



NEW ISSUE — BOOK-ENTRY ONLY

This Official Statement has been prepared on behalf of the Georgia Housing and Finance Authority to provide information with respect to the initial issuance of the 2021 Series A Bonds. Certain information is presented on this cover page for the convenience of the user. To make an informed decision regarding the 2021 Series A Bonds, a prospective investor should read this Official Statement in its entirety. Unless otherwise indicated, capitalized terms used on this cover page have the meanings given in this Official Statement.

\$101,235,000*

**GEORGIA HOUSING AND FINANCE AUTHORITY
Single Family Mortgage Bonds
2021 Series A
(Non-AMT)**

<i>Dated Date/ Issue Date</i>	November 9, 2021*.
<i>DTC Delivery</i>	The 2021 Series A Bonds will be delivered in book-entry only form via The Depository Trust Company (“DTC”) in New York, New York on their Issue Date. See “APPENDIX B – BOOK-ENTRY ONLY BONDS, DTC AND GLOBAL CLEARANCE PROCEDURES”.
<i>Due</i>	June 1 and December 1 as shown on the inside front cover page hereof.
<i>Interest Payment Dates</i>	June 1 and December 1, commencing June 1, 2022*.
<i>Denominations</i>	\$5,000 or any integral multiple thereof.
<i>Tax Exemption</i>	In the opinion of Bond Counsel, assuming compliance with certain covenants contained in the Resolutions and the other Program Documents, under existing laws, regulations, rulings and judicial decisions, interest on the 2021 Series A Bonds is excluded from gross income for Federal income tax purposes as described herein and is not a specific item of tax preference for purposes of the federal alternative minimum tax provisions of the Code. In the further opinion of Bond Counsel, interest on the 2021 Series A Bonds is exempt from taxation within the State of Georgia. For a more complete discussion of tax aspects, see “TAX EXEMPTION”.
<i>Redemption</i>	All or a portion of the 2021 Series A Bonds will be subject to, as applicable, special, mandatory or optional redemption at the times, under the conditions and at the prices set forth in “THE 2021 SERIES A BONDS – Redemption”.
<i>Security</i>	The 2021 Series A Bonds will constitute general obligations of the Authority payable out of any of the Authority’s revenues, money or assets legally available therefor subject only to agreements heretofore and hereafter made with holders of notes and bonds other than the 2021 Series A Bonds pledging particular revenues, money or assets for the payment thereof. The 2021 Series A Bonds will not be deemed to constitute a debt of the State or its agencies or a pledge of the faith or credit of the State or its agencies. The issuance of the 2021 Series A Bonds will not directly or indirectly obligate the State to levy or to pledge any form of taxation whatever therefor or to make any appropriation for payment of the 2021 Series A Bonds. The Authority has no taxing power. See “SECURITY FOR BONDS”.
<i>Legal Counsel</i>	Kutak Rock LLP, Atlanta, Georgia, Bond Counsel; Butler Snow LLP, Atlanta, Georgia, Underwriters’ Counsel.
<i>Trustee</i>	U.S. Bank National Association.

The 2021 Series A Bonds are offered when, as and if issued and accepted by the Underwriters, subject to withdrawal or modification of the offer without notice, subject to certain conditions and subject to the approval of legality by Kutak Rock LLP, Atlanta, Georgia, Bond Counsel.

**Citigroup
BofA Securities
Morgan Stanley**

RBC Capital Markets

**Raymond James
J.P. Morgan
Wells Fargo Corporate and
Investment Banking**

October __, 2021

*Preliminary and subject to change

\$101,235,000*
GEORGIA HOUSING AND FINANCE AUTHORITY
Single Family Mortgage Bonds
2021 Series A
(Non-AMT)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES/YIELDS AND CUSIPS^{(1)*}

\$26,110,000* Serial Bonds

<u>Maturity Date*</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Price/Yield</u>	<u>CUSIP Number⁽¹⁾</u>
December 1, 2022	\$ 550,000			
June 1, 2023	695,000			
December 1, 2023	725,000			
June 1, 2024	805,000			
December 1, 2024	815,000			
June 1, 2025	840,000			
December 1, 2025	835,000			
June 1, 2026	775,000			
December 1, 2026	750,000			
June 1, 2027	1,240,000			
December 1, 2027	1,265,000			
June 1, 2028	1,275,000			
December 1, 2028	1,300,000			
June 1, 2029	1,325,000			
December 1, 2029	1,345,000			
June 1, 2030	1,365,000			
December 1, 2030	1,390,000			
June 1, 2031	1,410,000			
December 1, 2031	1,435,000			
June 1, 2032	1,460,000			
December 1, 2032	1,475,000			
June 1, 2033	1,505,000			
December 1, 2033	1,530,000			

			<u>Price/Yield</u>	<u>CUSIP Number⁽¹⁾</u>
\$11,355,000*	___%	Term Bonds due December 1, 2036*		
\$19,360,000*	___%	Term Bonds due December 1, 2041*		
\$18,385,000*	___%	Term Bonds due December 1, 2046*		
\$26,025,000*	___%	Term Bonds due December 1, 2051*		

* Preliminary and subject to change.

(1) Copyright American Bankers Association; CUSIP® is a registered trademark of the American Bankers Association. The CUSIP numbers have been assigned by the CUSIP Service Bureau managed on behalf of the American Bankers Association by S&P Global Market Intelligence and are included herein solely for the convenience of bondholders. Neither the Authority nor any Underwriter makes any representation as to the selection, accuracy or use now or in the future of such CUSIP numbers or has any responsibility with respect to such CUSIP numbers.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2021 Series A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. No dealer, broker, salesman, or other person has been authorized by the Authority or the Underwriters to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations should not be relied upon as having been authorized by the Authority or the Underwriters.

The information set forth herein has been furnished by the Authority and by other sources that are believed to be reliable, but is not guaranteed by the Authority or the Underwriters as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder will under any circumstances create any implication that there has been no change in the affairs of the Authority since the date of this Official Statement.

THE 2021 SERIES A BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTION 3(A)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. NEITHER THE STATES IN WHICH FILINGS WITH RESPECT TO THE 2021 SERIES A BONDS HAVE BEEN MADE, NOR OTHER STATES NOR ANY AGENCIES OF ANY SUCH STATES HAVE PASSED UPON THE MERITS OF THE 2021 SERIES A BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements", including those containing the words "expect", "intend", "estimate" and similar terms. The achievement of certain future results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual future results, performance or achievement to be materially different from the future results, performance or achievement expressed or implied by such forward-looking statements.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE AUTHORITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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

In connection with this offering, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the 2021 Series A Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Underwriters may elect, but will have no obligation, to maintain a secondary market in the 2021 Series A Bonds.

The Authority has deemed this Preliminary Official Statement for the 2021 Series A Bonds final within the meaning of and for the purposes of the Securities and Exchange Commission Rule 15c2-12.

INFORMATION CONCERNING OFFERING RESTRICTIONS IN CERTAIN JURISDICTIONS OUTSIDE THE UNITED STATES

In connection with offers and sales of the 2021 Series A Bonds, no action has been taken by the Authority or the State of Georgia (the "State") so as to permit or approve thereof a public offering of the 2021 Series A Bonds, or possession or distribution of any information relating to the pricing of the 2021 Series A Bonds, the Official Statement or any other offering or publicity material relating to the 2021 Series A Bonds, in any non-U.S. jurisdiction where action for that purpose is required. Accordingly, the Underwriters accept full and absolute responsibility thereto and agree that they will comply with all applicable laws and regulations in force in any non-U.S. jurisdiction in which it proposes to offer or sell 2021 Series A Bonds or possess or distribute the Official Statement or any other offering or publicity material relating to the 2021 Series A Bonds, and the Underwriters shall obtain any consent, approval or permission required for the offer or sale of the 2021 Series A Bonds under the laws and regulations in force in any non-U.S. jurisdiction to which it is subject or in which it makes such offers or sales, and the Underwriters have acknowledged and agreed the Authority and the State will have no responsibility therefor.

