PRELIMINARY OFFICIAL STATEMENT DATED MAY 9, 2019

NEW ISSUE— Book-Entry Only **RATING: S&P "AA+"**

In the opinion of Kutak Rock LLP, Bond Counsel to the Nevada Housing Division (the "Division"), under existing laws, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2019A Bonds is excluded from gross income for federal income tax purposes, subject to certain conditions and assumptions described herein under "Tax Matters." In the opinion of Bond Counsel interest on the Series 2019A Bonds is not a specific preference item for purposes of the federal alternative minimum tax. See "TAX MATTERS."

$50,000,000*
NEVADA HOUSING DIVISION
SINGLE-FAMILY MORTGAGE REVENUE BONDS
SERIES 2019A (SENIOR)

Dated: Date of Delivery **Due: As set forth on the inside cover hereof**

The Division is issuing the above-captioned bonds (the "Series 2019A Bonds") as one class of Senior Bonds under the General Certificate and the Series 2019A Certificate. The Series 2019A Bonds are being issued in the denomination of $5,000 or any integral multiple thereof issued only in fully-registered form. The Series 2019A Bonds are the fifth series of bonds issued under the General Certificate.

The Series 2019A Bonds are being registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2019A Bonds. The Series 2019A Bonds are being offered in book-entry form only. Purchasers will not receive a certificate representing their interest in the Series 2019A Bonds.

Interest on the Series 2019A Bonds will be payable on the first day of April and October, commencing October 1, 2019*. The Series 2019A Bonds will bear interest at the interest rates set forth on the inside front cover hereof. Interest on, and the principal and redemption price of, the Series 2019A Bonds is payable by Zions Bancorporation, National Association (formerly, Zions First National Bank), as trustee, registrar and paying agent, to DTC. As long as DTC or its nominee remains the registered owner of the Series 2019A Bonds, disbursement of such payments to DTC Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners of the Series 2019A Bonds will be the responsibility of DTC Participants and Indirect Participants. See "APPENDIX B — Book-Entry Bonds" attached hereto.

The Series 2019A Bonds are subject to redemption as set forth herein. For further details, see "THE SERIES 2019A BONDS – Redemption Provisions" herein.

THE SERIES 2019A BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE DIVISION AND ARE PAYABLE FROM AND SECURED SOLELY BY THE REVENUES AND ASSETS PLEDGED THEREFOR. THE DIVISION HAS NO TAXING POWER. THE SERIES 2019A BONDS ARE NOT A GENERAL OBLIGATION OF THE STATE OF NEVADA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEVADA OR ANY POLITICAL SUBDIVISION THEREOF ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE SERIES 2019A BONDS.

Proceeds made available by the issuance of the Series 2019A Bonds are expected to be used to make funds available for a program under which the Division purchases fully-modified mortgage-backed pass-through securities issued by or on behalf of and guaranteed as to timely payment of principal and interest by the Government National Mortgage Association ("Ginnie Mae"), the Federal National Mortgage Association ("Fannie Mae") and/or the Federal Home Loan Mortgage Corporation ("Freddie Mac"), each backed by pools of mortgage loans which have been made by participating lending institutions to eligible borrowers, and certain down payment and closing cost assistance second mortgage loans, in order to finance the purchase of single-family residences for low and moderate income persons. THE SERIES 2019A BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF OR OF GINNIE MAE, FANNIE MAE, FREDDIE MAC OR ANY OTHER ISSUER OF A MORTGAGE-BACKED SECURITY.

This cover page contains information for quick reference only. It is not a summary of this issue. Potential investors must read the entire Official Statement to obtain information essential to making an informed investment decision. All capitalized terms used and not defined on this cover page shall have the same meanings as described herein. See "APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE CERTIFICATE" attached hereto.

The Series 2019A Bonds are offered in book-entry form when, as and if issued and accepted by J.P. Morgan Securities LLC (the "Underwriter"), subject to approval as to validity by Kutak Rock LLP, Bond Counsel to the Division, and subject to certain other conditions. Certain legal matters will be passed upon for the Underwriter by Dinsmore & Shohl LLP. It is anticipated that the Series 2019A Bonds will be available for delivery on or about June 20, 2019.*

J.P. Morgan

Dated ___________, 2019.

* Preliminary, subject to change

$50,000,000*
NEVADA HOUSING DIVISION
SINGLE-FAMILY MORTGAGE REVENUE BONDS
SERIES 2019A (SENIOR)

MATURITY SCHEDULE*

Type	Maturity	Amount	Interest Rate	Price	CUSIP[1]
Serial	April 1, 2020	$280,000	%	%	641279
Serial	October 1, 2020	285,000			641279
Serial	April 1, 2021	290,000			641279
Serial	October 1, 2021	290,000			641279
Serial	April 1, 2022	295,000			641279
Serial	October 1, 2022	305,000			641279
Serial	April 1, 2023	305,000			641279
Serial	October 1, 2023	310,000			641279
Serial	April 1, 2024	320,000			641279
Serial	October 1, 2024	325,000			641279
Serial	April 1, 2025	330,000			641279
Serial	October 1, 2025	335,000			641279
Serial	April 1, 2026	340,000			641279
Serial	October 1, 2026	345,000			641279
Serial	April 1, 2027	350,000			641279
Serial	October 1, 2027	365,000			641279
Serial	April 1, 2028	370,000			641279
Serial	October 1, 2028	375,000			641279
Serial	April 1, 2029	380,000			641279
Serial	October 1, 2029	390,000			641279
Serial	April 1, 2030	395,000			641279
Serial	October 1, 2030	405,000			641279

$3,555,000 ___% Series 2019A (Senior) Term Bonds Due October 1, 2034 –
Price: ___%, CUSIP[1] No. 641279

$5,390,000 ___% Series 2019A (Senior) Term Bonds Due October 1, 2039 –
Price: ___%, CUSIP[1] No. 641279

$6,730,000 ___% Series 2019A (Senior) Term Bonds Due October 1, 2044 –
Price: ___%, CUSIP[1] No. 641279

$18,440,000 ___% Series 2019A (Senior) Premium PAC Bonds Due April 1, 2049 –
Price: ___%, CUSIP[1] No. 641279

$8,500,000 ___% Series 2019A (Senior) Term Bonds Due October 1, 2049 –
Price: ___%, CUSIP[1] No. 641279

[1] CUSIP data herein is provided by the CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence, as part of S&P Global Inc. CUSIP data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. CUSIP numbers are provided for convenience of reference only. The CUSIP numbers have been assigned by an organization not affiliated with the Division and are included for the convenience of the holders of the Series 2019A Bonds. None of the Division, the Underwriter, the Trustee or the Financial Advisor is not responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness on the Series 2019A Bonds or as indicated above.

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*Preliminary, subject to change.

NEVADA HOUSING DIVISION
Stephen Aichroth, Administrator
Michael Holliday, Chief Financial Officer

BOND COUNSEL
Kutak Rock LLP
Omaha, Nebraska

TRUSTEE
Zions Bancorporation, National Association
Salt Lake City, Utah

FINANCIAL ADVISOR
PFM Financial Advisors LLC
Seattle, Washington

UNDERWRITER
J.P. Morgan Securities LLC

UNDERWRITER'S COUNSEL
Dinsmore & Shohl LLP
Cincinnati, Ohio

The information set forth or included in this Official Statement has been provided by the Division and from other sources believed by the Division to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall create any implication that there has been no change in the financial condition or operations of the Division described herein since the date hereof. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized.

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

This Official Statement contains statements relating to the Division's acquisition of mortgage loans and mortgage-backed securities and receipt of future revenues that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "intend," "plan," "budget," "expect" and similar expressions are intended to identify forward-looking statements. Such statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Division does not expect or intend to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based, occur or fail to occur.

No dealer, broker, salesman or other person has been authorized by the Division or the Underwriter to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall be no sale of the Series 2019A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The Series 2019A Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the merits of the Series 2019A Bonds or the accuracy or adequacy of the Official Statement. Any representation to the contrary may be a criminal offense.

The prices at which the Series 2019A Bonds are offered to the public by the Underwriter (and the yields resulting therefrom) may vary from the initial public offering prices or yields appearing on the inside front cover hereof. In addition, the Underwriter may allow concessions or discounts from such initial public offering prices to dealers and others. In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market price of the Series 2019A Bonds offered hereby at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

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OFFICIAL STATEMENT

$50,000,000*
NEVADA HOUSING DIVISION
SINGLE-FAMILY MORTGAGE REVENUE BONDS
SERIES 2019A (SENIOR)

INTRODUCTION

This Official Statement provides certain information concerning the Nevada Housing Division (the "**Division**") in connection with the sale of $50,000,000* in aggregate principal amount of the Division's Single-Family Mortgage Revenue Bonds, Series 2019A (Senior) (the "**Series 2019A Bonds**"). The Series 2019A Bonds are being issued under the authority granted to the Division by laws of the State of Nevada (the "**State**"), particularly Chapter 319 of the Nevada Revised Statutes (together with other laws of the State applicable to the Division, the "**Act**"). The Division is issuing the Series 2019A Bonds to make funds available for the Nevada Housing Division Single-Family Mortgage Program (the "**Single-Family Program**"), the purpose of which is to finance the purchase of mortgage loans related to single-family residences being purchased by eligible borrowers within the State.

Under the Single-Family Program, Zions Bancorporation, National Association (the "**Trustee**"), on behalf of the Division, using the proceeds of the Series 2019A Bonds, funds made available by the refunding of certain other obligations of the Division and other available funds, will purchase from U.S. Bank National Association, as Servicer under the Single-Family Program (the "**Servicer**"), fully-modified mortgage-backed pass-through securities (including any participations thereof, the "**Mortgage-Backed Securities**") issued on behalf of and guaranteed as to timely payment of principal and interest by the Government National Mortgage Association ("**Ginnie Mae**"), the Federal National Mortgage Association ("**Fannie Mae**") and/or the Federal Home Loan Mortgage Corporation ("**Freddie Mac**") and certain second mortgage loans (each a "**DPA Second Mortgage Loan**"). Each Mortgage-Backed Security will be backed by pools of mortgage loans (the "**2019A Mortgage Loans**") which have been made by participating lending institutions (the "**Lenders**") to qualified eligible borrowers (the "**Eligible Borrowers**") to finance the purchase of single-family residences located within the State, all in accordance with the Servicing Agreement dated as of April 21, 2017, by and between the Division and the Servicer (the "**Servicing Agreement**"), the Lender Agreements between the Division and each Lender (collectively, the "**Lender Agreement**"), the Administrator's Guidelines (the "**Program Guidelines**"), and the participating lender agreements between the Servicer and each Lender (collectively, the "**Participating Lender Agreement**" and, together with the Servicing Agreement, the Lender Agreement, the Program Guidelines and the Program Administration Agreement (as defined below), the "**Program Agreements**"). Pursuant to the Program Agreements, the Lenders will agree to originate Mortgage Loans and DPA Second Mortgage Loans and to sell such loans to the Servicer. Upon the approval of Ginnie Mae, Fannie Mae or Freddie Mac, as applicable, the Servicer will sell to Ginnie Mae, Fannie Mae or Freddie Mac, respectively, Mortgage Loans in exchange for Ginnie Mae fully modified mortgage-backed pass-through certificates (the "**Ginnie Mae Securities**"), single pool, mortgage-backed securities issued by Fannie Mae (the "**Fannie Mae Securities**") or single pool, mortgage-backed securities issued by Freddie Mac (the "**Freddie Mac Securities**") backed by such Mortgage Loans.

In March of 2018, the Federal Housing Finance Agency announced that Fannie Mae and Freddie Mac would begin issuing, on June 3, 2019 new, common, single mortgage-backed securities, formally known as the Uniform Mortgage-Backed Security ("**UMBS**"). The UMBS will finance the same types of fixed-rate mortgages that currently back Fannie Mae Certificates and Freddie Mac Certificates and will continue to be guaranteed by either Fannie Mae or Freddie Mac depending upon which issues the UMBS. The Federal Housing Finance Agency has stated that the UMBS will have characteristics similar to Fannie Mae Certificates and Freddie Mac will offer investors the opportunity to exchange existing Freddie Mac Securities for "mirror" UMBS backed by the same loans as the existing securities. Proceeds of the Series 2019A Bonds are expected to be used to purchase the Mortgage-Backed Securities, which could include UMBS. For purposes of this Official Statement and the Series 2019A Certificate (as defined below), the term "**Mortgage-Backed Securities**" includes UMBS.

* Preliminary, subject to change

The Division has entered into a Program Administration Agreement dated as of September 22, 2014, as amended, (the "**Program Administration Agreement**") with Housing and Development Services, Inc. d/b/a/ eHousingPlus (the "**Program Administrator**") pursuant to which the Program Administrator will serve as the administrator and compliance agent under the Program (in its capacity as compliance agent, the "**Compliance Agent**"). The Servicer and the Program Administrator agree to administer the Single-Family Program in accordance with the provisions of the Program Agreements as the same may be modified or amended from time to time.

The Series 2019A Bonds are the fifth series of bonds issued and secured under the Division's Single-Family Mortgage Revenue Bonds General Bond Certificate, dated as of September 1, 2008 (the "**General Certificate**"). The General Certificate is a contract with the Trustee, on behalf of holders of bonds issued thereunder. Pursuant to the General Certificate, each series of bonds is authorized by a Series Certificate, which is filed with the Trustee and constitutes a part of the contract with the Trustee, on behalf of holders of such bonds, on the terms provided in the General Certificate. The Series Certificate authorizing the Series 2019A Bonds is referred to herein as the "**Series 2019A Certificate**." The General Certificate and the Series 2019A Certificate, as such may be supplemented and amended from time to time, are referred to herein collectively as the "**Certificate**." The Series 2019A Bonds are "**Senior Bonds**" as defined by the General Certificate.

The Division may issue additional series of bonds under the General Certificate upon satisfaction of the conditions set forth in the General Certificate. All bonds issued and to be issued under the General Certificate, including the Series 2019A Bonds, are referred to herein as the "**Bonds**."

THE SERIES 2019A BONDS WILL BE SPECIAL, LIMITED OBLIGATIONS OF THE DIVISION AND WILL BE PAYABLE FROM AND SECURED SOLELY BY THE REVENUES (AS DEFINED UNDER "SECURITY FOR THE BONDS – PLEDGE OF THE GENERAL CERTIFICATE") AND ASSETS PLEDGED THEREFOR. THE DIVISION HAS NO TAXING POWER. THE SERIES 2019A BONDS ARE NOT A GENERAL OBLIGATION OF THE STATE OF NEVADA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEVADA OR ANY POLITICAL SUBDIVISION THEREOF WILL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE SERIES 2019A BONDS.

In addition, the General Certificate allows for the execution and delivery of certain interest rate contracts, including interest rate swaps, which may be secured on a parity with Senior, Mezzanine or Subordinate Bonds and the revenues from which may be included in the Revenues securing the Bonds, subject to the terms and conditions of the General Certificate. See "APPENDIX A – SUMMARY OF PRINCIPAL DOCUMENTS" attached hereto.

Zions Bancorporation, National Association (formerly, Zions First National Bank) ("**Zions**") of Salt Lake City, Utah serves under the Certificate as Trustee and as registrar (the "**Bond Registrar**") and paying agent (the "**Paying Agent**") with respect to the Series 2019A Bonds.

Descriptions of the Act, the Division, the Single-Family Program, the Program Agreements, the Certificate, the Servicer and general descriptions of the Bonds and the security for the Bonds are included in this Official Statement. For a further description of the terms of the Series 2019A Bonds and the Division, see "THE SERIES 2019A BONDS" herein and "APPENDIX D — INFORMATION REGARDING THE PROGRAM" attached hereto.

All summaries of and references to the Certificate, the Program Agreements and other documents and agreements are qualified in their entirety by reference to such documents and agreements. References to the Series 2019A Bonds are qualified in their entirety by reference to the forms thereof included in the Certificate and the information with respect thereto included in the aforesaid documents and agreements, copies of which are available for inspection at the offices of the Trustee. All capitalized terms used in this Official Statement which are not otherwise defined herein shall have the same meanings as set forth in the Certificate and the Program Agreements. The definitions of certain of such terms are set forth herein under "APPENDIX A—SUMMARY OF PRINCIPAL DOCUMENTS" attached hereto.

THE ACT

The Act authorizes the Division to issue its bonds and other obligations for the purpose, among others, of undertaking commitments to purchase insured or guaranteed mortgage loans from lending institutions for the financing of residential housing for persons of low and moderate income in the State.

Subject to any agreements with holders of bonds, bonds issued by the Division under the Act are special, limited obligations of the Division. The Division has no taxing power.

THE DIVISION

Organization

At its creation in 1975, the Division was a division within the Department of Commerce of the State. In June of 1993, the State enacted a state governmental reorganization plan which was designated bill number AB 782 in the State legislature. The provisions of the bill were implemented in stages between July 1 and November 1, 1993. The Division is now a division of the Department of Business and Industry, but the powers and operations of the Division have not been affected significantly as a result of the reorganization.

The Programs of the Division are managed by a staff directed by an Administrator, who is the chief executive officer of the Division, appointed by the Director of the Department of Business and Industry with the consent of the Governor. The Division is divided into three operating sections: Program Administrative Services, Loan Administration and Accounting Services. The Chief Financial Officer is responsible for management oversight and coordination of the Division's investment, accounting and financial activities.

<u>Administrator of the Division</u>

The Administrator of the Division is Steve Aichroth. Prior to his appointment on September 11, 2017, Mr. Aichroth gained over 30 years of management experience in both the public and private sectors. Prior to his promotion, he was the Administrator of the Manufactured Housing Division of the State of Nevada and previous to that appointment was the Chief of Administration for the Nevada Housing Division.

Mr. Aichroth earned a Bachelor of Science degree from San Jose State University in Industrial Design. He is active in the National Council of State Housing Agencies (NCSHA) and a former Commissioner for the State of Nevada Commission for Common-Interest Communities and Condominium Hotels (CICCH).

<u>Chief Financial Officer</u>

The Chief Financial Officer of the Division is Michael Holliday. Mr. Holliday is responsible for managing financial and investment activities of the Division's affordable housing programs as well as the general financial and information technology functions of the Division. Prior to his appointment in July 2014, Mr. Holliday gained more than 20 years of accounting and finance experience in the public and private sectors. Most recently, he worked at the Nevada Rural Housing Authority ("**NRHA**") as the Director of Financial Services and prior to that, Accounting Manager. During his tenure at NRHA, he worked with different types of financing for affordable housing programs including single family financing programs, tax-exempt bonds, taxable forward market funding and mortgage credit certificates. Mr. Holliday was also involved in development and rehabilitation projects for multi-family projects assisting Nevada low-income seniors and families. Previously he worked as an Accounting Supervisor for a large firm in the Defense/Aerospace industry. Mr. Holliday also spent many years in a public accounting firm specializing in audits of governments and special districts.

Mr. Holliday earned a bachelor's degree in Finance from the California State University at Chico and also holds an MBA.

Payment of Operating Expenses

The Division funds operating expenses of its various programs from commitment and financing fees and other income derived from the operation of its programs, including the Single-Family Program. The Division expects to pay operating expenses of the Single-Family Program from such sources.

Outstanding Debt

The Act currently limits the principal amount of notes and bonds of the Division which may be outstanding at any one time to $5 billion, of which $100 million must be allocated to veterans who qualify for loans under the Act. Other than the Bonds issued or to be issued under the General Certificate, bonds issued by the Division are secured separately from the Series 2019A Bonds and have no claim on the security for the Series 2019A Bonds.

Single-Family Program. As of February 28, 2019, the Division had issued four Series of Bonds pursuant to the General Certificate in an original aggregate principal amount of $110,680,000, of which $22,690,000 in aggregate principal amount was outstanding as of such date.

Other Single-Family Programs. As of February 28, 2019, the Division had issued $2,378,817,300 in original aggregate principal amount of bonds relating to the Division's other single-family programs, of which $44,835,000 in aggregate principal amount was outstanding as of such date.

Multifamily Programs. The Division has established and operated several multifamily housing finance programs since its creation in 1975. Financings have included the issuance of construction loan notes, the issuance of bonds for the purchase of FHA-insured mortgage loans providing long-term financing for multifamily projects, the issuance of bonds to make loans to lending institutions to enable the lending institutions to make loans to multifamily project sponsors and the issuance of bonds which are secured by Fannie Mae pass-through certificates and other credit enhancement, including letters of credit. All the Division's multifamily financing programs require the project sponsors to make housing units available to low- and moderate-income tenants.

Single-Family Mortgage Loan Program Experience

The Division's single-family programs have been in existence for over 30 years. The Division has issued and retired over $2.4 billion of single-family mortgage revenue bonds. The Division has been engaged in the issuance of bonds, the proceeds of which are used to purchase Mortgage-Backed Securities, since 2006. Prior to 2006, the Division used bond proceeds to purchase whole mortgage loans for its Single-Family Program. For a description of the Single-Family Program, see "APPENDIX D — INFORMATION REGARDING THE PROGRAM" attached hereto.

On occasion, the Division has redeemed portions of its bonds from unexpended proceeds of such bonds. The Division has structured its current Single-Family Program to minimize the likelihood of such redemptions. Since June 1, 2003, the Division has had $66,681 of unexpended proceeds that have been used to redeem bonds in various series.

On April 1, 2019, the Program Administrator, on behalf of the Division, began accepting reservations of loans funds for qualifying 2019A Mortgage Loans under the Single-Family Program. As of May 9, 2019, the Program Administrator had reserved approximately $21,600,000 of loan funds for 2019A Mortgage Loans. The Division expects approximately $16,500,000 of such 2019A Mortgage Loans to be pooled into Mortgage-Backed Securities available to be purchased with proceeds of the Series 2019A Bonds on or about the date of delivery of the Series 2019A Bonds.

THE SERIES 2019A BONDS

General Description

The Series 2019A Bonds will be dated their date of delivery, will bear interest at the rates and will mature in the amounts and on the dates set forth on the inside front cover of this Official Statement. Interest on the Series 2019A Bonds is payable semiannually on April 1 and October 1 (each a "**Bond Payment Date**") commencing October 1, 2019*. The Series 2019A Bonds are issuable only as fully registered bonds in denominations of $5,000 or any integral multiple thereof. Interest on the Series 2019A Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months and will be payable to the Owners of record in the bond registration books maintained by the Trustee as of the 15th day of the month preceding each Bond Payment Date upon which such interest is to be paid.

The Series 2019A Bonds will initially be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("**DTC**"), who shall act as securities depository for such Series 2019A Bonds. So long as DTC or Cede & Co. is the registered owner of the Series 2019A Bonds, payments of principal, redemption price and interest with respect to the Series 2019A Bonds are to be made directly to DTC by the Trustee, or its successors, as Trustee. Disbursement of such payments to DTC Participants (as defined herein) is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants as more fully described herein. See "APPENDIX B—BOOK ENTRY SYSTEM" attached hereto.

Exchange or Transfer

No exchange or transfer of a Series 2019A Bond shall be required to be registered on the bond registration books of the Trustee during the three (3) Business Days next preceding each date selected by the Trustee as a date for the selection by lot of such Series 2019A Bonds for redemption or with respect to any Series 2019A Bond for which notice of redemption has been given.

Redemption Provisions*

The Series 2019A Bonds maturing on April 1, 2020 and thereafter on each October 1 and April 1 to and including October 1, 2030 are referred to herein, collectively, as the "**Series 2019A Serial Bonds**". The Series 2019A Bonds maturing on October 1, 2034 (the "**2034 Term Bonds**"), October 1, 2039 (the "**2039 Term Bonds**"), October 1, 2044 (the "**2044 Term Bonds**"), April 1, 2049 (the "**PAC Bonds**") and October 1, 2049 (the "**2049 Term Bonds**"), are referred to herein collectively as the "**Series 2019A Term Bonds**".

Special Redemption from Unexpended Proceeds. The Series 2019A Bonds are subject to special redemption, in whole or in part on any Business Day, at a Redemption Price equal to the principal amount so called for redemption, without premium (except for the redemption of any Series 2019A Bonds sold with original issue premium, which are to be redeemed at the respective prices set forth on the inside cover page hereto), together with accrued interest to the date fixed for redemption, from amounts transferred from the Series 2019A Subaccount of the Acquisition Account to the Series 2019A Subaccount of the Senior Special Redemption Account ("**Unexpended Proceeds**").

With respect to the redemption of the Series 2019A Bonds with Unexpended Proceeds, certain factors related to the risk of unused amounts due to the non-origination of Mortgage Loans are described under the caption "BONDHOLDERS' CONSIDERATIONS AND RISK FACTORS — Special Considerations Relative to the Origination of Mortgage Loans." Series 2019A Bonds redeemed with Unexpended Proceeds will be redeemed no later than November 15, 2019 unless extended and, unless otherwise directed by the Division, on a pro rata basis; provided, however, that in no event shall the redemption date be extended to a date later than December 20, 2022.

Special Redemption from Prepayments and Excess Revenues. The Series 2019A Bonds are subject to special redemption, in whole or in part, on any Business Day, at the principal amount so called for redemption plus accrued interest thereon, without premium, from Revenues which are not required to make Debt Service Payments under the General Certificate (collectively, "**Excess Revenues**"). Prepayments of and other Excess Revenues from Mortgage Loans other than the 2019A Mortgage Loans allocable to the Series 2019A Bonds may be applied to the redemption of the PAC Bonds, but only to the extent that such redemptions do not cause the outstanding balance of the PAC Bonds to be less than the Applicable Amount set forth in the table below; provided, however, that such Prepayments and Excess Revenues may be applied to the redemption of the PAC Bonds to a principal amount less

* Preliminary, subject to change.

than the Applicable Amount if such redemption is necessary to preserve the tax-exempt status of interest on the Series 2019A Bonds.

Except as set forth below, Prepayments of the 2019A Mortgage Loans and any other Mortgage Loan allocable to the Series 2019A Bonds and Excess Revenues derived by the Division with respect to the Series 2019A Bonds may be used, at the direction of the Division, to redeem any Bonds, including Bonds other than the Series 2019A Bonds. So long as any PAC Bonds remain Outstanding, all such Prepayments and Excess Revenues, which have been deposited to the Series 2019A Subaccount of the Senior Special Redemption Account and the Series 2019A Subaccount of the Residual Account pursuant to the Certificate, will be applied in the following order and amounts:

First, to redeem the PAC Bonds, but only to the extent that the outstanding principal amount of the PAC Bonds exceeds the outstanding amount set forth in the following table for any Bond Payment Date (the "**Applicable Amount**"):

Bond Payment Date*	Applicable Amount of PAC Bonds*
October 1, 2019	$18,370,000
April 1, 2020	18,065,000
October 1, 2020	17,460,000
April 1, 2021	16,575,000
October 1, 2021	15,415,000
April 1, 2022	14,025,000
October 1, 2022	12,620,000
April 1, 2023	11,265,000
October 1, 2023	9,970,000
April 1, 2024	8,735,000
October 1, 2024	7,550,000
April 1, 2025	6,425,000
October 1, 2025	5,350,000
April 1, 2026	4,320,000
October 1, 2026	3,345,000
April 1, 2027	2,415,000
October 1, 2027	1,540,000
April 1, 2028	710,000
October 1, 2028 and thereafter	- 0 -

Second, to redeem outstanding Series 2019A Bonds (other than the PAC Bonds) on a pro rata basis by stated maturity (unless otherwise directed by the Division);

Third, to redeem all outstanding PAC Bonds on a pro rata basis (unless otherwise directed by the Division); and

Fourth, to redeem Bonds other than the Series 2019A Bonds outstanding under the General Certificate or as otherwise directed by the Division.

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

Notwithstanding the foregoing (except with respect to the PAC Bonds), funds in the Series 2019A Subaccount of the Senior Special Redemption Account available for the redemption of the Series 2019A Bonds pursuant to the provisions above in amounts less than a cumulative amount of $250,000 need not be used to redeem Series 2019A Bonds on the applicable redemption date, but may, upon a Division Request, be used to redeem such Bonds on the immediately following redemption date. With respect to the PAC Bonds, if the amount available for such redemption is less than $100,000, the Division may delay redemption of the PAC Bonds until amounts available

* Preliminary, subject to change.

for redemption totals $100,000 or more. If the PAC Bonds are redeemed from Unexpended Proceeds, the Applicable Amounts set forth for each semiannual period will be reduced on a proportionate basis.

Principal Receipts relating to the Series 2019A Bonds shall constitute "**Restricted Principal Receipts**" for the periods and in the respective percentages set forth on the table below:

Date of Receipt of the Principal Receipt	**Percentage of the Principal Receipt that Constitutes a Restricted Principal Receipt**
June 20, 2019 to November 18, 2019	0.210%
November 19, 2019 to November 21, 2020	0.300
November 22, 2020 to June 29, 2021	2.350
June 30, 2021 to October 2, 2021	4.000
October 3, 2021 to November 3, 2021	5.620
November 4, 2021 to December 2, 2024	7.800
December 3, 2024 to June 19, 2029	13.390
June 20, 2029 and thereafter	100.00

Mandatory Sinking Fund Redemption and Sinking Fund Installments. The Series 2019A Term Bonds are subject to mandatory redemption prior to maturity, in part, at the principal amount so called for redemption, plus accrued interest thereon to the date of redemption, without premium, on the dates and in the amounts specified below from Sinking Fund Installments, all in the manner provided in the General Certificate:

SENIOR SINKING FUND INSTALLMENTS FOR
THE 2034 TERM BONDS

Date	Amount	Date	Amount
April 1, 2031	$410,000	April 1, 2033	$450,000
October 1, 2031	420,000	October 1, 2033	460,000
April 1, 2032	430,000	April 1, 2034	470,000
October 1, 2032	440,000	October 1, 2034†	475,000

†Final Maturity

SENIOR SINKING FUND INSTALLMENTS FOR
THE 2039 TERM BONDS

Date	Amount	Date	Amount
April 1, 2035	$485,000	October 1, 2037	$545,000
October 1, 2035	500,000	April 1, 2038	555,000
April 1, 2036	510,000	October 1, 2038	565,000
October 1, 2036	520,000	April 1, 2039	580,000
April 1, 2037	535,000	October 1, 2039†	595,000

†Final Maturity

SENIOR SINKING FUND INSTALLMENTS FOR
THE 2044 TERM BONDS

Date	Amount	Date	Amount
April 1, 2040	$610,000	October 1, 2042	$680,000
October 1, 2040	620,000	April 1, 2043	695,000
April 1, 2041	635,000	October 1, 2043	710,000
October 1, 2041	650,000	April 1, 2044	725,000
April 1, 2042	665,000	October 1, 2044†	740,000

†Final Maturity

SENIOR SINKING FUND INSTALLMENTS FOR
THE 2049 TERM BONDS

Date	Amount	Date	Amount
April 1, 2045	$760,000	October 1, 2047	$850,000
October 1, 2045	775,000	April 1, 2048	875,000
April 1, 2046	795,000	October 1, 2048	890,000
October 1, 2046	815,000	April 1, 2049	915,000
April 1, 2047	830,000	October 1, 2049†	995,000

†Final Maturity

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SENIOR SINKING FUND INSTALLMENTS FOR
THE PAC BONDS

Date	Amount	Date	Amount
April 1, 2020	$165,000	April 1, 2035	$295,000
October 1, 2020	170,000	October 1, 2035	300,000
April 1, 2021	170,000	April 1, 2036	305,000
October 1, 2021	175,000	October 1, 2036	315,000
April 1, 2022	180,000	April 1, 2037	320,000
October 1, 2022	180,000	October 1, 2037	330,000
April 1, 2023	185,000	April 1, 2038	335,000
October 1, 2023	190,000	October 1, 2038	345,000
April 1, 2024	190,000	April 1, 2039	350,000
October 1, 2024	195,000	October 1, 2039	360,000
April 1, 2025	200,000	April 1, 2040	365,000
October 1, 2025	200,000	October 1, 2040	375,000
April 1, 2026	205,000	April 1, 2041	385,000
October 1, 2026	210,000	October 1, 2041	390,000
April 1, 2027	215,000	April 1, 2042	400,000
October 1, 2027	215,000	October 1, 2042	410,000
April 1, 2028	220,000	April 1, 2043	420,000
October 1, 2028	225,000	October 1, 2043	430,000
April 1, 2029	230,000	April 1, 2044	440,000
October 1, 2029	235,000	October 1, 2044	450,000
April 1, 2030	240,000	April 1, 2045	460,000
October 1, 2030	245,000	October 1, 2045	470,000
April 1, 2031	250,000	April 1, 2046	480,000
October 1, 2031	255,000	October 1, 2046	490,000
April 1, 2032	260,000	April 1, 2047	505,000
October 1, 2032	265,000	October 1, 2047	515,000
April 1, 2033	270,000	April 1, 2048	525,000
October 1, 2033	275,000	October 1, 2048	540,000
April 1, 2034	280,000	April 1, 2049†	550,000
October 1, 2034	290,000		

†Final Maturity

Upon the redemption or purchase of Series 2019A Bonds as described above under "— *Special Redemption from Unexpended Proceeds*," "— *Special Redemption from Prepayments and Excess Revenues*," or "— *Optional Redemption,*" the principal amount of such Series 2019A Term Bonds will be credited against the remaining sinking fund installments for the Series 2019A Term Bonds being redeemed so that the amounts of the remaining sinking fund installments are, as nearly as practicable given the permitted denominations of such Series 2019A Term Bonds, proportional to the original amounts of such sinking fund installments.

Optional Redemption. The Series 2019A Bonds maturing on or after April 1, 2029 are subject to redemption on any date on or after October 1, 2028, in whole or in part, at the option of the Division from any source of available moneys, at the Redemption Prices equal to the principal amount thereof, without premium, together with accrued interest to the date fixed for redemption.

Selection of Bonds for Redemption. The redemption of the Series 2019A Bonds is subject to certain provisions of the DTC Rules while the Series 2019A Bonds are held in book entry form, as described under "APPENDIX B – Book Entry Bonds" attached hereto.

If less than all Bonds of a Series are to be redeemed, except as otherwise directed by a Division Request that certifies that such request is consistent with the most recently filed related Cash Flow Statement, and subject to any limitations in or requirements of the related Series Certificate, the Bond Registrar shall select a pro rata amount of the Bonds of each tenor, interest rate and maturity of such Series for redemption. If less than all Bonds of like Series, tenor, interest rate and maturity are to be redeemed, the particular Bonds or the respective portions thereof to be redeemed shall be selected by lot in such manner as the Bond Registrar in its discretion may deem fair and appropriate.

The portion of any Bond of a denomination of larger than the minimum denomination may be redeemed in the principal amount of such minimum denomination or a multiple thereof, and for purposes of selection and redemption, any such Bond of a denomination larger than the minimum denomination shall be considered to be that number of separate Bonds of such minimum denomination which is obtained by dividing the principal amount of such Bond by such minimum denomination. If there shall be selected for redemption less than all of a Bond, the Division shall execute and the Bond Registrar shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, Bonds of like Series, tenor, interest rate and maturity in any of the authorized denominations.

The Bond Registrar promptly shall notify the Division, the Trustee and the Paying Agent in writing of the Bonds so selected for redemption.

Notice of Redemption. Notice of redemption of Series 2019A Bonds will be given, by the Trustee by first class mail (or, if requested by the Owner of $1,000,000 or more in aggregate principal amount of Bonds, by registered or certified mail, return receipt requested), in the case of optional redemption or mandatory redemption from Senior Sinking Fund Installments, not less than twenty (20) or more than sixty (60) days prior to the date fixed for redemption and in the case of any other redemption, not less than fifteen (15) nor more than forty-five (45) days prior to the date fixed for redemption to each of the registered owners of Bonds designated for redemption at their address appearing on the bond registration books on the date the Bonds to be redeemed are selected, or at such other address as is furnished in writing by such Owner to the Bond Registrar; provided, however, that failure to give any such notice to any Owner, or any defect therein, shall not affect the validity of the redemption proceedings for any Bond. Notwithstanding the foregoing, notice of redemption shall be given in accordance with the requirements of the applicable securities depository while the Bonds are in book-entry form.

Each notice of redemption shall be dated and shall be given in the name of the Division and shall state the following information: (i) the complete official name of the Bonds, including the maturities and the Series, to be redeemed, and if less than all of such maturity, the identification numbers of Bond certificates and the CUSIP numbers, if any, of the Bonds being redeemed, provided that any such notice shall state that no representation is made as to the correctness of CUSIP numbers either as printed on such Bonds or as contained in the notice of redemption and that reliance may be placed only on the identification numbers contained in the notice or printed on such Bonds; (ii) any other descriptive information needed to identify accurately the Bonds being redeemed, including, but not limited to, the original issuance date and maturity date of, and interest rate on, such Bonds; (iii) in the case of partial redemption of any Bonds, the respective principal amounts thereof to be redeemed; (iv) the date of mailing of redemption notices, the Record Date and the redemption date; (v) the Redemption Price; (vi) that on the redemption date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (vii) the place where such Bonds are to be surrendered for payment of the Redemption Price, designating the name and address of the redemption agent with the name of a contact person and telephone number. While the Series 2019A Bonds are in book-entry only form, notice to the beneficial owners of the Series 2019A Bonds will be given in accordance to the procedures of the securities depository.

Purchase in Lieu of Redemption. Prior to the mailing by the Bond Registrar of a notice of redemption with respect to Bonds of any particular Series, tenor, interest rate and maturity, the Division may direct the Trustee or the Paying Agent to purchase, and upon receipt of a Division Request to such effect the Trustee or the Paying Agent shall purchase, such Bonds, at a price (including any brokerage and other costs) not to exceed the Redemption Price thereof plus accrued interest, for cancellation in lieu of redemption; provided, however, that neither the Trustee nor the Paying Agent shall be obligated to honor a Division Request that directs the purchase of Bonds for future delivery on or after a date that is five (5) Business Days prior to the last date, if any, on which notice of redemption with respect to such Bonds is required to be mailed in accordance with the provisions of the General Certificate and neither the Trustee nor the Paying Agent shall be obligated to publish any notice of tender or other similar advertisement unless properly indemnified by the Division for the cost thereof. Except as otherwise may be specified in such Division Request, the Trustee and the Paying Agent shall make such purchases of Bonds in such manner as the Trustee or the Paying Agent shall determine. The Division is expressly authorized to tender, and to direct the Trustee and the Paying Agent to purchase from the Division, any Bonds for cancellation in lieu of redemption. Neither the Trustee nor the Paying Agent shall be required to advance any of their own money to make any such purchase or purchases.

Rescission of Notice of Redemption. At the Written Order of the Division, any notice of redemption may by its terms be made subject to rescission upon the giving of notice of such rescission in the same manner as notices of redemption are to be given.

Estimated Weighted Average Lives of the PAC Bonds*

The weighted average life of a security refers to the average of the length of time that will elapse from the date of issuance of such security to the date each installment of principal is paid to the investor weighted by the amount of such installment. The weighted average lives of the PAC Bonds will be influenced by, among other factors, the rate at which Principal Receipts (including Mortgage Repayments and Prepayments) are made on the 2019A Mortgage Loans. Payments of mortgage loans are commonly projected in accordance with a prepayment standard or model. The results of the model used in this Official Statement have been calculated using the Securities Industry and Financial Markets Association ("**SIFMA**") (formerly the Public Securities Association ("**PSA**")) prepayment standard or model (the "**PSA Prepayment Benchmark**") which is based on an assumed rate of prepayment each month of the then unpaid principal balance of the mortgage loans. The PSA Prepayment Benchmark assumes an increasingly larger percentage of the mortgage loans prepaying each month for the *first* thirty (30) months of the respective lives and then assumes a constant prepayment rate of six percent (6%) per annum of the unpaid principal balance for the remaining life of the mortgage loans.

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

The following table assumes, among other assumptions, that (i) $16,500,000 of Mortgage-Backed Securities are purchased on the Closing Date with a weighted average coupon of 5.08% and a weighted average pass-through rate of 4.44% and the remaining Mortgage-Backed Securities are purchased by August 15, 2019 with a weighted average coupon of 4.99% and a weighted average pass-through rate of 4.35%, approximately 40% of the Mortgage-Backed Securities will be Ginnie Mae Securities and 60% will be Fannie Mae Securities; (ii) the 2019A Mortgage Loans will have an original term of 30 years; (iii) all of the 2019A Mortgage Loans are prepaid at the indicated percentage of the PSA Prepayment Benchmark; (iv) all Mortgage Repayments and Prepayments of the 2019A Mortgage Loans are timely received; (v) Prepayments on the 2019A Mortgage Loans deposited into the Series 2019A Subaccount of the Senior Special Redemption Account will be used to redeem Series 2019A Bonds as described in "THE SERIES 2019A BONDS — Redemption Provisions — *Special Redemption from Prepayments and Excess Revenues*" above, and the Division does not direct the Trustee to apply such amounts to other purposes as may be permitted by the Certificate; (vi) no Series 2019A Bonds are redeemed as described in "THE SERIES 2019A BONDS — Redemption Provisions — *Optional Redemption*" above and (vii) Revenues from Transferred Residual Fund Mortgage-Backed Securities identified in APPENDIX B are not directed to redeem the Series 2019A Bonds. The following table also assumes that moneys on deposit in the Senior Redemption Fund related to any other Series of Bonds will not be applied to redeem Series 2019A Bonds or purchase Mortgage Loans related to the Series 2019A Bonds, that moneys on deposit in Series 2019A Senior Redemption Fund will not be applied to redeem other Series of Bonds or purchase Mortgage Loans related to such other Series and no Investment Revenues from any series will be deposited in the 2019A Senior Redemption Fund. **Some or all of the table assumptions are unlikely to reflect actual experience**. Based on such assumptions, the following table indicates the projected weighted average lives of the PAC Bonds.

* Preliminary, subject to change.

Projected Weighted Average Lives (in years) of the PAC Bonds

% of PSA Prepayment Model	PAC Bonds
0%	18.1
25%	13.0
50%	8.3
75%	6.1
100%	5.0
150%	5.0
200%	5.0
300%	5.0
400%	5.0
500%	5.0

The PSA Prepayment Benchmark does not purport to be a prediction of the anticipated rate of Prepayments of the 2019A Mortgage Loans, and there is no assurance that the Prepayments of the 2019A Mortgage Loans will conform to any of the assumed prepayment rates. See "BONDHOLDERS' CONSIDERATIONS AND RISK FACTORS" herein for a discussion of certain factors that may affect the rate of Prepayments of the 2019A Mortgage Loans. **The Division makes no representation as to the percentage of the principal balance of the 2019A Mortgage Loans that will be paid as of any date or as to the overall rate of prepayment**.

SECURITY FOR THE BONDS

Pledge of the General Certificate

The General Certificate pledges for the payment of the principal or Redemption Price of and interest on the Bonds in accordance with their terms and the provisions of the Certificate, and the Trustee, as trustee on behalf of the Bondholders, is granted an express lien on, the proceeds of the Bonds, the Revenues (as defined below), all moneys and securities in the Funds and Accounts (other than in the Rebate Account and any Bond Purchase Fund) created by or pursuant to the General Certificate, including the investments thereof (if any), the rights and interest of the Division in and to the Mortgage Loans, the documents evidencing and securing the same and any mortgage insurance relating thereto, the Program Documents and the collections (excluding penalties and any commitment, reservation, extension and application fees paid to the Division which are not held in a Fund or Account under the Certificate, Escrow Payments and Servicing Fees) received therefrom by the Division or the Trustee on the Division's behalf; subject in all cases to the provisions of the General Certificate permitting the application thereof for or to the purposes and on the terms and conditions set forth in the General Certificate.

The term "**Revenues**" means (a) all Mortgage Repayments, Prepayments and, except insofar as such payments may constitute Servicing Fees, any penalty payments on account of overdue Mortgage Repayments, (b) Investment Revenues, (c) Interest Rate Contract Revenues and (d) all other payments and receipts received by the Division with respect to Mortgage Loans, but shall not include (i) Escrow Payments, (ii) Servicing Fees, unless such fees are specifically pledged to the Trustee, (iii) any commitment, reservation, extension, or application fees charged by the Division in connection with a Mortgage Loan, (iv) any commitment, reservation, extension or application fees charged by a Participating Lending Institution in connection with a Mortgage Loan or (v) accrued interest received in connection with the purchase of any Investment Obligations.

The pledge is subject in all cases to the provisions of the General Certificate permitting the application of such moneys and assets for or to the purposes and on the terms and conditions set forth therein. Such applications include refunding certain outstanding bonds of the Division, purchasing Mortgage Loans and Mortgage-Backed Securities with Bond proceeds and paying principal of and interest on the Bonds with Revenues. The pledge and lien of the General Certificate is created and established in the following order of priority: first, to secure the payment of the principal of and interest on the Senior Obligations in accordance with the terms and the provisions of the General

Certificate, second, to secure the payment of the principal of and interest on the Mezzanine Obligations in accordance with the terms and the provisions of the General Certificate, and third, to secure the payment of the principal of and interest on the Subordinate Obligations in accordance with the terms and the provisions of the General Certificate; provided, however, that moneys and investments held in subaccounts of the Division Payment Account of the Debt Service Fund are pledged solely for the payment of principal at maturity and Redemption Price of and interest on any other amounts payable with respect to Division Obligations of the Related Series and class with respect to which such subaccount was created and are not pledged to pay principal and Redemption Price of and interest on any other Bonds or Auxiliary Obligations. See "THE SERIES 2019A BONDS."

Application of Principal Receipts

All Principal Receipts (including Prepayments) relating to the 2019A Mortgage Loans and any other Mortgage Loans allocable to the Series 2019A Bonds shall be deposited in the Principal Receipts Subaccount of the Series 2019A Subaccount of the Revenue Fund (as established pursuant to the Series 2019A Certificate) and shall be segregated from all other Revenues in the Series 2019A Subaccount of the Revenue Fund. Such Principal Receipts shall be applied in the following order:

(i) *first,* to the Series 2019A Subaccount of the Senior Debt Service Fund to the extent necessary to pay any Series 2019A Bond principal due on any Bond Payment Date and to redeem any Series 2019A Term Bonds subject to mandatory sinking fund redemption from Sinking Fund Installments;

(ii) *second,* to the Series 2019A Subaccount of the Senior Special Redemption Account to the extent necessary to redeem the PAC Bonds as described in the *"first"* clause under "THE SERIES 2019A BONDS – Redemption Provisions – *Special Redemption from Prepayments and Excess Revenues*;"

(iii) *third*, to the extent remaining Principal Receipts constitute Restricted Principal Receipts, to the Series 2019A Subaccount of the Senior Special Redemption Account to redeem Series 2019A Bonds as described in the *"first", second"* and *"third"* clauses under "THE SERIES 2019A BONDS – Redemption Provisions – *Special Redemption from Prepayments and Excess Revenues*;"

(iv) *fourth*, to the extent remaining Principal Receipts constitute Unrestricted Principal Receipts, to the Series 2019A Subaccount of the Senior Special Redemption Account to redeem Series 2019A Bonds as described in the *"first"*, *"second"* and *"third"* clauses under "THE SERIES 2019A BONDS – Redemption Provisions – *Special Redemption from Prepayments and Excess Revenues*" or, as may be directed in a Division Request, to the Series 2019A Subaccount of the Acquisition Account to finance additional 2019 Mortgage Loans; and

(v) *fifth*, for application as set forth in Section 5.4(d)(i)(B) through (R) of the General Certificate.

Authorization of Bonds; Additional Bonds

Upon satisfaction of the conditions contained in the General Certificate, Bonds may be issued thereunder, without limitation as to amount except as may be provided in the General Certificate or by law, from time to time, in one or more Series pursuant to a Series Certificate; provided, however, that such Bonds may be issued only to provide funds to: (a) make deposits in amounts, if any, required or authorized by the Series Certificate to be paid into Funds or Accounts established by the General Certificate or in the Series Certificate ("**Additional Bonds**"); and (b) refund Bonds issued under the General Certificate or other bonds or obligations of the Division ("**Refunding Bonds**").

The Series 2019A Bonds, and any Additional Bonds shall be executed by the Division for issuance and delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Division or upon its order, but only upon receipt by the Trustee of the following: (a) an original executed copy of the Series Certificate authorizing such Bonds; (b) an opinion of Bond Counsel; (c) a written order as to the delivery of such Bonds, signed by an Authorized Officer; (d) a certificate of an Authorized Officer stating that the Division is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Certificate; (e) a Cash

Flow Statement with respect to such Series (and any other Series to which it may be linked for Cash Flow Statement purposes), taking into account the proposed issuance of such Bonds and the application of the proceeds thereof and the execution and delivery of Related Auxiliary Agreements, if any; and (f) such further documents and moneys, including investment agreements, as are required by the provisions of the related Series Certificate.

So long as there are Outstanding Bonds rated by a Rating Agency, the Division, as a condition to issuing Additional Bonds or Refunding Bonds (including Bonds issued or to be issued on a forward purchase basis) will obtain a confirmation from such Rating Agency that the issuance of such Bonds will not result in the lowering or withdrawal of its then current rating, if any, on each Series of Outstanding Bonds. The term "**Rating Agency**" means, at any particular time, any nationally recognized credit rating service designated by the Division, if and to the extent such service has at the time one or more outstanding ratings of the Bonds. The Division shall at all times have designated at least one such service as a Rating Agency for purposes of the Certificate.

