA may be subject to different rules with respect to information reporting and related requirements.

The Authority will not pay any additional amounts in respect of any amounts withheld, including pursuant to FATCA. Under certain circumstances, a holder might be eligible for refunds or credits of such taxes. Holders are urged to consult with their own tax advisors regarding the effect, if any, of the FATCA provisions to them based on their particular circumstances.

### **LEGAL MATTERS**

The legality of the Series 2024B Bonds will be approved by the legal opinion of Ice Miller LLP, Chicago, Illinois, Bond Counsel. The proposed form of the Bond Counsel opinion is included in this Official Statement as APPENDIX E. Certain legal matters will be passed upon for the Authority by its General Counsel, Maureen G. Ohle, Esq., and for the Underwriters by their counsel, Cozen O’Connor, Chicago, Illinois.

### **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 2024B Bonds or that in any way contests the validity of the Series 2024B Bonds or any proceedings of the Authority taken with respect

to their issuance or sale or the pledge or application of any moneys or the security provided for the payment of the Bonds, including the Series 2024B 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 2024B Bonds, of the Authority.

### **LEGALITY FOR INVESTMENT**

Under the Act, the Series 2024B 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, savings banks and savings associations, saving and loan associations, investment 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 of purchases of the Series 2024B Bonds and may also contain limitations that permit purchases of the Series 2024B Bonds only with specified percentages of their assets.

### **FINANCIAL ADVISOR**

Caine Mitter & Associates Incorporated has served as independent financial advisor to the Authority in connection with the sale of the Series 2024B Bonds.

### **RATING**

The Series 2024B Bonds have received the rating of “Aaa” from Moody’s Investors Service, Inc. (the “Rating Agency”). The rating assigned to the Series 2024B Bonds reflect only the view of the Rating Agency and an explanation of the significance of such rating may be obtained only from the Rating Agency. There is no assurance that the rating that has been assigned to the Series 2024B Bonds will continue for any given period of time or that such rating will not be revised or withdrawn entirely by the Rating Agency if, in the judgment of the Rating Agency, circumstances so warrant. A downward revision or withdrawal of a rating may have an adverse effect on the market price of the Series 2024B Bonds.

A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

### **UNDERWRITING**

The Series 2024B Bonds are being purchased by the Underwriters listed on the cover page of this Official Statement. The Underwriters agree, jointly and severally, to purchase the Series 2024B Bonds at a purchase price equal to \$350,560,400, representing the aggregate principal amount of the Series 2024B Bonds (\$349,250,000), plus original issue premium of \$1,310,400, pursuant to the terms of a Purchase Contract for the Series 2024B Bonds. The Underwriters will receive a fee of \$2,239,724.53 in connection with the sale of the Series 2024B Bonds to be paid by the Authority.

The Underwriters may over allot or effect transactions which stabilize or maintain the market price of the Series 2024B Bonds at a level above that which might otherwise prevail in the open market. Such

stabilization, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Series 2024B Bonds offered to the public to certain dealers (including dealers depositing the Series 2024B Bonds into unit investment trusts, certain of which may be sponsored or managed by an Underwriter) and others at prices lower than the public offering prices stated on the inside front cover.

The Purchase Contract for each Series of Series 2024B Bonds will include terms and conditions for the purchase by the Underwriters of the applicable Series.

Certain of the Underwriters and their affiliates together comprise full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, finance and brokerage activities. Such activities may involve or relate to assets, securities and/or instruments of the Authority (whether directly, as collateral securing obligations or otherwise) and/or persons and entities with relationships with (or that are otherwise involved with transactions by) the Authority. One or more of the Underwriters may have, from time to time, engaged, and may in the future engage, in transactions with, and 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. Under certain circumstances, the Underwriters and their affiliates may have certain creditor and/or other rights against the Authority and any affiliates thereof in connection with such transactions and/or services. In addition, the Underwriters and their affiliates may currently have and may in the future have investment and commercial banking, trust and other relationships with parties that may relate to assets of, or be involved in the issuance of securities and/or instruments by, the Authority and any affiliates thereof. The Underwriters and their affiliates also may communicate independent investment recommendations, market advice or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and at any time may hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

BofA Securities Inc., one of the Underwriters of the Series 2024B Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities may compensate MLPF&S as a dealer for its selling efforts with respect to the 2024B Bonds.

J.P. Morgan Securities LLC (“JPMS”), one of the Underwriters of the Series 2024B Bonds, has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“CS&Co.”) and LPL Financial LLC (“LPL”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase the Series 2024B Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any of the Series 2024B Bonds that such firm sells.

Morgan Stanley & Co. LLC, one of the Underwriters of the Series 2024B Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Series 2024B Bonds.

TD Securities (USA) LLC, one of the Underwriters of the Series 2024B Bonds, has entered into a negotiated dealer agreement (the “TD Dealer Agreement”) with InvestorLink Capital Markets, LLC (“ICM”) for the retail distribution of certain securities offerings, including the offered Series 2024B Bonds

at the original issue prices. Pursuant to the TD Dealer Agreement, ICM may purchase Series 2024B Bonds from TD Securities (USA) LLC at the original issues prices less a negotiated portion of the selling concession applicable to any of the Series 2024B Bonds ICM sells.

Wells Fargo Securities, one of the Underwriters of the Series 2024B Bonds, is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

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

In their normal course of business, the Underwriters, the Financial Advisor and the Trustee and/or affiliates of the Underwriters, the Financial Advisor and the Trustee may have credit, investment banking, or other financial relationships with the Authority from time to time, for which they received or will receive customary fees and expenses.

## **CONTINUING DISCLOSURE**

### **Undertaking**

In order to assist the Underwriters in complying with Rule 15c2-12(b)(5) (the "Rule") of the Securities and Exchange Commission, the Authority will execute a Continuing Disclosure Undertaking to provide to the Municipal Securities Rulemaking Board certain annual financial information and operating data and notices of certain specified events. A summary of the Continuing Disclosure Undertaking is included as APPENDIX F to this Official Statement. The Continuing Disclosure Undertaking may be enforced by any beneficial owner of any Series 2024B Bonds, but the Authority's failure to comply will not be a default under the Indenture.

### **Past Compliance**

The Authority has found instances of non-compliance with its continuing disclosure obligations in the previous five years, as summarized below.

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 timely file one financial obligation for one series of Multifamily Revenue Bonds, Series 2021A. The appropriate filing was subsequently filed by the Authority on EMMA.

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, 2022, 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.

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## MISCELLANEOUS

All quotations from, and summaries and explanations of, the Constitution of the State, the Act and the Indenture contained in this Official Statement do not purport to be complete and reference is made to the Constitution of the State, the Act and the Indenture for full and complete statements of their provisions. Copies, in reasonable quantity, of the Indenture may be obtained upon request directed to the Authority at 111 East Wacker Drive, Suite 1000, Chicago, Illinois 60601.

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 facts. This Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers or owners of any of the Series 2024B Bonds. The execution and distribution of this Official Statement have been duly authorized by the Authority.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By: */s/ Kristin Faust*

Kristin Faust  
Executive Director

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**APPENDIX A**

**CERTAIN INFORMATION CONCERNING  
THE GENERAL INDENTURE PROGRAM**

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## **DISCLOSURE REPORT DISCLAIMER**

The Illinois Housing Development Authority (the “Authority”) is providing the following information that is unaudited and has not been subject to auditing procedures.

All information contained in this Disclosure Report (the “Information”) has been furnished or obtained by the Authority from sources believed to be accurate and reliable. The Information is subject to change without notice, and delivery of the Information shall not, under any circumstances, create any implication that there has been no change in the affairs of the Authority or in the Information since the date of this Disclosure Report. Reference should be made to the applicable official statements and the operative documents for each series of bonds for a full and complete statement of the terms of such series of bonds. Because of the possibility of human and mechanical error, as well as other factors, the Information is provided “as is” without warranty of any kind and, in particular, no representation or warranty, expressed or implied, is made or is to be inferred as to the accuracy, timeliness or completeness of the Information. Under no circumstances shall the Authority have any liability to any person or entity for (1) any loss or damage in whole or part caused by, resulting from, or relating to (through negligence or otherwise) any error or circumstances involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, communicating or delivering the Information; or (2) any direct, indirect, special, consequential or incidental damages whatsoever, including, but not limited to, attorney’s fees, even if the Authority is advised in advance of the possibility of such damages resulting from or arising out of the use of, or inability to use, or reliance upon, the Information.

**DISCLOSURE REPORT  
REVENUE BONDS  
As Of December 31, 2023**

**Current Bond Ratings:**

Moody's:     Aaa

**Trustee Contact:**

The Bank of New York Mellon Trust Company, N.A.  
Institutional Trust Services  
P O Box 2320  
Dallas, TX 75221-2320  
1-800-254-2826

**Issuer Contacts:**

Tracy Grimm  
Andrew Nestlehut  
312-836-5200

Illinois Housing Development Authority  
111 E. Wacker Drive, Suite 1000  
Chicago, IL 60601



**Mortgage Loan Interest Rate Information**

Set forth in the following table is certain information regarding the interest rates borne by Mortgage Loans held under the Program (including Contributed Mortgage Loans and Second Mortgage Loans) as of December 31, 2023. The information below under the heading "Mortgage Loans Outstanding Weighted Average Interest Rates" includes the interest rates on Mortgage Loans purchased by the Authority under its various below market single-family home loan programs for certain low income borrowers and targeted areas.

<u>Funding Series</u>	<u>No. of Mortgage Loans</u>	<u>Original Principal Purchased of Mortgage Loans Outstanding</u>	<u>Remaining Principal Purchased of Mortgage Loans Outstanding</u>	<u>Mortgage Loans Outstanding Weighted Average Interest Rates (%)</u>	<u>Mortgage Loans Outstanding Weighted Average Remaining Payments</u>
SERIES 2016A	58	287,878.96	58,091.47	0.000	22.98
<b>TOTAL</b>	<u>58</u>	<u>287,878.96</u>	<u>58,091.47</u>	<u>0.000</u>	<u>22.98</u>

(1) Contributed Mortgage Loans noted herein under the caption "SECURITY AND SOURCES OF PAYMENT OF THE BONDS - Transfer Amounts".

(2) Mortgage Loans funded by Prior Bonds but for which the Prior Bonds have been redeemed and are no longer outstanding.

**Delinquency and Other Information**

Certain information regarding payment delinquencies with respect to Mortgage Loans purchased and serviced under the Program (including Contributed Mortgage Loans and Second Mortgage Loans) is summarized in the following table. The information is based upon the December 31, 2023 reports from the Servicer.

	Number of Mortgage Loans Outstanding	Mortgage Loans Outstanding	Percentage of Total Number of Mortgage Loans Outstanding
Current	49	38,333.85	65.99
Two Payment Delinquencies	1	1,083.02	1.86
Three or more Payment Delinquencies*	8	18,674.60	32.15
Totals	<u>58</u>	<u>58,091.47</u>	<u>100.00</u>

\* Include loans in foreclosure.

Certain information regarding foreclosures with respect to Mortgage Loans purchased under the Program (including Contributed Mortgage Loans and Second Mortgage Loans) is summarized in the following table. The information is based upon the December 31, 2023 reports from the Servicer.

**Mortgage Backed Security Information (1)**

Funding Source	Security Type	CUSIP	Pass Through Rate	Maturity Date	Original Face	Current Principal
RB16A-P---PA16A-P	FNMA	3140EA3B7	4.00	11/1/2045	1,287,779.00	415,236.62
RB16A-P---PA16A-P	FNMA	3140EA3D3	4.00	11/1/2045	4,332,067.00	1,196,500.01
RB16A-P---PA16A-P	FNMA	3140EB6R7	4.00	12/1/2045	6,595,075.00	1,384,096.26
RB16A-P---PA16A-P	FNMA	3140EB6S5	3.50	11/1/2045	590,477.00	164,247.06
RB16A-P---PA16A-P	FNMA	3140ECPA1	3.50	12/1/2045	2,676,709.00	710,670.79
RB16A-P---PA16A-P	FNMA	3140ECPB9	4.00	1/1/2046	1,137,044.00	578,846.46
RB16A-P---PA16A-P	FNMA	3140EYHS3	3.50	12/1/2045	902,805.00	149,065.94
RB16A-P---PA16A-P	FNMA	3140EYHT1	4.00	1/1/2046	2,249,913.00	403,286.71
RB16A-P---PA16A-P	GNMA	3617A9YV3	3.50	11/15/2045	2,833.69	1,148.40
RB16A-P---PA16A-P	GNMA	3617A9YV3	3.50	11/15/2045	1,891,842.31	766,702.83
RB16A-P---PA16A-P	GNMA II	3617A9YW1	3.50	11/20/2045	7,661,175.00	1,356,230.77
RB16A-P---PA16A-P	GNMA II	3617A9YX9	4.00	11/20/2045	2,025,227.00	409,078.88
RB16A-P---PA16A-P	GNMA II	3617AAKU7	4.00	11/20/2045	371,660.00	100,986.76
RB16A-P---PA16A-P	GNMA	3617AAL E2	3.50	11/15/2045	135,124.00	59,942.97
RB16A-P---PA16A-P	GNMA II	3617AALF9	4.00	11/20/2045	785,702.00	47,510.94
RB16A-P---PA16A-P	GNMA II	3617AALG7	3.50	11/20/2045	3,475,191.00	438,541.48
RB16A-P---PA16A-P	GNMA	3617AALH5	3.50	12/15/2045	4,053,077.00	1,084,116.55
RB16A-P---PA16A-P	GNMA II	3617AANU4	4.00	11/20/2045	350,845.00	73,396.20
RB16A-P---PA16A-P	GNMA II	3617AANV2	3.50	12/20/2045	4,265,381.00	841,899.92
RB16A-P---PA16A-P	GNMA	3617AANV0	3.50	12/15/2045	651,523.00	243,233.62
RB16A-P---PA16A-P	GNMA	3617AAPB4	3.50	12/15/2045	10,776,363.00	3,075,165.25
RB16A-P---PA16A-P	GNMA	3617AAQ23	3.50	1/15/2046	5,069,876.00	1,001,904.84
RB16A-P---PA16A-P	GNMA II	3617AAQ31	3.50	12/20/2045	1,192,756.00	449,991.68
RB16A-P---PA16A-P	GNMA	36192SU24	3.50	2/15/2046	3,038,210.00	930,859.87
RB16A-P---PA16A-P	GNMA II	36192SU32	3.50	2/20/2046	878,894.00	365,093.71
RB16A-P---PA16A-P	GNMA II	36192SU40	4.00	2/20/2046	3,523,692.00	920,778.63
RB16A-P---PA16A-P	GNMA II	36192SXB1	3.50	3/20/2046	1,335,445.00	145,735.84
RB17A-P---PA17A-P	FNMA	3140FCZT8	3.50	8/1/2046	1,088,567.00	271,757.65
RB17A-P---PA17A-P	FNMA	3140FCZU5	4.00	7/1/2046	48,369.00	26,246.09
RB17A-P---PA17A-P	FNMA	3140FFU74	3.50	8/1/2046	644,760.00	459,941.44
RB17A-P---PA17A-P	FNMA	3140FKLJ7	3.50	10/1/2046	1,023,827.00	213,872.12
RB17A-P---PA17A-P	FNMA	3140FMUS3	3.50	11/1/2046	1,105,057.00	54,908.82
RB17A-P---PA17A-P	FNMA	3140FRQL2	3.50	12/1/2046	1,213,551.00	764,654.44
RB17A-P---PA17A-P	GNMA II	36194G5W0	3.00	8/20/2046	281,695.00	77,408.67
RB17A-P---PA17A-P	GNMA II	36194G5X8	3.50	8/20/2046	1,329,588.00	225,589.96
RB17A-P---PA17A-P	GNMA II	36194HCS9	3.00	10/20/2046	2,163,968.00	395,826.34
RB17A-P---PA17A-P	GNMA II	36194HCU4	3.50	9/20/2046	11,576,928.00	3,651,131.32
RB17A-P---PA17A-P	GNMA II	36194HGE6	3.00	10/20/2046	2,550,223.00	1,168,334.73
RB17A-P---PA17A-P	GNMA	36194HGF3	3.00	10/15/2046	14,736,249.00	5,332,181.43
RB17A-P---PA17A-P	GNMA II	36194HGG1	3.50	10/20/2046	4,915,944.00	1,074,152.89
RB17A-P---PA17A-P	GNMA	36194HGR7	3.00	9/15/2046	8,094,913.00	1,469,242.17
RB17A-P---PA17A-P	GNMA II	36196HKX7	3.00	11/20/2046	11,257,358.00	3,883,620.33
RB17A-P---PA17A-P	GNMA	36196HKY5	3.00	12/15/2046	14,278,358.00	5,945,238.41
RB17A-P---PA17A-P	GNMA II	36196HPF1	3.00	12/20/2046	1,599,995.00	942,202.85
RB17A-P---PA17A-P	GNMA II	36196HPK0	3.50	12/20/2046	327,160.00	157,248.09
RB17B-P---PA17B-P	FNMA	3140H1HH6	4.00	9/1/2047	13,185,065.00	5,662,670.82
RB17B-P---PA17B-P	FNMA	3140H25W4	4.00	10/1/2047	8,979,679.00	1,992,153.55
RB17B-P---PA17B-P	FNMA	3140H4G57	4.00	11/1/2047	10,913,018.00	5,039,756.23
RB17B-P---PA17B-P	FNMA	3140H7AM9	4.00	12/1/2047	4,268,330.00	1,604,173.85
RB17B-P---PA17B-P	FNMA	3140HAE22	4.00	1/1/2048	5,653,741.00	2,354,665.87
RB17B-P---PA17B-P	GNMA II	3617AUAH3	3.50	10/20/2047	13,032,148.00	5,217,454.86
RB17B-P---PA17B-P	GNMA II	3617AUAJ9	4.00	10/20/2047	5,528,365.00	2,043,312.67
RB17B-P---PA17B-P	GNMA II	3617AUDM9	3.50	10/20/2047	16,166,600.00	3,433,287.75
RB17B-P---PA17B-P	GNMA II	3617AUDN7	4.00	10/20/2047	5,003,083.00	1,511,654.86
RB17B-P---PA17B-P	GNMA II	3617AUHB9	3.50	12/20/2047	20,545,371.00	6,654,926.73
RB17B-P---PA17B-P	GNMA II	3617AUHC7	4.00	11/20/2047	1,992,565.00	377,241.15
RB17B-P---PA17B-P	GNMA II	3617AUPY0	3.50	12/20/2047	12,733,275.00	4,101,744.15
RB17B-P---PA17B-P	GNMA II	3617AUPZ7	4.00	12/20/2047	3,769,607.00	2,304,837.20
RB17B-P---PA17B-P	GNMA II	3617AUSW1	3.50	12/20/2047	661,051.00	315,824.65
RB17B-P---PA17B-P	GNMA II	3617AUSX9	4.00	1/20/2048	12,215,065.00	3,602,245.51
RB18A-P---PA18A-P	FNMA	3140HPHG5	4.50	7/1/2048	3,669,897.00	1,766,953.24
RB18A-P---PA18A-P	FNMA	3140HPHH3	5.00	7/1/2048	5,445,695.00	1,296,404.22
RB18A-P---PA18A-P	FNMA	3140JGFF7	4.50	8/1/2048	9,378,497.00	3,602,567.49
RB18A-P---PA18A-P	FNMA	3140JGFG5	5.00	8/1/2048	10,031,956.00	4,517,519.40
RB18A-P---PA18A-P	FNMA	3140JHPQ0	4.50	9/1/2048	14,243,192.00	5,375,282.53
RB18A-P---PA18A-P	FNMA	3140JHPPR8	5.00	9/1/2048	6,270,252.00	2,416,309.26
RB18A-P---PA18A-P	FNMA	3140JCS6	5.00	10/1/2048	767,264.00	364,806.09

RB18A-P----PA18A-P	GNMA II	3617G9M32	4.50	8/20/2048	3,242,517.00	1,661,835.65
RB18A-P----PA18A-P	GNMA II	3617G9NV9	5.00	7/20/2048	8,410,192.00	2,687,245.49
RB18A-P----PA18A-P	GNMA II	3617HFTX4	4.50	9/20/2048	7,261,224.00	2,190,958.31
RB18A-P----PA18A-P	GNMA II	3617HFTY2	5.00	8/20/2048	4,758,716.00	1,325,833.67
RB18A-P----PA18A-P	GNMA II	3617HFVN1	4.50	9/20/2048	16,265,079.00	5,863,187.21
RB18A-P----PA18A-P	GNMA II	3617HFXP6	5.00	9/20/2048	1,295,123.00	147,732.41
RB19AB-P----PA19A-P	FNMA	3140JJCR8	4.50	10/1/2048	6,203,688.00	2,962,293.71
RB19AB-P----PA19A-P	FNMA	3140JJCS6	5.00	10/1/2048	259,840.00	123,544.46
RB19AB-P----PA19A-P	FNMA	3140JJCT4	5.00	10/1/2048	10,075,017.00	4,081,196.35
RB19AB-P----PA19A-P	FNMA	3140JKBG0	4.50	11/1/2048	921,834.00	337,413.15
RB19AB-P----PA19A-P	FNMA	3140JKBH8	5.00	11/1/2048	12,386,767.00	5,304,175.77
RB19AB-P----PA19A-P	FNMA	3140JLVM3	4.50	10/1/2048	594,361.00	330,514.07
RB19AB-P----PA19A-P	FNMA	3140JLVN1	5.00	12/1/2048	12,143,076.00	4,948,753.61
RB19AB-P----PA19A-P	GNMA II	3617HF4C7	4.50	11/20/2048	19,317,906.00	7,373,663.84
RB19AB-P----PA19A-P	GNMA II	3617HF4D5	5.00	10/20/2048	3,043,640.00	705,599.54
RB19AB-P----PA19A-P	GNMA II	3617HGBB9	4.50	12/20/2048	7,670,170.00	2,741,989.51
RB19AB-P----PA19A-P	GNMA II	3617HGBCT	5.00	11/20/2048	7,456,660.00	2,183,356.35
RB19AB-P----PA19A-P	GNMA II	3617HGKPK8	4.50	12/20/2048	1,503,390.00	212,897.76
RB19AB-P----PA19A-P	GNMA II	3617HGKQ6	5.00	1/20/2049	3,223,041.00	784,462.40
RB19C-P----PA19C-P	FNMA	3140JMR79	5.00	1/1/2049	4,974,350.00	841,554.66
RB19C-P----PA19C-P	FNMA	3140JQL27	5.00	2/1/2049	8,688,572.00	4,439,002.30
RB19C-P----PA19C-P	FNMA	3140JRMU2	5.00	3/1/2049	5,336,805.00	2,590,378.04
RB19C-P----PA19C-P	FNMA	3140JS3U1	5.00	5/1/2049	4,748,465.00	2,002,245.63
RB19C-P----PA19C-P	FNMA	3140JS3V9	5.50	4/1/2049	937,400.00	336,300.30
RB19C-P----PA19C-P	FNMA	3140JUHX5	4.50	6/1/2049	3,366,228.00	1,873,492.17
RB19C-P----PA19C-P	FNMA	3140JUHY3	5.00	5/1/2049	4,014,209.00	2,534,085.28
RB19C-P----PA19C-P	GNMA II	3617HGKQ6	5.00	1/20/2049	5,388,636.00	1,311,550.89
RB19C-P----PA19C-P	GNMA II	3617HGNS9	4.50	2/20/2049	851,936.00	535,590.94
RB19C-P----PA19C-P	GNMA II	3617HGNT7	5.00	2/20/2049	5,472,859.00	1,749,532.64
RB19C-P----PA19C-P	GNMA II	3617HGTK0	4.50	3/20/2049	6,202,759.00	2,403,283.91
RB19C-P----PA19C-P	GNMA II	3617HGTL8	5.00	3/20/2049	7,325,012.00	1,429,237.22
RB19C-P----PA19C-P	GNMA II	3617JR4U9	4.50	4/20/2049	6,746,941.00	1,940,794.35
RB19C-P----PA19C-P	GNMA II	3617JR4V7	5.00	4/20/2049	2,091,891.00	1,295,439.38
RB19C-P----PA19C-P	GNMA II	3617JSCA2	4.50	5/20/2049	5,283,055.00	2,104,756.91
RB19C-P----PA19C-P	GNMA II	3617JSCB0	5.00	4/20/2049	867,088.00	480,474.92
RB19C-P----PA19C-P	GNMA II	3617JSFT8	4.00	6/20/2049	3,830,609.00	1,352,464.73
RB19C-P----PA19C-P	GNMA II	3617JSFU5	4.50	6/20/2049	2,920,954.00	916,734.75
RB19D-P----PA19D-P	FNMA	3140JVAR3	4.50	6/1/2049	6,139,075.00	2,782,316.09
RB19D-P----PA19D-P	FNMA	3140JVAS1	5.00	6/1/2049	664,140.00	480,529.31
RB19D-P----PA19D-P	FNMA	3140JYEJ1	4.50	8/1/2049	2,789,429.00	1,791,963.19
RB19D-P----PA19D-P	FNMA	3140K0NV6	3.50	9/1/2049	396,173.00	364,217.58
RB19D-P----PA19D-P	FNMA	3140K0NW4	4.00	9/1/2049	5,217,317.00	3,107,530.42
RB19D-P----PA19D-P	FNMA	3140K0NX2	4.50	9/1/2049	3,801,984.00	2,532,717.61
RB19D-P----PA19D-P	FNMA	3140K0NY0	5.00	8/1/2049	565,778.00	446,650.95
RB19D-P----PA19D-P	FNMA	3140K1Q25	4.50	9/1/2049	745,179.00	614,196.96
RB19D-P----PA19D-P	FNMA	3140K1QY5	3.50	10/1/2049	8,870,410.00	6,298,472.41
RB19D-P----PA19D-P	FNMA	3140K1QZ2	4.00	10/1/2049	3,841,424.00	2,260,045.15
RB19D-P----PA19D-P	FNMA	3140K4CU2	3.50	11/1/2049	11,350,712.00	7,396,816.33
RB19D-P----PA19D-P	FNMA	3140K4CW8	4.50	8/1/2049	417,505.00	197,472.22
RB19D-P----PA19D-P	GNMA II	3617JSFU5	4.50	6/20/2049	2,500,358.00	784,731.66
RB19D-P----PA19D-P	GNMA II	3617JSLX2	4.00	6/20/2049	10,130,132.00	4,190,447.32
RB19D-P----PA19D-P	GNMA II	3617JSLY0	4.50	6/20/2049	1,485,640.00	155,860.19
RB19D-P----PA19D-P	GNMA II	3617JSLZ7	5.00	5/20/2049	515,141.00	154,677.10
RB19D-P----PA19D-P	GNMA II	3617JSRG3	4.00	8/20/2049	6,828,133.00	2,702,569.65
RB19D-P----PA19D-P	GNMA II	3617JSWC6	3.50	9/20/2049	3,312,799.00	1,768,270.07
RB19D-P----PA19D-P	GNMA II	3617JSWD4	4.00	8/20/2049	3,532,442.00	1,456,636.94
RB19D-P----PA19D-P	GNMA II	3617LEBM5	3.00	9/20/2049	417,558.00	110,792.21
RB19D-P----PA19D-P	GNMA II	3617LEBN3	3.50	10/20/2049	17,908,011.00	10,343,332.63
RB19D-P----PA19D-P	GNMA II	3617LEBP8	4.00	9/20/2049	3,272,390.00	1,128,931.98
RB19D-P----PA19D-P	GNMA II	3617LEK78	3.00	11/20/2049	5,557,909.00	3,160,965.70
RB19D-P----PA19D-P	GNMA II	3617LEK86	3.50	11/20/2049	20,170,044.00	8,787,189.39
RB19D-P----PA19D-P	GNMA II	3617LEK94	4.00	10/20/2049	798,631.00	340,644.00
RB19D-P----PA19D-P	GNMA II	3617LEP65	3.00	12/20/2049	7,757,937.00	4,482,558.03
RB20A-P----PA20A-P	FHLMC	3133A0SK1	3.50	12/1/2049	1,713,135.00	904,364.75
RB20A-P----PA20A-P	FHLMC	3133A1PC0	3.50	1/1/2050	4,260,721.00	2,825,594.96
RB20A-P----PA20A-P	FHLMC	3133A2FR6	4.50	10/1/2049	58,772.00	54,961.22
RB20A-P----PA20A-P	FHLMC	3133A2RE2	3.50	2/1/2050	5,030,687.00	3,368,082.68
RB20A-P----PA20A-P	FNMA	3140K0NW4	4.00	9/1/2049	577,519.00	343,980.99
RB20A-P----PA20A-P	FNMA	3140K0NX2	4.50	9/1/2049	1,198,103.00	798,124.50
RB20A-P----PA20A-P	FNMA	3140K0NY0	5.00	8/1/2049	299,813.00	236,686.05
RB20A-P----PA20A-P	FNMA	3140K1Q25	4.50	9/1/2049	471,567.00	388,678.45
RB20A-P----PA20A-P	FNMA	3140K1QZ2	4.00	10/1/2049	1,674,394.00	985,105.01
RB20A-P----PA20A-P	FNMA	3140K4CV0	4.00	9/1/2049	158,981.00	148,000.45
RB20A-P----PA20A-P	FNMA	3140K57F8	3.50	12/1/2049	10,607,945.00	7,609,891.62

RB20A-P----PA20A-P	FNMA	3140K57G6	4.00	11/1/2049	253,090.00	231,870.34
RB20A-P----PA20A-P	FNMA	3140K57H4	4.50	9/1/2049	291,577.00	148,702.34
RB20A-P----PA20A-P	FNMA	3140K72F9	3.50	1/1/2050	12,872,861.00	9,758,303.82
RB20A-P----PA20A-P	FNMA	3140K72G7	4.00	10/1/2049	327,808.00	69,227.02
RB20A-P----PA20A-P	FNMA	3140K9AL3	3.50	2/1/2050	11,203,764.00	7,114,071.84
RB20A-P----PA20A-P	GNMA II	3617LE6R0	3.00	3/20/2050	14,741,248.00	7,640,152.68
RB20A-P----PA20A-P	GNMA II	3617LE6S8	3.50	2/20/2050	7,861,539.00	4,255,778.81
RB20A-P----PA20A-P	GNMA II	3617LEBP8	4.00	9/20/2049	1,600,660.00	552,206.88
RB20A-P----PA20A-P	GNMA II	3617LEK94	4.00	10/20/2049	363,128.00	154,886.77
RB20A-P----PA20A-P	GNMA II	3617LEUN2	3.00	1/20/2050	7,598,727.00	3,438,320.55
RB20A-P----PA20A-P	GNMA II	3617LEUP7	3.50	1/20/2050	14,371,812.00	7,099,228.45
RB20A-P----PA20A-P	GNMA II	3617LEZB3	3.00	2/20/2050	9,007,078.00	3,921,241.95
RB20A-P----PA20A-P	GNMA II	3617LEZC1	3.50	1/20/2050	10,025,364.00	5,197,855.99
RB20BC-P----PA20B-P	FHLMC	3133A7B57	3.00	6/1/2050	1,388,146.00	1,123,092.56
RB20BC-P----PA20B-P	FHLMC	3133A7B65	3.50	6/1/2050	375,403.00	163,597.53
RB20BC-P----PA20B-P	FHLMC	3133A8FJ1	2.50	6/1/2050	631,068.00	316,487.48
RB20BC-P----PA20B-P	FHLMC	3133A8FK8	3.00	7/1/2050	1,121,634.00	830,101.06
RB20BC-P----PA20B-P	FHLMC	3133A9PP4	2.50	7/1/2050	183,596.00	161,694.84
RB20BC-P----PA20B-P	FHLMC	3133A9PQ2	3.00	8/1/2050	1,044,422.00	372,360.83
RB20BC-P----PA20B-P	FHLMC	3133AATJ1	3.00	9/1/2050	1,342,496.00	905,302.11
RB20BC-P----PA20B-P	FNMA	3140K9AL3	3.50	2/1/2050	4,475,703.00	2,841,944.25
RB20BC-P----PA20B-P	FNMA	3140KGEP4	3.00	6/1/2050	4,684,080.00	3,611,671.97
RB20BC-P----PA20B-P	FNMA	3140KGEG2	3.50	5/1/2050	342,068.00	166,158.94
RB20BC-P----PA20B-P	FNMA	3140KGER0	4.00	5/1/2050	176,425.00	161,785.31
RB20BC-P----PA20B-P	FNMA	3140KH6C0	2.50	7/1/2050	6,507,772.00	5,003,400.35
RB20BC-P----PA20B-P	FNMA	3140KH6D8	3.00	7/1/2050	7,696,124.00	6,366,051.37
RB20BC-P----PA20B-P	FNMA	3140KH6E6	3.50	5/1/2050	411,428.00	95,824.62
RB20BC-P----PA20B-P	FNMA	3140KLP62	2.50	8/1/2050	828,989.00	757,880.00
RB20BC-P----PA20B-P	FNMA	3140KL6Q0	3.00	8/1/2050	9,985,058.00	8,114,482.40
RB20BC-P----PA20B-P	FNMA	3140KN6M5	2.50	9/1/2050	278,731.00	260,577.51
RB20BC-P----PA20B-P	FNMA	3140KN6W3	3.00	9/1/2050	10,441,321.00	8,246,577.25
RB20BC-P----PA20B-P	GNMA II	3617LE6R0	3.00	3/20/2050	7,535,447.00	3,905,501.46
RB20BC-P----PA20B-P	GNMA II	3617LEZB3	3.00	2/20/2050	4,774,443.00	2,078,559.35
RB20BC-P----PA20B-P	GNMA II	3617MS7D8	3.00	8/20/2050	3,970,034.00	2,400,848.41
RB20BC-P----PA20B-P	GNMA II	3617MS7E6	3.50	6/20/2050	434,008.00	333,649.21
RB20BC-P----PA20B-P	GNMA II	3617MSX64	3.00	6/20/2050	5,325,900.00	3,578,795.65
RB20BC-P----PA20B-P	GNMA II	3617MSX72	3.50	6/20/2050	1,317,808.00	875,384.18
RB20BC-P----PA20B-P	GNMA II	3617MSX80	4.00	6/20/2050	440,523.00	203,037.59
RB20BC-P----PA20B-P	GNMA II	3617Q64X1	3.00	11/20/2050	5,503,174.00	3,920,561.54
RB20BC-P----PA20B-P	GNMA II	3617Q6J80	2.50	8/20/2050	5,176,333.00	4,601,844.51
RB20BC-P----PA20B-P	GNMA II	3617Q6J98	3.00	8/20/2050	4,654,563.00	3,825,145.38
RB20BC-P----PA20B-P	GNMA II	3617Q6UK0	3.00	10/20/2050	16,850,383.00	12,485,148.56
RB21A-P----PA21A-P	FHLMC	3133ABXJ4	2.50	10/1/2050	1,008,905.00	837,207.86
RB21A-P----PA21A-P	FHLMC	3133ABXK1	3.00	10/1/2050	1,100,730.00	1,032,216.29
RB21A-P----PA21A-P	FHLMC	3133ADKL9	2.00	11/1/2050	623,453.00	581,766.04
RB21A-P----PA21A-P	FHLMC	3133ADKM7	2.50	10/1/2050	363,711.00	340,905.10
RB21A-P----PA21A-P	FHLMC	3133AEHC1	2.50	11/1/2050	187,007.00	175,639.63
RB21A-P----PA21A-P	FHLMC	3133AFKN0	2.50	12/1/2050	275,365.00	248,825.42
RB21A-P----PA21A-P	FHLMC	3133AGRV3	2.50	2/1/2051	434,854.00	410,027.98
RB21A-P----PA21A-P	FNMA	3140KRES4	2.00	10/1/2050	910,592.00	696,316.32
RB21A-P----PA21A-P	FNMA	3140KRET2	2.50	10/1/2050	5,684,246.00	5,008,893.29
RB21A-P----PA21A-P	FNMA	3140KREU9	3.00	10/1/2050	7,102,924.00	5,623,967.09
RB21A-P----PA21A-P	FNMA	3140KTXF7	2.00	11/1/2050	3,827,056.00	2,934,709.89
RB21A-P----PA21A-P	FNMA	3140KTXG5	2.50	11/1/2050	11,498,938.00	9,228,947.60
RB21A-P----PA21A-P	FNMA	3140KTXH3	3.00	10/1/2050	2,742,184.00	2,350,972.49
RB21A-P----PA21A-P	FNMA	3140KXKU9	2.50	12/1/2050	1,110,609.00	1,039,003.68
RB21A-P----PA21A-P	FNMA	3140KXKV7	3.00	8/1/2050	93,374.00	87,951.78
RB21A-P----PA21A-P	FNMA	3140L03B1	2.50	1/1/2051	2,522,183.00	1,835,565.39
RB21A-P----PA21A-P	FNMA	3140L03C9	3.00	1/1/2051	1,397,225.00	1,204,649.08
RB21A-P----PA21A-P	FNMA	3140L2Y23	2.50	2/1/2051	1,190,227.00	871,396.63
RB21A-P----PA21A-P	FNMA	3140L2Y49	3.00	1/1/2051	81,734.00	77,145.75
RB21A-P----PA21A-P	GNMA II	3617Q64W3	2.50	10/20/2050	3,063,754.00	2,397,191.00
RB21A-P----PA21A-P	GNMA II	3617Q64X1	3.00	11/20/2050	11,381,591.00	8,108,453.03
RB21A-P----PA21A-P	GNMA II	3617Q64Y9	3.50	10/20/2050	181,375.00	169,254.85
RB21A-P----PA21A-P	GNMA II	3617Q7EX8	2.50	12/20/2050	19,955,038.00	16,776,745.42
RB21A-P----PA21A-P	GNMA II	3617Q7EY6	3.00	11/20/2050	5,450,498.00	4,394,444.83
RB21A-P----PA21A-P	GNMA II	3617Q7H56	2.00	12/20/2050	214,639.00	200,318.67
RB21A-P----PA21A-P	GNMA II	3617Q7H64	2.50	1/20/2051	2,182,213.00	2,039,614.79
RB21A-P----PA21A-P	GNMA II	3617Q7HT2	3.00	10/20/2050	190,610.00	95,568.12
RB21A-P----PA21A-P	GNMA II	3617UM4V5	2.00	2/20/2051	3,052,822.00	2,732,329.39
RB21A-P----PA21A-P	GNMA II	3617UM4X1	2.50	1/20/2051	894,554.00	840,034.09
RB21A-P----PA21A-P	GNMA II	3617UM4Y9	2.50	3/20/2051	651,234.19	419,163.83
RB21A-P----PA21A-P	GNMA II	3617UM4Y9	2.50	3/20/2051	772.81	497.42
RB21A-P----PA21A-P	GNMA II	3617UMTX4	2.00	2/20/2051	4,324,153.00	3,853,081.93

RB21A-P----PA21A-P	GNMA II	3617UMTY2	2.50	2/20/2051	11,419,353.00	8,636,548.14
RB21BC-P----PA21B-P	FHLMC	3133AGRW1	2.50	2/1/2051	524,205.00	494,241.01
RB21BC-P----PA21B-P	FHLMC	3133AJJUF8	2.50	4/1/2051	1,485,001.00	1,392,779.10
RB21BC-P----PA21B-P	FHLMC	3133AKX47	2.50	4/1/2051	1,440,324.00	1,361,424.41
RB21BC-P----PA21B-P	FHLMC	3133AKX54	3.00	4/1/2051	120,414.00	114,296.18
RB21BC-P----PA21B-P	FHLMC	3133AMC95	3.00	5/1/2051	1,021,357.00	970,280.79
RB21BC-P----PA21B-P	FHLMC	3133AMDJ2	2.50	4/1/2051	509,089.00	404,156.79
RB21BC-P----PA21B-P	FNMA	3140L2Y31	2.50	2/1/2051	7,715,260.00	6,846,631.67
RB21BC-P----PA21B-P	FNMA	3140L2Y56	3.00	1/1/2051	373,657.00	353,946.79
RB21BC-P----PA21B-P	FNMA	3140L5MR4	2.50	4/1/2051	15,935,571.00	14,382,690.08
RB21BC-P----PA21B-P	FNMA	3140L5MS2	3.00	1/1/2051	680,828.00	639,202.14
RB21BC-P----PA21B-P	FNMA	3140L7KM3	2.50	4/1/2051	15,781,551.00	14,413,283.90
RB21BC-P----PA21B-P	FNMA	3140L7KN1	3.00	4/1/2051	1,852,532.00	1,539,951.37
RB21BC-P----PA21B-P	FNMA	3140L8SE1	2.50	5/1/2051	0.00	0.00
RB21BC-P----PA21B-P	FNMA	3140L8SE1	2.50	5/1/2051	1,722,289.00	1,440,832.57
RB21BC-P----PA21B-P	GNMA II	3617UM4U7	2.00	3/20/2051	7,122,675.00	6,116,401.71
RB21BC-P----PA21B-P	GNMA II	3617UM4W3	2.50	3/20/2051	14,611,934.00	12,580,307.50
RB21BC-P----PA21B-P	GNMA II	3617UM4Y9	2.50	3/20/2051	1,305,211.00	840,092.94
RB21BC-P----PA21B-P	GNMA II	3617UNDR2	2.00	4/20/2051	17,677,766.00	15,823,441.53
RB21BC-P----PA21B-P	GNMA II	3617UNDS2	2.50	4/20/2051	22,726,928.00	18,857,148.74
RB21BC-P----PA21B-P	GNMA II	3617UNDT8	3.00	9/20/2050	73,145.00	69,165.84
RB21BC-P----PA21B-P	GNMA II	3617UNJS4	2.00	4/20/2051	7,798,765.00	6,751,934.75
RB21BC-P----PA21B-P	GNMA II	3617UNJT2	2.50	5/20/2051	17,778,548.00	15,673,853.44
RB21BC-P----PA21B-P	GNMA II	3617UNJU9	3.00	5/20/2051	6,786,643.00	5,823,843.81
RB21BC-P----PA21C-P	FNMA	3140L8SD3	2.50	5/1/2051	7,537,354.00	6,505,222.59
RB21BC-P----PA21C-P	FNMA	3140L8SF8	3.00	5/1/2051	0.00	0.00
RB21BC-P----PA21C-P	FNMA	3140L8SF8	3.00	5/1/2051	7,275,752.00	6,618,912.32
RB21BC-P----PA21C-P	GNMA II	3617UNPR9	2.00	2/20/2051	378,007.00	354,551.21
RB21BC-P----PA21C-P	GNMA II	3617UNRF3	2.50	6/20/2051	4,088,887.00	3,439,147.81
RB21D----PA-21D	FHLMC	3133ANK29	3.00	6/1/2051	3,565,731.00	3,386,071.96
RB21D----PA-21D	FHLMC	3133ANKZ6	2.50	4/1/2051	311,235.00	295,487.00
RB21D----PA-21D	FHLMC	3133APXV6	3.00	7/1/2051	604,038.00	576,507.27
RB21D----PA-21D	FNMA	3140L8SE1	2.50	5/1/2051	1,714,431.86	1,434,259.44
RB21D----PA-21D	FNMA	3140L8SE1	2.50	5/1/2051	1,916,962.14	1,603,692.23
RB21D----PA-21D	FNMA	3140L8SG6	3.00	5/1/2051	6,671,755.00	5,801,645.06
RB21D----PA-21D	FNMA	3140LNYD3	3.00	7/1/2051	20,879,084.00	18,725,262.00
RB21D----PA-21D	FNMA	3140LNYE1	3.00	6/1/2051	10,252,301.54	9,552,080.72
RB21D----PA-21D	FNMA	3140LNYE1	3.00	6/1/2051	6,529.46	6,083.51
RB21D----PA-21D	FNMA	3140LUAJ0	2.50	5/1/2051	177,537.00	168,709.23
RB21D----PA-21D	FNMA	3140LUAK7	3.00	7/1/2051	8,007,680.00	7,612,380.24
RB21D----PA-21D	FNMA	3140LXQL2	3.00	9/1/2051	26,311,164.00	24,527,893.29
RB21D----PA-21D	GNMA II	3617UNPQ1	2.00	4/20/2051	957,268.00	827,109.00
RB21D----PA-21D	GNMA II	3617UNRE6	2.50	5/20/2051	4,623,666.00	4,186,210.00
RB21D----PA-21D	GNMA II	3617UNRG1	3.00	6/20/2051	14,846,316.00	12,303,831.98
RB21D----PA-21D	GNMA II	3617VRXN9	2.50	6/20/2051	1,874,925.00	1,592,233.88
RB21D----PA-21D	GNMA II	3617VRXP4	3.00	7/20/2051	21,912,824.00	18,934,337.42
RB21D----PA-21D	GNMA II	3617VSD82	3.00	8/20/2051	16,268,451.00	14,876,190.46
RB21E----PA-21E	FNMA	3140L8SF8	3.00	5/1/2051	485,873.66	442,010.00
RB21E----PA-21E	FNMA	3140L8SF8	3.00	5/1/2051	12,353.34	11,238.11
RB21E----PA-21E	FNMA	3140LNYE1	3.00	6/1/2051	1,929,846.00	1,798,039.66
RB21E----PA-21E	FNMA	3140LXQL2	3.00	9/1/2051	2,549,137.00	2,376,366.18
RB21E----PA-21E	GNMA II	3617UNRH9	3.00	6/20/2051	7,660,577.00	6,606,224.13
RB21E----PA-21E	GNMA II	3617VRXQ2	3.00	6/20/2051	6,674,567.00	5,732,919.42
RB22AB----PA22A-P	FHLMC	3133AYY46	2.50	11/1/2051	2,250,148.00	2,150,005.01
RB22AB----PA22A-P	FHLMC	3133AYY53	3.00	11/1/2051	1,015,080.00	970,122.36
RB22AB----PA22A-P	FHLMC	3133B13E9	2.50	12/1/2051	516,070.66	495,390.90
RB22AB----PA22A-P	FHLMC	3133B13F6	3.00	12/1/2051	2,428,402.00	2,327,639.78
RB22AB----PA22A-P	FHLMC	3133B4G74	3.00	1/1/2052	2,414,769.96	2,140,854.83
RB22AB----PA22A-P	FNMA	3140M7W98	2.50	12/1/2051	21,161,236.00	19,430,810.42
RB22AB----PA22A-P	FNMA	3140M7XA4	3.00	11/1/2051	4,808,206.00	4,476,704.72
RB22AB----PA22A-P	FNMA	3140M9GA9	2.50	12/1/2051	13,875,712.00	12,963,431.95
RB22AB----PA22A-P	FNMA	3140M9GB7	3.00	1/1/2052	12,611,453.00	11,987,746.03
RB22AB----PA22A-P	FNMA	3140MD4X3	3.00	2/1/2052	22,470,691.48	21,293,886.99
RB22AB----PA22A-P	GNMA II	3617XC2X2	2.50	12/20/2051	19,444,778.00	18,065,372.64
RB22AB----PA22A-P	GNMA II	3617XC2Y0	3.00	11/20/2051	8,234,034.00	7,670,139.77
RB22AB----PA22A-P	GNMA II	3617XDAB9	2.50	1/20/2052	32,647,988.00	30,692,443.06
RB22AB----PA22A-P	GNMA II	3617XDAC7	3.00	12/20/2051	3,347,317.00	3,212,495.41
RB22AB----PA22A-P	GNMA II	3617XDAD5	3.50	12/20/2051	514,360.00	496,172.32
RB22AB----PA22B-P	FHLMC	3133B4G58	3.00	1/1/2052	362,785.00	346,875.76
RB22AB----PA22B-P	FNMA	3140MD3C0	2.50	12/1/2051	1,011,826.00	973,740.66
RB22AB----PA22B-P	FNMA	3140MD3D8	3.00	1/1/2052	5,428,735.00	5,171,012.16
RB22AB----PA22B-P	FNMA	3140MGUH2	3.00	3/1/2052	2,746,316.63	2,566,844.81
RB22AB----PA22B-P	GNMA II	3617XDHK2	2.50	2/20/2052	9,186,436.00	8,698,498.18
RB22AB----PA22B-P	GNMA II	3617XDHM8	3.00	2/20/2052	1,327,936.00	1,279,856.84