THE AUTHORITY MAKES NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY, COMPLETENESS OR ADEQUACY OF THE INFORMATION UNDER THIS CAPTION. THE BELOW INFORMATION HAS BEEN PROVIDED BY THE UNDERWRITERS. COMPLIANCE WITH ANY RULES OR RESTRICTIONS OF ANY JURISDICTION RELATING TO THE OFFERING, SOLICITATION AND/OR SALE OF THE 2021 SERIES A BONDS IS THE RESPONSIBILITY OF THE UNDERWRITERS, AND THE AUTHORITY WILL NOT HAVE ANY RESPONSIBILITY OR LIABILITY IN CONNECTION THEREWITH.

REFERENCES HEREIN TO THE "ISSUER" MEAN THE AUTHORITY, AND REFERENCES TO "BONDS" OR "SECURITIES" MEAN THE 2021 SERIES A BONDS DESCRIBED HEREIN.

NOTICE TO INVESTORS IN SWITZERLAND

THE BONDS MAY NOT BE PUBLICLY OFFERED IN SWITZERLAND AND WILL NOT BE LISTED ON THE SIX SWISS EXCHANGE ("SIX") OR ON ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. THIS OFFICIAL STATEMENT HAS BEEN PREPARED WITHOUT REGARD TO THE DISCLOSURE STANDARDS FOR ISSUANCE PROSPECTUSES UNDER ART. 652A OR ART. 1156 OF THE SWISS CODE OF OBLIGATIONS OR THE DISCLOSURE STANDARDS FOR LISTING PROSPECTUSES UNDER ART. 27 FF. OF THE SIX LISTING RULES OR THE LISTING RULES OF ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. NEITHER THIS OFFICIAL STATEMENT NOR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE BONDS OR THE OFFERING MAY BE PUBLICLY DISTRIBUTED OR OTHERWISE MADE PUBLICLY AVAILABLE IN SWITZERLAND.

NONE OF THIS OFFICIAL STATEMENT OR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE OFFERING, THE AUTHORITY AS ISSUER OR THE BONDS HAVE BEEN OR WILL BE FILED WITH OR APPROVED BY ANY SWISS REGULATORY AUTHORITY. IN PARTICULAR, THIS OFFICIAL STATEMENT WILL NOT BE FILED WITH, AND THE OFFER OF THE BONDS WILL NOT BE SUPERVISED BY, THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY ("FINMA"), AND THE OFFER OF BONDS HAS NOT BEEN AND WILL NOT BE AUTHORIZED UNDER THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). ACCORDINGLY, INVESTORS DO NOT HAVE THE BENEFIT OF THE SPECIFIC INVESTOR PROTECTION PROVIDED UNDER THE CISA.

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OFFICIAL STATEMENT

\$101,235,000*(¹)

GEORGIA HOUSING AND FINANCE AUTHORITY

Single Family Mortgage Bonds

2021 Series A

(Non-AMT)

INTRODUCTION

This Official Statement (including the cover page and appendices) sets forth certain information relating to the Georgia Housing and Finance Authority (the "Authority" or "GHFA") and its issuance and sale of its \$101,235,000* original aggregate principal amount of its Single Family Mortgage Bonds, 2021 Series A (the "2021 Series A Bonds"). The 2021 Series A Bonds are being issued pursuant to (a) the Internal Revenue Code of 1986, as amended (the "Code"), (b) the Georgia Housing and Finance Authority Act, Official Code of Georgia Annotated, Title 50, Chapter 26, as the same may be amended from time to time heretofore and hereafter (the "Act"), (c) the Single Family Mortgage Bond Resolution adopted by the Authority on November 10, 1976, as supplemented and amended from time to time heretofore, and as the same may be further supplemented and amended from time to time hereafter (as so supplemented and amended, the "1976 General Resolution"), (d) the Series Resolution Authorizing the Issuance and Sale of up to an Aggregate Principal Amount of \$250,000,000 Single Family Mortgage Bonds (2021 Series) adopted by the Authority on November 18, 2020 (the "2021 Series Resolution") and (e) the Series Certificate Relating to \$101,235,000* Single Family Mortgage Bonds, 2021 Series A, to be dated as of November 1, 2021*, to be executed on behalf of the Authority pursuant to the 2021 Series Resolution (the "Series Certificate", and together with the 2021 Series Resolution, the "2021 Series A Resolution" or the "Series Resolution"). The 1976 General Resolution, the 2021 Series A Resolution, any other series or supplemental resolutions adopted and any other series certificates authorized heretofore or hereafter by the Authority pursuant to the 1976 General Resolution are referred to herein collectively as the "Resolutions". See "APPENDIX A – CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTIONS" herein for the definitions of certain capitalized terms used, but not elsewhere defined, in this Official Statement. The capitalized terms used, but not defined, in this Official Statement shall have the meanings provided in the Resolutions.

Under its 1976 General Resolution, as of June 30, 2021, the Authority has issued seventy-seven (77) separate Series of its Single Family Mortgage Bonds in the original aggregate principal amount of \$4,542,324,980, of which twenty-four (24) separate Series (without regard to subseries, except with respect to the 2009 Series C subseries) in the aggregate principal amount of \$1,529,280,000 were outstanding as of June 30, 2021. Since June 30, 2021, the Authority (i) redeemed Bonds in the aggregate principal amount of \$58,655,000 on September 1, 2021, which redemption payments were made with funds held under the 1976 General Resolution, and (ii) in connection with the proposed refunding component of the 2021 Series A Bonds, currently plans to optionally redeem the outstanding 2009 Series C-2 Bonds and the outstanding 2010 Series B Bonds in whole or in part within 90 days of the Issue Date. As of the date of this Official Statement, other than as aforesaid, the Authority has no plans to redeem additional Bonds prior to the next principal and interest payment date of December 1, 2021. See "REFUNDING PLAN" herein. The 1976 General Resolution provides for the issuance of additional bonds thereunder upon the satisfaction of certain requirements therein as summarized herein (see "SECURITY FOR THE BONDS – Additional Bonds" herein). All bonds outstanding under the Resolutions, including the 2021 Series A Bonds and Additional Bonds that may be issued in the future, are referred to herein as the "Bonds". All Bonds are equally and ratably secured under the 1976 General Resolution and constitute general revenue obligations of the Authority payable out of any of the Authority's revenues, money or assets legally available therefor. All Bonds issued under the 1976 General Resolution are Fixed Rate Bonds. The Authority has not entered into any interest rate swaps or similar transactions with respect to Bonds issued under the 1976 General Resolution or with respect to any other obligations of the Authority. The term "Series" herein shall apply to the 2021 Series A Bonds or any other Series of Bonds issued under the 1976 General Resolution, as applicable in the context where used.

The 2021 Series A Bonds will be issued without subseries and will be comprised of \$80,000,000* new money "qualified mortgage bonds" pursuant to the Internal Revenue Code of 1986, as amended (the "Code") and \$21,235,000*

⁽¹⁾ Throughout this Preliminary Official Statement, all information marked with an asterisk (*) is preliminary and subject to change.

current refunding "qualified mortgage bonds" issued to refund certain outstanding Bonds sharing certain tax characteristics and subject to optional redemption within 90 days after the Issue Date (collectively, the "2021 Series A Refunded Bonds" or the "Refunded Bonds"). See "TAX EXEMPTION" and "FEDERAL INCOME TAX MATTERS" for certain information provided by Bond Counsel on certain federal income tax characteristics of the 2021 Series A Bonds.