Parity Debt

The Division has previously issued Bonds, and certain Auxiliary Obligations relating to such Bonds, secured by the General Certificate on parity with the payment of the principal of, and interest on the Series 2019A Bonds. All Bonds and Auxiliary Obligations are secured equally and ratably by the pledge and covenants contained in the General Certificate, except as otherwise provided by the General Certificate or the applicable Series Certificate. At present, the Division has no outstanding Auxiliary Obligations. See "APPENDIX D — INFORMATION REGARDING THE PROGRAM" attached hereto.

SOURCES AND USES OF FUNDS*

Proceeds made available by the issuance of the Series 2019A Bonds and certain other moneys are expected to be deposited to the related subaccounts of the following funds and accounts or otherwise used as follows:

Sources of Funds

Series 2019A Bonds Principal Amount	$
Premium on the Series 2019A Bonds	
Division Contribution	
Total	$

Uses of Funds

Series 2019A Acquisition Account	$
DPA Loans	
Interest Reserve Account	
Underwriter's Fee and Expenses	
Costs of Issuance (other than Underwriter's Fee and Expenses)	
Total	$

Proceeds on deposit in the Series 2019A Subaccount of the Acquisition Account are expected to be used to acquire Mortgage-Backed Securities. In addition, contemporaneous with the issuance of the Series 2019A Bonds, the Division expects to deposit the Transferred Residual Fund Mortgage-Backed Securities identified in APPENDIX D into the Series 2008B Subaccount of the Residual Fund. Revenues with respect to such Transferred Residual Fund Mortgage-Backed Securities are available to pay debt service on the Bonds but are not pledged thereto.

* Preliminary, subject to change.

TRANSACTION ASSUMPTIONS

The ability of the Division to pay the principal of and the interest on the Series 2019A Bonds depends upon the receipt of sufficient payments of principal and interest on the 2019A Mortgage Loans and the Mortgage-Backed Securities financed with the proceeds of the Series 2019A Bonds, the investment or reinvestment of moneys held pursuant to the Certificate and other amounts available pursuant to the Certificate. While no assurance can be given that actual events will correspond to the assumptions described herein, it is anticipated, based upon the following assumptions as well as certain other assumptions and the availability of amounts expected to be available pursuant to the Certificate, among others, that such sources will be sufficient to pay on a timely basis the principal and interest on the Bonds, as well as any related fees and expenses:

(a) The Servicer shall receive a monthly Servicing Fee (to be deducted from payments on the Mortgage Loans) equal to one-twelfth of not more than (i) 0.50% in the case of Ginnie Mae Securities and (ii) 0.725% in the case of Fannie Mae Securities, in each case as a percentage of the principal amount of Mortgage Loans supporting and represented by Mortgage-Backed Securities (or such other percentage as agreed to by the Division).

(b) The Trustee shall purchase approximately $16,500,000 in principal amount Mortgage-Backed Securities on the Closing Date with a weighted average coupon of 5.08% and a weighted average pass-through rate of 4.44%. In addition, from funds remaining in the Series 2019A Acquisition Account, the Trustee shall purchase approximately $33,500,000 of Mortgage-Backed Securities or participations therein with a weighted average coupon of 4.99% and a weighted average pass-through rate of approximately 4.35% with a weighted average origination date of August 15, 2019. Approximately 40% of all Mortgage-Backed Securities are expected to be Ginnie Mae Securities and 60% will be Fannie Mae Securities. The weighted average effective coupon and pass-through rate of all Mortgage-Backed Securities including any participations therein is expected to be approximately 5.02% and 4.38% respectively. DPA Second Mortgage Loans will be made in conjunction with 100% of the 2019A Mortgage Loans.

(c) All 2019A Mortgage Loans will have approximately equal monthly installments of principal and interest over 360 months.

(d) With respect to the Series 2019A Bonds, (i) the Division's fee and (ii) the Trustee's fee shall not exceed:

(i) 1/2 (or such fraction as applicable to the initial amount prorated for the period ending October 1, 2019) of 0.25% of the outstanding principal amount of Mortgage-Backed Securities; and

(ii) 1/2 (or such fraction as applicable to the initial amount prorated for the period ending October 1, 2019) of 0.03% of the outstanding principal amount of the Series 2019A Bonds.

(e) The amounts held in the Funds and Accounts with respect to the Series 2019A Bonds are assumed to be invested in Investment Obligations. See "BONDHOLDERS' CONSIDERATIONS AND RISK FACTORS — Investment of Funds" herein.

(f) Prepayments of the 2019A Mortgage Loans and amounts deposited in the Series 2019A Subaccount of the Residual Account shall be applied, as set forth in the Certificate, to the redemption of the Series 2019A Bonds as described under the caption "THE SERIES 2019A BONDS — Redemption Provisions — *Special Redemption from Prepayments and Excess Revenues*" above.

The final maturity date of the Series 2019A Bonds is based upon the assumption that none of the 2019A Mortgage Loans will be prepaid. In the event of such Prepayment of the 2019A Mortgage Loans, an appropriate portion of the Series 2019A Bonds will be specially redeemed as provided for in the Certificate and as described above under the caption "THE SERIES 2019A BONDS — Redemption Provisions — *Special Redemption from Prepayments and Excess Revenues*." No reliable prediction may be made with regard to the level of Prepayments in full or other early terminations of 2019A Mortgage Loans and the resulting special mandatory redemption of the Series 2019A Bonds. This is particularly true in the case of the 2019A Mortgage Loans, which are expected to be originated at a rate below current market rates for comparable mortgage loans, which must comply with the requirement that persons assuming a Mortgage Loan must meet the requirements of the Code and the Act and which may have an associated DPA Second Mortgage Loan. The Division expects prepayment of a number of 2019A Mortgage Loans, and it is therefore probable that the Series 2019A Bonds will be redeemed prior to their stated maturities.

No assurance can be given that actual events will correspond to the assumptions.

THE SINGLE-FAMILY MORTGAGE PROGRAM

The Single-Family Program is intended to increase the supply of affordable housing in the State by providing below market rate mortgages to homebuyers who meet certain Program requirements.

Reservation of Funds

Under the Single-Family Program, Lenders reserve loan funds on a first-come, first-served basis for Mortgage Loans and DPA Second Mortgage Loans for the financing of single-family detached residences, townhouses and condominium units being purchased by Eligible Borrowers. See "APPENDIX D — INFORMATION REGARDING THE PROGRAM" attached hereto for additional details on the reservation of Mortgage Loans.

The Division will notify each Lender of its intention to issue Bonds and of the amount of funds available for reservation. To reserve loan funds, a Lender will register a Mortgage Loan with the Program Administrator by identifying the Mortgagor and the residence and providing evidence that the Mortgagor has agreed to purchase the residence. Within 20 days of reservation the Mortgage Loan must be certified by the Lender's loan underwriter or the reservation is subject to cancellation. After the Mortgage Loan is closed, the Compliance Agent will review the loan file and notify the Servicer that the Mortgage Loan is eligible for purchase under the Program. The closed loan purchase file must be submitted to the Servicer within 45 days after closing the Mortgage Loan and the Mortgage Loan must be purchased within 70 days of reservation.

Eligibility

The Mortgage Loans must comply with, among other terms and regulations, the Act, Section 143 of the Code, the Certificate and the Program Agreements.

Eligible Borrowers. Each Mortgage Loan must be made to a person who desires to obtain financing for the acquisition cost of a qualified residence and (i) has household income of not more than the maximum income limits described in the Program Guidelines, for a family the size of the borrower's family, (ii) meets the criteria for underwriting, including a debt to income ratio no greater than applied by the Federal Housing Administration ("**FHA**"), the Department of Veterans Affairs ("**VA**"), Rural Development acting through the United States Department of Agriculture ("**USDA/RD**"), or Fannie Mae or Freddie Mac, as appropriate, depending on which entity insures or guarantees the Mortgage Loan and (iii) except in the case of certain veterans or a person applying to finance a residence in a Targeted Area, has not had an ownership interest in a principal residence, at any time within the 3 years immediately preceding the date on which the Mortgage Loan is originated. Eligible Borrowers must complete a Division-approved homebuyer education class.

Maximum Income Limits. Pursuant to the Act and the Code, the income of any Eligible Borrower must not exceed certain income limits as set forth in the Program Guidelines from time to time.

Maximum Purchase Price. In addition, each Mortgage Loan must be for the purpose of financing a residence the acquisition cost of which does not exceed 90% or, in the case of a Targeted Area, 110%, of the applicable average area purchase price, determined from time to time by the Division.

Adjustment of Eligibility Limits. All amounts relating to maximum income limits and acquisition cost limits as described in this section, are subject to adjustment in accordance with the Code and the Act and in the discretion of the Division.

Mortgage Loan Terms

All Mortgage Loans will (i) be secured by a deed of trust creating a first lien (subject only to certain permitted encumbrances) on a residence, (ii) qualify under one of the programs described below, (iii) be eligible to be grouped together in mortgage pools to back Mortgage-Backed Securities for purchase by the Trustee, (iv) bear the interest rate specified on the secure online Lender portal for the Program maintained by the Program Administrator (the "**Stated Interest Rate**"), and (v) have a term not longer than thirty (30) years. See "TRANSACTION ASSUMPTIONS" for additional details of the Mortgage Loan terms.

All Mortgage Loans must be either (a) insured by the FHA pursuant to Sections 203(b), 234(c) or 703(b) of the National Housing Act and other acceptable FHA programs or (b) guaranteed by the VA pursuant to VA guidelines, (c) guaranteed in accordance with USDA/RD, or (d) in the event the Mortgage Loan is a conventional loan, insured by a private mortgage insurance company to the extent required by Fannie Mae or Freddie Mac, as appropriate.

In addition, the Division will make funds available from proceeds of the Series 2019A Bonds representing original issue premium, as well as from other sources, for DPA Second Mortgage Loans secured by subordinate deeds of trust. Such DPA Second Mortgage Loans will be in an amount not to exceed 4% of the principal amount of the related Mortgage Loan with a stated rate of interest of 0% and is fully forgiven after 180 months (the "**Loan Period**"). No payments are due on the DPA Second Mortgage Loans unless and until, during the Loan Period, the Mortgagor: (i) ceases to occupy the property as a primary residence, (ii) fully prepays or refinances the associated Mortgage Loan or (iii) sells, transfers or otherwise disposes of the property. Repayments on such DPA Second Mortgage Loans are not Revenues within the meaning of the Certificate and are not pledged to secure repayment of the Bonds.

BONDHOLDERS' CONSIDERATIONS AND RISK FACTORS

Special Considerations Relative to the Origination of Mortgage Loans

The dollar amount that FHA, VA and USDA/RD can insure or guarantee in any federal fiscal year is limited by statute and administrative procedures. If an appropriation act is not passed in any federal fiscal year or if FHA, VA or USDA/RD reach the limits of their authority, or change their respective programs, the Lenders might not be able to originate Mortgage Loans in the anticipated principal amount or with funds available in any Acquisition Account. Through legislative action by the United States Congress, changes in regulations by HUD or executive action, the fees and standards for participation in FHA insurance programs may change. Pursuant to legislative or executive action, current federal housing programs, including home mortgage insurance and/or guarantees, may be substantially modified or eliminated. If such changes occur, the ability of the Division to apply amounts on deposit in the Series 2019A Acquisition Account to the purchase of Mortgage-Backed Securities or 2019A Mortgage Loans may be affected.

It is not possible to predict the effect of legislative, regulatory or executive action, if any, on the ability of the Division to purchase Mortgage Loans or Mortgage-Backed Securities or to predict the determinations to be made by the Division, in its discretion (consistent with maintaining the then-current ratings of the Bonds), with respect to purchasing Mortgage Loans and Mortgage-Backed Securities.

To facilitate the operation of the Program, from time to time, the Division may use certain of its general operating funds to purchase Mortgage-Backed Securities in anticipation of the issuance of Bonds.

The Division is not obligated to use the proceeds of the Series 2019A Bonds or other Bonds in any particular order and, depending upon the respective mortgage loan interest rates, the Division may elect, from time to time, to use proceeds of particular Series of Bonds to the exclusion of other Series of Bonds. Additionally, the Division may finance Mortgage Loans originated by Lenders pursuant to the Program through sources of funding other than the issuance of Bonds. See "– Competing Program" below. Failure to originate Mortgage Loans in amounts contemplated in connection with the issuance of each Series of Bonds may result in redemption of such Series of Bonds, in whole or in part. See "THE SERIES 2019A BONDS – Redemption Provisions – *Special Mandatory Redemption*" herein.

It is anticipated that a portion of the Mortgage Loans will be partially or completely prepaid or terminated prior to their respective final maturities as a result of events such as sale of the related residence, default, condemnation or casualty loss or noncompliance with the Program Guidelines. Because of the inherent uncertainty of historical basis with respect to prepayments of mortgage loans of a type similar to the Mortgage Loans described herein, including such Mortgage Loans with a related DPA Second Mortgage Loan, and the requirements under both the Act and the Code that, in the event of an assignment, the Mortgage Loan is to be accelerated when an assignee does not qualify under their respective provisions, there is no reliable basis for predicting the actual average life of the Mortgage Loans. Prepayment of a number of Mortgage Loans, however, is anticipated.

The rate of prepayment on the Mortgage Loans also may be affected by whether, upon a sale of the mortgaged property, the purchaser may assume the Mortgage Loan. Subject to satisfaction of certain terms set forth in the Program Guidelines, the Mortgage Loans are assumable by qualified purchasers. Assumption of Mortgage Loans, rather than payoff upon a sale or transfer of the related mortgaged property, will reduce the level of prepayments. There is no way to determine the effect that such assumptions or non-assumptions of Mortgage Loans will have on principal payments on the Bonds.

Mortgage Repayments and Prepayments received by the Trustee with respect to the Mortgage-Backed Securities and the 2019A Mortgage Loans and Excess Revenues, to the extent not used to recycle or cross-call other Series of Bonds (as described under "— Redemption and Prepayment Considerations" below), shall be applied to the payment or redemption of the Series 2019A Bonds as described under "THE SERIES 2019A BONDS—Redemption Provisions" herein. It is therefore expected that some portion of the Series 2019A Bonds will be redeemed prior to their respective stated maturities.

Each Lender's competition in making real estate loans in the State normally comes primarily from other savings banks, commercial banks and other mortgage bankers in the area. One of the principal factors in competing for real estate loans is the interest rate charged. Prevailing interest rates for residential mortgages in the State can increase or decrease at any time.

So long as any PAC Bonds are outstanding, the Series 2019A Certificate limits the recycling of Prepayments to finance additional Mortgage-Backed Securities and Mortgage Loans to amounts in excess of such Prepayments needed to redeem the PAC Bonds up to the Applicable Amount for the applicable Bond Payment Date. The Division may (and currently intends to if permitted by law) issue additional bonds (which may or may not be issued pursuant to the General Certificate), which may finance mortgages at interest rates below the rates provided for the 2019A Mortgage Loans. Any Series 2019A Bond proceeds and other funds initially deposited in the Series 2019A Acquisition Account which are not used to purchase Mortgage-Backed Securities (or otherwise finance 2019A Mortgage Loans) are required to be used to redeem an appropriate portion of the Series 2019A Bonds. See "THE SERIES 2019A BONDS—Redemption Provisions" herein.

In addition, the Division may provide funds through other programs for the refinancing of Mortgage Loans purchased, acquired or financed with proceeds of the Bonds. If Mortgage Loans are so refinanced and paid in full, such payments would be treated as Prepayments on the Mortgage Loans, resulting in an early redemption of the Bonds. See "THE SERIES 2019A BONDS—Redemption Provisions" herein.

Division's MBS Purchase Program

The Division presently operates its MBS Purchase Program which is available to Eligible Borrowers whose household income is $98,500 or less, to acquire single family residences in the State. The MBS Purchase Program is not limited to first-time homebuyers. Through the MBS Purchase Program, the Division makes funds available to enable the Division to finance certain qualified FHA-insured, VA-guaranteed, USDA/RD- guaranteed and Conventional HFA Preferred mortgage loans, through the acquisition of fully-modified mortgage-backed pass-through certificates issued on behalf of and guaranteed as to timely payment of principal and interest by Ginnie Mae, Fannie Mae or Freddie Mac. These certificates are then sold to Raymond James & Associates, Inc. pursuant to a MBS Purchase Agreement. Since the MBS Purchase Program and the Bond Proceeds are both intended to provide financing for similarly situated borrowers, the success of the MBS Purchase Program has the potential of disrupting the Division's ability to originate and pool Mortgage Loans to be financed by Bonds.

Redemption and Prepayment Considerations

PREPAYMENTS MADE WITH RESPECT TO MORTGAGE LOANS AND MORTGAGE-BACKED SECURITIES WHICH ARE NOT APPLIED TO PURCHASE ADDITIONAL MORTGAGE LOANS AND MORTGAGE-BACKED SECURITIES, TOGETHER WITH CERTAIN OTHER EXCESS REVENUES (INCLUDING CERTAIN SCHEDULED PRINCIPAL PAYMENTS) AND OTHER AMOUNTS THAT ARE AVAILABLE UNDER THE GENERAL CERTIFICATE, MAY RESULT IN THE REDEMPTION OF SOME PORTION OF THE SERIES 2019A BONDS AT PAR EARLIER THAN THEIR RESPECTIVE STATED MATURITIES.

Prepayments on the 2019A Mortgage Loans may affect the yield to the holders of the Series 2019A Bonds purchased at a premium or discount. The future prepayment behavior of the Mortgage Loans will be influenced by a variety of economic, geographic, demographic, social and other factors, including the level of prevailing mortgage interest rates and the rate at which homeowners sell their homes or default on their Mortgage Loans. Prepayment rates may be further affected by a provision under current law which may require the borrower of a 2019A Mortgage Loan to pay to the United States a portion of the gain upon the disposition of a residence financed if such disposition occurs within nine years from the date of purchase as a recapture of a portion of the borrower's benefit from tax-exempt financing. See "BONDHOLDERS' CONSIDERATIONS AND RISK FACTORS – Recapture of Federal Subsidy" herein. In addition, the rate of prepayment on the Mortgage Loans also may be affected by whether, upon a sale of the mortgaged property, the purchaser may assume the Mortgage Loan. Subject to satisfaction of certain terms set forth in the Program Guidelines, the Mortgage Loans are assumable by qualified purchasers. Assumption of Mortgage Loans, rather than payoff upon a sale or transfer of the related mortgaged property, will reduce the level of prepayments. There is no way to determine the effect that such assumptions or non-assumptions of Mortgage Loans will have on principal payments on the Bonds.

In general, if prevailing interest rates are below the interest rate on the Mortgage Loans, the Mortgage Loans are likely to be subject to higher prepayment rates than if prevailing rates are at or above the interest rates on such Mortgage Loans. Conversely, if interest rates rise, the rate of prepayment would be expected to decrease. A lower rate of principal prepayments than expected on the Mortgage-Backed Securities would negatively affect the yield on the Series 2019A Bonds sold at a discount. A higher rate of principal prepayments than expected on the Mortgage-Backed Securities would negatively affect the yield of Series 2019A Bonds sold at a premium. Because it is impossible to predict with any accuracy the timing and dollar amount of principal prepayments on the Mortgage-Backed Securities that will be made, investors may find it difficult to analyze the effect of prepayments on the yield on the Series 2019A Bonds.

In accordance with the Program, and subject to any agreements with respect to the redemption of certain Bonds, the Division expects to continue to review the amount of Prepayments received on the Mortgage Loans and Excess Revenues on deposit under the Certificate and may use such amounts to finance additional Mortgage Loans and Mortgage-Backed Securities when consistent with its Program goals and objectives.

Certain Revenues relating to one Series of Bonds (including moneys received from Mortgage Repayments on Mortgage Loans and Mortgage-Backed Securities financed with the proceeds of that Series) in excess of Revenues needed to pay principal and interest currently due on any of the Bonds, to pay expenses or to meet other purposes set forth in the Certificate generally may be used at any time to redeem Bonds of that Series and/or Bonds of certain other Series (subject to limitations, if any, set forth in the applicable Series Certificates). The use of Revenues in respect of one Series to redeem Bonds of another Series is known as "**cross-calling**." The Series and maturities of Bonds to be cross-called from time to time, if any, will be determined by the Division consistent with the Certificate. While the Division has the right to cross-call, it has historically not done so. However, there is so assurance that the Division will not cross-call in the future.

In accordance with the terms of the Certificate and pursuant to a Division Request, the Division may elect to transfer moneys on deposit in a subaccount of an Account in the Redemption Fund to a related or unrelated subaccount of the Acquisition Account of the Program Fund to purchase, finance or acquire additional Mortgage Loans or

Mortgage-Backed Securities, so long as each such Division Request (i) certifies that the Request is consistent with the most recently filed related Cash Flow Statement and the related Series Certificate and (ii) shall be accompanied by evidence of the satisfaction of all Asset Requirements for the related Series. The use of moneys in the Redemption Fund to purchase, finance or acquire additional Mortgage Loans or Mortgage-Backed Securities is known as "**recycling**". The Series 2019A Certificate provides that the Division will only recycle such amounts that are in excess of the amount needed to redeem the PAC Bonds up to the Applicable Amount for the applicable Bond Payment Date so long as any PAC Bonds are outstanding. The Division may be unable to, or may determine not to, recycle such amounts to purchase, finance or acquire Mortgage-Backed Securities or Mortgage Loans; in such event such funds will be used to pay the principal and/or the redemption price of the Bonds and interest thereon.

The "**10-Year Rule**" (Section 143(a)(2)(A)(iv) of the Code), as it is commonly called, generally requires that repayments of principal on Mortgage Loans must be used to redeem the Series of Bonds that financed such Mortgage Loans to the extent such repayments are received more than 10 years after such Series (or, with respect to refunding bonds, the original bond) was issued as a tax-exempt bond. Such repayments, when received, are considered "**Restricted Principal Receipts**." The 10-Year Rule generally limits the Division's ability to cross-call Bonds from restricted principal receipts or to recycle such Restricted Principal Receipts. From time to time, there have been efforts to repeal the 10-Year Rule. Any repeal of the 10-Year Rule may lead to increased recycling or to the cross-calling of the Bonds (including, but not limited to, the Series 2019A Bonds). Historically, the Division has not cross-called Bonds.

No representation is made as to the actual timing of the origination of the 2019A Mortgage Loans, the anticipated yield to redemption of any Series 2019A Bonds, the redemption of any of the Series 2019A Bonds or the rate of prepayment on the 2019A Mortgage Loans. Investors seeking to maximize yield are urged to make an investment decision with respect to the Series 2019A Bonds based upon the investor's desired yield to redemption or maturity, the anticipated yield to redemption or maturity of the Series 2019A Bonds resulting from the price of the Series 2019A Bonds and the investor's own determination as to (i) the anticipated rate of prepayments with respect to the Mortgage Loans (including the 2019A Mortgage Loans) and (ii) the Division's ability and willingness to recycle.

Delays after Defaults

If a mortgagor defaults in the payment of a Mortgage Loan and the Division institutes foreclosure proceedings, there will be certain required time delays which, should they occur with respect to a sufficient number of Mortgage Loans, could disrupt the flow of revenues available for the payment of principal of, sinking fund installments for and interest on the Bonds. These time delays derive from the procedures applicable to the collection of mortgage insurance or guarantees as well as those required under Nevada law for the enforcement of rights of beneficiaries under deeds of trusts.

The Nevada Legislature has enacted laws to assist homeowners prior to and after commencement of foreclosure proceedings. These laws include, but are not limited to: the Foreclosure Mediation Program, contained in NRS 107.086, (the "**Foreclosure Mediation Program**") and the Homeowner's Bill of Rights, NRS 107.400 – 107.560 ("**HBR**") as well as laws limiting or eliminating, in certain circumstances, the personal liability of borrowers under residential mortgages (see, for example, NRS 40.455, subsection 3). The Foreclosure Mediation Program allows all homeowners facing foreclosure on their primary residence the ability to participate in foreclosure mediation through the District Court to discuss alternatives to foreclosure. Under the Foreclosure Mediation Program, before proceeding with a notice of sale, trustees are required to obtain a certificate from Home Means Nevada, Inc., a non-profit corporation established by the Department of Business and Industry which administers the Foreclosure Mediation Program, certifying that mediation has concluded or the borrower opted out of the Foreclosure Mediation Program. The HBR imposes substantial duties on lenders before they may legally initiate a foreclosure. These duties include, but are not limited to: establishing direct contact with homeowners before initiating foreclosure proceedings, adhering to strict timelines to review documents imposed on lenders, allowing an opportunity for homeowners to appeal a denial of assistance, requiring that the lender provide a single point of contact for the homeowner, allowing homeowners who are sued for judicial foreclosure to elect foreclosure mediation, prohibiting "arm's length affidavits," and establishing a private right of action for homeowners which experience a violation of the HBR. Neither the Foreclosure Mediation Program nor the HBR have (i) disrupted, delayed or increased the expense of grouping eligible Mortgage Loans into pools that back Mortgage-Backed Securities for purchase by the Trustee under the Program or

(ii) adversely affected the payment expectations with respect to such Mortgage-Backed Securities and the respective obligations and/or guarantees of Ginnie Mae, Fannie Mae or Freddie Mac. See "APPENDIX F – SUMMARY OF CERTAIN MORTGAGE INSURANCE PROGRAMS" attached hereto.

Developments in the Residential Mortgage Market May Adversely Affect Bond Yield

The residential mortgage market in the United States over the last several years has experienced a variety of difficulties and changed economic conditions that may adversely affect the performance and market value of the Bonds. In response to increased delinquencies and losses with respect to residential mortgage loans, the federal government, state governments, consumer advocacy groups and others have urged aggressive action to modify mortgage loans to avoid foreclosures and, in response, certain mortgage servicers have established foreclosure avoidance programs for borrowers. In addition, numerous laws, regulations and rules relating to mortgage loans generally, and foreclosure actions particularly, have recently been enacted by federal, state and local governmental authorities and it is possible that additional laws, regulations and rules will be proposed. These laws, regulations and rules may result in delays in the foreclosure process, reduced payments by borrowers (including the Mortgagors), modification of the original terms of the mortgage loans (including the Mortgage Loans) including permanent forgiveness of debt, increased prepayments due to the availability of government-sponsored refinancing initiatives and/or increased reimbursable mortgage servicing expenses. Several courts have also taken unprecedented steps to slow the foreclosure process or prevent foreclosure altogether.

In judicial foreclosure proceedings, affidavits and other legal pleadings establishing the basis for the foreclosure must be submitted to the court. Such filings are required to be based on the personal knowledge of the facts asserted by the person signing the filings. Many servicers have attempted to streamline this process by employing individuals whose sole function is to sign such pleadings. Recent lawsuits have charged that these individuals did not have the required knowledge of the facts being asserted. As a result of the disclosure of these practices, several large servicers temporarily halted all foreclosures to conduct reviews of their procedures. Various local and national politicians have called for moratoriums on all foreclosures and the attorneys general of all 50 states have joined together to investigate the foreclosure practices of mortgage servicers. In February of 2012, federal regulators and 49 state attorneys general announced a multi-billion dollar settlement with the five largest mortgage servicers regarding their foreclosure practices. The Servicer was not part of the settlement. However, there can be no assurance as to the possible impact of any future lawsuit, settlement or moratorium on the Servicer or the Mortgage-Backed Securities.

Some of the Mortgage Loans are recorded in the name of the Mortgage Electronic Registration Systems ("**MERS**"), an electronic record-keeping system that acts as the mortgagee of record for a substantial portion of residential mortgages originated in the United States. Under MERS, a mortgage is recorded in the name of MERS, and MERS electronically records the beneficial owner of that mortgage. Subsequent transfers are noted electronically in MERS records but not in the applicable registry of deeds. Recent lawsuits have asserted that because mortgages held by MERS were not re-recorded when ownership of the related promissory note changed hands, entities that ultimately purchased those mortgages are not the official holders of those mortgages. Mortgage servicers of such mortgage loans (which may include Mortgage Loans) may experience delays in the foreclosure process.

In a September 18, 2014 decision, *SFR Investments Pool 1, LLC v. U.S. Bank*, the Nevada Supreme Court upheld a State law that permits homeowners' associations to foreclose on homes prior to first mortgagees when pursuing remedies for unpaid homeowners' association fees. The decision confirms "super lien" priority in Nevada for such fee claims and that a properly conducted foreclosure on a homeowners' association lien can extinguish the lien of a first deed of trust. Other State laws similarly provide such super lien priority to mechanics' liens and property tax liens, among others. In response to this decision, the Nevada legislature enacted laws requiring foreclosing homeowners' associations to provide notice of its Notice of Deficiency to all holders of a security interest in the property. Senior lien holders then have 30 days to satisfy the foreclosing homeowners' association's lien. If the lien is not satisfied within 30 days, the foreclosing homeowners' association may proceed with its foreclosure and the resulting extinguishment of senior security interests, including any first deed of trust. Neither the SFR Investments Poll decision nor the subsequent legislation have (i) disrupted, delayed or increased the expense of grouping eligible Mortgage Loans into pools that back Mortgage-Backed Securities for purchase by the Trustee under the Program or (ii) adversely affected the payment expectations with respect to such Mortgage-Backed Securities and the respective obligations and/or guarantees of Ginnie Mae, Fannie Mae or Freddie Mac. See "APPENDIX F – SUMMARY OF CERTAIN MORTGAGE INSURANCE PROGRAMS" attached hereto.

Any modification of a Mortgage Loan by the Servicer will result in the removal of such Mortgage Loan from the pool of Mortgage Loans backing the related Mortgage-Backed Security. In such event, the principal balance of the Mortgage Loan will be distributed on the related Mortgage-Backed Security and will affect expected timing of distributions of principal on the Mortgage-Backed Securities and, therefore, the Series 2019A Bonds. Bondholders will bear the risk that modifications of the 2019A Mortgage Loans may reduce the yield on their Series 2019A Bonds.

Investment of Funds

Moneys deposited in the Series 2019A Subaccount of the Acquisition Account (until used for the purposes therein), the Series 2019A Subaccount of the Senior Debt Service Fund, the Series 2019A Subaccount of the Revenue Account, the Series 2019A Subaccount of the Senior Special Redemption Account, the Series 2019A Subaccount of the Debt Service Reserve Fund and the Series 2019A Subaccount of the Rebate Account will be invested in Investment Obligations.

Certain investment agreements and, where consistent with the current ratings of the outstanding Bonds, guarantees may be delivered, from time to time, in connection with each Series of Bonds issued pursuant to the Certificate. The investment agreements, and any related guarantees, entered into in connection with the Bonds are herein collectively referred to as the "**Investment Agreements**." In each case, the Investment Agreements, and any related guarantees, when entered into, must be consistent with, and permit a continuation of, the ratings of the outstanding Bonds. Copies of the Investment Agreements and any related guarantees are on file with the Trustee. (See APPENDIX D—"INFORMATION REGARDING THE PROGRAM – Investments Pledged Under the General Certificate" attached hereto for a schedule of Investment Agreements entered into with respect to the Bonds.) It is not expected that proceeds made available upon the issuance of the Series 2019A Bonds will be invested in an Investment Agreement.

The failure to receive timely payment on any Investment Obligation, including an Investment Agreement, could adversely affect the Division's ability to pay principal of and interest on the Bonds. If the rating issued by the Rating Agency with respect to any provider of an investment agreement falls below certain rating levels established by the Rating Agency with respect to such entity's long-term and/or short-term debt rating, as applicable, the rating on the Bonds may be adversely affected. The Division is under no obligation with respect to assuring the continued maintenance by any provider of an investment agreement of a particular rating from the Rating Agency, nor to find a substitute investment agreement in the event of a lowering of a provider's rating.

With respect to amounts invested pursuant to the General Certificate, the Division regularly transfers such amounts to various accounts, including Senior Special Redemption Accounts to redeem Bonds on at least a semi-annual basis and may recycle as discussed herein.

Tax Treatment of the Series 2019A Bonds; Changes in Federal and State Law

The Code establishes certain requirements that must be met subsequent to the issuance of the Series 2019A Bonds in order that interest thereon be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Series 2019A Bonds to be includable in gross income retroactive to the date of original issuance of the Series 2019A Bonds. In addition, from time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax status of the Series 2019A Bonds or adversely affect their market value. The Division cannot predict whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. For a more complete description, see the caption "TAX MATTERS" herein.

Nature of the Guarantees of Freddie Mac and Fannie Mae

The obligations of Freddie Mac under its guarantees of the Freddie Mac Securities, including any UMBS issued by Freddie Mac, are obligations of Freddie Mac only, and the obligations of Fannie Mae under its guarantees of the Fannie Mae Securities, including any UMBS issued by Fannie Mae, are obligations of Fannie Mae only. Neither the Freddie Mac Securities nor the Fannie Mae Securities, including the interest thereon, are guaranteed by the United States or constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac and Fannie Mae, as applicable, and neither is entitled to the full faith and credit of the United States. If either Freddie Mac or Fannie Mae is unable to satisfy its obligations under its respective guarantees, distributions on the Freddie Mac Securities or the Fannie Mae Securities, as applicable, would consist solely of payments and other recoveries on the related Mortgage Loans. Accordingly, prepayments, delinquencies and defaults on the mortgages would affect distributions on the Freddie Mac Securities and the Fannie Mae Securities, as applicable, and could adversely affect payments on the Series 2019A Bonds.

Recapture of Federal Subsidy

Federal law requires recapture by the federal government of the federal subsidy provided by the Mortgage Loans, if a qualified residence financed with such mortgages is sold or otherwise disposed of within nine years of such financing, and the seller exceeds certain income limits. Mortgage Loans originated under the Single-Family Program will be subject to such recapture provisions. The maximum recapture amount is approximately 6.25 percent of the original principal amount of such Mortgage Loan. The portion of this amount that a mortgagor will be required to pay to the federal government depends upon the length of time the residence is held prior to disposition. The recapture amount is limited to 50 percent of the gain derived on disposition of the residence and is reduced if the mortgagor does not exceed certain income limitations.

The ability of Lenders to originate Mortgage Loans may be adversely affected by the imposition of such recapture provisions.

Rating Downgrade

Because the Mortgage-Backed Securities are guaranteed by Ginnie Mae, Fannie Mae and/or Freddie Mac, any downgrade in the sovereign credit rating of the United States of America, Fannie Mae or Freddie Mac by the Rating Agency would likely result in a downgrade of the Bonds by the Rating Agency. Any reduction of the rating in effect for the Bonds may adversely affect the market price of the Bonds. See “RATING”.

Other Risks

No assurance can be given that a change in the existing Ginnie Mae, Fannie Mae or Freddie Mac programs will not occur such that Ginnie Mae Securities, Fannie Mae Securities or Freddie Mac Securities may not be available for purchase by the Trustee, in which event Series 2019A Bonds may be redeemed as described in “THE SERIES 2019A BONDS— Redemption Provisions — *Special Redemption from Unexpended Proceeds*.”

Future increases in FHA insurance premiums may require home buyers to pay more of their closing costs in cash, rather than financing them in the mortgage and may have the effect of reducing the demand for Mortgage Loans insured by FHA.

The remedies available to the Holders of the Bonds upon an event of default under the Certificate or other documents described herein are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies set forth in the Certificate and the various Program Documents may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2019A Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by the application of equitable principles.

ORIGINATION OF MORTGAGE LOANS

The following statements are summaries of certain provisions of the Lender Agreements and the Program Guidelines. Some of these provisions, together with certain other provisions thereof, have been summarized elsewhere in this Official Statement and in the Appendices hereto. All such summaries are qualified in their entireties by reference to such documents for a full and complete statement of their provisions. Copies of such documents in reasonable quantity may be obtained from the Division.

Pursuant to the Lender Agreements and the Program Guidelines, each Lender agrees to apply to the Program Administrator for reservations (on a loan-by-loan basis) of Program funds and to originate and sell Mortgage Loans to the Servicer. The Lender is expected to use its best efforts to make reservations for and to originate and sell Mortgage Loans on residences located in Targeted Areas prior to the date which is the last day of the one-year period during which such Mortgage Loans are made available on residences in Targeted Areas. Capitalized terms used herein and not otherwise defined have the meanings set forth for such term in the Program Agreements.

Each Mortgage Loan is required to be made to a Mortgagor whose income does not exceed the maximum income limits, as set forth in the Program Guidelines and who intends to occupy the residence as his or her principal place of residence within thirty days after the closing date of the Mortgage Loan and permanently thereafter. The Lenders are required to determine each Mortgagor's income and examine a copy of the Mortgagor's prior year's signed federal income tax return, if any.

Except in the case of a Targeted Area residence or certain veterans, no Mortgagor may have had a present ownership interest in a principal residence of such Mortgagor at any time during the three-year period prior to the date on which the Mortgage Loan is executed. No Mortgagor may have an ownership interest in any residential, real property at the time the Mortgage Loan is executed. The Lenders are required to investigate whether this requirement is met. Such investigation must include requiring the Mortgagor to present adequate pre-existing documentary evidence that such requirement is met, including copies of the Mortgagor's prior three years signed federal income tax returns, if any. The Lenders are required to examine each such federal income tax return to determine whether the Mortgagor has claimed a deduction pursuant to Section 164(a)(1) of the Code for taxes on real property which was the Mortgagor's principal residence or a deduction pursuant to Section 163 of the Code for interest paid on a mortgage secured by real property which was the Mortgagor's principal residence. Mortgagors unable to document compliance with this requirement will not be eligible for a Mortgage Loan.

No residence may have an Acquisition Cost which exceeds 110% of the average area purchase price in the case of a residence located in a Targeted Area in the State, or, if located in other than a Targeted Area in the State, 90% of the average area purchase price. The Lenders are required to compute the Acquisition Cost for each residence on the basis of the information provided in the purchase contract for the residence and the Buyer's Affidavit, forms of all of which documents are available on the secure online Lender's portal for the Program maintained by the Program Administrator. In addition, Mortgagors must meet certain income restrictions as described above under the caption "THE SINGLE-FAMILY MORTGAGE PROGRAM — Eligibility."

Within twenty (20) days of the date of the loan reservation, the Lenders must complete their underwriting of the Mortgage Loan and complete the Program Administrator's Underwriter Certification process before final mortgage documents may be prepared in preparation of closing the Mortgage Loan. After the Mortgage Loan is closed, the mortgage documents are submitted to and reviewed by the Program Administrator for conformity with the requirements of the Program Agreements. Any Mortgage Loan with respect to which such documents are deemed to be defective may be returned by the Program Administrator to be cured if possible. Upon approval by the Program Administrator of the documents submitted, the Servicer may purchase the Mortgage Loan.

On the Closing Date, the Lenders may collect the following fees from the Mortgagor (or the seller of the residence being purchased), but only to the extent permitted by FHA, VA, Ginnie Mae, Fannie Mae or Freddie Mac: (i) an Origination Fee not to exceed 0.50% of the principal amount of the Mortgage Loan; (ii) the Program Administrator's compliance/administration fee; (iii) the Servicer's tax service fee and funding fee; and (iv) reasonable and customary settlement or financing costs, including, any of the following paid or incurred by it, but only to the extent that amounts collected do not exceed amounts charged in the State, as applicable, in cases where owner-financing is not provided through the use of bonds the interest on which is excluded from gross income for federal income tax purposes and are approved by FHA, VA, Ginnie Mae, Fannie Mae or Freddie Mac ("**Closing Costs**"): hazard insurance premiums (to the extent not previously paid, as in the case of a condominium development where payment may be made by a homeowners' association), premiums for a policy of title insurance, premiums for the FHA mortgage insurance or the VA mortgage guaranty or the private mortgage guaranty insurance of the PMI Insurer (if not funded from the proceeds of the Mortgage Loan), appraisal fees, abstract and attorneys' fees, recording or registration charges, escrow fees, credit report fees, and similar settlement or financing costs. No other Origination Fees, charges or remuneration may be received by the Lender in connection with the origination or closing of a Mortgage Loan for the Single-Family Program.

Upon origination of the Mortgage Loan, the Lender also will, if applicable, advance to the Mortgagor the DPA Second Mortgage Loan to be applied toward a portion of a down payment, to the extent permitted by FHA, VA, Ginnie Mae, Fannie Mae or Freddie Mac and the Program Guidelines.

THE SERVICING AGREEMENT

The following statements are summaries of certain provisions of the Servicing Agreement. Some of these provisions, together with certain other provisions thereof, have been summarized elsewhere in this Official Statement and in the Appendices hereto. All such summaries are qualified in their entireties by reference to such documents for a full and complete statement of their provisions. Copies of such document in reasonable quantity may be obtained from the Division.

Sale of Mortgage-Backed Securities

The Servicer is required to use its best efforts to acquire Mortgage Loans in accordance with the Program Documents and, at the direction of the Division, pool Mortgage Loans into Mortgage-Backed Securities for sale to the Division or the Trustee. The Servicer is required to acquire and cause the aggregation of Mortgage Loans to occur in order to enable the formation of pools of Mortgage Loans and Mortgage-Backed Securities as expeditiously as possible.

In connection with the purchase of each Mortgage-Backed Security, the Servicer shall certify to the Division and to the Trustee, in writing, prior to each such purchase, the following: (i) the outstanding principal balance of the Mortgage Loans comprising the pool for such Mortgage-Backed Security as of the purchase date of such Mortgage-Backed Security; (ii) the types of Mortgage Loans comprising the pool, including the Mortgage Loans in Targeted Areas; (iii) that based upon reasonable review as set forth in the Servicing Agreement, the Servicer believes that all Mortgage Loans backing such Mortgage-Backed Security are qualified as Mortgage Loans under the Program Agreements and that the Mortgage-Backed Security conforms to all requirements of the GSE commitment (as defined in the Servicing Agreement). In connection with the purchase of Mortgage-Backed Securities, the Servicer shall, upon the written request of the Trustee, within the specified time frames, and as agreed upon by the Servicer, certify to the Trustee, in writing, prior to such purchase the outstanding principal balance of the Mortgage Loans comprising the pools for such Mortgage-Backed Security as of such purchase date. The Division is obligated to purchase or cause the Trustee to purchase Mortgage-Backed Securities when issued and delivered on their behalf by the Servicer.

Servicing

The Servicer is required to service the Mortgage Loans in accordance with generally accepted practices of the mortgage lending industry, the Servicing Agreement and the GSE Guide (as defined in the Servicing Agreement), to perform all such duties with due care, diligence and reasonable promptness, to provide prompt monthly principal and interest payments to Ginnie Mae, Fannie Mae or Freddie Mac, as applicable, accompanied by a statement identifying principal, interest and principal prepayment components of such payment and, as long as the Division has an ownership interest in Mortgage-Backed Securities, to forward copies of such reports, if any, as are required by the GSE Guide, to the Division or the Trustee with respect to the status of the Mortgage Loans.

As compensation for such servicing, the Servicer (and its successor, if any) will be entitled to receive and retain a servicing fee. The Servicer is expected and empowered to perform all loan servicing duties in accordance with and in compliance with, when applicable, VA, FHA, RHS, Freddie Mac, Fannie Mae and/or Ginnie Mae rules and regulations and the Lender Guide (as defined in the Servicing Agreement).

Assumptions of Loans

In any case in which property subject to a Mortgage Loan has been or is about to be conveyed by the Mortgagor and the purchaser desires to assume all rights and obligations of the Mortgagor under the Mortgage Loan, the Servicer shall enter into an assumption agreement with the person to whom such property has been or is about to be conveyed, but only if the following conditions, among others specified in the Program Documents, are met:

(1) FHA, VA, USDA/RD or the PMI Insurer, as applicable, and Ginnie Mae, Fannie Mae or Freddie Mac, as applicable, shall have approved such conveyance (if such approval is required) and the Mortgage Loan shall continue to be insured by FHA, guaranteed by VA or USDA/RD or insured by the PMI Insurer, as applicable;

(2) the new Mortgagor shall have executed a Buyer's Affidavit in connection with the conveyance of the residence.

(3) the requirements of the Program Agreements pertaining to owner occupancy, prior ownership, income and acquisition cost which relate to compliance with the Code shall have been met with respect to such assumption, based upon the facts as they exist at the time of the assumption as if the Mortgage Loan were being made for the first time.

In connection with each assumption agreement, the interest rate of the related note shall not be changed, however, to the extent permitted by law or regulations of FHA, VA, USDA/RD, Fannie Mae, or Freddie Mac, the Servicer may charge a fee to be paid by or on behalf of the assumptors, plus the reasonable and customary out-of-pocket costs paid or incurred by the Servicer.

THE 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 DIVISION, THE UNDERWRITER, ITS 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 DIVISION, THE UNDERWRITER, ITS COUNSEL OR BOND COUNSEL.

The Servicer is U.S. Bank National Association. As of December 31, 2018, the Servicer serviced 1,479,252 single-family mortgage revenue bond mortgage loans purchased through its U.S. Bank Home Mortgage Division, with an aggregate principal balance of approximately $229.3 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, Ginnie Mae and Freddie Mac.

As of December 31, 2018, according to its unaudited quarterly financial statements, U.S. Bancorp had total assets of approximately $467.4 billion and a net worth of $51 billion. For the three months ending December 31, 2018, the Servicer through its U.S. Bank Home Mortgage Division, originated and purchased single-family mortgage loans in the total principal amount of approximately $40.2 billion.

The Servicer is (i) an FHA- and VA-approved lender in good standing, (ii) a Ginnie Mae-approved seller and servicer of mortgage loans and an issuer of mortgage-backed securities guaranteed by Ginnie Mae, (iii) a Fannie Mae approved seller and servicer of Fannie Mae Securities and (iv) a Freddie Mac approved seller and servicer of Freddie Mac 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. For additional information regarding the Servicer and U.S. Bancorp, see www.usbank.com.

THE PROGRAM ADMINISTRATOR

THE FOLLOWING INFORMATION ABOUT THE PROGRAM ADMINISTRATOR RELATES TO AND WAS SUPPLIED BY THE PROGRAM ADMINISTRATOR. SUCH INFORMATION HAS NOT BEEN VERIFIED BY THE DIVISION, THE UNDERWRITER, ITS 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 DIVISION, THE UNDERWRITER, ITS COUNSEL, OR BOND COUNSEL.

The Program Administrator will track Lender allocations and will not allow Lenders to reserve funds under the Program if there are no available proceeds. In addition, the Program Administrator will track the origination of Mortgage Loans financed with proceeds of the Series 2019A Bonds for residences located in Targeted Areas to ensure compliance with the Code. The Program Administrator will use its internal system functions to set up the Division's allocation, set up and update income limits, acquisition cost limits and new mortgage requirements; and track and monitor its funds, pipeline and Program constraints, where applicable.

The Program Administrator will create and publish to its website the Program Guidelines, which will detail a step-by-step explanation of the process that Lenders will follow in order to successfully originate and deliver eligible Mortgage Loans.

The Program Administrator will also review information provided by the participating Lenders including all documents and information pertaining to the eligibility of loans to determine the eligibility of such loans, including, without limitation, a review of information, certifications and other documents regarding (i) the First-Time Homebuyer requirement; (ii) residence requirement; (iii) income limits; (iv) acquisition cost limits; (v) targeted area requirement; (vi) information reporting requirement; and (vi) the recapture tax, all as required and defined in Section 143 of the Code.

TAX MATTERS

General

In the opinion of Bond Counsel, based on existing laws, regulations, rulings and judicial decisions and assuming, among other matters, compliance with certain covenants and agreements which are intended to assure compliance with Section 103 and applicable provisions of Sections 141 through 150 of the Internal Revenue Code of 1986, as amended (the "**Code**"), interest on the Series 2019A Bonds is excluded from gross income for federal income tax purposes. In the opinion of Bond Counsel interest on the Series 2019A Bonds is not a specific preference item for purposes of the federal alternative minimum tax.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2019A Bonds. The Division has covenanted and agreed to comply with certain guidelines designed to assure that interest on the Series 2019A Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with these covenants and agreements may result in interest on the Series 2019A Bonds being included in federal gross income, possibly from the date of issuance of the Series 2019A Bonds. The opinion of Bond Counsel assumes compliance with these covenants and agreements. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series 2019A Bonds may affect the tax status of interest on the Series 2019A Bonds.

Section 103(a) of the Code provides that interest on a "qualified mortgage bond" is excluded from gross income for federal income tax purposes. Under Section 143 of the Code, a qualified mortgage bond is a bond which is issued as part of an issue the proceeds of which are used to finance owner-occupied residences meeting certain requirements relating to loan eligibility, targeted areas, yield restrictions and other matters.