RB22C----PA22C-P	FHLMC	3133B6GZ7	3.00	1/1/2052	484,633.12	465,592.78
RB22C----PA22C-P	FNMA	3140MD4X3	3.00	2/1/2052	3,861,693.52	3,659,454.16
RB22C----PA22C-P	FNMA	3140MGUJ8	3.00	2/1/2052	12,233,855.35	11,413,937.59
RB22C----PA22C-P	FNMA	3140MNVN5	3.50	4/1/2052	6,288,502.00	6,068,296.77
RB22C----PA22C-P	FNMA	3140MNVN3	4.00	5/1/2052	8,067,631.00	7,351,205.52
RB22C----PA22C-P	GNMA II	3617XDHL0	2.50	2/20/2052	43,034,775.00	40,248,623.62
RB22C----PA22C-P	GNMA II	3617XDHN6	3.00	1/20/2052	2,123,257.02	1,906,683.47
RB22C----PA22C-P	GNMA II	3617YFF36	3.00	4/20/2052	10,042,147.17	9,269,107.90
RB22C----PA22C-P	GNMA II	3617YFF44	3.50	4/20/2052	11,038,296.82	10,527,574.81
RB22D----PA22D	FHLMC	3133B13E9	2.50	12/1/2051	176,430.13	169,360.30
RB22D----PA22D	FHLMC	3133B4G74	3.00	1/1/2052	340,938.04	302,264.34
RB22D----PA22D	FHLMC	3133B6GZ7	3.00	1/1/2052	142,420.88	136,825.43
RB22D----PA22D	FHLMC	3133BCV61	3.50	5/1/2052	690,968.00	671,828.38
RB22D----PA22D	FHLMC	3133BCV79	4.00	5/1/2052	1,310,802.00	1,272,979.61
RB22D----PA22D	FHLMC	3133BCV87	4.50	5/1/2052	559,239.00	546,408.83
RB22D----PA22D	FNMA	3140MGUG4	2.50	1/1/2052	282,665.00	272,740.20
RB22D----PA22D	FNMA	3140MGUJ8	3.00	2/1/2052	708,891.65	661,381.46
RB22D----PA22D	FNMA	3140MNVL7	3.00	3/1/2052	508,154.00	492,080.84
RB22D----PA22D	FNMA	3140MNVN5	3.50	4/1/2052	519,306.00	501,121.40
RB22D----PA22D	FNMA	3140MNVN3	4.00	5/1/2052	2,320,481.00	2,114,416.58
RB22D----PA22D	FNMA	3140MRUQ8	4.00	5/1/2052	8,755,221.00	7,805,287.66
RB22D----PA22D	FNMA	3140MRUR6	4.50	5/1/2052	4,071,615.00	3,976,850.12
RB22D----PA22D	FNMA	3140MRUS4	5.00	5/1/2052	174,418.00	170,825.24
RB22D----PA22D	GNMA II	3617XDHN6	3.00	1/20/2052	1,360,395.75	1,221,634.53
RB22D----PA22D	GNMA II	3617XDHP1	3.50	12/20/2051	166,416.00	159,529.81
RB22D----PA22D	GNMA II	3617YFF36	3.00	4/20/2052	215,674.20	199,071.71
RB22D----PA22D	GNMA II	3617YFF44	3.50	4/20/2052	1,190,210.18	1,135,141.31
RB22D----PA22D	GNMA II	3617YFF51	4.00	4/20/2052	910,919.00	883,796.93
RB22D----PA22D	GNMA II	3617YFK22	3.50	5/20/2052	14,935,133.00	14,384,268.54
RB22D----PA22D	GNMA II	3617YFF30	4.00	5/20/2052	4,297,650.00	4,178,185.73
RB22D----PA22D	GNMA II	3617YFS57	4.00	6/20/2052	8,747,320.00	8,359,414.67
RB22D----PA22D	GNMA II	3617YFS65	4.50	6/20/2052	5,450,765.00	5,023,546.14
RB22EF-P----PA22E-P	FHLMC	3133BFJW1	5.50	7/1/2052	137,084.18	95,033.51
RB22EF-P----PA22E-P	FHLMC	3133BHFY7	4.00	6/1/2052	203,746.00	199,566.32
RB22EF-P----PA22E-P	FHLMC	3133BHFY7	5.00	7/1/2052	966,220.00	949,453.42
RB22EF-P----PA22E-P	FHLMC	3133BHFZ4	5.50	8/1/2052	2,323,438.00	2,281,249.57
RB22EF-P----PA22E-P	FHLMC	3133BKRE1	5.00	7/1/2052	273,464.00	269,002.31
RB22EF-P----PA22E-P	FNMA	3140MRUS4	5.00	5/1/2052	333,474.00	326,604.92
RB22EF-P----PA22E-P	FNMA	3140MW5N2	3.00	1/1/2052	87,304.00	84,897.53
RB22EF-P----PA22E-P	FNMA	3140MW5P7	3.50	5/1/2052	510,558.00	495,490.56
RB22EF-P----PA22E-P	FNMA	3140MW5Q5	4.00	6/1/2052	1,363,400.06	1,284,678.14
RB22EF-P----PA22E-P	FNMA	3140MW5R3	4.50	6/1/2052	6,174,147.00	5,891,733.92
RB22EF-P----PA22E-P	FNMA	3140MW5S1	5.00	7/1/2052	3,065,259.00	2,835,069.24
RB22EF-P----PA22E-P	FNMA	3140MW5T9	5.50	7/1/2052	8,657,338.00	8,459,367.88
RB22EF-P----PA22E-P	FNMA	3140MYJ29	4.00	5/1/2052	305,419.00	298,880.43
RB22EF-P----PA22E-P	FNMA	3140MYJ37	4.50	6/1/2052	767,090.02	752,009.12
RB22EF-P----PA22E-P	FNMA	3140MYJ45	5.00	8/1/2052	3,424,445.00	3,194,713.85
RB22EF-P----PA22E-P	FNMA	3140MYJ52	5.50	8/1/2052	6,258,080.51	5,822,472.49
RB22EF-P----PA22E-P	FNMA	3140MYJ60	6.00	8/1/2052	412,544.28	405,344.07
RB22EF-P----PA22E-P	FNMA	3140MYJY9	3.00	2/1/2052	85,141.00	82,882.70
RB22EF-P----PA22E-P	FNMA	3140MYJZ6	3.50	5/1/2052	207,693.04	203,011.61
RB22EF-P----PA22E-P	FNMA	3140N04R3	4.00	6/1/2052	341,405.00	269,632.78
RB22EF-P----PA22E-P	FNMA	3140N04S1	5.00	8/1/2052	1,073,715.00	947,791.29
RB22EF-P----PA22E-P	FNMA	3140N04T9	5.50	8/1/2052	203,491.00	191,812.82
RB22EF-P----PA22E-P	GNMA II	3617FLAR6	3.00	6/20/2052	713,738.00	477,934.99
RB22EF-P----PA22E-P	GNMA II	3617FLAS4	3.50	6/20/2052	511,751.04	499,067.69
RB22EF-P----PA22E-P	GNMA II	3617FLAT2	4.00	7/20/2052	527,254.00	515,498.94
RB22EF-P----PA22E-P	GNMA II	3617FLAU9	5.00	8/20/2052	17,818,400.80	17,023,555.26
RB22EF-P----PA22E-P	GNMA II	3617FLAU9	5.00	8/20/2052	111,287.20	106,322.89
RB22EF-P----PA22E-P	GNMA II	3617FLAV7	5.50	8/20/2052	3,173,165.19	2,836,890.06
RB22EF-P----PA22E-P	GNMA II	3617FLJ89	3.50	4/20/2052	151,112.00	147,760.22
RB22EF-P----PA22E-P	GNMA II	3617FLJ97	5.00	9/20/2052	12,954,434.10	12,650,132.37
RB22EF-P----PA22F-P	FNMA	3133BFJT8	4.00	6/1/2052	459,676.00	449,115.39
RB22EF-P----PA22F-P	FHLMC	3133BFJU5	4.50	6/1/2052	726,890.12	711,516.52
RB22EF-P----PA22F-P	FHLMC	3133BFJV3	5.00	7/1/2052	663,311.00	649,410.01
RB22EF-P----PA22F-P	FHLMC	3133BFJW1	5.50	7/1/2052	472,304.20	327,424.54
RB22EF-P----PA22F-P	GNMA II	3617FLKA2	5.50	9/20/2052	16,394,459.00	15,670,795.61
RB22EF-P----PA22F-P	GNMA II	3617FLKB0	6.00	8/20/2052	777,089.00	657,391.22
RB22EF-P----PA22F-P	GNMA II	3617FLKC8	6.50	9/20/2052	615,474.00	604,972.30
RB22EF-P----PA22F-P	GNMA II	3617YF4U8	2.50	4/20/2052	92,022.00	89,305.05
RB22EF-P----PA22F-P	GNMA II	3617YF4V6	3.00	4/20/2052	102,685.01	99,893.42
RB22EF-P----PA22F-P	GNMA II	3617YF4W4	4.00	6/20/2052	1,059,969.00	1,034,922.40
RB22EF-P----PA22F-P	GNMA II	3617YF4X2	4.50	6/20/2052	6,099,257.00	5,964,459.21
RB22EF-P----PA22F-P	GNMA II	3617YF4Y0	5.00	7/20/2052	17,089,129.00	16,454,869.22

RB22EF-P----PA22F-P	GNMA II	3617YF4Z7	5.50	7/20/2052	2,771,601.00	2,718,935.84
RB22EF-P----PA22F-P	GNMA II	3617YFS73	5.00	6/20/2052	2,720,162.04	2,587,732.28
RB22GH-P----PA22G-P	FHLMC	3133BKRF8	5.50	8/1/2052	1,438,533.00	1,414,623.17
RB22GH-P----PA22G-P	FHLMC	3133BKRG6	6.00	9/1/2052	207,792.00	203,967.30
RB22GH-P----PA22G-P	FHLMC	3133BKRH4	6.50	8/1/2052	997,081.00	981,795.07
RB22GH-P----PA22G-P	FHLMC	3133BNJ20	5.50	9/1/2052	2,398,177.10	2,359,679.59
RB22GH-P----PA22G-P	FHLMC	3133BNJ38	6.00	9/1/2052	1,184,875.03	963,996.53
RB22GH-P----PA22G-P	FHLMC	3133BNJ46	6.50	8/1/2052	32,924.00	32,517.04
RB22GH-P----PA22G-P	FHLMC	3133BQDF0	5.00	7/1/2052	159,027.00	156,117.07
RB22GH-P----PA22G-P	FHLMC	3133BQDG8	5.50	10/1/2052	1,245,104.00	1,095,623.71
RB22GH-P----PA22G-P	FHLMC	3133BQDH6	6.00	11/1/2052	568,583.00	560,530.32
RB22GH-P----PA22G-P	FHLMC	3133BRR97	5.50	11/1/2052	2,180,465.00	1,974,740.72
RB22GH-P----PA22G-P	FHLMC	3133BRSA3	6.00	11/1/2052	339,801.00	335,838.02
RB22GH-P----PA22G-P	FHLMC	3133BRSB1	6.50	11/1/2052	739,659.00	727,776.41
RB22GH-P----PA22G-P	FHLMC	3133BTQ86	7.00	12/1/2052	193,652.00	191,969.31
RB22GH-P----PA22G-P	FNMA	3140MYJ52	5.50	8/1/2052	2,973,135.49	2,766,183.59
RB22GH-P----PA22G-P	FNMA	3140MYJ60	6.00	8/1/2052	119,513.72	117,427.83
RB22GH-P----PA22G-P	FNMA	3140MYJ78	6.50	7/1/2052	401,353.00	311,201.07
RB22GH-P----PA22G-P	FNMA	3140N04T9	5.50	8/1/2052	7,074,644.00	6,668,636.12
RB22GH-P----PA22G-P	FNMA	3140N04U6	6.00	8/1/2052	2,813,649.19	2,771,469.66
RB22GH-P----PA22G-P	FNMA	3140N04V4	6.50	8/1/2052	1,228,698.15	1,200,884.96
RB22GH-P----PA22G-P	FNMA	3140N4HT7	4.00	4/1/2052	163,612.23	160,493.74
RB22GH-P----PA22G-P	FNMA	3140N4HU4	5.00	9/1/2052	865,488.00	849,681.54
RB22GH-P----PA22G-P	FNMA	3140N4HV2	5.50	10/1/2052	11,977,565.00	11,711,920.22
RB22GH-P----PA22G-P	FNMA	3140N4HW0	6.00	10/1/2052	4,677,454.00	4,605,948.68
RB22GH-P----PA22G-P	FNMA	3140N4HX8	6.50	9/1/2052	463,287.00	457,493.00
RB22GH-P----PA22G-P	FNMA	3140N5SG0	5.00	10/1/2052	435,728.00	429,504.65
RB22GH-P----PA22G-P	FNMA	3140N5SH8	5.50	10/1/2052	9,947,028.00	8,904,551.91
RB22GH-P----PA22G-P	FNMA	3140N5SJ4	6.00	10/1/2052	3,504,489.00	3,459,096.41
RB22GH-P----PA22G-P	FNMA	3140N5SK1	6.50	10/1/2052	411,649.00	406,349.63
RB22GH-P----PA22G-P	FNMA	3140N7C24	6.50	11/1/2052	1,000,540.00	986,488.99
RB22GH-P----PA22G-P	FNMA	3140N7CX6	5.00	9/1/2052	133,271.00	131,302.32
RB22GH-P----PA22G-P	FNMA	3140N7CY4	5.50	12/1/2052	9,964,085.00	9,835,972.37
RB22GH-P----PA22G-P	FNMA	3140N7CZ1	6.00	11/1/2052	2,543,005.00	2,511,583.99
RB22GH-P----PA22G-P	FNMA	3140NADM2	7.00	12/1/2052	445,586.16	440,751.59
RB22GH-P----PA22G-P	FNMA	3140NADN0	7.50	12/1/2052	150,943.00	149,513.88
RB22GH-P----PA22G-P	GNMA II	3617FL5D3	5.00	12/20/2052	9,930,806.00	9,781,590.08
RB22GH-P----PA22G-P	GNMA II	3617FL5F8	5.50	12/20/2052	13,930,573.00	13,285,059.64
RB22GH-P----PA22G-P	GNMA II	3617FL5H4	6.00	11/20/2052	2,137,455.00	2,111,241.83
RB22GH-P----PA22G-P	GNMA II	3617FL5K7	6.50	11/20/2052	531,966.00	525,858.07
RB22GH-P----PA22G-P	GNMA II	3617FL5L5	7.00	11/20/2052	178,705.00	176,964.03
RB22GH-P----PA22G-P	GNMA II	3617FLAW5	6.50	7/20/2052	266,256.00	262,412.92
RB22GH-P----PA22G-P	GNMA II	3617FLKB0	6.00	8/20/2052	456,032.00	385,787.77
RB22GH-P----PA22G-P	GNMA II	3617FLKC8	6.50	9/20/2052	591,991.12	581,890.10
RB22GH-P----PA22G-P	GNMA II	3617FLPN9	4.50	8/20/2052	416,146.08	408,902.27
RB22GH-P----PA22G-P	GNMA II	3617FLPP4	5.00	10/20/2052	5,386,868.00	4,920,229.43
RB22GH-P----PA22G-P	GNMA II	3617FLPQ2	5.50	10/20/2052	15,360,501.23	14,936,936.18
RB22GH-P----PA22G-P	GNMA II	3617FLPR0	6.00	9/20/2052	366,907.00	192,309.28
RB22GH-P----PA22G-P	GNMA II	3617FLPS8	6.50	9/20/2052	95,161.00	93,934.55
RB22GH-P----PA22G-P	GNMA II	3617FLVE2	5.00	11/1/2052	8,124,410.00	7,472,093.16
RB22GH-P----PA22G-P	GNMA II	3617FLVF9	5.50	11/1/2052	16,936,971.00	16,324,789.43
RB22GH-P----PA22G-P	GNMA II	3617FLVG7	6.00	11/1/2052	646,686.00	408,232.98
RB22GH-P----PA22G-P	GNMA II	3617FLVH5	6.50	11/1/2052	95,037.00	93,755.14
RB22GH-P----PA22G-P	GNMA II	3618ATZ38	7.00	12/20/2052	507,211.00	502,443.41
RB22GH-P----PA22G-P	GNMA II	3618ATZ53	6.50	1/20/2053	1,275,228.06	1,262,712.19
RB23ABC----PA23A-P	FHLMC	3133BTQ29	5.50	12/1/2052	4,855,928.00	4,793,567.01
RB23ABC----PA23A-P	FHLMC	3133BTQ52	6.00	1/1/2053	3,691,435.00	3,650,144.64
RB23ABC----PA23A-P	FHLMC	3133BTQ78	6.50	12/1/2052	391,984.10	215,978.52
RB23ABC----PA23A-P	FHLMC	3133BVG66	5.50	1/1/2053	4,002,690.00	3,775,918.80
RB23ABC----PA23A-P	FHLMC	3133BVG82	6.00	1/1/2053	5,341,431.00	5,277,381.63
RB23ABC----PA23A-P	FHLMC	3133BVGK5	6.50	12/1/2052	111,806.00	110,806.36
RB23ABC----PA23A-P	FNMA	3140NADD2	5.50	1/1/2053	13,473.33	13,049.63
RB23ABC----PA23A-P	FNMA	3140NADD2	5.50	1/1/2053	20,139,819.67	19,506,482.76
RB23ABC----PA23A-P	FNMA	3140NADG5	6.00	1/1/2053	7,581,767.00	7,354,888.61
RB23ABC----PA23A-P	FNMA	3140NADK6	6.50	12/1/2052	841,524.00	824,963.42
RB23ABC----PA23A-P	FNMA	3140NADN0	7.50	12/1/2052	127,952.00	126,740.56
RB23ABC----PA23A-P	FNMA	3140NAQF3	5.50	2/1/2053	9,243,187.00	9,120,316.39
RB23ABC----PA23A-P	FNMA	3140NAQH9	6.00	1/1/2053	16,369,676.00	15,847,311.62
RB23ABC----PA23A-P	FNMA	3140NAQM8	6.50	1/1/2053	988,204.17	979,180.29
RB23ABC----PA23A-P	FNMA	3140NAQP1	7.00	12/1/2052	89,598.00	88,680.16
RB23ABC----PA23A-P	FNMA	3140NAQQ9	7.50	12/1/2052	150,991.00	149,905.13
RB23ABC----PA23A-P	GNMA II	3618AT2C4	5.00	12/20/2052	2,659,317.24	2,623,395.79
RB23ABC----PA23A-P	GNMA II	3618ATUG4	6.00	2/20/2053	5,215,043.04	5,138,509.36
RB23ABC----PA23A-P	GNMA II	3618ATUK5	5.50	2/20/2053	15,557,552.00	15,150,580.75

RB23ABC----PA23A-P	GNMA II	3618ATUN9	5.00	1/20/2053	722,789.00	714,739.47
RB23ABC----PA23A-P	GNMA II	3618ATZ79	6.00	1/20/2053	8,889,926.15	8,356,554.41
RB23ABC----PA23A-P	GNMA II	3618ATZ95	5.50	1/20/2053	17,662,212.03	17,441,441.09
RB23ABC----PA23B-P	FHLMC	3133BVGJ8	6.00	1/1/2053	2,310,069.35	2,163,903.43
RB23ABC----PA23B-P	FHLMC	3133BWZJ1	5.50	2/1/2053	1,647,796.00	1,629,520.89
RB23ABC----PA23B-P	FHLMC	3133BWWZ48	5.00	2/1/2053	170,825.00	169,217.01
RB23ABC----PA23B-P	FHLMC	3133BWWZ63	6.00	2/1/2053	1,113,375.00	1,103,953.42
RB23ABC----PA23B-P	FNMA	3140NAQL0	6.00	1/1/2053	5,010,961.00	4,672,458.11
RB23ABC----PA23B-P	FNMA	3140NCJN0	5.00	3/1/2053	381,009.00	375,999.57
RB23ABC----PA23B-P	FNMA	3140NCJQ3	5.50	2/1/2053	7,368,548.00	7,232,881.68
RB23ABC----PA23B-P	FNMA	3140NCJT7	6.00	2/1/2053	1,737,721.00	1,718,650.22
RB23ABC----PA23B-P	GNMA II	3618AT2A8	5.50	12/20/2052	3,570,973.00	3,528,726.25
RB23ABC----PA23B-P	GNMA II	3618AT2B6	5.50	12/20/2052	1,629,484.00	1,609,593.70
RB23ABC----PA23B-P	GNMA II	3618ATMU2	6.00	2/20/2053	3,459,028.00	3,247,010.20
RB23ABC----PA23B-P	GNMA II	3618ATNE7	5.50	2/20/2053	1,947,453.00	1,855,399.00
RB23ABC----PA23B-P	GNMA II	3618ATNH0	5.00	3/20/2053	1,119,434.00	1,107,702.69
RB23ABC----PA23B-P	GNMA II	3618ATUG4	6.00	2/20/2053	11,065,642.47	10,903,247.97
RB23ABC----PA23C-P	FHLMC	3133BRSC9	5.50	11/1/2052	1,098,744.00	1,084,141.02
RB23ABC----PA23C-P	FHLMC	3133BTQ37	5.50	12/1/2052	593,084.14	583,301.89
RB23ABC----PA23C-P	FHLMC	3133BTQ60	6.00	12/1/2052	720,129.00	712,531.62
RB23ABC----PA23C-P	FHLMC	3133BVGJ8	6.00	1/1/2053	176,695.78	165,515.64
RB23ABC----PA23C-P	FHLMC	3133BVGL3	6.50	1/1/2053	259,696.00	257,241.77
RB23ABC----PA23C-P	FHLMC	3133BWWZ71	6.00	1/1/2053	1,759,875.00	1,742,106.70
RB23ABC----PA23C-P	FHLMC	3133BWWZ97	6.50	1/1/2053	174,989.00	173,567.50
RB23ABC----PA23C-P	FNMA	3140N7C32	5.50	11/1/2052	1,670,587.10	1,536,424.10
RB23ABC----PA23C-P	FNMA	3140N7C40	5.50	11/1/2052	2,752,390.00	2,468,993.25
RB23ABC----PA23C-P	FNMA	3140N7C57	6.00	11/1/2052	1,071,920.00	1,055,465.96
RB23ABC----PA23C-P	FNMA	3140NADH3	6.00	1/1/2053	1,376,239.00	1,360,322.81
RB23ABC----PA23C-P	FNMA	3140NADJ9	6.00	12/1/2052	2,265,462.00	2,238,027.73
RB23ABC----PA23C-P	FNMA	3140NADL4	6.50	12/1/2052	653,900.00	644,338.68
RB23ABC----PA23C-P	FNMA	3140NAQJ5	6.00	1/1/2053	1,450,019.18	1,430,540.16
RB23ABC----PA23C-P	FNMA	3140NAQK2	6.00	1/1/2053	1,618,012.01	1,441,890.98
RB23ABC----PA23C-P	FNMA	3140NAQN6	6.50	1/1/2053	598,870.00	593,436.13
RB23ABC----PA23C-P	FNMA	3140NCJU4	6.00	2/1/2053	2,836,765.00	2,756,041.90
RB23ABC----PA23C-P	FNMA	3140NCJV2	6.50	1/1/2053	119,543.00	118,424.16
RB23ABC----PA23C-P	GNMA II	3618ATMG3	6.00	2/20/2053	1,224,295.00	1,213,085.13
RB23ABC----PA23C-P	GNMA II	3618ATMT5	6.50	2/20/2053	278,007.00	275,753.88
RB23ABC----PA23C-P	GNMA II	3618ATNF4	5.50	3/20/2053	1,300,424.00	1,286,600.95
RB23ABC----PA23C-P	GNMA II	3618ATNG2	5.50	3/20/2053	324,753.00	321,541.94
RB23ABC----PA23C-P	GNMA II	3618ATUF6	6.50	1/20/2053	134,634.00	133,253.21
RB23ABC----PA23C-P	GNMA II	3618ATUH2	6.00	2/20/2053	3,316,270.00	3,283,169.65
RB23ABC----PA23C-P	GNMA II	3618ATUJ8	6.00	2/20/2053	1,028,906.23	1,016,009.73
RB23ABC----PA23C-P	GNMA II	3618ATUL3	5.50	2/20/2053	3,509,887.00	3,459,564.52
RB23ABC----PA23C-P	GNMA II	3618ATUM1	5.50	2/20/2053	1,270,768.62	1,256,639.48
RB23ABC----PA23C-P	GNMA II	3618ATZ46	7.00	1/20/2053	816,151.00	806,625.89
RB23ABC----PA23C-P	GNMA II	3618ATZ61	6.50	12/20/2052	788,964.00	780,865.43
RB23ABC----PA23C-P	GNMA II	3618ATZ87	6.00	1/20/2053	2,383,774.00	2,110,004.73
RB23DEFG----PA23D-P	FHLMC	3133BWWZJ1	5.50	2/1/2053	1,981,636.00	1,959,658.39
RB23DEFG----PA23D-P	FHLMC	3133BWWZ48	5.00	2/1/2053	76,610.00	75,888.87
RB23DEFG----PA23D-P	FHLMC	3133BWWZ63	6.00	2/1/2053	151,066.00	149,787.65
RB23DEFG----PA23D-P	FHLMC	3133BWWZ89	6.50	2/1/2053	189,424.00	187,888.85
RB23DEFG----PA23D-P	FHLMC	3133C0MR0	5.00	3/1/2053	3,178,683.00	3,147,126.97
RB23DEFG----PA23D-P	FHLMC	3133C0MT6	5.50	3/1/2053	3,513,732.00	3,475,812.61
RB23DEFG----PA23D-P	FHLMC	3133C0MV1	6.00	3/1/2053	341,589.00	337,399.41
RB23DEFG----PA23D-P	FHLMC	3133C2TD0	5.00	4/1/2053	8,084,530.00	8,000,103.66
RB23DEFG----PA23D-P	FNMA	3140NCJN0	5.00	3/1/2053	379,655.00	374,663.38
RB23DEFG----PA23D-P	FNMA	3140NCJQ3	5.50	2/1/2053	6,921,778.00	6,794,337.41
RB23DEFG----PA23D-P	FNMA	3140NCJT7	6.00	2/1/2053	781,094.00	772,521.81
RB23DEFG----PA23D-P	FNMA	3140NEFK6	5.00	4/1/2053	7,599,131.00	7,504,462.62
RB23DEFG----PA23D-P	FNMA	3140NEFN0	5.50	4/1/2053	6,577,743.00	6,438,939.86
RB23DEFG----PA23D-P	FNMA	3140NEFR1	6.00	1/1/2053	309,540.00	306,936.74
RB23DEFG----PA23D-P	FNMA	3140NHJR0	5.00	4/1/2053	13,004,751.00	12,695,210.62
RB23DEFG----PA23D-P	FNMA	3140NHJU3	5.50	4/1/2053	8,512,370.00	8,436,725.42
RB23DEFG----PA23D-P	GNMA II	3618ATGF2	6.50	1/20/2053	71,261.00	70,776.89
RB23DEFG----PA23D-P	GNMA II	3618ATGG0	6.00	4/20/2053	835,753.00	828,644.85
RB23DEFG----PA23D-P	GNMA II	3618ATGH8	5.50	4/20/2053	7,375,515.00	7,236,722.26
RB23DEFG----PA23D-P	GNMA II	3618ATGK1	5.00	4/20/2053	16,935,965.00	16,772,395.25
RB23DEFG----PA23D-P	GNMA II	3618ATMS7	6.50	1/20/2053	490,095.00	486,160.34
RB23DEFG----PA23D-P	GNMA II	3618ATMU2	6.00	2/20/2053	2,196,552.00	2,061,916.45
RB23DEFG----PA23D-P	GNMA II	3618ATNE7	5.50	2/20/2053	9,076,900.00	8,647,844.74
RB23DEFG----PA23D-P	GNMA II	3618ATNH0	5.00	3/20/2053	1,766,966.00	1,748,448.76
RB23DEFG----PA23D-P	GNMA II	3618ATUD1	7.00	12/20/2052	240,671.00	237,056.00
RB23DEFG----PA23D-P	GNMA II	3618ATUE9	6.50	1/20/2053	743,402.00	735,360.92
RB23DEFG----PA23E-P	FHLMC	3133BWWZ63	6.00	2/1/2053	205,019.00	203,284.09

RB23DEFG----PA23E-P	FHLMC	3133C2TD0	5.00	4/1/2053	1,006,932.00	996,416.66
RB23DEFG----PA23E-P	FHLMC	3133C2TH1	5.50	4/1/2053	7,056,585.00	7,002,636.35
RB23DEFG----PA23E-P	FHLMC	3133C2TJ7	5.50	4/1/2053	3,087,073.00	3,061,716.68
RB23DEFG----PA23E-P	FHLMC	3133C2TK4	6.00	4/1/2053	2,902,995.00	2,882,710.41
RB23DEFG----PA23E-P	FHLMC	3133C2TM0	6.50	4/1/2053	135,586.00	134,749.67
RB23DEFG----PA23E-P	FHLMC	3133C9EH2	5.50	7/1/2053	3,000,010.00	2,987,416.56
RB23DEFG----PA23E-P	FNMA	3140NADE0	5.50	1/1/2053	1,152,304.00	1,137,232.97
RB23DEFG----PA23E-P	FNMA	3140NADF7	5.50	12/1/2052	4,186,892.00	3,967,782.23
RB23DEFG----PA23E-P	FNMA	3140NAQG1	5.50	1/1/2053	3,204,846.00	3,165,874.24
RB23DEFG----PA23E-P	FNMA	3140NCJN0	5.00	3/1/2053	163,833.00	161,678.96
RB23DEFG----PA23E-P	FNMA	3140NCJS9	5.50	3/1/2053	2,627,969.00	2,594,483.10
RB23DEFG----PA23E-P	FNMA	3140NCJW0	7.00	1/1/2053	256,462.00	254,222.69
RB23DEFG----PA23E-P	FNMA	3140NEFL4	5.00	4/1/2053	1,177,446.00	1,165,326.70
RB23DEFG----PA23E-P	FNMA	3140NEFM2	5.00	3/1/2053	3,873,195.00	3,828,136.61
RB23DEFG----PA23E-P	FNMA	3140NHJR0	5.00	4/1/2053	170,826.00	166,759.98
RB23DEFG----PA23E-P	FNMA	3140NHJS8	5.00	4/1/2053	1,879,206.00	1,719,181.72
RB23DEFG----PA23E-P	FNMA	3140NHJT6	5.00	4/1/2053	6,159,285.00	6,105,048.31
RB23DEFG----PA23E-P	FNMA	3140NHJU3	5.50	4/1/2053	3,037,375.00	3,010,383.58
RB23DEFG----PA23E-P	FNMA	3140NHJV1	5.50	5/1/2053	7,491,373.00	7,416,298.36
RB23DEFG----PA23E-P	FNMA	3140NHJW9	6.00	5/1/2053	4,955,583.00	4,875,438.44
RB23DEFG----PA23E-P	GNMA II	3618ATA27	5.00	4/20/2053	13,431,253.00	13,311,309.90
RB23DEFG----PA23E-P	GNMA II	3618ATAW1	6.00	5/20/2053	10,705,750.00	10,625,372.94
RB23DEFG----PA23E-P	GNMA II	3618ATAX9	6.00	5/20/2053	2,279,232.00	2,263,318.15
RB23DEFG----PA23E-P	GNMA II	3618ATAY7	5.50	5/20/2053	10,964,623.00	10,880,543.09
RB23DEFG----PA23E-P	GNMA II	3618ATAZ4	5.50	5/20/2053	3,873,063.00	3,753,416.49
RB23DEFG----PA23E-P	GNMA II	3618ATGK1	5.00	4/20/2053	428,528.00	424,389.22
RB23DEFG----PA23F-P	FHLMC	3133BTQ37	5.50	12/1/2052	535,065.00	526,239.71
RB23DEFG----PA23F-P	FHLMC	3133BTQ45	5.50	12/1/2052	2,148,742.00	2,119,231.69
RB23DEFG----PA23F-P	FHLMC	3133BVGG4	5.50	1/1/2053	1,356,748.00	1,343,069.00
RB23DEFG----PA23F-P	FHLMC	3133BWZ55	5.50	2/1/2053	1,109,111.00	1,097,378.42
RB23DEFG----PA23F-P	FHLMC	3133C0MS8	5.00	3/1/2053	518,618.00	514,137.80
RB23DEFG----PA23F-P	FHLMC	3133C0MU3	5.50	3/1/2053	2,306,506.00	2,089,707.79
RB23DEFG----PA23F-P	FHLMC	3133C2TE8	5.00	4/1/2053	1,030,860.00	1,020,457.31
RB23DEFG----PA23F-P	FHLMC	3133C2TF5	5.00	4/1/2053	1,826,453.00	1,812,419.94
RB23DEFG----PA23F-P	FHLMC	3133C2TJ7	5.50	4/1/2053	1,523,638.00	1,511,123.28
RB23DEFG----PA23F-P	FHLMC	3133C2TL2	6.00	4/1/2053	653,031.00	645,174.64
RB23DEFG----PA23F-P	FNMA	3140NADE0	5.50	1/1/2053	163,592.00	161,452.37
RB23DEFG----PA23F-P	FNMA	3140NAQE6	5.00	1/1/2053	260,034.00	257,307.64
RB23DEFG----PA23F-P	FNMA	3140NAQG1	5.50	1/1/2053	547,521.00	540,863.00
RB23DEFG----PA23F-P	FNMA	3140NCJP5	5.00	2/1/2053	424,557.00	291,538.65
RB23DEFG----PA23F-P	FNMA	3140NCJR1	5.50	2/1/2053	1,221,177.00	1,206,676.85
RB23DEFG----PA23F-P	FNMA	3140NCJS9	5.50	3/1/2053	3,383,882.00	3,340,764.17
RB23DEFG----PA23F-P	FNMA	3140NEFL4	5.00	4/1/2053	198,410.00	196,367.79
RB23DEFG----PA23F-P	FNMA	3140NEFM2	5.00	3/1/2053	559,500.00	552,991.12
RB23DEFG----PA23F-P	FNMA	3140NEFP5	5.50	3/1/2053	1,084,778.00	992,365.90
RB23DEFG----PA23F-P	FNMA	3140NEFQ3	5.50	3/1/2053	3,702,237.00	3,669,356.69
RB23DEFG----PA23F-P	FNMA	3140NEFS9	6.00	4/1/2053	232,000.00	209,519.21
RB23DEFG----PA23F-P	FNMA	3140NHJS8	5.00	4/1/2053	125,613.00	114,916.39
RB23DEFG----PA23F-P	FNMA	3140NHJV1	5.50	5/1/2053	1,484,311.00	1,469,436.01
RB23DEFG----PA23F-P	FNMA	3140NHJX7	6.00	4/1/2053	1,727,459.00	1,709,651.71
RB23DEFG----PA23F-P	GNMA II	3618AT2D2	5.00	11/20/2052	662,812.00	648,785.94
RB23DEFG----PA23F-P	GNMA II	3618ATA35	5.00	4/20/2053	3,092,478.00	3,066,884.65
RB23DEFG----PA23F-P	GNMA II	3618ATA43	5.00	4/20/2053	1,206,428.00	1,196,445.47
RB23DEFG----PA23F-P	GNMA II	3618ATAX9	6.00	5/20/2053	748,171.00	742,947.19
RB23DEFG----PA23F-P	GNMA II	3618ATAZ4	5.50	5/20/2053	1,027,580.00	995,836.04
RB23DEFG----PA23F-P	GNMA II	3618ATGJ4	5.50	4/20/2053	1,636,656.00	1,621,485.74
RB23DEFG----PA23F-P	GNMA II	3618ATGL9	5.00	4/20/2053	2,608,877.00	2,585,350.38
RB23DEFG----PA23F-P	GNMA II	3618ATGM7	5.00	4/20/2053	1,312,969.00	1,300,834.76
RB23DEFG----PA23F-P	GNMA II	3618ATNF4	5.50	3/20/2053	1,619,944.00	1,602,724.56
RB23DEFG----PA23F-P	GNMA II	3618ATNG2	5.50	3/20/2053	1,045,878.00	1,035,536.67
RB23DEFG----PA23F-P	GNMA II	3618ATNJ6	5.00	2/20/2053	227,293.00	225,052.53
RB23DEFG----PA23F-P	GNMA II	3618ATUM1	5.50	2/20/2053	93,715.38	92,673.40
RB23HIJ----PA23H	FHLMC	3133C4XT6	5.00	5/1/2053	1,766,725.00	1,753,627.07
RB23HIJ----PA23H	FHLMC	3133C4XV1	5.50	6/1/2053	5,881,310.00	5,762,265.99
RB23HIJ----PA23H	FHLMC	3133C4XX7	6.00	5/1/2053	7,265,212.00	7,217,193.89
RB23HIJ----PA23H	FHLMC	3133C4XZ2	6.50	5/1/2053	451,257.00	448,680.26
RB23HIJ----PA23H	FHLMC	3133C7FB8	5.00	4/1/2053	681,562.00	677,792.79
RB23HIJ----PA23H	FHLMC	3133C7FD4	5.50	7/1/2053	11,646,241.00	11,578,682.55
RB23HIJ----PA23H	FHLMC	3133C7FF9	6.00	6/1/2053	3,444,321.00	3,422,942.10
RB23HIJ----PA23H	FHLMC	3133C7FH5	6.50	5/1/2053	203,897.00	202,481.15
RB23HIJ----PA23H	FNMA	3140NLHE2	5.00	5/1/2053	1,543,041.00	1,531,119.34
RB23HIJ----PA23H	FNMA	3140NLHG7	5.50	5/1/2053	10,707,619.00	10,622,143.93
RB23HIJ----PA23H	FNMA	3140NLHJ1	6.00	5/1/2053	15,089,868.00	14,868,311.16
RB23HIJ----PA23H	FNMA	3140NLHM4	6.50	5/1/2053	355,886.00	350,667.74