The proceeds of the 2021 Series A Bonds will be applied (i) to currently refund the Refunded Bonds, (ii) to fund a deposit to the 2021 Series A Capital Reserve Account within the Capital Reserve Fund, (iii) to pay costs of issuance of the 2021 Series A Bonds, and (iv) to finance, in whole or in part, newly originated mortgage loans as whole loans or pooled into Program Securities (collectively, the "New Program Obligations"), as well as Down Payment Assistance Loans (as discussed hereinafter), on single family residential housing units for eligible persons and families of low and moderate income within the State of Georgia (the "State"). The Refunded Bonds are expected to be comprised of the Authority's outstanding Bonds described under "REFUNDING PLAN" herein. As a result of such 2021 Series A refunding, certain Program Obligations currently allocated under the 1976 General Resolution to the applicable Series or Subseries of Refunded Bonds will be reallocated to the 2021 Series A Bonds as the "Transferred Loans". See "THE 2021 SERIES A BONDS", "REFUNDING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Mortgage Loans financed by Bonds issued under the 1976 General Resolution as whole loans and those pooled into Program Securities are secured by mortgages constituting first liens on single family, owner-occupied housing in the State. The following types of Program Obligations currently are authorized to be financed under the 1976 General Resolution: (i) FHA insured Mortgage Loans, (ii) VA guaranteed Mortgage Loans, (iii) Conventional Loans, (iv) Mortgage Loans guaranteed by the U.S. Department of Agriculture, Rural Development, formerly known as the Farmers Home Administration ("USDA/RD"), (v) FHA insured, VA guaranteed and USDA/RD guaranteed Mortgage Loans pooled into Program Securities guaranteed by the Government National Mortgage Association ("GNMA") and Conventional Loans pooled into Program Securities guaranteed by the Federal National Mortgage Association ("Fannie Mae") or another Federal Mortgage Agency and (vi) Down Payment Assistance Loans, which provide down-payment assistance as second or third lien mortgage loans. Although the Authority did securitize certain FHA insured Mortgage Loans, VA guaranteed Mortgage Loans and USDA/RD guaranteed Mortgage Loans into GNMA Program Securities and securitize certain Conventional Mortgage Loans into Fannie Mae Program Securities prior to September 2008, and retains the right under the 1976 General Resolution to do so in the future, on September 1, 2020, the Authority voluntarily withdrew from the GNMA Mortgage-Backed Securities Program and no longer is a GNMA approved issuer of GNMA Program Securities; also the Authority currently has no plans to securitize additional Conventional Mortgage Loans. The Authority may adopt different Series Program Determinations in the future, however, providing for the financing of different types of Program Obligations under the 1976 General Resolution with proceeds of future Series of Bonds, including, without limitation, additional second or third lien mortgage loans under one or more new down payment assistance programs. See "1976 GENERAL RESOLUTION MORTGAGE LOANS", "GEORGIA DREAM HOMEOWNERSHIP PROGRAM" and "APPENDIX C – INSURANCE AND GUARANTY PROGRAMS FOR MORTGAGE LOANS" herein.

In addition to the Down Payment Assistance Loans financed with Bond proceeds under the 1976 General Resolution, which are expected to include proceeds of the 2021 Series A Bonds, the Authority has financed Down Payment Assistance Loans from various non-Bond funding sources from time to time. Most recently, from July 2017 until December 31, 2020, the Authority applied an allocation of \$73,000,000 from the United States Treasury Department ("Treasury") under the "Hardest Hit Fund Program", together with recovered funds under the Hardest Hit Fund Program, to purchase Down Payment Assistance Loans (the "HHF Down Payment Assistance Loans" or "HHF DPA Loans") in conjunction with the purchase of eligible homes located in certain designated counties in the State approved by Treasury; see "GEORGIA DREAM HOMEOWNERSHIP PROGRAM - Georgia Dream Down Payment Assistance Loan Program - Special Targeted Down Payment Assistance Loan Programs" herein. While the HHF Down Payment Assistance Loans and other Down Payment Assistance Loans financed with other non-Bond sources of funds have been a component of the Authority's Georgia Dream Homeownership Program and such Down Payment Assistance Loans were made to qualifying Mortgagors contemporaneously receiving a Bond financed first Mortgage Loan, notwithstanding any provision herein to the contrary, such non-Bond financed Down Payment Assistance Loans do not constitute "Program Obligations" under the 1976 General Resolution.

U.S. Bank National Association serves as successor trustee (in such capacity, the "Trustee") and as successor paying agent (in such capacity, the "Paying Agent") for the Bonds, including the 2021 Series A Bonds.

ALL BONDS ISSUED UNDER THE RESOLUTIONS ARE PARITY BONDS AND CONSTITUTE GENERAL OBLIGATIONS OF THE AUTHORITY PAYABLE OUT OF ANY OF THE AUTHORITY'S REVENUES, MONEY OR ASSETS LEGALLY AVAILABLE THEREFOR SUBJECT ONLY TO AGREEMENTS HERETOFORE AND HEREAFTER MADE WITH HOLDERS OF NOTES AND BONDS OTHER THAN THE BONDS PLEDGING PARTICULAR REVENUES, MONEY OR ASSETS FOR THE PAYMENT THEREOF. See "SECURITY FOR THE BONDS" herein.

THE 2021 SERIES A BONDS WILL NOT CONSTITUTE A DEBT OF THE STATE OR ITS AGENCIES OR A PLEDGE OF THE FAITH OR CREDIT OF THE STATE OR ITS AGENCIES, BUT WILL BE PAYABLE SOLELY AS PROVIDED IN THE RESOLUTIONS. THE ISSUANCE OF THE 2021 SERIES A BONDS WILL NOT DIRECTLY OR INDIRECTLY OBLIGATE THE STATE TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR PAYMENT OF THE 2021 SERIES A BONDS. THE AUTHORITY HAS NO TAXING POWER.

The global outbreak of the coronavirus COVID-19 ("COVID-19") and measures taken by federal, state and local governments in response thereto have had and to an unknown extent will continue to have negative effects on individuals, businesses and economic activity across the country and the State, including mortgage loan repayments and mortgage loan originations. For descriptions of certain of these measures and the impact on the Authority, its mortgage loan portfolio and its Georgia Dream Home Ownership Program, see "Business Disruption Risk; COVID-19" herein.

The summaries of or references to the Act, the Resolutions, and other statutes, agreements and documents referred to herein, and the descriptions of the 2021 Series A Bonds that are included in this Official Statement do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified by reference to the Act, the Resolutions, such statutes, agreements, documents and the 2021 Series A Bonds.

THE 2021 SERIES A BONDS

General

The 2021 Series A Bonds will be dated their Issue Date set forth on the front cover page hereof and will mature in the principal amounts and on the dates shown on the inside front cover page hereof. The 2021 Series A Bonds will be issued as fully registered, book-entry only Bonds. The 2021 Series A Bonds will bear interest as described below commencing on their Issue Date, which interest will be payable on June 1, 2022* and semiannually thereafter on each June 1 and December 1.

The 2021 Series A Bonds will constitute Fixed Rate Bonds and will bear interest at the respective Fixed Interest Rate shown on the inside front cover page hereof, determined on the basis of a 360-day year of twelve 30-day months. The 2021 Series A Bonds will be issued in denominations of \$5,000 principal amount or any integral multiple thereof ("Authorized Denominations").

Interest on the 2021 Series A Bonds will be payable to the registered owners of such 2021 Series A Bonds appearing on the registration books of the Trustee on the Record Date, for each Interest Payment Date, by check or draft drawn on the Trustee; provided, however, that such interest also is payable by wire transfer within the continental United States to any registered owner of the 2021 Series A Bonds in the aggregate principal amount of at least \$1,000,000 as of the close of business of the Trustee on the Record Date if such registered owner has submitted to the Trustee prior to the Record Date a written request therefor setting forth complete wire transfer instructions. The aforesaid written request will remain in effect until changed or revoked by another written notice. As described hereinafter, the Bond Depository will be the registered owner of the 2021 Series A Bonds so long as the hereinafter described book-entry only system is in effect for the 2021 Series A Bonds; see "APPENDIX B – BOOK-ENTRY ONLY BONDS, DTC AND GLOBAL CLEARANCE PROCEDURES." Payments of interest will be accompanied by CUSIP numbers for the 2021 Series A Bonds with respect to which such payments are being made.