The mortgage loan eligibility requirements of Section 143 of the Code applicable to the Series 2019A Bonds are that (1) the residence with respect to which the Mortgage Loan is made is a single-family residence which is located in the State and can reasonably be expected to become the principal residence of the mortgagor within a reasonable time after the Mortgage Loan is made; (2) except in certain limited circumstances, no part of the proceeds are to be used to acquire or replace any existing mortgage; (3) the acquisition cost of the completed residence meets certain limits; (4) with certain exceptions, most notably targeted areas and for certain mortgagors who are qualified veterans, the mortgagor will not have had a present ownership interest in its principal residence during the preceding three years; (5) with certain exceptions, the annual income of the mortgagor will not exceed 100%, in the case of a household of less than three persons, and 115%, in the case of a household of three or more persons, of median gross income for the area in which the residence is located or the State, whichever is greater; and (6) the loan will not be assumable unless the requirements of (1), (3), (4) and (5) above are met at the time of the assumption. An issue is treated as meeting the loan eligibility requirements of Section 143 if (1) the issuer in good faith attempted to meet all of the requirements before the loans were executed; (2) 95% or more of the proceeds of the issue used to finance loans was devoted to residences which met all such requirements at the time the loans were executed; and (3) any failure to comply with the loan eligibility requirements is corrected within a reasonable period after such failure is first discovered.

The Code imposes additional nonmortgage loan eligibility requirements relating to the Series 2019A Bonds to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2019A Bonds. For example, the Code limits the amount of the costs of issuance which may be paid from the proceeds of the Series 2019A Bonds, limits the size of reserve funds established with the proceeds of the Series 2019A Bonds and requires earnings on nonmortgage investments in excess of the yield on the Series 2019A Bonds to be rebated to the United States. Mortgage Loan principal prepayments and repayments that are received more than 10 years after the date of issuance of the Series 2019A Bonds or more than 10 years after the issuance of any prior bonds that are refunded from proceeds of the Series 2019A Bonds (or the earliest date in a chain of refundings) must be used to redeem or retire the Series 2019A Bonds, and such amounts may not be recycled into new Mortgage Loan originations. Proceeds of the Series 2019A Bonds that are deposited into the Acquisition Account must either be used to acquire Mortgage Loans within 42 months of the date of issuance of the Series 2019A Bonds or be used to redeem the Series 2019A Bonds by such date. The Code also imposes limitations on the yield of the Mortgage Loans allocable to the Series 2019A Bonds. The Division will covenant, in substance, to take such actions as are necessary to comply with such requirements unless, in the opinion of nationally recognized bond counsel, it is not necessary to comply with such requirements in order to assure the exclusion from gross income for federal income tax purposes of interest on the Series 2019A Bonds.

The terms and conditions of the Program Agreements have been designed to meet the requirements of the Code, as applicable. The Division covenants to meet these requirements and to take all steps necessary to comply with these requirements so long as any Series 2019A Bonds issued to finance such Mortgage Loan are outstanding. Noncompliance with the requirements in the Program Agreements could cause interest on the Series 2019A Bonds to become includable in the gross income of the holders thereof retroactively to the date of issue and adversely affect the price of such Bonds in the secondary market. The Division has also covenanted to meet any other applicable federal tax law requirements.

Premium Bonds

The PAC Bonds are expected to be sold at initial public offering prices that are greater than the stated amounts to be paid at maturity and constitute "**Premium Bonds**." An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. An initial purchaser of a Premium Bond must amortize any premium over the term of such Premium Bond using constant yield principles, based on the purchaser's yield to maturity (or, in the case of a Premium Bond callable prior to its maturity, by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of amortization offsets a corresponding amount of interest for the period, and the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of a Premium Bond should consult with their tax advisors with respect to the determination and treatment of amortizable premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Other Tax Consequences

Although Bond Counsel has rendered an opinion that interest on the Series 2019A Bonds is excluded from gross income for federal income tax purposes, the accrual or receipt of interest on the Series 2019A Bonds may otherwise affect a Bondholder's income tax liability. The nature and extent of these other tax consequences will depend upon the Bondholder's particular tax status and the Bondholder's other items of income or deduction. Bond

Counsel expresses no opinion regarding any such consequences. Purchasers of the Series 2019A Bonds, particularly purchasers that are corporations (including S corporations and United States branches of foreign corporations), property and casualty insurance companies, banks, thrifts or other financial institutions or recipients of Social Security or Railroad Retirement benefits, taxpayers otherwise entitled to the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations, are advised to consult their tax advisors as to the tax consequences of purchasing or holding the Series 2019A Bonds.

From time to time, there are legislative proposals in Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Series 2019A Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2019A Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved or whether the Series 2019A Bonds or the market value thereof would be impacted thereby. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2019A Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation. In addition, there can be no assurance that legislation, regulatory initiatives or litigation that would adversely affect the exclusion of interest on the Series 2019A Bonds from gross income for federal income tax purposes will not be introduced, enacted, announced, proposed, threatened or commenced after the issuance and delivery of the Series 2019A Bonds. Under such circumstances, the Division has no obligation to redeem or to increase the rate of interest paid on the Series 2019A Bonds. Each purchaser of the Series 2019A Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation, regulatory initiatives or litigation.

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Series 2019A Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007 to any bondholder who fails to provide certain required information, including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. This reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2019A Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Interest on the Series 2019A Bonds may be subject to state or local income taxes in jurisdictions other than the State under applicable state or local tax laws. Each purchaser of the Series 2019A Bonds should consult his or her own tax advisor with regard to the tax status of the Series 2019A Bonds.

LEGALITY FOR INVESTMENT

Under the Act, the notes, bonds, and other obligations issued under the authority of the Act are declared to be securities in which all public officers and public bodies of the State and its political subdivisions, all banks, bankers, savings banks, trust companies, credit unions, savings and loan associations, building and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies and insurance associations and others carrying on an insurance business, and all administrators, executors, guardians, trustees, and other fiduciaries, pension, profit sharing and retirement funds, and all other persons whosoever now or may hereafter be authorized to invest in notes, bonds, or other obligations of the State, may properly and legally invest any funds, including capital belonging to them or within their control. Such notes, bonds, and other obligations are also declared securities which may properly and legally be deposited with and received by any State, county, or municipal officer, or agency of the State for any purpose for which the deposit of notes, bonds, or other obligations of the State is now or may hereafter be authorized by law.

NO LITIGATION

There is no proceeding or litigation of any nature now pending to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, the origination and purchase of the Mortgage Loans or the purchase of Mortgage-Backed Securities with proceeds made available by the issuance of the Series 2019A Bonds, or in any way contesting or affecting the validity of the Series 2019A Bonds, the proceedings of the Division taken with respect to the issuance or sale thereof, the pledge or application of any moneys or securities provided for the payment of the Series 2019A Bonds, the existence or powers of the Division or the title of any officers of the Division to their respective positions.

RATING

The Series 2019A Bonds have been assigned the rating of "AA+" by S&P Global Ratings, a Standard and Poor's Financial Services LLC business (the "**Rating Agency**"). Such rating reflects only the views of the Rating Agency and the Division makes no representations as to the appropriateness of the rating. An explanation of the significance of such rating may be obtained only from the Rating Agency. Certain information and materials not included in this Official Statement have been furnished to the Rating Agency. Generally a rating agency bases its rating on such information and materials, and on investigations, studies and assumptions made by it. No assurance can be given that the rating which has been assigned to the Series 2019A 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. Except as set forth under "CONTINUING DISCLOSURE" and in APPENDIX G – FORM OF CONTINUING DISCLOSURE AGREEMENT attached hereto, the Division has undertaken no responsibility either to bring to the attention of owners of the Series 2019A Bonds any proposed revision or withdrawal of any rating assigned to the Series 2019A Bonds or to oppose any such proposed revision or withdrawal. A downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series 2019A Bonds.

APPROVAL OF LEGALITY

Certain legal matters in connection with the issuance of the Series 2019A Bonds are subject to the approval of Kutak Rock LLP, Omaha, Nebraska, Bond Counsel to the Division. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement.

Certain legal matters will be passed upon for the Division by Bond Counsel and by Platt Law Group, Reno, Nevada, and for the Underwriter by Dinsmore & Shohl LLP, Cincinnati, Ohio.

FINANCIAL ADVISOR

The Division has retained PFM Financial Advisors LLC, Seattle, Washington (the "**Financial Advisor**"), as Financial Advisor in connection with the issuance of the Series 2019A Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy or completeness of the information contained in this Official Statement. The Financial Advisor will act as an independent advisory firm and has registered with the Securities and Exchange Commission as a Municipal Advisor. The Financial Advisor is not engaged in the business of underwriting, marketing, trading or distributing securities. All or a portion of the Financial Advisor's compensation is contingent on the sale and delivery of the Series 2019A Bonds.

UNDERWRITING

The Series 2019A Bonds will be purchased from the Division by J.P. Morgan Securities LLC (the "**Underwriter**"), pursuant to a purchase contract in which the Underwriter agrees, subject to certain conditions, to purchase all of the Series 2019A Bonds, at a purchase price of $__________ (par amount of the Series 2019A Bonds ($____________) plus original issue premium of $___________) and to receive underwriting compensation of $___________.

The initial public offering prices stated on the inside front cover of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell the Series 2019A Bonds to certain dealers (including dealers depositing such Bonds into investment trusts), dealer banks, banks acting as agents and others at prices lower than said public offering prices.

The Underwriter and its affiliates together comprise a full service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, finance and brokerage activities. The Underwriter and its affiliates may have, from time to time, performed and may in the future perform, various investment banking services for the Division for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities and financial instruments which may include bank loans and/or credit default swaps) for its own account and for the accounts of its customers and may at any time hold long and short positions in such securities and instruments. Such investment securities activities may involve securities and instruments of the Division.

The Underwriter 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 Series 2019A Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2019A Bonds that such firm sells.

The Underwriter is not acting as financial advisor to the Division in connection with the offer and sale of the Series 2019A Bonds.

FINANCIAL STATEMENTS

The audited financial statements of the Division for the period ending June 30, 2018 included in APPENDIX E attached hereto have been audited by Grant Thornton, LLP, independent certified accountants, as stated in their report therein. Grant Thornton LLP was not requested to consent to the inclusion of its report in APPENDIX E, nor has it undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by Grant Thornton LLP with respect thereto.

CONTINUING DISCLOSURE

Pursuant to the terms of a Continuing Disclosure Agreement with respect to the Series 2019A Bonds (the "**Disclosure Agreement**"), the Division will send or cause to be sent to the Municipal Securities Rulemaking Board (the "**MSRB**"), through its Electronic Municipal Market Access ("**EMMA**") system, certain financial information and operating data and notices of certain events, pursuant to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, by the Securities and Exchange Commission ("**Rule 15c2-12**"). The Disclosure Agreement is expected to be executed in substantially the form attached to this Official Statement as Appendix G.

A failure by the Division to comply with the Disclosure Agreement will not constitute a default under the Certificate, although bondholders will have any available remedy at law or in equity, including seeking mandate or specific performance by court order to cause the Division to comply with its obligations under the Disclosure Agreement. Any such failure must be reported in accordance with Rule 15c2-12 and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2019A Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2019A Bonds and their market price.

Rule 15c2-12 requires that the Division disclose in this Official Statement any instances in the previous five years in which the Division failed to comply, in all material respects, with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12. In connection with the issuance of certain prior Series of Bonds, the Division undertook to provide certain ongoing disclosure regarding the Division (the "**Prior Undertakings**") pursuant to written agreements specified in paragraph (b)(5)(i) of Rule 15c2-12, which are substantially similar to the Continuing Disclosure Agreement. The Prior Undertakings obligated the Division to disclose, by the deadline set forth in the Prior Undertakings, the Division's audited financial statements and certain annual financial information to the extent such annual financial information is customarily prepared and made publicly available. With respect to the Division's June 30, 2017 audited financial statements, which were not available by the time such financial statements were required to be filed under the Prior Undertakings, the Division failed to give notice of the estimated date of when its audited financial statements would be available, as required by the Prior Undertakings.

ADDITIONAL INFORMATION

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Division and the purchasers or owners of any of the Series 2019A Bonds. Copies in reasonable quantity of the Certificate, the Program Agreements and other documents referred to herein may be obtained at the offices of the Trustee. The execution and delivery of this Official Statement has been duly authorized by the Division. Concurrently with the delivery of the Series 2019A Bonds, the Division will furnish a certificate executed on behalf of the Division by its Administrator or by a designated officer of the Division to the effect that to the best of such officer's knowledge and belief, the information and statements with respect to the Division and the Single-Family Program contained in this Official Statement, as of the date of this Official Statement and as of the date of delivery of the Series 2019A Bonds, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading.

NEVADA HOUSING DIVISION

By: ________________________________
Stephen Aichroth, Administrator

APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL CERTIFICATE

Definitions

The following statements are summaries of certain provisions of the General Certificate. Some of these provisions, together with certain other provisions thereof, have been summarized elsewhere in this Official Statement and in the Appendices hereto. All such summaries are qualified in their entireties by reference to the General Certificate for a full and complete statement of its provisions. Copies of the General Certificate in reasonable quantity may be obtained from the Division.

"Account" or "Accounts" means one or more of the special trust accounts created and established pursuant to the General Certificate or a Series Certificate.

"Accreted Value" means, with respect to each Compound Interest Bond as of any given date of calculation, an amount equal to the sum of (i) the principal amount of such Compound Interest Bond, plus (ii) any interest that has been compounded, i.e., any interest amount that is itself then bearing interest, all determined as of such date.

"Act" means the Nevada Assistance to Finance Housing law, being Chapter 319 of Nevada Revised Statutes, as the same may from time to time be amended.

"Additional Asset Requirement," with respect to a Series, shall have the meaning set forth in the related Series Certificate.

"Additional Bonds" means Bonds authenticated and delivered pursuant to the Certificate (other than the Series 2019A Bonds).

"Administrator" means the duly appointed and acting Administrator of the Division, and any successor to the rights and powers of such officer.

"Aggregate Debt Service" means, for any particular period and Bonds, the Debt Service Payments becoming due and payable on all Payment Dates during such period with respect to such Bonds and Auxiliary Obligations.

"Aggregate Principal Amount" means, as of any date of calculation for each Bond, the principal amount or Accreted Value of such Bond, as applicable, as specified by the related Series Certificate.

"Amortized Value" means, when used with respect to an Investment Obligation purchased at a premium above or at a discount below par, the value as of any given date obtained by dividing the total amount of the premium or the discount at which such Investment Obligation was purchased by the number of days remaining to the first call date (if callable) or the maturity date (if not callable) of such Investment Obligation at the time of such purchase and by multiplying the amount so calculated by the number of days having passed from the date of such purchase; and (a) in the case of an Investment Obligation purchased at a premium, by deducting the product thus obtained from the purchase price and (b) in the case of an Investment Obligation purchased at a discount, by adding the product thus obtained to the purchase price.

"Asset Requirements" means the Senior Asset Requirement, the Mezzanine Asset Requirement and the Additional Asset Requirement.

"Authorized Officer" means the Administrator, a Deputy Administrator, the Chief Financial Officer or any person designated, in writing, by the Administrator, a Deputy Administrator or the Chief Financial Officer, as an Authorized Officer.

"Auxiliary Agreements" means Interest Rate Contracts and Liquidity Facilities.

"Auxiliary Agreement Providers" means Interest Rate Contract Providers and Liquidity Facility Providers.

"Auxiliary Obligations" means obligations of the Division for the payment of money under Auxiliary Agreements.

"Bond" or "Bonds" means any of the Nevada Housing Division Single-Family Mortgage Revenue Bonds authorized and issued under the Certificate, including the initial Series and any Additional or Refunding Bonds.

"Bond Counsel" means any attorney or firm of attorneys of nationally recognized standing in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds, appointed from time to time by the Division.

"Bond Purchase Fund" means the Fund so designated, which is created and established by the Certificate.

"Bond Year" means, with respect to each Series, the twelve-month period designated as such by the related Series Certificate, except that the first Bond Year for any Bonds may commence on the date of issuance thereof and end on such date as may be specified by such Series Certificate.

"Bondholder" or "Holder" or "Holder of Bonds" or "Owner" or similar term, when used with respect to a Bond or Bonds, means the registered owner of any Outstanding Bond.

"Business Day" means any day (a) on which banks in the State of New York or in the cities in which the respective principal offices of the Paying Agent, the Bond Registrar, the Trustee and Related Auxiliary Agreement Providers are located are not required or authorized by law to be closed and (b) on which the New York Stock Exchange is open. For purposes of this definition, the principal office of a Liquidity Facility Provider shall be the office to which demands for payment are delivered.

"Cash Flow Statement" means, with respect to any particular Bonds and Auxiliary Obligations, a Division Certificate setting forth, for the then-current and each future Bond Year during which such Bonds and Auxiliary Obligations will be Outstanding, and taking into account (i) any Bonds expected to be issued or redeemed or purchased for cancellation in each such Bond Year upon or in connection with the filing of such Certificate (for which purpose, if such Division Certificate is delivered as of a date prior to a mandatory tender date for any Variable Rate Bonds, the Purchase Price of all such Variable Rate Bonds subject to tender on such tender date shall be assumed to be due and payable on such tender date), (ii) any such Auxiliary Obligations expected to be incurred upon or in connection with the filing of such Certificate, (iii) the interest rate, purchase price, discount points and other terms of any related Mortgage Loans, and (iv) the application, withdrawal or transfer of any moneys expected to be applied, withdrawn or transferred upon or in connection with the filing of such Certificate:

(A) the amount of Mortgage Repayments and Prepayments reasonably expected to be received by the Division in each such Bond Year from related Mortgage Loans, together with related Investment Revenues, Related Interest Rate Contract Revenues and other moneys (including without limitation moneys in any special escrows established with the Trustee) that are reasonably expected to be available to make related Debt Service Payments and to pay related Program Expenses and to pay the Purchase Price of any such Variable Rate Bonds subject to mandatory tender on any such tender date; and

(B) the Aggregate Debt Service for each such Bond Year on all such Bonds and Auxiliary Obligations reasonably expected to be Outstanding, together with the related Program Expenses reasonably estimated for each such Bond Year; and

(C) showing that in each such Bond Year the aggregate of the amounts set forth in clause (A) of this definition exceeds the aggregate of the amounts set forth in clause (B) of this definition. Reference to a Cash Flow Statement with respect to a Series shall be taken to mean a Cash Flow Statement with respect to such Series and Related Auxiliary Obligations and any other Series and Related Auxiliary Obligations to which it has been linked for Cash Flow Statement purposes, as filed with the Trustee.

"Certificate" means the General Certificate and any amendments or supplements made in accordance with its terms, including all Series Certificates and Supplemental Certificates.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations of the United States Treasury Department promulgated thereunder.

"Compound Interest Bonds" means any Bond of a Series, tenor and maturity so designated in the related Series Certificate, for which certain determinations hereunder are made on the basis of Accreted Value rather than principal amount.

"Computation Year" means the period of twelve consecutive months ending on June 30 in any year in which Series 2019A Bonds are or will be outstanding; provided that the first Computation year shall commence on the date of issuance of the Bonds and end on June 30, 2019.

"Costs of Issuance" means the items of expense payable or reimbursable directly or indirectly by the Division and other costs incurred by the Division, all related to the authorization, sale and issuance of Bonds, the execution and delivery of Auxiliary Agreements and the establishment of the Program, which costs and items of expense shall include, but not be limited to, underwriter's compensation, printing costs, costs of developing, reproducing, storing and safekeeping documents and other information processing or storage of materials, equipment and software related to the Bonds, filing and recording fees, travel expenses incurred by the Division in relation to such issuance of Bonds or for the Program, initial fees and charges of the Trustee, the Bond Registrar and the Paying Agent, initial premiums with respect to insurance required by this Certificate to be paid by the Division or by the Trustee, legal fees and charges, consultants' fees, accountants' fees, costs of bond ratings, and fees and charges for execution, transportation and safekeeping of the Bonds.

"Costs of Issuance Account" means the Account designated, which is created and established pursuant to the Certificate.

"Counsel's Opinion" means an opinion signed by an attorney or firm of attorneys (who may be counsel to the Division or an attorney or firm of attorneys retained by the Division in other connections) licensed to practice in the state in which he or it maintains an office, selected from time to time by the Division, and includes an opinion signed by or on behalf of the Attorney General of the State.

"Covenant Default" means an Event of Default specified as such in the Certificate.

"Debt Service Payment" means, when used with respect to any Payment Date, the sum of the (a) interest, if any, and (b) Principal Installments, if any, and (c) Auxiliary Obligations, if any, due and payable on such date with respect to the Bonds and Auxiliary Agreements referred to.

"Debt Service Reserve Fund" means the Fund so designated, which is created and established by the Certificate.

"Debt Service Reserve Fund Requirement," with respect to each Series, shall have the meaning set forth in the related Series Certificate.

"Defeasance Obligations" means Investment Obligations that (a) are described in clause (a) of the definition of "Investment Obligations" and (b) are not subject to redemption by the issuer thereof prior to their maturity.

"Depository" means any bank, trust company, or savings and loan association (including any Fiduciary) selected by the Division and approved by the Trustee as a depository of moneys, Mortgage Loans or Investment Obligations held under the provisions of this Certificate, and its successor or successors.

"Division" means the Nevada Housing Division, created pursuant to the Act, and any successor to the rights, duties and obligations of the Division hereunder and under the Act.

"Division Certificate" means as the case may be, a document signed by an Authorized Officer either (a) attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or (b) setting forth matters to be determined by such Authorized Officer pursuant to the Certificate.

"Division Obligation Bond" means a Bond, the payment of principal of and interest on which is a Division Obligation.

"Division Obligation Bond Default" means the event specified in the General Certificate.

"Division Obligations" means any Bonds or Auxiliary Obligations which shall be designated as such in a Series Certificate and, as a result, secured by a pledge of all revenues, moneys and assets of the Division, subject in all respects to any pledge (whenever executed, including after the issuance of such Bonds or Auxiliary Obligations) by the Division of any particular revenues, moneys or assets to the payment of any other obligations, and subject to the Division's right at any time to apply such revenues, moneys and assets to any lawful purpose.

"Division Payment Account" means an Account so designated, which is created and established in a debt service fund with respect to Division Obligations.

"Division Request" means a written request or direction of the Division signed by an Authorized Officer.

"Deputy Administrator" means a Deputy Administrator of the Division.

"Eligible Borrower" means a person or family qualifying as such under determinations made by the Administrator in accordance with the Act.

"Escrow Payment" means all payments made by or on behalf of the obligor of a Mortgage Loan in order to obtain or maintain mortgage insurance or guaranty coverage of, and fire and other hazard insurance with respect to, a Mortgage Loan, and any payments required to be made with respect to such Mortgage Loan for taxes, other governmental charges and other similar charges required to be escrowed under the Mortgage.

"Event of Default" means any of those events defined as Events of Default by the Certificate.

"Fannie Mae" means the Federal National Mortgage Association or any successor thereto.

"Fannie Mae Security" means a single pool, guaranteed mortgage pass-through Fannie Mae Mortgage-Backed Security, issued by Fannie Mae, registered or recorded in book-entry form 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 Mortgage Pool.

"Fiduciary" or "Fiduciaries" means the Trustee, the Bond Registrar, the Paying Agent, a Depository or any or all of them, as may be appropriate.

"Fiduciary Expenses" means the fees and expenses of Fiduciaries, except Servicing Fees payable to such Persons.

"Fiscal Year" means a period beginning on July 1 in any year and ending June 30 of the immediately succeeding year or such other twelve month period as may be adopted by the Division in accordance with law.

"Freddie Mac" means the Federal Home Loan Mortgage Corporation or any successor thereto.

"Freddie Mac Security" means a mortgage participation certificate, issued by Freddie Mac, registered or recorded in book-entry form in the name of the Trustee or its nominee, and representing an undivided interest in a Mortgage Pool, guaranteed as to timely payment of principal and interest by Freddie Mac.

"Fund" or "Funds" means one or more of the special trust funds created and established pursuant to the General Certificate or a Series Certificate.

"Ginnie Mae" means the Government National Mortgage Association or any successor thereto.

"Ginnie Mae Security" means a fully-modified, mortgage-backed Ginnie Mae I or Ginnie Mae II Security, or such later equivalent Ginnie Mae insured security as shall otherwise satisfy the requirements of the General Certificate, issued by a Lender, registered in the name of the Trustee or its nominee, guaranteed as to timely payment of principal and interest by Ginnie Mae pursuant to Section 306(g) of Title III of the National Housing Act of 1934, as amended, and the regulations promulgated thereunder and backed by Mortgage Loans.

"Interest Payment Date" means, for each Bond, any date upon which interest on such Bond is due and payable in accordance with the related Series Certificate.

"Interest Rate Contract" means an interest rate exchange or swap contract, a cash flow exchange or swap contract, any derivative of such contracts, including forward swaps and options to enter into swaps, and interest rate floors, caps or collars, entered into between the Division and an Interest Rate Contract Provider.

"Interest Rate Contract Provider" means a Person that is a party to an Interest Rate Contract with the Division with respect to specified Bonds and whose credit rating by each nationally recognized rating agency then rating the Senior Bonds is sufficiently high to maintain the then-current rating on such Bonds by such rating agency or the equivalent of such rating by virtue of guarantees or insurance arrangements.

"Interest Rate Contract Revenues" means all payments and receipts received by the Division under an Interest Rate Contract.

"Interest Reserve Account" means the Account so designated, which is created and established within the Debt Service Reserve Fund by the Certificate.

"Investment Obligations" means and includes any of the following securities and other investments:

(a) Direct obligations of, or obligations guaranteed by the full faith and credit of, the United States of America;

(b) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following: Bank for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Banks; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association (excluding mortgage strip securities which are valued greater than par); Federal National Mortgage Association (excluding mortgage strip securities which are valued greater than par); Federal Home Loan Mortgage Corporation (including participation certificates only if the Federal Home Loan Mortgage Corporation guarantees timely payment of principal and interest); Small Business Administration; or any other agency or instrumentality of the United States of America (created by an Act of Congress) substantially similar to the foregoing in its legal relationship to the United States of America;

(c) Public housing bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; temporary notes, preliminary loan notes or project notes issued by public agencies or municipalities, in each case fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America, and in each case rated by each Rating Agency sufficiently high to maintain the then-current ratings on the Senior Bonds then rated by such Rating Agency;

(d) Interest-bearing time or demand deposits, certificates of deposit or other similar banking arrangements with any Depository (including the Trustee), provided that the obligations of such Depository are rated by each Rating Agency sufficiently high to maintain the then-current ratings on the Senior Bonds then rated by such Rating Agency;

(e) Contracts with any Depository (including any Fiduciary) or any broker/dealer for the purchase and sale of obligations described in clauses (a) or (b), inclusive, of this definition, provided that (i) the Depository with which such contracts are made is a member of the Federal Reserve System or the broker/dealer with which such contracts are made is a member of the Securities Investor Protection Agency, and (ii) such contracts are secured by obligations (1) described in clause (a) or (b) of this definition with a market value (valued at least monthly) and meeting all other requirements of each Rating Agency for collateralized repurchase agreements sufficiently to maintain the then-current ratings on the Senior Bonds then rated by such Rating Agency, and (2) delivered to the Trustee or such other Depository as the Trustee shall designate;

(f) Interests in short-term investment trust funds, which trust funds are (i) rated, at the time of such investment, by each Rating Agency sufficient to maintain the then-current rating assigned to the Senior Bonds then rated by such Rating Agency and (ii) restricted to investment in obligations described in any of clauses (a) through (c), inclusive, of this definition if the holders of interests in the short-term investment trust fund in question own an undivided interest in the investments purchased by the fund and would have a right upon liquidation of the fund to a distribution thereof "in kind";

(g) Units of a money market mutual fund or any other investment which has a rating from each Rating Agency sufficient to maintain the then-current rating assigned to the Senior Bonds then rated by such Rating Agency;

(h) Direct or general obligations of any state, Commonwealth or territory of the United States, or the District of Columbia with an investment grade rating, when purchased, by each Rating Agency sufficient to maintain the then-current rating assigned to the Senior Bonds then rated by such Rating Agency;

(i) Funding agreements with, or interest-bearing notes or other evidences of indebtedness which constitute a general obligation issued by, a bank, trust company, national banking association or other depositary institution or a bank holding company, an insurance company, or other financial institution, the funding agreements or unsecured senior debt or claims paying ability of which is rated (or deemed equivalent to a rating in the judgment of each Rating Agency), at the time such funding agreement or the agreement to purchase such notes is made, as the case may be, sufficient to maintain the then-current rating assigned to the Senior Bonds then rated by such Rating Agency;

(j) Commercial paper having original maturities of not more than 90 days with a rating by each Rating Agency sufficient to maintain the then-current rating on the Senior Bonds then rated by such Rating Agency;

(k) Investment agreements or repurchase agreements, provided that such agreements are with Investment Providers; and

(l) Any other investment obligation or agreement the purchase of which will not adversely affect the then-current ratings by any Rating Agency on the then Outstanding Bonds.

"Investment Providers" means any commercial bank or trust company, bank holding company, investment company or other entity (which may include the Trustee, the Bond Registrar or the Paying Agent), whose unsecured credit rating by each Rating Agency then rating the Senior Bonds or Mezzanine Bonds is sufficiently high to maintain the then-current rating on such Bonds by such rating agency (or for whom guarantees or insurance arrangements create the equivalent of such a credit rating), provided, however, that each investment agreement with an Investment Provider shall be approved by the Division.

"Investment Revenues" means amounts earned on investments (other than Mortgage Loans) credited to any Fund or Account pursuant to the Certificate (including gains upon the sale or disposition of such investments) except the Rebate Requirement.

"Liquidity Facility" means a letter of credit, standby bond purchase agreement, security bond, reimbursement agreement or other agreement between the Division and a Liquidity Facility Provider with respect to specified Bonds issued under the General Certificate.

"Liquidity Facility Provider" means a Person that is a party to a Liquidity Facility with the Division with respect to specified Bonds and whose credit rating by each nationally recognized rating agency then rating the Senior Bonds is sufficiently high to maintain the then-current rating on such Bonds by such rating agency or the equivalent of such rating by virtue of guarantees or insurance arrangements.

"Mezzanine Asset Requirement," with respect to a Series, shall have the meaning set forth in the related Series Certificate.

"Mezzanine Auxiliary Obligations" means Auxiliary Obligations which the Division designates as Mezzanine Auxiliary Obligations in the Related Series Certificate.

"Mezzanine Bonds" means all Bonds, if any, so designated by the Related Series Certificate.

"Mezzanine Debt Service Fund" means the Fund so designated, which is created and established by the Certificate.

"Mezzanine Obligations" means the Mezzanine Bonds and the Mezzanine Auxiliary Obligations, and with respect to a Series of Bonds, the Related Mezzanine Bonds and any Related Mezzanine Auxiliary Obligations.

"Mezzanine Sinking Fund Installment" means the amount designated for any particular due date for the retirement of Mezzanine Bonds, as set forth in the related Series Certificate, which amount may be conditioned upon the transfer of sufficient moneys to the Mezzanine Debt Service Fund, plus all such amounts specified for any prior date or dates, to the extent such amounts have not been paid or discharged, less any amounts credited pursuant to the Certificate.

"Mezzanine Special Redemption Account" means the Account so designated, which is created and established in the Redemption Fund by the Certificate.

"Mortgage" means a deed of trust, mortgage or other similar instrument or instruments creating a lien, subject only to encumbrances permitted by the Division, on real property improved by a Single-Family Residence, or, in the case of a Mortgage related to a Single-Family Residence that is part of a cooperative housing corporation, a lien on the Borrower's leasehold interest and a security interest in the Borrower's stock.

"Mortgage-Backed Security" means a pass-through certificate, mortgage participation certificate or other mortgage-backed security issued by or in the name of, and guaranteed as to timely payment of principal and interest by, Fannie Mae, Freddie Mac or Ginnie Mae or, in each case, any successor or other federally sponsored association or agency, backed by or representing an undivided interest in one or more Mortgage Loans, or a participation interest in any of the above-referenced types of securities.

"Mortgage Loan" means (i) a loan, or a portion of or participation in a loan, which is (a) secured by a Mortgage, (b) made in connection with the acquisition or rehabilitation of a Single-Family Residence, and (c) allocated to a Fund or Account established pursuant to this Certificate, or (ii) or any instrument evidencing an ownership interest in such a loan, including, without limitation, a Mortgage-Backed Security.

"Mortgage Pool" means a loan, or a portion of or participation in a loan, which is made under the Program in connection with the acquisition or rehabilitation of a Single-Family Residence.

"Mortgage Purchase Agreement" means a written agreement between a Participating Lending Institution and the Division providing for the purchase of Mortgage Loans by the Division, including any related supplements and any documents incorporated by reference therein.

"Mortgage Repayments" means, with respect to any Mortgage Loan, the amounts received by or for the account of the Division as scheduled payments of principal and interest on such Mortgage Loan by or on behalf of the Borrower to or for the account of the Division, including Principal Receipts, but not including Prepayments, Servicing Fees or Escrow Payments.

"Mortgage Revenues" means all Revenues other than Investment Revenues and Interest Rate Contract Revenues.

"Notice Parties" means the Division, the Trustee, the Bond Registrar and the Paying Agent.

"Outstanding" means, when used with respect to all Bonds as of any date, all Bonds theretofore authenticated and delivered under the Certificate except:

(a) any Bond cancelled or delivered to the Bond Registrar for cancellation on or before such date;

(b) any Bond (or any portion thereof) (i) for the payment or redemption of which there shall be held in trust under the Certificate and set aside for such payment or redemption, moneys and/or Defeasance Obligations maturing or redeemable at the option of the holder thereof not later than such maturity or redemption date which, together with income to be earned on such Defeasance Obligations prior to such maturity or redemption date, will be sufficient to pay the principal or Redemption Price thereof, as the case may be, together with interest thereon to the date of maturity or redemption, and (ii) in the case of any such Bond (or any portion thereof) to be redeemed prior to maturity, notice of the redemption of which shall have been given in accordance with the Certificate or provided for in a manner satisfactory to the Bond Registrar;

(c) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to the Certificate; and

(d) any Bond deemed to have been paid as provided in the Certificate.

and, with respect to any Auxiliary Obligations, means Auxiliary Obligations which have not been paid or otherwise satisfied.

"Participating Lending Institution" means any individual, corporation, firm, association, partnership, trust or other legal entity or entities, including a governmental entity, agency or political subdivision, qualified to serve as a lender under and in accordance with the Program Agreements.

"Paying Agent" means the bank, trust company or national banking association, appointed as Paying Agent under the Certificate and having the duties, responsibilities and rights provided for in the Certificate and its successor or successors, and any other corporation or association at any time substituted in its place as Paying Agent pursuant to the Certificate.

"Payment Date" means for each Bond, each date on which interest or a Principal Installment or both are payable on such Bond; and for each Auxiliary Obligation, each date on which an amount is payable with respect to such Auxiliary Obligation, and unless limited, means all such dates.

"Person" means an individual, partnership, corporation, trust or unincorporated organization or a government or any agency, instrumentality, program, account, fund, political subdivision or corporation thereof.

"Prepayment" means any moneys received or recovered by or for the account of the Division from any unscheduled payment of or with respect to principal (including any penalty, fee, premium or other additional charge for prepayment of principal which may be provided by the terms of a Mortgage Loan, but excluding any Servicing Fees with respect to the collection of such moneys) on any Mortgage Loan prior to the scheduled payments of principal called for by such Mortgage Loan, whether (a) by voluntary prepayment made by the Borrower, (b) as a consequence of the damage, destruction or condemnation of the mortgaged premises or any part thereof, (c) by the sale, assignment, endorsement or other disposition of such Mortgage Loan by the Division, or (d) in the event of a default thereon by the Borrower, by the acceleration, sale, assignment, endorsement or other disposition of such Mortgage Loan by the Division or by any other proceedings taken by the Division.

"Principal Installment" means, as of any date of calculation, and for any Payment Date, (a) the principal amount or Accreted Value of all Bonds due and payable on such date, plus (b) any Senior, Mezzanine and Subordinate Sinking Fund Installments due and payable on such date.

"Principal Receipts" means all amounts received by the Division or the Trustee representing the recovery of all or a portion of the principal amount of Mortgage-Backed Securities (including regularly scheduled principal payments).

"Program" means the Division's Single-Family Mortgage Program pursuant to which the Division has determined to make and purchase Mortgage Loans in accordance with the Regulations.

"Program Agreements" means, collectively, the agreements between or among, as the case may be, the Division, the Trustee, the Servicer and the Participating Lending Institutions, pursuant to which the Division purchases Mortgage-Backed Securities and provides for origination, administration and servicing of the related Mortgage Loans, or purchases Mortgage Loans, as the same may now exist or hereafter come into effect or be amended.

"Program Expenses" means all the Division's expenses of administering the Program under the Certificate and the Act and shall include without limiting the generality of the foregoing: salaries, supplies, utilities, labor, materials, office rent, maintenance, furnishings, equipment, machinery and apparatus, including information processing equipment and software, insurance premiums, credit enhancement fees, legal, accounting, management, consulting and banking services and expenses; Fiduciary Expenses; Costs of Issuance not paid from proceeds of Bonds; payments to pension, retirement, health and hospitalization funds; and any other expenses required or permitted to be paid by the Division.

"Program Fund" means the Fund so designated, which is created and established by the Certificate.

"Rating Agency" means, at any particular time, any nationally recognized credit rating service designated by the Division, if and to the extent such service has at the time one or more outstanding ratings of Bonds. The Division shall at all times have designated at least one such service as a Rating Agency hereunder. The initially designated Rating Agency is Standard & poor's Corporation.

"Rebate Account" means the Account so designated, which is created and established in the Revenue Fund by the Certificate.

"Rebate Requirement" means the amount of arbitrage profits earned from the investment of gross proceeds of Bonds in nonpurpose investments described in Section 148(f)(2) of the Code and defined as "Rebate Amount" in Section 1.148-3 of the Treasury Regulations, which is payable to the United States at the times and in the amounts specified in such provisions and other payments which may be required in order to preserve the exclusion of interest on the Tax-Exempt Bonds from the gross income of the recipient thereof for federal income tax purposes.

"Record Date," means, except as otherwise provided in a Series Certificate, with respect to each Payment Date, the Bond Registrar's close of business on the fifteenth day of the month immediately preceding such Payment Date or, if such date is not a Business Day, the next preceding day which is a Business Day; and, in the case of each redemption, such Record Date shall be specified by the Bond Registrar in the notice of redemption, provided that such Record Date shall not be less than fifteen (15) calendar days before the mailing of such notice of redemption.

"Redemption Fund" means the Fund so designated, which is created and established by the Certificate.

"Redemption Price" means, when used with respect to a Bond or portion thereof to be redeemed, the principal amount or Accreted Value of such Bond or such portion thereof plus the applicable premium, if any, payable upon redemption thereof as determined by the Series Certificate authorizing the series of Bonds.

"Refunding Bonds" means Additional Bonds authenticated and delivered pursuant to the Certificate.

"Related" (whether capitalized or not) means, with respect to any particular Bond, class, Series, Series Certificate, Supplemental Certificate, Cash Flow Statement, Fund, Account, Mortgage Loan, Auxiliary Agreement, Mortgage Repayment or Prepayment, having been created in connection with the issuance of, or having been derived from the proceeds of, or having been reallocated to, or concerning, the same Series, as the case may be.

"Residual Fund" means the Fund so designated, which is created and established by the General Certificate.

"Revenues" means (a) all Mortgage Repayments, Prepayments and, except insofar as such payments may constitute Servicing Fees, any penalty payments on account of overdue Mortgage Repayments, (b) Investment Revenues, (c) Interest Rate Contract Revenues and (d) all other payments and receipts received by the Division with respect to Mortgage Loans, but shall not include (i) Escrow Payments, (ii) Servicing Fees, unless such fees are specifically pledged to the Trustee, (iii) any commitment, reservation, extension, or application fees charged by the Division in connection with a Mortgage Loan, (iv) any commitment, reservation, extension or application fees charged by a Participating Lending Institution in connection with a Mortgage Loan or (v) accrued interest received in connection with the purchase of any Investment Obligations.

"Revenue Account" means the Account so designated, which is created and established in the Revenue Fund by the Certificate.

"Revenue Fund" means the Fund so designated, which is created and established by the Certificate.

"Semiannual Payment Date" means each April 1 and October 1.

"Senior Asset Requirement," with respect to a Series, shall have the meaning set forth in the related Series Certificate.

"Senior Auxiliary Obligations" means Auxiliary Obligations which the Division designates as Senior Auxiliary Obligations in the Related Series Certificate.

"Senior Bonds" or "Senior," when used with reference to Bonds of a Series, means all Bonds so designated by the related Series Certificate.

"Senior Debt Service Fund" means the Fund so designated which is created and established by the Certificate.

"Senior Obligations" means the Senior Bonds and the Senior Auxiliary Obligations, and with respect to a Series of Bonds, the Related Senior Bonds and any Related Senior Auxiliary Obligations.

"Senior Sinking Fund Installment" means the amount designated for any particular due date in the related Series Certificate for the retirement of Senior Bonds on an unconditional basis, less any amount credited pursuant to the Certificate.

"Senior Special Redemption Account" means the Account so designated, which is created and established in the Redemption Fund by the Certificate.

"Serial Bonds," with respect to a Series, shall mean all Bonds (whether Senior Bonds, Mezzanine Bonds or Subordinate Bonds) issued pursuant to the related Series Certificate and which are not designated as Term Bonds.

"Series" means and refers to all of the Bonds designated as such in the related Series Certificate and authenticated and delivered on original issuance in a simultaneous transaction, regardless of variations in class, dated date, maturity, interest rate or other provisions, and any Bond thereafter delivered in lieu of or substitution for any of such Bonds pursuant to the General Certificate and the related Series Certificate.

"Series Certificate" means a Supplemental Certificate authorizing a Series and delivered pursuant to the Certificate.

"Servicer" means, with respect to the Program and as applicable: (i) any Person authorized to transact business in the State, approved by the Division to act as a servicer under such Program and the applicable Program Agreements, and (ii) any Person engaged by any servicer to act as a sub-servicer to fulfill all or part of the obligations and duties of such servicer under the Program, as such Person is specified in the related Supplemental Certificate.

"Servicing Fees" means (a) any fees paid to or retained in connection with the servicing obligations with respect to Mortgage Loans, (b) any applicable guaranty fees, and (c) any fees retained by or expenses reimbursed to the Division with respect to Mortgage Loans owned and serviced by the Division.

"Single-Family Residence" means a residential housing unit intended for occupancy by one to four families, located in the State.

"Special Escrow Account" means the Account so designated, which is created and established by a Series Certificate.

"State" means the State of Nevada.

"Subordinate Auxiliary Obligations" means Auxiliary Obligations which the Division designates as Subordinate Auxiliary Obligations in the Related Series Certificate.

"Subordinate Bonds" means all Bonds, if any, so designated by the related Series Certificate.

"Subordinate Debt Service Fund" means the Fund so designated which is created and established by the Certificate.

"Subordinate Obligations" means the Subordinate Bonds and the Subordinate Auxiliary Obligations and, with respect to a Series of Bonds, the Related Subordinate Bonds and any Related Subordinate Auxiliary Obligations.

"Subordinate Sinking Fund Installment" means the amount designated for any particular due date for the retirement of Subordinate Bonds, as set forth in the related Series Certificate, which amount may be conditioned upon the transfer of sufficient moneys to the Subordinate Debt Service Fund, plus all such amounts specified for any prior date or dates, to the extent such amounts have not been paid or discharged, less any amounts credited pursuant to the Certificate.

"Subordinate Special Redemption Account" means the Account so designated, which is created and established in the Redemption Fund by the Certificate.

"Supplemental Certificate" means any supplemental certificate (including a Series Certificate) approved by the Division in accordance with the Certificate amending or supplementing the Certificate.

"Tax-Exempt Bonds" means Bonds the interest on which is intended to be excluded from gross income of the owner thereof for federal income tax purposes.

"Tax-Exempt Status" means the exclusion of interest on the applicable Tax-Exempt Bonds from the gross income of the recipient thereof for federal income tax purposes.

"Term Bonds" means Bonds for which Senior, Mezzanine or Subordinate Sinking Fund Installments have been established as provided in the related Series Certificate or which the Division designates as Term Bonds in the related Series Certificate.

"Trustee" means the bank, trust company or national banking association, appointed as trustee under the Certificate and having the duties, responsibilities and rights provided for in the Certificate and, with the consent of the Division, its successor or successors, and any other corporation or association at any time substituted in its place as Trustee pursuant to the Certificate.

"General Certificate" means the 2008 General Bond Certificate authorized, executed and issued by the Administrator and any amendments expressly made to its provisions in accordance with its terms.

"Unrelated" (whether capitalized or not) means not "related," within the meaning of that term as defined in this Section.

"Unrestricted Principal Receipts" means all Principal Receipts other than Restricted Principal Receipts.

"Variable Rate Bonds" means Bonds the interest rate on which is not fixed to maturity. Variable Rate Bonds may be designated as Senior, Mezzanine or Subordinate Bonds as provided in the related Series Certificate.

The Certificate and the Series Certificate

Certificate Constitutes a Contract

The provisions of the Certificate constitute a contract among the Division, the Trustee, the Bond Registrar, the Paying Agent, the Auxiliary Agreement Providers and the Owners from time to time of the Bonds and the pledge of certain Funds, Accounts, Revenues and other moneys, rights and interests made in the Certificate and the covenants and agreements set forth in the Certificate to be performed by and on behalf of the Division shall be for the equal and ratable benefit, protection and security of the Holders of any and all of the Bonds and Auxiliary Agreement Providers, subject to the provisions respecting the priority of certain classes of Bonds and Auxiliary Obligations as set forth in the Certificate, and except as expressly provided therein or permitted thereby. Unless otherwise specified in a Series Certificate (in which the Division may designate one or more classes of the related Bonds and Auxiliary Obligations as Division Obligations), the Bonds and Auxiliary Obligations shall be special, limited obligations of the Division payable solely from the moneys, rights and interest pledged therefor.

Except as provided in the Certificate and in related Series Certificates with respect to Division Obligations, the Division shall not be required to advance for any purpose of the Certificate any moneys derived from any source other than the Revenues and other assets pledged under the Certificate. Nevertheless, the Division may, but shall not be required to, advance for such purpose any moneys of the Division which may be available for such purpose.

Pledge Effected by Certificate

The pledge and lien of the Certificate is created and established in the following order of priority: first, to secure the payment of the principal of and interest on the Senior Obligations in accordance with the terms and the provisions of the Certificate, second, to secure the payment of the principal of and interest on the Mezzanine Obligations in accordance with the terms and the provisions of the Certificate and third, to secure the payment of the principal of and interest on the Subordinate Obligations and Auxiliary Obligations which are not Senior Obligations in accordance with the terms and the provisions of the Certificate; provided, however, that moneys and investments held in a Division Payment Account are pledged solely for the payment of Principal Installments and Redemption Price of and interest on, and any other amounts payable with respect to Division Obligations of the Related Series with respect to which such account was created and are not pledged to pay principal and Redemption Price of and interest on any other Bonds or Auxiliary Obligations; and provided, further, that moneys and securities, if any, in a Special Escrow Account may be pledged solely, or as a first priority, for the payment of the Related Series of Bonds as set forth in the Related Series Certificate.

Authorization and Issuance of Bonds; Additional Bonds; Refunding Bonds

Upon satisfaction of the conditions contained in the Certificate, Bonds may be issued thereunder, without limitation as to amount except as may be provided in the Certificate or by law, from time to time, in one or more Series pursuant to a Series Certificate or Certificates; provided, however, that such Bonds may be issued only to provide funds to: (a) make deposits in amounts, if any, required or authorized by the Series Certificate to be paid into Funds or Accounts established by the Certificate or in the Series Certificate and (b) refund Bonds issued under the Certificate or other bonds or obligations of the Division. Auxiliary Agreements may only be executed and delivered by the Division in connection with the issuance and delivery of a Series of Bonds under the Certificate or in connection with the renewal, substitution or extension of an existing Auxiliary Agreement which was so delivered.

Any Additional Bonds shall be executed by the Division for issuance and delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Division or upon its order, but only upon receipt by the Trustee of the following: (a) an original executed copy of the Series Certificate authorizing such Bonds; (b) an opinion of Bond Counsel; (c) a written order as to the delivery of such Bonds, signed by an Authorized Officer; (d) a certificate of an Authorized Officer stating that the Division is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Certificate; (e) a Cash Flow Statement with respect to such Series (and any other Series to which it may be linked for Cash Flow Statement purposes), taking into account the proposed issuance of such Bonds and the application of the proceeds thereof; and (f) such further documents and moneys, including investment agreements, as are required by the provisions of the related Series Certificate.