RB23HIJ----PA23H	FNMA	3140NNTA3	5.00	5/1/2053	238,734.00	237,459.58
RB23HIJ----PA23H	FNMA	3140NNTB1	5.50	7/1/2053	21,774,090.00	21,508,746.58
RB23HIJ----PA23H	FNMA	3140NNT E5	6.00	7/1/2053	5,862,311.00	5,825,625.89
RB23HIJ----PA23H	FNMA	3140NNTG0	6.50	4/1/2053	184,931.00	183,857.76
RB23HIJ----PA23H	GNMA II	3618BUC39	5.00	6/20/2053	3,518,146.00	3,490,848.46
RB23HIJ----PA23H	GNMA II	3618BUC62	5.50	6/20/2053	14,918,095.00	14,818,896.23
RB23HIJ----PA23H	GNMA II	3618BUC88	6.00	6/20/2053	14,148,990.00	13,979,686.58
RB23HIJ----PA23H	GNMA II	3618BVEL5	5.00	6/20/2053	149,346.00	148,531.05
RB23HIJ----PA23H	GNMA II	3618BVEP6	5.50	7/20/2053	37,035,303.00	36,830,644.80
RB23HIJ----PA23H	GNMA II	3618BVER2	6.00	6/20/2053	3,227,574.00	3,208,781.39
RB23HIJ----PA23I	FHLMC	3133C4X25	6.50	4/1/2053	60,952.00	60,628.55
RB23HIJ----PA23I	FHLMC	3133C4XU3	5.00	4/1/2053	755,680.00	749,376.44
RB23HIJ----PA23I	FHLMC	3133C4XV1	5.50	6/1/2053	550,108.00	538,973.23
RB23HIJ----PA23I	FHLMC	3133C4XW9	5.50	5/1/2053	3,881,025.00	3,811,634.64
RB23HIJ----PA23I	FHLMC	3133C4XX7	6.00	5/1/2053	338,101.00	335,866.38
RB23HIJ----PA23I	FHLMC	3133C4XY5	6.00	5/1/2053	5,055,886.00	5,025,869.81
RB23HIJ----PA23I	FHLMC	3133C4XZ2	6.50	5/1/2053	290,749.00	289,088.78
RB23HIJ----PA23I	FHLMC	3133C7FC6	5.00	4/1/2053	132,720.00	132,011.52
RB23HIJ----PA23I	FHLMC	3133C7FD4	5.50	7/1/2053	1,421,870.00	1,413,621.90
RB23HIJ----PA23I	FHLMC	3133C7FE2	5.50	6/1/2053	4,106,553.00	4,084,245.79
RB23HIJ----PA23I	FHLMC	3133C7FF9	6.00	6/1/2053	507,470.00	504,320.13
RB23HIJ----PA23I	FHLMC	3133C7FG7	6.00	6/1/2053	3,892,038.00	3,844,818.86
RB23HIJ----PA23I	FHLMC	3133C7FH5	6.50	5/1/2053	276,222.00	274,303.92
RB23HIJ----PA23I	FHLMC	3133C7FJ1	6.50	5/1/2053	271,779.00	270,581.23
RB23HIJ----PA23I	FNMA	3140NLHF9	5.00	5/1/2053	1,275,295.00	1,266,633.37
RB23HIJ----PA23I	FNMA	3140NLHG7	5.50	5/1/2053	1,016,772.00	1,008,655.48
RB23HIJ----PA23I	FNMA	3140NLHH5	5.50	5/1/2053	3,726,619.00	3,490,957.97
RB23HIJ----PA23I	FNMA	3140NLHJ1	6.00	5/1/2053	332,156.00	327,279.12
RB23HIJ----PA23I	FNMA	3140NLHK8	6.00	5/1/2053	1,618,840.00	1,607,549.21
RB23HIJ----PA23I	FNMA	3140NLHL6	6.00	5/1/2053	5,796,389.00	5,759,507.16
RB23HIJ----PA23I	FNMA	3140NLHM4	6.50	5/1/2053	639,699.00	630,319.27
RB23HIJ----PA23I	FNMA	3140NLHN2	6.50	5/1/2053	209,419.00	208,114.02
RB23HIJ----PA23I	FNMA	3140NNTB1	5.50	7/1/2053	1,355,085.00	1,338,571.66
RB23HIJ----PA23I	FNMA	3140NNTC9	5.50	6/1/2053	1,724,458.00	1,714,604.52
RB23HIJ----PA23I	FNMA	3140NNTD7	5.50	6/1/2053	6,525,621.00	6,490,792.26
RB23HIJ----PA23I	FNMA	3140NNT E5	6.00	7/1/2053	836,691.00	831,455.16
RB23HIJ----PA23I	FNMA	3140NNTF2	6.00	6/1/2053	3,161,865.00	3,144,080.49
RB23HIJ----PA23I	FNMA	3140NNTH8	6.50	5/1/2053	491,305.00	489,054.45
RB23HIJ----PA23I	GNMA II	3618BUC21	5.00	3/20/2053	112,454.00	111,644.69
RB23HIJ----PA23I	GNMA II	3618BUC39	5.00	6/20/2053	607,413.00	602,700.04
RB23HIJ----PA23I	GNMA II	3618BUC47	5.50	6/20/2053	1,581,554.00	1,570,458.04
RB23HIJ----PA23I	GNMA II	3618BUC54	5.50	6/20/2053	3,403,722.00	3,381,265.06
RB23HIJ----PA23I	GNMA II	3618BUC62	5.50	6/20/2053	4,144,955.00	4,117,392.87
RB23HIJ----PA23I	GNMA II	3618BUC70	6.00	5/20/2053	3,306,171.00	3,283,227.66
RB23HIJ----PA23I	GNMA II	3618BUC88	6.00	6/20/2053	2,240,856.00	2,214,042.45
RB23HIJ----PA23I	GNMA II	3618BVEK7	5.00	3/20/2053	211,635.00	210,400.21
RB23HIJ----PA23I	GNMA II	3618BVEL5	5.00	6/20/2053	134,374.00	133,640.75
RB23HIJ----PA23I	GNMA II	3618BVEM3	5.50	7/20/2053	1,991,755.00	1,980,089.71
RB23HIJ----PA23I	GNMA II	3618BVEN1	5.50	6/20/2053	7,802,490.00	7,761,139.69
RB23HIJ----PA23I	GNMA II	3618BVEQ4	6.00	5/20/2053	119,994.00	119,217.29
RB23HIJ----PA23I	GNMA II	3618BVER2	6.00	6/20/2053	843,613.00	838,701.05
RB23HIJ----PA23J	FHLMC	3133C4X25	6.50	4/1/2053	219,862.00	218,695.28
RB23HIJ----PA23J	FHLMC	3133C4XW9	5.50	5/1/2053	1,394,201.00	1,369,273.54
RB23HIJ----PA23J	FHLMC	3133C4XY5	6.00	5/1/2053	227,704.00	226,352.15
RB23HIJ----PA23J	FHLMC	3133C7FE2	5.50	6/1/2053	2,093,963.00	2,082,588.38
RB23HIJ----PA23J	FNMA	3140NLHH5	5.50	5/1/2053	498,284.00	466,773.91
RB23HIJ----PA23J	FNMA	3140NLHL6	6.00	5/1/2053	588,480.00	584,735.56
RB23HIJ----PA23J	FNMA	3140NLHN2	6.50	5/1/2053	731,304.00	726,746.94
RB23HIJ----PA23J	FNMA	3140NNTC9	5.50	6/1/2053	581,039.00	577,718.97
RB23HIJ----PA23J	FNMA	3140NNTD7	5.50	6/1/2053	2,425,260.00	2,412,315.83
RB23HIJ----PA23J	FNMA	3140NNTF2	6.00	6/1/2053	477,940.00	475,251.74
RB23HIJ----PA23J	FNMA	3140NNV93	5.50	7/1/2053	765,578.00	756,833.77
RB23HIJ----PA23J	GNMA II	3618BUC47	5.50	6/20/2053	149,922.00	148,870.17
RB23HIJ----PA23J	GNMA II	3618BUC54	5.50	6/20/2053	2,693,501.00	2,675,729.93
RB23HIJ----PA23J	GNMA II	3618BUC70	6.00	5/20/2053	980,310.00	973,507.09
RB23HIJ----PA23J	GNMA II	3618BVEM3	5.50	7/20/2053	602,548.00	599,019.00
RB23HIJ----PA23J	GNMA II	3618BVEN1	5.50	6/20/2053	3,277,386.00	3,260,017.07
RB23HIJ----PA23J	GNMA II	3618BVEQ4	6.00	5/20/2053	179,697.00	178,533.84
RB23HIJ----PA23J	GNMA II	3618BVJM8	5.00	7/20/2053	214,719.00	213,733.57
RB23HIJ----PA23J	GNMA II	3618BVLW3	5.50	8/20/2053	27,855,684.00	27,725,101.01
RB23KLM----PA23K	FHLMC	3133C9EH2	5.50	7/1/2053	10,379,921.00	10,336,348.17
RB23KLM----PA23K	FHLMC	3133C9EL3	6.00	7/1/2053	4,839,181.00	4,819,523.86
RB23KLM----PA23K	FHLMC	3133CCN51	5.50	8/1/2053	12,492,637.00	12,449,074.92
RB23KLM----PA23K	FHLMC	3133CCN77	6.00	8/1/2053	15,261,453.00	15,211,512.34

RB23KLM----PA23K	FHLMC	3133CEV74	5.50	9/1/2053	2,847,171.00	2,840,821.84
RB23KLM----PA23K	FHLMC	3133CEV82	6.00	9/1/2053	1,378,542.00	1,375,368.84
RB23KLM----PA23K	FNMA	3140A0GJ2	5.50	9/1/2053	4,686,715.00	4,674,604.48
RB23KLM----PA23K	FNMA	3140A0GM5	6.00	9/1/2053	6,389,501.00	6,371,349.07
RB23KLM----PA23K	FNMA	3140NNV93	5.50	7/1/2053	20,941,047.00	20,701,863.81
RB23KLM----PA23K	FNMA	3140NQPQ5	6.00	7/1/2053	6,531,851.00	6,504,200.56
RB23KLM----PA23K	FNMA	3140NSDP6	5.50	8/1/2053	16,101,272.00	16,042,306.40
RB23KLM----PA23K	FNMA	3140NSDR2	6.00	8/1/2053	20,714,483.00	20,641,557.87
RB23KLM----PA23K	GNMA II	3618BV2B0	5.50	10/20/2053	4,527,389.00	4,517,651.36
RB23KLM----PA23K	GNMA II	3618BV2D6	6.00	10/20/2053	1,291,492.00	1,288,731.51
RB23KLM----PA23K	GNMA II	3618BVJM8	5.00	7/20/2053	4,353,473.00	4,333,493.26
RB23KLM----PA23K	GNMA II	3618BVLW3	5.50	8/20/2053	10,209,364.00	10,161,504.14
RB23KLM----PA23K	GNMA II	3618BVLV9	6.00	7/20/2053	3,145,871.00	3,132,802.89
RB23KLM----PA23K	GNMA II	3618BVUF0	5.00	7/20/2053	808,441.00	805,195.03
RB23KLM----PA23K	GNMA II	3618BVUJ2	5.50	9/20/2053	41,385,177.00	41,242,023.19
RB23KLM----PA23K	GNMA II	3618BVUL7	6.00	9/20/2053	8,579,674.00	8,552,097.47
RB23KLM----PA23L	FHLMC	3133C9EG4	5.00	4/1/2053	227,018.00	226,017.71
RB23KLM----PA23L	FHLMC	3133C9EJ8	5.50	7/1/2053	1,125,982.00	1,105,253.09
RB23KLM----PA23L	FHLMC	3133C9EK5	5.50	7/1/2053	5,130,766.00	5,103,966.93
RB23KLM----PA23L	FHLMC	3133C9EM1	6.00	7/1/2053	2,055,029.00	2,045,999.06
RB23KLM----PA23L	FHLMC	3133CCN69	5.50	8/1/2053	2,573,523.00	2,565,908.85
RB23KLM----PA23L	FHLMC	3133CCN85	6.00	8/1/2053	823,564.00	820,575.62
RB23KLM----PA23L	FHLMC	3133CCN93	6.00	8/1/2053	4,813,426.00	4,663,722.58
RB23KLM----PA23L	FNMA	3140NNV85	5.00	4/1/2053	158,924.00	157,204.51
RB23KLM----PA23L	FNMA	3140NQPN2	5.50	7/1/2053	2,321,049.00	2,309,606.30
RB23KLM----PA23L	FNMA	3140NQPP7	5.50	7/1/2053	8,730,376.00	8,622,098.73
RB23KLM----PA23L	FNMA	3140NQPR3	6.00	7/1/2053	2,344,894.00	2,334,240.30
RB23KLM----PA23L	FNMA	3140NSDQ4	5.50	8/1/2053	5,023,367.00	5,006,435.54
RB23KLM----PA23L	FNMA	3140NSDS0	6.00	8/1/2053	7,823,925.00	7,798,769.28
RB23KLM----PA23L	GNMA II	3618BVJN6	5.50	8/20/2053	8,264,996.00	8,229,102.53
RB23KLM----PA23L	GNMA II	3618BVLX1	6.00	7/20/2053	857,306.00	853,936.91
RB23KLM----PA23L	GNMA II	3618BVUE3	5.00	8/20/2053	59,019.00	58,827.93
RB23KLM----PA23L	GNMA II	3618BVUG8	5.50	9/20/2053	1,844,055.00	1,837,873.76
RB23KLM----PA23L	GNMA II	3618BVUH6	5.50	8/20/2053	7,479,839.00	7,454,776.30
RB23KLM----PA23L	GNMA II	3618BVUK9	6.00	9/20/2053	2,691,911.00	2,681,673.80
RB23KLM----PA23M	FHLMC	3133C9EJ8	5.50	7/1/2053	427,743.00	419,868.41
RB23KLM----PA23M	FHLMC	3133C9EK5	5.50	7/1/2053	1,985,340.00	1,974,970.15
RB23KLM----PA23M	FHLMC	3133CCN69	5.50	8/1/2053	1,270,542.00	1,266,782.91
RB23KLM----PA23M	FHLMC	3133CCN85	6.00	8/1/2053	345,937.00	344,681.73
RB23KLM----PA23M	FHLMC	3133CCN93	6.00	8/1/2053	1,638,921.00	1,587,948.56
RB23KLM----PA23M	FHLMC	3133CEV58	5.50	9/1/2053	2,096,659.00	2,050,812.24
RB23KLM----PA23M	FHLMC	3133CEVU3	6.00	9/1/2053	144,170.00	143,748.78
RB23KLM----PA23M	FHLMC	3133CEVW9	6.00	9/1/2053	813,164.00	811,329.39
RB23KLM----PA23M	FNMA	3140A0GK9	5.50	9/1/2053	305,217.00	304,608.61
RB23KLM----PA23M	FNMA	3140A0GL7	5.50	9/1/2053	1,683,960.00	1,680,557.74
RB23KLM----PA23M	FNMA	3140A0GN3	6.00	9/1/2053	213,255.00	212,764.10
RB23KLM----PA23M	FNMA	3140A0GP8	6.00	9/1/2053	1,213,595.00	1,210,936.89
RB23KLM----PA23M	FNMA	3140NQPN2	5.50	7/1/2053	270,811.00	269,475.91
RB23KLM----PA23M	FNMA	3140NQPP7	5.50	7/1/2053	2,310,041.00	2,281,391.04
RB23KLM----PA23M	FNMA	3140NQPR3	6.00	7/1/2053	109,345.00	108,848.21
RB23KLM----PA23M	FNMA	3140NSDQ4	5.50	8/1/2053	5,010,573.00	4,993,684.66
RB23KLM----PA23M	FNMA	3140NSDS0	6.00	8/1/2053	2,777,640.00	2,768,709.25
RB23KLM----PA23M	GNMA II	3618BV2A2	5.50	9/20/2053	1,930,065.00	1,926,216.05
RB23KLM----PA23M	GNMA II	3618BV2C8	6.00	9/20/2053	372,813.00	372,049.08
RB23KLM----PA23M	GNMA II	3618BVJL0	5.00	7/20/2053	779,287.00	775,580.64
RB23KLM----PA23M	GNMA II	3618BVJN6	5.50	8/20/2053	4,712,627.00	4,692,160.86
RB23KLM----PA23M	GNMA II	3618BVLX1	6.00	7/20/2053	137,215.00	136,675.76
RB23KLM----PA23M	GNMA II	3618BVUE3	5.00	8/20/2053	70,451.00	70,222.92
RB23KLM----PA23M	GNMA II	3618BVUH6	5.50	8/20/2053	1,254,074.00	1,249,871.97
RB23KLM----PA23M	GNMA II	3618BVZ99	5.50	9/20/2053	269,647.00	268,922.54
RB23NOP----PA23N	FHLMC	3133CEV74	5.50	9/1/2053	6,205,969.00	6,192,129.75
RB23NOP----PA23N	FHLMC	3133CEV82	6.00	9/1/2053	21,371,702.00	21,322,508.19
RB23NOP----PA23N	FNMA	3140A0GJ2	5.50	9/1/2053	6,823,246.00	6,805,614.66
RB23NOP----PA23N	FNMA	3140A0GM5	6.00	9/1/2053	24,870,866.00	24,800,210.36
RB23NOP----PA23N	GNMA II	3618BV2B0	5.50	10/20/2053	44,281,125.00	44,281,677.35
RB23NOP----PA23N	GNMA II	3618BV2D6	6.00	10/20/2053	12,213,249.00	12,187,143.91
RB23NOP----PA23N	GNMA II	3618BV2E4	6.50	10/20/2053	67,969.00	67,851.63
RB23NOP----PA23O	FHLMC	3133CEVS8	5.50	9/1/2053	2,732,363.00	2,672,615.57
RB23NOP----PA23O	FHLMC	3133CEVU3	6.00	9/1/2053	1,192,814.00	1,189,328.94
RB23NOP----PA23O	FHLMC	3133CEVW9	6.00	9/1/2053	6,660,277.00	6,645,250.48
RB23NOP----PA23O	FHLMC	3133CGVC8	5.50	10/1/2053	1,156,772.00	1,155,688.87
RB23NOP----PA23O	FHLMC	3133CGVD6	5.50	10/1/2053	4,396,152.00	4,390,357.39
RB23NOP----PA23O	FHLMC	3133CGVE4	6.00	10/1/2053	1,324,215.00	1,273,538.66
RB23NOP----PA23O	FHLMC	3133CGVF1	6.00	10/1/2053	10,505,488.00	10,494,214.56

RB23NOP----PA23O	FHLMC	3133CGVH7	6.50	10/1/2053	653,513.00	652,974.30
RB23NOP----PA23O	FNMA	3140A0GK9	5.50	9/1/2053	1,183,883.00	1,181,523.15
RB23NOP----PA23O	FNMA	3140A0GL7	5.50	9/1/2053	2,634,932.00	2,629,608.41
RB23NOP----PA23O	FNMA	3140A0GN3	6.00	9/1/2053	1,566,618.00	1,563,011.77
RB23NOP----PA23O	FNMA	3140A0GP8	6.00	9/1/2053	16,261,871.00	16,226,252.95
RB23NOP----PA23O	FNMA	3140A25P6	5.50	10/1/2053	1,064,829.00	1,063,702.26
RB23NOP----PA23O	FNMA	3140A25Q4	5.50	10/1/2053	10,273,216.00	10,259,899.75
RB23NOP----PA23O	FNMA	3140A25S0	6.00	10/1/2053	1,872,402.00	1,870,139.30
RB23NOP----PA23O	FNMA	3140A25T8	6.00	10/1/2053	13,536,526.00	13,519,810.29
RB23NOP----PA23O	FNMA	3140A25V3	6.50	10/1/2053	1,876,272.00	1,874,270.79
RB23NOP----PA23O	GNMA II	3618BV2A2	5.50	9/20/2053	1,594,102.00	1,590,923.03
RB23NOP----PA23O	GNMA II	3618BV2C8	6.00	9/20/2053	3,747,517.00	3,739,838.08
RB23NOP----PA23O	GNMA II	3618BVZ99	5.50	9/20/2053	958,776.00	956,200.08
RB23NOP----PA23O	GNMA II	3618BWAA1	5.50	10/20/2053	73,189.00	73,095.85
RB23NOP----PA23O	GNMA II	3618BWAB9	5.50	10/20/2053	2,965,508.00	2,962,458.09
RB23NOP----PA23O	GNMA II	3618BWAD5	6.00	10/20/2053	1,084,266.00	1,083,193.15
RB23NOP----PA23O	GNMA II	3618BWAE3	6.00	10/20/2053	5,259,252.00	5,254,078.79
RB23NOP----PA23O	GNMA II	3618BWAG8	6.50	10/20/2053	711,764.00	711,137.91
RB23NOP----PA23P	FHLMC	3133CGV20	6.00	10/1/2053	9,123,861.00	9,110,224.57
RB23NOP----PA23P	FHLMC	3133CGVB0	5.50	10/1/2053	10,117,393.00	10,105,059.09
RB23NOP----PA23P	FNMA	3140A25N1	5.50	10/1/2053	15,711,931.00	15,684,240.61
RB23NOP----PA23P	FNMA	3140A25R2	6.00	10/1/2053	10,682,871.00	10,671,730.80
RB23NOP----PA23P	FNMA	3140A25U5	6.50	10/1/2053	1,492,863.00	1,490,913.40
RB23NOP----PA23P	GNMA II	3618BV2D6	6.00	10/20/2053	108,138.00	107,906.86
RB23NOP----PA23P	GNMA II	3618BVZ81	5.00	9/20/2053	292,744.00	292,088.17
RB23NOP----PA23P	GNMA II	3618BWAC7	5.50	10/20/2053	8,069,229.00	8,060,549.17
RB23NOP----PA23P	GNMA II	3618BWAFO	6.00	10/20/2053	9,166,405.00	9,156,872.67
RB-P----SPF-P	INT ONLY	3137FVKS0	3.00	8/25/2050	1,568,172.00	1,141,051.60
RB-P----SPF-P	FNMA	3138Y34M0	4.50	7/1/2044	886,687.00	349,446.70
RB-P----SPF-P	GNMA II	36179QJU6	4.50	7/20/2044	4,135,397.00	341,477.39
RB-P----SPF-P	GNMA II	3617A9TE7	3.50	9/20/2045	4,772,000.00	1,533,761.22
RB-P----SPF-P	GNMA II	3617A9TE7	3.50	9/20/2045	190,711.79	61,296.38
RB-P----SPF-P	GNMA II	3618BV2A2	5.50	9/20/2053	6,299,419.00	6,286,856.64
RB-P----SPF-P	GNMA II	3618BVZ99	5.50	9/20/2053	536,190.00	534,749.43
RB-P----SPF-P	GNMA II	3618BWAA1	5.50	10/20/2053	1,031,442.00	1,030,129.28
RB-P----SPF-P	GNMA II	3618BWAB9	5.50	10/20/2053	1,281,196.00	1,279,878.34
RB-P----SPF-P	INT ONLY	38382GW32	3.50	7/20/2050	530,242.00	401,216.11
RB-P----SPF-P	INT ONLY	38382HQE3	2.50	8/20/2050	10,108,754.00	7,165,630.24

**TOTAL**

4.589

3,249,945,232.69 2,641,067,879.56

1 - Mortgage Back Security Information consists of all MBS holdings under the General Resolution; MBS Information is not limited to the Program Account(s)

**IHDA REVENUE BONDS  
 UNSCHEDULED REDEMPTION  
 For the period October 01, 2023 through December 31, 2023**

**BOND REDEMPTION DATE: 10/01/2023**

**SERIES: 2016 SERIES A**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201YJ32	4.000	04/01/2046	1,295,000.00
				<b>1,295,000.00</b>

**SERIES: 2017 SERIES A**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201YN29	3.125	02/01/2047	161,171.24
				<b>161,171.24</b>

**SERIES: 2017 SERIES B**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201YR33	4.000	10/01/2048	2,530,000.00
				<b>2,530,000.00</b>

**SERIES: 2018 SERIES A**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201YX85	4.500	10/01/2048	2,060,000.00
				<b>2,060,000.00</b>

**SERIES: 2019 SERIES A**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201Y2K2	4.250	10/01/2049	1,300,000.00
				<b>1,300,000.00</b>

**SERIES: 2019 SERIES C**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201Y3R6	4.000	10/01/2049	2,255,000.00
				<b>2,255,000.00</b>

**SERIES: 2019 SERIES D**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201Y4V6	3.750	04/01/2050	3,180,000.00
				<b>3,180,000.00</b>

**SERIES: 2020 SERIES A**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201Y6B8	3.750	04/01/2050	3,075,000.00
				<b>3,075,000.00</b>

**SERIES: 2020 SERIES B**

**IHDA REVENUE BONDS  
 UNSCHEDULED REDEMPTION  
 For the period October 01, 2023 through December 31, 2023**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201Y7D3	3.000	10/01/2050	3,065,000.00
				<b>3,065,000.00</b>

**SERIES: 2021 SERIES A**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201Y8H3	3.000	04/01/2051	2,550,000.00
				<b>2,550,000.00</b>

**SERIES: 2021 SERIES B**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MBD2	3.000	04/01/2051	3,790,000.00
				<b>3,790,000.00</b>

**SERIES: 2021 SERIES D**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MDC2	3.000	10/01/2051	3,405,000.00
				<b>3,405,000.00</b>

**SERIES: 2022 SERIES A**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MFW6	3.500	04/01/2052	2,745,000.00
				<b>2,745,000.00</b>

**SERIES: 2022 SERIES C**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MGV7	4.500	10/01/2052	1,920,000.00
				<b>1,920,000.00</b>

**SERIES: 2022 SERIES E**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MHX2	5.250	10/01/2052	615,000.00
				<b>615,000.00</b>

**SERIES: 2023 SERIES A**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MLG4	5.250	04/01/2053	55,000.00
				<b>55,000.00</b>

**SERIES: 2023 SERIES D**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MNB3	5.500	10/01/2053	180,000.00

**IHDA REVENUE BONDS  
 UNSCHEDULED REDEMPTION  
 For the period October 01, 2023 through December 31, 2023**

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**180,000.00**

**SERIES: 2023 SERIES E**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MNZ0	5.750	10/01/2053	215,000.00

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**215,000.00**

**SERIES: 2023 SERIES H**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MQD6	5.750	10/01/2053	75,000.00

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**75,000.00**

**IHDA REVENUE BONDS  
UNSCHEDULED REDEMPTION  
For the period October 01, 2023 through December 31, 2023**

**BOND REDEMPTION DATE:** 11/01/2023

**SERIES:** 2017 SERIES A

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201YN29	3.125	02/01/2047	58,895.76

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**58,895.76**

**IHDA REVENUE BONDS  
 UNSCHEDULED REDEMPTION  
 For the period October 01, 2023 through December 31, 2023**

**BOND REDEMPTION DATE: 12/01/2023**

**SERIES: 2017 SERIES A**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45201YN29	3.125	02/01/2047	142,784.74
				<b>142,784.74</b>

**SERIES: 2022 SERIES H**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>MATURITY DATE</u>	<u>BONDS REDEEMED</u>
TERM	45203MHY0	3.470	10/01/2053	100,000,000.00
				<b>100,000,000.00</b>

**IHDA REVENUE BONDS  
BONDS OUTSTANDING  
Information As Of 12/31/2023 (Unless Otherwise Indicated)**

**SERIES:** 2016 SERIES A  
**ISSUANCE DATE:** 3/16/2016  
**ISSUANCE AMOUNT:** 70,115,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45201YH34	2.15	525,000.00	4/1/2024
SERIAL	45201YH42	2.20	530,000.00	10/1/2024
SERIAL	45201YH59	2.35	540,000.00	4/1/2025
SERIAL	45201YH67	2.40	540,000.00	10/1/2025
SERIAL	45201YH75	2.50	550,000.00	4/1/2026
SERIAL	45201YH83	2.55	555,000.00	10/1/2026
SERIAL	45201YH91	2.65	560,000.00	4/1/2027
SERIAL	45201YJ40	2.70	575,000.00	10/1/2027
TERM	45201YJ57	3.13	2,500,000.00	10/1/2031
TERM	45201YJ32	4.00	4,860,000.00	4/1/2046
			<b>11,735,000.00</b>	

**SERIES:** 2017 SERIES A  
**ISSUANCE DATE:** 1/31/2017  
**ISSUANCE AMOUNT:** 62,315,562.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45201YN29	3.13	21,267,405.38	2/1/2047
			<b>21,267,405.38</b>	

**SERIES:** 2017 SERIES B  
**ISSUANCE DATE:** 12/19/2017  
**ISSUANCE AMOUNT:** 120,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45201YP76	2.35	580,000.00	4/1/2024
SERIAL	45201YP84	2.45	585,000.00	10/1/2024
SERIAL	45201YP92	2.55	590,000.00	4/1/2025
SERIAL	45201YQ26	2.60	600,000.00	10/1/2025
SERIAL	45201YQ34	2.75	605,000.00	4/1/2026
SERIAL	45201YQ42	2.80	620,000.00	10/1/2026
SERIAL	45201YQ59	2.85	625,000.00	4/1/2027
SERIAL	45201YQ67	2.90	630,000.00	10/1/2027
SERIAL	45201YQ75	3.00	640,000.00	4/1/2028
SERIAL	45201YQ83	3.05	655,000.00	10/1/2028
TERM	45201YQ91	3.45	14,180,000.00	10/1/2033
TERM	45201YR33	4.00	15,595,000.00	10/1/2048
			<b>35,905,000.00</b>	

**SERIES:** 2018 SERIES A  
**ISSUANCE DATE:** 10/25/2018  
**ISSUANCE AMOUNT:** 91,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
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**IHDA REVENUE BONDS  
BONDS OUTSTANDING**

Information As Of 12/31/2023 (Unless Otherwise Indicated)

SERIAL	45201YV79	2.80	325,000.00	4/1/2024
SERIAL	45201YV87	2.85	330,000.00	10/1/2024
SERIAL	45201YV95	2.95	335,000.00	4/1/2025
SERIAL	45201YW29	2.95	335,000.00	10/1/2025
SERIAL	45201YW37	3.10	340,000.00	4/1/2026
SERIAL	45201YW45	3.10	350,000.00	10/1/2026
SERIAL	45201YW52	3.25	355,000.00	4/1/2027
SERIAL	45201YW60	3.30	360,000.00	10/1/2027
SERIAL	45201YW78	3.35	365,000.00	4/1/2028
SERIAL	45201YW86	3.40	370,000.00	10/1/2028
SERIAL	45201YW94	3.50	380,000.00	4/1/2029
SERIAL	45201YX28	3.55	385,000.00	10/1/2029
SERIAL	45201YX36	3.60	395,000.00	4/1/2030
SERIAL	45201YX44	3.65	400,000.00	10/1/2030
TERM	45201YX51	3.85	7,965,000.00	10/1/2033
TERM	45201YX69	4.13	1,535,000.00	10/1/2038
TERM	45201YX85	4.50	15,445,000.00	10/1/2048
			<b>29,970,000.00</b>	

**SERIES: 2019 SERIES A**  
**ISSUANCE DATE: 3/7/2019**  
**ISSUANCE AMOUNT: 66,750,000.00**

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<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45201Y2K2	4.25	17,480,000.00	10/1/2049
			<b>17,480,000.00</b>	

**SERIES: 2019 SERIES B**  
**ISSUANCE DATE: 3/7/2019**  
**ISSUANCE AMOUNT: 30,000,000.00**

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<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45201Y2L0	3.75	30,000,000.00	4/1/2042
			<b>30,000,000.00</b>	

**SERIES: 2019 SERIES C**  
**ISSUANCE DATE: 6/27/2019**  
**ISSUANCE AMOUNT: 92,500,000.00**

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<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45201Y2W6	1.75	95,000.00	4/1/2024
SERIAL	45201Y2X4	1.80	95,000.00	10/1/2024
SERIAL	45201Y2Y2	1.85	100,000.00	4/1/2025
SERIAL	45201Y2Z9	1.90	100,000.00	10/1/2025
SERIAL	45201Y3A3	5.00	1,145,000.00	4/1/2026
SERIAL	45201Y3B1	5.00	1,155,000.00	10/1/2026
SERIAL	45201Y3C9	5.00	1,175,000.00	4/1/2027
SERIAL	45201Y3D7	5.00	1,185,000.00	10/1/2027
SERIAL	45201Y3E5	5.00	1,200,000.00	4/1/2028
SERIAL	45201Y3F2	5.00	1,215,000.00	10/1/2028
SERIAL	45201Y3G0	5.00	1,235,000.00	4/1/2029
SERIAL	45201Y3H8	5.00	1,250,000.00	10/1/2029

**IHDA REVENUE BONDS  
BONDS OUTSTANDING  
Information As Of 12/31/2023 (Unless Otherwise Indicated)**

SERIAL	45201Y3J4	5.00	1,270,000.00	4/1/2030
SERIAL	45201Y3K1	5.00	1,285,000.00	10/1/2030
SERIAL	45201Y3L9	2.50	230,000.00	4/1/2031
SERIAL	45201Y3M7	2.55	235,000.00	10/1/2031
TERM	45201Y3N5	2.80	8,370,000.00	10/1/2034
TERM	45201Y3P0	3.00	790,000.00	10/1/2039
TERM	45201Y3R6	4.00	19,075,000.00	10/1/2049
			<b>41,205,000.00</b>	

**SERIES: 2019 SERIES D**  
**ISSUANCE DATE: 12/19/2019**  
**ISSUANCE AMOUNT: 125,000,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45201Y4A2	1.60	1,095,000.00	4/1/2024
SERIAL	45201Y4B0	1.60	1,105,000.00	10/1/2024
SERIAL	45201Y4C8	1.70	1,115,000.00	4/1/2025
SERIAL	45201Y4D6	1.75	1,120,000.00	10/1/2025
SERIAL	45201Y4E4	1.80	1,135,000.00	4/1/2026
SERIAL	45201Y4F1	1.85	1,145,000.00	10/1/2026
SERIAL	45201Y4G9	1.95	1,155,000.00	4/1/2027
SERIAL	45201Y4H7	2.00	1,165,000.00	10/1/2027
SERIAL	45201Y4J3	2.05	1,175,000.00	4/1/2028
SERIAL	45201Y4K0	2.10	1,190,000.00	10/1/2028
SERIAL	45201Y4L8	2.15	1,205,000.00	4/1/2029
SERIAL	45201Y4M6	2.20	1,215,000.00	10/1/2029
SERIAL	45201Y4N4	2.25	1,230,000.00	4/1/2030
SERIAL	45201Y4P9	2.30	1,250,000.00	10/1/2030
SERIAL	45201Y4Q7	2.35	1,260,000.00	4/1/2031
SERIAL	45201Y4R5	2.40	1,270,000.00	10/1/2031
TERM	45201Y4S3	2.70	11,180,000.00	10/1/2034
TERM	45201Y4T1	2.95	2,165,000.00	10/1/2039
TERM	45201Y4V6	3.75	28,940,000.00	4/1/2050
			<b>61,115,000.00</b>	

**SERIES: 2020 SERIES A**  
**ISSUANCE DATE: 3/26/2020**  
**ISSUANCE AMOUNT: 125,000,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45201Y5D5	1.05	1,235,000.00	4/1/2024
SERIAL	45201Y5E3	1.10	1,245,000.00	10/1/2024
SERIAL	45201Y5F0	1.10	1,255,000.00	4/1/2025
SERIAL	45201Y5G8	1.13	1,255,000.00	10/1/2025
SERIAL	45201Y5H6	1.20	1,265,000.00	4/1/2026
SERIAL	45201Y5J2	1.25	1,270,000.00	10/1/2026
SERIAL	45201Y5K9	1.35	1,525,000.00	4/1/2027
SERIAL	45201Y5L7	1.40	1,535,000.00	10/1/2027
SERIAL	45201Y5M5	1.45	1,545,000.00	4/1/2028
SERIAL	45201Y5N3	1.50	1,560,000.00	10/1/2028
SERIAL	45201Y5P8	1.55	1,380,000.00	4/1/2029
SERIAL	45201Y5Q6	1.60	1,460,000.00	10/1/2029
SERIAL	45201Y5R4	1.63	1,595,000.00	4/1/2030
SERIAL	45201Y5S2	1.65	1,605,000.00	10/1/2030

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SERIAL	45201Y5T0	1.70	1,620,000.00	4/1/2031
SERIAL	45201Y5U7	1.75	1,635,000.00	10/1/2031
SERIAL	45201Y5V5	1.80	1,300,000.00	4/1/2032
SERIAL	45201Y5W3	1.85	1,670,000.00	10/1/2032
SERIAL	45201Y5X1	1.90	1,685,000.00	4/1/2033
SERIAL	45201Y5Y9	1.90	1,700,000.00	10/1/2033
TERM	45201Y5Z6	2.13	7,945,000.00	10/1/2035
TERM	45201Y6A0	2.40	9,525,000.00	10/1/2040
TERM	45201Y6B8	3.75	29,760,000.00	4/1/2050
			<u>76,570,000.00</u>	

**SERIES:** 2020 SERIES B  
**ISSUANCE DATE:** 10/15/2020  
**ISSUANCE AMOUNT:** 80,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45201Y6L6	0.50	1,370,000.00	4/1/2024
SERIAL	45201Y6M4	0.55	1,375,000.00	10/1/2024
SERIAL	45201Y6N2	0.65	880,000.00	4/1/2025
SERIAL	45201Y6P7	0.70	1,390,000.00	10/1/2025
SERIAL	45201Y6Q5	0.85	1,395,000.00	4/1/2026
SERIAL	45201Y6R3	0.90	1,400,000.00	10/1/2026
SERIAL	45201Y6S1	1.10	1,410,000.00	4/1/2027
SERIAL	45201Y6T9	1.15	1,420,000.00	10/1/2027
SERIAL	45201Y7A9	1.85	525,000.00	4/1/2031
TERM	45201Y6V4	1.40	2,605,000.00	10/1/2028
TERM	45201Y6X0	1.60	2,640,000.00	10/1/2029
TERM	45201Y6Z5	1.75	2,685,000.00	10/1/2030
TERM	45201Y7D3	3.00	30,975,000.00	10/1/2050
			<u>50,070,000.00</u>	

**SERIES:** 2020 SERIES C  
**ISSUANCE DATE:** 10/15/2020  
**ISSUANCE AMOUNT:** 40,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45201Y6C6	3.75	40,000,000.00	4/1/2042
			<u>40,000,000.00</u>	

**SERIES:** 2021 SERIES A  
**ISSUANCE DATE:** 2/18/2021  
**ISSUANCE AMOUNT:** 95,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45201Y7K7	0.35	1,245,000.00	4/1/2024
SERIAL	45201Y7L5	0.40	1,250,000.00	10/1/2024
SERIAL	45201Y7M3	0.45	1,255,000.00	4/1/2025
SERIAL	45201Y7N1	0.50	1,260,000.00	10/1/2025
SERIAL	45201Y7P6	0.55	1,265,000.00	4/1/2026
SERIAL	45201Y7Q4	0.60	1,270,000.00	10/1/2026
SERIAL	45201Y7R2	0.70	1,275,000.00	4/1/2027
SERIAL	45201Y7S0	0.75	1,285,000.00	10/1/2027

**IHDA REVENUE BONDS  
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Information As Of 12/31/2023 (Unless Otherwise Indicated)

SERIAL	45201Y7T8	0.85	1,180,000.00	4/1/2028
SERIAL	45201Y7U5	0.90	1,300,000.00	10/1/2028
SERIAL	45201Y7V3	1.10	1,310,000.00	4/1/2029
SERIAL	45201Y7W1	1.15	1,320,000.00	10/1/2029
SERIAL	45201Y7X9	1.35	1,180,000.00	4/1/2030
SERIAL	45201Y7Y7	1.40	1,340,000.00	10/1/2030
SERIAL	45201Y7Z4	1.45	1,350,000.00	4/1/2031
SERIAL	45201Y8A8	1.50	1,290,000.00	10/1/2031
SERIAL	45201Y8B6	1.60	1,375,000.00	4/1/2032
SERIAL	45201Y8C4	1.65	1,390,000.00	10/1/2032
SERIAL	45201Y8D2	1.70	1,310,000.00	4/1/2033
SERIAL	45201Y8E0	1.75	1,420,000.00	10/1/2033
TERM	45201Y8F7	1.85	8,850,000.00	10/1/2036
TERM	45201Y8G5	2.00	12,280,000.00	10/1/2042
TERM	45201Y8H3	3.00	26,810,000.00	4/1/2051
			<b>73,810,000.00</b>	

**SERIES: 2021 SERIES B**  
**ISSUANCE DATE: 6/29/2021**  
**ISSUANCE AMOUNT: 125,000,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MAF8	0.40	1,030,000.00	4/1/2024
SERIAL	45203MAG6	0.45	1,015,000.00	10/1/2024
SERIAL	45203MAH4	0.50	1,000,000.00	4/1/2025
SERIAL	45203MAJ0	0.55	985,000.00	10/1/2025
SERIAL	45203MAK7	0.70	360,000.00	4/1/2026
SERIAL	45203MAL5	0.75	510,000.00	10/1/2026
SERIAL	45203MAM3	0.85	950,000.00	4/1/2027
SERIAL	45203MAN1	0.95	940,000.00	10/1/2027
SERIAL	45203MAP6	1.05	930,000.00	4/1/2028
SERIAL	45203MAQ4	1.20	925,000.00	10/1/2028
SERIAL	45203MAR2	1.30	915,000.00	4/1/2029
SERIAL	45203MAS0	1.40	905,000.00	10/1/2029
SERIAL	45203MAT8	1.50	1,105,000.00	4/1/2030
SERIAL	45203MAU5	1.55	1,290,000.00	10/1/2030
SERIAL	45203MAV3	1.65	1,435,000.00	4/1/2031
SERIAL	45203MAW1	1.70	1,530,000.00	10/1/2031
SERIAL	45203MAX9	1.75	2,045,000.00	4/1/2032
SERIAL	45203MAY7	1.80	2,070,000.00	10/1/2032
SERIAL	45203MAZ4	1.85	2,090,000.00	4/1/2033
SERIAL	45203MBA8	1.88	2,115,000.00	10/1/2033
TERM	45203MBB6	1.95	13,185,000.00	10/1/2036
TERM	45203MBC4	2.15	23,730,000.00	10/1/2041
TERM	45203MBD2	3.00	44,355,000.00	4/1/2051
			<b>105,415,000.00</b>	

**SERIES: 2021 SERIES C**  
**ISSUANCE DATE: 6/29/2021**  
**ISSUANCE AMOUNT: 19,280,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MBJ9	0.45	950,000.00	4/1/2024
SERIAL	45203MBK6	0.50	970,000.00	10/1/2024

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SERIAL	45203MBL4	0.87	995,000.00	4/1/2025
SERIAL	45203MBM2	0.97	1,020,000.00	10/1/2025
SERIAL	45203MBN0	1.07	1,040,000.00	4/1/2026
SERIAL	45203MBP5	1.12	1,065,000.00	10/1/2026
SERIAL	45203MBQ3	1.45	1,085,000.00	4/1/2027
SERIAL	45203MBR1	1.60	1,115,000.00	10/1/2027
SERIAL	45203MBS9	1.70	1,135,000.00	4/1/2028
SERIAL	45203MBT7	1.75	1,160,000.00	10/1/2028
SERIAL	45203MBU4	1.98	1,185,000.00	4/1/2029
SERIAL	45203MBV2	2.03	1,220,000.00	10/1/2029
SERIAL	45203MBW0	2.08	1,040,000.00	4/1/2030
SERIAL	45203MBX8	2.13	880,000.00	10/1/2030
SERIAL	45203MBY6	2.18	750,000.00	4/1/2031
SERIAL	45203MBZ3	2.23	470,000.00	10/1/2031
			<b>16,080,000.00</b>	

**SERIES: 2021 SERIES D**  
**ISSUANCE DATE: 9/23/2021**  
**ISSUANCE AMOUNT: 125,000,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MCE9	0.30	885,000.00	4/1/2024
SERIAL	45203MCF6	0.35	865,000.00	10/1/2024
SERIAL	45203MCG4	0.45	855,000.00	4/1/2025
SERIAL	45203MCH2	0.55	840,000.00	10/1/2025
SERIAL	45203MCJ8	0.60	665,000.00	4/1/2026
SERIAL	45203MCK5	0.70	815,000.00	10/1/2026
SERIAL	45203MCL3	0.85	815,000.00	4/1/2027
SERIAL	45203MCM1	1.00	815,000.00	10/1/2027
SERIAL	45203MCN9	1.10	810,000.00	4/1/2028
SERIAL	45203MCP4	1.15	810,000.00	10/1/2028
SERIAL	45203MCQ2	1.30	810,000.00	4/1/2029
SERIAL	45203MCR0	1.40	810,000.00	10/1/2029
SERIAL	45203MCS8	1.50	890,000.00	4/1/2030
SERIAL	45203MCT6	1.60	1,110,000.00	10/1/2030
SERIAL	45203MCU3	1.70	1,285,000.00	4/1/2031
SERIAL	45203MCV1	1.75	1,075,000.00	10/1/2031
SERIAL	45203MCW9	1.85	2,020,000.00	4/1/2032
SERIAL	45203MCX7	1.90	2,050,000.00	10/1/2032
SERIAL	45203MCY5	1.95	2,070,000.00	4/1/2033
SERIAL	45203MCZ2	2.00	2,095,000.00	10/1/2033
TERM	45203MDA6	2.05	12,425,000.00	10/1/2036
TERM	45203MDB4	2.38	28,045,000.00	10/1/2042
TERM	45203MDC2	3.00	46,360,000.00	10/1/2051
			<b>109,220,000.00</b>	

**SERIES: 2021 SERIES E**  
**ISSUANCE DATE: 9/23/2021**  
**ISSUANCE AMOUNT: 19,300,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MDH1	0.65	905,000.00	4/1/2024
SERIAL	45203MDM0	1.05	1,000,000.00	4/1/2026
SERIAL	45203MDN8	1.20	1,020,000.00	10/1/2026

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SERIAL	45203MDP3	1.36	1,035,000.00	4/1/2027
SERIAL	45203MDQ1	1.46	1,050,000.00	10/1/2027
SERIAL	45203MDR9	1.58	1,070,000.00	4/1/2028
SERIAL	45203MDS7	1.66	1,080,000.00	10/1/2028
SERIAL	45203MDT5	1.78	1,100,000.00	4/1/2029
SERIAL	45203MDU2	1.86	1,120,000.00	10/1/2029
SERIAL	45203MDV0	1.93	1,070,000.00	4/1/2030
SERIAL	45203MDW8	1.98	880,000.00	10/1/2030
SERIAL	45203MDX6	2.01	735,000.00	4/1/2031
SERIAL	45203MDY4	2.08	630,000.00	10/1/2031
SERIAL	45203MDJ7	0.72	935,000.00	10/1/2024
SERIAL	45203MDK4	0.90	950,000.00	4/1/2025
SERIAL	45203MDL2	0.95	970,000.00	10/1/2025
			<b>15,550,000.00</b>	

**SERIES:** 2022 SERIES A  
**ISSUANCE DATE:** 4/21/2022  
**ISSUANCE AMOUNT:** 125,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MEY3	2.00	1,090,000.00	4/1/2024
SERIAL	45203MEZ0	2.15	980,000.00	10/1/2024
SERIAL	45203MFA4	2.30	975,000.00	4/1/2025
SERIAL	45203MFB2	2.40	975,000.00	10/1/2025
SERIAL	45203MFC0	2.50	980,000.00	4/1/2026
SERIAL	45203MFD8	2.60	980,000.00	10/1/2026
SERIAL	45203MFE6	2.70	980,000.00	4/1/2027
SERIAL	45203MFF3	2.75	980,000.00	10/1/2027
SERIAL	45203MFG1	2.80	985,000.00	4/1/2028
SERIAL	45203MFH9	2.85	985,000.00	10/1/2028
SERIAL	45203MFJ5	2.90	985,000.00	4/1/2029
SERIAL	45203MFK2	2.95	980,000.00	10/1/2029
SERIAL	45203MFL0	3.05	980,000.00	4/1/2030
SERIAL	45203MFM8	3.10	1,145,000.00	10/1/2030
SERIAL	45203MFN6	3.15	1,415,000.00	4/1/2031
SERIAL	45203MFP1	3.20	1,635,000.00	10/1/2031
SERIAL	45203MFQ9	3.30	1,805,000.00	4/1/2032
SERIAL	45203MFR7	3.35	1,920,000.00	10/1/2032
SERIAL	45203MFS5	3.40	2,610,000.00	4/1/2033
SERIAL	45203MFT3	3.45	2,755,000.00	10/1/2033
TERM	45203MFU0	3.55	16,170,000.00	10/1/2037
TERM	45203MFV8	3.75	24,060,000.00	10/1/2043
TERM	45203MFW6	3.50	49,390,000.00	4/1/2052
			<b>115,760,000.00</b>	

**SERIES:** 2022 SERIES B  
**ISSUANCE DATE:** 4/21/2022  
**ISSUANCE AMOUNT:** 20,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MEB3	2.80	585,000.00	4/1/2024
SERIAL	45203MEC1	3.00	965,000.00	10/1/2024
SERIAL	45203MED9	3.15	990,000.00	4/1/2025
SERIAL	45203MEE7	3.25	1,015,000.00	10/1/2025