The principal or Redemption Price of each 2021 Series A Bond will be payable, at maturity or earlier redemption, upon presentation and surrender of such 2021 Series A Bond at the principal corporate trust office of the Trustee; provided, however, principal payable upon redemption or maturity also will be payable upon such presentation and surrender at the principal corporate trust office of the Trustee by wire transfer within the continental United States of America to any registered owner of the 2021 Series A Bonds in the aggregate principal amount of at least \$1,000,000 immediately prior

to such redemption or maturity, if such registered owner has submitted to the Trustee at the time of or prior to such presentation and surrender a written request therefor setting forth complete wire transfer instructions. As described hereinafter, the Bond Depository will be the registered owner of the 2021 Series A Bonds so long as the hereinafter described book-entry only system is in effect for the 2021 Series A Bonds; see "APPENDIX B – BOOK-ENTRY ONLY BONDS, DTC AND GLOBAL CLEARANCE PROCEDURES." The CUSIP number identification and appropriate dollar amounts for each CUSIP number will accompany all principal payments and interest payments on the 2021 Series A Bonds, whether such payments are made by check or wire transfer.

Book-Entry Only Bonds

See "APPENDIX B – BOOK-ENTRY ONLY BONDS, DTC AND GLOBAL CLEARANCE PROCEDURES" herein for certain information on the Depository Trust Company ("DTC") and its book-entry only system.

So long as Cede & Co., as nominee for DTC, (in such capacity, the "Bond Depository") is the registered owner of the 2021 Series A Bonds, the Authority, the Trustee and the Paying Agent will treat Cede & Co. as the only registered Bondholder of the 2021 Series A Bonds for all purposes under the Resolutions, including receipt of all principal and interest, receipt of notices and voting.

Neither the Authority, the Trustee nor the Paying Agent will have any responsibility or obligations to the DTC Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any DTC Participant; (b) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal of and interest on the 2021 Series A Bonds; (c) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Resolutions to be given to Bondholders; (d) the selection of the Beneficial Owners to receive payments in the event of any partial redemption of the 2021 Series A Bonds; or (e) any consent given or other action taken by DTC, or its nominee, Cede & Co., as registered Bondholder.

In the event the Authority determines that it is in the best interests of the Beneficial Owners of the 2021 Series A Bonds that they be able to obtain Bond certificates, the Authority may notify DTC, the Paying Agent and the Trustee. In such event, the Trustee will issue, transfer and exchange the applicable Bond certificates as requested by DTC and any other registered owners of the 2021 Series A Bonds in appropriate amounts, and the Trustee and the Authority will cooperate with DTC by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the 2021 Series A Bonds to any nominee or Direct Participant having such Bonds credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the 2021 Series A Bonds.

Redemption

Mandatory Sinking Fund Redemption*. The 12/1/2036* Term Bonds, the 12/1/2041* Term Bonds, the 12/1/2046* Term Bonds and the 12/1/2051* Term Bonds will be subject to mandatory sinking fund redemption in part by operation of Sinking Fund Installments as provided in the Resolutions on June 1 and December 1 in the applicable years and in the amounts set forth in the following tables, and in each case at the Redemption Price equal to 100% of the principal amount of each such Term Bond or portion thereof to be redeemed, without redemption premium, plus accrued interest to the Redemption Date. Unless none of each such respective Term Bond shall then be Outstanding, the Authority will be required to pay on June 1 and December 1 in each of the years set forth in the following table, for the payment and retirement of such Term Bonds, as applicable, the amount set forth opposite such date in the following table, and said amount so to be paid on each such June 1 and December 1 is established pursuant to the Resolutions as and will constitute a Sinking Fund Installment for retirement of such Term Bonds; provided, however, if prior to any date on which a Sinking Fund Installment is due any Term Bonds have been purchased or redeemed from money in the Optional Redemption Account or the Special Redemption Account, the amount of each future Sinking Fund Installment shown below for such applicable Term Bond will be reduced as determined by the Authority, provided that the total amount of such reduction will equal the amount of such prior purchase or redemption.

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12/1/2036* Term Bonds

<u>Redemption Date*</u>	<u>Sinking Fund Redemption Amount*</u>
June 1, 2034	\$1,835,000
December 1, 2034	1,865,000
June 1, 2035	1,885,000
December 1, 2035	1,910,000
June 1, 2035	1,925,000
December 1, 2036 ⁽¹⁾	1,935,000

12/1/2041* Term Bonds

<u>Redemption Date*</u>	<u>Sinking Fund Redemption Amount*</u>
June 1, 2037	\$1,950,000
December 1, 2037	1,980,000
June 1, 2038	2,005,000
December 1, 2038	2,035,000
June 1, 2039	2,050,000
December 1, 2039	2,075,000
June 1, 2040	2,050,000
December 1, 2040	1,755,000
June 1, 2041	2,005,000
December 1, 2041 ⁽¹⁾	1,455,000

12/1/2046* Term Bonds

<u>Redemption Date*</u>	<u>Sinking Fund Redemption Amount*</u>
June 1, 2042	\$1,455,000
December 1, 2042	1,460,000
June 1, 2043	1,475,000
December 1, 2043	1,495,000
June 1, 2044	2,035,000
December 1, 2044	2,050,000
June 1, 2045	2,075,000
December 1, 2045	2,105,000
June 1, 2046	2,105,000
December 1, 2046 ⁽¹⁾	2,130,000

12/1/2051* Term Bonds

<u>Redemption Date*</u>	<u>Sinking Fund Redemption Amount*</u>
June 1, 2047	\$2,140,000
December 1, 2047	2,175,000
June 1, 2048	2,190,000
December 1, 2048	2,205,000
June 1, 2049	2,220,000
December 1, 2049	2,260,000
June 1, 2050	2,275,000
December 1, 2050	2,300,000
June 1, 2051	2,340,000
December 1, 2051 ⁽¹⁾	5,920,000

⁽¹⁾ Final Maturity

Special Redemption. (a) **Special Mandatory Redemption from Unexpended Proceeds.** (i) *General.* The 2021 Series A Bonds will be subject to special mandatory redemption, in whole or in part, at any time and from time to time at the direction of the Authority (prior to the final special mandatory Redemption Date set forth in subsection (a)(ii) hereinafter), from unexpended proceeds on deposit in the 2021 Series A Mortgage Purchase and Loan Account that the Authority does not expect to expend for the purchase of Program Obligations, at a Redemption Price equal to 100% of the principal amount to be redeemed, plus interest accrued to the Redemption Date. The 2021 Series A Bonds to be so

redeemed shall be selected by the Trustee pursuant to the Resolutions on a reasonably proportionate basis from among all then outstanding maturities of such 2021 Series A Bonds.

(ii) Final Unexpended Proceeds Special Mandatory Redemption. The 2021 Series A Bonds will be subject to special mandatory redemption in accordance with the terms described in subsection (a)(i) hereinabove no later than forty-two months after the Issue Date (no later than May 9, 2025*) from and to the extent there is determined by the Authority to be any unexpended proceeds on deposit in the 2021 Series A Mortgage Purchase and Loan Account allocable to the 2021 Series A Bonds.

(b) Special Mandatory Redemption from Tax Restricted Principal Receipts. The 2021 Series A Bonds will be subject to special mandatory redemption at any time, but at least once during each semiannual period ending on each Interest Payment Date, from Tax Restricted Principal Receipts (as defined hereinafter) to the extent not required to be transferred to the Principal Account in the Debt Service Fund pursuant to the Series Resolution, at the Redemption Price equal to 100% of the principal amount of such 2021 Series A Bonds being redeemed, plus accrued interest to the Redemption Date. In the event of any such special mandatory redemption, the 2021 Series A Bonds to be redeemed will be selected by the Authority.