All Refunding Bonds shall be executed by the Division for issuance and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Division or upon its order, but only upon the receipt by the Trustee of: (i) the documents and moneys, if any, referred to in clauses (a), (b), (c), (d) and (e) above; (ii) irrevocable instructions from the Division to give due notice of the payment or redemption of all the bonds to be refunded and the payment or redemption date or dates, if any, upon which such bonds are to be paid or redeemed; (iii) if the bonds to be refunded are to be redeemed subsequent to the next succeeding 45 days, irrevocable instructions from the Division to mail notice of redemption of such bonds on a specified date prior to their redemption date; (iv) either (A) moneys (which may include all or a portion, of the proceeds of the Refunding Bonds to be issued) in an amount sufficient to effect payment or redemption at the applicable redemption price of the bonds to be refunded, together with accrued interest on such bonds to the due date or redemption date, or (B) Defeasance Obligations, the principal of and interest on which when due (without reinvestment thereof), together with the moneys (which may include all or a portion of the proceeds of the Refunding Bonds to be issued), if any, contemporaneously deposited with the trustee or paying agent or escrow agent for the bonds to be refunded will be sufficient to pay when due the applicable principal or redemption price of the bonds to be refunded, together with accrued interest on such bonds to the redemption date or redemption dates or date of maturity thereof, which moneys or Defeasance Obligations shall be held by the trustee or paying agent or escrow agent for the bonds to be refunded in a separate account irrevocably in trust for and assigned to the owners of the bonds to be refunded; and (v) such further documents and moneys as are required by the provisions of the related Series Certificate.

Ratings

Notwithstanding any other provision described under the caption "Authorization and Issuance of Bonds; Additional Bonds; Refunding Bonds" above, so long as there are Outstanding Bonds rated by a Rating Agency, the Division, as a condition to issuing Additional Bonds or Refunding Bonds (including Bonds issued or to be issued on a forward purchase basis) will obtain a confirmation from such Rating Agency that the issuance of such Bonds will not result in the lowering or withdrawal of the then current rating, if any, on each Series of Outstanding Bonds.

Certain Funds and Accounts Established By the Certificate

The Certificate establishes the following Funds and Accounts to be held in trust for application in accordance with the Certificate:

(a) the Program Fund, consisting of the Acquisition Account and the Costs of Issuance Account;

(b) the Revenue Fund, consisting of a Revenue Account for each Series and the Rebate Account;

(c) the Debt Service Reserve Fund, including the Interest Reserve Account;

(d) the Senior Debt Service Fund, which may include a Division Payment Account;

(e) the Mezzanine Debt Service Fund, which may include a Division Payment Account;

(f) the Subordinate Debt Service Fund, which may include a Division Payment Account;

(g) the Redemption Fund, consisting of the Senior Special Redemption Account, the Mezzanine Special Redemption Account and the Subordinate Special Redemption Account; and

(h) the Residual Fund.

Subaccounts shall be created in all funds and accounts described above for each Series. Except as otherwise provided in the Certificate or in a Series Certificate, Bond proceeds and other moneys relating to a Series shall be deposited in the related subaccounts created with respect to such Series.

A Bond Purchase Fund may be created and established by a Series Certificate to be held by a fiduciary to provide for the payment of the tender price or purchase price of the Bonds as provided therein.

A Special Escrow Account may be created and established by a Series Certificate, to be funded for the purposes and applied to payment of such Series of Bonds as set forth in the Related Series Certificate.

When no Bonds of a particular Series, or Related Auxiliary Obligations, remain Outstanding, upon receipt of a Division Request to withdraw all or any portion of the related moneys, investments and/or Mortgage Loans from the related Funds, Accounts and subaccounts, the Trustee shall make such withdrawal and shall transfer such moneys, investments and/or Mortgage Loans, as the case may be, to or upon the order of, the Division; provided, however, that the Division Request must certify that such withdrawal is consistent with the most recently filed Cash Flow Statement for all Bonds and the most recently filed Cash Flow Statement for any Series to which such retired Series has been linked.

The Division may reallocate moneys, investments and Mortgage Loans among Series if and to the extent consistent with the most recently filed Cash Flow Statement with respect to the affected Series. If the Division determines to make such a reallocation of moneys, investments and Mortgage Loans among Series, the Division shall deliver to the Trustee a Division Request specifying such reallocations. Upon receipt of such request, the Trustee shall transfer moneys, investments and/or Mortgage Loans (or portions thereof or interests therein) among subaccounts related to each Series as requested. Mortgage Loans reallocated among Series are not required to meet the requirements of the Series Certificate related to the Series to which such Mortgage Loans are being reallocated, if such Mortgage Loans at the time of their original acquisition by the Division met the requirements of the General Certificate and the applicable requirements of the Series Certificate related to such Mortgage Loans at the time of their acquisition.

Special temporary accounts in the Program Fund and the Debt Service Reserve Fund may be created and established to facilitate the refunding of the Division's bonds and the exchange of funds described in the Certificate.

Moneys which are delivered to the Trustee by the Division at the time of issuance and delivery of any Series of Bonds in addition to the proceeds of such Series of Bonds, as set forth in the applicable Cash Flow Statement required under the General Certificate, may be transferred from any Fund or Account to the Residual Fund directly from time to time as specified in a Division Request.

The Division may create additional Funds or Accounts in a Supplemental Certificate, which Funds or Accounts may or may not be pledged under the General Certificate or which may be pledged for a specific period of time and solely for the benefit of particular bonds.

The Series 2019A Certificate creates and establishes the Series 2019A Subaccounts within the Funds and Accounts created and established pursuant to the Certificate.

Program Fund; Acquisition Account

Proceeds of the Bonds and other moneys deposited in the Acquisition Account shall be applied to make or purchase Mortgage Loans. Each such Mortgage Loan must (i) satisfy the terms and conditions set forth in the Certificate and applicable provisions of the related Series Certificate, and (ii) must provide a yield that, in the aggregate with other related Mortgage Loans credited or expected to be credited to the Acquisition Account, does not exceed the limitation on yield required by Section 143 of the Code with respect to the related Bonds, unless there shall be filed with the Trustee an opinion of Bond Counsel to the effect that the financing of Mortgage Loans providing a higher yield will not cause the interest on the related Tax-Exempt Bonds to be included in the gross income of the recipient thereof for federal income tax purposes.

Amounts designated by each Series Certificate may be made available solely for the acquisition of Mortgage Loans on specified Single-Family Residences or on Single-Family Residences in a specified area for a specified period of time or as part of a specified program.

The Series 2019A Certificate provides that in accordance with Section 143 of the Code and unless otherwise approved by an opinion of Bond Counsel, moneys, in the amount specified in the Series 2019A Certificate, equal to at least twenty percent (20%) of the proceeds of the Series 2019A Bonds, shall be made available solely for the purchase of Mortgage Loans on Single-Family Residences in Targeted Areas (as determined by the Division in accordance with Section 143 of the Code) for a period of at least one year after the date on which the proceeds of the Series 2019A Bonds are first made available for the purchase by the Servicer of Mortgage Loans on such Single-Family Residences. The Division, acting upon the advice of Bond Counsel, will take all reasonable steps necessary, including the preparation, distribution and publication of advertisements and the organization of informational meetings with appropriate community groups, to cause the amount reserved to be utilized for such purpose.

The Trustee shall withdraw moneys from the Acquisition Account pursuant to the Certificate upon receipt of a Division Request stating (i) the name of the party to be paid, (ii) the amount (purchase price) to be paid, and (iii) that all conditions precedent to the acquisition of the Mortgage Loans have been fulfilled. If amounts from sources other than the Acquisition Account are to be used to pay a portion of the acquisition cost (purchase price) of the Mortgage Loans, such amounts shall be transferred by or on behalf of the Division to the Trustee for deposit in the Acquisition Account prior to the time of such acquisition. The Trustee shall disburse moneys from the Acquisition Account for the acquisition of Mortgage Loans, including Mortgage-Backed Securities, upon such terms and at such prices as are provided in the Program Agreements and the Related Series Certificate or as are reflected in the most recent Cash Flow Statement filed with the Trustee.

Any moneys deposited in the Acquisition Account that the Division certifies from time to time will not be used to make or purchase Mortgage Loans in accordance with the Certificate and the related Series Certificate shall be withdrawn by the Trustee on the date specified in the related Series Certificate or such other date or dates on or after such date as may be specified by the Division, and transferred to the applicable subaccount of the Redemption Fund for application in accordance with the related Series Certificate; provided, however, that such transfer or transfers shall be made on a later date as to all or any part of such moneys, if the Division shall have filed with the Trustee a Division Request specifying a later date or dates for such withdrawal and certifying that such Division Request is consistent with the most recently filed related Cash Flow Statement and the related Series Certificate. The Series 2019A Certificate provides that unexpended amounts in the Series 2019A Subaccount of the Acquisition Account shall be transferred to the Series 2019A Subaccount of the Senior Special Redemption Account.

The Trustee shall not disburse moneys from the Acquisition Account for the acquisition of any Mortgage-Backed Security unless such Mortgage-Backed Security is (i) in the physical possession of the Trustee and registered in the name of the Trustee, or (ii) registered as provided in the related Series Certificate so that the Trustee will be deemed at all times to have a first priority perfected security interest in such Mortgage-Backed Security. Mortgage-Backed Securities acquired by the Trustee on behalf of the Division will be held at all times by the Trustee in trust for the benefit of the Bondholders. Any Mortgage-Backed Security may be financed by application of amounts in one or more subaccount(s) of the Acquisition Account and, if applicable, from other sources, and participations in a Mortgage-Backed Security may be proportionately or disproportionately allocated to the Series for which the related subaccount(s) of the Acquisition Account were established or such other sources. If a Mortgage-Backed Security is itself a participation, or is based upon participations in Mortgage Loans, the Division will file with the Trustee at the time such Mortgage-Backed Security is purchased the agreement that specifies the terms of such participation or, if there is no such agreement, a certificate of the Division that describes the terms of such participation. The Trustee shall maintain at its office accurate records of all such purchases, a description of the Mortgage-Backed Securities purchased pursuant thereto, the purchase price or principal amount of such Mortgage-Backed Securities, the Servicer from whom such Mortgage-Backed Securities were purchased and the amount or amounts from such subaccount(s) of the Acquisition Account applied for the purchase of such Mortgage-Backed Securities. Subject to the foregoing, and other provisions of the General Certificate, the purchase of any Mortgage-Backed Security by application of amounts in any subaccount of the Acquisition Account will be deemed to have been accomplished by application of amounts relating to the Series of Bonds for which such Account was established, or will be deemed to have been accomplished, proportionately by application of amounts relating to more than one Series to the extent that such Mortgage-Backed Security has been purchased by application of amounts in more than one subaccount of the Acquisition Account.

Costs of Issuance Account

Upon the issuance, sale and delivery of the Bonds, the Trustee shall deposit in the Costs of Issuance Account such moneys, if any, as shall be specified in the related Series Certificate. Moneys in such Account shall be used to pay Costs of Issuance, except any excess remaining upon payment of all Costs of Issuance shall be transferred by the Trustee to the related subaccount in the Acquisition Account.

In the event that the moneys deposited in the Costs of Issuance Account are not sufficient to pay all Costs of Issuance, Costs of Issuance may be paid from any available moneys of the Division.

Revenue Fund

The Division shall pay all Revenues or cause all Revenues to be paid to the Trustee promptly upon their receipt and, in any event, at least once each month. Except as otherwise provided in the Certificate or in a Series Certificate, all Revenues and any amounts deposited by the Division to satisfy the Rebate Requirement shall be deposited by the Trustee in the related subaccounts of the Revenue Fund as follows:

(a) for credit to the related subaccount of the Revenue Account, all Revenues related to each Series; and

(b) for credit to the related subaccount of the Rebate Account, the Rebate Requirement related to each Series of Tax-Exempt Bonds.

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

Accrued interest on Mortgage Loans at the time of acquisition shall be paid from the related subaccount of the Revenue Account. Alternatively, if the Division shall direct in writing, accrued interest on Mortgage Loans at the time of acquisition may be paid from the related subaccount of the Acquisition Account and, upon receipt of interest on a Mortgage Loan with respect to which moneys were withdrawn from the Acquisition Account to pay for interest accrued on such Mortgage Loan at the time of acquisition of such Mortgage Loan, the Trustee shall withdraw from the related subaccount of the Revenue Account and transfer to the related subaccount of the Acquisition Account an amount equal to such accrued interest paid.

The Trustee shall pay or transfer from the related subaccount of the Revenue Account directly to the Fiduciaries, all Fiduciary Expenses, when and as payable.

Thirty-five (35) days preceding each April 1 and October 1, and on or prior to each Payment Date, and more frequently if required by a Series Certificate, the Trustee shall withdraw from each subaccount of the Revenue Account and deposit into the specified subaccounts of the following Funds or Accounts and shall pay to the following parties the following amounts, in the following order of priority, the requirements of each such Fund, Account or party (including the making up of any deficiencies in any such Fund or Account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied, and the results of such satisfaction being taken into account, before any payment or transfer is made subsequent in priority (for the purposes of the following subsections (a) through (r) only, Bonds for which the redemption price has been set aside shall be considered not to be Outstanding, even though such Bonds have not yet been selected for redemption and even though notice of such redemption has not been given):

(a) Into the related subaccount of the Senior Debt Service Fund (x) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of interest becoming due and payable on such Payment Date upon all Senior Bonds of the related Series then Outstanding; plus (y) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of Principal Installments becoming due and payable on the Outstanding Senior Bonds of the related Series on such Payment Date plus (z) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount becoming due and payable on Outstanding Related Senior Auxiliary Obligations on such Payment Date; provided however, that if such Payment Date is not a date for the payment of a Principal Installment on Related Senior Bonds, such transfer shall include an amount which is proportionately related to the amount of Principal Installments becoming due and payable on Outstanding Related Senior Bonds on the next following Payment Date;

(b) Into each unrelated subaccount of the Senior Debt Service Fund, after making any transfer into such subaccount required by the Certificate, on a proportionate basis with all other unrelated such subaccounts or as otherwise directed by Division Request, any deficiency in such subaccount resulting from the lack of moneys sufficient to make the deposit required by subparagraph (a) above and the transfer required by the Certificate as of such date;

(c) Into the related subaccount of the Senior Special Redemption Account, the amount, if any, needed to ensure that the Senior Asset Requirement of the related Series will be met on such Bond Payment Date following such transfer;

(d) Into each unrelated subaccount of the Senior Special Redemption Account, on a proportionate basis with all other unrelated such subaccounts or as otherwise directed by Division Request, any deficiency in such subaccount resulting from the lack of related Revenues sufficient to make the deposit required by subparagraph (c) above as of such date;

(e) Into the related subaccount of the Mezzanine Debt Service Fund (x) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of interest becoming due and payable on such Payment Date upon all Mezzanine Bonds of the related Series then Outstanding; plus (y) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of Principal Installments becoming due and payable on Outstanding Mezzanine Bonds of the related Series on such Payment Date plus (z) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount becoming due and payable on Outstanding Related Mezzanine Auxiliary Obligations on such Payment Date; provided however, that if such Payment Date is not a date for the payment of a Principal Installment on Related Mezzanine Bonds, such transfer shall include an amount which is proportionately related to the amount of Principal Installments becoming due and payable on Outstanding Related Mezzanine Bonds on the next following Payment Date;

(f) Into each unrelated subaccount of the Mezzanine Debt Service Fund, after making any transfer into such subaccount required by the Certificate, on a proportionate basis with all other unrelated such subaccounts or as otherwise directed by Division Request, any deficiency in such subaccount resulting from the lack of moneys sufficient to make the deposit required by subparagraph (e) above and the transfer required by the Certificate as of such date;

(g) Into the related subaccount of the Debt Service Reserve Fund, the amount, if any, needed to increase the amount in such subaccount (including the related Interest Reserve Account) to the Debt Service Reserve Fund Requirement of the related Series;

(h) Into each unrelated subaccount of the Debt Service Reserve Fund, on a proportionate basis with all other unrelated such subaccounts, any deficiency in such subaccount resulting from the lack of related Revenues sufficient to make the deposits required by subparagraph (g) as of such date;

(i) Into the related subaccount of the Mezzanine Special Redemption Account, the amount, if any, needed to ensure that the Mezzanine Asset Requirement of the related Series will be met on such Bond Payment Date following such transfer;

(j) Into each unrelated subaccount of the Mezzanine Special Redemption Account, on a proportionate basis with all other unrelated such subaccounts or as otherwise directed by Division Request, any deficiency in such subaccount resulting from the lack of related Revenues sufficient to make the deposit required by subparagraph (i) as of such date;

(k) To the Division, the amount needed so that the aggregate amount disbursed to the Division in any semiannual period equals the amount of any reasonable and necessary Fiduciary Expenses with respect to the related Series previously incurred but not reimbursed to the Division or reasonably anticipated to be payable in the following six months; provided, however, that in no event shall the aggregate of all Fiduciary Expenses with respect to the related Series paid directly to Fiduciaries or to the Division under this subparagraph (k) in any Bond Year exceed any limitation set forth in the related Series Certificate;

(l) To the Division, the amount of any reasonable and necessary Fiduciary Expenses with respect to unrelated Series, on a proportionate basis with all other unrelated Series, any deficiency resulting from the lack of related Revenues sufficient to make the transfers required by subparagraph (k) as of such date;

(m) Into the related subaccount of the Subordinate Debt Service Fund (x) the amount, if any, needed to increase the amount in such subaccount to the aggregate amount of interest becoming due and payable on such Payment Date upon all Subordinate Bonds of the related Series then Outstanding; plus (y) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of Principal Installments required to be paid for the Outstanding Subordinate Bonds of the related Series on such Payment Date plus (z) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount becoming due and payable on Outstanding Related Subordinate Auxiliary Obligations on such Payment Date; provided however, that if such Payment Date is not a date for the payment of a Principal Installment on Related Subordinate Serial Bonds, such transfer shall include an amount which is proportionately related to the amount of Principal Installments becoming due and payable on Outstanding Related Subordinate Serial Bonds on the next following Payment Date;

(n) Into each unrelated subaccount of the Subordinate Debt Service Fund, after making any transfer into such subaccount required by the Certificate, on a proportionate basis with all other unrelated such subaccounts or as otherwise directed by Division Request, any deficiency in such subaccount resulting from the lack of related Revenues sufficient to make the deposit required by subparagraph (m) as of such date;

(o) To the Division, the amount needed so that the aggregate amount disbursed to the Division in any semiannual period equals the amount of any reasonable and necessary Program Expenses with respect to the related Series previously incurred but not reimbursed to the Division or reasonably anticipated to be payable in the following six months; provided, however, that in no event shall the aggregate of such amounts paid to the Division, plus amounts paid with respect to such Series to the Division pursuant to subparagraphs (k) and (l) above, plus all Fiduciary Expenses with respect to the related Series paid directly to Fiduciaries exceed any limitations set forth in the related Series Certificate;

(p) To the Division, the amount of any reasonable and necessary Program Expenses with respect to unrelated Series, on a proportionate basis with all other unrelated Series, any deficiency resulting from the lack of related Revenues sufficient to make the transfer required by subparagraph (o) as of such date;

(q) Into the related subaccounts of the Redemption Fund, the amount, if any, necessary to satisfy the Additional Asset Requirement of the related Series, calculated as of such next succeeding Payment Date and giving effect to such transfer, which amount shall be allocated to the related subaccounts of the Senior Special Redemption Account, the Mezzanine Special Redemption Account and the Subordinate Special Redemption Account on the basis of the relative ratios represented by the Aggregate Principal Amounts Outstanding of the related Senior Bonds, Mezzanine Bonds and Subordinate Bonds, respectively, to the Aggregate Principal Amount of all related Senior, Mezzanine and Subordinate Bonds Outstanding; and

(r) Into each unrelated subaccount of the Redemption Fund, on a proportionate basis with all other such unrelated subaccounts, the additional amount, if any, necessary (after the deposits required by subparagraph (q) for the related Series) to satisfy the Additional Asset Requirement of such unrelated Series, calculated as of such next succeeding Payment Date and giving effect to such transfer, which amount shall be allocated to the applicable subaccounts of the Senior Special Redemption Account, the Mezzanine Special Redemption Account and the Subordinate Special Redemption Account on the basis of the relative ratios represented by the Aggregate Principal Amounts Outstanding of the applicable Senior Bonds, Mezzanine Bonds and Subordinate Bonds, respectively, to the Aggregate Principal Amount of all applicable Senior, Mezzanine and Subordinate Bonds Outstanding (for purposes of this subparagraph (r), "applicable" means related to such unrelated Series).

The Division may direct the Trustee to make any of the above transfers more frequently than on Payment Dates, in amounts inversely proportional to the frequency of transfers so directed.

The balance, if any, in each subaccount of the Revenue Account after the transfers described above, shall be transferred to the Residual Fund or, as may be specified in a Division Request, to another Fund or Account. Each Division Request under this paragraph shall be subject to any limitations or requirements specified in the related Series Certificate.

Prior to, but as close as practicable to, the latest date on which the Trustee would be permitted to give notice of a redemption to occur on a Bond Payment Date from amounts deposited in the Redemption Fund described above, the Trustee shall calculate the amounts expected with reasonable certainty to be on deposit in each subaccount of the Revenue Account as of the last Business Day prior to such Payment Date and which would be transferred to the related subaccounts of the Senior Debt Service Fund, the Mezzanine Debt Service Fund and the Subordinate Debt Service Fund, and the related subaccounts of the Redemption Fund, in accordance with the priorities and provisions described above. Such amounts may be withdrawn from such subaccount of the Revenue Account for application on or prior to the next succeeding Payment Date (A) upon receipt of a Division Request, to the purchase in lieu of redemption in accordance with the Certificate of related Senior Bonds, Mezzanine Bonds or Subordinate Bonds in amounts determined in accordance with the Certificate, (B) to the payment of accrued interest on Bonds being purchased or redeemed pursuant to the Certificate, or (C) to the redemption of Senior Bonds, Mezzanine Bonds and Subordinate Bonds on such Payment Date in the amounts determined in accordance with the Certificate.

In the event Bonds are to be redeemed on a date other than a Payment Date, and to the extent moneys are not available in the related subaccounts of the Senior Debt Service Fund, the Mezzanine Debt Service Fund or the Subordinate Debt Service Fund to pay accrued interest on such redemption date for such Senior Bonds, Mezzanine Bonds and Subordinate Bonds, respectively, the Trustee shall apply or cause the Paying Agent to apply available moneys in the related subaccount of the Revenue Account for the payment of such interest.

Any amounts which are transferred from the Revenue Account to the Senior Special Redemption Account, to the Mezzanine Special Redemption Account or to the Subordinate Special Redemption Account pursuant to the terms of any Series Certificate shall be made in conformity with priority prescribed for such transfers in subparagraphs (c), (i) or (q) above, respectively, such that no such transfer shall be made to the Senior Special Redemption Account, to the Mezzanine Special Redemption Account or to the Subordinate Special Redemption Account unless all Revenue Account payments or transfers of higher priority are satisfied as of such date.

Senior Debt Service Fund

Amounts in each subaccount of the Senior Debt Service Fund shall be used and withdrawn by the Trustee solely for transfer to the Paying Agent (i) on each Bond Payment Date for the purpose of paying the interest and Principal Installments on the related Senior Bonds as the same shall become due and payable (including accrued interest on any Senior Bonds purchased or redeemed prior to maturity pursuant to the Certificate) or (ii) on each Payment Date for the purpose of paying amounts due under related Senior Auxiliary Obligations as the same become due and payable or (iii) on each purchase date for the purpose of paying the purchase price of related Senior Bonds purchased in lieu of redemption by Senior Sinking Fund Installments.

Amounts remaining in each subaccount of the Senior Debt Service Fund after all Related Senior Obligations have been paid or funds have been set aside and held in trust shall be transferred to the related subaccount of the Revenue Account.

Debt Service Reserve Fund

Upon the issuance, sale and delivery of a Series pursuant to the Certificate, the Trustee shall deposit in the related subaccount of the Debt Service Reserve Fund and in the related subaccount of the Interest Reserve Account therein such amounts, if any, as shall be required by the provisions of the related Series Certificate. Moneys on deposit in the related subaccount of the Interest Reserve Account shall at all times be deemed to be a part of the related subaccount of the Debt Service Reserve Fund. If expressly permitted by the related Series Certificate, amounts on deposit in a subaccount of the Debt Service Reserve Fund may include amounts attributed to a surety bond or other instrument. Any such Series Certificate shall describe in reasonable detail the procedure for draws on any such surety bond or other instrument. Revenues available for deposit in the related subaccount of the Debt Service Reserve Fund may be used to reimburse the provider of such surety bond or other instrument for draws on such surety bond or other instrument used to pay principal of or interest on Bonds.

On or prior to each Semiannual Bond Payment Date, the Trustee shall calculate the amount of the Debt Service Reserve Fund Requirement for each Series as of the next succeeding Bond Payment Date and shall determine the amount, if any, which would then be in the related subaccount of the Debt Service Reserve Fund (other than amounts attributable to accrued, but unrealized interest purchased on Investment Securities) in excess of such Requirement, shall notify the Division of any such excess amount and shall, unless otherwise instructed by a Division Request, transfer such excess amount from the related subaccount of the Debt Service Reserve Fund, other than the Interest Reserve Account therein, to the related subaccount of the Revenue Account.

On the last Business Day prior to each Bond Payment Date or more frequently if required by a Series Certificate, and in each case in conjunction with the transfers, deposits and payments to be made pursuant to the Certificate, the Trustee shall transfer from each subaccount of the Debt Service Reserve Fund (including from the Interest Reserve Account as provided below) to the specified subaccounts of other Funds or Accounts the following amounts, in the following order of priority, the requirements of each such transfer to be satisfied, and the results of such satisfaction being taken into account, before any payment or transfer is made subsequent in priority:

In the event that the amount transferred to any subaccount of the Senior Debt Service Fund as described under the caption “Revenue Fund” above is insufficient to pay the interest and Principal Installments, if any, due on Related Senior Obligations on the next succeeding Payment Date, the Trustee shall transfer, first from the related subaccount of the Interest Reserve Account and then if and to the extent necessary from the related subaccount of the Debt Service Reserve Fund, to such subaccount of the Senior Debt Service Fund, the amount of such insufficiency.

In the event that the amount transferred to any subaccount of the Senior Debt Service Fund as described under the caption “Revenue Fund” above is insufficient to pay the interest and Principal Installments, if any, due on Related Senior Obligations on the next succeeding Payment Date, the Trustee shall transfer from unrelated subaccounts in the Debt Service Reserve Fund, on a proportionate basis with all other unrelated such subaccounts or as otherwise directed by Division Request, first from subaccounts of the Interest Reserve Account and then if and to the extent necessary from the subaccounts of the Debt Service Reserve Fund, to such subaccount of the Senior Debt Service Fund, the amount of such insufficiency.

In the event that the amount transferred to any subaccount of the Mezzanine Debt Service Fund as described under the caption “Revenue Fund” above is insufficient to pay the interest and Principal Installments, if any, due on Related Mezzanine Obligations on the next succeeding Payment Date, the Trustee, first from the related subaccount of the Interest Reserve Account and then if and to the extent necessary from the related subaccount of the Debt Service Reserve Fund, to such subaccount of the Mezzanine Debt Service Fund, the amount of such insufficiency.

In the event that the amount transferred to any subaccount of the Mezzanine Debt Service Fund as described under the caption “Revenue Fund” above is insufficient to pay the interest and Principal Installments, if any, due on Related Mezzanine Obligations on the next succeeding Payment Date, the Trustee shall transfer from unrelated subaccounts in the Debt Service Reserve Fund, on a proportionate basis with all other unrelated such subaccounts or as otherwise directed by Division Request, first from subaccounts of the Interest Reserve Account and then if and to the extent necessary from the subaccounts of the Debt Service Reserve Fund, to such subaccount of the Mezzanine Debt Service Fund, the amount of such insufficiency.

In the event that the amount transferred to any subaccount of the Subordinate Debt Service Fund as described under the caption "Revenue Fund" above is insufficient to pay the interest and Principal Installments, if any, due on Related Subordinate Obligations on the next succeeding Payment Date, the Trustee shall transfer, first from the related subaccount of the Interest Reserve Account and then if and to the extent necessary from the related subaccount of the Debt Service Reserve Fund, to such subaccount of the Subordinate Debt Service Fund, the amount of such insufficiency; provided, however, that no such transfer may result in (A) the amount on deposit in the related subaccount of the Debt Service Reserve Fund being reduced to an amount less than any minimum specified for this purpose in the related Series Certificate or (B) a failure to meet the related Mezzanine Asset Requirement.

In the event that the amount transferred to any subaccount of the Subordinate Debt Service Fund as described under the caption "Revenue Fund" above is insufficient to pay the interest and Principal Installments, if any, due on Related Subordinate Obligations on the next succeeding Payment Date, the Trustee shall transfer from unrelated subaccounts in the Debt Service Reserve Fund, on a proportionate basis with all other unrelated such subaccounts or as otherwise directed by Division Request, first from subaccounts of the Interest Reserve Account and then if and to the extent necessary from the subaccounts of the Debt Service Reserve Fund, to such subaccount of the Subordinate Debt Service Fund, the amount of such insufficiency; provided, however, that no such transfer may result in (A) the amount on deposit in any subaccount of the Debt Service Reserve Fund being reduced to an amount less than any minimum specified for this purpose in the related Series Certificate or (B) a failure to meet the related Mezzanine Asset Requirement.

Any amount in each subaccount of the Interest Reserve Account shall be transferred to the related subaccount of the Debt Service Reserve Fund on the date specified in the related Series Certificate or such earlier date as may be specified by Division Request.

Redemption Fund; Recycling

(a) Moneys deposited in the subaccounts of the Redemption Fund shall be applied by the Trustee to the purchase, or applied by the Paying Agent (if directed by the Trustee) to the redemption, of Bonds in accordance with the provisions of the General Certificate and each related Series Certificate.

(b) Except as set forth in the General Certificate or in the related Series Certificate, moneys deposited in a subaccount of the Senior Special Redemption Account pursuant to the General Certificate or pursuant to the related Series Certificate, shall be applied to the extent practicable by the Paying Agent on the earliest practicable date to redeem related Senior Bonds. Any amounts remaining in such Senior Special Redemption Account after no related Senior Bonds remain Outstanding shall be transferred to the related subaccount of the Revenue Account.

(c) Except as set forth in the General Certificate or in the related Series Certificate, moneys deposited in a subaccount of the Mezzanine Special Redemption Account pursuant to the General Certificate or pursuant to the related Series Certificate, shall be applied to the extent practicable by the Paying Agent on the earliest practicable date to redeem related Mezzanine Bonds. Any amounts remaining in such Mezzanine Special Redemption Account after no related Mezzanine Bonds remain Outstanding shall be transferred to the related subaccount of the Revenue Account.

(d) Except as set forth in the General Certificate or in the related Series Certificate, moneys deposited in a subaccount of the Subordinate Special Redemption Account pursuant to the General Certificate or pursuant to the related Series Certificate, shall be applied to the extent practicable by the Paying Agent on the earliest practicable date to redeem related Subordinate Bonds. Any amounts remaining in such Subordinate Special Redemption Account after no related Subordinate Bonds remain Outstanding shall be transferred to the related subaccount of the Revenue Account.

(e) Notwithstanding anything contained in the Certificate to the contrary, the Division may by the delivery of a Division Request to the Trustee at any time prior to the mailing of notices of redemption, instruct the Trustee to transfer moneys on deposit in a subaccount of an Account in the Redemption Fund to another subaccount of the same Account in the Redemption Fund to be applied as provided in the General Certificate to the redemption of the same class of Bonds of a different Series. Each such Division Request (i) shall certify that it is consistent with the most recently filed related Cash Flow Statements (which may, if necessary, link the related Series) and the related

Series Certificates and (ii) shall be accompanied by evidence of the satisfaction of all Asset Requirements for the related Series.

(f) In addition, notwithstanding anything contained in the Certificate to the contrary, the Division may by the delivery of a Division Request to the Trustee at any time prior to the giving of notice of redemption, instruct the Trustee to transfer moneys on deposit in a subaccount of an Account in the Redemption Fund to a related or an unrelated subaccount of the Acquisition Account to be applied as provided in the General Certificate. Each such Division Request (i) shall certify that it is consistent with the most recently filed related Cash Flow Statement and the related Series Certificates and (ii) shall be accompanied by evidence of the satisfaction of all Asset Requirements for the related Series.

Mezzanine Debt Service Fund

Amounts in each subaccount of the Mezzanine Debt Service Fund shall be used and withdrawn by the Trustee for transfer to the Paying Agent (i) on each Bond Payment Date for the purpose of paying first the interest and then Principal Installments on the related Mezzanine Bonds as the same become due and payable (including accrued interest on any such Mezzanine Bonds redeemed or purchased prior to maturity pursuant to the Certificate) or (ii) on each Payment Date for the purpose of paying amounts due under Related Mezzanine Auxiliary Obligations as the same shall become due and payable or (iii) on each purchase date for the purpose of paying the purchase price of related Mezzanine Bonds purchased in lieu of redemption by Mezzanine Sinking Fund Installments.

Amounts remaining in each subaccount of the Mezzanine Debt Service Fund after all the Related Mezzanine Obligations have been paid or funds have been set aside and held in trust for such payment shall be transferred to the Related subaccount of the Revenue Account.

Subordinate Debt Service Fund

Amounts in each subaccount of the Subordinate Debt Service Fund shall be used and withdrawn by the Trustee for transfer to the Paying Agent (i) on each Bond Payment Date for the purpose of paying first the interest and then Principal Installments on the related Subordinate Bonds as the same become due and payable (including accrued interest on any such Subordinate Bonds redeemed or purchased prior to maturity pursuant to the Certificate) or (ii) on each Payment Date for the Purpose of paying amounts due under Related Subordinate Auxiliary Obligations as the same shall become due and payable or (iii) on each purchase date for the purpose of paying the purchase price of related Subordinate Bonds purchased in lieu of redemption by Subordinate Sinking Fund Installments.

Amounts remaining in each subaccount of the Subordinate Debt Service Fund after all the Related Subordinate Obligations have been paid or funds have been set aside and held in trust for such payment shall be transferred to the Related subaccount of the Revenue Account.

Division Payment Accounts

If, following transfers made as described under the caption “Revenue Fund,” there are not sufficient moneys to pay all interest or any other required payment due and payable on any Division Obligation or to pay any Principal Installment on any Division Obligation at maturity, the Trustee shall immediately notify the Division in writing of the amount of such insufficiency and shall request from the Division an immediate deposit of legally available funds equal to such insufficiency. The Division shall pay to the Trustee (from the Division’s other revenues or moneys legally available therefor, subject only to agreements made or to be made with holders of notes or bonds or other obligations pledging particular revenues or moneys for the payment thereof) for deposit in the related subaccounts of the Division Payment Account the amount of such insufficiency. If the amount provided by the Division is less that the amount of such insufficiency, any shortfall shall be allocated pro rata among the holders of the Related Division Obligations in proportion to the amounts then due and payable on such Bonds.

Amounts deposited with the Trustee by the Division pursuant to the above paragraph shall be deposited into the respective subaccounts of the Division Payment Accounts for the Division Obligations for which such amounts are provided. Amounts in such subaccounts shall only be used to pay interest or Principal Installments due and payable on the related Division Obligations and may not be transferred to any debt service fund for Bonds or Auxiliary Obligations which are not Division Obligations or to any other Fund or Account for any reason.

Residual Fund

Except as otherwise provided herein and after any transfer required to be made to the Rebate Account, moneys in the Residual Fund shall be used in accordance with the direction of the Division solely for (i) payments due under Auxiliary Obligations, (ii) transfers to the Acquisition Account to make or purchase Mortgage Loans, (iii) transfers to the Redemption Fund for the redemption or purchase of Bonds, (iv) transfers to the Senior Debt Service Fund, the Mezzanine Debt Service Fund, the Subordinate Debt Service Fund, the Revenue Account or the Debt Service Reserve Fund, or (v) upon receipt of a Division Request therefor, transfers to the Division free and clear of the pledge made under the General Certificate if (A) such transfer to the Division in such amount is assumed in connection with the Cash Flow Statement filed at the time of release, and (B) no amount then due under Auxiliary Obligations remains unpaid at the time such transfer is to be made to the Division.

Investment of Moneys Held by the Trustee; Valuation of Mortgage Loans

Moneys in all Funds and Accounts held by the Trustee shall be invested to the fullest extent possible in Investment Obligations, in accordance with directions given to the Trustee in a Division Request or Certificate; provided, however, that the maturity date or the date on which such Investment Obligations may be redeemed or withdrawals may be made at the option of the holder thereof shall coincide as nearly as practicable with (but in no event later than) the date or dates on which moneys in the Funds or Accounts for which the investments were made will be required for the purposes thereof.

In computing the amount in any Fund or Account, Investment Obligations shall be valued at par or, if purchased at other than par, at their Amortized Value, in either event inclusive of accrued interest purchased, and Mortgage Loans shall be valued at 100% of the outstanding principal balance thereof unless in default for more than 60 days as of the date of computation, in which event such Mortgage Loans shall be valued at the Division's estimated net Prepayment from the proceeds of mortgage insurance.

Except as otherwise specifically provided in the Certificate, the income or interest earned by, or gain to, all Funds and Accounts due to the investment thereof shall be transferred by the Trustee upon receipt thereof to the Related subaccount of the Revenue Account, in accordance with the Certificate, except that no such transfer shall be made from, and such income, interest or gain (as described above) shall be retained in, the Debt Service Reserve Fund, unless after giving effect to the transfer the amount therein or credited thereto at least equals the Debt Service Reserve Fund Requirement.

Program Covenants; Enforcement of Mortgage Loans

The Division covenants in the Certificate that:

(a) It shall do all such acts and things necessary to receive and collect Revenues and shall diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Division for the enforcement of all terms, covenants and conditions of Mortgage Loans.

(b) The Division warrants and covenants (i) that no Mortgage Loan shall be financed by the Division under the Program unless the Mortgage Loan complies in all respects with the Act in effect on the date of financing and, to the extent applicable, the Division shall have received the representations and warranties of the Participating Lending Institution required by the Act and (ii) to comply with any additional program covenants contained in any Supplemental Certificate.

(c) It shall enforce diligently and take or cause to be taken all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of all Mortgage Loans consistent with sound banking practices and principles and applicable requirements under Section 143 of the Code, including the prompt payment of all Mortgage Repayments and all other amounts due the Division thereunder. The Division shall not without good cause release the obligations of any Borrower under any Mortgage Loan and, to the extent permitted by law, at all times shall defend, enforce, preserve and protect the rights and privileges of the Division, the Trustee and the Bondholders under or with respect to all Mortgage Loans, the obligations evidencing such Mortgage Loans and the agreements securing such Mortgage Loans; provided, however, that nothing in this section shall be construed to prevent the Division from: (i) settling a default on any Mortgage Loan on such terms as the Division shall determine to be in the best interests of the Division and the Bondholders; or (ii) releasing any Borrower from, or waiving, any of such Borrower's obligations under the respective Mortgage Loan to the extent necessary to comply with the provisions of the Code.

(d) Whenever it shall be necessary in order to protect and enforce the rights of the Division under a Mortgage Loan and to protect and enforce the rights and interests of the Trustee and Bondholders under the Certificate, the Division shall take necessary actions to realize on any applicable mortgage insurance on such Mortgage Loan and to collect, sell or otherwise dispose of the property secured by the Mortgage and, if the Division deems such to be advisable, shall bid for and purchase the property secured by the Mortgage at any sale thereof and take possession of such property. As an alternative to foreclosure proceedings, the Division may take such other action as may be appropriate to acquire and take possession of the mortgaged property, including without limitation, acceptance of a conveyance in lieu of foreclosure.

Assignment or Disposition of Mortgage Loans; Amendment of Mortgage Loans

Following the acquisition of a Mortgage Loan by the Trustee, the Division shall not sell, assign, transfer, pledge or otherwise dispose of or encumber any Mortgage Loan or any of the rights of the Division with respect to any Mortgage Loan or arising out of the Mortgage or the other obligations evidencing or securing any Mortgage Loan except a Mortgage Loan in default, unless the Division determines that such sale, assignment, transfer or other disposition would not have a material adverse effect on the ability of the Division to pay the principal of and interest on the Outstanding Bonds and the Division provides written notice of such sale, assignment, transfer or other disposition to the Rating Agency.

The Division shall not consent or agree to or permit any amendment or modification of the economic terms of any Mortgage Loan in any manner materially adverse to the interests of the Bondholders, as determined in good faith by Division Certificate.

Creation of Liens

The Division shall not issue any bonds or other evidences of indebtedness, other than the Bonds and Auxiliary Obligations, secured by a pledge of the Revenues or of the moneys, securities, rights and interests pledged or held or set aside by the Division or by any Fiduciary under the Certificate and shall not create or cause to be created, other than by the Certificate, any lien or charge on the Revenues or such moneys, securities, rights or interests; provided, however, that nothing in the Certificate shall prevent the Division from issuing (i) evidences of indebtedness secured by a pledge of Revenues to be derived after the pledge of the Revenues provided in the Certificate shall be discharged and satisfied; or (ii) notes, bonds or other obligations of the Division not secured under the Certificate; or (iii) notes, bonds or other obligations which are Division Obligations under the Act.

Events of Default

Each of the following constitutes an "Event of Default" under the Certificate:

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

(b) The Division shall fail to pay any installment of interest on any Senior Bond when and as the same shall become due and payable or any Senior Auxiliary Obligation when and as the same shall become due and payable, and such failure shall continue for a period of 60 days;

(c) The Division shall fail to pay any Principal Installment or interest on any Mezzanine Bond when and as the same shall become due and payable or Mezzanine Auxiliary Obligation when and as the same shall become due and payable, provided that sufficient moneys for such payment are available in the Mezzanine Debt Service Fund;

(d) The Division shall fail to pay any Principal Installment or interest on any Subordinate Bond when and as the same shall become due and payable or any Subordinate Auxiliary Obligation when and as the same shall become due and payable, provided that sufficient moneys for such payment are available in the Subordinate Debt Service Fund;

(e) The Division shall fail to perform or observe any other covenant, agreement or condition on its part contained in the Certificate (except the requirement that a Cash Flow Statement satisfy the requirements of clause (b) of the definition thereof and the requirement that the Division pay amounts to the Trustee from its other revenues, moneys or assets in connection with Division Obligations), or in the Bonds and such failure shall continue for a period of 60 days after written notice thereof to the Division by the Trustee or to the Division and to the Trustee by the Holders of not less than twenty-five percent (25%) in Aggregate Principal Amount of the Bonds Outstanding (a "**Covenant Default**"); or

(f) The Division shall file a petition seeking a composition of indebtedness under the federal bankruptcy laws, or under any other applicable law or statute of the United States of America or of the State.

Remedies

Upon the occurrence of an Event of Default, and during the continuance of such Event of Default, the Trustee may, and upon the written request of the Holders of not less than 50% in Aggregate Principal Amount of Outstanding Bonds shall, declare the Aggregate Principal Amount of all Bonds Outstanding immediately due and payable; and the Aggregate Principal Amount of such Bonds shall become and be immediately due and payable, anything in the Bonds or in the Certificate to the contrary notwithstanding. In such event, there shall be due and payable on the Bonds an amount equal to the total principal amount of all such Bonds, plus all interest which will accrue thereon to the date of payment.

Notwithstanding the preceding paragraph, if the Event of Default is a Covenant Default only (except for a failure which could adversely affect the exclusion from gross income for federal income tax purposes of interest on any tax-exempt Bonds), the Trustee shall not declare the Aggregate Principal Amount of all Bonds Outstanding immediately due and payable unless the Trustee is so directed by the written request of Holders of 100% in Aggregate Principal Amount of Outstanding Bonds.

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

Upon the occurrence and continuance of any Event of Default, the Trustee may, and upon the written request of the Holders of not less than twenty-five percent (25%) in Aggregate Principal Amount of the Bonds Outstanding, together with indemnification of the Trustee to its satisfaction therefor, shall, proceed forthwith to protect and enforce its rights and the rights of the Bondholders under the Act, the Bonds and the Certificate by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient.

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

Following an Event of Default and the acceleration of the Bonds, the Trustee shall apply all moneys, and securities held in any Fund or Account (except the Rebate Account, the Bond Purchase Fund, the Variable Rate Bond Account and, with respect to any Bonds or Auxiliary Obligations that are not Division Obligations, the Division Payment Accounts), (moneys and securities in the Variable Rate Bond Account and a Division Payment Account are to be applied only to the payment of interest and Principal Installments on Bonds and payments on Auxiliary Obligations with respect to which such moneys and securities have been pledged), Revenues, payments and receipts and the income therefrom to the payment of the reasonable and proper Fiduciary Expenses, and then to the payment of the interest and Principal Installments payable on the Senior Obligations and after all Senior Obligations have been paid in full, to the payment of the interest and Principal Installments payable on the Mezzanine Obligations. The principal of and interest payable on the Subordinate Obligations will be paid only following payment in full of the Senior Obligations and the Mezzanine Obligations.

No remedy conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy available under the Certificate or existing at law or in equity or by statute on or after the date of execution and delivery of the Certificate.

Majority Bondholders Control Proceedings

If an Event of Default shall have occurred and be continuing, the Holders of at least a majority in Aggregate Principal Amount of Bonds then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions of the Certificate or for the appointment of a receiver or to take any other proceedings under the Certificate; provided, however, that such direction is in accordance with law and the provisions (in particular, those relating to the priority of the Senior Obligations over Mezzanine Obligations and Mezzanine Obligations over Subordinate Obligations) of the Certificate and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of Bondholders not joining in such direction and does not impair the right of the Trustee in its discretion to take any other action under the Certificate which it may deem proper and which is not inconsistent with such direction by Bondholders.

Division Obligation Bond Defaults

If the Division shall fail to pay interest on any Division Obligation Bond when due or shall fail to pay any Principal Installment on any Division Obligation Bond at its final stated maturity; and such failure shall not constitute an Event of Default under the caption "Events of Default" above, then such failure shall be a Division Obligation Bond Default under the Certificate. A Division Obligation Bond Default shall not constitute an Event of Default under the Certificate and shall not affect the priority of the lien and pledge granted Holders of Bonds or Auxiliary Agreement Providers under the Certificate.

Upon the occurrence of a Division Obligation Bond Default, the Trustee may and, upon the written request of the Holders of not less than twenty-five percent (25%) in Aggregate Principal Amount of Outstanding Division Obligation Bonds shall, give thirty (30) days' notice in writing to the Division of its intention to declare the Aggregate Principal Amount of all Division Obligation Bonds Outstanding immediately due and payable. At the end of such thirty (30) day period the Trustee may, and upon such written request of Holders of not less than twenty-five percent (25%) in Aggregate Principal Amount of Outstanding Division Obligation Bonds shall, by notice in writing to the Division, declare the Aggregate Principal Amount of all Division Obligation Bonds Outstanding immediately due and payable; and the Aggregate Principal Amount of such Division Obligation Bonds shall become and be immediately due and payable. In such event, there shall be due and payable on the Division Obligation Bonds an amount equal to the total principal amount of all such Bonds, plus all interest which will accrue thereon to the date of payment.

At any time after the Aggregate Principal Amount of the Division Obligation Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Certificate, the Trustee may annul such declaration and its consequences with respect to any Division Obligation Bonds not then due by their terms if (i) moneys shall have been deposited in the Related Debt Service Fund sufficient to pay all matured installments of interest and principal or Redemption Price (other than principal then due only because of such declaration) of all Outstanding Division Obligation Bonds; and (ii) moneys shall have been deposited with the Trustee sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee. No such annulment shall extend to or affect any subsequent Division Obligation Bond Default or impair any right consequent thereon.

Upon the occurrence and continuance of a Division Obligation Bond Default, the Trustee may, and upon the written request of the Holders of not less than twenty-five percent (25%) in Aggregate Principal Amount of the Division Obligation Bonds Outstanding, together with indemnification of the Trustee to its satisfaction therefor, shall, proceed forthwith to protect and enforce the rights of the Division Obligation Bondholders under the Act, the Division Obligation Bonds and the Certificate by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient.

Regardless of the happening of a Division Obligation Bond Default, the Trustee, if requested in writing by the Holders of not less than twenty-five percent (25%) in Aggregate Principal Amount of the Division Obligation Bonds then Outstanding, shall, upon being indemnified to its satisfaction therefor, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security under the Certificate by any acts which may be unlawful or in violation of the Certificate; or (ii) to preserve or protect the interests of the Division Obligation holders, provided that such request is in accordance with law and the provisions of the Certificate and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Holders of Division Obligation Bonds not making such request.

The rights and remedies of Holders of Division Obligation Bonds upon the occurrence of a Division Obligation Bond Default shall be limited to the enforcement of the Division's Division Obligation covenant with respect to the Division Obligation Bonds and to the disbursement of amounts available to Holders of Division Obligation Bonds from time to time in the Related Debt Service Fund, the Related Special Redemption Account and the Related Debt Service Reserve Fund after provision is made for, and after taking into account the rights of, Holders of Bonds and Auxiliary Agreement Providers having a prior lien on Revenues as provided in the Certificate. The exercise of remedies upon the occurrence of a Division Obligation Bond Default shall not in any manner affect, disturb or prejudice the security and rights of Holders of Bonds or Auxiliary Agreement Providers under the Certificate.