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SERIAL	45203MEF4	3.33	1,030,000.00	4/1/2026
SERIAL	45203MEG2	3.38	1,060,000.00	10/1/2026
SERIAL	45203MEH0	3.48	1,085,000.00	4/1/2027
SERIAL	45203MEJ6	3.53	1,110,000.00	10/1/2027
SERIAL	45203MEK3	3.58	1,140,000.00	4/1/2028
SERIAL	45203MEL1	3.65	1,165,000.00	10/1/2028
SERIAL	45203MEM9	3.70	1,195,000.00	4/1/2029
SERIAL	45203MEN7	3.75	1,230,000.00	10/1/2029
SERIAL	45203MEP2	3.80	1,265,000.00	4/1/2030
SERIAL	45203MEQ0	3.85	1,175,000.00	10/1/2030
SERIAL	45203MER8	3.90	1,000,000.00	4/1/2031
SERIAL	45203MES6	3.95	870,000.00	10/1/2031
SERIAL	45203MET4	4.00	775,000.00	4/1/2032
SERIAL	45203MEU1	4.03	730,000.00	10/1/2032
			<b>18,385,000.00</b>	

**SERIES: 2022 SERIES C**  
**ISSUANCE DATE: 5/19/2022**  
**ISSUANCE AMOUNT: 90,140,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MFZ9	2.50	1,500,000.00	4/1/2024
SERIAL	45203MGA3	2.70	1,520,000.00	10/1/2024
SERIAL	45203MGB1	2.85	1,540,000.00	4/1/2025
SERIAL	45203MGC9	3.00	1,560,000.00	10/1/2025
SERIAL	45203MGD7	3.10	1,580,000.00	4/1/2026
SERIAL	45203MGE5	3.15	1,605,000.00	10/1/2026
SERIAL	45203MGF2	3.20	1,630,000.00	4/1/2027
SERIAL	45203MGG0	3.25	1,655,000.00	10/1/2027
SERIAL	45203MGH8	3.30	1,680,000.00	4/1/2028
SERIAL	45203MGJ4	3.35	1,705,000.00	10/1/2028
SERIAL	45203MGK1	3.40	1,735,000.00	4/1/2029
SERIAL	45203MGL9	3.45	1,765,000.00	10/1/2029
SERIAL	45203MGM7	3.60	1,795,000.00	4/1/2030
SERIAL	45203MGN5	3.65	1,825,000.00	10/1/2030
SERIAL	45203MGP0	3.70	1,855,000.00	4/1/2031
SERIAL	45203MGQ8	3.75	1,890,000.00	10/1/2031
SERIAL	45203MGR6	3.80	1,925,000.00	4/1/2032
SERIAL	45203MGS4	3.85	1,960,000.00	10/1/2032
SERIAL	45203MGT2	3.90	1,995,000.00	4/1/2033
SERIAL	45203MGU9	4.00	2,035,000.00	10/1/2033
TERM	45203MGV7	4.50	49,250,000.00	10/1/2052
			<b>84,005,000.00</b>	

**SERIES: 2022 SERIES D**  
**ISSUANCE DATE: 5/19/2022**  
**ISSUANCE AMOUNT: 59,860,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45203MGW5	3.76	59,860,000.00	4/1/2045
			<b>59,860,000.00</b>	

**IHDA REVENUE BONDS  
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**SERIES:** 2022 SERIES E  
**ISSUANCE DATE:** 9/22/2022  
**ISSUANCE AMOUNT:** 100,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MHC8	2.50	1,470,000.00	4/1/2024
SERIAL	45203MHD6	2.55	1,495,000.00	10/1/2024
SERIAL	45203MHE4	2.65	1,515,000.00	4/1/2025
SERIAL	45203MHF1	2.70	1,540,000.00	10/1/2025
SERIAL	45203MHG9	2.80	1,560,000.00	4/1/2026
SERIAL	45203MHH7	2.85	1,585,000.00	10/1/2026
SERIAL	45203MHJ3	3.00	1,610,000.00	4/1/2027
SERIAL	45203MHK0	3.05	1,635,000.00	10/1/2027
SERIAL	45203MHL8	3.10	1,665,000.00	4/1/2028
SERIAL	45203MHM6	3.15	1,695,000.00	10/1/2028
SERIAL	45203MHN4	3.25	1,720,000.00	4/1/2029
SERIAL	45203MHP9	3.30	1,755,000.00	10/1/2029
SERIAL	45203MHQ7	3.40	1,785,000.00	4/1/2030
SERIAL	45203MHR5	3.45	1,815,000.00	10/1/2030
SERIAL	45203MHS3	3.60	1,850,000.00	4/1/2031
SERIAL	45203MHT1	3.65	1,885,000.00	10/1/2031
SERIAL	45203MHU8	3.75	1,920,000.00	4/1/2032
SERIAL	45203MHV6	3.80	1,960,000.00	10/1/2032
TERM	45203MHW4	4.05	11,575,000.00	10/1/2035
TERM	45203MHX2	5.25	52,980,000.00	10/1/2052
			<b>95,015,000.00</b>	

**SERIES:** 2022 SERIES F  
**ISSUANCE DATE:** 9/22/2022  
**ISSUANCE AMOUNT:** 50,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45203MGY1	3.55	50,000,000.00	4/1/2045
			<b>50,000,000.00</b>	

**SERIES:** 2022 SERIES G  
**ISSUANCE DATE:** 12/1/2022  
**ISSUANCE AMOUNT:** 150,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MJA0	5.50	1,115,000.00	4/1/2024
SERIAL	45203MJB8	5.50	1,150,000.00	10/1/2024
SERIAL	45203MJC6	5.50	1,180,000.00	4/1/2025
SERIAL	45203MJD4	5.50	1,215,000.00	10/1/2025
SERIAL	45203MJE2	5.50	1,250,000.00	4/1/2026
SERIAL	45203MJF9	5.50	1,280,000.00	10/1/2026
SERIAL	45203MJG7	5.50	1,315,000.00	4/1/2027
SERIAL	45203MJH5	5.50	1,350,000.00	10/1/2027
SERIAL	45203MJJ1	5.50	1,390,000.00	4/1/2028
SERIAL	45203MJK8	5.50	1,430,000.00	10/1/2028
SERIAL	45203MJL6	5.50	1,465,000.00	4/1/2029

**IHDA REVENUE BONDS  
BONDS OUTSTANDING**

Information As Of 12/31/2023 (Unless Otherwise Indicated)

SERIAL	45203MJM4	5.50	1,505,000.00	10/1/2029
SERIAL	45203MJN2	5.50	1,550,000.00	4/1/2030
SERIAL	45203MJP7	5.50	1,590,000.00	10/1/2030
SERIAL	45203MJQ5	5.50	1,635,000.00	4/1/2031
SERIAL	45203MJR3	5.50	1,680,000.00	10/1/2031
SERIAL	45203MJS1	5.50	1,725,000.00	4/1/2032
SERIAL	45203MJT9	4.25	1,775,000.00	10/1/2032
SERIAL	45203MJU6	4.35	1,815,000.00	4/1/2033
SERIAL	45203MJV4	4.40	1,855,000.00	10/1/2033
SERIAL	45203MJW2	4.43	1,895,000.00	4/1/2034
SERIAL	45203MJX0	4.50	1,940,000.00	10/1/2034
TERM	45203MJY8	4.65	12,640,000.00	10/1/2037
TERM	45203MJZ5	4.85	25,695,000.00	10/1/2042
TERM	45203MKA8	5.00	23,445,000.00	10/1/2046
TERM	45203MKB6	6.25	52,375,000.00	10/1/2052
			<b>147,260,000.00</b>	

**SERIES:**

**ISSUANCE DATE:** 3/29/2023

**ISSUANCE AMOUNT:** 37,500,000.00

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<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MLS8	5.15	670,000.00	4/1/2028
			<b>670,000.00</b>	

**SERIES:**

**2023 SERIES A**

**ISSUANCE DATE:** 3/29/2023

**ISSUANCE AMOUNT:** 120,000,000.00

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<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MKD2	3.20	1,030,000.00	4/1/2024
SERIAL	45203MKE0	3.20	1,045,000.00	10/1/2024
SERIAL	45203MKF7	3.25	1,065,000.00	4/1/2025
SERIAL	45203MKG5	3.25	1,085,000.00	10/1/2025
SERIAL	45203MKH3	3.30	1,105,000.00	4/1/2026
SERIAL	45203MKJ9	3.30	1,125,000.00	10/1/2026
SERIAL	45203MKK6	3.35	1,145,000.00	4/1/2027
SERIAL	45203MKL4	3.40	1,165,000.00	10/1/2027
SERIAL	45203MKM2	3.45	1,185,000.00	4/1/2028
SERIAL	45203MKN0	3.50	1,205,000.00	10/1/2028
SERIAL	45203MKP5	3.55	1,230,000.00	4/1/2029
SERIAL	45203MKQ3	3.55	1,255,000.00	10/1/2029
SERIAL	45203MKR1	3.60	1,280,000.00	4/1/2030
SERIAL	45203MKS9	3.65	1,305,000.00	10/1/2030
SERIAL	45203MKT7	3.70	1,330,000.00	4/1/2031
SERIAL	45203MKU4	3.70	1,355,000.00	10/1/2031
SERIAL	45203MKV2	3.75	1,385,000.00	4/1/2032
SERIAL	45203MKW0	3.80	1,415,000.00	10/1/2032
SERIAL	45203MKX8	3.85	1,440,000.00	4/1/2033
SERIAL	45203MKY6	3.90	1,475,000.00	10/1/2033
SERIAL	45203MKZ3	4.00	1,505,000.00	4/1/2034
SERIAL	45203MLA7	4.00	1,540,000.00	10/1/2034
SERIAL	45203MLB5	4.05	1,570,000.00	4/1/2035
SERIAL	45203MLC3	4.10	1,605,000.00	10/1/2035

**IHDA REVENUE BONDS  
BONDS OUTSTANDING  
Information As Of 12/31/2023 (Unless Otherwise Indicated)**

TERM	45203MLD1	4.50	10,485,000.00	10/1/2038
TERM	45203MLE9	4.80	21,370,000.00	10/1/2043
TERM	45203MLF6	4.90	16,240,000.00	4/1/2047
TERM	45203MLG4	5.25	<u>39,760,000.00</u>	4/1/2053
			<b>118,700,000.00</b>	

**SERIES: 2023 SERIES B**  
**ISSUANCE DATE: 3/29/2023**  
**ISSUANCE AMOUNT: 37,500,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MLJ8	4.95	545,000.00	4/1/2024
SERIAL	45203MLK5	5.00	560,000.00	10/1/2024
SERIAL	45203MLL3	5.00	570,000.00	4/1/2025
SERIAL	45203MLM1	5.00	585,000.00	10/1/2025
SERIAL	45203MLN9	5.05	605,000.00	4/1/2026
SERIAL	45203MLP4	5.10	620,000.00	10/1/2026
SERIAL	45203MLQ2	5.07	635,000.00	4/1/2027
SERIAL	45203MLR0	5.12	655,000.00	10/1/2027
SERIAL	45203MLT6	5.17	690,000.00	10/1/2028
SERIAL	45203MLU3	5.21	710,000.00	4/1/2029
SERIAL	45203MLV1	5.26	730,000.00	10/1/2029
SERIAL	45203MLW9	5.31	750,000.00	4/1/2030
SERIAL	45203MLX7	5.33	770,000.00	10/1/2030
SERIAL	45203MLY5	5.36	795,000.00	4/1/2031
SERIAL	45203MLZ2	5.43	840,000.00	10/1/2031
TERM	45203MMA6	5.63	<u>25,995,000.00</u>	4/1/2053
			<b>36,055,000.00</b>	

**SERIES: 2023 SERIES C**  
**ISSUANCE DATE: 3/29/2023**  
**ISSUANCE AMOUNT: 37,500,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45203MMB4	5.35	<u>37,500,000.00</u>	10/1/2046
			<b>37,500,000.00</b>	

**SERIES: 2023 SERIES D**  
**ISSUANCE DATE: 6/1/2023**  
**ISSUANCE AMOUNT: 100,000,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45203MMF5	3.05	1,770,000.00	10/1/2024
TERM	45203MMG3	3.05	1,825,000.00	10/1/2025
TERM	45203MMH1	3.05	1,885,000.00	10/1/2026
TERM	45203MMJ7	3.10	1,955,000.00	10/1/2027
TERM	45203MMK4	3.15	2,020,000.00	10/1/2028
SERIAL	45203MML2	3.20	1,035,000.00	4/1/2029
SERIAL	45203MMM0	3.30	1,055,000.00	10/1/2029
SERIAL	45203MMN8	3.35	1,075,000.00	4/1/2030
SERIAL	45203MMP3	3.40	1,095,000.00	10/1/2030
SERIAL	45203MMQ1	3.45	1,115,000.00	4/1/2031

**IHDA REVENUE BONDS  
BONDS OUTSTANDING**

**Information As Of 12/31/2023 (Unless Otherwise Indicated)**

SERIAL	45203MMR9	3.50	1,135,000.00	10/1/2031
SERIAL	45203MMS7	3.55	1,155,000.00	4/1/2032
SERIAL	45203MMT5	3.60	1,175,000.00	10/1/2032
SERIAL	45203MMW8	3.80	1,295,000.00	4/1/2035
SERIAL	45203MMX6	3.85	1,325,000.00	10/1/2035
TERM	45203MMU2	3.65	2,420,000.00	10/1/2033
TERM	45203MMV0	3.75	2,515,000.00	10/1/2034
TERM	45203MMY4	4.10	8,585,000.00	10/1/2038
TERM	45203MMZ1	4.45	17,305,000.00	10/1/2043
TERM	45203MNA5	4.60	13,575,000.00	4/1/2047
TERM	45203MNB3	5.50	34,505,000.00	10/1/2053
			<b>99,820,000.00</b>	

**SERIES: 2023 SERIES E**  
**ISSUANCE DATE: 6/1/2023**  
**ISSUANCE AMOUNT: 86,580,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MND9	4.53	1,275,000.00	10/1/2024
SERIAL	45203MNE7	4.53	1,305,000.00	4/1/2025
SERIAL	45203MNF4	4.56	1,335,000.00	10/1/2025
SERIAL	45203MNG2	4.45	1,785,000.00	4/1/2026
SERIAL	45203MNH0	4.50	1,830,000.00	10/1/2026
SERIAL	45203MNJ6	4.57	1,700,000.00	4/1/2027
SERIAL	45203MNK3	4.62	1,740,000.00	10/1/2027
SERIAL	45203MNL1	4.68	1,710,000.00	4/1/2028
SERIAL	45203MNM9	4.73	1,755,000.00	10/1/2028
SERIAL	45203MNN7	4.85	1,320,000.00	4/1/2029
SERIAL	45203MNP2	4.90	1,350,000.00	10/1/2029
SERIAL	45203MNQ0	4.95	1,380,000.00	4/1/2030
SERIAL	45203MNR8	5.00	1,415,000.00	10/1/2030
SERIAL	45203MNS6	5.07	1,450,000.00	4/1/2031
SERIAL	45203MNT4	5.12	1,485,000.00	10/1/2031
SERIAL	45203MNU1	5.15	1,525,000.00	4/1/2032
SERIAL	45203MNV9	5.15	1,560,000.00	10/1/2032
SERIAL	45203MNW7	5.19	1,600,000.00	4/1/2033
SERIAL	45203MNX5	5.19	1,640,000.00	10/1/2033
TERM	45203MNY3	5.30	15,245,000.00	4/1/2038
TERM	45203MNZ0	5.75	41,960,000.00	10/1/2053
			<b>86,365,000.00</b>	

**SERIES: 2023 SERIES F**  
**ISSUANCE DATE: 6/1/2023**  
**ISSUANCE AMOUNT: 43,290,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45203MMD0	0.00	43,290,000.00	10/1/2046
			<b>43,290,000.00</b>	

**SERIES: 2023 SERIES G**  
**ISSUANCE DATE: 6/1/2023**  
**ISSUANCE AMOUNT: 60,000,000.00**

**IHDA REVENUE BONDS**  
**BONDS OUTSTANDING**  
**Information As Of 12/31/2023 (Unless Otherwise Indicated)**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45203MNC1	3.50	60,000,000.00	10/1/2054
			<b>60,000,000.00</b>	

**SERIES:** 2023 SERIES H  
**ISSUANCE DATE:** 8/3/2023  
**ISSUANCE AMOUNT:** 160,000,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MPC9	3.25	1,455,000.00	4/1/2025
SERIAL	45203MPD7	3.25	1,480,000.00	10/1/2025
SERIAL	45203MPE5	3.25	1,505,000.00	4/1/2026
SERIAL	45203MPF2	3.25	1,530,000.00	10/1/2026
SERIAL	45203MPG0	3.30	1,555,000.00	4/1/2027
SERIAL	45203MPH8	3.30	1,585,000.00	10/1/2027
SERIAL	45203MPJ4	3.35	1,610,000.00	4/1/2028
SERIAL	45203MPK1	3.40	1,640,000.00	10/1/2028
SERIAL	45203MPL9	3.50	1,665,000.00	4/1/2029
SERIAL	45203MPM7	3.55	1,695,000.00	10/1/2029
SERIAL	45203MPN5	3.65	1,730,000.00	4/1/2030
SERIAL	45203MPP0	3.70	1,760,000.00	10/1/2030
SERIAL	45203MPQ8	3.80	1,795,000.00	4/1/2031
SERIAL	45203MPR6	3.85	1,830,000.00	10/1/2031
SERIAL	45203MPS4	3.90	1,870,000.00	4/1/2032
SERIAL	45203MPT2	3.90	1,905,000.00	10/1/2032
SERIAL	45203MPU9	3.95	1,945,000.00	4/1/2033
SERIAL	45203MPV7	4.00	1,985,000.00	10/1/2033
SERIAL	45203MPW5	4.00	2,025,000.00	4/1/2034
SERIAL	45203MPX3	4.05	2,070,000.00	10/1/2034
SERIAL	45203MPY1	4.10	2,110,000.00	4/1/2035
SERIAL	45203MPZ8	4.13	2,160,000.00	10/1/2035
TERM	45203MQA2	4.25	13,995,000.00	10/1/2038
TERM	45203MQB0	4.65	28,100,000.00	10/1/2043
TERM	45203MQC8	4.75	32,555,000.00	10/1/2048
TERM	45203MQD6	5.75	46,370,000.00	10/1/2053
			<b>159,925,000.00</b>	

**SERIES:** 2023 SERIES I  
**ISSUANCE DATE:** 8/3/2023  
**ISSUANCE AMOUNT:** 76,665,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MQG9	5.49	805,000.00	4/1/2025
SERIAL	45203MQH7	5.49	830,000.00	10/1/2025
SERIAL	45203MQJ3	5.25	855,000.00	4/1/2026
SERIAL	45203MQK0	5.25	875,000.00	10/1/2026
SERIAL	45203MQL8	5.29	900,000.00	4/1/2027
SERIAL	45203MQM6	5.32	925,000.00	10/1/2027
SERIAL	45203MQN4	5.34	955,000.00	4/1/2028
SERIAL	45203MQP9	5.36	980,000.00	10/1/2028
SERIAL	45203MQQ7	5.42	1,005,000.00	4/1/2029
SERIAL	45203MQR5	5.44	1,035,000.00	10/1/2029
SERIAL	45203MQS3	5.42	1,065,000.00	4/1/2030

**IHDA REVENUE BONDS  
BONDS OUTSTANDING**

Information As Of 12/31/2023 (Unless Otherwise Indicated)

SERIAL	45203MQT1	5.45	1,095,000.00	10/1/2030
SERIAL	45203MQU8	5.48	1,130,000.00	4/1/2031
SERIAL	45203MQV6	5.51	1,160,000.00	10/1/2031
SERIAL	45203MQW4	5.51	1,195,000.00	4/1/2032
SERIAL	45203MQX2	5.52	1,230,000.00	10/1/2032
SERIAL	45203MQY0	5.54	1,270,000.00	4/1/2033
SERIAL	45203MQZ7	5.56	1,305,000.00	10/1/2033
TERM	45203MRA1	5.61	15,420,000.00	10/1/2038
TERM	45203MRB9	5.71	9,305,000.00	4/1/2041
TERM	45203MRC7	5.76	33,325,000.00	10/1/2053
			<b>76,665,000.00</b>	

**SERIES:** 2023 SERIES J  
**ISSUANCE DATE:** 8/3/2023  
**ISSUANCE AMOUNT:** 38,335,000.00

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<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45203MQE4	0.00	38,335,000.00	10/1/2048
			<b>38,335,000.00</b>	

**SERIES:** 2023 SERIES K  
**ISSUANCE DATE:** 10/25/2023  
**ISSUANCE AMOUNT:** 178,750,000.00

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<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MRD5	3.95	1,540,000.00	4/1/2025
SERIAL	45203MRE3	3.95	1,565,000.00	10/1/2025
SERIAL	45203MRF0	4.00	1,595,000.00	4/1/2026
SERIAL	45203MRG8	4.00	1,625,000.00	10/1/2026
SERIAL	45203MRH6	4.13	1,660,000.00	4/1/2027
SERIAL	45203MRJ2	4.20	1,690,000.00	10/1/2027
SERIAL	45203MRK9	4.25	1,725,000.00	4/1/2028
SERIAL	45203MRL7	4.30	1,755,000.00	10/1/2028
SERIAL	45203MRM5	4.38	1,790,000.00	4/1/2029
SERIAL	45203MRN3	4.45	1,830,000.00	10/1/2029
SERIAL	45203MRP8	4.50	1,865,000.00	4/1/2030
SERIAL	45203MRQ6	4.55	1,905,000.00	10/1/2030
SERIAL	45203MRR4	4.60	1,945,000.00	4/1/2031
SERIAL	45203MRS2	4.65	1,990,000.00	10/1/2031
SERIAL	45203MRT0	4.70	2,030,000.00	4/1/2032
SERIAL	45203MRU7	4.75	2,075,000.00	10/1/2032
SERIAL	45203MRV5	4.80	2,120,000.00	4/1/2033
SERIAL	45203MRW3	4.80	2,170,000.00	10/1/2033
SERIAL	45203MRX1	4.85	2,215,000.00	4/1/2034
SERIAL	45203MRY9	4.85	2,265,000.00	10/1/2034
SERIAL	45203MRZ6	4.85	2,320,000.00	4/1/2035
SERIAL	45203MSA0	4.85	2,370,000.00	10/1/2035
TERM	45203MSB8	4.95	15,440,000.00	10/1/2038
TERM	45203MSC6	5.25	31,235,000.00	10/1/2043
TERM	45203MSD4	5.35	26,820,000.00	4/1/2047
TERM	45203MSE2	6.25	63,210,000.00	10/1/2053
			<b>178,750,000.00</b>	

**IHDA REVENUE BOND  
BONDS OUTSTANDING  
Information As Of 12/31/2023 (Unless Otherwise Indicated)**

**SERIES:** 2023 SERIES L  
**ISSUANCE DATE:** 10/25/2023  
**ISSUANCE AMOUNT:** 64,165,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MSF9	5.62	595,000.00	4/1/2025
SERIAL	45203MSG7	5.67	615,000.00	10/1/2025
SERIAL	45203MSH5	5.55	630,000.00	4/1/2026
SERIAL	45203MSJ1	5.55	650,000.00	10/1/2026
SERIAL	45203MSK8	5.70	670,000.00	4/1/2027
SERIAL	45203MSL6	5.75	690,000.00	10/1/2027
SERIAL	45203MSM4	5.87	710,000.00	4/1/2028
SERIAL	45203MSN2	5.92	730,000.00	10/1/2028
SERIAL	45203MSP7	6.00	755,000.00	4/1/2029
SERIAL	45203MSQ5	6.05	780,000.00	10/1/2029
SERIAL	45203MSR3	6.10	800,000.00	4/1/2030
SERIAL	45203MSS1	6.15	830,000.00	10/1/2030
SERIAL	45203MST9	6.17	855,000.00	4/1/2031
SERIAL	45203MSU6	6.19	880,000.00	10/1/2031
SERIAL	45203MSV4	6.25	910,000.00	4/1/2032
SERIAL	45203MSW2	6.28	940,000.00	10/1/2032
SERIAL	45203MSX0	6.30	970,000.00	4/1/2033
SERIAL	45203MSY8	6.33	1,000,000.00	10/1/2033
TERM	45203MSZ5	6.30	12,015,000.00	10/1/2038
TERM	45203MTA9	6.44	16,650,000.00	10/1/2043
TERM	45203MTB7	6.56	21,490,000.00	10/1/2048
			<b>64,165,000.00</b>	

**SERIES:** 2023 SERIES M  
**ISSUANCE DATE:** 10/25/2023  
**ISSUANCE AMOUNT:** 32,085,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45203MTC5	0.00	32,085,000.00	10/1/2053
			<b>32,085,000.00</b>	

**SERIES:** 2023 SERIES N  
**ISSUANCE DATE:** 11/30/2023  
**ISSUANCE AMOUNT:** 129,525,000.00

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MTG6	3.63	1,475,000.00	10/1/2024
SERIAL	45203MTH4	3.65	1,545,000.00	4/1/2025
SERIAL	45203MTJ0	3.70	1,575,000.00	10/1/2025
SERIAL	45203MTK7	3.75	1,610,000.00	4/1/2026
SERIAL	45203MTL5	3.80	1,645,000.00	10/1/2026
SERIAL	45203MTM3	3.85	1,680,000.00	4/1/2027
SERIAL	45203MTN1	3.90	1,715,000.00	10/1/2027
SERIAL	45203MTP6	3.95	1,750,000.00	4/1/2028
SERIAL	45203MTQ4	3.95	1,790,000.00	10/1/2028
SERIAL	45203MTR2	4.05	1,830,000.00	4/1/2029

**IHDA REVENUE BOND  
BONDS OUTSTANDING**

Information As Of 12/31/2023 (Unless Otherwise Indicated)

SERIAL	45203MTS0	4.10	1,870,000.00	10/1/2029
SERIAL	45203MTT8	4.15	1,915,000.00	4/1/2030
SERIAL	45203MTU5	4.20	1,960,000.00	10/1/2030
SERIAL	45203MTV3	4.25	2,005,000.00	4/1/2031
SERIAL	45203MTW1	4.25	2,055,000.00	10/1/2031
SERIAL	45203MTX9	4.30	2,100,000.00	4/1/2032
SERIAL	45203MTY7	4.30	2,150,000.00	10/1/2032
SERIAL	45203MTZ4	4.35	2,205,000.00	4/1/2033
SERIAL	45203MUA7	4.40	2,260,000.00	10/1/2033
SERIAL	45203MUB5	4.45	2,315,000.00	4/1/2034
SERIAL	45203MUC3	4.45	2,375,000.00	10/1/2034
SERIAL	45203MUD1	4.50	2,435,000.00	4/1/2035
SERIAL	45203MUE9	4.55	2,495,000.00	10/1/2035
TERM	45203MUF6	4.75	16,425,000.00	10/1/2038
TERM	45203MUG4	4.90	13,425,000.00	4/1/2041
TERM	45203MUH2	6.25	54,920,000.00	4/1/2054
			<b>129,525,000.00</b>	

**SERIES: 2023 SERIES O**  
**ISSUANCE DATE: 11/30/2023**  
**ISSUANCE AMOUNT: 95,240,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
SERIAL	45203MUJ8	5.42	575,000.00	10/1/2024
SERIAL	45203MUK5	5.42	590,000.00	4/1/2025
SERIAL	45203MUL3	5.47	605,000.00	10/1/2025
SERIAL	45203MUM1	5.44	625,000.00	4/1/2026
SERIAL	45203MUN9	5.49	640,000.00	10/1/2026
SERIAL	45203MUP4	5.49	660,000.00	4/1/2027
SERIAL	45203MUQ2	5.54	675,000.00	10/1/2027
SERIAL	45203MUR0	5.59	695,000.00	4/1/2028
SERIAL	45203MUS8	5.64	715,000.00	10/1/2028
SERIAL	45203MUT6	5.74	740,000.00	4/1/2029
SERIAL	45203MUU3	5.79	760,000.00	10/1/2029
SERIAL	45203MUV1	5.84	785,000.00	4/1/2030
SERIAL	45203MUW9	5.89	810,000.00	10/1/2030
SERIAL	45203MUX7	5.96	835,000.00	4/1/2031
SERIAL	45203MUY5	5.99	860,000.00	10/1/2031
SERIAL	45203MUZ2	6.02	885,000.00	4/1/2032
SERIAL	45203MVA6	6.04	915,000.00	10/1/2032
SERIAL	45203MVB4	6.06	945,000.00	4/1/2033
SERIAL	45203MVC2	6.08	975,000.00	10/1/2033
TERM	45203MVD0	6.10	11,620,000.00	10/1/2038
TERM	45203MVE8	6.22	15,970,000.00	10/1/2043
TERM	45203MVF5	6.28	26,190,000.00	10/1/2049
TERM	45203MVG3	6.50	27,170,000.00	4/1/2054
			<b>95,240,000.00</b>	

**SERIES: 2023 SERIES P**  
**ISSUANCE DATE: 11/30/2023**  
**ISSUANCE AMOUNT: 64,765,000.00**

<u>BOND TYPE</u>	<u>CUSIP</u>	<u>BOND RATE</u>	<u>BONDS OUTSTANDING</u>	<u>MATURITY DATE</u>
TERM	45203MTE1	0.00	64,765,000.00	4/1/2049

**IHDA REVENUE BOND  
BONDS OUTSTANDING**  
Information As Of 12/31/2023 (Unless Otherwise Indicated)

64,765,000.00

**IHDA REVENUE BOND**

2,627,532,405.38

**Summary of Investment Obligations**

The following table sets forth the nature of the investment, in which funds in the Program Account, Reserve Fund and Revenue Fund are invested, weighted average maturity in years and the weighted average interest rate or yield applicable to that Investment Obligation as of December 31, 2023.

Bond Accounts	Investment Principal Outstanding Balance	Investment Principal Outstanding Weighted Average Interest Rate (%) ( 1 )	Investment Principal Balance Weighted Average Maturity (Years)
<u>Program Account</u>			
COMMERCIAL PAPER	18,480,000.00	5.90	0.24
FEDERAL FARM CREDIT BANK BONDS	59,788,000.00	4.83	0.42
FEDERAL HOME LOAN MORTGAGE CORPORATION	330,679,828.56	5.40	29.18
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,034,539,351.20	4.63	28.19
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	19,909,736.34	3.18	22.56
GINNIE MAE II	1,235,813,470.13	4.37	28.19
	<u>2,699,210,386.23</u>	<u>4.61</u>	<u>27.46</u>
<u>Revenue Account</u>			
COMMERCIAL PAPER	30,130,000.00	5.56	0.24
	<u>30,130,000.00</u>	<u>5.56</u>	<u>0.24</u>
<u>Special Program Fund</u>			
COMMERCIAL PAPER	130,000.00	5.49	0.24
FEDERAL HOME LOAN BANK BONDS	2,000,000.00	4.60	0.75
FEDERAL NATIONAL MORTGAGE ASSOCIATION	349,446.70	4.50	20.51
GINNIE MAE II	11,068,148.68	5.18	28.32
INTEREST ONLY STRIPS	8,707,897.95	2.61	26.65
MUNICIPAL BONDS	700,000.00	2.93	0.20
	<u>22,955,493.33</u>	<u>4.08</u>	<u>24.15</u>
	<u><u>2,752,295,879.56</u></u>	<u><u>4.61</u></u>	<u><u>27.14</u></u>

(1) These interest rates are not guarantees of future rates of interest

**APPENDIX B**

**AUTHORITY ANNUAL FINANCIAL STATEMENTS (AUDITED)**

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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

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](http://www.ihda.org)

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



**ILLINOIS HOUSING  
DEVELOPMENT AUTHORITY**

# **INTRODUCTORY SECTION**

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



Chairman

Mr. King Harris 7/11/16 - Present



Vice-Chairman /  
Asset Management  
Committee Chair

Ms. Luz Ramirez 3/13/17 - Present



Treasurer /  
Finance  
Committee Chair

Mr. Salvatore Tornatore 2/25/13 - Present



Secretary

Mr. Tommy Arbuckle 9/14/21 - Present



Member /  
Audit Committee  
Chair

Mr. Tom Morsch 11/18/19 - Present



Member

Mr. Daniel Hayes 12/16/22 - Present



Member

Mr. Brice Hutchcraft 12/16/22 - Present



Member

Ms. Sonia Berg 10/21/19 - 03/09/23



Member

Ms. Aarti Kotak 09/10/20-12/31/22

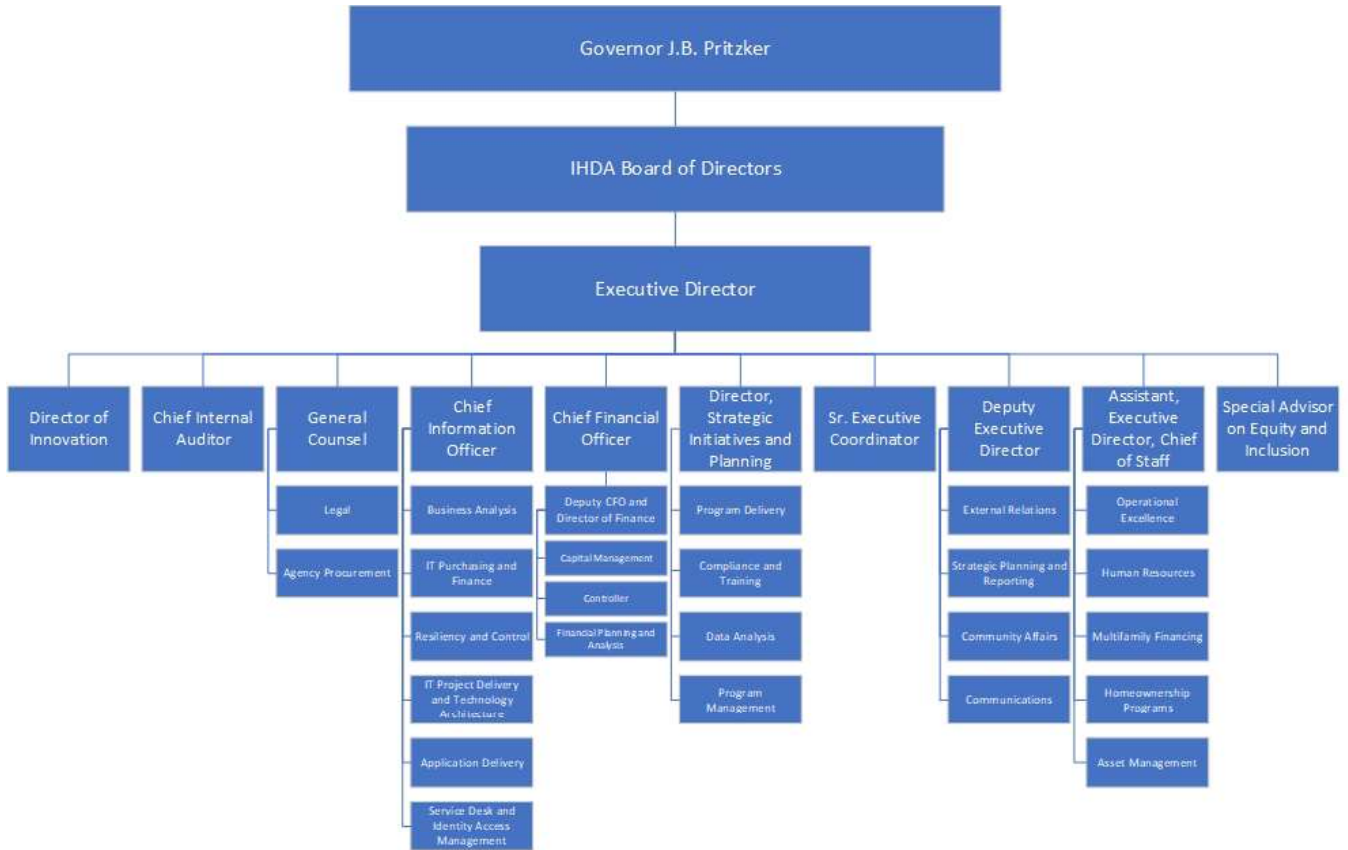
ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
 A COMPONENT UNIT OF THE STATE OF ILLINOIS  
 AGENCY OFFICIALS  
 YEAR ENDED JUNE 30, 2023



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



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.

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

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.

#### Affordable Rental Housing

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

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A COMPONENT UNIT OF THE STATE OF ILLINOIS  
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YEAR ENDED JUNE 30, 2023

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

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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

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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](http://ILHousingSearch.org). This free housing locator service provides real-time, detailed information about available rental housing,

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YEAR ENDED JUNE 30, 2023

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](http://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



**ILLINOIS HOUSING  
DEVELOPMENT AUTHORITY**

**FINANCIAL SECTION**



## 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.

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

***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**

Oak Brook, Illinois  
December 14, 2023

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 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

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

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

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

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.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

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.

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY**  
**A COMPONENT UNIT OF THE STATE OF ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**

**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
<b>Current Assets:</b>								
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	<u>717.0</u>	<u>539.0</u>	<u>1,123.2</u>	<u>1,074.9</u>	<u>1,840.2</u>	<u>1,613.9</u>	<u>226.3</u>	<u>14.0</u>
<b>Noncurrent Assets:</b>								
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	<u>677.8</u>	<u>652.8</u>	<u>2,688.4</u>	<u>1,934.7</u>	<u>3,366.2</u>	<u>2,587.5</u>	<u>778.7</u>	<u>30.1</u>
Total Assets	<u>\$ 1,394.8</u>	<u>\$ 1,191.8</u>	<u>\$ 3,811.6</u>	<u>\$ 3,009.6</u>	<u>\$ 5,206.4</u>	<u>\$ 4,201.4</u>	<u>\$ 1,005.0</u>	<u>23.9 %</u>
<b>Deferred Outflow of Resources:</b>								
Accumulated Decrease in Fair Value of Hedge Derivatives	\$ —	\$ —	\$ 0.3	\$ 0.5	\$ 0.3	\$ 0.5	\$ (0.2)	(40.0)%
<b>Current Liabilities:</b>								
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	<u>616.9</u>	<u>471.3</u>	<u>349.3</u>	<u>255.7</u>	<u>966.2</u>	<u>727.0</u>	<u>239.2</u>	<u>32.9</u>
<b>Noncurrent Liabilities:</b>								
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	<u>317.7</u>	<u>300.5</u>	<u>2,604.2</u>	<u>1,899.7</u>	<u>2,921.9</u>	<u>2,200.2</u>	<u>721.7</u>	<u>0.3</u>
Total Liabilities	<u>\$ 934.6</u>	<u>\$ 771.8</u>	<u>\$ 2,953.5</u>	<u>\$ 2,155.4</u>	<u>\$ 3,888.1</u>	<u>\$ 2,927.2</u>	<u>\$ 960.9</u>	<u>32.8 %</u>

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY**  
**A COMPONENT UNIT OF THE STATE OF ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**

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	<u>\$ 460.2</u>	<u>\$ 419.9</u>	<u>\$ 828.8</u>	<u>\$ 846.5</u>	<u>\$ 1,289.0</u>	<u>\$ 1,266.4</u>	<u>\$ 22.5</u>	<u>1.8 %</u>

**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.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

**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.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**

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	<u>528.7</u>	<u>808.1</u>	<u>115.0</u>	<u>50.3</u>	<u>643.7</u>	<u>858.4</u>
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	<u>488.3</u>	<u>859.4</u>	<u>132.8</u>	<u>111.4</u>	<u>621.1</u>	<u>970.8</u>
General Revenues and Transfers:						
Transfers In/Out	(0.2)	—	0.2	—	—	—
Total General Revenues and Transfers	<u>(0.2)</u>	<u>—</u>	<u>0.2</u>	<u>—</u>	<u>—</u>	<u>—</u>
Increase (Decrease) in Net Position	40.2	(51.3)	(17.6)	(61.1)	22.6	(112.4)
Net Position at Beginning of the Year	<u>419.9</u>	<u>471.2</u>	<u>846.5</u>	<u>903.5</u>	<u>1,266.4</u>	<u>1,374.7</u>
Change in Accounting Principle	—	—	—	4.1	—	4.1
Net Position at Beginning of Year, as Restated	<u>419.9</u>	<u>471.2</u>	<u>846.5</u>	<u>907.6</u>	<u>1,266.4</u>	<u>1,378.8</u>
Net Position at End of the Year	<u>\$ 460.1</u>	<u>\$ 419.9</u>	<u>\$ 828.9</u>	<u>\$ 846.5</u>	<u>\$ 1,289.0</u>	<u>\$ 1,266.4</u>

**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

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MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

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:

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**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**

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	—	—
<b>Total Operating Revenues</b>	<b>64.8</b>	<b>57.0</b>	<b>41.6</b>	<b>28.9</b>	<b>68.7</b>	<b>34.2</b>
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
<b>Total Operating Expenses</b>	<b>40.9</b>	<b>43.4</b>	<b>19.6</b>	<b>17.6</b>	<b>61.5</b>	<b>30.4</b>
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)	—	—	—	—
<b>Total Nonoperating Revenues and Expenses</b>	<b>(3.2)</b>	<b>41.5</b>	<b>(0.5)</b>	<b>(2.0)</b>	<b>(67.0)</b>	<b>(129.5)</b>
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	—	—	—	—
<b>Net Position at End of Year</b>	<b>\$ 391.4</b>	<b>\$ 371.0</b>	<b>\$ 390.0</b>	<b>\$ 368.5</b>	<b>\$ 47.6</b>	<b>\$ 107.0</b>

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

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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-.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

**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.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

**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](http://www.ihda.org).

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
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STATEMENT OF NET POSITION (DOLLARS IN THOUSANDS)  
AS OF JUNE 30, 2023

Assets	Governmental Activities	Business-Type Activities	Total
<b>Current Assets:</b>			
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
<b>Noncurrent Assets:</b>			
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
<b>Deferred Outflows of Resources</b>			
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  
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STATEMENT OF NET POSITION (CONTINUED)  
(DOLLARS IN THOUSANDS)  
AS OF JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
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
<b>Noncurrent Liabilities:</b>			
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
<b>Deferred Inflows of Resources</b>			
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
<b>Net Position</b>			
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**

Functions/programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services and Interest Income	Operating Grant/Federal Revenues	Capital Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
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
<b>Business-Type Activities:</b>							
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)
<b>General Revenues and Transfers:</b>							
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							Total
	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	
<b>Current Assets:</b>								
Cash and Cash Equivalents - Restricted	105,524	10,535	13,820	61,275	108,782	150,009	134,779	10,854
Investments - Restricted	—	—	37,009	—	—	—	—	—
Investment Income Receivable - Restricted	—	—	92	—	—	—	—	—
Program Loans Receivable	21,299	23,601	—	26	—	—	—	339
Grant Receivable	22,577	—	9,425	—	—	—	—	—
Interest Receivable on Program Loans	103	141	—	—	—	—	—	13
Other	—	—	—	—	792	—	—	—
Due from Other Funds	2,190	1,836	—	—	1,350	1,857	—	17
Total Current Assets	151,693	36,113	60,346	61,301	110,924	151,866	134,779	11,223
Noncurrent Assets:								
Investments, restricted	—	—	7,781	—	—	—	—	—
Program Loans Receivable, Net of Current	366,497	307,121	—	10,640	—	—	—	93,398
Less Allowance for Estimated Losses	(51,259)	(34,943)	—	(3,815)	—	—	—	(17,738)
Net Program Loans Receivable	315,238	272,178	—	6,825	—	—	—	75,660
Other	—	—	—	—	28	—	—	1
Total Noncurrent Assets	315,238	272,178	7,781	6,825	28	—	—	75,661
Total Assets	466,931	308,291	68,127	68,126	110,952	151,866	134,779	86,884
<b>Liabilities and Fund Balances</b>								
<b>Current liabilities:</b>								
Due to Grantees	—	—	68,097	—	—	—	—	—
Due to State of Illinois	149,205	—	—	—	—	—	—	—
Unearned Revenue	—	141	—	—	110,926	151,849	134,025	2,724
Accrued Liabilities and Other	—	—	—	—	26	17	—	6
Due to Other Funds	—	—	30	139	—	—	754	290
Total Current Liabilities	149,205	141	68,127	139	110,952	151,866	134,779	3,020
Noncurrent Liabilities:								
Due to State of Illinois	317,726	—	—	—	—	—	—	—
Total Liabilities	466,931	141	68,127	139	110,952	151,866	134,779	3,020
<b>Fund Balances:</b>								
Restricted	—	—	—	—	—	—	—	—
Total Fund Balances Total	—	308,150	—	67,987	—	—	—	83,864
Liabilities and Fund Balances	—	308,150	—	67,987	—	—	—	83,864
Total	466,931	308,291	68,127	68,126	110,952	151,866	134,779	86,884

Amounts reported for Governmental Activities is the Statement of Net Position are:  
different due to:

Unearned Interest Receivable on Certain  
Program Loans Receivable

**Net Position of Governmental  
Activities**

\$ 154  
\$ 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								Total
	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	
<b>Revenues:</b>									
Grants from State of Illinois	\$ 27,397	\$ —	\$ 11,277	\$ 67,925	\$ —	\$ —	\$ 851	\$ 107,450	
Federal Funds	—	19,419	—	—	62,340	71,150	12,582	399,083	
Interest and Other Investment Income	2,716	2,192	1,985	1,759	2,876	3,707	226	21,319	
Net Inc/Dec Fair Value Investment	—	—	(68)	—	—	—	—	(68)	
Other Income	—	1	—	—	—	—	—	928	
Total Revenues	30,113	21,612	13,194	69,684	65,216	74,857	14,587	528,714	
<b>Expenditures:</b>									
Debt Services:									
Principal	—	—	—	—	316	—	—	901	
Interest	—	—	—	—	11	—	—	31	
General and Administrative	14,888	3,678	474	1	13,576	1,642	1,473	56,617	
Grants	12,499	8,998	12,720	36,087	48,302	69,508	12,720	412,905	
Financing Costs	—	1	—	—	135	3,707	1	179	
Program Income Transferred to State of Illinois	2,716	—	—	—	2,876	—	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	74,857	13,508	486,275	
<b>Excess of Revenues Over Expenditures</b>	—	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)	
<b>Net Change in Fund Balances</b>	—	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

Change in Net Position of Governmental Activities

**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

Assets	Major Funds			Total
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	
<b>Current Assets:</b>				
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
<b>Noncurrent Assets:</b>				
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
<b>Deferred Outflows of Resources</b>				
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
<b>Current Liabilities:</b>				
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
<b>Total Current Liabilities</b>	<u>236,778</u>	<u>43,190</u>	<u>151,209</u>	<u>431,177</u>
<b>Noncurrent Liabilities:</b>				
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
<b>Total Noncurrent Liabilities</b>	<u>26,856</u>	<u>461,188</u>	<u>2,116,105</u>	<u>2,604,149</u>
<b>Total Liabilities</b>	<u>263,634</u>	<u>504,378</u>	<u>2,267,314</u>	<u>3,035,326</u>
<b>Deferred Inflows of Resources</b>				
Accumulated Increase in Fair Value of Hedging Derivatives	193	3,133	17,856	21,182
Unearned Revenue	3	—	8,467	8,470
<b>Total Deferred Inflows of Resources</b>	<u>196</u>	<u>3,133</u>	<u>26,323</u>	<u>29,652</u>
<b>Net Position</b>				
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
<b>Total Net Position</b>	<u>\$ 391,341</u>	<u>\$ 389,988</u>	<u>\$ 47,518</u>	<u>\$ 828,847</u>

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

	<b>Major Funds</b>			Total
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	
<b>Operating Revenues:</b>				
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	<u>64,774</u>	<u>41,583</u>	<u>68,705</u>	<u>175,062</u>
<b>Operating Expenses:</b>				
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	<u>40,892</u>	<u>19,713</u>	<u>61,535</u>	<u>122,140</u>
Total Operating Income	<u>23,882</u>	<u>21,870</u>	<u>7,170</u>	<u>52,922</u>
<b>Nonoperating Revenues and Expenses</b>				
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	<u>(3,245)</u>	<u>(470)</u>	<u>(67,028)</u>	<u>(70,743)</u>
<b>Income Before Transfers</b>	<u>20,637</u>	<u>21,400</u>	<u>(59,858)</u>	<u>(17,821)</u>
Transfers In	—	22,745	443	23,188
Transfers Out	(309)	(22,705)	—	(23,014)
Total Transfers	<u>(309)</u>	<u>40</u>	<u>443</u>	<u>174</u>
<b>Change in Net Position</b>	<u>20,328</u>	<u>21,440</u>	<u>(59,415)</u>	<u>(17,647)</u>
Transfers In/Out	—	—	—	—
Net Position at Beginning of the Year	371,013	368,548	106,933	846,494
<b>Net Position - End of the Year</b>	<u>\$ 391,341</u>	<u>\$ 389,988</u>	<u>\$ 47,518</u>	<u>\$ 828,847</u>

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			Total
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	
<b>Cash Flows From Operating Activities:</b>				
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
<b>Cash Flows from Noncapital Financing Activities:</b>				
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
<b>Cash Flows from Capital Financing and Related Activities:</b>				
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)
<b>Cash Flows from Investing Activities:</b>				
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
<b>Cash and Cash Equivalents, End of the Year</b>	<b>\$ 280,744</b>	<b>\$ 298,510</b>	<b>\$ 136,969</b>	<b>\$ 716,223</b>

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			Total
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	
<b>Reconciliation of operating income to net cash provided by (used in) operating activities:</b>				
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	<u>(18,130)</u>	<u>(28,237)</u>	<u>1,085</u>	<u>(45,282)</u>
Net cash provided by (used in) operating/non operating	<u>\$ 5,752</u>	<u>\$ (6,367)</u>	<u>\$ 8,255</u>	<u>\$ 7,640</u>
<b>Noncash investing capital and financing activities:</b>				
Transfer of foreclosed assets	<u>\$ —</u>	<u>\$ 13</u>	<u>\$ 1,074</u>	<u>\$ 1,087</u>
Increase (decrease) in the fair value of investments	<u>\$ (1,972)</u>	<u>\$ (465)</u>	<u>\$ (67,908)</u>	<u>\$ (70,345)</u>

See accompanying notes to the financial statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023

## Notes to the Financial Statements

Note 1 – Authorizing Legislation

Note 2 – Summary of Significant Accounting Policies

Note 3 – Cash and Investments

Note 4 – Interfund Balances, and Transfers

Note 5 – Program Loans Receivable

Note 6 – Real Estate Held for Sale

Note 7 – Capital Assets

Note 8 – Bonds and Notes Payable

Note 9 – Deposits Held in Escrow

Note 10 – Leases

Note 11 – Subscription Based Information Technology Arrangements

Note 12 – Risk Management

Note 13 – Retirement Plan

Note 14 – Commitments and Contingencies

Note 15 – Subsequent Events

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

**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.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 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.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

**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.

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**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

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**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).