The 2021 Series A Resolution defines "*Tax Restricted Principal Receipts*" to mean, with respect to the 2021 Series A Bonds, the applicable percentage of the New Mortgage Loans Principal Receipts received during the respective time period set forth in the following chart; provided, however, that the percentages and the dates set forth in the following chart may be modified to the extent that the Authority provides the Trustee an opinion of Bond Counsel to the effect that compliance with such modified schedule will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the 2021 Series A Bonds:

<u>Commencement Date*</u>	<u>Ending Date*</u>	<u>Percentage of Tax Restricted Principal*</u>
November 9, 2021	November 8, 2031	20.97595%
November 9, 2031	Final Maturity	100.00000%

(c) Special Redemption from Special Redemption Account. The 2021 Series A Bonds will be subject to special redemption, at the option of the Authority, without premium, in whole or in part, at any time, at a Redemption Price equal to 100% of the principal amount to be redeemed, plus accrued interest thereon to the Redemption Date, from money (regardless of Series source) representing (i) Program Obligation principal repayments (including both regularly scheduled principal payments and Prepayments from Program Obligations funded from any Series of Bonds issued under the 1976 General Resolution or any other series of Bonds with respect to which cross-calling is permitted) in excess of the accrued portion of the Principal Requirement and not otherwise required to be applied to the redemption of Bonds of the related Series, (ii) amounts from the Capital Reserve Fund or the Mortgage Reserve Fund in excess of the Capital Reserve Requirement or the Mortgage Reserve Requirement, as applicable, and (iii) any amounts on deposit in the Revenue Fund, provided that such amounts are not required to meet the Principal Requirement, the Interest Requirement, the Mortgage Reserve Requirement or the Capital Reserve Requirement and therefore are transferred to the Special Redemption Account in accordance with the Resolutions. In the event of any such special redemption as described in this paragraph, the 2021 Series A Bonds to be redeemed will be selected by the Authority, subject to the requirements of the Resolutions.

Optional Redemption. (a) The 2021 Series A Bonds will be subject to redemption at the option of the Authority prior to their respective maturities, either as a whole or in part, on any date on or after the earlier of (i) December 1, 2030* or (ii) the date on which the aggregate principal amount of the 2021 Series A Bonds outstanding is less than ten percent (10%) of the original aggregate principal amount of the 2021 Series A Bonds, at the Redemption Price equal to 100% of the principal amount of 2021 Series A Bonds being redeemed, plus accrued interest to the Redemption Date. In the event of any such optional redemption, the Authority will select the Subseries, the maturity or maturities and the principal amount thereof to be redeemed.

(b) In the event the Authority elects to sell Program Obligations (other than Defaulted Mortgage Loans) purchased pursuant to the 1976 General Resolution and to apply the proceeds from such sale of non-Defaulted Program Obligations to redeem 2021 Series A Bonds, then such redemption will be in accordance with the aforesaid optional redemption provisions of the Resolutions. Notwithstanding the provisions of the Resolutions described in the immediately preceding sentence, any sale of Defaulted Mortgage Loans, any sale of Program Obligations the Revenues from which

are deposited into the Mortgage Reserve Fund or Capital Reserve Fund pursuant to the Resolutions, and any sale of Program Obligations upon the insufficiency of funds under the 1976 General Resolution to pay current debt service will not be subject to the aforesaid requirements of the Resolutions, but the proceeds of any such sale will be applied as otherwise provided in the Resolutions.

Redemption Selection and Notice of Redemption

Selection of Bonds to be Redeemed. In the event of a redemption of less than all 2021 Series A Bonds, the Trustee will select the maturities or portions thereof of each applicable Subseries of the 2021 Series A Bonds to be redeemed (i) for mandatory sinking fund redemptions, from the applicable maturity subject to mandatory sinking fund redemption, or (ii) otherwise as described herein with respect to certain special redemptions, or (iii) for optional redemption either (a) on a reasonably proportionate pro-rata basis from all then existing maturities of the applicable Subseries of the 2021 Series A Bonds subject to such redemption, or (b) in such manner as the Authority will determine, consistent with the Resolutions. If applicable, the Trustee shall determine and effectuate such proportionate basis of selection as nearly as practicable by multiplying the total amount of such money available to redeem such applicable Subseries of 2021 Series A Bonds on the date fixed for redemption by the ratio that the principal amount of all 2021 Series A Bonds then Outstanding of such applicable Subseries in each maturity subject to such redemption bears to the principal amount of all 2021 Series A Bonds of the applicable Subseries then Outstanding subject to such redemption. Whenever less than all the 2021 Series A Bonds of a Subseries and maturity are to be redeemed, the Trustee will select which 2021 Series A Bonds of the applicable Subseries within a maturity by lot in accordance with the Resolutions. The 2021 Series A Resolution provides that nothing therein shall be deemed to preclude the utilization of any Revenues for the redemption of any Series of Bonds consistent with the Resolutions.

Notice of Redemption. In accordance with the 1976 General Resolution, whenever the Trustee is required or authorized to redeem 2021 Series A Bonds, the Trustee will give notice of the redemption of such 2021 Series A Bonds and the Trustee will mail a copy of the redemption notice to the Bond Depository or other registered holders of such 2021 Series A Bonds in the manner provided for in the 1976 General Resolution not less than thirty (30) calendar days or more than sixty (60) calendar days prior to the Redemption Date with respect to the 2021 Series A Bonds. Such notice will specify the following: the complete official name of such Bonds, including the Series designation, the Subseries designation, if any, and the maturity date of such Bonds to be redeemed, the CUSIP number (if any) of such Bonds, including the certificate numbers of such Bonds, the date of such redemption notice, the issuance date for such Bonds, the interest rates of such Bonds, the name and address of the Trustee, the Redemption Date and the place or places where amounts due upon such redemption will be payable; in the case of a Bond to be redeemed in part only, the redemption notice will state the portion of the principal amount thereof to be redeemed, and that on the stated Redemption Date there will become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portion of the principal thereof in the case of a Bond to be redeemed in part only, together with interest accrued to such date, and that from and after such date interest thereon will cease to accrue and be payable; provided, however, that failure of such notice to accurately describe the CUSIP numbers will not affect the validity of such redemption and failure so to mail any such notice will not affect the validity of any proceedings for the redemption of the 2021 Series A Bonds for which no such failure has occurred.

In addition to the notice referred to in the immediately preceding paragraph, in accordance with the Resolutions, the Trustee shall mail a notice of redemption to each registered holder (which initially shall be the Bond Depository) of the 2021 Series A Bonds in an aggregate principal amount of at least \$1,000,000 by certified mail, return receipt requested (in addition to the first class mail as otherwise provided); provided, however, that such certified mailing shall not be a condition precedent to such redemption and failure so to mail any such notice shall not affect the validity of any proceeding for the redemption of the 2021 Series A Bonds.

Notwithstanding the foregoing, so long as the 2021 Series A Bonds continue to be issued through a book-entry only system with the Bond Depository (or a substitute securities depository), in lieu of the foregoing provisions, the Trustee shall give notice of redemptions in accordance with the terms of the applicable letter of representations to the Bond Depository (or substitute securities depository) for the 2021 Series A Bonds.

The Trustee will send a copy of the notice of redemption of the 2021 Series A Bonds required under the 1976 General Resolution, (a) by certified mail return receipt requested or overnight delivery service at least two (2) Business Days prior to the aforesaid mailing to Bondholders of the notice of redemption, to the following: Kenny Information Service's Called Bond Service, Standard & Poor's Called Bond Record and the Depository Trust Company, and (b) by

mail or otherwise deliver by secure electronic means to the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access system ("EMMA") or any successor thereto nationally recognized municipal securities information repository recognized by the United States Securities and Exchange Commission (the "SEC") for purposes of Rule 15c2-12 of the SEC ("Rule 15c2-12") promulgated by the SEC; provided, however, that none of the foregoing will be a condition precedent to such redemption and failure so to mail or otherwise deliver any such notice of redemption will not affect the validity of any proceedings for the redemption of the 2021 Series A Bonds.

Pursuant to the Resolutions, the Trustee is required to mail a second notice of redemption not more than ninety (90) days following the Redemption Date to the registered owner (which initially shall be the Bond Depository) of each 2021 Series A Bond that was called for redemption but that was not presented for payment upon redemption pursuant to the Resolutions within sixty (60) days following the Redemption Date, which notice shall be mailed postage prepaid, by first class mail; provided, however, that such notice to a registered owner of a 2021 Series A Bond in an aggregate principal amount of at least \$1,000,000 shall be mailed by certified mail, return receipt requested (instead of by first class mail as otherwise required); and, provided further, however, that failure so to mail any such notice shall not affect the validity of any proceeding for the redemption of the 2021 Series A Bonds, that such mailing of or the receipt of such notice or failure or refusal of receipt thereof shall not affect the validity of any proceedings for the redemption of the 2021 Series A Bonds, and that the Trustee shall have no responsibility whatsoever if any such notice is mailed as aforesaid but is not received by or receipt thereof is refused by the applicable registered owner.