Responsibilities of Fiduciaries

(a) The recitals of fact in the Certificate and in the Bonds contained shall be taken as the statements of the Division and no Fiduciary assumes any responsibility for the correctness or completeness of the same. No Fiduciary makes any representations as to the validity or sufficiency of the Certificate, or of any Bonds issued under the Certificate or as to the security afforded by the Certificate, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the Division or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act that would involve it in expense or liability or to institute or defend any suit in respect of the Certificate or to advance any of its own moneys, unless properly indemnified to its satisfaction. Subject to the provisions of subsection (b), no Fiduciary shall be liable in connection with the performance of its duties under the Certificate except for its own negligence or willful misconduct.

(b) The Trustee, prior to the occurrence of an Event of Default or a Division Obligation Bond Default and after the curing of all Events of Default or Division Obligation Bond Defaults that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Certificate. In case an Event of Default or a Division Obligation Bond Default has occurred (and has not been cured) the Trustee shall exercise such of the rights and powers vested in it by the Certificate and use the same degree of care and skill in their exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Any provisions of the Certificate relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of the Certificate.

Modifications Of Certificate And Outstanding Bonds

The Certificate provides procedures whereby the Division may amend the Certificate by the issuance of a Supplemental Certificate. Amendments that may be made without the consent of the Bondholders or the Trustee, and which will be full effective upon the filing with the Trustee of a copy thereof, must be for only the following purposes: (a) to add to the covenants and agreements of the Division in the Certificate, other covenants and agreements to be observed by the Division which are not contrary to or inconsistent with the Certificate as theretofore in effect; (b) to add to the limitations and restrictions in the Certificate, other limitations and restrictions to be observed by the Division which are not contrary to or inconsistent with the Certificate as theretofore in effect; (c) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Certificate of the Revenues or of any other moneys, securities or funds; (d) to increase the maximum permitted yield to be provided by Mortgage Loans or to change the maximum permitted investment yield to be provided by Investment Obligations credited to any Fund or Account; (e) to modify any provisions of the Certificate in any respect whatever, provided that the modification, in the sole judgment of the Division, is reasonably necessary to assure that the interest on the Tax-Exempt Bonds remains excludable from the gross income of the owners thereof for federal income tax purposes; (f) to provide for additional security for the Bonds; or (g) to provide for the issuance of Bonds pursuant to the Certificate and to provide for the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed.

With the consent of the Trustee, a Supplemental Certificate may be issued by the Division: (a) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Certificate; (b) to insert such provisions clarifying matters or questions arising under the Certificate as are necessary or desirable and are not contrary to or inconsistent with the Certificate theretofore in effect; (c) to provide for additional duties of the Trustee in connection with the Mortgage Loans; (d) to waive any right reserved to the Division, provided that the loss of such right shall not adversely impair the Revenues available to pay the Outstanding Bonds; or (e) to make any other amendment or change that will not materially and adversely affect the interest of Owners of Outstanding Bonds.

Any modification or amendment of the Certificate and of the rights and obligations of the Division and of the Holders of Division Obligations may be made by a Supplemental Certificate, with the written consent of the Holders of at least a majority in Aggregate Principal Amount of the Bonds Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bonds or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holders of all such Bonds, or shall reduce the percentages of Bonds the consent of the Holders of which is required to effect any such modification or amendment without the consent of the Holders of all Bonds then Outstanding or shall change the provisions of the Certificate relating to the ability to declare the Aggregate Principal Amount of Bonds to be due and payable or shall materially adversely affect the rights of the Holders of Mezzanine Obligations without the consent of the Holders of a majority in Aggregate Principal Amount of Mezzanine Obligations Outstanding, or shall materially adversely affect the rights of the Holders of Division Obligation Bonds without the consent of the Holders of a majority in Aggregate Principal Amount of Division Obligation Bonds then Outstanding; or shall change or modify any of the rights or obligations of any Fiduciary without its prior written assent thereto.

Defeasance

If the Division shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Certificate, then the pledge of any Revenues, and other moneys and securities pledged under the Certificate and all covenants, agreements and other obligations of the Division to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied.

All Outstanding Bonds shall be deemed prior to the maturity or redemption date thereof to have been paid within the meaning and with the effect expressed in the Certificate if, among other things, there shall have been deposited with the Trustee either moneys in an amount sufficient, or Defeasance Obligations the principal of and the interest on which when due (whether at maturity or the prior redemption thereof at the option of the holder thereof) will provide moneys in an amount that, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price of and interest due and to be come due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be.

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APPENDIX B

BOOK ENTRY SYSTEM

The Depository Trust Company, New York, New York ("**DTC**") will act as securities depository for the Series 2019A Bonds. The ownership of one fully registered Bond for each maturity as set forth on the cover page of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., (DTC's partnership nominee). DTC is a limited-purpose trust company organized under 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, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a rating of "AA+" from S&P Global Ratings, a Standard & Poors Financial Services LLC business. 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 and www.dtc.org.

Purchases of Series 2019A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019A Bonds on DTC's records. The ownership interest of each actual purchaser of each bond of the Series 2019A Bonds ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2019A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2019A Bonds, except in the event that use of the book-entry system for the Series 2019A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019A 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 2019A 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 2019A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019A 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. So long as Cede & Co., as nominee for DTC, is the owner of the Series 2019A Bonds, the Division and the Trustee shall treat Cede & Co. as the only owner of the Series 2019A Bonds for all purposes under the Certificate, including receipt of all principal of, premium, if any, and interest on the Series 2019A Bonds and receipt of notices.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2019A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2019A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Division 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 2019A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2019A 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 Division or the Trustee 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 Division or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Division 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 2019A Bonds at any time by giving reasonable notice to the Division or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2019A Bond certificates are required to be printed and delivered.

The Division may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2019A Bond certificates will be printed and delivered in accordance with the Certificate.

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

None of the Trustee, any paying agent or the Division has any responsibility or obligations to the Direct or Indirect Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any Direct or Indirect Participant; (b) the payment by DTC of any amount due to any Direct Participant or the payment by any Direct or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of and premium, if any, and interest on the Series 2019A Bonds; (c) the delivery or timeliness of delivery by DTC of any notice to any Direct Participant or the delivery or timeliness of delivery by any Direct or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Certificate to be given to owners of the Series 2019A Bonds; (d) the selection of the Beneficial Owners to receive payments in the event of any partial redemption of the Series 2019A Bonds; or (e) any consent given or other action taken by DTC, or its nominee, Cede & Co., as registered owner. The Beneficial Owners of the Series 2019A Bonds will rely on Direct and Indirect Participants for timely payments and other notices and for otherwise making available to the Beneficial Owner the rights of a Bondholder. No assurances can be provided that, in the event of bankruptcy or insolvency of DTC or a Direct or Indirect Participant through which a Beneficial Owner holds beneficial interests in the Series 2019A Bonds, payment will be made by DTC or the Direct or Indirect Participant on a timely basis.

APPENDIX C

PROPOSED FORM OF LEGAL OPINION

__________, 2019

Nevada Housing Division
Carson City, Nevada

$50,000,000*
NEVADA HOUSING DIVISION
SINGLE-FAMILY MORTGAGE REVENUE BONDS
SERIES 2019A (SENIOR)

Ladies and Gentlemen:

We have acted as bond counsel to the Nevada Housing Division (the "Division") in connection with the issuance of its Single Family Mortgage Revenue Bonds, Series 2019A (Senior) (the "Bonds") in the aggregate principal amount of $50,000,000*. In such capacity, we have examined the Division's certified proceedings and such other documents and such law of the State of Nevada and of the United States of America as we have deemed necessary to render this opinion letter. The Bonds are authorized and issued under and pursuant to (i) The Nevada Assistance to Finance Housing Law, being Chapter 319 of the Nevada Revised Statutes, as amended (the "Act"), (ii) the General Certificate, dated as of September 1, 2008, as amended and supplemented (the "General Certificate"), from the Division to Zions Bancorporation, National Association (formerly Zions First National Bank), as trustee (the "Trustee") and (iii) the Series 2019A Certificate, dated as of May 1, 2019 (the "Series 2019A Certificate"; and, together with the General Certificate, the "Certificate"), from the Division to the Trustee. Capitalized terms used herein, unless parenthetically defined herein, have the meanings ascribed to them in the Certificate.

The Bonds are dated, mature in the years and in the principal amounts, bear interest at the rates, are subject to redemption prior to maturity and are otherwise in the form described in the Certificate.

It is our opinion as bond counsel that:

1. The Bonds have been duly and validly authorized and issued in accordance with law and in accordance with the Certificate. The Bonds, together with the interest payable with respect thereto, are legal, valid and binding special, limited obligations of the Division, payable solely from the Revenues and other assets pledged thereto under the Certificate.

2. The Certificate has been duly authorized by the Division, duly executed and delivered by authorized officials of the Division, and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and binding obligation of the Division enforceable in accordance with its terms. The Certificate creates a valid pledge, to secure the payment of the principal of and interest on the Bonds, of the rights, title and interest of the Division in and to (a) the proceeds of the sale of the Bonds and all Funds and Accounts established under the Certificate (except the Rebate Account and the Bond Purchase Fund) and moneys and securities therein; and (b) all of the Revenues derived by the Division (except to the extent of amounts required to be deposited in the Rebate Accounts); provided, however, that moneys and investments held in a Division Payment Account are pledged solely for the payment of Auxiliary Obligations to the extent such obligations are designated Division Obligations of the Related Series and are not pledged to pay principal of and interest on any other Bonds or Auxiliary Obligations, and in each case subject to the provisions of the Certificate permitting the use and application thereof for or to the purposes and on the terms and conditions set forth in the Certificate.

* Preliminary, subject to change

3. Under existing laws, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and continuing compliance with certain covenants designed to meet the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excluded from gross income for federal income tax purposes. Interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax.

The Code establishes certain requirements that must be met subsequent to the issuance of the Bonds in order that interest on the Bonds be and remain excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be subject to such tax retroactive to the date of issuance of the Bonds. The requirements include provisions that restrict the yield and set forth limitations within which the proceeds of the Bonds are to be invested, including eligibility requirements for mortgages, and require that certain investment earnings be rebated on a periodic basis to the United States Treasury. The Certificate contains covenants of the Authority to comply with such requirements. The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.

The opinions we have expressed herein as to the treatment of the interest borne by the Bonds for federal income tax purposes is based upon laws, regulations, rulings and decisions in effect on the date hereof. Each purchaser of the Bonds should consult his or her own tax advisor as regards any pending or proposed federal tax legislation.

The obligations of the parties, and the enforceability thereof, with respect to the documents described above are subject to the provisions of the bankruptcy laws of the United States of America and other applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect. Certain of the obligations, and the enforcement thereof, contained in the documents described above are also subject to general principles of equity, which may limit the specific enforcement of certain remedies but which do not affect the validity of such documents.

Certain requirements and procedures contained or referred to in the Certificate and other relevant documents may be changed, and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of nationally recognized bond counsel. No opinion is expressed as to the Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The scope of our engagement has not extended beyond the examinations and the rendering of the opinions expressed herein. The opinions expressed herein are based upon existing law as of the date hereof and we express no opinion herein as of any subsequent date or with respect to any pending legislation.

Respectfully submitted,

APPENDIX D

INFORMATION REGARDING THE PROGRAM

Certain Investments

For information regarding interest rates for amounts on deposit in the Series 2019A Program Account and in other funds and accounts held by the Trustee under the Certificate, see "TRANSACTION ASSUMPTIONS."

Bonds Issued Pursuant to the General Certificate

As of February 28, 2019[1]

Series 2008B

Class	Maturity	Coupon	Amount Outstanding	Original Amount
Senior	10/1/2009	2.100%	$ -0-	$ 175,000
Senior	4/1/2010	2.450	-0-	175,000
Senior	10/1/2010	2.500	-0-	180,000
Senior	4/1/2011	2.850	-0-	185,000
Senior	10/1/2011	2.900	-0-	185,000
Senior	4/1/2012	3.150	-0-	200,000
Senior	10/1/2012	3.200	-0-	205,000
Senior	4/1/2013	3.450	-0-	210,000
Senior	10/1/2013	3.450	-0-	210,000
Senior	4/1/2014	3.700	-0-	215,000
Senior	10/1/2014	3.700	-0-	220,000
Senior	4/1/2015	3.850	-0-	215,000
Senior	10/1/2015	3.850	-0-	215,000
Senior	4/1/2016	4.000	-0-	220,000
Senior	10/1/2016	4.000	-0-	225,000
Senior	4/1/2017	4.200	-0-	235,000
Senior	10/1/2017	4.200	-0-	240,000
Senior	4/1/2018	4.350	-0-	245,000
Senior	10/1/2018	4.350	-0-	250,000
Senior	10/1/2028	5.200	155,000	6,875,000
Senior	4/1/2039	5.500	115,000	5,120,000
Senior	4/1/2039	VARIABLE	-0-	7,500,000
Subordinate	4/1/2039	5.550	80,000	1,500,000
TOTAL			**$350,000**	**$25,000,000**

[1] The Series 2008B Bonds and Series 2009A Bonds were redeemed by the Division on April 1, 2019.

Series 2009A

Class	Maturity	Coupon	Amount Outstanding	Original Amount
Senior	10/1/2009	1.200%	$ -0-	$ 30,000
Senior	4/1/2010	1.350	-0-	170,000
Senior	10/1/2010	1.650	-0-	170,000
Senior	4/1/2011	2.000	-0-	170,000
Senior	10/1/2011	2.050	-0-	175,000
Senior	4/1/2012	2.200	-0-	175,000
Senior	10/1/2012	2.300	-0-	180,000
Senior	4/1/2013	2.400	-0-	185,000
Senior	10/1/2013	2.500	-0-	185,000
Senior	4/1/2014	2.800	-0-	190,000
Senior	10/1/2014	2.900	-0-	195,000
Senior	4/1/2015	3.100	-0-	200,000
Senior	10/1/2015	3.200	-0-	200,000
Senior	4/1/2016	3.350	-0-	205,000
Senior	10/1/2016	3.350	-0-	210,000
Senior	4/1/2017	3.550	-0-	215,000
Senior	10/1/2017	3.550	-0-	220,000
Senior	4/1/2018	3.700	-0-	225,000
Senior	10/1/2018	3.700	-0-	230,000
Senior	4/1/2019	4.000	10,000	240,000
Senior	10/1/2019	4.000	10,000	245,000
Senior	10/1/2024	4.550	145,000	2,875,000
Senior	10/1/2029	5.050	195,000	3,920,000
Senior	10/1/2039	5.375	595,000	12,370,000
TOTAL			**$955,000**	**$23,180,000**

Series 2009B

Class	Maturity	Coupon	Amount Outstanding	Original Amount
Senior	10/1/2010	0.80%	$-0-	$ 60,000
Senior	4/1/2011	1.15	-0-	165,000
Senior	10/1/2011	1.25	-0-	165,000
Senior	4/1/2012	1.70	-0-	165,000
Senior	10/1/2012	1.75	-0-	165,000
Senior	4/1/2013	2.20	-0-	170,000
Senior	10/1/2013	2.25	-0-	170,000
Senior	4/1/2014	2.60	-0-	175,000
Senior	10/1/2014	2.65	-0-	175,000
Senior	4/1/2015	3.10	-0-	180,000
Senior	10/1/2015	3.10	-0-	180,000
Senior	4/1/2016	3.50	-0-	185,000
Senior	10/1/2016	3.50	-0-	190,000
Senior	4/1/2017	3.75	-0-	195,000
Senior	10/1/2017	3.75	-0-	195,000
Senior	4/1/2018	3.95	-0-	200,000
Senior	10/1/2018	3.95	-0-	205,000
Senior	4/1/2019	4.05	10,000	210,000
Senior	10/1/2019	4.05	10,000	215,000
Senior	10/1/2024	4.50	125,000	2,465,000
Senior	10/1/2029	4.80	140,000	1,930,000
Senior	10/1/2034	5.00	185,000	2,505,000
Senior	10/1/2039	4.50	-0-	5,000,000
Senior	10/1/2040	5.10	300,000	4,020,000
Senior	10/1/2048	5.25	235,000	3,215,000
TOTAL			**$1,005,000**	**$22,500,000**

Series 2014A

Class	Maturity	Coupon	Amount Outstanding	Original Amount
Senior	4/1/2015	0.20%	$ -0-	$ 85,000
Senior	10/1/2015	0.30	-0-	465,000
Senior	4/1/2016	0.45	-0-	465,000
Senior	10/1/2016	0.50	-0-	470,000
Senior	4/1/2017	0.75	-0-	470,000
Senior	10/1/2017	0.85	-0-	470,000
Senior	4/1/2018	1.10	-0-	470,000
Senior	10/1/2018	1.20	-0-	475,000
Senior	4/1/2019	1.45	270,000	480,000
Senior	10/1/2019	1.55	270,000	480,000
Senior	4/1/2020	1.90	270,000	485,000
Senior	10/1/2020	2.00	270,000	490,000
Senior	4/1/2021	2.20	275,000	495,000
Senior	10/1/2021	2.30	275,000	500,000
Senior	4/1/2022	2.55	280,000	505,000
Senior	10/1/2022	2.60	285,000	510,000
Senior	4/1/2023	2.70	285,000	520,000
Senior	10/1/2023	2.75	290,000	525,000
Senior	4/1/2024	2.85	295,000	530,000
Senior	10/1/2024	2.90	295,000	540,000
Senior	10/1/2029	3.30	2,270,000	4,200,000
Senior	10/1/2034	3.65	2,675,000	4,955,000
Senior	10/1/2039	3.85	3,185,000	5,905,000
Senior	4/1/2044	3.50	5,065,000	8,400,000
Senior	10/1/2044	3.95	3,825,000	7,110,000
TOTAL			**$20,380,000**	**$40,000,000**

Mortgage-Backed Securities Pledged Under the General Certificate

Series 2008B as of February 28, 2019					
Pool Number	Pass-Through Rate	Total Amount Outstanding	2008B Amount Outstanding	Principal Ownership (%)	Interest Ownership (%)
GNMA II Pool #700616	5.85%	$131,191.77	$131,191.77	2008B - 100%	2008B - 100%
GNMA II Pool #703875	5.85%	$115,036.77	$115,036.77	2008B - 100%	2008B - 100%
GNMA II Pool #703939	5.85%	$126,343.96	$126.343.96	2008B - 100%	2008B - 100%
GNMA II Pool #720436	6.17%	$74,122.64	$66,711.39	2008B - 90%	2008B - 100%
Total		**$446,695.14**	**$439,283.89**		

Series 2009A as of February 28, 2019					
	Pass-Through	Total Amount	2009A Amount	Principal	Interest
Pool Number	Rate	Outstanding	Outstanding	Ownership (%)	Ownership (%)
GNMA II Pool #706140	5.85%	$141,702.03	$141,702.03	2009A - 100%	2009A - 100%
GNMA II Pool #706165	6.75%	$95,725.76	$95,725.76	2009A - 100%	2009A - 100%
GNMA II Pool #706319	5.85%	$141,673.32	$141,673.32	2009A - 100%	2009A - 100%
GNMA II Pool #706443	6.75%	$89,384.09	$89,384.09	2009A - 100%	2009A - 100%
GNMA II Pool #716931	6.75%	$141,736.47	$141,736.47	2009A - 100%	2009A - 100%
GNMA II Pool #720327	5.55%	$140,472.10	$14,047.21	2009A - 10%	2009A - 0%
GNMA II Pool #720436	6.17%	$74,123.60	$7,412.36	2009A - 10%	2009A - 0%
GNMA II Pool #720437	5.55%	$1,060,166.60	$10,601.66	2009A - 10%	2009A - 0%
GNMA II Pool #726653	5.70%	$87,923.70	$8,792.37	2009A - 10%	2009A - 0%
GNMA II Pool #752543	4.25%	$306,656.30	$30,665.63	2009A - 10%	2009A - 0%
GNMA II Pool #752745	4.25%	$694,286.70	$69,428.67	2009A - 10%	2009A - 0%
GNMA I Pool #757088	4.25%	$440,114.50	$44,011.45	2009A - 10%	2009A - 0%
GNMA I Pool #757157	4.25%	$235,711.65	$21,214.05	2009A - 9%	2009A - 0%

GNMA I Pool #759274	4.25%	$241,762.30	$24,176.23	2009A - 10%	2009A - 0%
GNMA I Pool #759365	4.25%	$132,797.60	$13,279.76	2009A - 10%	2009A - 0%
GNMA I Pool #759406	4.25%	$419,629.00	$41,962.99	2009A - 10%	2009A - 0%
GNMA I Pool #759529	4.25%	$212,115.70	$21,211.57	2009A - 10%	2009A - 0%
GNMA I Pool #762756	4.25%	$362,297.50	$36,229.75	2009A - 10%	2009A - 0%
Total		**$5,018,278.92**	**$953,255.37**		

Series 2009B as of February 28, 2019					
	Pass-Through	**Total Amount**	**2009B Amount**	**Principal**	**Interest**
Guarantor	**Rate**	**Outstanding**	**Outstanding**	**Ownership (%)**	**Ownership (%)**
GNMA II Pool #726653	5.70%	$87,923.74	$79,131.37	2009B – 90%	2009B - 100%
GNMA II Pool #726695	5.60%	$91,944.82	$91,944.82	2009B - 100%	2009B - 100%
GNMA II Pool #728878	4.75%	$84,286.10	$8,428.61	2009B - 10%	2009B - 0%
GNMA II Pool #729051	5.60%	$126,273.25	$126,273.25	2009B - 100%	2009B - 100%
GNMA II Pool #729075	5.60%	$108,491.59	$108,491.59	2009B - 100%	2009B - 100%
GNMA II Pool #729106	5.70%	$210,905.88	$210,905.88	2009B - 100%	2009B - 100%
GNMA II Pool #729190	5.70%	$79,032.79	$79,032.79	2009B -100%	2009B - 100%
GNMA II Pool #729191	4.75%	$261,344.40	$26,134.44	2009B - 10%	2009B - 0%
GNMA II Pool #729194	4.75%	$83,713.00	$8,371.30	2009B - 10%	2009B - 0%
GNMA II Pool #736462	4.75%	$193,293.20	$19,329.32	2009B - 10%	2009B - 0%
GNMA II Pool #436463	5.35%	$70,635.90	$7,063.59	2009B - 10%	2009B - 0%
GNMA II Pool #736474	4.75%	$60,898.40	$6,089.84	2009B - 10%	2009B - 0%
GNMA II Pool #736488	4.75%	$54,358.20	$5,435.82	2009B - 10%	2009B - 0%
GNMA II Pool #736489	4.75%	$49,717.00	$4,971.70	2009B - 10%	2009B - 0%
GNMA II Pool #741922	4.75%	$120,334.30	$12,033.43	2009B - 10%	2009B - 0%
GNMA II Pool #742055	4.00%	$233,974.10	$23,397.41	2009B - 10%	2009B - 0%
GNMA II Pool #745391	4.25%	$295,795.10	$29,579.51	2009B - 10%	2009B - 0%

Series 2009B as of February 28, 2019					
	Pass-Through	Total Amount	2009B Amount	Principal	Interest
Guarantor	**Rate**	**Outstanding**	**Outstanding**	**Ownership (%)**	**Ownership (%)**
GNMA II Pool #748802	4.25%	$186,755.10	$18,675.51	2009B - 10%	2009B - 0%
GNMA II Pool #748817	4.25%	$255,316.90	$25,531.69	2009B - 10%	2009B - 0%
GNMA II Pool #752488	4.25%	$155,024.40	$15,502.44	2009B - 10%	2009B - 0%
FNMA Pool #963567	5.71%	$177,769.64	$177,769.64	2009B - 100%	2009B - 100%
Total		**$2,987,787.81**	**$1,084,093.95**		

Series 2014A as of February 28, 2019					
	Pass-Through	Total Amount	2009A Amount	Principal	Interest
Pool Number	**Rate**	**Outstanding**	**Outstanding**	**Ownership (%)**	**Ownership (%)**
GNMA I POOL #AH1982	3.000%	$551,687.04	$386,180.93	2014A-70%	2014A-100%
GNMA I POOL #AH1983	3.050%	$156,437.23	$109,506.06	2014A-70%	2014A-100%
GNMA I POOL #AH1984	3.500%	$240,051.81	$168,036.27	2014A-70%	2014A-100%
GNMA I POOL #AH2055	3.000%	$295,628.19	$206,939.73	2014A-70%	2014A-100%
GNMA I POOL #AH2056	3.050%	$256,283.16	$179,398.21	2014A-70%	2014A-100%
FNMA POOL #954162	5.605%	$136,558.20	$136,558.20	2014A-100%	2014A-100%
GNMA I POOL #AH2605	3.000%	$63,010.83	$44,107.58	2014A-70%	2014A-100%
GNMA I POOL #AH2606	3.050%	$176,522.73	$123,565.91	2014A-70%	2014A-100%
GNMA I POOL #AH2607	4.000%	$64,807.96	$45,365.57	2014A-70%	2014A-100%
GNMA I POOL #AH2650	3.000%	$624,252.74	$436,976.92	2014A-70%	2014A-100%
GNMA I POOL #AH2686	3.000%	$639,059.36	$447,341.55	2014A-70%	2014A-100%
GNMA I POOL #AI4088	3.000%	$1,116,555.21	$781,588.65	2014A-70%	2014A-100%
GNMA I POOL #AI4131	3.000%	$1,904,657.40	$1,333,260.18	2014A-70%	2014A-100%
GNMA I POOL #AI4140	3.000%	$1,473,220.06	$1,031,254.04	2014A-70%	2014A-100%
GNMA I POOL #AI4185	3.000%	$946,099.60	$662,269.72	2014A-70%	2014A-100%
GNMA I POOL #AI4202	2.750%	$730,263.06	$511,184.14	2014A-70%	2014A-100%

Series 2014A as of February 28, 2019					
	Pass-Through	Total Amount	2009A Amount	Principal	Interest
Pool Number	Rate	Outstanding	Outstanding	Ownership (%)	Ownership (%)
GNMA I POOL #AI4203	3.000%	$1,190,910.80	$833,637.56	2014A-70%	2014A-100%
GNMA I POOL #AI4712	2.250%	$318,020.07	$190,812.04	2014A-60%	2014A-100%
GNMA I POOL #AI4713	2.750%	$666,007.94	$466,205.56	2014A-70%	2014A-100%
GNMA I POOL #AI4714	3.000%	$766,263.17	$536,384.22	2014A-70%	2014A-100%
GNMA I POOL #AI4728	2.250%	$942,874.60	$565,724.76	2014A-60%	2014A-100%
GNMA I POOL #AI4729	2.750%	$932,941.54	$653,059.08	2014A-70%	2014A-100%
GNMA I POOL #AI4730	3.000%	$607,608.86	$425,326.20	2014A-70%	2014A-100%
GNMA I POOL #AI4771	2.750%	$167,227.46	$117,059.22	2014A-70%	2014A-100%
GNMA I POOL #AI4772	3.000%	$96,023.53	$67,216.47	2014A-70%	2014A-100%
GNMA I POOL #AI4795	2.250%	$1,291,574.62	$1,291,574.62	2014A-100%	2014A-100%
GNMA I POOL #AI4796	2.750%	$857,430.78	$857,430.78	2014A-100%	2014A-100%
GNMA I POOL #AI4797	3.000%	$840,938.63	$639,113.36	2014A-76%	2014A-100%
GNMA I POOL #AI4798	3.500%	$111,072.16	$111,072.16	2014A-15.53%	2014A-15.53%
GNMA I POOL #AI4928	2.250%	$1,512,231.90	$1,512,231.90	2014A-100%	2014A-100%
GNMA I POOL #AI4929	2.750%	$177,030.37	$177,030.37	2014A-100%	2014A-100%
FNMA POOL #AV9127	2.825%	$241,317.71	$168,922.40	2014A-70%	2014A-100%
FNMA POOL #AW6340	2.775%	$82,416.24	$57,691.37	2014A-70%	2014A-100%
FNMA POOL #AW7606	2.775%	$161,324.84	$112,927.39	2014A-70%	2014A-100%
FNMA POOL #AW9734	2.775%	$272,482.83	$190,737.98	2014A-70%	2014A-100%
FNMA POOL #AX1585	2.775%	$1,016,257.74	$711,380.42	2014A-70%	2014A-100%
FNMA POOL #AX1969	2.775%	$462,009.87	$323,406.91	2014A-70%	2014A-100%
FNMA POOL #AX2662	2.775%	$430,100.13	$301,770.09	2014A-70%	2014A-100%
FNMA POOL #AX4039	2.775%	$218,967.93	$153,277.55	2014A-70%	2014A-100%
FNMA POOL #AX6068	2.525%	$267,294.61	$187,106.23	2014A-70%	2014A-100%
FNMA POOL #AX6069	2.775%	$558,054.71	$390,638.30	2014A-70%	2014A-100%

Series 2014A as of February 28, 2019					
	Pass-Through	**Total Amount**	**2009A Amount**	**Principal**	**Interest**
Pool Number	**Rate**	**Outstanding**	**Outstanding**	**Ownership (%)**	**Ownership (%)**
FNMA POOL #AX6086	2.525%	$625,272.73	$437,690.91	2014A-70%	2014A-100%
FNMA POOL #AX6087	2.775%	$396,935.49	$277,854.84	2014A-70%	2014A-100%
FNMA POOL #AX8565	2.525%	$392,288.64	$392,288.64	2014A-100%	2014A-100%
FNMA POOL #AX8813	2.525%	$101,071.67	$101,071.67	2014A-100%	2014A-100%
FNMA POOL #954162	5.605%	$136,558.20	$136,558.20	2014A-100%	2014A-100%
FNMA POOL #954197	5.605%	$209,066.98	$209,066.98	2014A-100%	2014A-100%
FNMA POOL #960840	5.605%	$173,313.76	$173,313.76	2014A-100%	2014A-100%
Total		**$25,462,426.89**	**$19,236,557.40**		
2008 Certificate Total		**$33,915,188.76**	**$21,713,190.61**		

Mortgage-Backed Securities Expected to be Contributed to the Series 2008B Residual Fund (The "Transferred Residual Fund Mortgage-Backed Securities")

As of February 28, 2019

Pool Number	Pass-Through Rate	Total Amount Outstanding	Contributed Amount	Principal Contribution (%)	Interest Contribution (%)
GNMA II Pool #659436	5.700%	$ 90,648.05	$ 90,648.05	100%	100%
GNMA II Pool #661296	5.700	71,297.11	71,297.11	100%	100%
GNMA II Pool #669436	5.220	135,075.96	135,075.96	100%	100%
GNMA II Pool #671757	5.350	248,825.87	248,825.87	100%	100%
GNMA II Pool #680713	5.800	133,137.04	133,137.04	100%	100%
GNMA II Pool #680740	5.500	100,785.32	100,785.32	100%	100%
GNMA II Pool #686634	5.800	76,573.23	76,573.23	100%	100%
GNMA II Pool #720327	5.550	126,424.72	126,424.72	100%	100%
GNMA II Pool #720437	5.550	95,415.12	95,415.12	100%	100%
GNMA II Pool #729108	5.700	130,610.82	130,610.82	100%	100%
GNMA Pool #AI4798	3.500	603,078.58	603,078.58	100%	100%
GNMA Pool #AI4930	3.000	654,205.62	654,205.62	100%	100%
GNMA Pool #AI4931	3.500	142,836.73	142,836.73	100%	100%
GNMA Pool #AI4940	2.250	1,501,524.72	1,501,524.72	100%	100%
GNMA Pool #AI4942	3.000	97,518.85	97,518.85	100%	100%
GNMA Pool #AI4943	3.500	1,001,287.22	1,001,287.22	100%	100%
GNMA Pool #AK6409	2.250	736,039.86	736,039.86	100%	100%
GNMA Pool #AK6410	3.000	183,056.34	183,056.34	100%	100%
GNMA Pool #AK6435	2.250	1,175,201.29	1,175,201.29	100%	100%
GNMA Pool #AK6924	2.250	2,714,693.74	2,714,693.74	100%	100%
GNMA Pool #AK6925	2.750	296,157.67	296,157.67	100%	100%
GNMA Pool #AK6926	3.000	162,679.15	162,679.15	100%	100%
GNMA Pool #AK6987	2.250	546,984.07	546,984.07	100%	100%
GNMA Pool #AK6988	2.750	217,515.73	217,515.73	100%	100%
GNMA Pool #AK7039	2.250	262,128.21	262,128.21	100%	100%
FNMA Pool #954161	6.055	107,628.33	107,628.33	100%	100%
FNMA Pool #AX8566	2.775	919,552.02	919,552.02	100%	100%
FNMA Pool #AX8567	3.275	392,333.54	392,333.54	100%	100%
FNMA Pool #AX8814	2.775	152,176.16	152,176.16	100%	100%
FNMA Pool #AX9304	3.275	169,435.61	169,435.61	100%	100%
FNMA Pool #AY0385	3.275	131,665.26	131,665.26	100%	100%
FNMA Pool #AY0724	2.025	275,390.40	275,390.40	100%	100%
FNMA Pool #AY0725	2.775	180,773.65	180,773.65	100%	100%
FNMA Pool #AY2418	2.775	408,445.01	408,445.01	100%	100%
FNMA Pool #AY2419	3.275	133,849.29	133,849.29	100%	100%
FNMA Pool #AY5123	2.025	196,076.33	196,076.33	100%	100%
FNMA Pool #AY5535	3.275	293,005.38	293,005.38	100%	100%
FNMA Pool #AY7456	2.025	133,559.63	133,559.63	100%	100%
TOTAL		**$14,997,591.63**	**$14,997,591.63**		

APPENDIX E

AUDITED FINANCIAL STATEMENTS OF THE DIVISION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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Financial Statements and Report of Independent Certified Public Accountants

Nevada Housing Division

June 30, 2018

Contents

Grant Thornton LLP
100 W Liberty Street, Suite 770
Reno, NV 89501-1965
T 775.786.1520
F 775.786.7091
www.GrantThornton.com

Report of Independent Certified Public Accountants

Administrator
Nevada Housing Division

Report on the financial statements

We have audited the accompanying combined financial statements of the business-type activities of Nevada Housing Division, a proprietary fund of the State of Nevada (the "Division") as of and for the year ended June 30, 2018, and the related notes to the combined financial statements, which collectively comprise the Division's basic financial statements as listed in the table of contents.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Division's preparation and fair presentation of the financial statements 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 Division's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Nevada Housing Division as of June 30, 2018, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Grant Thornton

Other matters

Required supplementary information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the statement of revenues, expenses and changes in net position – budget and actual – general fund, the schedule of proportionate share of the net pension liability, the schedule of division contributions – pensions, the schedule of proportionate share of the net OPEB liability and the schedule of division contributions – OPEB be presented to supplement the basic financial statements. Such information, although not a required 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. This required supplementary information is the responsibility of management. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. These limited procedures 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 an opinion on the combined financial statements that collectively comprise the Division's basic financial statements. The accompanying supplemental information listed in the foregoing table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary 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. These additional procedures included comparing and reconciling the 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated October 31, 2018, on our consideration of the Division's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Division's internal control over financial reporting and compliance.

Grant Thornton LLP

Reno, Nevada
October 31, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Statement Highlights

- The change in Net Position [bottom line] for the Housing Division was $9,378,719.
- Results of operations [revenue less operating expenses] decreased $135,941 or 1.6% in comparison to last year's $4,762,731 increase primarily due to the increase in operating expenses. There was an increase in General Funds Net Position of $9,291,813; an increase in Net Position for the Single-Family bond programs of $172,127 and a decrease in Net Position for the Multi-Unit bond programs of $85,221. Both single-family and multi-unit bond programs continue to pay off at an accelerating rate. While total operating revenues increased $2,090,304, total expenses increased $2,226,245.
- The trend in declining single-family whole loan first mortgage numbers and dollar balances continued through the June 30, 2018 period. However, securitized loan pools continued to increase. The total number of single-family whole loan first mortgages outstanding changed from 164 at June 30, 2017 to 157 at June 30, 2018. This decrease is the result of the payoff of single-family whole loans.
- Down payment assistance loans have a stable delinquency rate at June 30, 2018 of 23.38%, reflecting Nevada's improving but still recovering housing market. Loan delinquencies on whole first single-family mortgages outstanding went from 6.10% of loans outstanding at June 30, 2017 to 5.10% at June 30, 2018 due to the decrease in the number of mortgages.
- Total investment earnings decreased 12.47% from $5,701,252 for the year ended June 30, 2017 to $4,990,028 for the year ended June 30, 2018.
- Total salaries and payroll expenses paid decreased 15.33% from $1,755,407 for the year ended June 30, 2017 to $1,486,305 for the year ended June 30, 2018.
- The net cash position of the Housing Division increased from $1,020,171 at June 30, 2017 to $10,589,520 at June 30, 2018. This increase is a result of funds held at year end in a defeasance account for settlement of a multi-unit bond program.
- Standard & Poor's again reaffirmed the Housing Division's Issuer Credit Rating at AA in June.

Overview of Financial Statements

The combined Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position reflect the financial position and results of operations from the Housing Division's three primary programs: the General Funds, the Single-Family bond programs and Multi-Unit bond programs. Three other programs of the Housing Division, the Manufactured Housing Program, Federal Tax Credit Program and the Federal Weatherization Program also have a material operational impact on Housing Division operations [salaries and administrative expenses] but no material financial impact since they are involved in allocation of non-cash items or services. At year-end, total Housing Division bond debt outstanding was $525,883,008 versus the Statutory Limit of $5 billion.

Financial Analysis

Total Assets: The total assets at year end were $796,536,692, up $23,188,923 or 3.00%. This increase is primarily due to long-term notes receivables.

2018	2017
$ 796,536,692	$ 773,347,771

The book value of single-family first mortgage loans outstanding at year end was $6,084,952.

	2018	2017
Value	$ 6,084,952	$ 7,525,499
# of loans	157	164
% delinquent	5.10%	6.10%

Total Liabilities: The total liabilities at year end were $581,609,527, up $13,919,308 or 2.45%.

2018	2017
$ 581,609,527	$ 567,690,219

The Total Asset: Total Liability ratio has been:

2018	2017
1.370X	1.362X

The Total Bond Liabilities [current and non-current] relative to the $5 billion statutory debt limit trend has been:

2018	2017
10.5%	10.3%

Net Position: The net position of the Housing Division, as restated for the implementation of GASB 75, increased to $215,109,900, up $8,625,151 or 4.56%.

2018	2017
$ 215,109,900	$ 205,731,181

Financial Analysis - Continued

In the past two years, combined net position from the three primary financial programs: general funds, single-family program and multi-unit program have shown the following trend:

Net Position	2018	2017
General Fund	$ 204,554,223	$ 195,262,410
Single-Family	10,496,912	10,324,785
Multi-Unit	58,765	143,986

The trend in administrative expenses plus operational charges for salaries, overhead and direct expenses paid by programs were for the past two years:

	2018		2017	
	Amount	%	Amount	%
Single-Family	$ 336,949	17.7	$ 444,014	18.6
Multi-Unit	1,561,941	82.3	1,941,867	81.4
Totals	$ 1,898,890		$ 2,385,881	

Administrative Budget

The Housing Division's administrative expense budget was approved for fiscal years FY2017 and FY2018 by the 2016 Nevada Legislature, as proposed by the Governor's Budget Office. The Housing Division's administrative budget reflects numerous managerial accounting differences from a GAAP revenue and expense statement. Significant differences between financial statements and the legislatively approved administrative budget include but are not limited to:

- The Housing Division budgets for revenues and expenditures only to the extent expected to affect funds of the State;
- Revenues and expenditures of indentures and bond certificate trusts are not funds of the State, but are included in either the Multi-unit or Single-family bond programs or General Fund in the combined financial statements and not reflected in the State budget;
- The Housing Division budgets for revenues and expenditures of the Federal HOME Program to the extent they are paid to or by the State of Nevada. The HOME Program is not included in the General Fund in the combined financial statements;
- The Division budgets for compensated absences only to the extent expected to be paid, rather than on the modified accrual basis;
- Income on investments, mortgages and bond interest payments are reflected as such in the combined financial statements but are not part of the State budget;
- Under State budgeting procedures, there is neither an increase nor decrease in net position.

Administrative Budget - Continued

During the budget year ended June 30, 2018, the Housing Division had the following significant changes in comparing the original budget to the final budget:

- Budgetary reserves at year-end were $249,583.
- Federal grant revenues had an increase of $1,344,075 in other income for the HOME Program. Federal grant expenses increased from the original budget by $1,879,043 primarily from expenses related to the HOME Program.

This Management Discussion and Analysis along with the accompanying Combined Financial Statements, Notes and Supplementary Information reflect our ongoing commitment to full, fair and honest disclosure at June 30, 2018.

For questions regarding the accompanying Combined Financial Statements, Notes and Supplementary Information, please email nhdinfo@housing.nv.gov or contact our office at 775-687-2249.

STEPHEN AICHROTH /S/	MICHAEL HOLLIDAY /S/
Stephen Aichroth, Administrator	Michael Holliday, Chief Financial Officer

COMBINED FINANCIAL STATEMENTS

Nevada Housing Division

COMBINED STATEMENT OF NET POSITION

June 30, 2018

ASSETS	General Funds	Program Funds Single-Family	Program Funds Multi-Unit	Combined Total
Current assets				
Cash	$ 1,843,554	$ -	$ 8,745,966	$ 10,589,520
Investments				
Restricted	85,959,325	1,840,769	-	87,800,094
Unrestricted	-	14,888,681	35,776,866	50,665,547
Fair value adjustment on investments	(94,847)	-	-	(94,847)
Total investments	85,864,478	16,729,450	35,776,866	138,370,794
Loans receivable, net	282,189	-	33,048,355	33,330,544
Interest and other receivables, net	11,726,868	245,534	1,326,750	13,299,152
Total current assets	99,717,089	16,974,984	78,897,937	195,590,010
Noncurrent assets				
Long-term investments				
Restricted	91,631,757	-	-	91,631,757
Unrestricted	-	75,943,076	93,380,168	169,323,244
Fair value adjustment on investments	(1,293,477)	-	-	(1,293,477)
Total long-term investments	90,338,280	75,943,076	93,380,168	259,661,524
Loans receivable, net	7,379,761	-	311,567,786	318,947,547
Office furniture and equipment, net of accumulated depreciation of $184,297	178,253	-	-	178,253
Long-term notes receivable	18,244,157	-	-	18,244,157
Long-term HIP teacher grant rec, net of amortization	3,466,417	-	-	3,466,417
Long-term receivable from related parties	448,784	-	-	448,784
Total noncurrent assets	120,055,652	75,943,076	404,947,954	600,946,682
Total assets	$ 219,772,741	$ 92,918,060	$ 483,845,891	$ 796,536,692
Deferred outflows of resources				
Pension and post-employment benefit contributions	$ 463,691	$ -	$ -	$ 463,691
Total deferred outflows	$ 463,691	$ -	$ -	$ 463,691
LIABILITIES AND NET POSITION				
Current liabilities				
Bonds payable	$ -	$ 2,000,000	$ 27,384,973	$ 29,384,973
Interest payable	-	664,953	1,798,225	2,463,178
Interfund	121,035	76,625	(197,660)	-
Accounts payable and other liabilities	10,998,190	-	37,983,123	48,981,313
Total current liabilities	11,119,225	2,741,578	66,968,661	80,829,464
Noncurrent liabilities				
Payable to related party	448,784	-	-	448,784
Net pension and post-employment benefits liability	3,833,244	-	-	3,833,244
Bonds payable, net of current portion	-	79,679,570	416,818,465	496,498,035
Total noncurrent liabilities	4,282,028	79,679,570	416,818,465	500,780,063
Total current and noncurrent liabilities	15,401,253	82,421,148	483,787,126	581,609,527
Deferred inflows of resources				
Pension and post-employment benefit	280,956	-	-	280,956
Total deferred outflows	280,956	-	-	280,956
Net position				
Invested in capital assets	178,253	-	-	178,253
Restricted	178,103,000	10,496,912	58,765	188,658,677
Unrestricted	26,272,970	-	-	26,272,970
Total net position	$ 204,554,223	$ 10,496,912	$ 58,765	$ 215,109,900

The accompanying notes are an integral part of this statement.

Nevada Housing Division

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year ended June 30, 2018

	General Funds	Program Funds Single-Family	Program Funds Multi-Unit	Combined Total
Operating revenues				
Interest and other investment income	$ 2,380,164	$ 3,410,558	$ 22,885	$ 5,813,607
Realized and unrealized losses on investments	(823,579)	-	-	(823,579)
Total investment income	1,556,585	3,410,558	22,885	4,990,028
Interest income on mortgage loans	570,567	-	12,717,122	13,287,689
Other income	7,509,738	-	1,454,394	8,964,132
Total operating revenues	9,636,890	3,410,558	14,194,401	27,241,849
Operating expenses				
Salaries and other payroll costs	1,486,305	-	-	1,486,305
Administrative expenses	1,169,484	-	107,546	1,277,030
Depreciation	36,255	-	-	36,255
Servicers' fees	19,539	-	-	19,539
Interest on bonds payable	-	2,901,482	12,717,681	15,619,163
Amortization of issue costs	650,750	-	-	650,750
Interfund operating charge	(1,791,344)	336,949	1,454,395	-
Total operating expenses	1,570,989	3,238,431	14,279,622	19,089,042
Non-operating revenues				
Federal program revenue	5,499,786	-	-	5,499,786
Federal program expenses	(4,273,874)	-	-	(4,273,874)
Total non-operating income	1,225,912	-	-	1,225,912
CHANGE IN POSITION	9,291,813	172,127	(85,221)	9,378,719
Net position at beginning of year, as previously reported	196,015,978	10,324,785	143,986	206,484,749
Change in accounting principle, GASB 75 adjustments	(753,568)	-	-	(753,568)
Net position at beginning of year, as restated	195,262,410	10,324,785	143,986	205,731,181
Net position at end of year	$ 204,554,223	$ 10,496,912	$ 58,765	$ 215,109,900

The accompanying notes are an integral part of this statement.

Nevada Housing Division

COMBINED STATEMENT OF CASH FLOWS

Year ended June 30, 2018

	General Funds	Program Funds Single-Family	Program Funds Multi-Unit	Combined Total
Cash flows from operating activities:				
Cash received from mortgage loans	$ 2,699,501	$ -	$ 124,616,793	$ 127,316,294
Cash payments to purchase mortgage loans	(1,649,916)	-	(47,638,520)	(49,288,436)
Cash receipts (payments) for goods and services	(8,408,348)	(336,950)	68,982	(8,676,316)
Interfund	40,846	(22,442)	(18,404)	-
Net cash provided by (used in) operating activities	(7,317,917)	(359,392)	77,028,851	69,351,542
Cash flows from noncapital financing activities:				
Proceeds from sale of bonds	-	-	136,594,623	136,594,623
Principal payments and purchase of bonds	-	(21,738,341)	(103,388,953)	(125,127,294)
Interest payments on bonds	-	(3,080,315)	(12,265,484)	(15,345,799)
Federal grants received	5,499,786	-	-	5,499,786
Cash paid to other governments and organizations	(4,273,874)	-	-	(4,273,874)
Net cash provided by (used in) noncapital financing activities	1,225,912	(24,818,656)	20,940,186	(2,652,558)
Cash flows from investing activities:				
Purchase of short-term investments	(42,715,506)	(73,932,587)	(154,977,881)	(271,625,974)
Sale of short-term investments	39,038,552	71,855,022	159,499,925	270,393,499
Purchase of long-term investments	(37,593,577)	(19,102,197)	(100,887,724)	(157,583,498)
Sale of long-term investments	45,955,403	42,886,147	7,507,555	96,349,105
Income received on investments	2,230,516	3,471,663	(364,946)	5,337,233
Net cash provided by (used in) investing activities	6,915,388	25,178,048	(89,223,071)	(57,129,635)
NET INCREASE IN CASH	823,383	-	8,745,966	9,569,349
Cash at beginning of year	1,020,171	-	-	1,020,171
Cash at end of year	$ 1,843,554	$ -	$ 8,745,966	$ 10,589,520

Nevada Housing Division

COMBINED STATEMENT OF CASH FLOWS - CONTINUED

Year ended June 30, 2018

	General Funds	Program Funds Single-Family	Program Funds Multi-Unit	Combined Totals 2018
Reconciliation of change in net position to net cash provided by (used in) operating activities:				
Change in net position	$ 9,291,813	$ 172,127	$ (85,221)	$ 9,378,719
Change in deferred outflows of resources	27,406	-	-	27,406
Change in deferred inflows of resources	(103,533)	-	-	(103,533)
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities:				
Depreciation	36,255	-	-	36,255
Income on investments	(2,380,164)	(3,410,558)	(22,885)	(5,813,607)
Realized and unrealized losses on investments	823,579	-	-	823,579
Interest on bonds payable	-	2,901,482	12,717,681	15,619,163
Change in assets and liabilities:				
Loans receivable	2,057,740	-	64,755,554	66,813,294
Other receivables	(18,985,731)	(1)	(589,635)	(19,575,367)
Interfund	40,846	(22,442)	(18,404)	-
Accounts payable and other liabilities	1,589,530	-	271,761	1,861,291
Net pension liability	284,342	-	-	284,342
Net cash provided by (used in) operating activities	$ (7,317,917)	$ (359,392)	$ 77,028,851	$ 69,351,542

The accompanying notes are an integral part of this statement.