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**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.

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**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.

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**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:

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**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.

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**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.

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**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

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**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.

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**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).

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**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.

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**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):

Investments	Carrying Amount	Investment Maturities (in Days)			
		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	—	—	—
<b>Total Cash Equivalents</b>	<b>\$ 1,166,080</b>	<b>\$ 1,166,080</b>	<b>—</b>	<b>—</b>	<b>—</b>

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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**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	Carrying Amount	Investment Maturities (in Years)			
		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	—	—
<b>Total</b>	<b>\$ 2,459,291</b>	<b>\$ 407,581</b>	<b>\$ 76,525</b>	<b>\$ 3,806</b>	<b>\$ 1,971,379</b>

**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.

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**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:

<u>Investment</u>	<u>Fair Value</u>
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

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**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 <sup>(1)</sup>	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
<b>Total Forward Commitments</b>		<b>168</b>	<b>\$ 606,695</b>

(1) S&P; Moody's

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**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.

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**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):

	At June 30, 2023	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable (Level 3)
<b>Investments</b>				
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	—	—
	<u>\$ 2,459,291</u>	<u>\$ 142,610</u>	<u>\$ 2,316,681</u>	<u>\$ —</u>
<b>Derivative Instruments</b>				
Interest Rate Caps	\$ 631	\$ —	\$ 631	\$ —
Interest Rate Swaps	20,259	—	20,259	—
Forward Commitments	3,479	—	3,479	—
	<u>\$ 24,369</u>	<u>\$ —</u>	<u>\$ 24,369</u>	<u>\$ —</u>

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**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:

Receivable to	Payable from										Total
	Governmental Funds					Proprietary Funds					
	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	
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	—	—	—	—	—	—	—	—	—	—	—
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 30</u>	<u>\$ 139</u>	<u>\$ —</u>	<u>\$ 754</u>	<u>\$ 290</u>	<u>\$ 53,053</u>	<u>\$ 1,034</u>	<u>\$ 27,723</u>	<u>\$ 83,023</u>

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

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**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 In		Government Funds		Total
	Proprietary Funds Transfer Out Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Transfer In Nonmajor Funds	
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)	—
	<u>\$ 309</u>	<u>\$ (40)</u>	<u>\$ (443)</u>	<u>\$ 174</u>	<u>\$ —</u>

- (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.

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**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	<u>\$ 688,110</u>	<u>\$ 49,265</u>	<u>\$ (18,021)</u>	<u>\$ —</u>	<u>\$ (4,188)</u>	<u>\$ 715,166</u>
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	<u>396,498</u>	<u>48,809</u>	<u>(17,003)</u>	<u>—</u>	<u>(90)</u>	<u>428,214</u>
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	<u>97,805</u>	<u>12,197</u>	<u>(21,008)</u>	<u>—</u>	<u>856</u>	<u>89,850</u>
Total Proprietary Funds	<u>\$ 540,940</u>	<u>\$ 118,584</u>	<u>\$ (89,067)</u>	<u>\$ —</u>	<u>\$ 3,377</u>	<u>\$ 573,834</u>

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,

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**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.

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**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

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**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	<u>\$ 103,567</u>	<u>\$ 4,304</u>	<u>\$ (116)</u>	<u>\$ 107,755</u>
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	<u>\$ 14,750</u>	<u>\$ (3,296)</u>	<u>\$ (81)</u>	<u>\$ 11,373</u>

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.

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**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
	<u>\$ 387,796</u>	<u>\$ 330,722</u>	<u>\$ 74,523</u>	<u>\$ 10,666</u>

**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
	<u>\$ 62,328</u>	<u>\$ 431,664</u>	<u>\$ 91,215</u>

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.

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**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	<u>\$ 75</u>	<u>\$ —</u>	<u>\$ 27</u>	<u>\$ 102</u>

**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 <sup>(1)</sup>	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	<u>70,050</u>	<u>1,823</u>	<u>(614)</u>	<u>71,259</u>
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	<u>34,222</u>	<u>4,374</u>	<u>(84)</u>	<u>38,512</u>
Capital assets, net of depreciation and amortization	<u>\$ 35,828</u>	<u>\$ (2,551)</u>	<u>\$ (530)</u>	<u>\$ 32,747</u>

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

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**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	<u>\$ 1,947,760</u>	<u>\$ 3,087,329</u>	<u>\$ (2,299,144)</u>	<u>\$ 2,735,945</u>	<u>\$ 138,885</u>

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**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.

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YEAR ENDED JUNE 30, 2023

**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	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
<b>Total Housing Bonds</b>				<b>\$ 79,055</b>	<b>\$ 86,575</b>

- 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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

**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	June 30, 2022
<b>Multi-Family Initiative</b>					
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
<b>Multi-Family Revenue</b>					
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

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TO THE FINANCIAL STATEMENTS (CONTINUED)  
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**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,	June 30,
				2023	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
				<u>177,845</u>	<u>202,250</u>
Plus Unamortized Premium					
Thereon				<u>2,336</u>	<u>2,601</u>
Total Homeowner					
Mortgage Revenue					
Bonds				<u>\$ 180,181</u>	<u>\$ 204,851</u>

- (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.

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**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,	June 30,
				2023	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
				<u>40,797</u>	<u>45,257</u>
Plus: Unamortized Premium Thereon				3	4
Less: Unamortized Discount				(556)	(654)
Total Housing Revenue Bonds				<u>\$ 40,244</u>	<u>\$ 44,607</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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**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,	June 30,
				2023	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.

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NOTES TO THE FINANCIAL STATEMENT (CONTINUED)  
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**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	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
				<u>\$ 21,711</u>	<u>\$ 23,556</u>

(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”).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

**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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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**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	<u>          \$ 15,226</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

**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
	<u>\$ 21.7</u>	<u>\$ 6.5</u>	<u>\$ 2,170.1</u>	<u>\$ 1,495.9</u>

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YEAR ENDED JUNE 30, 2023

**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
<b>Year ending June 30:</b>						
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
<b>FIVE YEAR ENDED JUNE 30:</b>						
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
	<u>\$ 203.7</u>	<u>\$ 84.4</u>	<u>\$ 290.2</u>	<u>\$ 186.7</u>	<u>\$ 493.9</u>	<u>\$ 271.1</u>

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.

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**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		Notional
	Classification	Amount	Classification	Amount	
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.

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**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
	<u>\$ 260,650</u>				<u>\$ 16,017</u>		
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-
	<u>\$ 49,450</u>				<u>\$ 2,502</u>		
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-COMPOUND	(66)	12/1/2053	A1 / A+ / A+
	<u>\$ 17,380</u>				<u>\$ 77</u>		
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
	<u>\$ 38,255</u>				<u>\$ 631</u>		

\*\*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.

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**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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
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**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	Total
	Principal	Interest	Swap, Net	
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
	<u>13,740</u>	<u>72,927</u>	<u>(26,373)</u>	<u>60,294</u>
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
	<u>325,030</u>	<u>170,523</u>	<u>(87,342)</u>	<u>408,211</u>
Total	<u>\$ 338,770</u>	<u>\$ 243,450</u>	<u>\$ (113,715)</u>	<u>\$ 468,505</u>

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

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**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.

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**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

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**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.

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**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.

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**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.

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**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.

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**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.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY  
A COMPONENT UNIT OF THE STATE OF ILLINOIS  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023

**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)**

	American Recovery and Reinvestment Act Fund	Neighborhood Stabilization Program Fund	Foreclosure Prevention Program Fund	Community Development Block Grant Fund	Abandoned Property Program Fund	Project Rental Assistance Demonstration Program Fund	National Housing Trust Fund	Foreclosure Prevention Graduated Program Fund	Land Bank Capacity Program Fund	COVID-19 Coronavirus Relier Fund	Housing Stability Counseling Program Fund	Housing Counseling Resource Program Fund
<b>Assets</b>												
<b>Current Assets:</b>												
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	—	—
<b>Total Current Assets</b>	<b>1,475</b>	<b>20</b>	<b>435</b>	<b>—</b>	<b>6,092</b>	<b>43</b>	<b>269</b>	<b>112</b>	<b>168</b>	<b>333</b>	<b>915</b>	<b>1,308</b>
<b>Noncurrent Assets:</b>												
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	—	—
<b>Total Noncurrent Assets</b>	<b>57,906</b>	<b>2,625</b>	<b>—</b>	<b>5,100</b>	<b>—</b>	<b>—</b>	<b>10,029</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>—</b>	<b>—</b>
<b>Total Assets</b>	<b>\$ 59,381</b>	<b>\$ 2,645</b>	<b>\$ 435</b>	<b>\$ 5,100</b>	<b>\$ 6,092</b>	<b>\$ 43</b>	<b>\$ 10,298</b>	<b>\$ 112</b>	<b>\$ 168</b>	<b>\$ 334</b>	<b>\$ 915</b>	<b>\$ 1,308</b>
<b>Liabilities and Fund Balances</b>												
<b>Current Liabilities:</b>												
Unearned Revenue	\$ 13	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 168	\$ 334	\$ 915	\$ 1,294
Accrued Liabilities and Other	—	—	—	—	—	6	—	—	—	—	—	—
Due to Other Funds	—	17	—	—	—	37	169	—	—	—	—	14
<b>Total Current Liabilities</b>	<b>13</b>	<b>17</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>43</b>	<b>169</b>	<b>—</b>	<b>168</b>	<b>334</b>	<b>915</b>	<b>1,308</b>
<b>Fund Balances:</b>												
Restricted	59,368	2,628	435	5,100	6,092	—	10,129	112	—	—	—	—
<b>Total Fund Balances</b>	<b>59,368</b>	<b>2,628</b>	<b>435</b>	<b>5,100</b>	<b>6,092</b>	<b>—</b>	<b>10,129</b>	<b>112</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 59,381</b>	<b>\$ 2,645</b>	<b>\$ 435</b>	<b>\$ 5,100</b>	<b>\$ 6,092</b>	<b>\$ 43</b>	<b>\$ 10,298</b>	<b>\$ 112</b>	<b>\$ 168</b>	<b>\$ 334</b>	<b>\$ 915</b>	<b>\$ 1,308</b>

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)

	National Council of State Housing Agencies Grant Fund	Total
<b>Assets</b>		
<b>Current Assets:</b>		
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
<b>Noncurrent Assets:</b>		
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
<b>Liabilities and Fund Balances</b>		
<b>Current Liabilities:</b>		
Unearned Revenue	\$ —	\$ 2,724
Accrued Liabilities and Other	—	6
Due to Other Funds	53	290
Total Current Liabilities	53	3,020
<b>Fund Balances:</b>		
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
<b>Revenues:</b>												
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
<b>Expenditures:</b>												
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
<b>Other Financing Sources (Uses):</b>												
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	6,082	—	9,052	112	—	—	—	—
<b>Fund Balances at End of the Year</b>	<b>\$ 59,368</b>	<b>\$ 2,628</b>	<b>\$ 435</b>	<b>\$ 5,100</b>	<b>\$ 6,082</b>	<b>\$ —</b>	<b>\$ 10,129</b>	<b>\$ 112</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

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
<b>Revenues:</b>		
Grant from State of Illinois	\$ —	\$ 851
Federal Funds	—	12,582
Interest and Other Investment Income	—	226
Other Income	120	928
Total Revenues	<u>120</u>	<u>14,587</u>
<b>Expenditures:</b>		
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	<u>120</u>	<u>13,508</u>
Other Financing Sources (Uses):		
Transfer in	—	—
Transfer out	—	(174)
Total Other Financing Sources (Uses)	<u>—</u>	<u>(174)</u>
<b>Net Change in Fund Balances</b>	<u>—</u>	<u>905</u>
Fund Balances at Beginning of the Year	—	82,959
<b>Fund Balances at End of the Year</b>	<u>\$ —</u>	<u>\$ 83,864</u>

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
<b>Assets:</b>					
<b>Current Assets:</b>					
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	<u>288,599</u>	<u>4,430</u>	<u>58,503</u>	<u>33,313</u>	<u>384,845</u>
<b>Noncurrent Assets:</b>					
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	<u>(2,367)</u>	<u>(456)</u>	<u>(543)</u>	<u>(84)</u>	<u>(3,450)</u>
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	<u>130,293</u>	<u>47,481</u>	<u>330,374</u>	<u>4,506</u>	<u>512,654</u>
Total Assets	<u>418,892</u>	<u>51,911</u>	<u>388,877</u>	<u>37,819</u>	<u>897,499</u>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
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	<u>29,050</u>	<u>1,675</u>	<u>12,465</u>	<u>—</u>	<u>43,190</u>
<b>Noncurrent Liabilities:</b>					
Bonds and Notes Payable, Net of Current Portion	50,610	47,560	363,018	—	461,188
Total Noncurrent Liabilities	<u>50,610</u>	<u>47,560</u>	<u>363,018</u>	<u>—</u>	<u>461,188</u>
Total Liabilities	<u>79,660</u>	<u>49,235</u>	<u>375,483</u>	<u>—</u>	<u>504,378</u>
<b>Deferred Inflows of Resources:</b>					
Accumulated Increase in Fair Value of Hedging Derivatives	43	—	3,090	—	3,133
Total Deferred Inflows of Resources	<u>43</u>	<u>—</u>	<u>3,090</u>	<u>—</u>	<u>3,133</u>
<b>Net Position:</b>					
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	<u>\$ 339,189</u>	<u>\$ 2,676</u>	<u>\$ 10,304</u>	<u>\$ 37,819</u>	<u>\$ 389,988</u>

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
<b>Operating Revenues:</b>					
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	<u>26,979</u>	<u>692</u>	<u>13,211</u>	<u>701</u>	<u>41,583</u>
<b>Operating Expenses:</b>					
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	<u>9,862</u>	<u>697</u>	<u>9,153</u>	<u>1</u>	<u>19,713</u>
Operating Income (Loss)	<u>17,117</u>	<u>(5)</u>	<u>4,058</u>	<u>700</u>	<u>21,870</u>
<b>Nonoperating Revenues and Expenses</b>					
Loss on Investment Sale Revenues	(5)	—	—	—	(5)
Net Increase (Decrease) in Fair Value of Investments	(174)	2	(239)	(54)	(465)
Total Nonoperating Income	<u>(179)</u>	<u>2</u>	<u>(239)</u>	<u>(54)</u>	<u>(470)</u>
<b>Income Before Transfers</b>					
	<u>16,938</u>	<u>(3)</u>	<u>3,819</u>	<u>646</u>	<u>21,400</u>
Transfers In	—	—	22,745	—	22,745
Transfers Out	—	(22,705)	—	—	(22,705)
Total Transfers	<u>—</u>	<u>(22,705)</u>	<u>22,745</u>	<u>—</u>	<u>40</u>
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
<b>Net Position - End Of Year</b>	<u>\$ 339,189</u>	<u>\$ 2,676</u>	<u>\$ 10,304</u>	<u>\$ 37,819</u>	<u>\$ 389,988</u>

**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
<b>Cash flows from operating activities:</b>					
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
<b>Net cash provided by (used in) operating activities</b>	<b>11,973</b>	<b>1,828</b>	<b>(20,512)</b>	<b>344</b>	<b>(6,367)</b>
<b>Cash flows from noncapital financing activities:</b>					
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)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(10,281)</b>	<b>(2,696)</b>	<b>2,624</b>	<b>33</b>	<b>(10,320)</b>
<b>Cash flows from capital financing and related activities:</b>					
Acquisition of capital assets	(1,084)	—	—	—	(1,084)
<b>Cash flows from investing activities:</b>					
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
<b>Net cash provided by (used) in investing activities</b>	<b>4,643</b>	<b>1,487</b>	<b>(162)</b>	<b>(264)</b>	<b>5,704</b>
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
<b>Cash and cash equivalents at end of year</b>	<b>\$ 246,826</b>	<b>\$ 2,011</b>	<b>\$ 48,489</b>	<b>\$ 1,184</b>	<b>\$ 298,510</b>
<b>Reconciliation of operating income to net cash provided by (used in) operating activities:</b>					
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)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 11,973</b>	<b>\$ 1,828</b>	<b>\$ (20,512)</b>	<b>\$ 344</b>	<b>\$ (6,367)</b>
<b>Noncash investing capital and financing activities:</b>					
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
<b>Assets</b>					
<b>Current Assets:</b>					
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	<u>161,896</u>	<u>8,410</u>	<u>287,881</u>	<u>(24,105)</u>	<u>434,082</u>
<b>Noncurrent Assets:</b>					
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	<u>78,975</u>	<u>—</u>	<u>41</u>	<u>—</u>	<u>79,016</u>
Real Estate Held for Sale	438	—	—	—	438
Less Allowance for Estimated Losses	(411)	—	—	—	(411)
Net Real Estate Held for Sale	<u>27</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>27</u>
Derivative Instrument Assets	1,663	—	16,193	—	17,856
Other Receivables	—	—	—	—	—
Total Noncurrent Assets	<u>144,466</u>	<u>39,510</u>	<u>1,722,921</u>	<u>—</u>	<u>1,906,897</u>
Total Assets	<u>306,362</u>	<u>47,920</u>	<u>2,010,802</u>	<u>(24,105)</u>	<u>2,340,979</u>
<b>Deferred Outflow of Resources</b>					
Accumulated Decrease in Fair Value of Hedging Derivatives	—	—	176	—	176
Total Deferred Outflows of Resources	<u>—</u>	<u>—</u>	<u>176</u>	<u>—</u>	<u>176</u>
<b>Liabilities</b>					
<b>Current Liabilities:</b>					
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	<u>69,229</u>	<u>3,932</u>	<u>102,153</u>	<u>(24,105)</u>	<u>151,209</u>
<b>Noncurrent Liabilities:</b>					
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	<u>113,161</u>	<u>38,880</u>	<u>1,964,064</u>	<u>—</u>	<u>2,116,105</u>
Total Liabilities	<u>182,390</u>	<u>42,812</u>	<u>2,066,217</u>	<u>(24,105)</u>	<u>2,267,314</u>
<b>Deferred Inflow of Resources</b>					
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	<u>1,663</u>	<u>—</u>	<u>24,660</u>	<u>—</u>	<u>26,323</u>
<b>Net Position</b>					
Restricted for Bond Resolution Purposes	122,309	5,108	—	—	127,417
Unrestricted	—	—	(79,899)	—	(79,899)
Total Net Position	<u>\$ 122,309</u>	<u>\$ 5,108</u>	<u>\$ (79,899)</u>	<u>\$ —</u>	<u>\$ 47,518</u>

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
<b>Operating Revenues:</b>				
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	<u>10,914</u>	<u>1,886</u>	<u>55,905</u>	<u>68,705</u>
<b>Operating Expenses:</b>				
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	<u>7,053</u>	<u>1,466</u>	<u>53,016</u>	<u>61,535</u>
Operating Income	<u>3,861</u>	<u>420</u>	<u>2,889</u>	<u>7,170</u>
<b>NonOperating Revenues and Expenses</b>				
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	<u>(3,038)</u>	<u>(1,907)</u>	<u>(62,083)</u>	<u>(67,028)</u>
<b>Income (Loss) Before Transfers</b>	<u>823</u>	<u>(1,487)</u>	<u>(59,194)</u>	<u>(59,858)</u>
Transfers In	—	—	443	443
Transfers Out	—	—	—	—
Total Transfers	<u>—</u>	<u>—</u>	<u>443</u>	<u>443</u>
Change in Net Position	823	(1,487)	(58,751)	(59,415)
Net Position - Beginning Of Year	121,486	6,595	(21,148)	106,933
<b>Net Position - End Of Year</b>	<u>\$ 122,309</u>	<u>\$ 5,108</u>	<u>\$ (79,899)</u>	<u>\$ 47,518</u>

**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
<b>Cash Flows From Operating Activities:</b>				
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
	<u>10,731</u>	<u>(168)</u>	<u>(2,308)</u>	<u>8,255</u>
<b>Net Cash Provided (Used) by Operating/Nonoperating Activities</b>	<b>10,731</b>	<b>(168)</b>	<b>(2,308)</b>	<b>8,255</b>
<b>Cash Flows From Noncapital Financing Activities:</b>				
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
	<u>(28,443)</u>	<u>(5,969)</u>	<u>798,140</u>	<u>763,728</u>
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>(28,443)</b>	<b>(5,969)</b>	<b>798,140</b>	<b>763,728</b>
<b>Cash Flows From Investing Activities:</b>				
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
	<u>23,811</u>	<u>7,804</u>	<u>(779,247)</u>	<u>(747,632)</u>
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>23,811</b>	<b>7,804</b>	<b>(779,247)</b>	<b>(747,632)</b>
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
<b>Cash and Cash Equivalents at End of the Year</b>	<b>\$ 10,323</b>	<b>\$ 7,693</b>	<b>\$ 118,953</b>	<b>\$ 136,969</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash provided (Used) by Operating Activities:</b>				
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 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
	<u>6,870</u>	<u>(588)</u>	<u>(5,197)</u>	<u>1,085</u>
<b>Total Adjustments</b>	<b>6,870</b>	<b>(588)</b>	<b>(5,197)</b>	<b>1,085</b>
<b>Net Cash Provided (Used) by Operating/Nonoperating Activities</b>	<b>\$ 10,731</b>	<b>\$ (168)</b>	<b>\$ (2,308)</b>	<b>\$ 8,255</b>
<b>Noncash Investing Capital and Financing Activities:</b>				
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
<b>Governmental activities</b>										
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	—	—	—	—	—	—	—	—	—	—
<b>Total Governmental activities net position</b>	<b>\$ 486,070,358</b>	<b>\$ 435,468,060</b>	<b>\$ 431,859,044</b>	<b>\$ 534,754,597</b>	<b>\$ 412,146,643</b>	<b>\$ 476,745,042</b>	<b>\$ 415,080,803</b>	<b>\$ 471,241,000</b>	<b>\$ 419,908,000</b>	<b>\$ 460,155,000</b>
<b>Business-type activities</b>										
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
<b>Total Business-type activities net position</b>	<b>\$ 508,322,309</b>	<b>\$ 546,604,209</b>	<b>\$ 618,633,868</b>	<b>\$ 671,729,129</b>	<b>\$ 707,940,389</b>	<b>\$ 777,742,702</b>	<b>\$ 860,715,159</b>	<b>\$ 903,556,100</b>	<b>\$ 846,494,100</b>	<b>\$ 828,847,100</b>
<b>Entity-wide</b>										
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
<b>Total entity-wide net position</b>	<b>\$ 994,392,667</b>	<b>\$ 982,072,269</b>	<b>\$ 1,050,492,912</b>	<b>\$ 1,206,483,726</b>	<b>\$ 1,120,087,032</b>	<b>\$ 1,254,487,744</b>	<b>\$ 1,275,795,962</b>	<b>\$ 1,374,797,100</b>	<b>\$ 1,266,402,100</b>	<b>\$ 1,289,002,100</b>

**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
<b>Expenses</b>										
<b>Governmental activities:</b>										
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	20,563,059	13,123,090	12,466,200	21,427,000	19,425,000	13,194,000
Hardest Hit Fund	158,789,187	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	102,366,242	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	11,906,863	10,532,713	4,592,256	6,373,551	17,968,368	14,994,649	18,284,675	33,016,000	108,573,000	13,508,000
<b>Total Governmental activities</b>	<b>\$ 236,943,974</b>	<b>\$ 202,145,846</b>	<b>\$ 92,054,930</b>	<b>\$ 118,980,509</b>	<b>\$ 180,244,388</b>	<b>\$ 126,528,683</b>	<b>\$ 100,107,038</b>	<b>\$ 521,870,000</b>	<b>\$ 859,390,000</b>	<b>\$ 488,275,000</b>
<b>Business-type Activities:</b>										
Administrative Programs	\$ 19,555,764	\$ 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	—	—	—	—
<b>Total Business-type activities</b>	<b>\$ 207,469,693</b>	<b>\$ 193,039,943</b>	<b>\$ 177,227,055</b>	<b>\$ 184,414,792</b>	<b>\$ 149,692,729</b>	<b>\$ 141,760,202</b>	<b>\$ 144,652,500</b>	<b>\$ 133,656,000</b>	<b>\$ 111,441,000</b>	<b>\$ 132,801,000</b>
<b>Total entity-wide expenses</b>	<b>\$ 444,413,667</b>	<b>\$ 395,185,789</b>	<b>\$ 269,281,985</b>	<b>\$ 283,395,291</b>	<b>\$ 329,927,117</b>	<b>\$ 268,288,885</b>	<b>\$ 244,759,538</b>	<b>\$ 655,526,000</b>	<b>\$ 970,831,000</b>	<b>\$ 621,076,000</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
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	17,993,890	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	20,563,059	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	—	69,694,000
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	49,566,000	14,576,000
<b>Total Governmental activities</b>	<b>\$ 331,556,486</b>	<b>\$ 168,357,343</b>	<b>\$ 113,523,914</b>	<b>\$ 227,076,062</b>	<b>\$ 57,636,434</b>	<b>\$ 191,127,082</b>	<b>\$ 38,442,799</b>	<b>\$ 578,030,000</b>	<b>\$ 808,084,000</b>	<b>\$ 528,696,000</b>

**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
<b>Business-type activities:</b>										
Administrative Programs	\$ 1,984,814	\$ 1,958,748	\$ 3,553,603	\$ 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	29,669,000
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
<b>Net (Expenses)/Revenue</b>										
Governmental activities	\$ 94,612,512	\$ (33,788,503)	\$ 21,468,964	\$ 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)	\$ 44,562,932	\$ 125,180,026	\$ (115,558,086)	\$ 108,212,974	\$ (7,444,488)	\$ 19,882,000	\$ (73,479,000)	\$ (8,084,000)
<b>General Revenues and Other Changes in Net Position</b>										
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
<b>Change in Net Position</b>										
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	\$ 98,001,000	\$ (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
<b>Revenues</b>										
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
<b>Total revenues</b>	<b>\$ 331,540,105</b>	<b>\$ 168,371,611</b>	<b>\$ 113,516,821</b>	<b>\$ 227,104,611</b>	<b>\$ 57,626,978</b>	<b>\$ 191,147,978</b>	<b>\$ 38,437,017</b>	<b>\$ 578,034,000</b>	<b>\$ 808,082,000</b>	<b>\$ 528,714,000</b>
<b>Expenditures</b>										
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	16,789,873	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
<b>Total expenditures</b>	<b>\$ 237,012,783</b>	<b>\$ 202,093,970</b>	<b>\$ 91,982,130</b>	<b>\$ 119,036,999</b>	<b>\$ 180,206,272</b>	<b>\$ 126,501,167</b>	<b>\$ 100,087,276</b>	<b>\$ 521,848,000</b>	<b>\$ 859,390,000</b>	<b>\$ 488,275,000</b>
<b>Excess/(deficiency) of revenues over expenditures</b>	<b>\$ 94,527,322</b>	<b>\$ (33,722,359)</b>	<b>\$ 21,534,691</b>	<b>\$ 108,067,612</b>	<b>\$(122,579,294)</b>	<b>\$ 64,646,811</b>	<b>\$ (61,650,259)</b>	<b>\$ 56,186,000</b>	<b>\$ (51,308,000)</b>	<b>\$ 40,439,000</b>
<b>Other Financing Sources (Uses)</b>										
Transfers In	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 7,406,000	\$ —
Transfers Out	(5,200,000)	(5,200,000)	(25,078,000)	(5,200,000)	—	—	—	—	(7,433,000)	(174,000)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (5,200,000)</b>	<b>\$ (5,200,000)</b>	<b>\$ (25,078,000)</b>	<b>\$ (5,200,000)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (27,000)</b>	<b>\$ (174,000)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 89,327,322</b>	<b>\$ (38,922,359)</b>	<b>\$ (3,543,309)</b>	<b>\$ 102,867,612</b>	<b>\$(122,579,294)</b>	<b>\$ 64,646,811</b>	<b>\$ (61,650,259)</b>	<b>\$ 56,186,000</b>	<b>\$ (51,335,000)</b>	<b>\$ 40,265,000</b>
Special Item	\$ 85,190	\$ (66,143)	\$ (65,707)	\$ 27,941	\$ (28,660)	\$ (48,412)	\$ (13,891)	\$ (26,000)	\$ 2,000	\$ —
<b>Net Change in Net Position of Governmental Activities</b>	<b>\$ 89,412,512</b>	<b>\$ (38,988,502)</b>	<b>\$ (3,609,016)</b>	<b>\$ 102,895,553</b>	<b>\$(122,607,954)</b>	<b>\$ 64,598,399</b>	<b>\$ (61,664,150)</b>	<b>\$ 56,160,000</b>	<b>\$ (51,333,000)</b>	<b>\$ 40,265,000</b>
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
<b>Governmental activities:</b>										
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
<b>Total governmental activities</b>	<b>\$625,068,072</b>	<b>\$657,452,746</b>	<b>\$655,100,120</b>	<b>\$656,753,441</b>	<b>\$632,589,294</b>	<b>\$661,876,621</b>	<b>\$677,556,839</b>	<b>\$695,668,000</b>	<b>\$688,110,000</b>	<b>\$ 715,166,000</b>
<b>Business-type activities:</b>										
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*	—	—	—	—	—	—	—	—	—	—
<b>Total business-type activities</b>	<b>\$902,364,365</b>	<b>\$788,802,546</b>	<b>\$751,375,520</b>	<b>\$650,118,312</b>	<b>\$567,385,440</b>	<b>\$511,830,452</b>	<b>\$449,872,721</b>	<b>\$527,488,000</b>	<b>\$540,940,000</b>	<b>\$ 573,834,000</b>
<b>Total entity-wide</b>	<b>\$1,527,452,437</b>	<b>\$1,446,255,292</b>	<b>\$1,406,475,640</b>	<b>\$1,306,871,753</b>	<b>\$1,219,974,734</b>	<b>\$1,173,707,073</b>	<b>\$1,127,429,560</b>	<b>\$1,223,156,000</b>	<b>\$1,229,050,000</b>	<b>\$1,289,000,000</b>
<b>Total interest income on loans</b>	<b>\$ 47,029,997</b>	<b>\$ 42,230,120</b>	<b>\$ 36,942,609</b>	<b>\$ 32,142,357</b>	<b>\$ 30,137,414</b>	<b>\$ 25,924,997</b>	<b>\$ 21,580,727</b>	<b>\$ 19,768,000</b>	<b>\$ 20,776,000</b>	<b>\$ 21,132,000</b>
<b>Average rate of return for year</b>	<b>3.08 %</b>	<b>2.92 %</b>	<b>2.63 %</b>	<b>2.46 %</b>	<b>2.47 %</b>	<b>2.21 %</b>	<b>1.91 %</b>	<b>1.62 %</b>	<b>1.69 %</b>	<b>1.64 %</b>

\* 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
<b>Governmental activities:</b>										
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 %
<b>Business-type activities:</b>										
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
<b>Governmental activities:</b>										
Bonds and Notes Payable	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total Governmental activities	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Business-type activities:</b>										
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
<b>Entity-wide</b>										
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

Sector	Calendar Year 2022			Calendar Year 2013		
	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

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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 C

### SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE

**THE FOLLOWING IS A SUMMARY OF CERTAIN OF THE PROVISIONS OF THE GENERAL INDENTURE. THIS SUMMARY DOES NOT PURPORT TO BE COMPREHENSIVE OR DEFINITIVE AND IS SUBJECT TO THE PROVISIONS OF THE GENERAL INDENTURE (REFERRED TO BELOW IN THIS APPENDIX AS THE “INDENTURE”).**

#### **Certain Definitions** (Section 101 of the Indenture)

The following are definitions in summary form of certain terms contained in the Indenture.

“Accountant” means a major or 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.

“Act” means the Illinois Housing Development Act, as amended from time to time.

“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 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 the 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 Indenture or Supplemental Indenture.

“Authority Program Determinations” mean any determination(s) by the Authority relating to Mortgage Loans to be financed (or underlying Mortgage-Backed Securities to be financed), or relating to Mortgage-Backed Securities to be financed, with amounts in a related Authority Program Account, all consistent with the 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, the Vice Chairman, the Executive Director, the Acting Executive Director, the Deputy Executive Director, the Assistant Executive Director, the Treasurer, the Secretary, each Assistant Treasurer, each Assistant Secretary and the Chief Financial Officer or Interim Chief Financial Officer, as applicable, 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 the Indenture.

“Bond” or “Bonds” means any Bond or Bonds issued pursuant to the 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 Trustee may make a draw to provide funds as needed for the Reserve Fund or to provide Supplemental Mortgage Coverage.

“Cash Flow Certificate” means a certificate of an Authorized Representative filed with the Trustee and meeting the requirements described in the second-to-last paragraph under “Cash Flow Certificates and Cash Flow Statements” below.

“Cash Flow Statement” means a certificate of an Authorized Representative filed with the Trustee and meeting the requirements described in the last paragraph under “Cash Flow Certificates and Cash Flow Statements” below, including the cash flow projections included therein.

“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 the 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.

“Contributed Assets” means any monies or assets contributed by the Authority to be held under the Indenture as additional Pledged Property, 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 and issuance 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 the 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 under the Indenture.

“Event of Default” means any of the events of default described in Section 702 of the Indenture. “Expenses” means any money required or determined to be used by the Authority (i) to pay the fees or expenses of the Trustee and any expenses which the Authority lawfully may pay relating to the Program including, without limitation, expenses of maintaining, administering, collecting, enforcing and insuring Mortgage Loans, Mortgage-Backed Securities or the Bonds, Supplemental Mortgage Coverage, Guaranty Fees, or expenses related to the purchase or redemption of Bonds, except as limited with respect to any Series of Bonds by the applicable Series Indenture, or (ii) to make any payment which the Authority lawfully may make and is reflected in the most recently filed Cash Flow Statement.

“Fannie Mae” means Fannie Mae, a federally chartered corporation, or any successor to it.

“Fannie Mae Security” means a single pool, guaranteed mortgage pass-through Fannie Mae mortgage-backed security, bearing interest at the applicable Pass-Through Rate, issued by Fannie Mae in book-entry form, recorded in the name of the Trustee or its nominee, guaranteed as to timely payment of principal and interest by Fannie Mae, and backed by Mortgage Loans in the related pool.

“FHA” means the Federal Housing Administration of the United States Department of Housing and Urban Development, or any other agency or instrumentality created or chartered by the United States to which the powers of the Federal Housing Administration have been transferred.

“FHLMC” means the Federal Home Loan Mortgage Corporation, a corporate instrumentality of the United States of America created pursuant to Title III of the Emergency Home Finance Act of 1970, as amended, or any successor to it.

“FHLMC Security” means a single pool, guaranteed mortgage pass-through certificate, bearing interest at the applicable Pass-Through Rate, issued by FHLMC in book-entry form, recorded in the name of the Trustee or its nominee, guaranteed as to timely payment of principal and interest by FHLMC, and backed by Mortgage Loans in the related pool.

“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 the Indenture or a Series Indenture.

“GNMA” means the Government National Mortgage Association, a wholly-owned corporate instrumentality of the United States of America within the Department of Housing and Urban Development, and its successors or assigns. Its powers are prescribed generally by Title III of the National Housing Act of 1934, as amended (12 U.S.C. §1716 et seq.).

“GNMA Guaranty Agreement” means one or more Guaranty Agreements between a servicer and GNMA with respect to GNMA Securities under the GNMA I Program or GNMA II Program, and the applicable GNMA Guide now as hereafter in effect pursuant to which GNMA has agreed or will agree to guarantee GNMA Securities.

“GNMA Guide” means the GNMA I or GNMA II Mortgage-Backed Securities Guide in effect on the date of issuance of the GNMA Guaranty Agreement.

“GNMA Security” means a mortgage pass-through certificate (in book-entry form) purchased by the Trustee, issued by the applicable servicer, recorded in the name of the Trustee or its nominee, and guaranteed by GNMA pursuant to GNMA’s GNMA I or GNMA II mortgage-backed securities program under Section 306(g) and other related provisions of the National Housing Act of 1934, as amended. Each GNMA Security shall be based on and backed by Mortgage Loans referred to in the applicable GNMA Guaranty Agreement and shall unconditionally obligate the servicer to remit monthly to the Trustee or its designee, or a paying agent acting on behalf of the Trustee, its pro rata share of (x) principal payments and prepayments made with respect to the pool of Mortgage Loans represented by the GNMA Security and (y) interest received in an amount equal to the principal balance of the GNMA Security multiplied by the applicable Pass-Through Rate. GNMA shall guarantee to the holder of each GNMA Security such holder’s pro rata share of (i) the timely payment of interest at the applicable Pass-Through Rate on the unpaid principal balance of the Mortgage Loans represented by the GNMA Security and (ii) the timely payment of principal in accordance with the terms of the principal amortization schedule applicable to the Mortgage Loans represented by such GNMA Security.

“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.

“Guaranty Fee” means a fee paid to Fannie Mae, FHLMC or GNMA, as applicable, in consideration of the respective guaranties provided by them relating to Fannie Mae Securities, FHLMC Securities and GNMA Securities, respectively.

“Hedge Agreement” means an agreement with respect to any Bonds, such as an interest rate swap, collar, floor, cap or other functionally similar agreement, creating Hedge Payments, between the Authority and a counterparty, but only if the Hedge Payments to the Authority are to be included in Revenues or the Hedge Payments by the Authority are to be payable from Revenues, as provided in the related Series Indenture or in a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below.

“Hedge Payment” means a payment obligation created by a Hedge Agreement, which payment is equal to interest on an amount, based upon a fixed rate or a variable rate index or formula, or to interest on an amount above or below an interest rate cap or floor. Hedge Payments to a counterparty include only payments under a Hedge Agreement determined by reference to such interest on an amount and shall not include any other payments to the counterparty under such agreement (for example, any termination fee payment to the counterparty). Hedge Payments from a counterparty include all payments from the counterparty under the Hedge Agreement except to the extent provided in the related Series Indenture or in a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below.

“Indenture” means the General Indenture, as amended or supplemented by Supplemental Indentures and any Series Indenture (to the extent that such Series Indenture purports to amend the Indenture).

“Insurance Proceeds” means payments received with respect to the Mortgage Loans under any insurance policy, guarantee or fidelity bond, including amounts available under any Supplemental Mortgage Coverage, less any expenses incurred in realizing such payments and less any reimbursement of advances due the insurer or provider of such guarantee or bond. Insurance Proceeds do not include amounts received from casualty insurance with respect to property securing Mortgage Loans to the extent applied to the repair, reconstruction or replacement of the insured property.

“Investment Obligations” 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, of any state of the United States of America or any political subdivision of such a state, payment of which is secured by an irrevocable pledge of such Government Obligations;

(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 stripped mortgage securities which are purchased at prices exceeding their principal amounts, and (2) with a rating by each Rating Agency at least equal to that Rating Agency’s existing Rating on the 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 least equal to that Rating Agency’s existing rating on the 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 or time deposits of any bank, trust company or national banking association, including the Trustee, or any savings and loan association, if all of the direct, unsecured debt obligations of such bank, trust company, national banking association or savings and loan association at the time of purchase of such certificates of deposit or time deposits which are rated by each Rating Agency at least equal to that Rating Agency’s existing Rating on the 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) of 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 are rated by each Rating Agency at least equal to that Rating Agency's existing Rating on the 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 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 are rated by each Rating Agency at least equal to that Rating Agency's existing Rating on the 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 that 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 are rated by each Rating Agency at least equal to that Rating Agency's existing Rating on the 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 are (A) 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) rated by each Rating Agency at least equal to that Rating Agency's existing Rating on the Bonds;

(x) commercial paper (having original maturities of not more than 365 days) with the highest short-term rating by each Rating Agency;

(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 Standard & Poor's Ratings Group 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 authorized in a Series Indenture authorizing Bonds.