REFUNDING PLAN*

The Authority will apply the \$21,235,000* proceeds of the 2021 Series A Bonds constituting current refunding bonds within ninety (90) days from the date of initial issuance of the 2021 Series A Bonds to pay the principal portion of the redemption price of the Refunded Bonds. The Authority currently expects that the 2021 Series A Refunded Bonds will consist of \$18,440,000* aggregate principal amount of the outstanding 2009 Series C-2 Bonds* and \$2,795,000* aggregate principal amount of the outstanding 2010 Series B Bonds*, all subject to optional redemption at a redemption price of 100% and to be redeemed within 90 days of the Issue Date. As a result of the 2021 Series A refunding, the Program Obligations currently allocated to the respective Series or Subseries of the Refunded Bonds under the 1976 General Resolution will be reallocated to the 2021 Series A Bonds constituting current refunding bonds as Transferred Loans. Based on June 30, 2021 mortgage loan data, the Authority estimated as of September 17, 2021* that on the Issue Date the Transferred Loans will be outstanding in the aggregate principal amount of approximately \$21.08* million, will have a weighted average interest rate of approximately 4.75%* and will have a weighted average maturity (remaining term) of approximately 240* months.

ESTIMATED SOURCES AND USES OF FUNDS*

The Authority expects that the proceeds of the 2021 Series A Bonds set forth under "SOURCES" below will be applied approximately as set forth under "USES" below:

SOURCES

Principal of 2021 Series A Bonds

Original Issue Premium of 2021 Series A Bonds

TOTAL SOURCES

USES

Deposit to 2021 Series A Mortgage Purchase and Loan Account⁽¹⁾

Deposit to Optional Redemption Account within Debt Service Fund⁽²⁾

Deposit to 2021 Series A Capital Reserve Account

Deposit to 2021 Series A Cost of Issuance Account⁽³⁾

TOTAL USES

-
- (1) The deposit into the 2021 Series A Mortgage Purchase and Loan Account within the Bond Proceeds Fund will include \$2,905,000* deposited to the 2021 Series A Down Payment Assistance Subaccount within the 2021 Series A Mortgage Purchase and Loan Account.
 - (2) The deposit into the Optional Redemption Account within the Debt Service Fund under the 1976 General Resolution will be applied to optionally redeem the Refunded Bonds (see "REFUNDING PLAN" hereinabove).
 - (3) The costs of issuance of the 2021 Series A Bonds include, without limitation, the Underwriters' fee (see "UNDERWRITING OF 2021 SERIES A BONDS" herein).

1976 GENERAL RESOLUTION MORTGAGE LOANS

The 2021 Series A Bonds, together with all Bonds issued heretofore or hereafter under the 1976 General Resolution, will be secured by all Program Obligations financed under the 1976 General Resolution. The Program Obligations financed under the 1976 General Resolution (other than Down Payment Assistance Loans) will be non-adjustable fixed rate Mortgage Loans (or Program Securities backed by Mortgage Loans) with original terms of up to thirty-five (35) years, secured by Mortgages on single-family, owner-occupied housing located within the State. Certain Program Obligations financed under the 1976 General Resolution between 2005 and 2007, outstanding in the aggregate principal amount of \$3,003,516.78 as of June 30, 2021, have an original term of thirty-five (35) years, with interest only payable during the first five (5) years, and with the principal fully amortized over the remaining thirty (30) years of the loan term, all of which Program Obligations now are fully amortizing. The balance of the Program Obligations financed under the 1976 General Resolution and all Program Obligations financed by the 2021 Series A Bonds (other than any Down Payment Assistance Loans) will have an original term of thirty (30) years, with the principal fully amortized over such term. The Down Payment Assistance Loans financed by earlier Series of Bonds and any Down Payment Assistance Loans financed by the 2021 Series A Bonds are or will be non-amortizing mortgage loans bearing interest at zero percent (0%) secured by second or third Mortgages on single-family, owner occupied housing located in the State (see "GEORGIA DREAM HOMEOWNERSHIP PROGRAM - Georgia Dream Down Payment Assistance Loan Program" hereinafter). Mortgage Loans and such Down Payment Assistance Loans must comply with the applicable Series Program Determinations established by the Authority with respect to each respective Series of Bonds.

The Program Obligations authorized under the 1976 General Resolution currently include (i) FHA insured Mortgage Loans, (ii) VA guaranteed Mortgage Loans, (iii) Conventional Loans, (iv) USDA/RD guaranteed Mortgage Loans, (v) Program Securities, and (vi) Down Payment Assistance Loans, and also may include other first or second or third lien Mortgage Loans. The Authority currently expects that a substantial portion of the Mortgage Loans to be financed by the 2021 Series A Bonds will be FHA insured Mortgage Loans. While the Authority retains its right to purchase qualifying Conventional Loans, since January 2009 the Authority has not purchased any new Conventional Loans having a principal balance exceeding eighty percent (80%) of the fair market value of the mortgage property (and thus has not purchased any additional new Conventional Loans requiring private mortgage insurance) and currently has no plans to do so. While the Authority did securitize certain FHA insured Mortgage Loans, VA guaranteed Mortgage Loans and USDA/RD guaranteed Mortgage Loans into GNMA Program Securities and securitize certain Conventional Mortgage Loans into Fannie Mae Program Securities prior to September 2008, and retains the right under the 1976 General Resolution to do so in the future, on September 1, 2020, the Authority voluntarily withdrew from the GNMA Mortgage-Backed Securities Program and no longer is a GNMA approved issuer of GNMA Program Securities; also the Authority currently has no plans to securitize additional Conventional Mortgage Loans into Fannie Mae Program Securities.

Beginning in 2001, each Series Resolution also authorized the use of proceeds of the applicable Series of Bonds to finance Down Payment Assistance Loans, initially in the original aggregate principal amount not exceeding \$250,000 per Series of Bonds, and beginning in 2009 in greater principal amounts per Series of Bonds; see "GEORGIA DREAM HOMEOWNERSHIP PROGRAM – Georgia Dream Down Payment Assistance Loan Program" herein for additional information on the Authority's Down Payment Assistance Loan program.

Also see "GEORGIA DREAM HOMEOWNERSHIP PROGRAM", "APPENDIX C – INSURANCE AND GUARANTY PROGRAMS FOR MORTGAGE LOANS" and "APPENDIX D – CERTAIN INFORMATION ON MORTGAGE LOAN PROGRAM UNDER 1976 GENERAL RESOLUTION" herein.

Current Status of Single Family Mortgage Loan Program under 1976 General Resolution

The following chart, the charts on the immediately following three pages and the chart in Appendix D hereto summarize the status of certain information under the 1976 General Resolution as of June 30, 2021 (or as of any other specified date), provided, however, all such Mortgage Loan related information (a) has been obtained by the Authority from sources believed to be reliable and is believed by the Authority to be reasonably and approximately accurate, but the Authority expressly does not warrant the precise accuracy of the Mortgage Loan related information, (b) includes all Mortgage Loans financed in whole or in part under the 1976 Resolution or transferred to the 1976 General Resolution in connection with a current refunding or otherwise, including, without limitation, Blended Loans financed in whole or in part under or transferred to the 1976 General Resolution, (c) includes Mortgage Loans "In Foreclosure" (as defined in footnote 3 on page 12 hereof), and (d) excludes (except as to the two line items below concerning Program Securities and

Down Payment Assistance Loans) Mortgage Loans pooled into Program Securities and Mortgage Loans constituting Down Payment Assistance Loans. Also, see the subheading "Commencement of Origination of 2021 Series A New Mortgage Loans" hereinafter, "APPENDIX C – INSURANCE AND GUARANTY PROGRAMS FOR MORTGAGE LOANS" and "APPENDIX D – CERTAIN INFORMATION ON MORTGAGE LOAN PROGRAM UNDER 1976 GENERAL RESOLUTION".