Nevada Housing Division

NOTES TO COMBINED FINANCIAL STATEMENTS

June 30, 2018

NOTE A - AUTHORIZING LEGISLATION

The Nevada Housing Division (the "Division") is a separate agency of the Department of Business and Industry of the State of Nevada, pursuant to the Nevada Housing Finance Law, as amended, in Chapter 319 of the Nevada Revised Statutes.

The Division was created for the purpose of making available additional funds to assist private enterprise and governmental agencies in providing safe and sanitary housing facilities for low and moderate income households. The Division is currently authorized to issue its bonds, notes, and other obligations in an aggregate amount not to exceed $5,000,000,000, which shall not constitute a debt of the State of Nevada or any political subdivision thereof. These funds may be used to make loans to and purchase mortgage loans from mortgage lenders, and to make temporary loans and advances in anticipation of insured mortgage loans or to finance permanent mortgage loans for the construction or rehabilitation of multi-unit residential housing.

NOTE B - THE REPORTING ENTITY AND NATURE OF FUNDS

1. All Funds

All funds are treated as proprietary funds. For financial reporting purposes, the Division is a proprietary fund of the State of Nevada.

The specified reserve funds and any monies not used for the specific purpose set forth for each program may be used only for the following limited purposes as may be individually set forth in each program's documents.

1. To invest funds as authorized by various bond resolutions and trust agreements.
2. To pay interest, principal and redemption premiums at or prior to maturity or redemption.
3. To establish and maintain reserves to secure the bonds.
4. To pay reasonable and necessary operating expenses of the program.
5. After all program requirements are satisfied, excess funds may be used for any lawful purpose of the Division.

Substantially all program fund assets are pledged in trust for the benefit of the bondholders.

The proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services in connection with the proprietary funds' principal ongoing operations. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following describes the general and program funds maintained by the Division, all of which conform to the authorizing legislation, general bond and note certificates and trust indentures.

2. General Funds

A state enterprise fund was authorized by enabling legislation and has been used to account for all transactions required by the state budget and appropriation statutes. It is funded principally from authorized transfers from the various programs and from investment income.

NOTE B - THE REPORTING ENTITY AND NATURE OF FUNDS - Continued

2. General Funds - Continued

The enabling legislation also authorized the Division to maintain such other funds as may be deemed necessary to account for other lawful activities of the Division. Special funds have been established and were funded with authorized transfers from the various programs and other investment income.

As of June 30, 2018, the Division had designated certain general fund assets totaling $178,103,000 to a reserve trust fund for the following purposes: to invest in certain securities; to pay interest and principal of certain bonds if there are insufficient funds in the program's fund; and to pay operating expenses of the fund as specified by the Administrator.

3. Single-Family Program Funds

There were 13 single-family mortgage purchase programs existing as of June 30, 2018, under 4 general bond certificates. Various funds are prescribed to account for the proceeds from the sale of the bonds and for the debt service requirements established by the bond certificate documents.

In addition to providing reserves, the bond sale proceeds must be used to purchase from Nevada lending institutions mortgage loans originated under the program which are made on single-family residences, or to purchase existing mortgage loans from the portfolios of lending institutions under circumstances requiring the lending institutions to reinvest the proceeds from such purchase in new mortgage loans on single-family residences to persons or families of low and moderate income in the State of Nevada.

4. Multi-Unit Program Funds

There were 38 multi-unit programs existing as of June 30, 2018, under 38 general bond certificates or trust indenture documents.

In addition to providing reserves, the bond sale proceeds must be used to provide financing and purchase mortgage loans or mortgage backed securities for various multi-unit rental housing projects located in Nevada to be rented to low to moderate income families, elderly persons, and other special needs groups.

NOTE C - SUMMARY OF ACCOUNTING POLICIES

A summary of the Division's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Accrual Accounting for Enterprise Funds

Since the Division's funds are considered to be enterprise funds for financial reporting purposes, the Division follows the accrual basis of accounting, wherein revenues are recorded as earned and expenses are recorded as incurred.

2. Fund Accounting

Transactions of the Division, including interfund cash transfers, are recorded in the respective funds based upon their purposes as established by the Nevada legislature and by the certificates and legal documents executed by the Division. Revenue and expenses applicable to each fund are recorded in the respective funds.

NOTE C - SUMMARY OF ACCOUNTING POLICIES - Continued

3. Mortgages Purchased

Mortgages purchased are carried at their unpaid principal balance, less discount when applicable.

4. Investments

Federal National Mortgage Association and Government National Mortgage Association investments are carried at amortized cost due to restrictions set by related bond indentures of each program. All other investments are carried at fair value. Realized and unrealized gains and losses are reflected in the statement of revenues, expenses and changes in net position.

5. Bond Costs and Accreted Values Payable

Bond and note issue costs are expended as incurred. Interest is generally payable semiannually.

6. Allowance for Possible Loss on Loans

Loans receivable are collateralized by real property; obligations of the United States of America or of certain specified agencies or instrumentalities thereof; or FHA insured, Veterans Administration (VA) guaranteed or certain privately insured mortgages; or letters of credit, or guarantees from AA or AAA rated lenders. Periodic evaluation of loans receivable is made to determine if a charge against operations for possible loan losses will be required. At June 30, 2018, the Division recorded an allowance of $754,285 on uninsured second mortgages that are part of the Division's down payment assistance program.

7. Operating Expense Allocation

General and administrative expenses of operating the Division are allocated among the various programs. The amounts allocated are limited by bond program indentures and certificates.

8. Interfund Accounts

The general bond certificates or trust indentures, which establish the various programs, provide for certain transfers of cash from one fund to another and from a program to the Division's general operating accounts. It is frequently not practicable nor possible to affect a transfer as of the balance sheet date. Thus, there are a number of amounts due from or due to the various funds or programs at any given time.

9. Combined Financial Statements

All of the various programs are required by documents to have a number of specific funds established to account for transactions. Therefore, each column contains the total amounts for the various funds and accounts required, and the combined financial statements contain the total of all funds of the Division. Since the assets of certain funds are restricted by the legislative authority, the general bond and note certificates or trust indentures, the totaling of the funds and accounts, including assets therein, is restricted for financial reporting purposes in accordance with generally accepted accounting principles and does not indicate that combined assets are available in any manner other than that provided by the legislature or the general bond and note certificates or trust indentures.

NOTE C - SUMMARY OF ACCOUNTING POLICIES - Continued

10. Cash and Investments

For purposes of cash flows, the Division considers all short-term highly liquid investments to be investments regardless of the maturity date.

11. Accrued Interest Receivable

Interest is accrued based upon the principal amount outstanding. Accrued interest income is discontinued on loans when, in the opinion of management, collection of such interest income becomes doubtful. When payment of interest is provided for pursuant to the terms of loan insurance or guarantees, accrual of interest on delinquent loans is continued.

12. Bond Redemptions

During the year ended June 30, 2018, the Division redeemed a total of $125,127,294 of debt, pursuant to provisions of the related agreements, which permit surplus revenues, resulting primarily from mortgage loan payments, to be used to retire the obligations. The accelerated amortization of costs of issuance resulting from these surplus revenue redemptions is included in amortization of issue costs.

13. Arbitrage Rebate

Arbitrage rebate to the Internal Revenue Service is recognized in the statement of earnings as a reduction of interest income on investments.

14. Using Estimates

In preparing the financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

15. Accounting for Compensated Absences

Compensated absences are accounted for in accordance with Governmental Accounting Standards Board (GASB) Statement 16, *Accounting for Compensated Absences*, which requires that a liability for compensated absences relating to services already rendered and that are not contingent on a specified event be accrued as employees earn the rights to the benefits. Compensated absences relating to future services or that are contingent on a specified event will be accounted for in the period those services are rendered or those events take place.

16. Accounting and Financial Reporting for Certain Grants

Grants are accounted for in accordance with Governmental Accounting Standards Board (GASB) Statement 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, which requires that cash pass through grants received by a governmental entity, be reported as revenues and expenditures in the Division's financial statements.

NOTE C - SUMMARY OF ACCOUNTING POLICIES - Continued

17. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Nevada (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

18. Other Post-Employment Benefits

For purposes of measuring the net post-employment benefits liability, deferred outflows of resources, deferred inflows of resources and post-employment benefit expense, information about the fiduciary net position of the Public Employees' Benefit Program of Nevada (PEBP) and additions to/deductions from PEBP's fiduciary net position have been determined on the same basis as they are reported by PEBP. For this purpose, benefits payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

19. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources until then. The Division has pension and other post-employment benefit contributions that qualify for reporting in this category, which are discussed in depth in Notes I and J.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until then. The Division has pension and other post-employment benefit contributions that qualify for reporting in this category, which are discussed in Notes I and J.

20. New Accounting Pronouncements

In March 2016, the GASB issued Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73* which addressed certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68*, and Amendments to Certain Provisions of GASB Statements No. 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The Division adopted this guidance for the period ended June 30, 2018, and it did not have a material impact on the Division's financial statements.

NOTE C - SUMMARY OF ACCOUNTING POLICIES - Continued

20. New Accounting Pronouncements - Continued

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* (GASB 75), which improves accounting and financial reporting by state and local governments for post-employment benefits other than pensions (other post-employment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The Division adopted this guidance for the period ended June 30, 2018, which resulted in an adjustment to beginning net position on the Statement of Revenues, Expenses, and Changes in Net Position of ($753,568) to record the impact of the prior year other post-employment benefit related elements of net position.

NOTE D - INVESTMENTS

Investments consist of the following at June 30, 2018:

	General Funds	Single-Family	Multi-Unit	Total
Short-term investments	$ 84,853,928	$ 14,433,715	$ 35,776,866	$ 135,064,509
U.S. Treasury notes	26,673,496	-	-	26,673,496
U.S. Agencies	25,893,638	-	-	25,893,638
Certificates of deposit	4,966,621	-	-	4,966,621
Corporate notes	16,449,186	-	-	16,449,186
Securitized	2,644,395	-	-	2,644,395
Investment agreements	-	11,621	93,380,168	93,391,789
Federal National Mortgage Association	3,723,952	6,442,417	-	10,166,369
Government National Mortgage Association	10,997,542	71,784,773	-	82,782,315
	$ 176,202,758	$ 92,672,526	$ 129,157,034	$ 398,032,318

Each program's documents and the trust agreements allow the Division to invest funds in (a) direct and general obligations of the United States or any of its states; (b) obligations which are guaranteed by the United States; (c) obligations of various agencies and instrumentalities of the United States; (d) insured or secured certificates of deposit and interest bearing time deposits; (e) repurchase agreements with certain institutions; (f) public housing bonds issued by public agencies or municipalities; (g) certain commercial or finance company paper; (h) interests in short-term investment trust funds restricted to investment obligations described above; or (i) general obligations of investment providers under investment agreements.

NOTE D - INVESTMENTS - Continued

Investment Risk Factors

There are many factors that can affect the value of investments. Some, such as custodial credit risk and concentration of credit risk may affect fixed income securities, which are particularly sensitive to credit risks and changes in interest rates.

Credit Risk

Fixed income securities are subject to credit risk, which is the chance that a bond issuer will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make these payments will cause security prices to decline. The circumstances may arise due to a variety of factors such as financial weakness, bankruptcy, litigation and/or adverse political developments.

A bond's credit quality is an assessment of the issuer's ability to pay interest on the bond, and ultimately, to pay the principal. Credit quality is evaluated by one of the independent bond-rating agencies, for example Moody's Investors Service (Moody's) or Standard and Poor's (S&P).

The lower the rating, the greater the chance - in the rating agencies opinion – that the bond issuer will default, or fail to meet its payment obligations. Generally, the lower a bond's credit rating, the higher its yield should be to compensate for the additional risk.

Certain fixed income securities, including obligations of the U.S. government or those explicitly guaranteed by the U.S. government, are not considered to have credit risk.

Investment agreements meet the requirements of the rating agency providing the rating on the related debt issue, and of the Division's investment policy. Investment agreements generally provide for collateralization of balances in the event of a rating agency downgrade of the institution below certain rating requirements.

Nevada Housing Division

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE D - INVESTMENTS - Continued

Credit Risk - Continued

The credit risk profile for investments at June 30, 2018 is a follows:

Investment Type	General Funds	Single-Family	Multi-Unit	Total
Short-term investments				
Aaam	$ 64,548,655	$ 14,433,715	$ 35,776,866	$ 114,759,236
Aaa	13,599,236	-	-	13,599,236
A1	498,210	-	-	498,210
A2	1,095,635	-	-	1,095,635
A3	499,210	-	-	499,210
P1	4,584,885	-	-	4,584,885
NR	28,097	-	-	28,097
Total short-term investments	$ 84,853,928	$ 14,433,715	$ 35,776,866	$ 135,064,509
U.S. Treasury notes				
Aaa	$ 26,673,496	$ -	$ -	$ 26,673,496
U.S. Agencies				
Aaa	$ 11,191,388	$ -	$ -	$ 11,191,388
NR	14,702,250	-	-	14,702,250
Total U.S. Agencies	$ 25,893,638	$ -	$ -	$ 25,893,638
Certificates of deposit				
Aa2	$ 1,788,129	$ -	$ -	$ 1,788,129
Aa3	1,473,647	-	-	1,473,647
A+	799,411	-	-	799,411
A1	905,434	-	-	905,434
Total certificates of deposit	$ 4,966,621	$ -	$ -	$ 4,966,621
Corporate notes				
Aaa	$ 473,867	$ -	$ -	$ 473,867
Aa1	691,156	-	-	691,156
Aa2	881,762	-	-	881,762
Aa3	1,343,518	-	-	1,343,518
A1	2,215,192	-	-	2,215,192
A2	2,931,882	-	-	2,931,882
A3	4,958,640	-	-	4,958,640
Baa1	890,962	-	-	890,962
NR	2,062,207	-	-	2,062,207
Total corporate notes	$ 16,449,186	$ -	$ -	$ 16,449,186
Securitized				
Aaa	$ 2,644,395	$ -	$ -	$ 2,644,395
Investment agreements				
Aa3	$ -	$ -	$ 93,380,168	$ 93,380,168
Baa3	-	11,621	-	11,621
Total investment agreements	$ -	$ 11,621	$ 93,380,168	$ 93,391,789
Federal National Mortgage Association				
Aaa	$ 3,723,952	$ 6,442,417	$ -	$ 10,166,369
Government National Mortgage Association				
Aaa	$ 10,997,542	$ 71,784,773	$ -	$ 82,782,315

NOTE D - INVESTMENTS - Continued

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the custodian, the investments may not be returned.

The Division's investments are exposed to custodial credit risk. These investments may be uninsured and unregistered investments for which the securities are held by a counterparty or by its agent or trust department, but not in the Division's name.

Housing Division policy limits money market fund custodial risks by diversifying the number of money market funds utilized. No securities backing money market funds, into which the Housing Division invests, are currently held by the agency's bond trustee.

Concentration of Credit Risk

Concentration of credit risk is the risk associated with having too much invested in a few individual issuers, thereby exposing the organization to greater risks resulting from adverse economic, political, regulatory, geographic, or credit developments. The Division currently places no limit on the amount the Division may invest in any one issuer provided their ratings are in the highest two general ratings categories. However, the Division monitors rating changes on all issuers. If warranted, more concentrated investments may have to be diluted to alternative investment providers. As of June 30, 2018, the Division's investments in the Fannie Mae and Ginnie Mae are 2.55% and 20.80%, respectively, of the Division's total investments. The Fannie Mae and Ginnie Mae investments are in mortgage backed securities matched to the interest rate and maturity of the underlying bonds. Because such investments are matched to concomitant liabilities, the Division is less concerned about a concentration risk on these investments.

Interest Rate Risk

Interest rate risk is the risk that the value of fixed income securities will decline because of rising interest rates. The prices of fixed income securities with a longer time to maturity, measured by duration, tend to be more sensitive to changes in interest rates and, therefore, more volatile than those with shorter durations.

The Division's management heavily weights its current portfolio balance in favor of money market investments.

The following table represents the maturities of the Division's investments as of June 30, 2018:

		Maturities in Years				
	Total	Less than 1	1-5	6-10	More than 10	No Maturity
Short-term investments	$ 135,064,509	$ 20,305,273	$ -	$ -	$ -	$ 114,759,236
U.S. agencies	145,515,818	-	41,642,518	10,183,063	93,690,237	-
Corporate notes and certificates of deposit	21,415,807	-	21,415,807	-	-	-
Securitized	2,644,395	-	2,644,395	-	-	-
Investment agreements	93,391,789	-	93,380,168	-	11,621	-
	$ 398,032,318	$ 20,305,273	$159,082,888	$ 10,183,063	$ 93,701,858	$ 114,759,236

NOTE D - INVESTMENTS - Continued

Fair Value Levels

The Division categorizes it fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Debt and equity securities classified in both Level 1 and Level 2 are valued using prices quoted in active markets for those securities. The Division has no debt or equity securities classified in Level 3 of the fair value hierarchy.

The following table represents the fair value measurements of the Division's investments as of June 30, 2018:

		Fair Value Measurements Using		
	June 30, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
US Treasury securities	$ 34,529,655	$ 34,529,655	$ -	$ -
Commercial mortgage-backed securities	141,496,366	96,633,193	44,863,173	-
Residential mortgage-backed securities	8,712,111	5,901,357	2,810,754	-
Corporate notes and certificates of Deposit	26,965,333	16,180,169	10,785,164	-
	$211,703,465	$ 153,244,374	$ 58,459,091	$ -

NOTE E - LOANS RECEIVABLE

Under the various single-family mortgage purchase programs and for single-family mortgages purchased from the general funds, mortgage loans receivable have initial terms which may extend to 30 years. The various multi-unit mortgage loans receivable are represented by notes collateralized by deeds of trust and general obligations of lending institutions.

Mortgage loans receivable consist of the following at June 30, 2018:

	Interest Rates	General Funds	Single-Family	Multi-Unit	Combined Total
Single-Family Mortgage Programs	3.25% - 8.90%	$ 7,666,736	$ -	$ -	$ 7,666,736
Multi-Unit Programs	1.20% - 6.95%	-	-	344,616,141	344,616,141
Less unamortized discount		(4,786)	-	-	(4,786)
		$ 7,661,950	$ -	$ 344,616,141	$ 352,278,091

Nevada Housing Division

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE F - BONDS PAYABLE

Bonds payable consist of the following:

	Maturity Date	Original Amount	Outstanding
Single-Family Bonds:			
2008 Issue B, 4.0%-5.55%	April 1, 2039	$ 17,500,000	$ 360,000
2009 Issue A, 3.35%-5.375%	October 1, 2039	23,180,000	1,610,000
2009 Issue B, 3.5%-5.25%	October 1, 2048	22,651,400	1,377,799
2009 Issue I-A, 3.010%	October 1, 2041	15,000,000	3,880,000
2010 Issue I, 2.45%-4.40%	April 1, 2027	10,000,000	1,365,000
2011 Issue A, 2.20%-4.625%	October 1, 2027	13,600,000	1,885,000
2009 Issue I-B, 3.53%	October 1, 2041	20,400,000	4,670,000
2009 Issue I-C, 2.32%	October 1, 2041	10,000,000	2,545,000
2011 Issue B, 2.05%-4.75%	October 1, 2033	15,000,000	3,040,000
2009 Issue I-D, 2.32%	October 1, 2036	30,700,000	13,270,000
2011 Issue C, 4.20%	October 1, 2022	5,500,000	2,380,000
2009 Issue I-E, 2.32%	October 1, 2041	26,240,000	11,330,000
2011 Issue D, 1.00%-4.40%	April 1, 2029	32,460,000	10,050,000
2014 Issue A, 0.50%-3.95%	October 1, 2044	40,652,596	23,916,771
Total single-family bonds		282,883,996	81,679,570
Multi-Unit Bonds:			
1996 Oakmont Flamingo, Variable	October 1, 2026	9,500,000	9,500,000
1999 Apache Pines, Variable	October 15, 2032	11,815,000	11,815,000
2000 Horizon Pines Sr. Apts., Variable	April 15, 2033	8,750,000	8,050,000
2002 Silver Pines, Variable	October 15, 2035	11,800,000	11,600,000
2002 Bluffs at Reno, Variable	October 15, 2035	17,850,000	17,850,000
2002 Sunset Canyon, 5.20%-5.61%	April 1,2036	10,965,000	10,090,000
2002 Los Pecos, 2.90%-5.15%	April 1, 2036	8,800,000	6,830,000
2002 Los Pecos, 5.56%, Taxable	April 1, 2036	2,200,000	1,725,000
2003 L'Octaine Urban, Variable	April 1,2036	4,120,000	2,365,000
2004 Glenbrook Terrace, 4.20%-5.33%	April 1, 2037	18,000,000	14,405,000
2005 Sierra Pointe, Variable	April 15, 2038	9,985,000	9,465,000
2005 Sonoma Palms, Variable	April 15, 2039	16,300,000	16,300,000
2005 Southwest Village, Variable	October 15, 2038	19,000,000	17,000,000
2006 Riverwood, 4.75%	April 1, 2039	4,360,000	3,720,000
2007 Golden Apartments, Variable	October 1, 2037	8,200,000	7,850,000
2007 Centennial Park, 4.90%	April 1, 2037	2,040,000	1,675,000
2007 Vintage at Laughlin, Variable	April 15, 2041	11,000,000	9,660,000
2007 Vista Creek, Variable	April 15, 2041	21,000,000	18,515,000

Nevada Housing Division

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE F - BONDS PAYABLE - Continued

	Maturity Date	Original Amount	Outstanding
Multi-Unit Bonds: - Continued			
2007 HELP Owens Apartments, Variable	October 1, 2042	$ 5,545,000	$ 1,965,000
2007 Arby Road Apartments, 5.35%-6.10%	April 1, 2041	11,450,000	9,855,000
2008 Sierra Manor Apartments, 6.95%	October 1, 2041	11,000,000	6,615,000
2011 Washoe Mill, 3.55%	April 1, 2029	8,820,000	8,050,000
2013 Henderson Apartments, 6%	September 1, 2046	15,000,000	14,293,127
2013 Agate Avenue, Variable	June 1, 2047	13,000,000	8,173,403
2014 Agate Seniors II, Variable	January 1, 2049	12,500,000	8,050,000
2015 Terracina Apartments, Variable	March 1, 2048	11,000,000	8,050,932
2015 501 N Lamb Apartments, Variable	January 1, 2049	21,500,000	9,387,468
2016 Boulder Pines 2, Variable	June 1, 2049	21,500,000	21,500,000
2016 Rose Garden Townhouses, 4.31%	June 1, 2049	8,075,000	8,066,732
2016 Vintage @ the Crossings, Variable	September 1, 2049	25,000,000	19,677,726
2017 Baltimore Cleveland, 4.71%	August 1, 2050	13,569,000	13,569,000
2017 Madison Palms, Variable	July 1, 2050	7,000,000	2,125,475
2017 Sierra Pointe & Granada, 1.20%	February 1, 2019	16,750,000	16,750,000
2017 Rose Gardens Seniors, Variable	November 1, 2050	13,000,000	5,822,727
2017 Steamboat Summit, Variable	October 1, 2050	45,000,000	6,121,594
2017 Sierra Pines, Variable	July 1, 2050	5,900,000	3,486,239
2018 Summit Club, 5.35%	February 1, 2058	90,000,000	90,000,000
2018 Sky Mountain, Variable	October 1, 2051	40,000,000	1,602,849
2018 Tenaya Seniors, Variable	April 1, 2021	30,000,000	2,626,166
Total multi-unit bonds		621,294,000	444,203,438
Combined total		$ 904,177,996	$ 525,883,008

Nevada Housing Division

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE F - BONDS PAYABLE - Continued

A substantial portion of the bonds have serial maturities and/or provisions for early redemption at the option of the Division. Scheduled bond maturities at June 30, 2018, for the following years, are:

	Single-Family		Multi-Unit		Combined Total	
	Principal	Interest	Principal	Interest	Principal	Interest
Years ending June 30,						
2019	$ 2,000,000	$ 2,647,202	$ 27,384,973	$ 11,852,960	$ 29,384,973	$ 14,500,162
2020	2,065,000	2,592,007	2,230,247	11,640,608	4,295,247	14,232,615
2021	2,145,000	2,527,001	4,978,456	11,503,635	7,123,456	14,030,636
2022	2,235,000	2,519,152	2,481,507	11,308,757	4,716,507	13,827,909
2023	2,320,000	2,372,431	2,633,007	11,183,704	4,953,007	13,556,135
2024-2028	13,553,372	10,375,493	27,461,270	52,865,550	41,014,642	63,241,043
2029-2033	17,146,459	7,565,944	50,030,503	47,142,096	67,176,962	54,708,040
2034-2038	20,723,807	4,727,211	93,860,390	32,162,863	114,584,197	36,890,074
2039-2043	17,532,460	1,596,471	72,890,805	22,335,746	90,423,265	23,932,217
2044-2048	1,953,472	92,274	9,915,670	18,120,488	11,869,142	18,212,762
2049-2053	5,000	131	60,336,610	7,618,656	60,341,610	7,618,787
2050-2054	-	-	90,000,000	4,012,500	90,000,000	4,012,500
	$ 81,679,570	$ 37,015,317	$ 444,203,438	$ 241,747,563	$ 525,883,008	$278,762,880

Total interest expense for the year ended June 30, 2018 was $15,619,163.

Many bonds payable have variable rates of interest that are not based on a defined spread. Instead, tax-exempt bonds track the SIFMA Index while the federally taxable debt tracks the one-month LIBOR Index.

The single-family bonds are payable from, and secured by, a pledge of:

1. The proceeds derived from the sale of bonds.
2. The rights and interest of the Division in all mortgage loans purchased by the Division under the various bond certificates.
3. Revenues, which primarily include (a) mortgage repayments and the net income, if any, derived by the Division from premises owned by the Division as a result of foreclosure or other action taken in the event of a default on such a mortgage loan; (b) curtailments, consisting generally of all amounts representing monthly principal payments with respect to mortgage loans which are received in advance of the scheduled amortization thereof; and (c) all earnings realized by the investment of monies in all funds and accounts.
4. All funds and accounts created by the various bond certificates, including the bond reserve fund, the mortgage loan reserve fund and monies and securities therein.

The multi-unit bonds are payable from, and secured by, a pledge of:

5. The proceeds derived from the sale of bonds.
6. All earnings realized from the investment of bond proceeds.
7. After permanent financing: (a) all revenues received from the development including housing assistance payments and rental payments made by tenants; (b) the notes receivable, collateralized by deeds of trust; and (c) the rights of the Division to the FHA insurance, draws on bank letters of credit, private mortgage insurance, hazard insurance and condemnation proceeds.

NOTE G - CHANGES IN LONG-TERM LIABILITIES

Long-term liabilities of the Division include bonds payable to debt holders for the purchase of mortgage loans as well as related party payables and the net pension liability.

	Long-term Liabilities	Bonds Payable Single-Family	Bonds Payable Multi-Unit	Total
Balances at July 1, 2017	$ 3,279,807	$ 103,417,911	$ 410,997,768	$ 517,695,486
Increase	1,070,889	-	136,594,623	137,665,512
Decrease	(68,668)	(21,738,341)	(103,388,953)	(125,195,962)
Balances at June 30, 2018	$ 4,282,028	$ 81,679,570	$ 444,203,438	$ 530,165,036
Due within one year	$ -	$ 2,000,000	$ 27,384,973	$ 29,384,973

NOTE H - RESTRICTED ASSETS

Substantially all investments in the Single-Family and Multi-Unit Mortgage Purchase Funds are held by trustees and are restricted as to use as required by the various bond certificates or trust indentures. Such restricted assets are included in funds and accounts within the program funds as established by the bond certificates. Such funds typically include, among others, bond reserve funds, capital reserve funds, debt service funds, and mortgage loan reserve funds. Restricted investments and interest receivable included in the various programs of the Division as of June 30, 2018 are as follows:

	General Funds	Single-Family	Multi-Unit	Combined Total
Investments	$ 177,591,082	$ 1,837,987	$ -	$ 179,429,069
Interest receivable	511,918	-	-	511,918
Principal payments	-	2,782	-	2,782
	$ 178,103,000	$ 1,840,769	$ -	$ 179,943,769

NOTE I - DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. PERS administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both Regular and Police/Fire members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and who earnings capacities have been removed or substantially impaired by age or disability. The Housing Division employees are Regular members.

NOTE I - DEFINED BENEFIT PENSION PLAN - Continued

General Information about the Pension Plan - Continued

Benefits provided. Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits. Post-retirement increases are provided by authority of NRS 286.572 -.579.

Vesting. Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of services. Regular members entering the System on or after January 1, 2010 are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Employees become fully vested as to benefits upon completion of five years of service.

Contributions. The authority for establishing and amending the obligation to make contributions and member contribution rates, is set by statute. New hires have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer or can make contributions by a payroll deduction matched by the employer. The System's basic funding policy provides for periodic contributions at a level pater of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due. The System receives an actuarial valuation on an annual basis indicating the contributions rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary. For fiscal years ended June 30, 2018 and 2017 the Statutory Employer/employee matching rate was 14.5%. The Employer-pay contribution rates was 28%. The Division's contribution to PERS for the years ended June 30, 2018, 2017 and 2016 were $139,272, $201,323 and $241,687, respectively, and were equal to the required contributions for each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The current report is dated June 30, 2017. Based on this report the Housing Division reported a liability of $3,071,137 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Housing Division allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. The Housing Division's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2017. At June 30, 2017, the Housing Division's portion was 0.14 percent.

NOTE I - DEFINED BENEFIT PENSION PLAN - Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

Reconciliation of net pension liability	
Beginning net position, July 1, 2017	$ 2,762,355
Pension expense	482,786
Employer contributions	(207,268)
Increase in deferred outflows	44,982
Decrease in deferred inflows	(11,718)
Ending net pension liability, June 30, 2018	$ 3,071,137

For the year ended June 30, 2018 the Housing Division recognized pension expense of $482,786. At June 30, 2018, the Housing Division reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 201,529
Changes of assumptions	203,741	-
Net difference between projected and actual earnings on investments	19,940	-
Changes in proportion and differences between actual contributions and proportionate share of contributions	78,096	31,993
Division contributions subsequent to the measurement date	139,272	-
	$ 441,049	$ 233,522

The $139,272 reported as deferred outflows of resources resulting from the Division contributions subsequent to the measurement date will be recognized as a reduction in net pension liability in the year ended June 30, 2019. Collective amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Years ending June 30,	
2019	$ (169,696)
2020	219,673
2021	56,731
2022	(154,680)
2023	79,982
Thereafter	36,245
	$ 68,255

NOTE I - DEFINED BENEFIT PENSION PLAN - Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Payroll growth	5%, including inflation
Productivity pay increases	0.5%
Projected salary increases	4.25%-9.15%, depending on service and including inflation and productivity increases
Investment rate of return	7.5%
Consumer Price Index	2.75%
Post-retirement benefit increases	2.75%, in line with inflation

Mortality rates were based on the RP-2014 Healthy Annuitant Table projected to 2020 with Scale MP-2016 set forward one year for spouses and beneficiaries, reasonably reflects the projected mortality experience of the Plan as of the measurement date. The additional projection of 6 years is a provision made for future mortality improvement.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience review completed in 2017. The actuarially determined contribution rates decreased by 1.19% for Regular members.

The following was the PERS' Board adopted policy target asset allocation as of June 30, 2017:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return
Domestic equity	42%	5.50%
International equity	18%	5.75%
Domestic fixed income	30%	0.25%
Private markets	10%	6.80%

**As of June 30, 2017, PERS' long-term inflation assumptions was 2.75%*

Discount Rate. The discount rate used to measure the total pension liability was 7.5% as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2017 was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2017.

NOTE I - DEFINED BENEFIT PENSION PLAN - Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

Pension liability discount rate sensitivity. The following represents the Division's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as the Systems' proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
The Division's proportional share of the net pension liability	$ 4,642,702	$ 3,071,137	$ 1,765,928

Pension Plan Fiduciary Net Position

Detailed information about the pension's plan fiduciary net position is available in the separately issued PERS comprehensive annual financial report that includes financial statements and required supplementary information. The report is available online at www.nvpers.org or may be obtained by writing to PERS at 693 W. Nye Lane, Carson City, NV 89703-1599.

NOTE J - OTHER POSTEMPLOYMENT BENEFITS PLAN

General Information about the OPEB Plan

Plan description. The State Retiree's Health and Welfare Benefits Fund was created in 2007 by the Nevada Legislature to account for the financial assets designated to offset the portion of current and future costs of health and welfare benefits paid on behalf of state retirees. The Retiree's Fund is a multiple employer cost sharing defined postemployment benefit plan run by the PEBP Board. The Retiree's Fund provides benefits other than pensions to eligible retirees and their dependents through the payment of subsidies to PEBP which administers a group health and life insurance program.

Benefits provided. Public employees who meet the eligibility requirements for retirement and at the time of retirement are participants in the program, have the option upon retirement to continue group insurance including medical, dental, vision, accidental death and dismemberment, travel accident, long-term disability, mental health, substance abuse and life insurance benefits. Nevada Administrative Code 287.530 established this benefit upon the retiree. Monthly contributions are deducted from pension checks. The cost varies depending on which health plan the retiree chooses as well as the amount of the State subsidy they receive.

The Public Employees' Benefits Program administers these benefits as a multiple employer cost sharing plan. The State Retirees' Health and Welfare Benefits Trust Fund has been created to provide benefits to retirees and their beneficiaries. The Division's required contributions are set by the State of Nevada Department of Administration based on an amount provided by the Legislature each biennium in session law. The Retirees' Fund does not receive member contributions.

NOTE J - OTHER POSTEMPLOYMENT BENEFITS PLAN - Continued

General Information about the OPEB Plan - Continued

Contributions. Contributions to the fund are paid by the State of Nevada through an assessment of actual payroll paid by each State entity. The assessment is set by the Governor's Financial Office based on an amount provided by the Legislature each biennium in session law. The assessment was 2.36% and 2.13% of actual payroll for the years ending June 30, 2017 and 2016 respectively. Benefits are paid to the Public Employees' Benefits Program Self Insurance Trust Fund as necessary to offset retiree premiums pursuant to NRS 287.046. Funds not required to pay benefits are invested in the Retiree Benefits Investment Fund established pursuant to NRS 355.220 or are held in the State of Nevada general portfolio pursuant to NRS 226.110 as approved by the legislatively approved budget. Administrative costs of the Retirees' Fund are absorbed by the Self Insurance Trust Fund.

The Retiree's Fund is governed by the Public Employees Benefits Program Board of Trustees which consists of ten members who are appointed by the Governor of the State of Nevada. Each appointee represents a specific class of public employees, and local government employees. Additionally, two members must have substantial and demonstrated experience in risk management, health care administration, or employee benefits programs. One members must be employed in a managerial capacity for the Nevada State Department of Administration. These requirements are in accordance with NRS 287.041.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The current report is dated June 30, 2017. Based on this report the Housing Division reported a liability of $762,107 for its proportionate share of the OPEB liability. The OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2017. The Housing Division allocation percentage of the net OPEB liability was based on the total contributions due on wages paid during the measurement period. At June 30, 2018 the Housing Division's proportion was 0.00097 percent of the State of Nevada, which is 60.3430% of the Plan.

Reconciliation of net OBEP liability	
Beginning net position, July 1, 2017	$ 753,568
OPEB expense	45,276
2017 contributions	(22,282)
Increase in deferred outflows	32,979
Decrease in deferred inflows	(47,434)
Ending net post-employment benefits liability, June 30, 2018	$ 762,107

NOTE J - OTHER POST-EMPLOYMENT BENEFITS PLAN - Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

For the year ending June 30, 2018, the Housing Division recognized OPEB expense of $786,900. At June 30, 2018, the Housing Division reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 60
Changes of assumptions	-	47,374
Net difference between projected and actual earnings on OPEB investments	-	-
Changes in proportion and differences between actual contributions and proportionate share of contributions	-	-
Division contributions subsequent to the measurement date	22,642	-
	$ 22,642	$ 47,434

The $32,979 reported as deferred outflows of resources related to OPEB resulting from the Division contributions subsequent to the measurement date will be recognized as a reduction in net OPEB liability in the year ending June 30, 2019.

Years ending June 30,	
2019	$ (12,548)
2020	(12,548)
2021	(12,548)
2022	(9,790)
	$ (47,434)

NOTE J - OTHER POSTEMPLOYMENT BENEFITS PLAN - Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

Actuarial assumptions. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Payroll growth	2.75%, including inflation
Productivity pay increases	0.50%
Projected salary increases	1%-5.9%, depending on service and including inflation and productivity increases
Expected rate of return	3.58%, 20-year Municipal Bond Index
Healthcare cost trends rates	7.5% for 2018, decreasing 0.5% per year to an ultimate rate of 4.5% for 2016 and later years

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected to 2014 with Scale AA, set back one year for females (no age setback for males), reasonably reflects the projected mortality experience of the Plan as of the measurement date.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2016 to June 30, 2017. As the Retirees' Fund is funded on a pay-as-you-go basis, the discounted rate is equal to the 20 year Municipal Bond Index rate of 3.58%

Discount Rate. The discount rate used to determine the fiscal year ending June 30, 2018 Total OPEB Liability is 3.58%, a decrease from the discount rate of 4.00% used under GASB 45 as of July 1, 2016. This decrease in the discount rate resulted in an increase in the Total OPEB Liability under GASB 75.

The Bond Buyer Obligation 20-Bond Municipal Bond Index is used for the determination of the discount rate. The assets in the trust as of June 30, 2017 are less than the expected benefit payments in the first year; therefore, the crossover period is assumed to be in the first year, which provides additional support for continuing the discount rate at the 20-Year Municipal bond Index rate.

The discount rates as of July 1, 2015, July 1, 2016 and July 1, 2017 are 3.80%, 2.85%, and 3.58% respectively.

NOTE J - OTHER POSTEMPLOYMENT BENEFITS PLAN - Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

OPEB liability discount rate sensitivity. The following represents the Division's proportionate share of the net OPEB liability calculated using the discount rate of 3.58%, as well as the Systems' proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.58%) or 1 percentage point higher (4.58%) than the current rate:

	1% Decrease (2.58%)	Discount Rate (3.58%)	1% Increase 4.58%)
The Division's proportional share of the net OPEB liability	$ 843,659	$ 762,107	$ 691,456

OPEB liability healthcare cost trends sensitivity. The following represents the Division's proportionate share of the net OPEB liability related to cost trends, as well as the Systems' proportionate share of the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease	Trend Rate	1% Increase
The Division's proportional share of the net OPEB liability	$ 713,259	$ 762,107	$ 819,710

Complete financial statements for the State Retirees' Health and Welfare Benefits Fund can be obtained from the Accounting Department at the Public Employees Benefit Program, 901 South Stewart Street, Carson City, Nevada 89701.

NOTE K - OPERATING LEASE

The following is a schedule of future minimum rental payments to be made under non-cancelable operating leases for the Division's office facilities. The Carson City office lease expired in November 2016. The Division entered into a new lease through November 30, 2026, which was approved by the Board of Examiners and the Interim Finance Committee and became effective in October 2016, in which they will share a facility with other agencies. The Las Vegas office lease was renewed through March 31, 2022.

Years ending June 30,	
2019	$ 341,713
2020	336,808
2021	315,036
2022	319,248
2023	324,748
Thereafter	630,835
	$ 2,268,388

Rent expense for the year ended June 30, 2018 was $336,757.

NOTE L - RELATED PARTIES

The Nevada Affordable Housing Assistance Corporation (NAHAC) is a non-profit corporation that works to assist homeowners in the State of Nevada. The Division has a long-term payable to NAHAC totaling $448,784 as of June 30, 2018 recorded for down-payment assistance loans made in the Division's name with funding forwarded by NAHAC.

NOTE M - SUBSEQUENT EVENTS

The Company evaluated subsequent events through October 31, 2018, the date these financial statements were issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

Nevada Housing Division

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

GENERAL FUND

Year ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Vairance with Final Budget Positive	Budget to GAAP Differences	Actual Amounts
	Original	Final	Budgetary Basis	(Negative)	Over (Under)	GAAP Basis
Operating revenues						
Interest and other investment income	$ -	$ -	$ -	$ -	$ 2,380,164 *(1)*	$ 2,380,164
Realized and unrealized gains on investments	-	-	-	-	(823,579) *(1)*	(823,579)
Total investment income	-	-	-	-	1,556,585	1,556,585
Interest income on mortgage loans	-	-	-	-	570,567 *(1)*	570,567
Other income	738,381	738,381	1,363,596	625,215	6,146,142 *(1)*	7,509,738
Federal grants	3,622,766	4,966,841	5,476,417	509,576	23,369 *(2)*	5,499,786
Total operating revenues	4,361,147	5,705,222	6,840,013	1,134,791	8,296,663	15,136,676
Operating expenses						
Salaries and other payroll costs	1,429,044	1,429,044	1,253,045	(175,999)	233,260 *(3)*	1,486,305
Administrative expenses	271,856	271,856	549,575	277,719	619,909 *(1)*	1,169,484
Depreciation	-	-	-	-	36,255	36,255
Servicers' fees	-	-	-	-	19,539 *(1)*	19,539
Interfund operating charge	(447,013)	(323,275)	(132,824)	190,451	(1,658,520) *(1)*	(1,791,344)
Amortization of issue costs	-	-	-	-	650,750	650,750
Reserve	848,850	249,583	-	(249,583)	-	-
Attorney general	23,909	23,909	23,909	-	(23,909) *(1)*	-
Federal grant expenses	3,023,912	4,902,955	4,272,400	(630,555)	1,474 *(2)*	4,273,874
Total operating expenses	5,150,558	6,554,072	5,966,105	(587,967)	(121,242)	5,844,863
CHANGE IN NET POSITION	(789,411)	(848,850)	873,907	1,722,757	8,417,906	9,291,813
Transfers	-	-	-	-	- *(1)*	-
Net position at beginning of year, as restated	-	-	528,549	528,549	194,733,861	195,262,410
Net position at end of year	$ (789,411)	$ (848,850)	$ 1,402,456	$ 2,251,306	$ 203,151,767	$ 204,554,223

Explanation of Differences:

(1) The Division budgets for revenues and expenditures only to the extent expected to affect funds of the State of Nevada. Revenues and expenditures of the general reserve trust and loan servicing function of the Division are not funds of the State, but are included in the General Fund in the financial statements.

(2) The Division budgets for revenues and expenditures of the HOME Program to the extent they are paid to/from the State of Nevada. The HOME Program is included in the General Fund in the financial statements.

(3) The Division budgets for compensated absences only to the extent expected to be paid, rather than on the modified accrual basis.