The definition of Investment Obligations may be amended and additional obligations included by a Certificate of an Authorized Representative filed with the Trustee accompanied by a Rating Certificate. Any reference in this definition to the highest rating of short-term obligations shall be without regard to any refinement or gradation such as a "+" or a "-". 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. The Trustee is not responsible for monitoring the ratings of Investment Obligations after an investment is made in those Investment Obligations.

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

“Master Servicer” means the person with which the Authority has entered into a Master Servicing Agreement.

“Master Servicing Agreement” means an agreement between the Authority and a Master Servicer relating to the financing by the Authority of Mortgage-Backed Securities.

“Mortgage Loan” means (i) any loan evidenced by a note and secured by a mortgage or equivalent security on an owner-occupied residence in Illinois, or a participation interest in such a loan pursuant to a Participation Agreement, that in each case is financed with amounts deposited in the Funds and Accounts (other than other Funds and Accounts so specified in a Series Indenture, and other than the Special Program Fund except to the extent specified in a Series Indenture), or (ii) any loan underlying a Mortgage-Backed Security financed with amounts deposited in the Funds and Accounts (other than other Funds and Accounts so specified in a Series Indenture, and other than the Special Program Fund except to the extent specified in a Series Indenture), which loan is evidenced by a note and secured by a mortgage or equivalent security on an owner-occupied residence in Illinois. With respect to loans related to cooperative dwelling units, the loan may be evidenced by a promissory note and secured by a lien upon the related shares of stock in the cooperative housing corporation and proprietary lease related to the financed premises.

“Mortgage-Backed Security” means a Fannie Mae Security, an FHLMC Security or a GNMA Security, or a participation interest in any of them pursuant to a Participation Agreement, that in each case is financed with amounts deposited in the Funds and Accounts (other than other Funds and Accounts so specified in a Series Indenture, and other than the Special Program Fund except to the extent specified in a Series Indenture).

“Outstanding” means, with respect to any Bonds as of any date, all Bonds authenticated and delivered by the Trustee under the Indenture to that date, except:

- (a) any Bond deemed paid in accordance with the Indenture;
- (b) any Bond cancelled by, or delivered for cancellation to, the Trustee because of payment at maturity or redemption or purchase for cancellation prior to maturity; and
- (c) any Bond in lieu of or in substitution for which another Bond has been authenticated and delivered pursuant to Section 210 of the 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 Uniform Commercial Code of the State, 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.

“Participation Agreement” means any agreement among the Authority, the Trustee and the trustee or trustees for one or more bond resolutions or indentures of the Authority other than the Indenture pursuant to which rights to payments on mortgage loans or mortgage-backed securities are allocated between or among the Indenture and such other resolution, resolutions, indenture or indentures.

“Pass-Through Rate” means the rate of interest on a Mortgage-Backed Security, which shall be the rate or rates of interest per year set forth in or determined in accordance with the applicable Series Indenture.

“Pledged Property” means Revenues and all other money in all Funds and Accounts established under the Indenture and Series Indentures (other than the Rebate Fund), 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 Mortgage Loans and the documents evidencing and securing the Mortgage Loans; all right, title and interest of the Authority in and to the Mortgage-Backed Securities and the documents evidencing and securing the Mortgage-Backed Securities including any guaranty of such Mortgage-Backed Securities; all right, title and interest of the Authority in and to Insurance Proceeds and Liquidation Proceeds, but excluding Mortgage Loan accrued interest not purchased by the Authority. Pledged Property also includes all Contributed Assets, except as provided in Section 413 of the Indenture (see “Special Program Fund” below). Pledged Property 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.

“Principal” means (a) with respect to the principal amount of a Deferred Interest Bond, the Appreciated Amount and (b) with respect to any other Bond, the stated principal amount.

“Program” means the residential mortgage finance program of the Authority financed by the Bonds.

“Program Fund” means the Fund of that name and Accounts in it established pursuant to the Indenture and Series Indentures.

“Rating” means at any date the then existing rating of Bonds by a Rating Agency and, with respect to any Series of Bonds which has a rating based on bond insurance or other credit support for that Series of Bonds, the then existing underlying rating of such Bonds, without regard to such bond insurance or other credit support, by such Rating Agency.

“Rating Agency” means any nationally recognized rating agency maintaining a rating of any 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 stating 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, suspended or withdrawn as a result of the Authority taking that action.

“Rebate Fund” means the Fund of that name established pursuant to the Indenture.

“Recovery(ies) of Principal” means any payment by a mortgagor or any other recovery of principal of a Mortgage Loan not applied to a scheduled installment of principal and interest on the Mortgage Loan (including any deficiency in the payment of any scheduled installments of principal and interest then due and payable or interest paid in connection with a voluntary prepayment of a Mortgage Loan). Recoveries of Principal include, without limitation, the portion of any Insurance Proceeds, Liquidation Proceeds, amounts from the sale or other disposition of a Mortgage Loan (including a purchase by the Authority with funds other than Pledged Property), or net recovery from Supplemental Mortgage Coverage to the extent not included in Insurance Proceeds, in each case representing such principal amounts. Recoveries of Principal also include any principal payments received on any Mortgage-Backed Security in excess of regularly scheduled payments of principal on the Mortgage Loans underlying such Mortgage-Backed

Security and include, without limitation, to the extent they exceed such regularly scheduled payments, amounts representing principal prepayments received on the Mortgage Loans underlying such Mortgage-Backed Security, amounts representing the principal portion of the repurchase price of such Mortgage Loans from the Mortgage-Backed Security, and the principal portion of proceeds of the sale or other disposition of a Mortgage-Backed Security (including a purchase by the Authority with funds other than Pledged Property).

“Redemption Account” means the Account of that name in the Revenue Fund established pursuant to the 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 the Indenture and the related Series Indenture.

“Reserve Fund” means the Fund of that name established pursuant to the 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. 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. The Reserve Requirement upon issuance of the Series 2024B Bonds will be zero dollars (\$0) (the Series Reserve Requirement with respect to the Series 2024B Bonds).

“Responsible Officer” means, when used with respect to the Trustee, any vice president, assistant vice president, senior associate or associate of the Trustee (or other officer customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively) within the corporate trust office specified in Section 1202.

“Revenue Fund” means the Fund of that name established pursuant to Section 401 of the Indenture.

“Revenues” means all money received by or on behalf of the Authority or Trustee representing (i) principal and interest payments on the Mortgage Loans and Mortgage-Backed Securities (including any payments received from GNMA pursuant to the GNMA Guaranty Agreement and from Fannie Mae or FHLMC pursuant to their respective guarantees of payment of Fannie Mae Securities and FHLMC Securities) including, without limitation, all Recoveries of Principal and all prepayment premiums or penalties received by or on behalf of the Authority in respect to the Mortgage Loans and Mortgage-Backed Securities, (ii) all Insurance Proceeds, (iii) all Hedge Payments by a counterparty with respect to a Series of Bonds except to the extent that the related Series Indenture or a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below provides for those Hedge Payments to be excluded from Revenues, and (iv) interest earnings received on the investment of amounts in any Account or Fund (other than the Special Program Fund, except to the extent specified in a Series Indenture). Except as provided in a Series Indenture, Revenues do not include any payment of interest on a Mortgage Loan to the extent to be used for paying mortgage insurance premiums or other fees for credit enhancement of the Mortgage Loan.

“Serial Bonds” means Bonds which are not Term Bonds.

“Series” means one of the series of Bonds issued under the Indenture pursuant to a Series Indenture.

“Series Indenture” means an indenture entered into by and between the Authority and the Trustee authorizing the issuance of a Series of Bonds. Series Indenture includes any indenture of the Authority amending a Series Indenture as provided in Section 1001(i) of the Indenture or the related Series Indenture.

“Series Program Accounts” means the Series Program Accounts in the Program Fund established by Series Indentures.

“Series Program Determinations” means any determinations by the Authority relating to Mortgage Loans or Mortgage-Backed Securities set forth in connection with a Series of Bonds under the Program (or provision to be determined at certain specified times in the future), as provided in a Series Indenture. Series Program Determinations shall be consistent with the Indenture. They may include, without limitation, (i) the security which may be provided for Mortgage Loans financed with amounts in the related Series Program Account, including the priority of the lien securing the Mortgage Loan; (ii) the principal and interest payment provisions for those Mortgage Loans; (iii) the maximum term to maturity of each Mortgage Loan; (iv) the nature of the residences to which the Mortgage Loans relate and limitations on who may be a mortgagor; (v) required credit standards and terms of any primary mortgage insurance or other credit support, if any, and the levels of coverage and applicable loan to value ratios, if appropriate; (vi) Supplemental Mortgage Coverage, if any; (vii) the characteristics of Mortgage-Backed Securities to be financed with amounts in the related Series Program Account; (viii) provisions for limiting or restricting use of Recoveries of Principal; and (ix) limitations on Expenses.

“Series Reserve Requirement” means an amount established by a Series Indenture as a component of the Reserve Requirement while Bonds of the Series 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. The Series Reserve Requirement with respect to the Series 2024B Bonds is zero dollars (\$0).

“Sinking Fund Requirement” 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 Requirements may be established as fixed dollar amounts or by formula.

“Special Program Fund” means the Fund so designated which is created and established pursuant to the Indenture.

“State” means the State of Illinois.

“Supplemental Mortgage Coverage” means the coverage, if any, whether in the form of insurance (including insurance provided by the FHA), Cash Equivalent or additional pledged funds, of losses from Mortgage Loan defaults provided in a Series Indenture which may supplement other mortgage insurance. Supplemental Mortgage Coverage may include any insurance or reserve fund (other than the Reserve Fund) funded or held by the Authority for the purpose of providing Supplemental Mortgage Coverage.

“Supplemental Indenture” means any indenture entered into by and between the Authority and the Trustee supplementing or amending the Indenture.

“Term Bonds” means the Bonds of a Series with respect to which Sinking Fund Requirements have been established.

“Trustee” means 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 in the Indenture or in accordance with the Indenture.

**Issuance of Bonds** (Section 201 of the Indenture)

For the purposes set forth in the Act, Bonds of the Authority may be issued under and secured by the Indenture. The Bonds shall be special limited obligations of the Authority with a claim for payment solely from Pledged Property. 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.

**Limitation on Issuance of Bonds** (Section 202 of the Indenture)

No Bonds may be issued under the provisions of the Indenture except in accordance with the provisions of Sections 201 through 211 of the Indenture.

**Form of Bonds** (Section 203 of the Indenture)

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 the 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.

**Details of Bonds** (Section 204 of the Indenture)

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 in 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. 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 (see the second paragraph under “THE SERIES 2024B BONDS – General” in this Official Statement), 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 operations office of the Trustee and payment of the interest on each Bond shall be made by the Trustee 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, 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 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.

#### **Authentication of Bonds** (Section 205 of the Indenture)

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, shall be entitled to any benefit or security under the Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication is duly executed by the Trustee, and such certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under the Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds that may be issued at any one time.

#### **Exchange of Bonds** (Section 206 of the Indenture)

Subject to, and in accordance with, Section 207 of the Indenture, Bonds, upon their surrender at the designated corporate trust operations office of the Trustee, 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, 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 the Indenture.

The Authority shall make provisions for the exchange of Bonds at the principal corporate trust office of the Trustee.

#### **Negotiability, Registration and Registration of Transfer of Bonds** (Section 207 of the Indenture)

The transfer of any Bonds may be registered only upon the books kept for that purpose upon their surrender to the Trustee 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. Upon any such registration of a Bond transfer, the Authority shall execute and the Trustee 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 the 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 shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of the Indenture. All Bonds surrendered in any exchange or registration of transfer shall be cancelled by the Trustee. The Authority or, at the direction of the Authority, the Trustee 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.

#### **Ownership of Bonds** (Section 208 of the Indenture)

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.

#### **Issuance of Bonds** (Section 209 of the Indenture)

Each Series of Bonds shall be authorized and issued under and secured by the Indenture pursuant to the authorization contained in a 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 the Indenture), shall have such interest payment dates, shall be numbered and the Term Bonds of such Series shall have such Sinking Fund Requirements, all as may be provided by or determined in accordance with the Series Indenture for such Bonds. Subject to Section 1001(j) of the Indenture, and except as to any differences in the maturities or the interest payment dates or the rate or rates of interest or the provisions for redemption, such Bonds shall be on a parity with and shall be entitled to the same benefits and security under the Indenture as all other Bonds issued under the 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 such portion as determined by the applicable Series Indenture in addition to the security provided in the Indenture.

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 the Bonds of such Series are being issued, which shall be one or more of the following purposes: (a) the financing of Mortgage Loans, (b) the financing of Mortgage-Backed Securities, (c) the making of such deposits in amounts, if any, required by the Indenture or the Series Indenture to be paid into various Funds and Accounts, (d) the refunding of Bonds prior to their redemption or maturity dates, (e) the refunding of other Authority obligations or (f) other lawful purposes of the Authority as specified in the Series 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 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 Requirements;

(vii) 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;

(viii) the amounts to be deposited from the proceeds of such Series of Bonds in the Funds and Accounts created and established by the Indenture and the Series Indenture;

(ix) any Series Reserve Requirement, the extent to which the Reserve Requirement may be accumulated over time, the amounts, including proceeds of the Bonds of such Series, which shall be deposited in the Reserve Fund or used to acquire a Cash Equivalent for deposit in the Reserve Fund, and any limitation on investments of the Reserve Fund;

(x) the manner in which Bonds of such Series are to be sold and provisions for their sale;

(xi) the Series Program Determinations, if any;

(xii) whether there shall be any Hedge Agreement with respect to the Series of Bonds, any limitation of the inclusion of the related Hedge Payments by the counterparty in Revenues, and whether the related Hedge 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 212 of the Indenture);

(xiii) in the case of a Series of Bond issued to finance Mortgage-Backed Securities, the Pass-Through Rate for and maturity of each Mortgage-Backed Security or the method by which the Pass-Through Rate and maturity are to be determined; and

(xiv) any other provisions deemed advisable by the Authority not in conflict with the provisions of the Indenture.

The Bonds shall be executed substantially in the form and manner set forth above and shall be deposited with the Trustee for authentication. Before the Bonds of the Series shall be authenticated and delivered by the Trustee, there shall be on file with the Trustee the following:

(i) a copy of the Indenture and the Series Indenture duly certified by an Authorized Representative;

(ii) a Bond Counsel's Opinion stating in the opinion of such counsel that (a) the Indenture and the applicable Series Indenture have been duly authorized, executed and delivered by, and are valid and binding obligations of, the Authority and (b) the Bonds being issued are valid and legally binding special limited obligations of the Authority secured in the manner and to the extent set forth in the Indenture and the applicable Series Indenture and are entitled to the benefit, protection and security of the provisions, covenants and agreements contained in the Indenture and the applicable Series Indenture;

(iii) a Cash Flow Statement conforming to the requirements of Section 607 of the Indenture (see "Cash Flow Certificates and Cash Flow Statements" below), accompanied, in the case of each Series other than the initial Series of Bonds, by a Rating Certificate; and

(iv) a request and authorization to the Trustee 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 (i) to (iv), inclusive, above in this paragraph have been filed with the Trustee and when the Bonds described in the Series Indenture mentioned in clause (i) above in this paragraph have been executed and authenticated as required by the Indenture, the Trustee 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 (iv) above in this paragraph, but only upon payment to the Trustee of the purchase price of those Bonds. The Trustee 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 the Indenture and the applicable Series Indenture.

#### **Mutilated, Destroyed or Lost Bonds (Section 210 of the Indenture)**

If any Bond is mutilated, destroyed or lost, the Authority shall cause to be executed, and the Trustee 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 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 indemnity reasonably satisfactory to them.

#### **Hedge Agreements; Hedge Payments (Section 212 of the Indenture)**

The Authority may from time to time enter into one or more Hedge Agreements with respect to one or more Series of Bonds, but only upon filing with the Trustee a Cash Flow Certificate or a Cash Flow Statement, as appropriate, accompanied by a Rating Certificate. Unless otherwise specified in the related Series Indenture, Hedge Payments payable by the Authority under any Hedge Agreement shall be payable from moneys on deposit in the Debt Service Account, on a parity with payments of interest on Bonds (see clause "first" in (i) and (ii) under "Pro Rata Application of Funds" below), or, if so provided in a Series Indenture, subordinate to payments of interest on Bonds (see clause "second" in (i) and (ii) under "Pro Rata Application of Funds" below). In no event shall any Hedge Payments be paid with any amounts drawn under a credit facility or bond insurance policy securing the related Bond or remarketing proceeds derived from the related Bonds. Hedge Payments may include premiums for insurance of the Authority's obligation to make such payments or reimbursement of payments under such insurance, as provided in the related Series Indenture.

#### **Redemption of Bonds (Section 301 of the Indenture)**

Except as otherwise stated in the related Series Indenture, money shall, upon an Authority Request to the Trustee, be applied by the Trustee 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, which shall be accompanied by a Cash Flow Statement if such basis is not consistent with the assumptions set forth in the most recently filed Cash Flow Statement.

Except as otherwise provided in a Series Indenture, if less than all of the Term Bonds Outstanding of any one Series (or subseries, if applicable) and maturity bearing the same interest rate (and otherwise of like tenor) are purchased for cancellation or redeemed (other than in satisfaction of Sinking Fund

Requirements), 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 Requirements for the Term Bonds of such Series (and subseries, if applicable) and maturity bearing the same interest rate (and otherwise of like tenor) 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 bearing the same interest rate (and otherwise of like tenor) then Outstanding.

**Establishment of Funds and Accounts** (Section 401 of the Indenture)

The Indenture establishes the following Funds and Accounts:

- Program Fund
- Series Program Accounts
- Authority Program Accounts

- Revenue Fund
- Debt Service Account
- Recovery of Principal Account
- Redemption Account

- Reserve Fund

- Special Program Fund

- Rebate Fund

Additional Funds and Accounts (including Series Rebate Accounts in the Rebate Fund for the purpose of depositing amounts required to be rebated to the United States) may be created and designated in Series Indentures, including as described under “Issuance of Bonds” above. The full designation of each such Fund and Account shall include the term “Illinois Housing Development Authority Revenue Bonds,” which term shall precede the designation as set forth above. Each such Fund and Account shall be held by the Trustee, in trust, separate and apart from all other funds of the Authority, for the purposes provided in the Indenture. In Series Indentures or in 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 the Indenture for the purposes and period of time set forth in the applicable Series Indenture or Supplemental Indenture.

**Program Fund** (Section 402 of the Indenture)

For each Series of Bonds there shall be a Series Program Account. 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 Section 403 of the Indenture (see “Revenue Fund” below) and shall be credited to the Series Program Account as specified in the Authority Request directing the transfer.

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.

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 (i) finance Mortgage Loans (the characteristics of which conform to any Series Program Determinations applicable to that Series of Bonds), (ii) finance Mortgage-Backed Securities (the characteristics of which, and for which the characteristics of the Mortgage Loans in the pool underlying such Mortgage-Backed Security, conform to any Series Program Determinations applicable to that Series of Bonds), (iii) upon Authority Request consistent with Section 608 of the Indenture (see “Tax Covenants” below), to pay costs of Supplemental Mortgage Coverage with regard to those Mortgage Loans, or (iv) as otherwise provided in the applicable Series Indenture. As provided in a Series Indenture, the amount applied to finance a Mortgage Loan or Mortgage-Backed Security may exceed the sum of its outstanding principal amount and accrued interest. As provided in a Series Indenture, the Authority may use amounts in a related Series Program Account to acquire as Pledged Property Mortgage Loans and Mortgage-Backed Securities previously acquired by the Authority not as Pledged Property.

The Trustee shall transfer unexpended amounts in a Series Program Account to the Revenue Fund to the credit of the Redemption Account as specified by an Authority Request.

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 Pledged Property) 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 Mortgage Loans (the characteristics of which conform to the related Authority Program Determination), to finance Mortgage-Backed Securities (for which the characteristics of the Mortgage Loans in the pool underlying such Mortgage-Backed Security or Mortgage-Backed Securities conform to the related Authority Program Determinations), or, upon Authority Request, to pay costs of Supplemental Mortgage Coverage with regard to those Mortgage Loans or as otherwise provided in the applicable Authority Program Determination.

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.

The Trustee shall transfer amounts from the Program Fund to the Revenue Fund to the credit of the Debt Service Account as provided in Section 408 of the Indenture (see “Deficiencies in Debt Service Account” below).

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.

#### **Revenue Fund** (Section 403 of the Indenture)

The Authority shall transfer all Revenues to the Trustee within three business days following receipt. All Revenues received by the Trustee shall be deposited in the Revenue Fund. 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.

Except as provided in a Series Indenture, (i) the Authority shall identify and notify the Trustee in writing of the amount of any Revenues which are Recoveries of Principal and (ii) Recoveries of Principal shall be credited to the Recovery of Principal Account. Except as may be limited by a Series Indenture, amounts in the Recovery of Principal Account may be transferred at any time upon an Authority Request

to the Redemption Account or, upon filing with the Trustee a Cash Flow Certificate or Cash Flow Statement, as applicable, any Series Program Account or an Authority Program Account.

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 Mortgage Loan or Mortgage-Backed Security consistent with the related Series Indenture.

Upon their receipt, the Authority shall notify the Trustee as to any amounts which have been received for accrued interest with respect to Mortgage Loans or Mortgage-Backed Securities made or acquired from amounts which were expended from the 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.

On or prior to each debt service payment date (including any date of redemption pursuant to Sinking Fund Requirements or other mandatory redemption requirements that are payable from the Debt Service Account as provided in a Series Indenture) for any Bonds and each due date of Hedge Payments by the Authority that are payable from the Revenue Fund (as provided in a Series Indenture or in a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below), the Trustee shall 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:

(1) 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 Requirements or such other redemption requirements), due on the Bonds on such debt service payment date or Hedge Payment due date, to pay any fees due on or prior to such debt service payment date or Hedge Payment due date in connection with tender option features, letters of credit, standby bond purchase agreements and other forms of credit or liquidity related to Bonds as set forth in the Series Indenture or a Supplemental Indenture, and to pay any Hedge Payments that are payable from the Revenue Fund (as provided in a Series Indenture or in a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below) and are due on such debt service payment date or Hedge Payment due date;

(2) to the payment of (i) Expenses specified in a Series Indenture and (ii) such other Expenses as may be provided in an Authority Request accompanied by a Cash Flow Certificate or Cash Flow Statement, as applicable;

(3) to the Reserve Fund, an amount sufficient to cause the amount on deposit in that Fund, including Cash Equivalents permitted by Section 407 of the Indenture (see “Reserve Fund” below), to equal the Reserve Requirement;

(4) to the Redemption Account an amount as specified in an Authority Request;

(5) to any Series Program Account or Authority Program Account in the Program Fund an amount as specified in an Authority Request accompanied by a Cash Flow Certificate or Cash Flow Statement, as appropriate; and

(6) to the Authority, for any other purpose authorized or required under the Act free and clear of the pledge and lien of the Indenture. No such payment shall be made except upon filing of a Cash Flow Certificate or Cash Flow Statement, as appropriate.

At any time the Trustee shall, upon Authority Request, apply amounts in the Revenue Fund not credited to any Account in it or amounts in the Rebate Fund to make required rebates to the United States as required by the Code.

At any time the Trustee shall apply, upon an Authority Request, amounts in the Revenue Fund and not credited to any Account in it to the purchase of Bonds at the times, in the manner and for the purposes set forth in Section 405 of the Indenture (see “Purchase of Bonds from Revenue Fund” below).

At any time, upon Authority Request, amounts on deposit in the Revenue Fund may be applied to pay Expenses as specified in an Authority Request, accompanied by a Cash Flow Certificate or Cash Flow Statement.

#### **Debt Service Account** (Section 404 of the Indenture)

The Trustee shall, on each principal or interest payment date, date of redemption pursuant to Sinking Fund Requirements (or other mandatory redemption requirements that are payable from the Debt Service Account, as provided in a Series Indenture), and due date of Hedge Payments by the Authority that are payable from the Debt Service Account (as provided in a Series Indenture or Supplemental Indenture), apply amounts in the Debt Service Account to the payment of principal of and interest on the Bonds on that date and credit or liquidity fees and Hedge Payments as provided in Section 403 of the Indenture (see “Revenue Fund” above), as follows. The Trustee shall remit the interest due by mail (or other method of transfer acceptable to the Authority or as provided in a Series Indenture) to each Owner of 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 for paying that principal. The Trustee shall remit to any credit or liquidity provider, as described in Section 403 of the Indenture, its fees in connection with such credit or liquidity arrangement. The Trustee shall remit to the counterparty under a Hedge Agreement, as described in Section 403 of the Indenture, the Hedge Payments due to the counterparty under the Hedge Agreement. An Authorized Representative of the Authority shall advise the Trustee in writing regarding the amount of any such liquidity fees and Hedge Payments and when payment is due.

#### **Purchase of Bonds from Revenue Fund** (Section 405 of the Indenture)

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 Requirements on the next date in such Fiscal Year such payments are scheduled as provided in this Section. The Trustee, upon an Authority Request, shall endeavor to purchase from such amounts to be transferred to it by the Trustee 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 Requirements for Term Bonds of such Series then Outstanding at a price not to exceed the Redemption Price (plus accrued interest to the date of redemption) which would be payable on the next redemption date to the Owners of such Term Bonds under the provisions of the applicable Series Indenture if such Term Bonds or portions of Term Bonds should be selected for redemption on such date. However, subject to applicable law, notwithstanding the maximum purchase price set forth in the preceding sentence, if at any time the Trustee notifies the Trustee that the investment earnings on the money in the Revenue Fund and not credited to any Account in it available for such a purchase shall be less than the interest accruing on the Bonds to be redeemed on such date from such Sinking Fund Requirement, then the Trustee 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 certifies to the Trustee that the amount paid in excess of such Redemption Price is expected to be less than the interest which is expected to accrue on the Bond less any investment earnings on such available money during the period from the settlement date of the proposed purchase to the redemption date. 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. Term Bonds so purchased shall be delivered to the Trustee for cancellation.

#### **Use of Amounts in Redemption Account for Purchase or Redemption** (Section 406 of the Indenture)

The Trustee may at any time apply money deposited in the Revenue Fund to the credit of the Redemption Account for the purchase or redemption of Bonds as follows:

The Trustee, upon Authority Request, 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, at a price not to exceed the Redemption Price (plus accrued interest, if any, to the date of redemption) which would be payable on the next redemption date to the owners of such Bonds if such Bonds or portions of Bonds should be called for redemption. Such maximum purchase price may be exceeded, subject to applicable law, in accordance with the third sentence in Section 405 of the Indenture (see “Purchase of Bonds from Revenue Fund” above). Such Authority Request shall be accompanied by a Cash Flow Statement if such purchase is not consistent with the assumptions set forth in the most recently filed Cash Flow Statement. 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 after the Trustee 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.

The Trustee, upon Authority Request, shall call 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). Such Authority Request shall be accompanied by a Cash Flow Statement if such redemption is not consistent with the assumptions set forth in the most recently filed Cash Flow Statement.

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 Cash Flow Certificate or Cash Flow Statement, as appropriate, or to the Revenue Fund and not in an Account.

#### **Reserve Fund** (Section 407 of the Indenture)

The Authority shall deposit amounts in the Reserve Fund as provided in the Series Indentures and as provided in Section 403 of the Indenture (see “Revenue Fund” above). The Trustee shall transfer money held in the Reserve Fund to the Debt Service Account, pursuant to Section 408 of the Indenture (see “Deficiencies in Debt Service Account” below). The Reserve Fund may be funded in whole or in part through Cash Equivalents either (i) delivered upon issuance of a Series of Bonds or (ii) as to which a Rating Certificate is filed with the Trustee. Amounts held in the Reserve Fund as of any date in excess of the Reserve Requirement, taking into account any such Cash Equivalents in the Reserve Fund, shall upon an Authority Request, be transferred to the Revenue Fund.

#### **Deficiencies in Debt Service Account** (Section 408 of the Indenture)

In the event that amounts in the Debt Service Account are insufficient, on any interest payment date, principal payment date, date of redemption pursuant to Sinking Fund Requirements (or other

mandatory redemption requirements that are payable from the Debt Service Account, as provided in a Series Indenture), or due date of Hedge Payments that are payable from the Revenue Fund (as provided in a Series Indenture or in a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below), to pay the principal of and interest on the 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 Sinking Fund Requirements or such other mandatory redemption requirements, and to pay such Hedge 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:

- (1) Revenue Fund (not credited to any Account);
- (2) Recovery of Principal Account;
- (3) Redemption Account;
- (4) Reserve Fund;
- (5) Program Fund; and
- (6) 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 withdrawn as provided in this Section 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 withdrawn as provided in this Section to the extent that the Authority is contractually obligated to finance identified Mortgage Loans or Mortgage-Backed Securities acceptable for financing with amounts on deposit in such Series Program Account.

#### **Money Sufficient to Purchase or Redeem Bonds** (Section 409 of the 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 1101 of the Indenture (see “Defeasance” below).

#### **Money Held in Trust** (Section 410 of the Indenture)

All money which the Trustee has withdrawn or set aside for the purpose of payment of principal, interest or Redemption Price of any of the Bonds secured by the Indenture, either at their maturity or upon 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. Any money that is so set aside by the Trustee 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 shall have no responsibility with respect to such money.

#### **Purchase, Redemption and Cancellation of Bonds** (Section 411 of the Indenture)

Upon the retirement of any Bonds by purchase for cancellation or by redemption, the Trustee shall file with the Authority a statement briefly describing such Bonds and setting forth the date of their purchase for cancellation or their 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 from the Revenue Fund as Expenses as permitted by Section 403 of the Indenture (see “Revenue Fund” above). Subject to the immediately succeeding paragraph, 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 the Indenture shall be destroyed by the Trustee in accordance with its customary procedures. The Trustee 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.

Notwithstanding the immediately preceding paragraph, subject to applicable law, Bonds purchased with amounts in any Fund or Account under the 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 be resold rather than 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.

#### **Exchange of Money and Securities** (Section 412 of the Indenture)

Upon Authority Request, the Trustee shall exchange money and/or Investment Obligations on deposit in any Fund or Account for an equal amount of money and/or Investment Obligations on deposit in any other Fund or Account or in any fund or account held under another bond resolution or indenture of the Authority.

#### **Special Program Fund** (Section 413 of the Indenture)

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 under the Indenture. While on deposit in the Special Program Fund, such cash, securities, loans, investments or other property shall be held in trust pursuant to Section 501 of the Indenture (see “Security for Deposits” below) and pledged under the Indenture.

Notwithstanding the provisions of Section 502 of the Indenture (see “Investment of Money” below), 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 Investment Obligations 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.

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 408 (see “Deficiencies in Debt Service Account” above), 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.

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 the 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.

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 the 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 the Indenture to the Trustee in favor of the Outstanding Bonds.

#### **Trustee Payment of Expenses (Section 414 of the Indenture)**

The Authority grants to the Trustee, and the Trustee retains at all times, an ownership interest in the Pledged Property, sufficient to enable the Trustee to make any payments to be made by it as described under this heading. This ownership interest is not in limitation of the ability of the Authority to sell or otherwise dispose of Mortgage Loans and Mortgage-Backed Securities and to expend amounts in Funds and Accounts as provided in the Indenture. However, the right of the Trustee to use unexpended amounts in the Revenue Fund to make payments of Expenses, as described under this heading “Trustee Payment of Expenses,” shall have priority over any payment of amounts in the Revenue Fund to the Authority.

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 101 of the Indenture (see “Certain Definitions” above) 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 403 of the Indenture as described under “Revenue Fund” above) to pay any such Expenses other than general administrative expenses of the Authority, including, without limitation, the following:

- (i) any costs of maintaining Supplemental Mortgage Coverage as provided by the Indenture or any Series Indenture;
- (ii) the fees or expenses of the Trustee;
- (iii) costs of servicing Mortgage Loans and of realizing on any Mortgage Loan upon any default;

(iv) costs of maintaining all necessary records with respect to Pledged Property, preparing any necessary cash flow projections and complying with any covenant in the Indenture or any Series Indenture, including any tax covenant;

(v) any payments required to comply with any tax covenants; and

(vi) any other expenses determined by the Trustee, in its sole discretion, to be necessary or appropriate to maintain the value of the Pledged Property.

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 as described under this heading “Trustee Payment of Expenses.”

Any powers given the Trustee as described under this heading “Trustee Payment of Expenses” are in addition to and not in lieu of or in limitation on any other rights or remedies of the Trustee under the Indenture, except that to the extent Section 706 of the Indenture (see “Pro Rata Application of Funds” below) applies, payments received by the Trustee shall be applied as provided in Section 706 of the Indenture and not as described under this heading as described under this heading “Trustee Payment of Expenses.”

#### **Security for Deposits** (Section 501 of the Indenture)

Any and all money held by the Trustee under the Indenture, except as otherwise expressly provided in the Indenture, shall be held in trust, shall be applied only in accordance with provisions of the 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 the Indenture shall, until invested in Investment Obligations in accordance with Section 502 of the Indenture (see “Investment of Money” below), 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 (a) by lodging with a bank, trust company or national banking association 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 (b) if the furnishing of security as provided in clause (a) of this paragraph 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 the Indenture, for the Trustee to give security for any money which shall be represented by obligations purchased under the provisions of the Indenture as an investment of such money.

All money deposited with the Trustee pursuant to the Indenture shall be credited to the particular Account or Fund to which such money belongs.

#### **Investment of Money** (Section 502 of the Indenture)

Other than money deposited in the Special Program Fund, which shall be invested as provided in Section 413 hereof (see “Special Program Fund” above), money deposited under the 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 Investment Obligations 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 shall mature, or which shall be subject to redemption by the holder at the option of the holder, such that sufficient money will be available for the purposes intended. The Trustee may conclusively rely upon the Authorized Representative's written instructions as to the legality of the directed investments. In the absence of investment instructions from an Authorized Representative, the Trustee shall not be responsible or liable for keeping the moneys held by it under the Indenture fully invested in Investment Obligations.

Any Investment Obligations so purchased in any Account or Fund shall be deemed at all times to be part of such Account or Fund. Any interest paid on the investment in any Account or Fund (except the Rebate 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. 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 may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such transactions, including cash sweep account fees. 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, Investment Obligations 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.

#### **Indenture to Constitute Contract** (Section 601 of the Indenture)

The Indenture is a contract between the Authority and the Owners of the Bonds.

#### **Security Interests** (Section 602 of the Indenture)

The Authority pledges and assigns and grants a lien on and security interest in the Pledged Property as security for the payment of interest on and principal of and the redemption premium, if any, of the Bonds. The Pledged Property may be applied as provided in or pursuant to the Indenture.

Notwithstanding the assignment, pledge and grant in this Section, the Authority shall, if no Event of Default has occurred and is continuing, and except as may be provided in a Series Indenture, have the right to sell or dispose of Mortgage Loans and Mortgage-Backed Securities consistent with the provisions of the Indenture (including, but not limited to, Section 608 of the Indenture (see "Tax Covenants" below)) and shall have the right to restructure, enforce and forbear enforcement of Mortgage Loans in such manner as determined by the Authority in its discretion consistent with the provisions of the Indenture, including the ability to compromise, and release security for, Mortgage Loans.

Any pledge, assignment, lien and security interest made pursuant to the 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 all 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.

Except for the issuance of Bonds pursuant to the Indenture, the Authority shall not make or grant any pledge, assignment, lien or security interest in any Pledged Property which is senior to or on a parity with the security provided by the Indenture. Subject to the provisions of Section 1001 of the Indenture described in clause (x) under “Bondowners’ Consent Not Required” below, and except as expressly provided in or pursuant to the Indenture, all security for the Bonds under the 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, 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 the Indenture.

#### **Payment of Principal, Interest and Premium (Section 603 of the Indenture)**

The Authority covenants that it will promptly pay, but solely from Pledged Property, the principal of and interest, if any, on each and every Bond issued under the provisions of the Indenture at the places, on the dates and in the manner specified in the Indenture and those Bonds. The Authority covenants that it will pay, but solely from Pledged Property, 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.

#### **Covenant to Perform Obligations Under the Indenture (Section 604 of the Indenture)**

The Authority covenants that it will faithfully perform at all times all covenants, undertakings, stipulations, provisions and agreements contained in the Indenture, each Series Indenture and in each Bond.

#### **Further Instruments and Actions (Section 605 of the Indenture)**

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 the Indenture or any Series Indenture.

#### **Maintenance of Security (Section 606 of the Indenture)**

The Authority covenants that, except as otherwise expressly permitted by the Indenture or a Series Indenture, it will not sell, convey, mortgage, encumber or otherwise dispose of the money held for the credit of any Fund or Account created under the Indenture.

#### **Cash Flow Certificates and Cash Flow Statements (Section 607 of the Indenture)**

Prior to taking any of the following actions the Authority shall file with the Trustee a Cash Flow Certificate or a Cash Flow Statement, as appropriate, accompanied by a Rating Certificate:

- (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 described in clause (ix) under “Bondowners’ Consent Not Required” below;

- (iii) entering into any Hedge Agreement;
- (iv) remarketing any Bonds in connection with a change in tender period except as required at the time of their issuance; or
- (v) causing amounts to be transferred from Authority Program Accounts to the Authority.

Prior to taking any of the following actions, the Authority shall file with the Trustee either a Cash Flow Certificate or a Cash Flow Statement, as appropriate:

- (i) any purchase or redemption of Bonds (other than mandatory redemption pursuant to Sinking Fund Requirements, other mandatory redemptions as provided in a Series Indenture, purchases of Bonds as provided in Section 405 of the Indenture, and any purchase or redemption of Bonds that is consistent with the assumptions set forth in the most recently filed Cash Flow Statement);
- (ii) any withdrawal of amounts from the Revenue Fund pursuant to Section 405 of the Indenture to pay Expenses as described in (2)(ii) under “Revenue Fund” above, or to a Series Program Account or Authority Program Account as described in (6) under “Revenue Fund” above, or to the Authority free and clear of the pledge and lien of the Indenture as described in (6) under “Revenue Fund” above;
- (iii) any amendment or sale or other disposition of Mortgage Loans not in default or Mortgage-Backed Securities not in default that would cause the aggregate principal amount of the Mortgage Loans and Mortgage-Backed Securities amended or sold or disposed of since filing of the last Cash Flow Statement to exceed five percent (5%) of the aggregate principal amount of all Mortgage Loans and Mortgage-Backed Securities;
- (iv) any use of Recoveries of Principal with respect to Mortgage Loans or Mortgage-Backed Securities (other than Mortgage Loans or Mortgage-Backed Securities acquired solely with amounts in any Authority Program Account) for any use other than purchase or redemption of Bonds or payment of scheduled debt service;
- (v) any transfer of amounts from the Redemption Account to an Account of the Program Fund pursuant to Section 406 of the Indenture as described in the last paragraph under “Use of Amounts in Redemption Account for Purchase or Redemption” above;
- (vi) any payment of Expenses described in clause (ii) of the definition thereof in Section 101 of the Indenture (see “Certain Definitions” above); or
- (vii) making any material change not consistent with the assumptions set forth in the most recently filed Cash Flow Statement.

A Cash Flow Certificate with respect to any action is a certificate of an Authorized Representative stating that the action is consistent with the assumptions set forth in the most recently filed Cash Flow Statement.

A Cash Flow Statement is a certificate of an Authorized Representative stating that each set of cash flow projections included in the certificate demonstrates that there will at all times be available sufficient amounts in the Funds and Accounts to pay timely all principal of and interest on the Bonds, and to make

when due all Hedge Payments that are payable from the Revenue Fund (as provided in a Series Indenture or in a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below), and to fund the Reserve Fund to the Reserve Fund Requirement, and to pay Expenses described in clause (i) of the definition thereof in Section 101 of the Indenture (see “Certain Definitions” above), under the assumptions set forth in the Cash Flow Statement. A Cash Flow Statement may include a single set of cash flow projections or more than one set of cash flow projections, and each set of projections shall set forth the assumptions, which shall be consistent with the Authority’s reasonable expectations at the time such Cash Flow Statement is filed, as to actions to be taken pursuant to the Indenture and as to the characteristics and behavior of Pledged Property and of the Authority’s payment obligations under the Indenture, upon which such projections are based. Amounts credited to the Special Program Fund (other than amounts restricted to the payment of debt service on the Bonds) shall not be taken into account when preparing a Cash Flow Statement.

#### **Tax Covenants** (Section 608 of the Indenture)

The Authority shall at all times perform the applicable tax covenants contained in any applicable Series Indenture and in any tax certificate of the Authority related to a Series of Bonds.

#### **Enforcement of Rights Under Mortgage Loans** (Section 609 of the Indenture)

The Authority covenants to enforce all its rights and obligations under and pursuant to the Mortgage Loans as determined by the Authority in its discretion to be necessary to obtain payment as due, subject to the rights of the Authority under Section 602 of the Indenture as described in the second paragraph under “Security Interests” above, and to comply with the Act and all covenants with regard to federal income taxation of interest on those Bonds. The Authority agrees that the Trustee, in the name of the Authority, may enforce all rights of the Authority under and pursuant to the Mortgage Loans for and on behalf of the Bondowners pursuant to Section 704 of the Indenture (see “Enforcement of Remedies” below), whether or not an Event of Default exists. The Trustee shall be under no obligation to service the Mortgage Loans itself, but shall use its best efforts to obtain servicing for the Mortgage 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. This Section does not apply to Mortgage Loans that are included in the pool of loans with respect to which a Mortgage-Backed Security is issued.

#### **Maintenance of Corporate Existence of Authority** (Section 610 of the Indenture)

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 the Indenture and any Series Indenture.

#### **Books and Records** (Section 611 of the Indenture)

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 the 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.

On or before the tenth business day of each month the Trustee shall furnish to the Authority in accordance with Section 806 of the Indenture (see “Monthly Statements from Trustee” below) a written statement of the Funds and Accounts held pursuant to the Indenture and any Series Indenture.

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 the first paragraph above, and such books shall be available for inspection by the Trustee and any Bondowner during business hours and upon reasonable notice.

**Annual Audit** (Section 612 of the Indenture)

The Authority shall annually, within 180 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 Bondowners. 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.

**Program Covenants** (Section 613 of the Indenture)

The Authority covenants (a) that no Mortgage Loan shall be financed by the Authority under the Indenture unless the Mortgage Loan complies in all respects with the Act in effect on the date of financing and (b) to comply with the applicable Series Program Determinations and Authority Program Determinations.

**Notice of an Event of Default** (Section 614 of the Indenture)

The Authority shall promptly notify the Trustee in writing of the occurrence of an Event of Default.

**Mortgage-Backed Securities** (Section 615 of the Indenture)

Each Mortgage-Backed Security acquired by the Trustee on behalf of the Authority shall be held at all times by the Trustee or its designee in trust for the benefit of the Owners of the Bonds and shall be held in book-entry form as described in this paragraph. A Mortgage-Backed Security will be issued in book-entry form through the book-entry system of the Federal Reserve System, pursuant to which the Mortgage-Backed Security shall have been registered on the books of the New York or other branch of the Federal Reserve Bank in the name of the Trustee or a depository acting on its behalf (in either case, acting as a "Participant" as defined in 31 CFR §357.2, as made applicable to 24 CFR Part 81 and 24 CFR Part 350); and if held by a depository, the Trustee shall have received confirmation in writing that the Depository is holding such Mortgage-Backed Security on behalf of, and has identified such Mortgage-Backed Security on its records as belonging to, the Trustee. If the Trustee does not receive payment or advice of payment from the depository with respect to a Mortgage-Backed Security when due by the close of business on the day of the month specified in such Mortgage-Backed Security (or the next business day if the day so specified is not a business day), the Trustee shall make demand by telephone for payment in immediately available funds from the issuer of the Security (in the case of Fannie Mae Securities or FHLMC Securities) or from GNMA in the case of GNMA Securities in accordance with the terms of the Mortgage-Backed Security, the GNMA Guaranty Agreement (in the case of GNMA Securities) or the guaranties made by Fannie Mae or FHLMC (in the case of Fannie Mae Securities and FHLMC Securities, respectively). Notwithstanding the foregoing provisions of this paragraph, in the case of a Mortgage-Backed Security that is a participation interest in a Fannie Mae Security, an FHLMC Security or a GNMA Security pursuant to a Participation Agreement, such Fannie Mae Security, FHLMC Security or GNMA Security may be held in book-entry form as provided in this paragraph by a party to the Participation Agreement other than the Trustee and, if so held, the Participation Agreement shall require such other party to make the demand referred to in this paragraph.

The Authority will take whatever action is required by law from time to time to pledge the Mortgage-Backed Securities to the Trustee.

The Authority shall diligently enforce and shall take all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of all Mortgage-Backed Securities, including but not limited to the prompt payment of all amounts due to the Authority under the Mortgage-Backed Securities. The Authority shall at all times, to the extent permitted by law, defend, enforce, preserve and protect the rights and privileges of the Authority under or with respect to each Mortgage-Backed Security. This Section shall not be construed to prevent the Authority from settling a default on any Mortgage-Backed Security on such terms as the Authority shall determine to be in the best interest of the Authority and the Owners of the Bonds.