Original aggregate principal amount of Bonds issued ⁽¹⁾ :	\$4,542,324,980
Number of Series of Bonds issued ⁽¹⁾ :	77
Dates of issuance ⁽¹⁾ :	1976 through 2020
Principal Amount of Bonds outstanding ⁽²⁾ :	\$1,529,280,000
Principal Amount of Mortgage Loans outstanding ⁽³⁾ :	\$1,289,032,968.32
Principal Amount of Program Securities outstanding ⁽⁴⁾ :	\$12,875,930.66
Principal Amount of Down Payment Assistance Loans outstanding:	\$33,215,807.49
Number of Mortgage Loans originated:	51,391
Number of Mortgage Loans paid off:	37,789
Number of Mortgage Loans currently outstanding:	13,602
Types of Mortgage Loans in portfolio (percent of outstanding portfolio) ⁽⁵⁾ :	
FHA insured Mortgage Loans:	93.391%
USDA/RD guaranteed Mortgage Loans:	2.698%
Conventional Mortgage Loans (uninsured):	1.764%
Conventional Mortgage Loans (insured):	1.323%
VA guaranteed Mortgage Loans:	0.823%
Mortgage Loans for new construction outstanding ⁽⁵⁾ :	11.042%
Mortgage Loans for existing homes outstanding ⁽⁵⁾ :	88.958%

(1) Includes Series of Bonds no longer outstanding.

(2) Since June 30, 2021, the Authority (i) redeemed Bonds in the aggregate principal amount of \$58,655,000 on September 1, 2021, and (ii) in connection with the proposed refunding component of the 2021 Series A Bonds currently plans to redeem the outstanding 2009 Series C-2 Bonds and 2010 Series B Bonds in whole or in part within 90 days of the Issue Date.

(3) See also the subheading "Commencement of Origination of 2021 Series A New Mortgage Loans" hereinafter.

(4) Comprised of \$12,802,261.23 Fannie Mae Program Securities and \$73,669.43 GNMA Program Securities. The Authority currently intends to maintain separate data, as practicable, with respect to certain information on Mortgage Loans pooled into Program Securities, as and when Program Securities are financed under the 1976 General Resolution. While the Authority will retain the right under the 1976 General Resolution to securitize additional FHA insured Mortgage Loans, VA guaranteed Mortgage Loans and USDA/RD guaranteed Mortgage Loans into GNMA Program Securities and to securitize Conventional Mortgage Loans into Fannie Mae Program Securities, it no longer is a GNMA approved issuer of GNMA Program Securities and currently has no plans to issue additional Fannie Mae Program Securities.

(5) Percent by the number of Mortgage Loans outstanding under 1976 General Resolution.

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The following chart summarizes the Conventional Loans held under the 1976 General Resolution as of June 30, 2021 either covered by private mortgage insurance issued by each applicable private mortgage insurer (each of whom constituted a Qualified Mortgage Insurance Company at the time each respective Mortgage Loan was approved by the Authority) or that satisfied the requirements for uninsured Conventional Loans.

<u>Private Mortgage Insurer</u>	<u>Percent of Mortgage Loan Portfolio⁽¹⁾</u>
Genworth Financial	0.507%
Radian	0.265%
United Guaranty	0.199%
PMI	0.140%
MGIC	0.103%
Republic	0.088%
TRIAD	0.022%
Conventional Loans Uninsured ⁽²⁾	<u>1.764%</u>
Total All Conventional Loans	<u>3.088%</u>

- (1) Percent by the number of Mortgage Loans outstanding in the portfolio and includes all Mortgage Loans held under the 1976 General Resolution, including, without limitation, the portion of Blended Loans financed under the 1976 General Resolution and Mortgage Loans "In Foreclosure" (as defined in footnote 3 on page 12 hereof), but excluding Mortgage Loans pooled into Program Securities and Down Payment Assistance Loans.
- (2) Includes Conventional Loans that were uninsured at origination due to loan-to-value ratios of 80% or less at origination as well as other Conventional Loans uninsured as of June 30, 2021 due to having loan-to-value ratios of 80% or less as of June 30, 2021.

Many providers of private mortgage insurance, including, without limitation, some providers listed hereinabove insuring some of the Authority's Conventional Loans, have experienced financial difficulties in recent years; some providers had their credit ratings withdrawn or downgraded or placed on watch for a future downgrade; some providers were placed in receivership, rehabilitation or under some other formal supervision by state regulators; and some providers in the past have not or currently are not making full payment on claims. Since January of 2009, the Authority has not purchased privately insured Conventional Loans. The Authority makes no representation regarding the financial condition of any of the hereinabove listed private mortgage insurance companies or their ability to make full and timely payment to the Authority of claims on Conventional Loans on which losses are incurred. Any failure to make timely payments on the private mortgage insurance policies insuring Conventional Loans may disrupt the flow of Revenues available for the payment of principal and interest on the Bonds.

The following table sets forth the delinquency status of the Mortgage Loans outstanding under the 1976 General Resolution as of June 30, 2021⁽¹⁾ that are 60 days or more delinquent.

<u>Delinquency Status</u>	<u>Number of Loans</u>	<u>% of Total Portfolio</u>	<u>Outstanding Balance</u>	<u>% of Total Outstanding Balance</u>
60 - 89 days past due	168	1.24%	\$15,205,825.02	1.18%
90 - 119 days past due	111	0.82%	10,553,335.21	0.82%
120 days or more past due	681	5.00%	68,062,809.74	5.28%
In Foreclosure	<u>17</u>	<u>0.12%</u>	<u>1,641,229.56</u>	<u>0.13%</u>
Total	<u>977</u>	<u>7.18%</u>	<u>\$95,463,199.53</u>	<u>7.41%</u>

- (1) This table contains information on all Mortgage Loans held under the 1976 General Resolution as of June 30, 2021 that are 60 days or more delinquent, including the portion of delinquent Blended Loans financed under the 1976 General Resolution, but excluding Mortgage Loans pooled into Program Securities and Down Payment Assistance Loans; this table does not include information on foreclosed properties. As used in this table, "In Foreclosure" is defined in footnote 3 on page 12 hereof.

The following table sets forth the sixty plus (60+) days delinquency rate and "In Foreclosure" (as defined in footnote 3 to the following table) rate for the specified calendar quarters for the Authority's 1976 General Resolution Mortgage Loan portfolio compared to the national Mortgage Bankers Association ("MBA") published quarterly National Delinquency Survey for FHA fixed rate mortgage loans in the State.

<u>Calendar Quarter Ending</u>	<u>GHFA 60+ Days Delinquency Rate⁽¹⁾</u>	<u>MBA 60+ Days Delinquency Rate⁽²⁾</u>	<u>GHFA In Foreclosure Rate⁽¹⁾</u>	<u>MBA In Foreclosure Rate⁽³⁾</u>
6/30/2021	7.07%	11.06%	0.12%	0.53%
3/31/2021	6.75%	12.84%	0.18%	0.60%
12/31/2020	5.58%	12.48%	0.19%	0.60%
9/30/2020	6.28%	12.96%	0.23%	0.27%
6/30/2020	5.88%	10.82%	0.23%	0.37%
3/31/2020	4.00%	3.03%	0.30%	0.37%
12/31/2019	4.35%	3.22%	0.27%	0.71%
9/30/2019	4.31%	3.08%	0.41%	0.66%
6/30/2019	3.89%	3.26%	0.34%	0.92%
3/31/2019	3.82%	3.07%	0.18%	0.96%
12/31/2018	4.40%	3.46%	0.38%	1.03%
9/30/2018	4.34%	3.84%	0.20%	0.98%
6/30/2018	4.25%	3.63%	0.44%	1.05%
3/31/2018	4.84%	3.78%	0.40%	1.28%
12/31/2017	5.72%	4.97%	0.54%	1.18%
9/30/2017	5.67%	4.14%	0.58%	1.21%
6/30/2017	5.51%	3.59%	0.46%	1.35%
3/31/2017	5.74%	3.74%	0.87%	1.41%
12/31/2016	6.89%	4.75%	0.58%	1.73%
9/30/2016	6.83%	4.46%	0.53%	1.56%
6/30/2016	6.96%	4.43%	0.72%	1.63%
3/31/2016	6.45%	4.57%	0.77%	1.93%
12/31/2015	7.63%	5.43%	0.74%	2.13%
9/30/2015	7.14%	5.63%	0.78%	2.21%