Nevada Housing Division

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Last 10 Fiscal Years*

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Division's proportion of the net pension liability	0.0231%	0.1280%	0.1410%	0.1370%	(Historical information prior to the implementation of GASB67/68 is not required)						
Division's proportate share of the net pension liability	$3,071,137	$2,762,355	$2,604,548	$2,325,157							
Division's covered employee payroll	$1,397,876	$1,404,393	$1,483,397	$1,369,850							
Division's proportate share of the net pension liability as a percentage of its covered-employee payroll	219.70%	196.69%	175.58%	169.74%							
PERS fiduciary net position as a percentage of the total pension liability	290.88%	260.10%	302.03%	322.16%							

** The amounts reported for each fiscal year were determined as of June 30 of the prior fiscal year.*

Nevada Housing Division

SCHEDULE OF DIVISION CONTRIBUTIONS - PENSIONS

Last 10 Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contribution	$ 139,272	$ 201,323	$ 241,687	$ 244,235	(Historical information prior to the implementation of GASB67/68 is not required)						
Contributions in relation to the contractually required contributions	(139,272)	(201,323)	(241,687)	(244,235)							
Contribution deficiency/(excess)	$ -	$ -	$ -	$ -							
Division's covered-employee payroll	$ 963,425	$1,397,876	$1,404,393	$1,483,397							
Contributions as a percentage of covered-employee payroll	14.46%	14.40%	17.21%	16.46%							

Nevada Housing Division

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

Last 10 Fiscal Years*

	2018	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**
Division's proportion of the net OPEB liability	0.0970%		(Historical information prior to the implementation of GASB 75 is not required)							
Division's proportate share of the net OPEB liability	$ 762,107									
Division's covered employee payroll	$1,397,876									
Division's proportate share of the net OPEB liability as a percentage of its covered-employee payroll	54.52%									
OPEB fiduciary net position as a percentage of the total OPEB liability	8.60%									

* *The amounts reported for each fiscal year were determined as of June 30 of the prior fiscal year.*

Nevada Housing Division

SCHEDULE OF DIVISION CONTRIBUTIONS - OPEB

Last 10 Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Contractually required contribution	$ 22,642		(Historical information prior to the implementation of GASB 74/75 is not required)							
Contributions in relation to the contractually required contributions	(22,642)									
Contribution deficiency/(excess)	$ -									
Division's covered-employee payroll	$ 963,425									
Contributions as a percentage of covered-employee payroll	2.35%									

SUPPLEMENTAL INFORMATION

Nevada Housing Division

COMBINING STATEMENT OF NET POSITION
SINGLE-FAMILY PROGRAM FUNDS

June 30, 2018

	Parity Program						Parity Program	
ASSETS	**2006A Mortgage Purchase**	**2006B Mortgage Purchase**	**2007A Mortgage Purchase**	**2007B Mortgage Purchase**	**2008A Mortgage Purchase**	**Total Parity Program**	**2008B Mortgage Purchase**	**2009A Mortgage Purchase**
Current assets								
Investments								
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,782	$ -
Unrestricted	223,052	145,258	568,310	509,509	826,069	2,272,198	15,898	584,040
Total investments	223,052	145,258	568,310	509,509	826,069	2,272,198	18,680	584,040
Interest and other receivables, net	1,610	891	2,534	3,614	2,214	10,863	2,254	6,398
Total current assets	224,662	146,149	570,844	513,123	828,283	2,283,061	20,934	590,438
Noncurrent assets								
Long-term investments								
Unrestricted	267,189	137,374	378,133	580,997	217,772	1,581,465	442,384	1,151,209
Total noncurrent assets	267,189	137,374	378,133	580,997	217,772	1,581,465	442,384	1,151,209
Total assets	$ 491,851	$ 283,523	$ 948,977	$ 1,094,120	$ 1,046,055	$ 3,864,526	$ 463,318	$ 1,741,647
LIABILITIES AND NET POSITION								
Current liabilities								
Bonds payable	$ -	$ -	$ -	$ -	$ -	$ -	$ 20,000	$ 40,000
Interest payable	-	-	-	-	-	-	4,830	20,654
Interfund	-	-	-	-	-	-	307	1,118
Total current liabilities	-	-	-	-	-	-	25,137	61,772
Noncurrent liabilities								
Bonds payable, net of current portion	-	-	-	-	-	-	340,000	1,570,000
Total liabilities	-	-	-	-	-	-	365,137	1,631,772
Net position								
Restricted	491,851	283,523	948,977	1,094,120	1,046,055	3,864,526	98,181	109,875
Total liabilities and net position	$ 491,851	$ 283,523	$ 948,977	$ 1,094,120	$ 1,046,055	$ 3,864,526	$ 463,318	$ 1,741,647

Nevada Housing Division

COMBINING STATEMENT OF NET POSITION
SINGLE-FAMILY PROGRAM FUNDS - CONTINUED

June 30, 2018

	Parity Program		Parity Program						
ASSETS	2009B Mortgage Purchase	Total Parity Program	2010I Mortgage Purchase	2011A Mortgage Purchase	2011B Mortgage Purchase	2011C Mortgage Purchase	Total Parity Program	2014A Mortgage Purchase	Combined Total
Current assets									
Investments									
Restricted	$ -	$ 2,782	$ -	$ -	$ -	$ 1,787,987	$ 1,787,987	$ 50,000	$ 1,840,769
Unrestricted	297,948	897,886	814,996	792,059	657,324	6,498,167	8,762,546	2,956,051	14,888,681
Total investments	297,948	900,668	814,996	792,059	657,324	8,286,154	10,550,533	3,006,051	16,729,450
Interest and other receivables, net	6,030	14,682	19,065	24,881	19,605	98,531	162,082	57,907	245,534
Total current assets	303,978	915,350	834,061	816,940	676,929	8,384,685	10,712,615	3,063,958	16,974,984
Noncurrent assets									
Long-term investments									
Unrestricted	1,215,939	2,809,532	5,080,747	6,532,704	5,312,053	32,184,423	49,109,927	22,442,152	75,943,076
Total noncurrent assets	1,215,939	2,809,532	5,080,747	6,532,704	5,312,053	32,184,423	49,109,927	22,442,152	75,943,076
Total assets	$ 1,519,917	$ 3,724,882	$ 5,914,808	$ 7,349,644	$ 5,988,982	$ 40,569,108	$ 59,822,542	$ 25,506,110	$ 92,918,060
LIABILITIES AND NET POSITION									
Current liabilities									
Bonds payable	$ 30,000	$ 90,000	$ 130,000	$ 155,000	$ 140,000	$ 870,000	$ 1,295,000	$ 615,000	$ 2,000,000
Interest payable	16,890	42,374	43,533	60,711	47,562	269,914	421,720	200,859	664,953
Interfund	920	2,345	3,859	4,897	4,014	46,687	59,457	14,823	76,625
Total current liabilities	47,810	134,719	177,392	220,608	191,576	1,186,601	1,776,177	830,682	2,741,578
Noncurrent liabilities									
Bonds payable, net of current portion	1,347,799	3,257,799	5,115,000	6,400,000	5,445,000	36,160,000	53,120,000	23,301,771	79,679,570
Total liabilities	1,395,609	3,392,518	5,292,392	6,620,608	5,636,576	37,346,601	54,896,177	24,132,453	82,421,148
Net position									
Restricted	124,308	332,364	622,416	729,036	352,406	3,222,507	4,926,365	1,373,657	10,496,912
Total liabilities and net position	$ 1,519,917	$ 3,724,882	$ 5,914,808	$ 7,349,644	$ 5,988,982	$ 40,569,108	$ 59,822,542	$ 25,506,110	$ 92,918,060

Nevada Housing Division

COMBINING STATEMENT OF NET POSITION
MULTI-UNIT PROGRAM FUNDS

June 30, 2018

	1996 Oakmont Flamingo	1999 Apache Pines	2000 Horizon Pines Sr. Apts.	2002 Silver Pines	2002 Bluffs at Reno	2002 Sunset Canyon	2002 Los Pecos	2003 L'Octaine Urban
ASSETS								
Current assets								
Cash	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,705,106	$ -
Investments								
Unrestricted	-	2,128,728	1,824,125	2,448,797	1,794,754	396,852	692,025	209,871
Total investments	-	2,128,728	1,824,125	2,448,797	1,794,754	396,852	692,025	209,871
Loans receivable, net	-	2,436,482	1,989,798	2,569,931	2,336,318	330,000	23,333	307,678
Interest and other receivables, net	27,432	(55,898)	(4,217)	10,801	(2,155)	432	(7,058)	4,647
Total current assets	27,432	4,509,312	3,809,706	5,029,529	4,128,917	727,284	9,413,406	522,196
Noncurrent assets								
Long-term investments								
Unrestricted	-	-	-	-	-	-	-	-
Total long-term investments	-	-	-	-	-	-	-	-
Loans receivable, net	9,500,000	9,378,518	6,060,202	9,030,069	15,513,682	9,680,000	-	2,057,322
Total noncurrent assets	9,500,000	9,378,518	6,060,202	9,030,069	15,513,682	9,680,000	-	2,057,322
Total assets	$ 9,527,432	$ 13,887,830	$ 9,869,908	$ 14,059,598	$ 19,642,599	$ 10,407,284	$ 9,413,406	$ 2,579,518
LIABILITIES AND NET POSITION								
Current liabilities								
Bonds payable	$ -	$ -	$ -	$ -	$ -	$ 325,000	$ 8,555,000	$ -
Interest payable	9,263	7,989	5,443	7,844	12,070	133,246	111,635	2,622
Interfund	18,169	8,123	5,603	(8,044)	(12,272)	6,937	(1,971)	1,774
Accounts payable and other liabilities	-	2,054,756	1,808,842	2,454,461	1,783,552	172,055	743,749	210,122
Total current liabilities	27,432	2,070,868	1,819,888	2,454,261	1,783,350	637,238	9,408,413	214,518
Noncurrent liabilities								
Bonds payable, net of current portion	9,500,000	11,815,000	8,050,000	11,600,000	17,850,000	9,765,000	-	2,365,000
Total liabilities	9,527,432	13,885,868	9,869,888	14,054,261	19,633,350	10,402,238	9,408,413	2,579,518
Net position								
Restricted	-	1,962	20	5,337	9,249	5,046	4,993	-
Total liabilities and net position	$ 9,527,432	$ 13,887,830	$ 9,869,908	$ 14,059,598	$ 19,642,599	$ 10,407,284	$ 9,413,406	$ 2,579,518

Nevada Housing Division

COMBINING STATEMENT OF NET POSITION
MULTI-UNIT PROGRAM FUNDS - CONTINUED

June 30, 2018

	2004 Glenbrook Terrace	2005 Sierra Pointe	2005 Sonoma Palms	2005 Southwest Village	2006 Riverwood	2007 Centennial Park	2007 Golden Apartments	2007 Vintage at Laughlin
ASSETS								
Current assets								
Cash	$ -	$ -	$ 27	$ -	$ -	$ -	$ -	$ -
Investments								
Unrestricted	719,998	1,509,949	1,968,996	2,608,796	-	24,463	1,118,924	-
Total investments	719,998	1,509,949	1,968,996	2,608,796	-	24,463	1,118,924	-
Loans receivable, net	450,000	1,182,297	2,213,188	930,845	90,000	61,871	909,364	-
Interest and other receivables, net	6,221	(5,477)	(13,910)	(2,386)	46,931	20,308	6,358	85,530
Total current assets	1,176,219	2,686,769	4,168,301	3,537,255	136,931	106,642	2,034,646	85,530
Noncurrent assets								
Long-term investments								
Unrestricted	-	-	-	-	-	-	-	-
Total long-term investments	-	-	-	-	-	-	-	-
Loans receivable, net	13,845,000	8,282,703	14,086,812	16,069,155	3,630,000	1,613,129	6,940,636	9,660,000
Total noncurrent assets	13,845,000	8,282,703	14,086,812	16,069,155	3,630,000	1,613,129	6,940,636	9,660,000
Total assets	$ 15,021,219	$ 10,969,472	$ 18,255,113	$ 19,606,410	$ 3,766,931	$ 1,719,771	$ 8,975,282	$ 9,745,530
LIABILITIES AND NET POSITION								
Current liabilities								
Bonds payable	$ 445,000	$ -	$ -	$ -	$ 90,000	$ 50,000	$ -	$ -
Interest payable	179,278	6,400	11,021	11,495	44,175	20,519	8,704	6,532
Interfund	10,804	(7,099)	(12,225)	(12,750)	2,756	838	3,925	(7,245)
Accounts payable and other liabilities	412,203	1,504,087	1,954,661	2,603,227	-	20,803	1,112,335	86,243
Total current liabilities	1,047,285	1,503,388	1,953,457	2,601,972	136,931	92,160	1,124,964	85,530
Noncurrent liabilities								
Bonds payable, net of current portion	13,960,000	9,465,000	16,300,000	17,000,000	3,630,000	1,625,000	7,850,000	9,660,000
Total liabilities	15,007,285	10,968,388	18,253,457	19,601,972	3,766,931	1,717,160	8,974,964	9,745,530
Net position								
Restricted	13,934	1,084	1,656	4,438	-	2,611	318	-
Total liabilities and net position	$ 15,021,219	$ 10,969,472	$ 18,255,113	$ 19,606,410	$ 3,766,931	$ 1,719,771	$ 8,975,282	$ 9,745,530

Nevada Housing Division

COMBINING STATEMENT OF NET POSITION
MULTI-UNIT PROGRAM FUNDS - CONTINUED

June 30, 2018

	2007 Vista Creek	2007 HELP Owens Apartments	2007 Arby Road Apartments	2008 Sierra Manor Apartments	2011 Washoe Mill	2013 Henderson Apartments	2013 Agate Avenue	2014 Agate Seniors II
ASSETS								
Current assets								
Cash	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investments								
Unrestricted	-	28,782	389,780	60,231	105,577	95,395	5,387	19,905
Total investments	-	28,782	389,780	60,231	105,577	95,395	5,387	19,905
Loans receivable, net	-	22,687	202,500	80,000	130,000	141,250	97,933	93,638
Interest and other receivables, net	149,523	3,687	4,615	(16,966)	46,938	(15,508)	28,699	(4,228)
Total current assets	149,523	55,156	596,895	123,265	282,515	221,137	132,019	109,315
Noncurrent assets								
Long-term investments								
Unrestricted	-	-	-	-	-	-	-	-
Total long-term investments	-	-	-	-	-	-	-	-
Loans receivable, net	18,515,000	1,914,939	9,602,500	6,530,000	7,920,000	14,140,487	8,075,471	7,956,362
Total noncurrent assets	18,515,000	1,914,939	9,602,500	6,530,000	7,920,000	14,140,487	8,075,471	7,956,362
Total assets	$ 18,664,523	$ 1,970,095	$ 10,199,395	$ 6,653,265	$ 8,202,515	$ 14,361,624	$ 8,207,490	$ 8,065,677
LIABILITIES AND NET POSITION								
Current liabilities								
Bonds payable	$ -	$ -	$ 200,000	$ 75,000	$ 130,000	$ 140,541	$ 90,197	$ 85,667
Interest payable	12,844	2,179	137,824	38,312	71,444	71,466	36,372	19,799
Interfund	(13,886)	1,474	7,391	(4,973)	(6,038)	(7,159)	(6,141)	(6,038)
Accounts payable and other liabilities	150,565	-	193,605	4,895	86,860	3,933	3,735	1,826
Total current liabilities	149,523	3,653	538,820	113,234	282,266	208,781	124,163	101,254
Noncurrent liabilities								
Bonds payable, net of current portion	18,515,000	1,965,000	9,655,000	6,540,000	7,920,000	14,152,586	8,083,206	7,964,333
Total liabilities	18,664,523	1,968,653	10,193,820	6,653,234	8,202,266	14,361,367	8,207,369	8,065,587
Net position								
Restricted	-	1,442	5,575	31	249	257	121	90
Total liabilities and net position	$ 18,664,523	$ 1,970,095	$ 10,199,395	$ 6,653,265	$ 8,202,515	$ 14,361,624	$ 8,207,490	$ 8,065,677

Nevada Housing Division

COMBINING STATEMENT OF NET POSITION
MULTI-UNIT PROGRAM FUNDS - CONTINUED

June 30, 2018

	2015 501 N lamb Apartments	2015 Terracina Apartments	2016 Boulder Pines 2	2016 Vintage @ the Crossings	2016 Rose Garden Townhouses	2017 Baltimore Cleveland	2017 Sierra Pointe & Granada	2017 Madison Palms
ASSETS								
Current assets								
Cash	$ -	$ -	$ -	$ -	$ -	$ 40,831	$ 2	$ -
Investments								
Unrestricted	53,294	292	-	-	526	-	17,072,442	-
Total investments	53,294	292	-	-	526	-	17,072,442	-
Loans receivable, net	108,582	95,995	-	-	101,565	156,148	16,750,000	-
Interest and other receivables, net	(26,852)	27,277	60,850	43,243	20,115	(15,088)	88,489	2,287
Total current assets	135,024	123,564	60,850	43,243	122,206	181,891	33,910,933	2,287
Noncurrent assets								
Long-term investments								
Unrestricted	-	-	-	-	-	-	-	-
Total long-term investments	-	-	-	-	-	-	-	-
Loans receivable, net	9,270,068	7,954,937	21,500,000	19,677,726	7,965,166	13,412,852	-	2,125,475
Total noncurrent assets	9,270,068	7,954,937	21,500,000	19,677,726	7,965,166	13,412,852	-	2,125,475
Total assets	$ 9,405,092	$ 8,078,501	$ 21,560,850	$ 19,720,969	$ 8,087,372	$ 13,594,743	$ 33,910,933	$ 2,127,762
LIABILITIES AND NET POSITION								
Current liabilities								
Bonds payable	$ 108,153	$ 95,995	$ -	$ -	$ 101,565	$ 142,855	$ 16,750,000	$ -
Interest payable	37,159	31,868	75,832	61,006	28,973	40,831	83,750	7,497
Interfund	(20,885)	(6,050)	(16,065)	(18,680)	(9,693)	(15,796)	(18,844)	(5,210)
Accounts payable and other liabilities	1,293	1,459	1,083	917	1,361	707	17,096,025	-
Total current liabilities	125,720	123,272	60,850	43,243	122,206	168,597	33,910,931	2,287
Noncurrent liabilities								
Bonds payable, net of current portion	9,279,314	7,954,937	21,500,000	19,677,726	7,965,166	13,426,146	-	2,125,475
Total liabilities	9,405,034	8,078,209	21,560,850	19,720,969	8,087,372	13,594,743	33,910,931	2,127,762
Net position								
Restricted	58	292	-	-	-	-	2	-
Total liabilities and net position	$ 9,405,092	$ 8,078,501	$ 21,560,850	$ 19,720,969	$ 8,087,372	$ 13,594,743	$ 33,910,933	$ 2,127,762

Nevada Housing Division

COMBINING STATEMENT OF NET POSITION
MULTI-UNIT PROGRAM FUNDS - CONTINUED

June 30, 2018

	2017 Steamboat Summit	2017 Rose Garden Seniors	2017 Sierra Pines	2018 Sky Mountain	2018 Summit Club	2018 Tenaya Seniors	Combined Total
ASSETS							
Current assets							
Cash	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,745,966
Investments							
Unrestricted	-	926	-	-	498,051	-	35,776,866
Total investments	-	926	-	-	498,051	-	35,776,866
Loans receivable, net	-	-	-	-	(763,048)	-	33,048,355
Interest and other receivables, net	52,447	7,907	16,473	(25,107)	765,081	(4,691)	1,326,750
Total current assets	52,447	8,833	16,473	(25,107)	500,084	(4,691)	78,897,937
Noncurrent assets							
Long-term investments							
Unrestricted	-	-	-	-	93,380,168	-	93,380,168
Total long-term investments	-	-	-	-	93,380,168	-	93,380,168
Loans receivable, net	6,121,594	5,822,727	3,486,239	1,602,849	-	2,626,166	311,567,786
Total noncurrent assets	6,121,594	5,822,727	3,486,239	1,602,849	93,380,168	2,626,166	404,947,954
Total assets	$ 6,174,041	$ 5,831,560	$ 3,502,712	$ 1,577,742	$ 93,880,252	$ 2,621,475	$ 483,845,891
LIABILITIES AND NET POSITION							
Current liabilities							
Bonds payable	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,384,973
Interest payable	18,697	17,606	12,040	4,810	401,250	8,430	1,798,225
Interfund	33,750	(9,700)	4,433	(30,000)	(33,751)	(13,122)	(197,660)
Accounts payable and other liabilities	-	927	-	83	3,512,753	-	37,983,123
Total current liabilities	52,447	8,833	16,473	(25,107)	3,880,252	(4,692)	66,968,661
Noncurrent liabilities							
Bonds payable, net of current portion	6,121,594	5,822,727	3,486,239	1,602,849	90,000,000	2,626,167	416,818,465
Total liabilities	6,174,041	5,831,560	3,502,712	1,577,742	93,880,252	2,621,475	483,787,126
Net position							
Restricted	-	-	-	-	-	-	58,765
Total liabilities and net position	$ 6,174,041	$ 5,831,560	$ 3,502,712	$ 1,577,742	$ 93,880,252	$ 2,621,475	$ 483,845,891

Nevada Housing Division

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - SINGLE-FAMILY PROGRAM FUNDS

Year ended June 30, 2018

	Parity Program						Parity Program	
	2006A Mortgage Purchase	2006B Mortgage Purchase	2007A Mortgage Purchase	2007B Mortgage Purchase	2008A Mortgage Purchase	Total Parity Program	2008B Mortgage Purchase	2009A Mortgage Purchase
Operating revenues								
Interest and other investment income	$ 17,896	$ 10,622	$ 27,774	$ 41,120	$ 31,232	$ 128,644	$ 32,599	$ 106,545
Total investment income	17,896	10,622	27,774	41,120	31,232	128,644	32,599	106,545
Total operating revenues	17,896	10,622	27,774	41,120	31,232	128,644	32,599	106,545
Operating expenses								
Interest on bonds payable	-	-	-	-	-	-	24,585	107,728
Interfund operating charge	-	-	-	-	-	-	1,372	5,594
Total operating expenses	-	-	-	-	-	-	25,957	113,322
CHANGE IN POSITION	17,896	10,622	27,774	41,120	31,232	128,644	6,642	(6,777)
Net position at beginning of year	473,955	272,901	921,203	1,053,000	1,014,823	3,735,882	91,539	116,652
Net position at end of year	$ 491,851	$ 283,523	$ 948,977	$ 1,094,120	$ 1,046,055	$ 3,864,526	$ 98,181	$ 109,875

Nevada Housing Division

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - SINGLE-FAMILY PROGRAM FUNDS - CONTINUED

Year ended June 30, 2018

	Parity Program		Parity Program						
	2009B Mortgage Purchase	Total Parity Program	2010I Mortgage Purchase	2011A Mortgage Purchase	2011B Mortgage Purchase	2011C Mortgage Purchase	Total Parity Program	2014A Mortgage Purchase	Combined Total
Operating revenues									
Interest and other investment income	$ 79,393	$ 218,537	$ 269,481	$ 351,001	$ 254,176	$ 1,171,262	$ 2,045,920	$ 1,017,457	$ 3,410,558
Total investment income	79,393	218,537	269,481	351,001	254,176	1,171,262	2,045,920	1,017,457	3,410,558
Total operating revenues	79,393	218,537	269,481	351,001	254,176	1,171,262	2,045,920	1,017,457	3,410,558
Operating expenses									
Interest on bonds payable	77,426	209,739	212,804	289,352	222,912	1,179,324	1,904,392	787,351	2,901,482
Interfund operating charge	4,460	11,426	17,696	21,843	17,863	203,813	261,215	64,308	336,949
Total operating expenses	81,886	221,165	230,500	311,195	240,775	1,383,137	2,165,607	851,659	3,238,431
CHANGE IN POSITION	(2,493)	(2,628)	38,981	39,806	13,401	(211,875)	(119,687)	165,798	172,127
Net position at beginning of year	126,801	334,992	583,435	689,230	339,005	3,434,382	5,046,052	1,207,859	10,324,785
Net position at end of year	$ 124,308	$ 332,364	$ 622,416	$ 729,036	$ 352,406	$ 3,222,507	$ 4,926,365	$ 1,373,657	$ 10,496,912

Nevada Housing Division

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MULTI-UNIT PROGRAM FUNDS

Year ended June 30, 2018

	1996 Oakmont Flamingo	1996 Oakmont Fort Apache	1997 Maryland Villas	1998 Hilltop Villas	1998 Stewart Villas	1999 Studio Three	1999 Parkway Silverado	1999 Apache Pines
Operating revenues								
Interest and other investment income	$ -	$ -	$ -	$ -	$ -	$ -	$ 94	$ 716
Total investment income	-	-	-	-	-	-	94	716
Interest income on mortgage loans	119,161	69,005	4,702	10,576	16,592	42,680	93,319	140,197
Other income	24,225	14,918	454	4,335	6,713	10,395	24,758	32,491
Total operating revenue	143,386	83,923	5,156	14,911	23,305	53,075	118,171	173,404
Operating expenses								
Administrative expenses	-	-	-	-	-	-	10,532	650
Interest on bonds payable	119,161	69,005	4,702	10,576	16,592	42,680	93,319	140,197
Interfund operating charge	24,225	14,918	454	4,335	6,713	10,395	24,758	32,492
Total operating expenses	143,386	83,923	5,156	14,911	23,305	53,075	128,609	173,339
CHANGE IN POSITION	-	-	-	-	-	-	(10,438)	65
Net position at beginning of year	-	-	-	-	-	-	10,438	1,897
Net position at end of year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,962

Nevada Housing Division

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MULTI-UNIT PROGRAM FUNDS - CONTINUED

Year ended June 30, 2018

	2000 City Center Apts.	2000 Horizon Pines Sr. Apts.	2000 Horizon Sr. Apts.	2002 City Center Las Vegas	2002 Silver Pines	2002 St. Rose Seniors	2002 Bluffs at Reno
Operating revenues							
Interest and other investment income	$ -	$ 169	$ 220	$ -	$ 231	$ 80	$ 203
Total investment income	-	169	220	-	231	80	203
Interest income on mortgage loans	56,004	97,298	76,378	104,631	138,984	48,790	212,777
Other income	13,640	22,791	20,405	25,483	32,381	16,924	49,088
Total operating revenue	69,644	120,258	97,003	130,114	171,596	65,794	262,068
Operating expenses							
Administrative expenses	-	156	338	-	-	2,627	-
Interest on bonds payable	56,004	97,298	76,378	104,631	138,984	48,790	212,777
Interfund operating charge	13,640	22,792	20,404	25,484	32,381	16,924	49,088
Total operating expenses	69,644	120,246	97,120	130,115	171,365	68,341	261,865
CHANGE IN POSITION	-	12	(117)	(1)	231	(2,547)	203
Net position at beginning of year	-	8	117	1	5,106	2,547	9,046
Net position at end of year	$ -	$ 20	$ -	$ -	$ 5,337	$ -	$ 9,249

Nevada Housing Division

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MULTI-UNIT PROGRAM FUNDS - CONTINUED

Year ended June 30, 2018

	2002 Sunset Canyon	2002 Los Pecos	2002 Wood Creek	2003 L'Octaine Urban	2004 Glenbrook Terrace	2005 Sierra Pointe	2005 Sonoma Palms
Operating revenues							
Interest and other investment income	$ 2,420	$ 6,142	$ 278	$ -	$ 6,702	$ 119	$ 178
Total investment income	2,420	6,142	278	-	6,702	119	178
Interest income on mortgage loans	541,101	453,422	60,690	28,913	727,092	112,190	195,698
Other income	28,170	23,894	4,812	7,095	43,841	28,395	48,900
Total operating revenue	571,691	483,458	65,780	36,008	777,635	140,704	244,776
Operating expenses							
Administrative expenses	1,248	2,103	85,737	-	2,499	-	13
Interest on bonds payable	541,100	453,422	61,250	28,913	727,092	112,190	195,698
Interfund operating charge	28,171	23,894	4,812	7,096	43,843	28,396	48,899
Total operating expenses	570,519	479,419	151,799	36,009	773,434	140,586	244,610
CHANGE IN POSITION	1,172	4,039	(86,019)	(1)	4,201	118	166
Net position at beginning of year	3,874	954	86,019	1	9,733	966	1,490
Net position at end of year	$ 5,046	$ 4,993	$ -	$ -	$ 13,934	$ 1,084	$ 1,656

Nevada Housing Division

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MULTI-UNIT PROGRAM FUNDS - CONTINUED

Year ended June 30, 2018

	2005 Southwest Village	2006 Riverwood	2007 Centennial Park	2007 Golden Apartments	2007 Vintage at Laughlin	2007 Vista Creek	2007 HELP Owens Apartments
Operating revenues							
Interest and other investment income	$ 162	$ -	$ 102	$ 95	$ -	$ -	$ 243
Total investment income	162	-	102	95	-	-	243
Interest income on mortgage loans	201,327	178,838	83,116	93,047	116,357	229,459	24,109
Other income	51,000	11,066	5,089	23,550	28,980	55,545	5,970
Total operating revenue	252,489	189,904	88,307	116,692	145,337	285,004	30,322
Operating expenses							
Administrative expenses	145	-	-	-	-	-	-
Interest on bonds payable	201,327	178,838	83,116	93,047	116,357	229,459	24,109
Interfund operating charge	50,999	11,065	5,089	23,551	28,980	55,545	5,969
Total operating expenses	252,471	189,903	88,205	116,598	145,337	285,004	30,078
CHANGE IN POSITION	18	1	102	94	-	-	244
Net position at beginning of year	4,420	(1)	2,509	224	-	-	1,198
Net position at end of year	$ 4,438	$ -	$ 2,611	$ 318	$ -	$ -	$ 1,442

Nevada Housing Division

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MULTI-UNIT PROGRAM FUNDS - CONTINUED

Year ended June 30, 2018

	2007 Arby Road Apartments	2008 Sierra Manor Apartments	2011 Washoe Mill	2013 Henderson Apartments	2013 Agate Avenue	2014 Agate Seniors II	2015 501 N lamb Apartments
Operating revenues							
Interest and other investment income	$ 3,706	$ 61	$ 204	$ 216	$ 114	$ 80	$ 58
Total investment income	3,706	61	204	216	114	80	58
Interest income on mortgage loans	556,528	462,291	288,171	861,266	438,573	308,567	586,386
Other income	29,850	19,999	24,352	43,132	24,692	23,448	55,479
Total operating revenue	590,084	482,351	312,727	904,614	463,379	332,095	641,923
Operating expenses							
Administrative expenses	1,448	55	-	(5)	-	-	-
Interest on bonds payable	556,528	462,291	288,171	861,266	438,573	308,567	586,386
Interfund operating charge	29,845	20,001	24,352	43,131	24,694	23,449	55,479
Total operating expenses	587,821	482,347	312,523	904,392	463,267	332,016	641,865
CHANGE IN POSITION	2,263	4	204	222	112	79	58
Net position at beginning of year	3,312	27	45	35	9	11	-
Net position at end of year	$ 5,575	$ 31	$ 249	$ 257	$ 121	$ 90	$ 58

Nevada Housing Division

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MULTI-UNIT PROGRAM FUNDS - CONTINUED

Year ended June 30, 2018

	2015 Terracina Apartments	2016 Boulder Pines 2	2016 Vintage @ the Crossings	2016 Rose Garden Townhouses	2017 Baltimore Cleveland	2017 Sierra Pointe & Granada	2017 Madison Palms
Operating revenues							
Interest and other investment income	$ 292	$ -	$ -	$ -	$ -	$ -	$ -
Total investment income	292	-	-	-	-	-	-
Interest income on mortgage loans	381,237	731,700	432,026	402,327	755,644	203,419	38,025
Other income	26,480	64,620	75,120	31,628	63,435	74,299	21,050
Total operating revenue	408,009	796,320	507,146	433,955	819,079	277,718	59,075
Operating expenses							
Administrative expenses	-	-	-	-	-	-	-
Interest on bonds payable	381,237	731,700	432,026	402,327	755,644	203,419	38,025
Interfund operating charge	26,480	64,620	75,120	31,628	63,435	74,297	21,050
Total operating expenses	407,717	796,320	507,146	433,955	819,079	277,716	59,075
CHANGE IN POSITION	292	-	-	-	-	2	-
Net position at beginning of year	-	-	-	-	-	-	-
Net position at end of year	$ 292	$ -	$ -	$ -	$ -	$ 2	$ -

Nevada Housing Division

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MULTI-UNIT PROGRAM FUNDS - CONTINUED

Year ended June 30, 2018

	2017 Steamboat Summit	2017 Rose Garden Seniors	2017 Sierra Pines	2018 Sky Mountain	2018 Summit Club	2018 Tenaya Seniors	Combined Total
Operating revenues							
Interest and other investment income	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,885
Total investment income	-	-	-	-	-	-	22,885
Interest income on mortgage loans	94,778	53,719	70,874	4,810	1,752,125	18,203	12,717,122
Other income	102,750	28,433	9,694	9,333	51,375	9,917	1,454,394
Total operating revenue	197,528	82,152	80,568	14,143	1,803,500	28,120	14,194,401
Operating expenses							
Administrative expenses	-	-	-	-	-	-	107,546
Interest on bonds payable	94,778	53,719	70,874	4,810	1,752,125	18,203	12,717,681
Interfund operating charge	102,750	28,433	9,694	9,333	51,375	9,917	1,454,395
Total operating expenses	197,528	82,152	80,568	14,143	1,803,500	28,120	14,279,622
CHANGE IN POSITION	-	-	-	-	-	-	(85,221)
Net position at beginning of year	-	-	-	-	-	-	143,986
Net position at end of year	$ -	$ -	$ -	$ -	$ -	$ -	$ 58,765

Nevada Housing Division

SCHEDULE OF INVESTMENTS

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
GENERAL FUNDS				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	$ 64,511,429
FNMA-AX8566	2.775%	2.775%	10/1/2044	947,439
FNMA-AX8567	3.275%	3.275%	11/1/2044	399,072
FNMA-AX8814	2.775%	2.775%	8/1/2044	280,934
FNMA-AX9304	3.275%	3.275%	11/1/2044	172,346
FNMA-AY0385	3.275%	3.275%	11/1/2044	135,732
FNMA-AY0724	2.025%	2.025%	11/1/2044	284,701
FNMA-AY0725	2.775%	2.775%	12/1/2044	184,530
FNMA AY2418	2.775%	2.775%	11/1/2044	417,619
FNMA AY2419	3.275%	3.275%	11/1/2044	136,487
FNMA AY5123	2.025%	2.025%	12/1/2044	200,518
FNMA AY5535	3.275%	3.275%	12/1/2044	427,967
FNMA AY7456	2.025%	2.025%	10/1/2044	136,606
GNMA-AI4798	3.500%	3.500%	11/1/2044	611,557
GNMA-AI4930	3.000%	3.000%	11/15/2044	663,914
GNMA-AI4931	3.500%	3.500%	11/1/2044	350,849
GNMA-AI4940	2.250%	2.250%	11/1/2044	1,704,866
GNMA-AI4942	3.000%	3.000%	11/1/2044	99,056
GNMA-AI4943	3.500%	3.500%	11/15/2044	1,018,921
GNMA-AK6409	2.250%	2.250%	12/15/2044	748,378
GNMA-AK6410	3.000%	3.000%	11/1/2044	185,759
GNMA-AK6411	2.250%	2.250%	12/15/2044	1,195,066
GNMA AK6924	2.250%	2.250%	1/15/2045	2,760,798
GNMA AK6925	2.750%	2.750%	1/15/2045	300,674
GNMA AK6926	3.000%	3.000%	12/15/2044	165,069
GNMA AK6987	2.250%	2.250%	2/15/2045	704,777
GNMA AK6988	2.750%	2.750%	2/15/2045	220,808
GNMA AK7039	2.250%	2.250%	4/15/1945	267,050
				79,232,922
Funds Managed by PFM				
Federal Government Obligations Fund	-	-	-	29,222
Bank Of Montreal Chicago CD	1.88%	1.88%	2/7/2019	998,137
Bank Of Nova Scotia Houston CD	3.08%	3.08%	6/5/2020	799,411
Bank Of Nova Scotia Houston LT CD	1.91%	1.91%	4/5/2019	198,838
Canadian Imperial Bank NY CD	1.76%	1.76%	11/30/2018	1,496,079
Credit Suisse New York CD	2.67%	2.67%	2/7/2020	454,983
Mufg Bank Ltd NY CD	2.07%	2.07%	9/25/2019	450,450
Nordea Bank AB NY CD	2.72%	2.72%	2/20/2020	681,387
Skandinav Enskilda Banken NY CD	1.84%	1.84%	8/2/2019	892,236
Sumitomo Mitsui Bank NY CD	2.05%	2.05%	5/3/2019	896,173
Svenska Handelsbanken NY LT CD	1.89%	1.89%	1/10/2019	995,657
Swedbank (New York) CD	2.27%	2.27%	11/16/2020	895,893
Westpac Banking Corp NY CD	2.05%	2.05%	8/3/2020	792,260
Allya 2017-5 A3	1.99%	1.99%	3/15/2022	350,720
Allya 2018-1 A3	2.35%	2.35%	6/15/2022	396,478
Allya 2018-3 A3	3.00%	3.00%	1/15/2023	454,969
Harot 2017-4 A3	2.05%	2.05%	11/21/2021	251,540
Hart 2018-A A3	2.79%	2.79%	7/15/2022	149,503
Narot 2017-C A3	2.12%	2.12%	4/15/2022	147,949
Taot 2017-D A3	1.93%	1.93%	1/15/2022	275,547
Taot 2018-A A3	2.35%	2.35%	5/16/2022	232,624
Taot 2018-B A3	2.96%	2.96%	9/15/2022	385,064
American Express Credit Corp Notes	2.200%	2.200%	3/3/2020	518,112

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
GENERAL FUNDS - Continued				
Funds Managed by PFM - Continued				
American Express Credit Corp Notes	1.700%	1.700%	10/30/2019	$ 280,581
American Honda Finance Corp Notes	1.700%	1.700%	9/9/2021	574,835
Apple Inc Bonds	1.900%	1.900%	2/7/2020	691,156
Bank Of America Corp Note	2.625%	2.625%	4/19/2021	442,070
Bank Of Ny Mellon Corp Notes	2.600%	2.600%	2/7/2022	617,040
Branch Banking & Trust (Callable) Notes	2.150%	2.150%	2/1/2021	228,538
Citigroup Inc Corp (Callable) Note	2.900%	2.900%	12/8/2021	440,831
General Electric Co Corporate Note	5.550%	5.550%	5/4/2020	833,792
Goldman Sachs Group Corp Notes	5.250%	5.250%	7/27/2021	425,627
JP Morgan Chase & Co Corp Notes	4.250%	4.250%	10/15/2020	613,379
Microsoft Corp Notes	1.850%	1.850%	2/6/2020	473,867
Paccar Financial Corp Notes	2.050%	2.050%	11/13/2020	121,991
State Street Corp Notes	1.950%	1.950%	5/19/2021	629,708
The Procter & Gamble Co Corp Notes	1.900%	1.900%	10/23/2020	185,985
Toyota Motor Credit Corp Notes	3.300%	3.300%	1/12/2022	641,768
United Parcel Service Corporate Bond	2.050%	2.050%	4/1/2021	356,038
Wal-Mart Stores Inc Corp Note	1.900%	1.900%	12/15/2020	881,762
Fannie Mae Notes	2.500%	2.500%	4/13/2021	457,566
FHLB Notes	1.375%	1.375%	9/28/2020	690,298
FHLMC Agency Notes	1.375%	1.375%	4/20/2020	1,263,187
FNMA Notes	1.500%	1.500%	2/28/2020	344,085
FNMA Notes	1.500%	1.500%	7/30/2020	415,346
FNMA Notes	1.500%	1.500%	7/30/2020	605,916
FNMA Notes	1.250%	1.250%	8/17/2021	751,072
Freddie Mac Notes	1.500%	1.500%	1/17/2020	984,291
FHLMC Multifamily Structured P Pool	3.090%	3.090%	8/25/2022	240,093
FNA 2018-M5 A2	3.560%	3.560%	9/25/2021	304,242
US Treasury N/B Notes	2.000%	2.000%	10/31/2022	1,262,270
US Treasury N/B Notes	2.250%	2.250%	7/31/2021	963,955
US Treasury Notes	1.375%	1.375%	1/31/2021	484,746
US Treasury Notes	1.875%	1.875%	1/31/2022	1,070,093
US Treasury Notes	1.875%	1.875%	1/31/2022	1,945,624
US Treasury Notes	1.750%	1.750%	2/28/2022	193,523
US Treasury Notes	1.250%	1.250%	3/31/2021	337,449
US Treasury Notes	1.250%	1.250%	3/31/2021	983,424
US Treasury Notes	1.875%	1.875%	3/31/2022	728,467
US Treasury Notes	1.875%	1.875%	3/31/2022	1,432,651
US Treasury Notes	2.250%	2.250%	4/30/2021	930,600
US Treasury Notes	1.375%	1.375%	4/30/2020	83,260
US Treasury Notes	1.375%	1.375%	5/31/2021	1,249,726
US Treasury Notes	2.000%	2.000%	7/31/2022	484,043
US Treasury Notes	1.875%	1.875%	7/31/2022	1,216,114
US Treasury Notes	2.000%	2.000%	8/31/2021	612,818
US Treasury Notes	1.750%	1.750%	9/30/2022	1,168,631
US Treasury Notes	1.750%	1.750%	9/30/2022	1,538,938
US Treasury Notes	2.000%	2.000%	10/31/2021	342,672
US Treasury Notes	1.625%	1.625%	11/30/2020	1,041,121
				45,308,421
Funds Managed by BNY Mellon				
CRA (BNY Mellon, N.A. Member FDIC)	-	-	-	8,004
American Express Credit	1.800%	1.800%	7/2/2018	299,865
Anheuser-Busch Inbev Fin	2.650%	2.650%	2/1/2021	493,110

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
GENERAL FUNDS - Continued				
Funds Managed by BNY Mellon - Continued				
Blackrock Inc	5.000%	5.000%	12/10/2019	$ 515,765
Cisco Systems	2.200%	2.200%	3/1/2019	299,250
Comcast Corp	3.125%	3.125%	7/15/2022	490,715
General Elec Cap Corp	5.300%	5.300%	2/11/2021	523,090
Goldman Sachs Group Inc	2.300%	2.300%	12/13/2019	494,785
HSBC USA Inc	2.250%	2.250%	6/23/2019	496,520
Intercontinental Exchange	2.750%	2.750%	12/1/2020	496,025
JP Morgan Chase & Co	2.550%	2.550%	3/1/2021	489,995
Morgan Stanley	2.500%	2.500%	1/24/2019	499,210
PNC Funding Corp	3.300%	3.300%	3/8/2022	497,030
Simon Property Group LP	2.200%	2.200%	2/1/2019	498,210
US Bancorp	2.350%	2.350%	1/29/2021	490,415
Wells Fargo & Company	2.500%	2.500%	3/4/2021	488,840
Federal Farm Credit Bank	1.100%	1.100%	10/15/2018	997,300
Federal Farm Credit Bank	1.110%	1.110%	1/28/2019	699,889
Federal Farm Credit Bank	1.100%	1.100%	8/1/2019	1,258,765
Federal Farm Credit Bank	1.720%	1.720%	1/6/2020	542,603
Federal Home Loan Bank	1.600%	1.600%	10/19/2020	737,235
Federal Home Loan Bank	1.300%	1.300%	3/30/2021	492,060
Federal Home Loan Bank	1.300%	1.300%	5/25/2021	224,682
Federal Home Loan Mtg Corp	1.250%	1.250%	12/14/2018	1,503,960
Federal Home Loan Mtg Corp	0.950%	0.950%	1/30/2019	992,500
Federal Home Loan Mtg Corp	1.250%	1.250%	8/15/2019	695,525
Federal Home Loan Mtg Corp	1.300%	1.300%	6/30/2021	488,165
Federal National Mortgage Assn	1.400%	1.400%	6/13/2019	931,314
Federal National Mortgage Assn	1.250%	1.250%	7/26/2019	696,258
FHLMC Multifamily Structured Passthru CTF	2.303%	2.303%	9/25/2018	618,113
United States Treasury Notes	1.000%	1.000%	8/15/2018	2,607,233
United States Treasury Notes	0.800%	0.800%	10/31/2018	995,860
United States Treasury Notes	1.000%	1.000%	11/30/2018	298,665
United States Treasury Notes	1.625%	1.625%	3/31/2019	1,492,740
United States Treasury Notes	1.500%	1.500%	5/31/2019	972,611
United States Treasury Notes	1.625%	1.625%	6/30/2019	1,489,050
United States Treasury Notes	0.875%	0.875%	10/15/2019	692,141
United States Treasury Notes	1.875%	1.875%	12/31/2019	1,674,891
United States Treasury Notes	1.625%	1.625%	3/15/2020	1,792,991
United States Treasury Notes	1.500%	1.500%	4/15/2020	775,962
United States Treasury Notes	1.500%	1.500%	7/15/2020	1,468,950
United States Treasury Notes	1.500%	1.500%	8/15/2020	1,467,420
United States Treasury Notes	1.250%	1.250%	9/15/2020	731,018
Amazon.Com Inc	2.600%	2.600%	12/5/2019	450,131
Americredit Automobile Receivables Trust 2015-3 Passthru CTF	2.080%	2.080%	9/8/2020	1,128,413
Capital One Multi-Asset Execution Trust Passthru CTF	2.500%	2.500%	3/15/2023	933,794
Federal Home Loan Mortgage Corp Gold Passthru CTF	2.500%	2.500%	3/1/2023	912,513
Federal Home Loan Mortgage Corp Passthru CTF	2.750%	2.750%	6/15/2026	59,561
Federal Home Loan Mortgage Corp Remic Passthru CTF	3.000%	3.000%	11/15/2021	735,593
Federal Home Loan Mortgage Corp Remic Passthru CTF	1.500%	1.500%	2/15/2027	729,036
Federal Home Loan Mortgage Corp Remic Passthru CTF	3.500%	3.500%	9/15/2025	139,055
Federal Home Loan Mortgage Corp Remic Passthru CTF	4.500%	4.500%	11/15/2044	741,553
Federal Home Loan Mortgage Corp Remic Passthru CTF	1.500%	1.500%	4/15/2027	317,519
Federal Home Loan Mortgage Corp Remic Passthru CTF	4.224%	4.224%	3/25/2020	505,580
Federal Home Loan Mortgage Corp Remic Passthru CTF	3.000%	3.000%	4/15/2025	250,168
Federal Home Mortgage Corp Gold Passthru CTF	2.000%	2.000%	7/1/2023	595,799

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
GENERAL FUNDS - Continued				
Funds Managed by BNY Mellon - Continued				
Federal National Mortgage Assn Passthru CTF	2.000%	2.000%	7/1/2023	$ 276,715
Federal National Mortgage Assn Passthru CTF	1.750%	1.750%	11/25/2020	275,778
Federal National Mortgage Assn Passthru CTF	2.500%	2.500%	1/1/2024	690,020
Federal National Mortgage Assn Passthru CTF	2.400%	2.400%	8/1/2020	906,139
Federal National Mortgage Assn Passthru CTF	2.000%	2.000%	12/1/2026	772,481
Federal National Mortgage Assn Passthru CTF	2.500%	2.500%	11/1/2022	1,154,987
Federal National Mortgage Assn Passthru CTF	2.000%	2.000%	9/1/2023	559,006
Federal National Mortgage Assn Passthru CTF	2.000%	2.000%	11/1/2023	362,036
Federal National Mortgage Assn Passthru CTF	2.500%	2.500%	12/1/2023	464,572
Federal National Mortgage Assn Passthru CTF	2.000%	2.000%	10/1/2026	730,766
Federal National Mortgage Assn Passthru CTF	2.000%	2.000%	1/1/2027	967,917
Federal National Mortgage Assn Passthru CTF	2.500%	2.500%	7/1/2027	817,418
Federal National Mortgage Assn Passthru CTF	3.000%	3.000%	6/25/2024	98,328
Federal National Mortgage Assn Pool Ma1577 Passthru CTF	2.550%	2.550%	9/1/2023	311,666
Federal National Mortgage Assn Remic Asatru CTF	2.750%	2.750%	6/25/2020	58,667
Federal National Mortgage Assn Remic Asatru CTF	2.000%	2.000%	10/25/2018	28,097
Federal National Mortgage Assn Remic Asatru CTF	5.000%	5.000%	8/25/2020	134,516
Federal National Mortgage Assn Remic Asatru CTF	3.000%	3.000%	3/25/2025	500,936
Federal National Mortgage Assn Remic Asatru CTF	1.500%	1.500%	7/25/2027	633,925
				51,661,415
Total general funds				176,202,758
SINGLE-FAMILY PROGRAMS				
2006A Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	214,935
GNMA II Pool #659436	5.700%	5.700%	8/20/2036	92,242
GNMA II Pool #661296	5.700%	5.700%	10/20/2036	72,021
GNMA II Pool #680740	5.500%	5.500%	11/20/2037	102,591
GNMA II Pool #680716	5.800%	5.800%	11/20/2037	8,452
				490,241
2006B Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	141,484
GNMA II Pool #680716	5.800%	5.800%	11/20/2037	141,148
				282,632
2007A Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	556,825
GNMA II Pool #669436	5.220%	5.220%	5/20/2037	136,454
GNMA II Pool #671757	5.350%	5.350%	7/20/2037	253,164
				946,443
2007B Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	494,770
GNMA II Pool #680713	5.800%	5.800%	12/20/2037	134,207
GNMA II Pool #686634	5.800%	5.800%	11/20/2037	77,817
GNMA II Pool #696621	5.750%	5.750%	7/20/2038	144,127
GNMA II Pool #729108	5.700%	5.700%	10/20/2039	131,323
FNMA Pool #954161	6.055%	6.055%	11/1/2047	108,262
				1,090,506

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
SINGLE-FAMILY PROGRAMS - Continued				
2008A Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	$ 820,722
GNMA II Pool #720327	5.550%	5.550%	6/20/2039	127,172
GNMA II Pool #720437	5.550%	5.550%	7/20/2039	95,947
				1,043,841
2008B Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	7,278
San Sabia	3.350%	3.350%	10/3/2039	11,621
GNMA II Pool #700616	5.850%	5.850%	10/20/2038	132,015
GNMA II Pool #703875	5.850%	5.850%	11/20/2038	115,730
GNMA II Pool #703939	5.850%	5.850%	10/20/2038	127,106
GNMA II Pool #720436	6.170%	6.170%	8/20/2039	67,314
				461,064
2009A Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	549,954
GNMA I Pool #757088	4.250%	4.250%	12/15/2040	50,849
GNMA I Pool #757157	4.250%	4.250%	12/15/2040	27,617
GNMA I Pool #759274	4.250%	4.250%	2/15/2041	24,332
GNMA I Pool #759365	4.250%	4.250%	2/15/2041	22,961
GNMA I Pool #759406	4.250%	4.250%	1/15/2041	42,233
GNMA I Pool #759529	4.250%	4.250%	1/15/2041	21,349
GNMA I Pool #762756	4.250%	4.250%	2/15/2041	36,473
GNMA II Pool #706140	5.850%	5.850%	2/20/2039	142,488
GNMA II Pool #706142	6.750%	6.750%	2/20/2039	72,494
GNMA II Pool #706165	6.750%	6.750%	3/20/2039	96,121
GNMA II Pool #706319	5.850%	5.850%	1/20/2039	142,509
GNMA II Pool #706443	6.750%	6.750%	1/20/2039	89,740
GNMA II Pool #716931	6.750%	6.750%	5/20/2039	264,779
GNMA II Pool #720327	5.550%	5.550%	6/20/2039	14,130
GNMA II Pool #720436	6.170%	6.170%	8/20/2039	7,479
GNMA II Pool #720437	5.550%	5.550%	7/20/2039	10,661
GNMA II Pool #726519	5.700%	5.700%	9/20/2039	9,361
GNMA II Pool #726653	5.700%	5.700%	10/20/2039	8,838
GNMA II Pool #752543	4.250%	4.250%	10/20/2040	30,885
GNMA II Pool #752745	4.250%	4.250%	11/20/2040	69,996
				1,735,249
2009B Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	268,041
GNMA II Pool #726519	5.700%	5.700%	9/20/2039	84,251
GNMA II Pool #726653	5.700%	5.700%	10/20/2039	79,545
GNMA II Pool #726695	5.600%	5.600%	10/20/2039	92,427
GNMA II Pool #728852	4.750%	4.750%	4/20/2040	9,191
GNMA II Pool #728878	4.750%	4.750%	5/20/2040	20,223
GNMA II Pool #729051	5.600%	5.600%	12/20/2039	126,970
GNMA II Pool #729075	5.600%	5.600%	12/20/2039	109,024
GNMA II Pool #729106	5.700%	5.700%	12/20/2039	212,468
GNMA II Pool #729190	5.700%	5.700%	10/20/2039	79,423
GNMA II Pool #729191	4.750%	4.750%	2/20/2040	34,186
GNMA II Pool #729194	4.750%	4.750%	12/20/2039	8,428
GNMA II Pool #736462	4.750%	4.750%	3/20/2040	26,105
GNMA II Pool #736463	5.350%	5.350%	2/20/2040	7,102
GNMA II Pool #736474	4.750%	4.750%	1/20/2040	6,144

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
SINGLE-FAMILY PROGRAMS - Continued				
2009B Single-Family Program - Continued				
GNMA II Pool #736488	4.750%	4.750%	3/20/2040	$ 5,473
GNMA II Pool #736489	4.750%	4.750%	3/20/2040	5,003
GNMA II Pool #741922	4.750%	4.750%	4/20/2040	12,121
GNMA II Pool #742055	4.000%	4.000%	6/20/2040	33,803
GNMA II Pool #745391	4.250%	4.250%	6/20/2040	39,463
GNMA II Pool #748802	4.250%	4.250%	9/20/2040	19,146
GNMA II Pool #748817	4.250%	4.250%	9/20/2040	25,801
GNMA II Pool #752488	4.250%	4.250%	10/20/2040	30,672
FNMA Pool #963567	5.705%	5.705%	4/1/2048	178,877
				1,513,887
2010I Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	654,627
GNMA I Pool # 752640	4.000%	4.000%	7/15/2040	155,027
GNMA I Pool # 759275	4.250%	4.250%	11/15/2040	8,503
GNMA I Pool # 759407	4.250%	4.250%	11/15/2040	17,636
GNMA I Pool # 762947	4.250%	4.250%	3/15/2041	13,615
GNMA I Pool # 763186	4.250%	4.250%	4/15/2041	20,117
GNMA I Pool # 763261	4.250%	4.250%	5/15/2041	45,941
GNMA I Pool # 770670	4.250%	4.250%	5/15/2041	31,667
GNMA I Pool # 770671	3.950%	3.950%	6/15/2041	13,972
GNMA I Pool # 770755	4.250%	4.250%	3/15/2041	8,151
GNMA I Pool # 770756	4.250%	4.250%	6/15/2041	26,463
GNMA I Pool # 770757	3.950%	3.950%	6/15/2041	123,569
GNMA II Pool # 728854	4.000%	4.000%	4/20/2040	435,172
GNMA II Pool # 728879	4.000%	4.000%	5/20/2040	375,415
GNMA II Pool # 728900	4.000%	4.000%	5/20/2040	218,117
GNMA II Pool # 742145	4.000%	4.000%	5/20/2040	297,604
GNMA II Pool # 742167	4.000%	4.000%	7/20/2040	110,477
GNMA II Pool # 742185	4.250%	4.250%	8/20/2040	1,537,461
GNMA II Pool # 742214	4.250%	4.250%	8/20/2040	824,921
GNMA II Pool # 742327	4.000%	4.000%	6/20/2040	682,054
GNMA II Pool # 752639	4.250%	4.250%	10/20/2040	295,234
				5,895,743
2011A Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	596,681
FNMA Pool #AE1998	4.125%	4.125%	8/1/2040	110,822
GNMA I Pool # 389176	3.950%	3.950%	7/15/2041	159,652
GNMA I Pool # 389177	4.250%	4.250%	6/15/2041	21,394
GNMA I Pool # 411009	3.950%	3.950%	8/15/2041	83,490
GNMA I Pool # 544278	3.950%	3.950%	8/15/2041	147,580
GNMA I Pool # 565054	3.950%	3.950%	8/15/2041	63,430
GNMA I Pool # 757088	4.250%	4.250%	12/15/2040	457,643
GNMA I Pool # 757157	4.250%	4.250%	12/15/2040	279,235
GNMA I Pool # 759274	4.250%	4.250%	2/15/2041	218,985
GNMA I Pool # 759365	4.250%	4.250%	2/15/2041	206,649
GNMA I Pool # 759406	4.250%	4.250%	1/15/2041	380,099
GNMA I Pool # 759529	4.250%	4.250%	1/15/2041	192,138
GNMA I Pool # 762756	4.250%	4.250%	2/15/2041	328,261
GNMA I Pool # 762982	4.250%	4.250%	3/15/2041	10,072
GNMA I Pool # 762984	4.250%	4.250%	3/15/2041	43,651
GNMA I Pool # 763073	4.250%	4.250%	3/15/2041	6,276