The Trustee shall diligently enforce all terms, covenants and conditions of the Mortgage-Backed Securities. The Trustee shall duly and punctually exercise its rights under the applicable GNMA Guaranty Agreements, guaranties by Fannie Mae of Fannie Mae Securities and guaranties by FHLMC of FHLMC Securities. The Trustee shall in a timely manner give all notices and take all actions necessary to preserve and protect the respective guaranties of the Mortgage-Backed Securities.

#### **Extension of Maturities or Claims for Interest** (Section 701 of the Indenture)

Neither the Trustee nor the Authority shall consent or agree directly or indirectly to extend the time for payment of any principal of or interest on any Bond. 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 the Indenture to the benefit or security of the 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.

#### **Events of Default** (Section 702 of the Indenture)

An “Event of Default” occurs if:

- (i) payment of interest on or the principal or Redemption Price of any of the Bonds is not made when due and payable; or
- (ii) default in the due and punctual performance of any other covenants or agreements contained in the Bonds or in the 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.

#### **Acceleration of Maturity** (Section 703 of the Indenture)

Upon the happening and continuance of any Event of Default described in clause (i) under “Events of Default” above (except as may be limited in a Series Indenture, as described in the last paragraph under “Enforcement of Remedies” below), then and in every such case the Trustee may and, subject to Section 802 of the Indenture, upon the written direction of the Owners of not less than two-thirds (2/3) in aggregate principal amount of the Outstanding Bonds 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 the 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 the 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 the 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 the 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.

#### **Enforcement of Remedies** (Section 704 of the Indenture)

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 802 of the Indenture (see “Trustee Entitled to Indemnity” below), to protect and enforce its rights and the rights of the Bondowners under applicable laws or under the 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 the Indenture or in aid or execution of any power granted in the 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 the Indenture the Trustee shall be entitled (1) 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 the 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 the Indenture and under the Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondowners, and (2) to recover and enforce any judgment or decree against the Authority, but solely as provided in the Indenture, the Series Indenture, and in 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.

Regardless of the happening of an Event of Default, the Trustee may, and, subject to Section 802 of the Indenture (see “Trustee Entitled to Indemnity” below), if requested in writing by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Outstanding Bonds, shall institute and maintain such suits and proceedings as it may be advised are necessary or expedient (i) to prevent any impairment of the Pledged Property by any acts which may be unlawful or in violation of the Indenture or

of any Series Indenture or (ii) to preserve or protect the interest of the Bondowners, provided that such request is in accordance with law and the provisions of the Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Owners of Bonds not making such request.

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.

#### **Trustee May File Claim in Bankruptcy (Section 705 of the Indenture)**

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,

(i) 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

(ii) 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 802 and 805 of the Indenture (see “Trustee Entitled to Indemnity” and “Compensation and Indemnification of Trustee” below).

#### **Pro Rata Application of Funds (Section 706 of the Indenture)**

Notwithstanding anything in the Indenture to the contrary, if at any time the money in the Funds and Accounts maintained under the 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 703 of the Indenture as described under “Acceleration of Maturity” above) and Hedge Payments payable from the Revenue Fund (as provided in a Series Indenture or in a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below) that are then due and payable, 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 Section 802 and 805 of the Indenture (see “Trustee Entitled to Indemnity” and “Compensation and Indemnification of Trustee”

below) and payment of such Expenses as the Trustee concludes shall enhance the value of the Pledged Property, as follows:

(i) if the principal of all the 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 of interest (except interest on overdue principal) on Bonds, and Hedge 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 as described in clause (ix) under “Bondowners’ Consent Not Required” below), then accrued and unpaid in the chronological order in which such installments of interest and such Hedge Payments accrued and, if the amount available is not sufficient to pay in full any particular installment of interest and all such Hedge 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 Hedge Payments accruing on the same date as such installment, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds and the Hedge Agreements under which such Hedge Payments are due;

second: to the payment of all Hedge Payments that are subordinate to payment of interest on Bonds (as provided in a Series Indenture or in a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below) and are then accrued and unpaid in the chronological order in which such Hedge Payments accrued and, if the amount available is not sufficient to pay in full all such Hedge Payments accruing on any date, then to the payment, ratably, according to the amounts of such Hedge 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 Hedge Agreements under which such Hedge Payments are due;

third: to the payment of the unpaid principal of any of the Bonds which have become due and payable (except Bonds selected for redemption for the payment of which, money is held pursuant to the provisions of the 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 at the respective rates specified in such Bonds from the respective dates upon which such Bonds became due and payable, and, if the amount available is not sufficient to pay in full the principal of the 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 without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds;

fourth: to the payment of the interest on and the principal of the Bonds, to the purchase and retirement of Bonds and to the redemption of the Bonds, all in accordance with the provisions of Article III of the Indenture.

(ii) 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 and Hedge 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 as described in clause (ix) under “Bondowners’ Consent Not Required” below) and are then accrued and unpaid, without preference or priority of principal over interest or of interest over principal, or of principal and interest over such Hedge Payments or of such Hedge Payments over principal and interest, or of any daily accrual of interest or Hedge Payments over any other daily accrual of interest or Hedge Payments, or of any Bond or Hedge Payment over any other Bond or Hedge Payment, ratably, according to the amounts due respectively for principal, interest and Hedge Payments, without any discrimination or preference except as to the respective rates of interest specified in the Bonds and the Hedge Agreements under which such Hedge Payments are due;

second: to the payment of all Hedge Payments that are subordinate to payment of interest on Bonds (as provided in a Series Indenture or in a Supplemental Indenture as described in clause (ix) under “Bondowners’ Consent Not Required” below) and are then accrued and unpaid, without preference or priority of any daily accrual Hedge Payments over any other daily accrual of Hedge Payments, or of Hedge Payment over any other Hedge Payment, ratably, according to the amounts due, without any discrimination or preference except as to the respective rates of interest specified in the Hedge Agreements under which such Hedge Payments are due.

(iii) 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 703 of the Indenture (see “Acceleration of Maturity” above), then, subject to the provisions of paragraph (ii) above if the principal of all the Bonds later becomes or is declared to be due and payable, the money remaining in and later accruing to the Debt Service Account and the Reserve Fund, together with any other money held by the Trustee under the Indenture, shall be applied in accordance with the provisions of paragraph (i) above.

The provisions of paragraphs (i), (ii) and (iii) above are in all respects subject to the provisions of Section 701 of the Indenture (see “Extension of Maturities or Claims for Interest” above).

Whenever money is to be applied by the Trustee as described under this heading “Pro Rata Application of Funds,” 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 the 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.

**Effect of Discontinuance of Proceedings** (Section 707 of the Indenture)

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 the Indenture, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

**Owners of Majority in Principal Amount of Bonds May Control Proceedings** (Section 708 of the Indenture)

Notwithstanding anything in the Indenture to the contrary, the Owners of a majority in principal amount of the Bonds then Outstanding shall have the right, subject to the provisions of Sections 711 and 802 of the Indenture (see “Limitation on Trustee’s Acquisition of Real Estate” and “Trustee Entitled to Indemnity” below), 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 the 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 the preceding sentence shall impair the right of the Trustee in its discretion to take any other action under the Indenture which it may deem proper and which is not inconsistent with such direction by Bondowners.

**Restrictions Upon Actions by Individual Bondowners** (Section 709 of the Indenture)

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 the 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 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 the 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. 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 the Indenture or to any other remedy under it. However, notwithstanding the foregoing provision of this paragraph, the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding may institute any such suit, action or proceeding in their own names for the benefit of all Owners of Bonds. Except as otherwise above provided, no one or more Owners of the Bonds secured by the Indenture shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Indenture, or to enforce any right under it except in the manner provided in the 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 the Indenture to the rights and remedies provided.

Notwithstanding the immediately preceding paragraph, nothing in Sections 701 through 716 of the Indenture 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.

**Actions by Trustee** (Section 710 of the Indenture)

All rights of action under the 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 the 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 the Indenture, the Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers of the Pledged Property, 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.

**Limitation on Trustee's Acquisition of Real Estate** (Section 711 of the Indenture)

The Trustee shall not acquire possession of or take any other action with respect to any real estate securing any Mortgage Loan, 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:

- (i) 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
- (ii) 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 paid by the Authority or paid from the Pledged Property (as Expenses).

**No Remedy Exclusive** (Section 712 of the Indenture)

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 the Indenture or by law.

### **No Delay or Omission Construed to be a Waiver** (Section 713 of the Indenture)

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 the 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.

### **Waiver of Defaults** (Section 714 of the Indenture)

The Trustee, upon written direction of the Owners of not less than a majority in aggregate principal amount of the Outstanding Bonds, 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 the Indenture or before the completion of the enforcement of any other remedy under the 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.

### **Notice of an Event of Default** (Section 715 of the Indenture)

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 708 of the Indenture (see “Owners of Majority in Principal Amount of Bonds May Control Proceedings” above), 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.

### **Right to Appoint Statutory Trustee Abrogated** (Section 715 of the Indenture)

In accordance with the provisions of Section 17 of the Act, Sections 25 and 26 of the Act shall not apply to the Bonds.

### **Acceptance of Trusts and Duties** (Section 801 of the Indenture)

The Trustee accepts the duties and obligations and agrees to execute the trusts imposed upon it by the Indenture but only upon the terms and conditions set forth in this Article and subject to the provisions of the 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 the Indenture and to perform such trusts as an ordinarily prudent trustee under a bond indenture. No implied covenants or obligations should be read into the Indenture against the Trustee. If an Event of Default has occurred and is continuing, the Trustee shall, subject to Section 802 of the Indenture, exercise such of the rights and powers vested in it by the 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.

### **Trustee Entitled to Indemnity** (Section 802 of the Indenture)

The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under the 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), 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 Pledged Property (as Expenses), the Trustee for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection with such action.

#### **Limitation of Obligations and Responsibilities of Trustee (Section 803 of the Indenture)**

The Trustee shall be under no obligation (a) 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, (b) to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur or (c) 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 the 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 shall have no responsibility in respect of the validity, sufficiency, due execution or acknowledgment by the Authority of the Indenture, or in 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, be 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 may execute any of the trusts or powers of the Indenture and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct in accordance with the standard specified above and the Trustee shall be entitled to advice of counsel concerning all matters of trusts and duties under the Indenture, and may pay reasonable compensation to any lawyer or agent retained by it under the Indenture. The Trustee 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 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 the 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 the 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 shall, until used or applied or invested as provided in the 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 the Indenture or a Series Indenture. The Trustee shall not be under any liability for interest on any money received under the Indenture except such as may be agreed upon with the Authority.

#### **Trustee Not Liable for Failure of Authority to Act (Section 804 of the Indenture)**

The Trustee 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 the Indenture and Series Indentures. The immunities and exemptions from liability of the Trustee shall extend to its directors, officers, employees, attorneys and agents.

**Compensation and Indemnification of Trustee** (Section 805 of the Indenture)

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 Pledged Property (as Expenses), 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 which it may incur in the exercise and performance of its powers and duties. Such indemnification shall survive any resignation or removal of the Trustee.

**Monthly Statements from Trustee** (Section 806 of the Indenture)

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:

- (i) 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 the Indenture,
- (ii) the amount on deposit with it at the end of such month to the credit of each Fund and Account,
- (iii) a brief description of all Investment Obligations held by it in each such Fund and Account,
- (iv) 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
- (v) 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.

**Trustee May Rely on Certificates** (Section 807 of the Indenture)

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 the 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 the 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 the 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.

**Notice of Default** (Section 808 of the Indenture)

Except upon the happening of any Event of Default described in clause (i) under “Events of Default” above, the Trustee shall not be obliged to take notice or be deemed to have notice of any Event of Default unless 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. Such notice must, in order to be effective, be delivered to a Responsible Officer of the Trustee at the corporate trust office of the Trustee referred to in Section 1202 of the Indenture (see “Manner of Giving Notice” below), and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default.

**Trustee May Deal in Bonds** (Section 809 of the Indenture)

The bank, trust company or national banking association acting as Trustee under the 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 the 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 under the 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 the Indenture. No implied covenant shall be read into the Indenture against the Trustee in respect of such matters.

**Trustee Not Responsible for Recitals** (Section 810 of the Indenture)

The recitals, statements and representations contained in the Indenture and in the Bonds (excluding the 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 Trustee, and the Trustee assume and shall be under no responsibility for their correctness.

**Trustee Protected in Relying on Certain Documents** (Section 811 of the Indenture)

The Trustee or Fiscal 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 the Indenture or any Series Indenture, upon any indenture, 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 the Indenture or any Series Indenture, or upon the written opinion of any attorney, engineer or accountant believed by the Trustee, as applicable, to be qualified in relation to the subject matter, and the Trustee 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 shall not be under any obligation to see to the recording or filing of the Indenture or any Series Indenture.

Notwithstanding anything to the contrary in the Indenture, the Trustee shall accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to the Indenture and any Series Indenture and complying with the requirements of the 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.

#### **Resignation and Removal of Trustee Subject to Appointment of Successor** (Section 812 of the Indenture)

No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to Sections 801 through 816 of the Indenture shall become effective until the acceptance of appointment by the successor Trustee under Section 815 of the Indenture (see “Appointment of Successor Trustee” below).

#### **Resignation of Trustee** (Section 813 of the Indenture)

Subject to Section 812 of the 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.

#### **Removal of Trustee** (Section 814 of the Indenture)

Subject to Section 812 of the Indenture, the Trustee may be removed at any time upon not less than 30 days’ 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 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 812 of the Indenture, the Trustee may also be removed at any time upon not less than 30 days’ notice 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. Subject to Section 812 of the Indenture, the Trustee may be removed at any time by the Authority upon not less than 30 days’ notice if no Event of Default has occurred and is continuing.

#### **Appointment of Successor Trustee** (Section 815 of the Indenture)

If at any time the Trustee resigns (subject to Section 812 of the Indenture), is removed (subject to Section 812 of the Indenture), or is dissolved or otherwise becomes incapable of acting, or the bank, trust company or national banking association acting as Trustee is taken over by any governmental official, agency, department or board, the position of Trustee shall become vacant. If the position of Trustee becomes vacant, 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 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 the Indenture shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, 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.

#### **Vesting of Trusts in Successor Trustee (Section 816 of the Indenture)**

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 805 of the Indenture, 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 the 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, trust company or national banking association, having power to perform the duties and execute the trusts of the Indenture and otherwise qualified to act as Trustee, with or into which the bank, trust company or national banking association acting as Trustee may be merged, converted or consolidated, or to which all or substantially all of the corporate trust assets and business of such bank, trust company or national banking association may be sold or transferred, shall be deemed the successor of the Trustee and shall be vested with all of the trusts, powers, discretions, immunities, privileges and other matters as was its predecessor, without the execution or filing of any instrument or further act, deed or conveyance on the part of the Authority, the predecessor Trustee or the successor Trustee.

#### **Execution of Instruments by Bondowners, Proof of Ownership of Bonds and Determination of Concurrence of Bondowners (Article IX of the Indenture)**

Any request, direction, consent or other instrument in writing required or permitted by the 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 the 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:

- (i) 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.

(ii) The ownership of Bonds is proved by the registration books kept under the provisions of Section 207 of the Indenture.

Nothing contained in Article IX of the Indenture 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 Article IX of the Indenture, 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.

**Bondowners' Consent Not Required (Section 1001 of the Indenture)**

The Authority may, from time to time and at any time, execute Supplemental Indentures:

- (i) to cure any ambiguity or defect or omission in the Indenture; or
- (ii) 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
- (iii) to include as Revenues or Pledged Property any additional amounts, receipts or property; or
- (iv) 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 the Indenture, provided such action shall not materially adversely affect the interest of the Bondowners; or
- (v) to add to the covenants and agreements of the Authority in the 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
- (vi) to modify any of the provisions of the Indenture in any respect whatever not otherwise set forth in this Section 1001, 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
- (vii) to modify, amend or supplement the Indenture or any Supplemental Indenture in such manner as to permit, if presented, the qualification of the 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

(viii) to surrender any right, power or privilege reserved to or conferred upon the Authority by the terms of the 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 the Indenture or a Series Indenture; or

(ix) to amend in any manner consistent with Section 608 hereof any provisions in a Series Indenture for (i) a Series Reserve Requirement, (ii) the Series Program Determinations, (iii) the payment of Hedge Payments on a Hedge Agreement relating to that Series of Bonds from the Revenue Fund (and the priority of their payment as set forth in Section 212 of the Indenture), or (iv) the extent to which Hedge 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 Cash Flow Statement, 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

(x) to modify, amend or supplement the Indenture or any Supplemental Indenture in such manner as is necessary or desirable to provide for the issuance of Bonds with a claim for payment from Pledged Property which is subordinate to the claim of other Bonds, including to provide for a trustee with respect to any such subordinate Bonds; or

(xi) 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.

#### **Supplements and Amendments Requiring Consent (Section 1002 of the Indenture)**

The Indenture may be modified, supplemented or amended by a Supplemental Indenture in ways not described in Section 1001 of the Indenture, pursuant to Section 1002 of the Indenture. No such Supplemental Indenture shall be effective except upon the consent of (i) the Owners of greater than fifty percent (50%) in aggregate principal amount of Outstanding 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 so affected then Outstanding; and (iii) in case the terms of any Sinking Fund Requirements are changed, of the Owners of greater than fifty percent (50%) in principal amount of the Outstanding Bonds of the particular Series, maturity and interest rate entitled to such Sinking Fund Requirements. 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 (if any) or the rate of interest on it, or (c) create or grant a pledge, assignment, lien or security interest of the Pledged Property, or any part of it, other than as created or permitted by the 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 the 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, maturity and interest rate 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 the Indenture if it adversely affects or diminishes the rights of the Owners of Bonds of such Series. The Trustee may in its discretion determine whether Bonds of any particular Series, maturity and interest rate would be affected by any modification, supplement

or amendment of the 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 paragraph, and any such failure shall not affect the validity of such Supplemental Indenture when consented to and approved as described under this heading "Supplements and Amendments Requiring Consent."

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 greater than fifty percent (50%) in aggregate principal amount of the affected Outstanding Bonds, 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.

#### **Supplements and Amendments Deemed Part of Indenture** (Section 1003 of the Indenture)

Any Supplemental Indenture executed in accordance with the provisions of Sections 1001 through 1004 of the Indenture shall form a part of the 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 the Indenture.

#### **Notation on Bonds** (Section 1004 of the Indenture)

Bonds authenticated and delivered after the effective date of any action taken as provided in Sections 1001 through 1004 of the Indenture 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 his Bond for the purpose at the principal 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, maturity and interest rate then Outstanding.

#### **Defeasance** (Section 1101 of the Indenture)

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 the 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 the Indenture which are no longer required for the payment or redemption of Bonds not already then surrendered for such payment or redemption.

Bonds for the payment or redemption of which money has been set aside and held in trust by the Trustee (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 the immediately preceding paragraph. 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 the immediately preceding paragraph if:

(i) there is deposited with the Trustee 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 the Trustee 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 Trustee irrevocable instruction to give any required notice of redemption, which instruction the Trustee 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 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 paragraph, 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.

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.

### **Unclaimed Money (Section 1102 of the Indenture)**

Anything in the 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.

### **Successorship of Authority; Effect of Covenants; Construction of Indenture (Section 1201 of the Indenture)**

All covenants, stipulations, obligations and agreements of the Authority contained in the 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 the 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 the Indenture and Series Indentures.

### **Manner of Giving Notice (Section 1202 of the Indenture)**

Any notice, demand, direction, request or other instrument authorized or required by the 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 the Indenture and a Series Indenture if and when it is (i) in writing, delivered by hand to, or sent by first class mail, postage prepaid, return receipt requested, or by any delivery service which provides receipt for delivery, addressed to, as the case may be, except as changed by notice from time to time: the Director of the Authority, 111 East Wacker Drive, Suite 1000, Chicago, Illinois 60601, or the corporate trust office of the Trustee in Chicago, Illinois (or, in the case of a successor Trustee, 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) except as described in the second paragraph under "Trustee Protected in Relying on Certain Documents" below, 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 the 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.

### **Parties and Bondowners Alone Have Rights Under Indenture** (Section 1203 of the Indenture)

Except as otherwise expressly provided, nothing in the Indenture expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the Authority, the Trustee, and the Owners of the Bonds any right, remedy or claim, legal or equitable, under or by reason of the Indenture. The Indenture and all its provisions is for the sole and exclusive benefit of the Authority, the Trustee and the Owners from time to time of the Bonds.

### **Effect of Partial Invalidity** (Section 1204 of the Indenture)

In case any one or more of the provisions of the 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 the Indenture, any Series Indenture or the Bonds. The 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 the 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.

### **Substitute for Mailing** (Section 1205 of the Indenture)

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 the 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.

### **Payment Due or Acts to be Performed on Weekends and Holidays** (Section 1207 of the Indenture)

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 the 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 and not a day on which such banking institutions are authorized by law to remain closed with the same force and effect as if done on the nominal date provided in the Indenture.

### **Separately-Secured Bonds** (Section 1209 of the Indenture)

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 Revenue Bonds" but shall be subject to Section 1209 of the Indenture (each such indenture and the bonds of such series, a "Separately-Secured Indenture" and "Separately-Secured Bonds," respectively).

Separately-Secured Bonds shall not be considered Bonds for any purpose of the Indenture or any Series Indenture. No Pledged Property under the 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 the Indenture or any Series Indenture by reason of ownership of a Separately-Secured Bond.

With respect to each Separately-Secured Indenture and the related Separately-Secured Bonds, 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 the 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 the Indenture and any Series Indenture or (y) any Expenses or Hedge Payments under the 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.

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## APPENDIX D

### GNMA, FANNIE MAE AND FHLMC PROGRAMS

*Neither the Authority nor the Underwriters makes any representation as to the accuracy or adequacy of the information contained below relating to GNMA, Fannie Mae or FHLMC and their respective Mortgage-Backed Securities programs.*

#### **GNMA and the GNMA Certificates**

The summary and explanation of the Government National Mortgage Association (“GNMA” or “Ginnie Mae”), GNMA’s mortgage-backed securities program and the other documents referred to herein do not purport to be complete. Reference should be made to the Ginnie Mae Mortgage-Backed Securities Guide, Handbook 5500.3, Rev. 1 (the “GNMA Guide”) and to said documents for a full and complete statements of their provisions. At the time of printing this Official Statement, the GNMA Guide can be accessed at [https://www.ginniemae.gov/issuers/program\\_guidelines/Pages/mbs\\_guide.aspx](https://www.ginniemae.gov/issuers/program_guidelines/Pages/mbs_guide.aspx), and general information regarding GNMA can be accessed at <http://www.ginniemae.gov>. The Illinois Housing Development Authority (the “Authority”) makes no representations regarding the content or accuracy of the information provided at either of such websites, and such websites are not part of this Official Statement. Further, the procedures and fees described below and in the GNMA Guide are those currently in effect and are subject to change at any time by GNMA.

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

GNMA is authorized by Section 306(g) of Title III of the National Housing Act, as amended, to guarantee the timely payment of principal of and interest on securities (“GNMA Certificates” or “GNMA Securities”) that are based on and backed by trusts or pools composed of mortgages that are insured or guaranteed by (i) the Federal Housing Administration (“FHA”); (ii) the Department of Veterans Affairs; (iii) the Department of Agriculture under the Rural Development (“RD”) program; or (iv) guaranteed by HUD under Section 184 of the Housing and Community Development Act of 1992, as amended, and administered by the Office of Public and Indian Housing (“PIH”). The GNMA Certificates are issued by approved servicers. Section 306(g) further provides that “the full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection.” An opinion, dated December 9, 1969, of an Assistant Attorney General of the United States, states that such guaranties under Section 306(g) of mortgage-backed certificates of the type being delivered to the Trustee on behalf of the Authority (“GNMA Guaranty Agreements”) are authorized to be made by GNMA and “would constitute general obligations of the United States backed by its full faith and credit.” In order to meet its obligations under such guaranties, GNMA, in its corporate capacity under Section 306(d) of Title III of the National Housing Act, may issue its obligations to the United States Treasury Department in an amount outstanding at any one time sufficient to enable GNMA to carry out its functions under Section 306. The Treasury is authorized to purchase any obligations so issued by GNMA and has indicated in a letter dated February 13, 1970 from the Secretary of the Treasury to the Secretary of HUD that the Treasury will make loans to GNMA, if needed, to implement GNMA’s guaranties. Under the terms of its guaranties, GNMA warrants that, in the event it is called upon at any time to make payment on its guaranties, it will, if necessary, in accordance with Section 306(d) of Title III of the National Housing Act, apply to the Treasury Department of the United States for a loan or loans in amounts sufficient to make payments of principal and interest.

GNMA administers two Mortgage-Backed Securities programs: the “Ginnie Mae I MBS Program” and the “Ginnie Mae II MBS Program.” The Ginnie Mae I MBS Program is based on single-issuer pools in which the underlying mortgage loans generally bear the same interest rate. Ginnie Mae I payments are made to holders on the 15th day of each month. The Ginnie Mae II MBS Program permits multiple-issuer as well as single-issuer pools. Loans with different interest rates, within a one percent range, may be included in the same pool or loan package under the Ginnie Mae II MBS Program. Ginnie Mae II MBS payments are made to holders on the 20th day of each month.

To issue GNMA Certificates, the Servicer must apply for and receive from GNMA a Commitment to Guarantee Mortgage-Backed Securities (“GNMA Commitment”). A GNMA Commitment authorizes the Servicer to issue GNMA Certificates up to a stated amount during a one year period following the date thereof. The Servicer is obligated to pay GNMA commitment fees and guaranty fees.

Each GNMA Certificate is to be backed by a mortgage pool consisting of mortgage loans. Each GNMA I Certificate will be a “modified pass-through” security which will require the Servicer to pass through to security holders by the fifteenth day of each month (or, in the case of a depository as security holder of book-entry securities, the next business day, if fifteenth day is not a business day), the regular monthly payments on the mortgage loans (less the GNMA guaranty fee and the Servicer’s servicing fee), whether or not the Servicer receives such payments, plus any prepayments of principal of the mortgage loans received by the Servicer in the previous month. Each GNMA II Certificate will require the Servicer to pass through to a central paying and transfer agent for the GNMA II Program (the “GNMA Paying Agent”), by the nineteenth day of each month, in the case of certificated securities, (or the twentieth day, if such nineteenth day is not a business day, provided that, if neither the nineteenth nor the twentieth day is a business day, then the first business day prior to the nineteenth day of the month), or, in the case of book-entry securities, by the twentieth day of each month (or the next business day, if the twentieth day is not a business day) the regular monthly payments on the mortgage loans (less the GNMA guaranty fee and the Servicer’s servicing fee), whether or not the Servicer receives such payments, plus any prepayments of principal of the mortgage loans received by the Servicer in the previous month. The GNMA Paying Agent is then required to pass through to the security holder the scheduled payments received from the Servicer. GNMA guarantees timely payment of principal of and interest with respect to the GNMA Certificate.

GNMA, upon execution of the GNMA Guaranty Agreement (defined below), issuance of a GNMA Certificate by the Servicer and subsequent sale of such GNMA Certificate to the Trustee, will have guaranteed to the Trustee as holder of such GNMA Certificate the timely payment of principal of and interest on such GNMA Certificate.

Under contractual arrangements to be made between the Servicer and GNMA, and pursuant to the GNMA Guaranty Agreement, the Servicer is responsible for servicing the mortgage loans constituting GNMA Pools in accordance with FHA, RD or VA regulations, as applicable, and GNMA regulations.

It is expected that interest and principal payments on the mortgage loans received by the Servicer will be the source of money for payments on the GNMA Certificates. If such payments are less than the amount then due, the Servicer is obligated to advance its own funds to ensure timely payment of all scheduled payments on the GNMA Certificates. GNMA guarantees such timely payment in the event of the failure of the Servicer to pass through an amount equal to the scheduled payments (whether or not made by the mortgagors). If such payments are not received as scheduled the Trustee has recourse directly to GNMA.

The Servicer is required to advise GNMA in advance of any impending default on scheduled payments so that GNMA as guarantor will be able to continue such payments as scheduled in accordance with the GNMA Guide.

The GNMA guaranty agreement to be entered into by GNMA and the Servicer upon issuance of the GNMA Certificates (the “GNMA Guaranty Agreement”) generally will provide that, upon any default by the Servicer and the payment under its guaranty by GNMA or any failure of the Servicer to comply with the terms of the GNMA guaranty agreement with GNMA, GNMA shall have the right, by letter to the Servicer, to effect and complete the extinguishment of the Servicer’s interest in the related mortgage loans, and the related mortgage loans shall thereupon become the absolute property of GNMA, subject only to the unsatisfied rights of the holder of the GNMA Certificates. In such event, all power and authority of the Servicer with respect to the servicing of such GNMA Pools, including the right to collect the servicing fee, also will terminate and expire. The authority and power of the Servicer under the terms of the GNMA Guide will be required to pass to and be vested in GNMA, and GNMA will be the successor in all respects to the Servicer in its capacity as servicer, and will be subject to all duties placed on the Servicer by the GNMA Guide. At any time, GNMA may enter into an agreement with an institution approved by GNMA under which such institution undertakes and agrees to assume any part or all of such duties, and no such agreement will detract from or diminish the responsibilities, duties or liabilities of GNMA in its capacity as guarantor.

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

The summary and explanation of the Federal National Mortgage Association (“Fannie Mae”), Fannie Mae’s mortgage-backed securities program and the other documents referred to in this Appendix do not purport to be complete. Reference is made to said documents for full and complete statements of their provisions. Said documents and the MBS Program (defined below) are subject to change at any time by Fannie Mae. At the time of printing this Official Statement, general information regarding Fannie Mae can be accessed at <http://www.fanniemae.com>. The Authority makes no representations regarding the content or accuracy of the information provided at such website, and such website is not part of this Official Statement.

Fannie Mae is a government-sponsored enterprise organized and existing under the Federal National Mortgage Association Charter Act (12 U.S.C. §1716 *et seq.*). Fannie Mae was originally established in 1938 as a United States government agency to provide supplemental liquidity to the mortgage market. Fannie Mae became a stockholder-owned and privately managed corporation in 1968. Fannie Mae is subject to the supervision and regulation of the FHFA to the extent provided in HERA. The Secretary of HUD also exercises regulatory power over Fannie Mae. Furthermore, Fannie Mae has been under conservatorship since September 6, 2008. The conservator, the FHFA, succeeded to all rights, titles, powers and privileges of Fannie Mae and of any shareholder, officer or director of the company with respect to the company and its assets. The Authority cannot predict the long term consequences of the conservatorship of this entity and the corresponding impact on the participants and the Program.

Fannie Mae provides funds to the mortgage market by purchasing mortgage loans from lenders, thereby replenishing their funds for additional lending. Fannie Mae acquires funds to purchase mortgage loans from many capital market investors that may not ordinarily invest in mortgage loans, thereby expanding the total amount of funds available for housing. Fannie Mae operates a mortgage-backed securities program pursuant to which Fannie Mae issues securities backed by pools of mortgage loans (the “MBS Program”). As of June 3, 2019, the Fannie Mae Certificates are Uniform Mortgage-Backed Securities (“UMBS”).

*The obligations of Fannie Mae, including its obligations under the Fannie Mae Certificates and any UMBS issued by Fannie Mae, are obligations solely of Fannie Mae and are not backed by, or entitled to, the full faith and credit of the United States of America.*

The terms of the MBS Program are governed by the Fannie Mae Selling and Servicing Guides (the “Fannie Mae Guides”), as modified by the Pool Purchase Contract, and in the case of mortgage loans such as the Mortgage Loans, a Master Trust Agreement (the “Trust Agreement”), and a supplement thereto to be issued by Fannie Mae in connection with each pool. The MBS Program is further described in the MBS Prospectus issued by Fannie Mae (the “Fannie Mae Prospectus”). The Fannie Mae Prospectus is updated and supplemented from time to time.

Copies of the Fannie Mae Prospectus and Fannie Mae’s most recent annual and quarterly reports and proxy statements are available without charge from the Office of Fixed Income Securities Marketing, Fannie Mae, Attention: Fixed-Income Securities Marketing, 1100 15th Street, NW, Washington, DC 20005. At the time of printing this Official Statement, these documents can be accessed at <http://www.fanniemae.com/portal/jsp/mbs/documents/mbs/prospectus/> and <http://www.fanniemae.com/portal/about-fm/investor-relations/annual-reports-proxy-statements.html>. However, information on the Fannie Mae’s website is not part of this Official Statement.

The summary of the MBS Program set forth under this caption does not purport to be comprehensive and is qualified in its entirety by reference to the Fannie Mae Guides, the Fannie Mae Certificates, the Fannie Mae Prospectus and the other documents referred to in this Appendix.

Each Fannie Mae Certificate represents the entire interest in a specified pool of mortgage loans purchased by Fannie Mae and identified in records maintained by Fannie Mae. The Pool Purchase Contract will require that each Fannie Mae Certificate be in a minimum amount of \$250,000. Each Fannie Mae Certificate will bear interest at the pass-through rate specified thereon.

Fannie Mae will guarantee to the registered holder of the Fannie Mae Certificates that it will distribute amounts representing scheduled principal and interest at the applicable pass-through rate on the mortgage loans in the pools represented by such Fannie Mae Certificates, whether or not received, and the full principal balance of any foreclosed or other finally liquidated mortgage loans, whether or not such principal balance is actually received. *The obligations of Fannie Mae under such guarantees are obligations solely of Fannie Mae and are not backed by, nor entitled to the full faith and credit of the United States.* If Fannie Mae were unable to satisfy such obligations, distributions to the Trustee, as the registered holder of the Fannie Mae Certificates, would consist solely of payments and other recoveries on the underlying mortgage loans, and accordingly, monthly distributions to the Trustee, as the holder of the Fannie Mae Certificates, and payments on the Bonds could be adversely affected by prepayments, delinquent payments and defaults on such conventional mortgage loans.

Payments on a Fannie Mae Certificate will be made to the Trustee on the 25th day of each month (beginning with the month following the month such Fannie Mae Certificate is issued), or if such 25th day is not a business day, on the first business day next succeeding such 25th day. With respect to each Fannie Mae Certificate, Fannie Mae will distribute to the Trustee an amount equal to the total of (1) the principal due on the mortgage loans in the related pool underlying such Fannie Mae Certificate during the period beginning on the second day of the month before the month of such distribution and ending on the first day of such month of distribution, (2) the stated principal balance of any mortgage loan that was prepaid in full during the calendar month preceding the month in which the distribution date occurs (including as prepaid for this purpose at Fannie Mae’s election any mortgage loan after it is delinquent, in whole or in part, with respect to four consecutive installments of principal and interest or because of Fannie Mae’s election to repurchase such mortgage loan under certain other circumstances as permitted by the Trust Agreement), (3) the amount of any partial prepayment of a mortgage loan received during the month preceding the month in which the distribution date occurs, and (4) one month’s interest at the pass-through rate on the principal balance of the Fannie Mae Certificate as reported to the Trustee (assuming the Trustee is the registered

holder) prior to the distribution date (or, respecting the first distribution, the principal balance of the Fannie Mae Certificate on its issue date).

For purposes of distributions, a mortgage loan will be considered to have been prepaid in full if, in Fannie Mae's reasonable judgment, the full amount finally recoverable on account of such mortgage loan has been received, whether or not such full amount is equal to the stated principal balance of the mortgage loan.

The Housing and Economic Recovery Act of 2008 ("HERA") established the Federal Housing Finance Agency ("FHFA"), an independent agency of the federal government, as the new supervisory and general regulatory authority for Fannie Mae. Fannie Mae is subject to the supervision and regulation of FHFA to the extent provided in HERA, and the Director of FHFA has general regulatory authority over Fannie Mae to ensure that the purposes of HERA, the authorizing statutes and any other applicable laws are carried out.

### **FHLMC and the FHLMC Certificates**

The following summary of the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"), the Freddie Mac Guarantor Program, the Freddie Mac Certificates and Freddie Mac's mortgage purchase and servicing standards does not purport to be complete and is qualified in its entirety by reference to Freddie Mac's Mortgage Participation Certificates Offering Circular, any applicable Offering Circular Supplements, Freddie Mac's Information Statement, any Information Statement Supplements and any other documents made available by Freddie Mac. Copies of these documents can be obtained by writing, calling or e-mailing Freddie Mac's Investor Inquiry Department at 1551 Park Run Drive, McLean, Virginia 22102 (800-336-3672; e-mail: [InvestorInquiry@freddiemac.com](mailto:InvestorInquiry@freddiemac.com)). The Authority does not and will not participate in the preparation of Freddie Mac's Mortgage Participation Certificates Offering Circular, Information Statement or Supplements. At the time of printing this Official Statement, general information regarding Freddie Mac can be accessed at <http://www.freddiemac.com>. The Authority makes no representations regarding the content or accuracy of the information provided at such website, and such website is not part of this Official Statement.

Freddie Mac is a shareholder-owned, government-sponsored enterprise created on July 24, 1970, pursuant to the Federal Home Loan Mortgage Corporation Act (Title III of the Emergency Home Finance Act of 1970, as amended (12 U.S.C. §§ 1451-1459)) (the "Freddie Mac Act"). Freddie Mac is also subject to the supervision and regulation of the Federal Housing Finance Authority to the extent provided in HERA. Furthermore, Freddie Mac has operated under conservatorship with the FHFA as Conservator since September 6, 2008. Upon its appointment, FHFA, as Conservator, immediately succeeded to all rights, titles, powers and privileges of Freddie Mac and of any stockholder, officer or director of Freddie Mac with respect to Freddie Mac and its assets. The Authority cannot predict the long term consequences of the conservatorship of this entity and the corresponding impact on the participants and the Program.

Freddie Mac's statutory mission is (i) to provide stability in the secondary market for residential mortgages, (ii) to respond appropriately to the private capital market, (iii) to provide ongoing assistance to the secondary market for residential mortgages (including activities relating to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing and (iv) to promote access to mortgage credit throughout the United States (including central cities, rural areas and underserved areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.

*The obligations of Freddie Mac, including its obligations under the Freddie Mac Certificates, are obligations solely of Freddie Mac and are not backed by, or entitled to, the full faith and credit of the United States America.*

Neither the United States nor any agency or instrumentality of the United States is obligated, either directly or indirectly, to fund the mortgage purchase or financing activities of Freddie Mac.

Freddie Mac has established a mortgage purchase program pursuant to which Freddie Mac purchases a group of mortgages from a single seller in exchange for a Freddie Mac Certificate representing an undivided interest in a pool consisting of those mortgages (the “Guarantor Program”). Freddie Mac approves the institutions that may sell and service mortgages under the Guarantor Program on an individual basis after consideration of factors such as financial condition, operational capability and mortgage origination and/or servicing experience. Most sellers and servicers are HUD-approved mortgagees or FDIC-insured financial institutions.

Freddie Mac Certificates will be mortgage pass-through securities issued and guaranteed by Freddie Mac under its Guarantor Program. Freddie Mac Certificates are issued only in book-entry form through the Federal Reserve Banks’ book-entry system. Each Freddie Mac Certificate represents an undivided interest in a pool of mortgages. Payments by borrowers on the mortgages in the pool are passed through monthly by Freddie Mac to record holders of the Freddie Mac Certificates representing interests in that pool. All of the mortgages are either conventional mortgages or mortgages guaranteed or insured by FHA, the Department of Veterans Affairs, the U.S. Department of Agriculture Rural Development, or HUD (“FHA/VA Mortgages”). Conventional mortgages are pooled separately from FHA/VA mortgages. Freddie Mac issues two types of Freddie Mac Certificates — Gold PCs and ARM PCs. Gold PCs are backed by (i) fixed-rate, level payment, fully amortizing mortgages, (ii) fixed-rate Initial Interest Mortgages, or (iii) Modified Mortgages with or without Step Rate Increases. ARM PCs are backed by adjustable rate mortgages. In connection with its single security initiative, Freddie Mac has ceased issuing new Gold PCs as of June 3, 2019. As of June 3, 2019, the Freddie Mac Certificates are UMBS.

Payments on Freddie Mac Certificates begin on or about the fifteenth day of the first month following issuance for a Gold PC and on or about the 15th day of the second month after issuance for an ARM PC. Each month, Freddie Mac passes through to record holders of Freddie Mac Certificates their proportionate share of principal payments on the mortgages in the related pool and one month’s interest at the applicable PC Coupon rate. The PC Coupon rate for a Freddie Mac ARM PC is based on the weighted average of the interest rates of each Mortgage in the related PC Pool, less the rate equivalent to the servicing fees and guarantee fees applicable to each such Mortgage. In the case of a Gold PC, the PC Coupon is set at the time of issuance and does not change. Historically, the interest rates on the mortgages in a fixed-rate Gold PC pool formed under Freddie Mac’s Guarantor Program fall within a range from the PC Coupon on the Freddie Mac Certificate plus the minimum required servicing fee through the pass-through rate plus any additional amount determined by Freddie Mac. The FHFA has issued a directive to the Enterprises to limit the difference between the interest rate on Mortgages and the PC Coupon.

Freddie Mac guarantees to each holder of a Freddie Mac Gold PC, timely payment of scheduled principal payments on the related mortgages, and interest at the applicable pass-through rate, whether or not received. For ARM PCs, Freddie Mac guarantees timely payment of interest at the applicable rate, whether or not received, and full and final payment of any principal no later than the month following the final payment date. For Gold PCs, the full and final payment on each Freddie Mac Certificate will be made no later than the payment date that occurs in the month in which the last monthly payment on the Freddie Mac Certificate is scheduled to be made.

The obligations of Freddie Mac under its guarantees of the Freddie Mac Certificates, including any UMBS issued by Freddie Mac, are obligations of Freddie Mac only. The Freddie Mac Certificates, including the interest thereon, are not guaranteed by the United States and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac. If Freddie Mac were unable to satisfy its obligations under its guarantees, distributions on the Freddie Mac Certificates would consist solely of payments and other recoveries on the related mortgages; accordingly, prepayments, delinquencies and defaults on the mortgages would affect distributions on the Freddie Mac Certificates and could adversely affect payments on the Bonds.

All mortgages purchased by Freddie Mac must meet certain standards established by the Freddie Mac Act. In addition, Freddie Mac has established its own set of mortgage purchase standards, including credit, appraisal and underwriting guidelines. These guidelines are designed to determine the value of the real property securing a mortgage and the credit worthiness of the borrower. Freddie Mac's administration of its guidelines may vary based on its evaluation of and experience with the seller of the mortgages, the loan-to-value ratio and age of the mortgages, the type of property securing the mortgages and other factors.

Freddie Mac has also established servicing policies and procedures to support the efficient and uniform servicing of the mortgages it purchases. Each servicer must perform diligently all services and duties customary to the servicing of mortgages in a manner consistent with prudent servicing standards. The duties performed by a servicer include collection and remittance of principal and interest to Freddie Mac administration of escrow accounts; collection of insurance or guaranty claims; property inspections; and, if necessary, foreclosure. Freddie Mac monitors servicers' performance through periodic and special reports and inspections.

In the event of an existing or impending delinquency or other default on a mortgage, Freddie Mac may attempt to resolve the default through a variety of measures. In determining which measures to pursue with respect to a given mortgage and when to initiate such measures, Freddie Mac seeks to minimize the costs that may be incurred in servicing the mortgage, as well as Freddie Mac's possible exposure under its guarantees. However, the measures that Freddie Mac may choose to pursue to resolve a default will not affect Freddie Mac's guarantees. Freddie Mac generally repurchases from a pool any mortgage that has remained delinquent for at least 120 consecutive days and makes payment of principal to record holders.

HERA established the FHFA, an independent agency of the federal government, as the new supervisory and general regulatory authority for Freddie Mac. Freddie Mac is subject to the supervision and regulation of FHFA to the extent provided in HERA, and the Director of FHFA has general regulatory authority over Freddie Mac to ensure that the purposes of HERA, the authorizing statutes and any other applicable laws are carried out.

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**APPENDIX E**

**FORM OF OPINION OF BOND COUNSEL**

[Date of Delivery]

Illinois Housing Development Authority  
Chicago, Illinois

The Bank of New York Mellon Trust Company, N.A., as Trustee  
Chicago, Illinois

RE: Illinois Housing Development Authority Revenue Bonds, 2024 Series B (Taxable) (the “Bonds”), issued pursuant to the Revenue Bonds General Indenture, dated as of March 1, 2016, between the Illinois Housing Development Authority (hereinafter called the “Issuer”), and The Bank of New York Mellon Trust Company, N.A., as Trustee (hereinafter called the “Trustee”) as previously supplemented and amended and as further supplemented by the Series Indenture, dated as of March 1, 2024 (hereinafter collectively called the “Indenture”); Total Issue: \$349,250,000.

Ladies and Gentlemen:

We have examined a certified transcript (the “Transcript”) of proceedings containing (1) the proceedings of the Issuer relating to the authorization, issuance and sale of the Bonds and the approval and execution of the Indenture, including the resolution pertaining to the Bonds adopted by the Issuer on January 19, 2024, together with a Determination made by authorized officers of the Issuer (collectively, the “Resolution”); (2) certificates showing execution, authentication and delivery of the Bonds and no litigation pending as of said date of delivery; and (3) an executed counterpart of the Indenture. Capitalized terms appearing in this opinion letter that are otherwise not defined herein shall have the meanings ascribed thereto in the Indenture.

In delivering our opinion, we have relied upon our examination of the Transcript and other certificates and representations of the Issuer, certain public officials and others, and have not undertaken to verify any facts by independent investigation.

The Bonds mature on the dates, bear interest at the rates payable on the interest payment dates, are issuable in the denominations and are subject to redemption at the times, and upon the terms, that are set forth in the Indenture.

Based upon the foregoing and our review of such other information, papers, documents and laws as we believe necessary or advisable, we are of the opinion that:

1. The Issuer is a legally existing body politic and corporate of the State of Illinois.
2. Under the Illinois Housing Development Act, as amended to the date of this opinion (the “Act”), the Issuer has the right and power to adopt the Resolution and to execute and deliver

the Indenture. The Resolution has been duly and lawfully adopted by the Issuer, is in full force and effect, is valid and binding upon the Issuer and is enforceable in accordance with its terms. The Indenture has been duly authorized, executed and delivered by the Issuer and assuming due authorization, execution and delivery thereof by the Trustee, is a valid and binding agreement of the Issuer.

3. The Indenture creates the valid pledge which it purports to create of the Pledged Property to secure the Bonds, including Revenues derived from Mortgage Loans and Mortgage Backed Securities and certain Funds and Accounts held by the Trustee, subject to the application thereof to the purposes and on the conditions permitted by the Indenture.
4. The Bonds are legal, valid and binding special limited obligations, and not general or moral obligations, of the Issuer, enforceable in accordance with the terms thereof, are payable from and secured on a parity with the bonds issued under the Indenture by a pledge of certain payments to be received by the Issuer and the Trustee pursuant to the Indenture, and are entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the Indenture on a parity with the bonds to be issued under the Indenture.
5. Under statutes, decisions, regulations and rulings existing on this date, the income from the Bonds is free from all taxation by the State of Illinois or its political subdivisions, except for estate, transfer and inheritance taxes.
6. The interest on the Bonds is not excludable from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended and in effect on this date (the "Code").

It should be noted that the Issuer has no taxing power and the Bonds are not a debt of the State of Illinois and the State of Illinois is not liable on the Bonds. The Bonds are not subject to Section 26.1 of the Act. No opinion is expressed upon the consequences of owning the Bonds under any other section of the Code.

It is to be understood that the rights of the owners of the Bonds, the Issuer and the Trustee and the enforceability of the Bonds and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in accordance with general principles of equity. It is to be further understood that the rights of the owners of the Bonds, the Issuer and the Trustee and the enforceability of the Bonds and the Indenture may be subject to the valid exercise of the constitutional powers of the State of Illinois and the United States of America.

Very truly yours,

## APPENDIX F

### SUMMARY OF THE CONTINUING DISCLOSURE UNDERTAKING OF THE AUTHORITY

#### Undertaking

In order to assist the Underwriters in complying with Rule 15c2-12(b)(5) (the “Rule”) of the United States Securities and Exchange Commission (the “SEC”), the Authority will execute a Continuing Disclosure Undertaking. The following information summarizes the obligations of the Authority under the Continuing Disclosure Undertaking.

#### Annual Financial Information

Each year the Authority will provide the annual financial information described below to the Municipal Securities Rulemaking Board (“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 annual financial information will consist of 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 aggregate principal balance, weighted average interest rate and weighted average term of (a) Mortgage-Backed Securities and (b) Mortgage Loans not underlying Mortgage-Backed Securities, and (iii) the amount of money and securities in the Reserve Fund, if any. The annual financial information will be provided not later than the 180th day following the end of each of the Authority’s fiscal years, beginning with the fiscal year ending June 30, 2023. Copies of the annual financial information will also be made available to any beneficial or registered owner of the Series 2024B Bonds upon request.

The annual financial information may include any or all information by incorporating, by specific reference, other documents which have been provided to EMMA. If the incorporated information is in an Official Statement, it must be available from the MSRB. The annual financial information will include a notice of any change in the Authority’s fiscal year.

#### Reporting Significant Events

Upon the occurrence of any of the following events with respect to the Series 2024B Bonds, the Authority will report the event to EMMA in a timely manner and in any event within ten (10) business days of the occurrence of such event:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements (if any are subsequently provided) reflecting financial difficulties;
5. substitution of credit or liquidity providers (if any such enhancement is subsequently provided) or their failure to perform;

6. 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 2024B Bonds, or other material events affecting the tax status of the Series 2024B Bonds;
7. modifications to rights of Owners of the Series 2024B Bonds, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Series 2024B Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership or similar event of the Authority;
13. 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;
14. the appointment of a successor or additional trustee or the change of the name of a trustee, if material;
15. incurrence of a financial obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Authority, any of which affect security holders, if material; and
16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Authority, any of which reflect financial difficulties.

For purposes of the Rule, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). 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 EMMA of any failure to timely provide the annual financial information as provided in the continuing disclosure undertaking.

## **Enforcement**

The agreements of the Authority in the Continuing Disclosure Undertaking are a contract between the Authority and the beneficial and registered owners from time to time of the Series 2024B Bonds. Such agreements may be enforced by any beneficial or registered owner of the Series 2024B Bonds. The sole remedy with respect to the Authority’s compliance with its undertaking will be to require compliance. The Continuing Disclosure Undertaking is solely for the benefit of the beneficial or registered owners of the Series 2024B Bonds from time to time, and will create no right in anyone else. The Trustee has no powers

or duties under the Continuing Disclosure Undertaking. No violation by the Authority of any provision described in the Continuing Disclosure Undertaking will constitute any Event of Default or a default under the Indenture or under the Act.

### **Termination**

The obligation of the Authority under the Continuing Disclosure Undertaking will end upon the Series 2024B Bonds being paid or treated as paid as provided in the Indenture, except for the obligations to give notice under clauses (6) or (8) above under the caption “Reporting Significant Events.”

### **Amendment**

The Authority may by resolution amend the Continuing Disclosure Undertaking 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 the Continuing Disclosure Undertaking, 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 EMMA and the Trustee.

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## APPENDIX G

### ILLINOIS HOUSING DEVELOPMENT AUTHORITY IMPACT FRAMEWORK

Where a family lives determines access to schools, jobs, transportation, healthcare and more. For these reasons, expanding the availability and access to quality housing is one of the most essential actions the Illinois Housing Development Authority (“IHDA”) takes on behalf of Illinois families.

IHDA was created in 1967 by the State of Illinois (the “State”) to assist in the financing of decent, safe, and affordable rental housing for persons and families of low and moderate income in the State, and to assist in the financing of residential mortgages in the State for persons and families of low and moderate income. IHDA believes that affordable housing is a fundamental component of strong communities and serves as the foundation of personal and economic well-being.

To accomplish its mission, IHDA (1) finances homeownership loans through the acquisition of single family home loans from lending institutions throughout the State under IHDA’s Homeownership Program and (2) makes mortgage loans or other loans to developers of affordable housing for the acquisition, construction or rehabilitation of affordable rental housing developments in the State. IHDA financing for its Homeownership Program and its Multifamily Program includes the issuance of bonds pursuant to the Act.

To highlight IHDA’s impact and attract capital to support its mission, IHDA introduced its Social Bonds designation in 2021 for bonds issued to finance homeownership loans. In 2021, IHDA introduced its Sustainability Bonds designation for bonds issued to finance loans to developers of affordable multifamily rental developments. IHDA also periodically uses a Social Bonds designation for certain bonds issued under its Multifamily Program. The following table provides a summary of IHDA’s issuance of Social Bonds and Sustainability Bonds (collectively, “Impact Bonds”) under both its Homeownership and Multifamily Programs.

Illinois Housing Development Authority Impact Bonds		
Homeownership Program	Multifamily Program	
Social Bonds	Sustainability Bonds	Social Bonds
\$1,273.5 million IHDA Social Bonds issued from January 1, 2021 to May 31, 2023	\$68.4 million IHDA Sustainability Bonds issued from January 1, 2022 to May 31, 2023	\$23.6 million IHDA multifamily Social Bonds issued from January 1, 2022 to May 31, 2023

IHDA’s Social Bonds are aligned with the four core components of the International Capital Market Association’s\* (ICMA) Social Bonds Principles, and its Sustainability Bonds are aligned with the four core components of the ICMA’s Green Bonds Principles, Social Bonds Principles, and Sustainability Bonds Guidelines, and focus on: (1) Use of Proceeds, (2) Process for Project Evaluation and Selection, (3) Management of Proceeds, and (4) Transparency through Ongoing Reporting.

The following table provides a summary of the two components of IHDA’s Impact Framework: its Social Bonds Framework and its Sustainability Bonds Framework.

<b>Illinois Housing Development Authority’s Impact Bond Framework</b>			
	<b>Homeownership Program</b>	<b>Multifamily Program</b>	
<b>ESG Designation/Framework</b>	<b>Social Bonds</b>	<b>Sustainability Bonds</b>	<b>Social Bonds</b>
<b>Use of Proceeds</b>	Finance Homebuyer and Down Payment Assistance Programs	Finance affordable multifamily rental housing projects benefiting from LIHTC allocation that include energy efficiency features	Refinance affordable, multifamily rental housing projects benefiting from LIHTC allocation
<b>Process for Project Evaluation and Selection</b>	Qualified Mortgage Issue under Sec. 103 of I.R.C. of 1986	IHDA’s Qualified Allocation Plan <sup>†</sup>	IHDA’s Qualified Allocation Plan
<b>Management of Proceeds</b>	Proceeds are deposited in segregated account and invested in investment obligations until disbursed to finance mortgage loans or mortgage-backed securities	Proceeds are deposited in segregated account and invested in investment obligations until disbursed to finance multifamily projects	Proceeds are deposited in segregated account and invested in investment obligations until disbursed to finance multifamily projects
<b>Reporting</b>	Annual	Annual	One-time
<b>ICMA Goals</b>	Nos. 1, 8, 10, 11	Nos. 1, 7, 11	Nos. 1, 11
<b>UN SDG Targets</b>	1.4, 8.10, 10.2, 10.3, 11.1	1.4, 7.3, 11.1	1.4, 11.1

\* The ICMA is a not-for-profit, membership organization that, among other things, works to “promote the development of the international capital and securities market.” For more on the ICMA, see its website at <https://www.icmagroup.org/About-ICMA/>.

<sup>†</sup> The IHDA Qualified Allocation Plan is discussed at Section II of this document, and a copy of the QAP can be found on IHDA’s website.

## **I. IHDA’S SINGLE FAMILY PROGRAM – Social Bonds**

Through its homebuyer programs, IHDA’s goal is to achieve the following objectives: (i) the provision of funds to finance, at affordable interest rates and/or other terms more favorable than those otherwise available, residential mortgage loans for low and moderate income persons and families; (ii) the provision of housing to alleviate the shortage of adequate housing in the State for persons and families that are residents of the State; and (iii) the effective participation by mortgage lenders in IHDA’s homebuyer programs. Since 1970, IHDA has provided more than \$9.7 billion to finance 92,500+ units of affordable, single family housing. During fiscal year 2022, IHDA originated \$981.4 million in first mortgage loans and \$53.9 million in down payment assistance to help 6,630 Illinois families purchase their first home.

In furtherance of its mission, IHDA issues bonds to finance its single family housing mortgage loan program, pursuant to the Illinois Housing Development Act, as amended (the “Act”) and a Revenue Bonds General Indenture dated as of March 1, 2016 (the “General Indenture”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee. IHDA established its single family housing program under the General Indenture to provide funds to purchase residential mortgage loans originated throughout the State (or participation interests in such loans) (“Mortgage Loans”) and mortgage-backed securities that are backed by Mortgage Loans and guaranteed by the Government National Mortgage Association (“GNMA”), the Federal National Mortgage Association (“Fannie Mae”) or the Federal Home Loan Mortgage Corporation (“Freddie Mac” or “FHLMC”) (or participation interests in such securities) (the “Mortgage-Backed Securities”). IHDA is authorized by the Act to have up to \$7.2 billion aggregate principal amount of bonds outstanding, excluding those issued to refund its outstanding bonds and notes.

### **A. Homebuyer Programs**

IHDA’s core homebuyer program offers 30-year fixed interest rate mortgage loans to make homeownership affordable for first-time homebuyers and persons who have not owned a home in the last three years. Under the Act, the General Indenture, and Section 103 of the Internal Revenue Code of 1986 (the “Code”), to qualify for an IHDA mortgage loan, applicants must meet income criteria specific to the particular county of the State, and the owner-occupied home they plan to purchase must be within sales price guidelines specific to the area of the State. In areas designated as “Targeted Areas,” or census tracts defined by the IRS as an area of chronic economic distress which could benefit from increased homeownership, income limit and sales price limits may be increased.

In addition, IHDA Single Family Social Bonds finance two additional homebuyer programs that provide families with a further opportunity to increase generational wealth and build homeownership accessibility:

#### **1. Opening Doors**

Opening Doors is designed to increase home purchase accessibility for low-and moderate-income homebuyers across Illinois to break the cycle of renting and achieve a path to sustainable homeownership. Opening Doors provides a 30-year fixed rate first mortgage with down payment and/or closing cost assistance in the form of a \$6,000 forgivable second mortgage that is forgiven monthly over five years. Eligible borrowers may be first-time or non-first-time homebuyers who live in any county statewide, including DACA recipients.

#### **2. Smart Buy**

This program is designed to increase home purchase accessibility and help build a new generation of wealth, grow the middle class, and increase homeownership opportunity for low to moderate income

Illinois borrowers affected by increasing student loan debt. Smart Buy provides a 30-year fixed rate first mortgage with down payment and/or closing cost assistance in the form of a \$5,000 second mortgage. The repayment of the second mortgage is deferred and becomes due upon sale, payoff, transfer, or refinance of the first mortgage. In addition, IHDA provides 15% of the purchase price (up to \$40,000) in assistance for student loan debt relief. Eligible borrowers must have at least \$1,000 in student loan debt and must pay off their full remaining student loan balance at mortgage loan close.

## **B. Down Payment Assistance Programs**

Designed to increase home purchase accessibility and affordability, IHDA offers the following *Access* down payment assistance programs in conjunction with its 30-year fixed rate first mortgage loans:

1. Access Forgivable – provides a second mortgage loan of 4% of the purchase price (up to \$6,000) in down payment and/or closing cost assistance which is forgiven monthly over ten years.
2. Access Deferred – provides a second mortgage loan of 5% of the purchase price (up to \$7,500) in down payment and/or closing cost assistance, the repayment of which will be deferred for 30 years, unless repaid sooner, or in the event of a refinance or sale of the property, at which time the second mortgage will become due.
3. Access Repayable – provides a second mortgage loan of 10% of the purchase price (up to \$10,000) in down payment and/or closing cost assistance, the repayment of which will amortize monthly over a 10-year period at 0% interest rate.

## **C. Homebuyer Education and Counseling**

To ensure financial preparedness, all IHDA mortgage programs are offered in tandem with free financial education and pre-purchase counseling to ensure new homebuyers have the education and support they need to make sustainable homeownership possible. To satisfy the IHDA mortgage pre-purchase education requirement, homebuyer education courses must (i) meet standards defined by HUD, or the National Industry Standards for Homeownership Education and Counseling; (ii) be completed by all borrowers listed on the transaction; (iii) provide a certificate with the borrower(s) name(s) and completion date; and (iv) be completed prior to closing and no more than one year prior to the closing date. For two-unit properties, Landlord education is required in addition to homebuyer education.

## **D. Bonds Alignment with the Social Bond Principles**

“Social Bonds are use of proceeds bonds that raise funds for new and existing projects with positive social outcomes.”\* IHDA Single Family Social Bonds are used to finance affordable, single family housing in the State of Illinois. IHDA’s Social Bonds Framework aligns with the International Capital Market Association’s (ICMA) Social Bonds Principles via the four following components: (1) Use of Proceeds, (2) Process for Project Evaluation and Selection, (3) Management of Proceeds, and (4) Transparency through Ongoing Reporting.

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\* International Capital Market Association Social Bond Principles at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/> (last accessed January 31, 2023).

1. Use of Proceeds

IHDA designates its single family bonds as Social Bonds based on the intended use of proceeds: to finance the affordable homeownership and down payment assistance programs described above for homebuyers in the State who meet certain income criteria.

The following tables provide summary data describing historical loan origination activity and historical borrower profile for mortgage loans financed by IHDA from January 2018 through September 2022.

<b>Illinois Housing Development Authority Homebuyer Program Highlights (January 2018 – September 30, 2022) For Mortgage Loans Financed* under the General Indenture</b>	
Total Mortgage Loans Originated	9,013 loans totaling \$1.36 billion
Down Payment Assistance Program Loans <sup>†</sup>	9,013 or 100% of total first loans totaling \$60.91 million
Loans in Federally Targeted Areas	290, or 3.22%, of total first loans
Average Loan Amount	\$151,850
Average Purchase Price	\$157,979
Borrower's Average Annual Gross Income	\$59,157
Average Household Size	2.21
Loans to Female Heads of Household	45.28%
Loans to Minority Borrowers	49.77%

<b>Illinois Housing Development Authority Mortgage Loans<sup>1</sup> Originated by Borrower Income as a Percentage of Area Median Income and Financed under the General Indenture</b>		
AMI Band	# of Loans	\$ of Loans (\$000s)
Below 80%	4,355	602,108
80% - 100%	4,658	761,585
Totals	9,013	1,363,693

\* Mortgage Loans were pooled into Mortgage-Backed Securities.

<sup>†</sup> Down Payment assistance loans are currently funded with available IHDA funds outside of the General Indenture.

## 2. Process for Loan Evaluation and Selection

The Code substantially restricts the use of proceeds of tax-exempt obligations used to finance mortgage loans for single-family housing. Under the Code, interest on bonds, the proceeds of which are used to provide mortgage loans on owner-occupied housing, is not excluded from gross income for federal income tax purposes unless the bonds are part of a “qualified mortgage issue.” An issue of bonds constitutes a “qualified mortgage issue” if the requirements described below under “Loan Eligibility Requirements Imposed by the Code” and requirements described below with respect to the use of funds generated by the issuance of such obligations are met.

The Code contains the following loan eligibility requirements that are applicable to mortgage loans financed in whole or in part by Single Family Social Bonds, or otherwise attributable to Single Family Social Bonds, for federal income tax purposes in order that interest not be included in gross income for federal income tax purposes retroactive to the date of issuance thereof. IHDA also issues taxable bonds to finance mortgage loans generally meeting the below loan eligibility requirements:

- Residence Requirement

Each premises financed with proceeds of qualified mortgage bonds must be a one-to-four-family residence, one unit of which can reasonably be expected to become the principal residence of the mortgagor within a reasonable time after the financing is provided. In the case of a two- to-four-family residence (other than two-family residences in targeted areas having borrowers whose family income does not exceed 140% of applicable family median income), the residence must have been occupied as a residence at least five years before the mortgage is executed.

- First-Time Homebuyer Requirement

Subject to certain exceptions, the lendable proceeds of qualified mortgage bonds must be used to provide financing to mortgagors who have not had a present ownership interest in their principal residence (other than the residence being financed) during the three-year period prior to execution of the mortgage loan.

- New Mortgage Requirement

With certain limited exceptions, the lendable proceeds of qualified mortgage bonds must finance new mortgage loans only and no proceeds may be used to acquire or replace an existing mortgage loan, which would include the refinancing of a pre-existing mortgage loan.

- Purchase Price Limitation

The purchase price of the residence financed with the lendable proceeds of qualified mortgage bonds may not exceed 90% of the average area purchase price applicable to such residence or 110% of the applicable average area purchase price in the case of residences located in targeted areas.

- Income Limitations

All mortgage loans made from the lendable proceeds of qualified mortgage bonds must be made only to borrowers whose family income does not exceed 115% (or for mortgage loans made to families with fewer than three members, 100%) of the applicable median family income. An exception is provided for mortgage loans financed with the lendable proceeds of qualified mortgage bonds made with respect to targeted area residences that permits two-thirds in aggregate amount of such mortgage loans to be made with respect to borrowers whose family income does not exceed 140% (for mortgage loans made to families

with fewer than three members, 120%) of the applicable median family income and one-third in aggregate amount of such loans to be made without regard to any income limitation. Family income includes income of all individuals executing both the note and mortgage and occupying the dwelling as their principal residence.

- Requirements as to Assumptions

The Code provides that a mortgage loan may be assumed only if each of the then applicable residence requirement, first-time homebuyer requirement, purchase price limitation, and income limitation is met with respect to such assumption.

3. Management of Proceeds

Net of certain transaction costs, the proceeds of Single Family Social Bonds are deposited in segregated accounts under the General Indenture and invested in investment obligations until disbursed to finance mortgage loans or mortgage-backed securities backed by pools of mortgage loans.

4. Post-Issuance Reporting

IHDA voluntarily provides annual updates regarding the disbursement of the proceeds of Single Family Social Bonds in the form shown below. IHDA provides such voluntary disclosure until the applicable lendable proceeds for a particular issuance have been fully expended. While IHDA posts annual updates on the Electronic Municipal Market Access system (“EMMA”), this reporting is separate from IHDA’s post-issuance continuing disclosure obligation. Failure by IHDA to provide such updates is not a default or event of default under the General Indenture or any continuing disclosure agreement.

**FORM OF SOCIAL BONDS ANNUAL REPORT**

<b>Series [____] Bond Proceeds Summary</b>	
Total Original Lendable Proceeds	\$ _____
Amount of Proceeds Spent to Acquire Mortgage Loans and/or Mortgage-Backed Securities as of [date]	_____
Bond Proceeds Remaining as of [date]	\$ _____

<b>Purchased Series 20__ Mortgage Loans and/or Mortgage-Backed Securities as of [_____] by Borrower Income as a Percentage of Area Median Income (AMI)</b>		
<b>AMI Band</b>	<b># of Loans</b>	<b>\$ of Loans (\$000s)</b>
Below 80%		
80% - 140%		
Totals		

<b>Purchased Series _____ Mortgage Loans and/or Mortgage-Backed Securities</b> <b>as of [_____]</b> <b>by Borrower Income as a Percentage of Area Median Income (AMI)</b>		
AMI Band	# of Loans	\$ of Loans (\$000s)
50% and below		
50.1% - 60%		
60.1% - 70%		
70.1% - 80%		
80.1% - 90%		
90.1% - 100%		
100.1% - 140%		
Totals		

**E. Bonds Alignment with United Nations Sustainable Development Goals**

By reference to the ICMA’s *Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals (June 2022)*, which links the ICMA Social Bond Principles to the framework provided by the United Nations 17 Sustainable Development Goals (“SDGs”), IHDA’s homebuyer programs and the intended use of proceeds of the Single Family Social Bonds are relevant to the following SDGs:

- *Goal No. 1 (No Poverty)* is focused on ending poverty in all its forms everywhere. Target 1.4 maps to the SDG categories of Affordable Housing, Access to Essential Services and Socioeconomic Advancement and Empowerment.
- *Goal No. 8 (Decent Work and Economic Growth)* is focused on promoting sustainable, and inclusive economic growth. Target 8.10 maps to the SDG category of Access to Essential Services.
- *Goal No. 10 (Reduced Inequalities)* is focused on reducing inequality and promoting social and economic inclusion for all. Target 10.2 maps to the SDG categories of Access to Essential Services and Socioeconomic Advancement and Empowerment, and Target 10.3 maps to the SDG category of Socioeconomic Advancement and Empowerment.
- *Goal No. 11 (Sustainable Cities and Communities)* is focused on making cities and human settlements inclusive, safe, resilient and sustainable. Target 11.1 maps to the SDG category of Affordable Housing.

The SDGs were adopted by the United Nations General Assembly on September 25, 2015, as part of its 2030 Agenda for Sustainable Development.

## II. IHDA's MULTIFAMILY PROGRAM

In addition to providing assistance to low and moderate income homebuyers and homeowners, IHDA offers resources to developers that build or preserve affordable and mixed-income rental housing and provide oversight for hundreds of affordable rental communities across the State. IHDA established its multifamily housing program pursuant to the Illinois Housing Development Act, as amended (the "Act") and a Revenue Bonds General Indenture dated as of March 1, 2016 (the "General Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee.

IHDA accomplishes its goal of financing multifamily affordable housing through a number of funding sources, including Low Income Housing Tax Credits ("LIHTC"). The LIHTC program is a dollar-for-dollar federal tax credit for affordable housing investments created under the Tax Reform Act of 1986. It provides incentives to raise private equity for the development of affordable housing for low income households. Tax credits are claimed through the Internal Revenue Service. Although the U.S. Treasury Department is the final authority on the program, it is administered at the state level by housing finance agencies like IHDA. Additionally, the Illinois Administrative Code provides state rules governing the LIHTC program. In exchange for LIHTCs, developers commit to lease units to low income households, to charge affordable rents, and to maintain the property in good condition.

IHDA's multifamily program uses bond proceeds to finance affordable, multifamily rental housing projects benefiting from either a 4% or 9% LIHTC allocation, as set forth in the State's Qualified Allocation Plan (the "QAP"). The QAP details how IHDA awards LIHTC tax credits and serves as a framework for the development and rehabilitation of affordable rental units. Affordable housing developers apply for tax credits with IHDA, which selects developments to receive LIHTC awards based on competitive application criteria. In addition to providing rental housing for low and moderate income families, multifamily projects financed with Sustainability Bonds finance housing for seniors, persons with special needs, and residents requiring supportive housing. In addition, multifamily affordable housing projects that receive a LIHTC allocation also tend to receive subsidy payments under the federal Housing Assistance Payment Program (or Section 8). LIHTC projects are typically designated for residents at between 30% and 80% AMI.

IHDA has financed more than 150,000 affordable rental homes since 1967. One of every 18 rental units in the State was built or rehabilitated with IHDA resources. IHDA's investments result in quality housing that serve working families, seniors, and persons with special needs.

### A. IHDA Green Standards

Applicants seeking IHDA multifamily development financing must show that the project will meet the following IHDA Green Standards.

#### 1. Enterprise Green Communities

Although Enterprise Green Communities ("EGC") certification is not required, projects receiving tax credits must adhere to EGC's 40 mandatory criteria in the eight major sections of the EGC program, unless pursuing certification under one of IHDA's Green Building Standards (discussed below). The eight sections of the EGC criteria are:

- *Integrative Design*: measures to ensure an integrated design process with sustainable building elements.
- *Location and Neighborhood Fabric*: thoughtful site location to connect to existing neighborhood fabric.

- *Site Improvement*: efforts during construction and with landscaping to improve the site.
- *Water*: water conservation measures.
- *Operating Energy*: improving operating energy performance with updated Architectural Standards, appropriately sized HVAC, and energy efficient appliances and lighting.
- *Materials*: healthier material selection and effective moisture control.
- *Healthy Living Environment*: measures to ensure healthy living for residents.
- *Operations, Maintenance, and Resident Engagement*: guidance for property managers, building operators, and residents on how to maximize benefits during operation.

## 2. Green Building Standards Certification

Projects with architectural design and construction that meet or exceed energy efficiency and green criteria can obtain additional points in the Project Application by certifying to one of the following standards:

- 2020 Enterprise Green Communities – projects that select the scoring criteria 5.5b “Moving to Zero Carbon: All Electric”
- LEED 4.1 Building Design and Construction (BD+C at the Gold or Platinum levels)
- National Green Building Standards (NGBS) at the Emerald Level
- Passive House Institute United States (PHIUS) CORE certification
- International Living Future Institute’s (ILFI) Core Green Building Certification and Living Building Challenge 4.0 (Petals certification program)

## 3. Net Zero Certification

Criteria and certification process for third-party Net Zero Certifications can be accessed via the respective third-party websites for each standard. Applicant sponsors must provide proof of project registration in the program of their choice at the time the Project Application is submitted. When the Project receives a certificate of occupancy, sponsors must provide documentation to IHDA that they have achieved requisite certification. In lieu of certification, IHDA, in its sole discretion, may accept an alternative verification from a reliable third party qualified to confirm that the Project complies with the certification requirements, despite not receiving the official documentation.

## 4. Architectural Requirements

In connection with applying for financing from IHDA, an applicant must demonstrate that the project will satisfy IHDA’s Standards for Architectural Planning and Construction (the “Architectural Standards”), which details minimum quality standards for the design and construction of quality affordable housing. The Architectural Standards are used by IHDA to evaluate plans and specifications for proposed affordable housing developments, including new construction, rehabilitation, and the adaptive reuse of buildings. Applicants must include the “Architectural Standards, Universal Design and Amenities

Certification” (found on IHDA’s website), signed by a licensed architect in their capacity as Architect of Record for the project.

5. Architectural Standards

The Architectural Standards impose a number of requirements, including the following mandatory requirements:

- All minimum green design requirements
- All applicable federal and state accessibility laws and/or as specified in Section 9.00 of the Architectural Standards, including:
  - At least 10% of the total units in the Project are designed for persons with mobility impairments;
  - At least 20.0% of the total dwelling units must comply with the Requirements for Adaptable Dwelling Units (Section 233.6.5 of the Illinois Accessibility Code);
  - At least 2% of the total units in the Project are designed for persons with sensory impairments (not less than one unit)
- All units must be provided with broadband internet infrastructure.

Rehabilitation projects are required to meet these minimum accessibility requirements. However, IHDA understands the challenges sometimes presented by rehabilitation projects. An applicant may submit a written request specifying project-related challenges as a result of acceptable definitions within the Illinois Accessibility Code (such as elements technical feasibility, structurally impracticability, etc.). The written request must specify the following items:

- The applicable section of the Accessibility Code
- The specific exemption being sought, and the applicable Accessibility Code section allowing the exemption
- A description explaining why the exemption applies
- Narrative and cost analysis of any alternatives explored to provide code required elements

6. Universal Design

Universal Design, as defined by the Center of Universal Design, is “the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialization.” IHDA recognizes the need to create housing including Universal Design features while maintaining aesthetics and affordability. Universal Design is not a safe harbor from other required accessibility codes, but is utilized as a supplement to any code requirements.

To award projects willing to provide Universal Design elements above the code, IHDA requires that each project include ten additional items not required by code in 100% of the units. As such, the application must identify any and all Universal Design principles to be integrated into the unit design.

Applications seeking an exception to this requirement must provide a detailed narrative explaining the reason Universal design features cannot be provided.

7. Amenities

Applications must include preliminary architectural plans and specifications that include all of the following:

1. Cover sheet with development title, development team, drawing index, building areas and code information;
2. Dimensioned floor plans, including square footage, for all unit and building types, with room designations and proposed finishes;
3. Typical wall sections;
4. Exterior elevations for all building types with material notations matching those defined within the scoping document discussed below;
5. A site plan showing the placement and orientation of buildings, parking areas, sidewalks, easements, setbacks, trash dumpsters, buffers, storm water detention, required site amenities, and significant natural features;
6. Preliminary landscape plan;
7. Certification of Project Scope, signed by the architect and sponsor. The Certification must include a written description of the full project scope. Items to be included, but not limited to, in this document are:
  - Specifications indicating all materials selected and/or defined performance criteria (e.g., windows, doors, hardware, drywall, exterior materials, floor and wall finishes);
  - Definition of structural systems to be modified/installed as part of the project;
  - Programmatic description of the proposed furniture, fixtures, and equipment items;
  - Definition of the project’s sustainability strategy in the form of a certification checklist, energy model or detailed description of elements provided and their expected impact consistent with the level of points requested in the Project Application;
  - Written description of HVAC system to be installed; and
  - Definition of any/all other unique items included in the Project.

8. Rehabilitation and Adaptive Reuse Projects

Projects involving the rehabilitation of existing buildings require a Physical Needs Assessment (“PNA”), completed according to IHDA’s Standards for Property Needs Assessments and based on the

existing condition of the property. Projects requesting LIHTC must include a minimum budgeted amount of hard construction costs per unit and minimum project scope, including but not limited to the following:

- Replacement of all plumbing fixtures within the entire project with fixtures meeting the fixture criteria identified in Standards for Architectural Planning and Construction.
- Replacement of all light fixtures throughout the project with high efficacy light sources – 65 lumens per watt, or luminaires with an efficacy of not less than 45 lumens per watt.
- Replacement of all flooring throughout the project with FloorScore certified flooring.
- Repair/Replacement of one additional major system beyond 90% of its useful life (furnaces, water heaters, central boilers, air conditioning equipment, elevator, windows, roofing, tuckpointing of exterior masonry, etc.) throughout the entire building.
- Painting of all units and common areas.

IHDA may waive any of the above items based on the PNA.

#### 9. IHDA Standards for Environmental Reviews and Professionals

All applicants for multifamily financing from IHDA must submit a Phase I Environmental Report from a professional firm experienced in providing environmental reports. Phase I assessments must be completed within one year prior to the QAP application deadline, consistent with the requirements of IHDA's Standards for Environmental Reviews and Professionals (the "Standards for Environmental Reviews").

The Standards for Environmental Reviews provide firm 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 site contains hazardous substances such as lead-based paint, mercury, PCBs, hazardous liquids or gases, elevated radon levels or asbestos, IHDA 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 IHDA, 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 IHDA’s mission 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.

## **B. Bonds Alignment with Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines**

“Sustainability Bonds are bonds where the proceeds will be exclusively applied to finance or re-finance a combination of both green and social projects.”\* IHDA designates certain series of multifamily housing bonds as Sustainability Bonds based on the intended use of proceeds: to finance affordable multifamily rental housing that includes energy efficiency standards and features. IHDA believes the intended use of proceeds of Sustainability Bonds, and the manner of expenditure of such funds, are consistent with the four core components described by the ICMA in *Green Bond Principles*, *Social Bond Principles*, and *Sustainability Bond Guidelines*: (1) Use of Proceeds, (2) Process for Evaluation and Selection, (3) Management of Proceeds and (4) Reporting.

### 1. Use of Proceeds

IHDA Sustainability Bonds are used to finance affordable, multifamily rental housing projects benefiting from 4% or 9% LIHTC allocation and which design specifications are consistent with the State’s energy efficiency and conservation requirements as set forth in the QAP, which is updated annually.

### 2. Project Evaluation and Selection

The QAP details how IHDA awards LIHTC tax credits and serves as a framework for the development and rehabilitation of affordable rental units. Affordable housing developers apply for tax credits with IHDA, which selects developments to receive LIHTC awards based on competitive application criteria. The application process begins with the developer submitting a Preliminary Project Assessment (“PPA”) to IHDA prior to submitting a Project Application. Only upon receipt of an approval notice of the PPA may an applicant submit a full Project Application. Project Applications must include a Phase I environmental site assessment completed within one year prior to the application deadline.

In addition, Section 42(m) of the Code requires IHDA to include the following selection criteria in the QAP:

- Project location
- Housing need characteristics

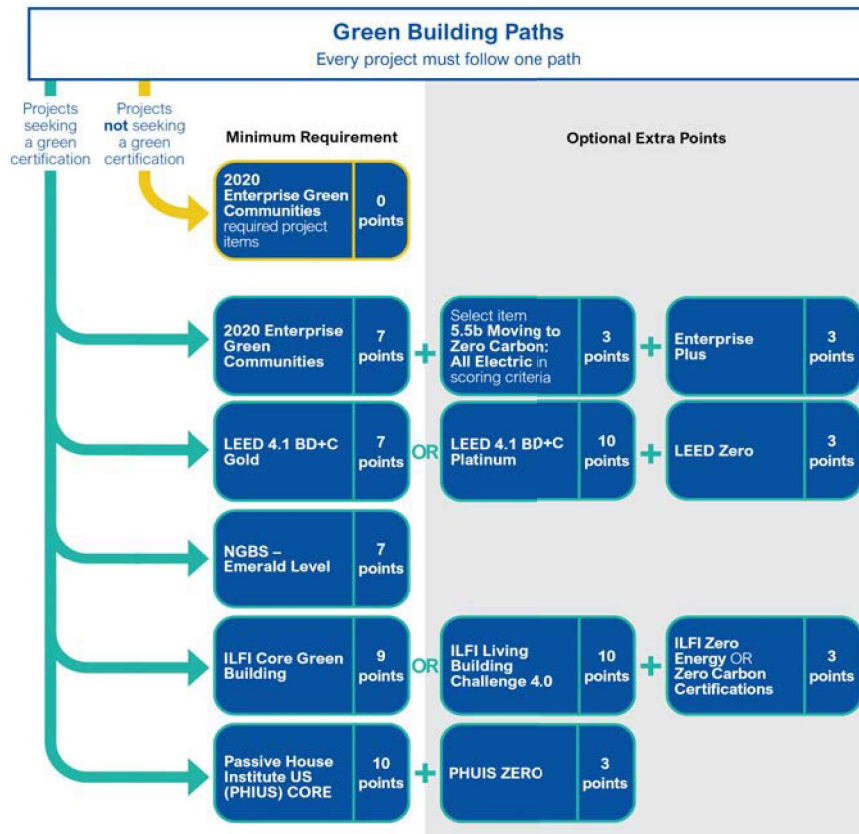
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\* International Capital Market Association Sustainable Bond Guidelines at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-bond-guidelines-sbg/> (last accessed January 31, 2023).

- Project characteristics, including whether the Project involves the use of existing housing as part of a concerted Revitalization Plan
- Sponsor characteristics
- Tenant populations with special housing needs
- Public housing waiting lists
- Tenant populations of individuals with children
- Projects intended for eventual tenant ownership
- Energy efficiency of the project
- Historic nature of the project

In addition to the criteria set forth in the Code, IHDA reviews whether a project is expected to provide safe, quality housing at rent levels which low and moderate income individuals and families can afford. Updated income and rent limits for multifamily affordable housing financed by IHDA can be found on its website. Financial feasibility and documentation requirements under IHDA’s Underwriting Standards Guide, which is incorporated into the QAP.

In selecting the winning application for a LIHTC project, IHDA utilizes a point system that awards a maximum of 13 points (or 13%) to applicants incorporating sustainability standards. Projects must adhere, at minimum, to EGC mandatory criteria. Projects may obtain additional points by obtaining EGC Certification or, in the alternative, obtaining Green Building Standards Certification and Net Zero Certification. IHDA’s Green Building Paths illustrates the allocation of sustainability points:



The QAP incorporates, by reference, the mandatory EGC criteria, Green Building Standards Certification, and Net Zero Certification, each of which is discussed above in Subsection A.

3. Management of Proceeds

Net of certain transaction costs, the proceeds of Sustainability Bonds are deposited in segregated accounts under the General Indenture and invested in investment obligations until disbursed to finance multifamily projects.

4. Post-Issuance Reporting

IHDA will provide voluntary, annual updates regarding the disbursement of the proceeds of Sustainability Bonds substantially in the form shown below. IHDA will provide such disclosure until the applicable lendable proceeds for a particular issuance have been fully expended. In respect to the disbursement of proceeds of Sustainability Bonds for the refunding of IHDA multifamily bonds, IHDA posts one-time updates for such issuances. While IHDA posts updates on the MSRB’s EMMA system, this reporting is separate from IHDA’s post-issuance continuing disclosure obligation. Failure by IHDA to provide such updates is not a default or event of default under the General Indenture or any continuing disclosure agreement.

**FORM OF SUSTAINABILITY BONDS ANNUAL REPORTING**

Development Name (New Construction/ Rehabilitation)	Development Location	____% LIHTC Allocation	Anticipated Population Served or Elected % AMI	Environmental Attributes	Bond Proceeds Disbursed (\$) as of [November] __, ____	Bond Proceeds Disbursed (%) as of [November] __, ____

**C. Bonds Alignment with United Nations Sustainable Development Goals**

By reference to the ICMA *Green and Social Bonds: A High-Level Mapping to the Sustainable Development Goals*, IHDA has determined that its Sustainability Bonds designation reflects the use of the proceeds of its multifamily housing bonds in a manner that is consistent with the following United Nations SDGs:

- *Goal No. 1 (No Poverty)* is focused on ending poverty in all its forms everywhere. Target 1.4 maps to the SDG categories of Affordable Housing, Access to Essential Services, and Socioeconomic Advancement and Empowerment.
- *Goal No. 7 (Affordable and Clean Energy)* is focused on ensuring access to affordable, reliable, sustainable, and modern energy for all. Target 7.3 maps to the SDG category of Energy Efficiency.

- *Goal No. 11 (Sustainable Cities and Communities)* is focused on making cities and human settlements inclusive, safe, resilient and sustainable. Target 11.1 maps to the SDG category of Affordable Housing and Affordable Basic Infrastructure.

### **III. IHDA’s MULTIFAMILY PROGRAM – Social Bonds**

From time to time, IHDA will issue Multifamily Social Bonds, the proceeds of which are used to refinance affordable, multifamily rental housing projects benefiting from LIHTC allocation.

#### **A. Bonds Alignment with Social Bond Principles**

IHDA Multifamily Social Bonds are aligned with the four core components of the Social Bonds Principles: (1) Use of Proceeds, (2) Process for Project Evaluation and Selection, (3) Management of Proceeds, and (4) Transparency through Ongoing Reporting.

##### **1. Use of Proceeds**

As discussed at length in Section II, IHDA’s Multifamily Social Bonds issuances are used to finance or refinance the construction, preservation, and redevelopment of affordable, multifamily rental housing developments containing conservation and energy efficiency standards for qualified low-income residents, as addressed in IHDA’s QAP and LIHTC manual.

##### **2. Project Evaluation and Selection**

Section 42(m) of the Code requires IHDA to give preference in allocating LIHTC tax credits to projects that, among other requirements, serve the lowest income tenants for the longest periods, and which are located in qualified census tracts. Moreover, in order to qualify as LIHTC eligible, units must be leased at affordable rents. Qualified rents are defined by a maximum gross rent calculation designed to be no more than 30% of maximum household income, adjusted by unit size, and updated annually to reflect changes in AMI, as addressed in IHDA’s LIHTC manual. The units themselves must be in good condition, available to the general public, and leased on a non-transient basis. Among the considerations of a developer’s LIHTC application is the population served by the project. Owners of projects financed with LIHTC commit to providing certain proportions of qualified affordable units in a minimum set aside election.

##### **3. Management of Proceeds**

Net of certain transaction costs, the proceeds of Multifamily Social Bonds are deposited in segregated accounts under the General Indenture and invested in permitted investments until disbursed. Such disbursements are tracked by IHDA.

##### **4. Post-Issuance Reporting**

IHDA provides annual updates regarding the disbursement of the proceeds of Multifamily Social Bonds until the applicable lendable proceeds for a particular issuance have been fully expended. IHDA posts one-time updates for the disbursement of proceeds of Multifamily Social Bonds used to refund IHDA multifamily bonds.

While IHDA posts updates on EMMA, this reporting is separate from IHDA’s post-issuance continuing disclosure obligation. Failure by IHDA to provide such updates is not a default or event of default under the General Indenture or any continuing disclosure agreement.

**FORM OF MULTIFAMILY SOCIAL BONDS REPORTING**

Series [____] Bond Proceeds Summary	
Total Series [____] Bond Proceeds	
Amount of Prior Bonds refunded with [____] Bond Proceeds	
Series [____] Bond Proceeds Remaining as of [date]	\$[____]
Amount of Series [____] Transferred Loans	

**B. Bonds Alignment with United Nations Sustainable Development Goals**

By reference to the ICMA’s *Green and Social Bonds: A High-Level Mapping to the Sustainable Development Goals*, IHDA has determined that its Multifamily Social Bonds designation reflects the use of the proceeds in a manner that is consistent with the following United Nations SDGs:

- *Goal No. 1 (No Poverty)* is focused on ending poverty in all its forms everywhere. Target 1.4 maps to the SDG categories of Affordable Housing, Access to Essential Services and Socioeconomic Advancement and Empowerment.
- *Goal No. 11 (Sustainable Cities and Communities)* is focused on making cities and human settlements inclusive, safe, resilient and sustainable. Target 11.1 maps to the SDG category of Affordable Housing.

**APPENDIX H**

**FORM OF SOCIAL BONDS ANNUAL REPORT**

<b>Series 2024B Bond Proceeds Summary</b>	
Total Original Lendable Proceeds	\$
Amount of Proceeds Spent to Acquire Mortgage Loans and/or Mortgage-Backed Securities as of [date]	
Bond Proceeds Remaining as of [date]	\$

<b>Purchased Series 2024 _ Mortgage Loans and/or Mortgage-Backed Securities</b>		
as of [_____]		
<b>by Borrower Income as a Percentage of Area Median Income (AMI)</b>		
AMI Band	# of Loans	\$ of Loans (\$000s)
Below 80%		
80% - 140%		
Totals		

<b>Purchased Series 2024 _ Mortgage Loans and/or Mortgage-Backed Securities</b>		
as of [_____]		
<b>by Borrower Income as a Percentage of Area Median Income (AMI)</b>		
AMI Band	# of Loans	\$ of Loans (\$000s)
50% and below		
50.1% - 60%		
60.1% - 70%		
70.1% - 80%		
80.1% - 90%		
90.1% - 100%		
100.1% - 140%		
Totals		

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