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
SINGLE-FAMILY PROGRAMS - Continued				
2011A Single-Family Program - Continued				
GNMA I Pool # 763074	4.250%	4.250%	4/15/2041	$ 15,159
GNMA I Pool # 770592	3.950%	3.950%	7/15/2041	20,823
GNMA I Pool # 770594	3.950%	3.950%	8/15/2041	188,839
GNMA I Pool # 770595	3.950%	3.950%	8/15/2041	16,147
GNMA I Pool # 770884	4.250%	4.250%	6/15/2041	8,486
GNMA I Pool # 770885	3.950%	3.950%	6/15/2041	39,061
GNMA I Pool # 770921	4.250%	4.250%	6/15/2041	13,389
GNMA I Pool # 770922	3.950%	3.950%	7/15/2041	97,435
GNMA II Pool # 728852	4.750%	4.750%	4/20/2040	82,722
GNMA II Pool # 728878	4.750%	4.750%	5/20/2040	182,007
GNMA II Pool # 728879	4.000%	4.000%	5/20/2040	165,687
GNMA II Pool # 729191	4.750%	4.750%	2/20/2040	307,671
GNMA II Pool # 729194	4.750%	4.750%	12/20/2039	75,856
GNMA II Pool # 736462	4.750%	4.750%	3/20/2040	234,949
GNMA II Pool # 736463	5.350%	5.350%	2/20/2040	63,916
GNMA II Pool # 736474	4.750%	4.750%	1/20/2040	55,291
GNMA II Pool # 736488	4.750%	4.750%	3/20/2040	49,257
GNMA II Pool # 736489	4.750%	4.750%	3/20/2040	45,029
GNMA II Pool # 741922	4.750%	4.750%	4/20/2040	109,092
GNMA II Pool # 742055	4.000%	4.000%	6/20/2040	304,223
GNMA II Pool # 745391	4.250%	4.250%	6/20/2040	355,167
GNMA II Pool # 748802	4.250%	4.250%	9/20/2040	172,314
GNMA II Pool # 748817	4.250%	4.250%	9/20/2040	232,208
GNMA II Pool # 752488	4.250%	4.250%	10/20/2040	276,043
GNMA II Pool # 752543	4.250%	4.250%	10/20/2040	277,968
GNMA II Pool # 752745	4.250%	4.250%	11/20/2040	629,966
				7,324,763
2011B Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	395,958
GNMA I Pool #389176	3.950%	3.950%	7/15/2041	638,608
GNMA I Pool #389177	4.250%	4.250%	6/15/2041	192,550
GNMA I Pool #565054	3.950%	3.950%	8/15/2041	253,720
GNMA I Pool #618420	3.850%	3.850%	9/15/2041	49,972
GNMA I Pool #618421	4.250%	4.250%	8/15/2041	11,983
GNMA I Pool #618422	3.950%	3.950%	9/15/2041	36,699
GNMA I Pool #618423	3.850%	3.850%	8/15/2041	23,144
GNMA I Pool #618425	4.250%	4.250%	7/15/2041	6,338
GNMA I Pool #618444	3.950%	3.950%	9/15/2041	36,698
GNMA I Pool #618445	3.850%	3.850%	9/15/2041	33,339
GNMA I Pool #654678	3.950%	3.950%	9/15/2041	32,164
GNMA I Pool #654680	3.850%	3.850%	9/15/2041	12,693
GNMA I Pool #709073	3.850%	3.850%	10/15/2041	130,393
GNMA I Pool #726489	3.850%	3.850%	11/15/2041	36,314
GNMA I Pool #729347	3.750%	3.750%	11/15/2041	18,680
GNMA I Pool #759407	4.250%	4.250%	11/15/2040	158,728
GNMA I Pool #762947	4.250%	4.250%	3/15/2041	122,532
GNMA I Pool #762982	4.250%	4.250%	3/15/2041	90,648
GNMA I Pool #762984	4.250%	4.250%	3/15/2041	392,859
GNMA I Pool #763073	4.250%	4.250%	3/15/2041	56,486
GNMA I Pool #763074	4.250%	4.250%	4/15/2041	136,432
GNMA I Pool #763186	4.250%	4.250%	4/15/2041	181,049

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
SINGLE-FAMILY PROGRAMS - Continued				
2011B Single-Family Program - Continued				
GNMA I Pool #763261	4.250%	4.250%	5/15/2041	$ 413,467
GNMA I Pool #770594	3.950%	3.950%	8/15/2041	755,357
GNMA I Pool #770670	4.250%	4.250%	5/15/2041	285,000
GNMA I Pool #770755	4.250%	4.250%	3/15/2041	73,359
GNMA I Pool #770756	4.250%	4.250%	6/15/2041	238,165
GNMA I Pool #770757	3.950%	3.950%	6/15/2041	494,277
GNMA I Pool #770884	4.250%	4.250%	6/15/2041	76,377
GNMA I Pool #779742	3.850%	3.850%	11/15/2041	41,268
GNMA I Pool #779784	3.850%	3.850%	12/15/2041	107,492
GNMA I Pool #779785	3.750%	3.750%	12/15/2041	90,055
GNMA I Pool #779868	3.950%	3.950%	9/15/2041	55,304
GNMA I Pool #779869	3.850%	3.850%	11/15/2041	74,939
GNMA I Pool #779977	3.950%	3.950%	9/15/2041	29,226
GNMA I Pool #779978	3.850%	3.850%	11/15/2041	84,171
GNMA I Pool #796062	3.850%	3.850%	12/15/2041	14,872
GNMA I Pool #796063	3.750%	3.750%	1/15/2042	16,860
GNMA I Pool #796097	3.750%	3.750%	1/15/2042	71,201
				5,969,377
2011C Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	7,372,503
FNMA Pool #AV2118	2.825%	2.825%	9/1/2043	57,315
FNMA Pool #AV4983	3.275%	3.275%	11/1/2043	111,475
FNMA Pool #AV9127	2.825%	2.825%	11/1/2043	73,842
FNMA Pool #AW6340	2.775%	2.775%	4/1/2044	25,297
FNMA Pool #AW7606	2.775%	2.775%	5/1/2044	49,528
FNMA Pool #AW9734	2.775%	2.775%	6/1/2044	83,690
FNMA Pool #AX1585	2.775%	2.775%	7/1/2044	312,857
FNMA Pool #AX1969	2.775%	2.775%	7/1/2044	142,369
FNMA Pool #AX2662	2.775%	2.775%	8/1/2044	132,791
FNMA Pool #AX4039	2.775%	2.775%	8/1/2044	67,134
FNMA Pool #AX6068	2.525%	2.525%	9/1/2044	83,518
FNMA Pool #AX6069	2.775%	2.775%	10/1/2044	171,509
FNMA Pool #AX6086	2.525%	2.525%	10/1/2044	191,665
FNMA Pool #AX6087	2.775%	2.775%	10/1/2044	121,608
GNMA I Pool #411009	3.950%	3.950%	8/15/2041	333,960
GNMA I Pool #544278	3.950%	3.950%	8/15/2041	590,321
GNMA I Pool #618420	3.850%	3.850%	9/15/2041	199,887
GNMA I Pool #618421	4.250%	4.250%	8/15/2041	107,851
GNMA I Pool #618422	3.950%	3.950%	9/15/2041	146,798
GNMA I Pool #618423	3.850%	3.850%	8/15/2041	92,577
GNMA I Pool #618425	4.250%	4.250%	7/15/2041	57,046
GNMA I Pool #618444	3.950%	3.950%	9/15/2041	146,793
GNMA I Pool #618445	3.850%	3.850%	9/15/2041	133,354
GNMA I Pool #654678	3.950%	3.950%	9/15/2041	128,654
GNMA I Pool #654680	3.850%	3.850%	9/15/2041	50,773
GNMA I Pool #709073	3.850%	3.850%	10/15/2041	521,573
GNMA I Pool #726489	3.850%	3.850%	11/15/2041	145,255
GNMA I Pool #729347	3.750%	3.750%	11/15/2041	74,720
GNMA I Pool #759275	4.250%	4.250%	11/15/2040	76,526
GNMA I Pool #770592	3.950%	3.950%	7/15/2041	83,293
GNMA I Pool #770595	3.950%	3.950%	8/15/2041	64,587

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
SINGLE-FAMILY PROGRAMS - Continued				
2011C Single-Family Program - Continued				
GNMA I Pool #770671	3.950%	3.950%	6/15/2041	$ 55,886
GNMA I Pool #770885	3.950%	3.950%	6/15/2041	156,244
GNMA I Pool #770921	4.250%	4.250%	6/15/2041	120,503
GNMA I Pool #770922	3.950%	3.950%	7/15/2041	389,740
GNMA I Pool #779742	3.850%	3.850%	11/15/2041	165,071
GNMA I Pool #779784	3.850%	3.850%	12/15/2041	429,969
GNMA I Pool #779785	3.750%	3.750%	12/15/2041	360,222
GNMA I Pool #779868	3.950%	3.950%	9/15/2041	221,215
GNMA I Pool #779869	3.850%	3.850%	11/15/2041	299,758
GNMA I Pool #779977	3.950%	3.950%	9/15/2041	116,902
GNMA I Pool #779978	3.850%	3.850%	11/15/2041	336,683
GNMA I Pool #796062	3.850%	3.850%	12/15/2041	59,490
GNMA I Pool #796063	3.750%	3.750%	1/15/2042	67,442
GNMA I Pool #796095	3.750%	3.750%	12/15/2041	64,194
GNMA I Pool #796096	3.750%	3.750%	1/15/2042	113,351
GNMA I Pool #796097	3.750%	3.750%	1/15/2042	910,876
GNMA I Pool #796137	3.950%	3.950%	1/15/2042	63,585
GNMA I Pool #796138	3.750%	3.750%	1/15/2042	313,322
GNMA I Pool #796139	3.750%	3.750%	2/15/2042	196,643
GNMA I Pool #796140	3.750%	3.750%	12/15/2041	47,320
GNMA I Pool #796186	3.750%	3.750%	1/15/2042	163,899
GNMA I Pool #AC8006	3.000%	3.000%	8/15/2042	1,997,070
GNMA I Pool #AC8504	3.000%	3.000%	11/15/2042	2,175,356
GNMA I Pool #AC8552	3.000%	3.000%	11/15/2042	1,349,002
GNMA I Pool #AD7380	3.000%	3.000%	12/15/2042	3,103,563
GNMA I Pool #AD7426	3.000%	3.000%	11/15/2042	682,401
GNMA I Pool #AD7427	3.050%	3.050%	1/15/2043	90,765
GNMA I Pool #AD7566	3.000%	3.000%	11/15/2042	925,542
GNMA I Pool #AF0043	3.000%	3.000%	1/15/2043	975,195
GNMA I Pool #AF0044	3.050%	3.050%	2/15/2043	86,356
GNMA I Pool #AF0228	3.000%	3.000%	12/15/2042	1,183,661
GNMA I Pool #AF0607	3.050%	3.050%	6/15/2043	357,354
GNMA I Pool #AG5627	3.000%	3.000%	11/15/2042	1,139,141
GNMA I Pool #AG5628	3.050%	3.050%	8/15/2043	379,043
GNMA I Pool #AG5818	3.000%	3.000%	11/15/2042	495,413
GNMA I Pool #AG5819	3.050%	3.050%	10/15/2043	409,683
GNMA I Pool #AG5820	3.500%	3.500%	10/15/2043	822,979
GNMA I Pool #AG5821	4.000%	4.000%	10/15/2043	780,633
GNMA I Pool #AG5984	3.000%	3.000%	2/15/2043	204,250
GNMA I Pool #AG5985	3.050%	3.050%	10/15/2043	60,650
GNMA I Pool #AH1876	3.000%	3.000%	11/15/2042	122,201
GNMA I Pool #AH1878	3.500%	3.500%	11/15/2043	156,221
GNMA I Pool #AH1879	4.000%	4.000%	11/15/2043	134,528
GNMA I Pool #AH1982	3.000%	3.000%	12/15/2042	168,680
GNMA I Pool #AH1983	3.050%	3.050%	5/15/2043	47,572
GNMA I Pool #AH1984	3.500%	3.500%	11/15/2043	73,064
GNMA I Pool #AH2055	3.000%	3.000%	1/15/2043	118,715
GNMA I Pool #AH2056	3.050%	3.050%	5/15/2043	77,819
GNMA I Pool #AH2605	3.000%	3.000%	10/15/2042	19,182
GNMA I Pool #AH2606	3.050%	3.050%	4/15/2043	54,286
GNMA I Pool #AH2607	4.000%	4.000%	2/15/2044	23,068

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
SINGLE-FAMILY PROGRAMS - Continued				
2011C Single-Family Program - Continued				
GNMA I Pool #AH2650	3.000%	3.000%	3/15/2044	$ 190,606
GNMA I Pool #AH2686	3.000%	3.000%	4/15/2044	236,886
GNMA I Pool #AI4088	3.000%	3.000%	5/15/2044	438,078
GNMA I Pool #AI4131	3.000%	3.000%	7/15/2044	956,041
GNMA I Pool #AI4140	3.000%	3.000%	7/15/2044	516,465
GNMA I Pool #AI4185	3.000%	3.000%	8/15/2044	357,719
GNMA I Pool #AI4202	2.750%	2.750%	9/15/2044	222,644
GNMA I Pool #AI4203	3.000%	3.000%	8/15/2044	413,843
GNMA I Pool #AI4712	2.250%	2.250%	9/15/2044	199,816
GNMA I Pool #AI4713	2.750%	2.750%	9/15/2044	298,905
GNMA I Pool #AI4714	3.000%	3.000%	8/15/2044	233,332
GNMA I Pool #AI4728	2.250%	2.250%	10/15/2044	383,612
GNMA I Pool #AI4729	2.750%	2.750%	9/15/2044	387,369
GNMA I Pool #AI4730	3.000%	3.000%	9/15/2044	274,082
GNMA I Pool #AI4771	2.750%	2.750%	10/15/2044	106,985
GNMA I Pool #AI4772	3.000%	3.000%	10/15/2044	77,790
GNMA I Pool #AI4773	3.500%	3.500%	9/15/2044	43,795
GNMA I Pool #AI4797	3.000%	3.000%	10/15/2044	315,832
				40,470,577
2014A Single-Family Program				
Morgan Stanley Inst Liquidity Gov't Inst	-	-	-	2,359,938
GNMA I Pool #AH1982	3.000%	3.000%	12/15/2042	395,564
GNMA I Pool #AH1983	3.050%	3.050%	5/15/2043	111,411
GNMA I Pool #AH1984	3.500%	3.500%	11/15/2043	170,715
GNMA I Pool #AH2055	3.000%	3.000%	1/15/2043	278,299
GNMA I Pool #AH2056	3.050%	3.050%	5/15/2043	182,490
GNMA I Pool #AH2605	3.000%	3.000%	10/15/2042	44,983
GNMA I Pool #AH2606	3.050%	3.050%	4/15/2043	127,305
GNMA I Pool #AH2607	4.000%	4.000%	2/15/2044	54,095
GNMA I Pool #AH2650	3.000%	3.000%	3/15/2044	444,259
GNMA I Pool #AH2686	3.000%	3.000%	4/15/2044	552,127
GNMA I Pool #AI4088	3.000%	3.000%	5/15/2044	1,021,059
GNMA I Pool #AI4131	3.000%	3.000%	7/15/2044	2,228,312
GNMA I Pool #AI4140	3.000%	3.000%	7/15/2044	1,203,760
GNMA I Pool #AI4185	3.000%	3.000%	8/15/2044	833,594
GNMA I Pool #AI4202	2.750%	2.750%	9/15/2044	520,022
GNMA I Pool #AI4203	3.000%	3.000%	8/15/2044	966,599
GNMA I Pool #AI4712	2.250%	2.250%	9/15/2044	300,024
GNMA I Pool #AI4713	2.750%	2.750%	9/15/2044	698,142
GNMA I Pool #AI4714	3.000%	3.000%	8/15/2044	544,986
GNMA I Pool #AI4728	2.250%	2.250%	10/15/2044	575,995
GNMA I Pool #AI4729	2.750%	2.750%	9/15/2044	904,765
GNMA I Pool #AI4730	3.000%	3.000%	9/15/2044	640,165
GNMA I Pool #AI4771	2.750%	2.750%	10/15/2044	249,881
GNMA I Pool #AI4772	3.000%	3.000%	10/15/2044	181,691
GNMA I Pool #AI4773	3.500%	3.500%	9/15/2044	102,293
GNMA I Pool #AI4795	2.250%	2.250%	10/15/2044	1,520,226
GNMA I Pool #AI4796	2.750%	2.750%	10/15/2044	874,903
GNMA I Pool #AI4797	3.000%	3.000%	10/15/2044	1,000,131
GNMA I Pool #AI4798	3.500%	3.500%	11/15/2044	112,746
GNMA I Pool #AI4928	2.250%	2.250%	11/15/2044	1,539,658

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
SINGLE-FAMILY PROGRAMS - Continued				
2014A Single-Family Program - Continued				
GNMA I Pool #AI4929	2.750%	2.750%	10/15/2044	$ 179,945
FNMA Pool #AV9127	2.825%	2.825%	11/1/2043	171,731
FNMA Pool #AW6340	2.775%	2.775%	4/1/2044	58,640
FNMA Pool #AW7606	2.775%	2.775%	5/1/2044	114,807
FNMA Pool #AW9734	2.775%	2.775%	6/1/2044	193,994
FNMA Pool #AX1585	2.775%	2.775%	7/1/2044	724,855
FNMA Pool #AX1969	2.775%	2.775%	7/1/2044	329,902
FNMA Pool #AX2662	2.775%	2.775%	8/1/2044	308,419
FNMA Pool #AX4039	2.775%	2.775%	8/1/2044	155,867
FNMA Pool #AX6068	2.525%	2.525%	9/1/2044	193,725
FNMA Pool #AX6069	2.775%	2.775%	10/1/2044	397,946
FNMA Pool #AX6086	2.525%	2.525%	10/1/2044	444,994
FNMA Pool #AX6087	2.775%	2.775%	10/1/2044	282,339
FNMA Pool #AX8565	2.525%	2.525%	9/1/2044	406,482
FNMA Pool #AX8813	2.525%	2.525%	10/1/2044	216,722
FNMA Pool #954162	5.605%	5.605%	11/1/2047	138,123
FNMA Pool #954197	5.605%	5.605%	12/1/2047	210,855
FNMA Pool #960840	5.605%	5.605%	2/1/2048	178,719
				25,448,203
Total single-family programs				92,672,526
MULTI-UNIT PROGRAMS				
1999 Apache Pines Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	2,128,728
2000 Horizon Pines Sr. Apts. Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	1,824,125
2002 Silver Pines Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	2,448,797
2002 Bluffs at Reno Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	1,794,754
2002 Sunset Canyon Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	396,852
2002 Los Pecos Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	692,025
2003 L'Octaine Urban Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	209,871
2004 Glenbrook Terrace Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	719,998
2005 Sierra Pointe Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	1,509,949
2005 Sonoma Palms Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	1,968,996

Nevada Housing Division

SCHEDULE OF INVESTMENTS - CONTINUED

June 30, 2018

	Stated Interest Rate	Yield to Maturity	Maturity	Fair Value
MULTI-UNIT PROGRAMS - Continued				
2005 Southwest Village Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	$ 2,608,796
2007 Centennial Park Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	24,463
2007 Golden Apartments Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	1,118,924
2007 HELP Owens Apartments Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	28,782
2007 Arby Road Apartments Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	389,780
2008 Sierra Manor Apartments Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	60,231
2011 Washoe Mill Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	105,577
2013 Henderson Family Apartments Multi-Unit Program				
Fidelity Gov Port-III	variable	variable	variable	95,395
2013 Agate Avenue Multi-Unit Program				
Blackrock Liquid Fed Fund	variable	variable	variable	5,387
2014 Agate Seniors II Multi-Unit Program				
Federated Treasury Ob	variable	variable	variable	19,905
2015 501 N Lamb Apartments Multi-Unit Program				
Fidelity Treasury Port-I	variable	variable	variable	53,294
2015 Terracina Apartments Multi-Unit Program				
Fidelity Treasury Port-I	variable	variable	variable	292
2016 Rose Garden Townhouses Multi-Unit Program				
Fidelity Treasury Port-I	variable	variable	variable	526
2017 Sierra Pointe & Granada Multi-Unit Program				
Morgan Stanley Instl Lqudty Trs Sec Inst (MSUXX)	variable	variable	variable	17,072,442
2017 Rose Garden Seniors Multi-Unit Program				
Fidelity Treasury Port-I	variable	variable	variable	926
2018 Summit Club Multi-Unit Program				
BAYERISCHE LANDESBANK GIC	-	-	7/1/2020	93,380,168
Federated Govt Obli Fd-Is (GOIXX)	variable	variable	variable	498,051
				93,878,219
Total multi-unit programs				129,157,034
Total				$ 398,032,318

Nevada Housing Division

SCHEDULE OF RESTRICTED ASSETS
SINGLE-FAMILY PROGRAM FUNDS

June 30, 2018

	2008B Mortgage Purchase	2011C Mortgage Purchase	2014A Mortgage Purchase	Total
Principal payments	$ 2,782	$ -	$ -	$ 2,782
Interest reserve	-	1,787,987	50,000	1,837,987
	$ 2,782	$ 1,787,987	$ 50,000	$ 1,840,769
Short-term investments	$ 2,782	$ 1,787,987	$ 50,000	$ 1,840,769

COMPLIANCE SECTION

Grant Thornton LLP
100 W Liberty Street, Suite 770
Reno, NV 89501-1965

T 775.786.1520
F 775.786.7091
www.GrantThornton.com

Report of Independent Certified Public Accountants on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

Administrator
Nevada Housing Division

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Nevada Housing Division (the "Division") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Division's basic financial statements, and have issued our report thereon dated October 31, 2018.

Internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the Division's internal control over financial reporting ("internal control") to design audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of the Division's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Division's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the Division's internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and other matters

As part of obtaining reasonable assurance about whether the Division's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Intended purpose

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Division's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Division's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Grant Thornton LLP

Reno, Nevada
October 31, 2018

APPENDIX F

SUMMARY OF CERTAIN MORTGAGE INSURANCE PROGRAMS

GINNIE MAE MORTGAGE-BACKED SECURITIES

*The summary of the GNMA Program, Ginnie Mae Certificates and other documents referred to herein does not purport to be comprehensive and is qualified in its entirety by reference to the GNMA Mortgage-Backed Securities Guide (the "**GNMA Guide**") (copies of which may be obtained from GNMA at the Office of Mortgage-Backed Securities, 451 Seventh Street, S.W., Washington, D.C. 20410, or at http://www.ginniemae.gov) and to the Ginnie Mae Certificates and other documents for full and complete statements of their provisions. Neither the Authority nor the Underwriters make any representation with respect to the accuracy or completeness of this summary.*

General

Ginnie Mae is a wholly owned corporate instrumentality of the United States within the Department of Housing and Urban Development ("**HUD**") with its principal office located in Washington, D.C.

Ginnie Mae is authorized by Section 306(g) of Title III of the National Housing Act of 1934, as amended (the "**National Housing Act**"), to guarantee the timely payment of the principal of, and interest on, securities that are based on and backed by trusts or pools composed of Mortgage Loans insured or guaranteed under the National Housing Act, Title V of the Housing Act of 1949, the Servicemen's Readjustment Act of 1944, as amended, Chapter 37 of Title 38 of the United States Code or Section 184 of the Housing and Community Development Act of 1992 or guaranteed by the United States Department of Agriculture under the Rural Development Program. Section 306(g) further provides that "[t]he 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 that such guarantees under Section 306(g) of mortgage-backed certificates are authorized to be made by Ginnie Mae and "would constitute general obligations of the United States backed by its full faith and credit."

There are two GNMA Mortgage-Backed Securities Programs, GNMA I MBS and GNMA II MBS.

Any Ginnie Mae Certificates issued by the Authority will be a "fully modified pass-through" security (guaranteed by Ginnie Mae pursuant to its GNMA I or GNMA II mortgage-backed securities program) which will require the servicer to pass through to the holder the regular monthly payments on the underlying mortgage loans (less the service fees), whether or not the servicer receives such payments from the Mortgagors on the underlying Mortgage Loans, plus any prepayments or other unscheduled recoveries of principal of the mortgage loans received by the servicer during the previous month. Upon issuance of each Ginnie Mae Certificate, Ginnie Mae will guarantee to the holder of the GNMA Security the timely payment of principal of and interest on the Ginnie Mae Certificate. In order to meet its obligations under such guaranty, Ginnie Mae, in its corporate capacity under Section 306(d) of Title III of the National Housing Act, may issue its general obligations to the United States Treasury Department (the "**Treasury**") in an amount outstanding at any one time sufficient to enable Ginnie Mae, with no limitations as to amount, to perform its obligations under its guaranty of the timely payment of the principal of and interest on the Ginnie Mae Certificate. The Treasury is authorized to purchase any obligations so issued by Ginnie Mae and has indicated in a letter dated February 13, 1970, from the Secretary of the Treasury to the Secretary of HUD, that the Treasury will make loans to Ginnie Mae, if needed, to implement the aforementioned guaranty.

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

Servicing of the Mortgages

Under contractual agreements entered into by and between the servicer and Ginnie Mae, the servicer is responsible for servicing and otherwise administering the Mortgage Loans underlying the Ginnie Mae Certificates in accordance with generally accepted practices of the mortgage lending industry and the GNMA Guide. The Authority acts as the Servicer of the GNMA MBS in the Trust Estate which secure the Bonds under the Certificate.

The monthly remuneration of the servicer, for its servicing and administrative functions, and the guaranty fee charged by Ginnie Mae, are based on the unpaid principal amount of the Ginnie Mae Certificates outstanding. Each Ginnie Mae I Certificate carries an interest rate that is fixed below the lowest interest rate on the underlying Mortgage Loans because the servicing and guarantee fees are deducted from payments on the Mortgage Loans before the payments are passed through to the owner of the Ginnie Mae Certificate.

It is expected that interest and principal payments on the Mortgage Loans underlying the Ginnie Mae Certificates received by the servicer will be the source of money for payments on the Ginnie Mae 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 amounts coming due on the Ginnie Mae Certificates. Ginnie Mae guarantees such timely payment in the event of the failure of the servicer to pay an amount equal to the scheduled payments (whether or not made by the Mortgagors on the underlying Mortgage Loans).

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

Default by Servicer

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

Payment of Principal and Interest on the Ginnie Mae Certificates

Under the GNMA I MBS Program, the servicer is to make separate payments, by the fifteenth day of each month (or, if the fifteenth day is not a business day, then the next business day), directly to each owner of Ginnie Mae Certificates for each of the Ginnie Mae Certificates held. Under the GNMA II MBS Program, the servicer is to make separate payments by the twentieth day of each month (or, if the twentieth day is not a business day, then the next business day).

Payment of principal of each Ginnie Mae Certificate is expected to commence on the fifteenth day (in the case of GNMA I MBS) and the twentieth day (in the case of GNMA II MBS) of the month following issuance of the Ginnie Mae Certificate.

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

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

FANNIE MAE MORTGAGE-BACKED SECURITIES

*The summary of Fannie Mae MBS Program (as defined below), the Fannie Mae Certificates and other documents referred to herein does not purport to be comprehensive and is qualified in its entirety by reference to the Fannie Mae Selling Guide and the Fannie Mae Servicing Guide (collectively, the "**Fannie Mae Guides**") and the Fannie Mae Certificates and other documents for full and complete statements of their provisions. Copies of the Fannie Mae Guides, the Fannie Mae Prospectus and Fannie Mae's most recent annual and quarterly reports and proxy statement are available from Fannie Mae, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016, (800-237-8627), or at http://www.fanniemae.com. Neither the Authority nor the Underwriters make any representation with respect to the accuracy or completeness of this summary.*

General

Federal National Mortgage Association ("**Fannie Mae**") is a federally chartered and stockholder-owned corporation organized and existing under the Federal National Mortgage Association Charter Act, as amended (12 U.S.C. Section 1716 et seq.). Fannie Mae was originally established in 1938 as a United States government agency to provide supplemental liquidity to the mortgage market and was transformed into a stockholder-owned and privately managed corporation by legislation enacted in 1968. 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. In addition, Fannie Mae issues mortgage-backed securities primarily in exchange for pools of mortgage loans from lenders.

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

The Federal Housing Finance Regulatory Reform Act of 2008 (the "**Reform Act**") established the Federal Housing Finance Agency ("**FHFA**"), which assumed the regulatory and oversight duties of Fannie Mae of the Office of Federal Housing Enterprise Oversight and the Department of Housing and Urban Development. In 2008, the Director of FHFA placed Fannie Mae into conservatorship, appointing FHFA as conservator. This conservatorship does not have a specified termination date.

Fannie Mae Mortgage-Backed Securities Program

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

The terms of the Fannie Mae MBS Program are governed by the Fannie Mae Guides, as modified by a pool purchase contract, and, in the case of mortgage loans such as the Mortgage Loans, a 2009 Single-Family Master Trust Agreement dated as of January 1, 2009, as amended from time to time, and a supplement thereto to be issued by Fannie Mae in connection with each pool. The Fannie Mae MBS Program is further described in a prospectus issued by Fannie Mae (the "**Fannie Mae Prospectus**"). The Fannie Mae Prospectus is updated from time to time. A Fannie Mae Prospectus Supplement may not be available as to Fannie Mae Certificates acquired pursuant to the Program. The Authority does not and will not participate in the preparation of the Fannie Mae Prospectus, annual reports, quarterly reports, proxy statements or any other documents issued by Fannie Mae.

Fannie Mae Certificates

Any Fannie Mae Certificate acquired by the Authority will represent a fractional undivided interest in a specified pool of Mortgage Loans purchased by Fannie Mae from the servicer and identified in records maintained by Fannie Mae. The Mortgage Loans backing each Fannie Mae Certificate will bear interest at a specified rate per annum, and each Fannie Mae Certificate will bear interest at a lower rate per annum (the "**pass-through rate**"). The difference between the interest rate on the conventional mortgage loans and the pass-through rate on the Fannie Mae Certificate will be collected by the servicer and used to pay the servicer's servicing fee and Fannie Mae's guaranty fee. 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 Loan, whether or not such principal balance is actually received.

THE OBLIGATIONS OF FANNIE MAE UNDER SUCH GUARANTEES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND ARE NOT BACKED BY, NOR ENTITLED TO, THE FAITH AND CREDIT OF THE UNITED STATES. IF FANNIE MAE WERE UNABLE TO SATISFY SUCH OBLIGATIONS, DISTRIBUTIONS TO THE TRUSTEE, AS THE REGISTERED HOLDER OF FANNIE MAE CERTIFICATES, WOULD CONSIST SOLELY OF PAYMENTS AND OTHER RECOVERIES ON THE UNDERLYING MORTGAGE LOANS AND, ACCORDINGLY, MONTHLY DISTRIBUTIONS TO THE TRUSTEE AS THE HOLDER OF FANNIE MAE CERTIFICATES, WOULD BE AFFECTED BY DELINQUENT PAYMENTS AND DEFAULTS ON SUCH MORTGAGE LOANS.

Payments on Mortgage Loans; Distributions on Fannie Mae Certificates

Payments on a Fannie Mae Certificate are made to the owner thereof on the twenty-fifth day of each month (beginning with the month following the month such Fannie Mae Certificate is issued) or, if such twenty-fifth day is not a business day, on the first business day next succeeding such twenty-fifth day. With respect to each Fannie Mae Certificate, Fannie Mae will distribute to the beneficial owner an amount equal to the total of (a) 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 prior to the month of such distribution and ending on the first day of such month of distribution, (b) the stated principal balance of any Mortgage Loan that was prepaid in full during the calendar month immediately preceding the month of such distribution (including as prepaid for this purpose any Mortgage Loan repurchased by Fannie Mae because of Fannie Mae's election to repurchase the Mortgage Loan after it is delinquent, in whole or in part with respect to four consecutive installments of principal and interest; or because of Fannie Mae's election to repurchase such Mortgage Loan under certain other circumstances as permitted by the Fannie Mae Trust Indenture), (c) the amount of any partial prepayment of a Mortgage Loan received during the calendar month immediately preceding the month of distribution (during the second preceding calendar month, for pools of loans formed from the Fannie Mae portfolio that are serviced on a basis that requires remittance of actual payments to Fannie Mae instead of scheduled payments) and (d) one month's interest at the pass-through rate on the principal balance of the Fannie Mae Certificate as reported to the holder thereof in connection with the previous distribution (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. Fannie Mae may, in its discretion, include with any distribution principal prepayments, both full and partial, received during the month prior to the month of distribution, but is under no obligation to do so.

Reduced Guaranty Fees

If Fannie Mae reduces its guaranty fee to an amount that is less than that used in structuring the cash flows for any Bonds, the difference will become part of the Authority's Fee and will not secure such Bonds.

FREDDIE MAC MORTGAGE-BACKED SECURITIES

*The summary of the Freddie Mac Guarantor Program (as defined below), the Freddie Mac Certificates and other documents referred to herein does not purport to be complete and is qualified in its entirety by reference to Freddie Mac's Single-Family Seller/Servicer Guide (the "**Freddie Mac Guide**"), Freddie Mac's Mortgage Participation Certificates Offering Circular, any applicable Offering Circular Supplements, Freddie Mac's most recent annual and quarterly reports and proxy statements and any other documents made available by Freddie Mac. Copies of these documents can be obtained by writing or calling Freddie Mac's Investor Inquiry Department at 8200 Jones Branch Drive, McLean, Virginia 22102 (800-336-FMPC), or at http://www.freddiemac.com. Neither the Authority nor the Underwriters make any representation with respect to the accuracy or completeness of this summary.*

General

Freddie Mac is a shareholder-owned, government-sponsored enterprise created on July 24, 1970 pursuant to the Federal Home Loan Mortgage Program Operator Act, Title III of the Emergency Home Finance Act of 1970, as amended (the "**Freddie Mac Act**"). Freddie Mac's statutory mission is (a) to provide stability in the secondary market for residential mortgages, (b) to respond appropriately to the private capital market, (c) 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 (d) 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. 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.

The Federal Housing Finance Regulatory Reform Act of 2008 (the "**Reform Act**") established the Federal Housing Finance Agency ("**FHFA**"), which assumed the regulatory and oversight duties of Freddie Mac of the Office of Federal Housing Enterprise Oversight and the United Stated Department of Housing and Urban Development ("**HUD**") with respect to safety, soundness and mission. HUD remains the regulator of Freddie Mac with respect to fair lending matters. In addition, on September 6, 2008, the Director of FHFA placed Freddie Mac into conservatorship, appointing FHFA as conservator. This conservatorship does not have a specified termination date.

Freddie Mac Guarantor Program

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 the same Mortgage Loans (the "**Guarantor Program**"). Each Freddie Mac Certificate is guaranteed by Freddie Mac as to the timely payment of interest and the full and final payment of principal. The obligations of Freddie Mac under its guarantees of the Freddie Mac Certificates 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.

The Authority does not and will not participate in the preparation of Freddie Mac's Mortgage Participation Certificate Offering Circular, annual reports, quarterly reports or proxy statements.

Freddie Mac supervises the servicing of Mortgage Loans according to the policies in the Freddie Mac Guide, and in accordance with the PC Master Trust Agreement, dated September 25, 2009, as amended from time to time.

Freddie Mac Certificates

Freddie Mac Certificates will be mortgage participation certificates issued under Freddie Mac's Guarantor Program. Under the Guarantor Program, the annual pass-through rate on a Freddie Mac Certificate is established based upon the lowest interest rate on the underlying mortgage loans, minus a minimum servicing fee and the amount of Freddie Mac's management and guarantee fee as agreed upon between the Servicer and Freddie Mac. The lowest interest rate on a mortgage loan in a Certificate Pool will be greater than or equal to the annual pass-through rate on the related Freddie Mac Certificate plus a minimum servicing fee and Freddie Mac's management and guarantee fee, and the highest interest rate will not exceed two and one-half percentage points above the pass-through rate.

Freddie Mac will guarantee to the registered holder of each Freddie Mac Certificate the timely payment of interest by each mortgagor to the extent of the applicable certificate rate on the registered holder's pro rata share of the unpaid principal balance outstanding on the mortgage loans underlying such Freddie Mac Certificate. Freddie Mac also will guarantee to the Trustee or its nominee as the registered holder of such Freddie Mac Certificate full and final payment of principal. Pursuant to its guarantee, Freddie Mac will indemnify the holder of such Freddie Mac Certificate against any diminution in principal by reason of charges for property repairs, maintenance and foreclosure. Freddie Mac may remit the amount due on account of its guarantee of collection of principal at any time after default on an underlying mortgage loan, but not later than (a) 30 days following foreclosure sale, (b) 30 days following payment of the claim by any mortgage issuer, or (c) 30 days following the expiration of any right of redemption, whichever occurs last, but in any event no later than one year after demand has been made upon the mortgagor for accelerated payment of principal.

The obligations of Freddie Mac under its guarantees of the Freddie Mac Certificates 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 such obligations, distributions on the Freddie Mac Certificates would consist solely of payments and other recoveries on the underlying mortgage loans and, accordingly, delinquencies and defaults would affect monthly distributions on such Freddie Mac Certificates and could adversely affect the payments on the Bonds.

Holders of Freddie Mac Certificates are entitled to receive their pro rata share of all principal payments on the underlying mortgage loans received by Freddie Mac, including any scheduled principal payments, full and partial repayments of principal and principal received by Freddie Mac by virtue of condemnation, insurance, liquidation or foreclosure, including repayments of principal resulting from acquisition by Freddie Mac of the real property securing the mortgage. Freddie Mac is required to remit each registered Freddie Mac Certificate holder's pro rata share of principal payments on the underlying mortgage loans, interest at the certificate rate and any other sums within 60 days of the date on which such payments are received by Freddie Mac.

Reduced Guaranty Fees

If Freddie Mac reduces its guaranty fee to an amount that is less than that used in structuring the cash flows for any Bonds, the difference will become part of the Authority's Fee and will not secure such Bonds.

APPENDIX G

FORM OF THE CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "**Disclosure Agreement**") is executed and delivered by the Nevada Housing Division (the "**Division**") and Zions Bancorporation, National Association, (the "**Trustee**"), in connection with the issuance of $50,000,000* in aggregate principal amount of the Divisions' Single Family Mortgage Revenue Bonds, Series 2019A (Senior) (the "**Offered Bonds**"). The Offered Bonds are being issued pursuant to Single-Family Mortgage Revenue Bonds General Bond Certificate, dated as of September 1, 2008, and the Series 2019A Certificate, dated as of May 1, 2019, each delivered to the Trustee (collectively, the "**Certificate**"). The Authority and the Trustee covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Division and the Trustee for the benefit of the Holders and Beneficial Owners of the Offered Bonds and in order to assist the Participating Underwriters in complying with subsection (b)(5) of the hereinafter described Rule.

SECTION 2. Definitions. In addition to the definitions set forth in the Certificate, which apply to any capitalized term used in this Disclosure Agreement and not defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Bond Disclosure Report" shall mean any Annual Bond Disclosure Report provided by the Division pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Disclosure Representative" shall mean the Chief Financial Officer of the Division or his or her designee, or such other officer or employee as the Division shall designate in writing to the Trustee from time to time.

"Dissemination Agent" shall mean the Trustee, acting in its capacity as Dissemination Agent hereunder, or any additional or successor Dissemination Agent designated in writing by the Division and which has filed with the Trustee a written acceptance of such designation.

"EMMA" means the MSRB's Electronic Municipal Market Access system located on the MSRB website at emma.msrb.org.

"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 term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board, the address of which is currently 1300 I Street NW #1000, Washington, D.C. 20005, phone (202) 838-1500, fax (202) 898-1500.

"Participating Underwriter" shall mean any of the original underwriters of the Offered Bonds required to comply with the Rule in connection with offering of the Offered Bonds.

"Repository" shall mean EMMA and each State Repository.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

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* Preliminary, subject to change.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Disclosure Agreement, there is no State Repository.

SECTION 3. Provision of Annual Bond Disclosure Reports.

(a) The Division shall provide or cause to provide, or shall cause the Dissemination Agent to provide or cause to provide, not later than six months after the end of the Division's fiscal year (which six month date currently would be December 31), commencing with the report for the fiscal year ending June 30, 2019 to each Repository an Annual Bond Disclosure Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. In each case, the Annual Bond Disclosure Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that, if the audited financial statements of the Division are not available by that date, then (i) the Annual Bond Disclosure Report shall contain unaudited financial statements in format similar to the financial statements contained in the Official Statement, (ii) the Division shall give, or shall cause the Dissemination Agent to give, notice in the same manner as for a Listed Event under Sections 5(b) an d5(c), which notice shall provide the estimated date of when the Division's audited financial statements shall be available and (iii) the audited financial statements shall be provided to the MSRB when they become available. If the Division's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Sections 5(b) and 5(c).

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Bond Disclosure Report to each Repository, the Division shall provide the Annual Bond Disclosure Report to the Dissemination Agent with a copy to the Trustee (if the Trustee is not the Dissemination Agent). If by the due date under (a) above the Dissemination Agent (or the Trustee if the Dissemination Agent is the Division) has not received a copy of the Annual Bond Disclosure Report, nor the Division Certificate specified in 3(d) below, the Dissemination Agent (or the Trustee if the Dissemination Agent is the Division) shall notify the Division that it had not received the Annual Bond Disclosure Report described under subsection (a) above.

(c) If the Dissemination Agent (or the Trustee if the Dissemination Agent is the Division) has not received the Division Certificate specified in 3(d) below certifying that the Annual Bond Disclosure Report has been provided to each Repository by the date required in subsection (a) above, the Dissemination Agent (or the Trustee if the Dissemination Agent is the Division) shall send a notice to the MSRB and each State Repository, if any, in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall file a report with the Division and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Bond Disclosure Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and listing each Repository to which it was provided.

SECTION 4. Content of Annual Bond Disclosure Reports. The Division's Annual Bond Disclosure Report shall contain or incorporate by reference the following:

(a) The audited financial statements for the Division for the most recently ended fiscal year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Division.

(b) Complete financial statements with respect to the Program, prepared in accordance with generally accepted accounting principles to the extent practicable, covering receipts, disbursements, allocation and application of all income (including Revenues) for such Fiscal Year, including a statement of revenue, expenditures and fund balance (covering all of the Funds Accounts established pursuant to the Certificate), balance sheet and statement of changes in financial position, accompanied by an audit report and opinion of a certified public accountant; provided, however, that such audit report and opinion of a certified public accountant shall not be required if the Certificate shall have been amended to prohibit the issuance of any additional Bonds.

(c) Information and operating data of the kind set forth in Appendix D to the Official Statement, dated May __, 2019, with respect to the Offered Bonds (the "**Official Statement**").

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Division or related public entities, which have been submitted to each Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement or remarketing statement, it must be available from the MSRB. The Division shall clearly identify each such other document so included by reference. The Division shall make all its Annual Bond Disclosure Reports and any notices of Listed Events available in electronic format that satisfies the requirements of the MSRB and the Rule.

SECTION 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Division shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Offered Bonds, each of which shall be considered a Listed Event:

(i) Principal and interest payment delinquencies;

(ii) Non-payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) 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 Offered Bonds, or other material events affecting the tax status of the Offered Bonds;

(vii) Modifications to rights of holders of the Offered Bonds, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the Offered Bonds, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the Authority;

Note to paragraph (xii): For the purposes of the event identified in subparagraph (xii), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Division in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Division, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Division;

(xiii) The consummation of a merger, consolidation, or acquisition involving the Division or the sale of all or substantially all of the assets of the Division, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a Financial Obligation of the Division, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Division, any of which affect security holders, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Division, any of which reflect financial difficulties.

(b) If a Listed Event described in paragraph (ii), (vii), (viii) (but only with respect to bond calls under (viii)), (x), (xiii), (xiv) or (xv) above has occurred and the Division has determined that such Listed Event is material under applicable federal securities laws, the Division shall, in a timely manner but not later than ten Business Days after the occurrence of such Listed Event, promptly file, or cause to be filed, a notice of such occurrence with EMMA.

(c) If a Listed Event described in paragraph (i), (iii), (iv), (v), (vi), (viii) (but only with respect to tender offers under (viii)), (ix), (xi), (xii) or (xvi) above has occurred the Division shall, in a timely manner but not later than ten Business Days after the occurrence of such Listed Event, promptly file, or cause to be filed, a notice of such occurrence with EMMA. Notwithstanding the foregoing, notice of the Listed Event described in subsection (a)(viii) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Certificate.

SECTION 6. Termination of Reporting Obligation. The Division's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Offered Bonds.

SECTION 7. Dissemination Agent. The Division may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Division shall be the Dissemination Agent. The initial Dissemination Agent shall be the Trustee.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Division and the Trustee may amend this Disclosure Agreement (and the Trustee shall not unreasonably withhold its consent to any amendment so requested by the Division), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Offered Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Offered Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Offered Bonds in the same manner as provided in the Certificate for amendments to the Certificate with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Offered Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Division shall describe such amendment in the next Annual Bond Disclosure Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type, or in the case of a change of accounting principles, on the presentation of financial information or operating data being presented by the Division. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event, and (ii) the Annual Bond Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Trustee may be made without its consent (which consent will not be unreasonably withheld or delayed).

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Division from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Bond Disclosure Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Division chooses to include any information in any Annual Bond Disclosure Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Division shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Bond Disclosure Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Division or the Trustee to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount of the Outstanding Bonds, shall), or any Holder or Beneficial Owner may, take such actions as may be necessary and appropriate to cause the Division or Trustee, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Certificate, and the sole remedy under this Disclosure Agreement in the event of any failure of the Division or the Trustee to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VIII of the Certificate is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Certificate. The Dissemination Agent (if other than the Trustee or the Trustee in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Division agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Division under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Offered Bonds.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Division, the Trustee, the Dissemination Agent, the Participating Underwriters and Owners and Beneficial Owners from time to time of the Offered Bonds, and shall create no rights in any other person or entity.

SECTION 13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 14. Trustee Duties. The Trustee will perform only the duties set forth in this Disclosure Agreement and will not prepare any of the required reports. The Trustee will cooperate in furnishing information to the Division.

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Date: ___________, 2019.

NEVADA HOUSING DIVISION

By ____
Authorized Officer

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, Trustee

By ____
Authorized Officer

EXHIBIT "A"

NOTICE TO REPOSITORIES OF FAILURE TO FILE
ANNUAL BOND DISCLOSURE REPORT

Name of Division: Nevada Housing Division

Name of Bond Issue: Single-Family Mortgage Revenue Bonds, Series 2019A Bonds (Senior)

Date of Issuance: ______, 2019.

NOTICE IS HEREBY GIVEN that the Nevada Housing Division has not provided an Annual Bond Disclosure Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated _____, 2019 between the Division and Zions Bancorporation, National Association, as trustee. [The Division anticipates that the Annual Bond Disclosure Report will be filed by _____________.]

Dated: _____, 20__

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, Trustee, on behalf of the Nevada Housing Division

cc: Nevada Housing Division

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NEVADA HOUSING DIVISION • SINGLE-FAMILY MORTGAGE REVENUE BONDS SERIES 2019A (SENIOR)

NEVADA
HOUSING DIVISION

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