- (1) The GHFA information in this table concerns all Mortgage Loans held under the 1976 General Resolution as of each date stated in this table (calculated on the basis of the number of Mortgage Loans then outstanding), including the portion of Blended Loans financed under the 1976 General Resolution, but excluding Mortgage Loans pooled into Program Securities and Down Payment Assistance Loans, and does not include information on foreclosed properties.
- (2) The MBA's 60+ days delinquency rate for all FHA insured fixed rate mortgages in the State as reported in the MBA's quarterly National Delinquency Survey.
- (3) The MBA's percent of loans "In Foreclosure" for all FHA insured fixed rate mortgage loans in the State of Georgia as reported in the MBA's quarterly National Delinquency Survey for the calendar quarters specified. MBA defines "In Foreclosure" as any mortgage loan where foreclosure proceedings have begun; mortgage loans remain in foreclosure status until the foreclosure has been completed to the extent that the investor has acquired title to the real estate, an entitling certificate, title subject to redemption, or title is awaiting transfer to FHA or VA.

The Authority has collected and compiled its mortgage loan portfolio information since 1976 using a number of different information recording systems, creating the possibility of human or mechanical error in collecting, compiling and transcribing the aforesaid information and all other information herein on the Authority's mortgage loan portfolio.

Certain additional information on the Mortgage Loan Program under the 1976 General Resolution is set forth in "APPENDIX D—CERTAIN INFORMATION ON MORTGAGE LOAN PROGRAM UNDER 1976 GENERAL RESOLUTION" herein.

Commencement of Origination of 2021 Series A New Mortgage Loans

As of September 17, 2021, less than \$1,466,000 remained on deposit in the various Mortgage Purchase and Loan Accounts under the 1976 General Resolution for the purchase of Mortgage Loans. On August 11, 2021, the Authority commenced the purchase of New Mortgage Loans expected to be allocated to, and permanently financed by, in whole or in part, proceeds of the 2021 Series A Bonds. The Authority is purchasing such New Mortgage Loans in whole or in part using advances drawn under the Authority's mortgage loan warehouse credit facility with the Federal Home Loan Bank of Atlanta (the "FHLB Credit Facility") until the issuance of the 2021 Series A Bonds. As of September 17, 2021, the Authority had withdrawn \$13,474,281.07 from the Credit Facility for the purchase of such New Mortgage Loans. Upon the issuance of the 2021 Series A Bonds, the Authority expects (i) to allocate the Mortgage Loans originated under the FHLB Credit Facility in whole or in part to the 2021 Series A Bonds and (ii) to apply a corresponding amount of the 2021

Series A Bond proceeds to repay the amount advanced under the FHLB Credit Facility. The Authority retains the right, however, to modify the aforesaid funding plans as permitted in accordance with the Resolutions.

With respect to the New Mortgage Loans expected to be allocated in whole or in part to the 2021 Series A Bonds, as of September 17, 2021, the Authority (a) has underwritten and issued firm commitments to Sellers to purchase certain proposed mortgage loans in the aggregate principal amount of \$13,914,674 upon closing and delivery thereof in accordance with the Loan Seller Agreement and Seller Guide, which loan commitments contemplate mortgage loan interest rates of 2.375% per annum, and (b) has reserved an additional \$24,509,030.97 for other proposed mortgage loans identified by Sellers; provided, however, cancellation of some of such commitments and perhaps many of such reservations would be customary, and no assurance can be given as to how many of such proposed mortgage loans will be closed, will be presented for purchase in accordance with the Loan Seller Agreement and Seller Guide, and will be allocated in whole or in part to the 2021 Series A Bonds. See also "THE AUTHORITY – Business Interruption Risk; COVID-19" herein.

As discussed hereinafter under "CASH FLOW ANALYSES FOR THE BONDS", the Authority currently evaluates weekly the interest rates to be borne by future originations of New Mortgage Loans and may adjust such interest rates as permitted by the Resolutions and certain tax covenants. The Authority currently periodically publishes its then current interest rates for New Mortgage Loans on its website (see "Current Georgia Dream Interest Rate" under "Georgia Dream Homeownership Program" at www.dca.ga.gov), provided, however, the Authority assumes no obligation to continue to do so. See "CASH FLOW ANALYSES FOR THE BONDS" hereinafter, and also see **Appendix D** herein as to the interest rate ranges of Mortgage Loans purchased as of June 30, 2021.

SECURITY FOR THE BONDS

The 2021 Series A Bonds will be secured, to the extent and as provided in the Resolutions, equally and ratably with all other Outstanding Bonds by a pledge and assignment of the Revenues and all amounts held in any Fund (except the amounts held with respect to the Authority's rebate obligation), including investments thereof, held pursuant to the Resolutions, subject only to the provisions of the Resolutions permitting the application, disposition or expenditure thereof for or to the purposes and on the terms and conditions set forth in the Resolutions. In addition, the Bonds will constitute general obligations of the Authority payable out of any of the Authority's revenues, money or assets legally available therefor. Pursuant to the Resolutions, the money and property thereby pledged by the Authority will be free and clear of any pledge, lien, charge or encumbrance thereon, or with respect thereto prior to, or of equal rank with, the pledge created by the Resolutions. The Authority has no taxing power.

Capital Reserve Fund

The 1976 General Resolution establishes a Capital Reserve Fund and provides there will be deposited in the Capital Reserve Fund amounts equal to the Capital Reserve Requirement and any other amounts available therefor and determined by the Authority to be deposited therein. Amounts on deposit in the Capital Reserve Fund are available to make up any deficiencies in the Debt Service Fund if amounts on deposit therein and in the Mortgage Reserve Fund are insufficient to pay the Principal Installments or interest due on any Outstanding Bonds on any Interest Payment Date or any Principal Installment Date, as described in "APPENDIX A – CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTIONS – Summary of Certain Provisions of the Resolutions – Capital Reserve Fund" herein.

"Capital Reserve Requirement" means, with respect to the Outstanding Bonds as of any date of calculation, the greater of (i) an amount equal to the aggregate with respect to all Series of the amounts, if any, specified as the Capital Reserve Requirement for each Series in the respective Series Resolution authorizing such Series or (ii) an amount equal to three percent (3%) of the then current balance of all Mortgage Loans (but not Program Securities) as such amount shall be set forth in an Officer's Certificate; provided, however, the amount deposited in the Capital Reserve Fund from the proceeds of the sale of each Series of Bonds shall be no less than the amount required to be deposited by the Act, if any.

The 1976 General Resolution allows the Authority to satisfy the Capital Reserve Requirement with "Cash Equivalents," which are defined to mean a letter of credit, insurance policy, surety, guarantee or other security arrangement (as more fully defined and provided for in a Series Resolution), provided by an institution which has received a rating or a rating of its claims paying ability from each Rating Agency which would not impair the then existing rating on the Bonds or whose unsecured long-term obligations are rated at least the then highest rating on the Bonds or the

highest rating of short-term obligations if the Cash Equivalent has a term of less than twelve (12) months by each Rating Agency.

As of the date of this Official Statement, the Trustee has never transferred money from the Capital Reserve Fund to the Principal Account or the Interest Account in the Debt Service Fund. As of June 30, 2021, \$63,769,116 was held in the Capital Reserve Fund under the 1976 General Resolution, and the Capital Reserve Requirement (calculated assuming full origination of available lendable proceeds) was \$42,308,597. On the Issue Date of the 2021 Series A Bonds, proceeds of the 2021 Series A Bonds in the amount of \$1,000,000* will be deposited in the 2021 Series A Capital Reserve Account in the Capital Reserve Fund, and the resulting total amount held in the Capital Reserve Fund on the Issue Date will exceed the amount of the Capital Reserve Requirement on such date after accounting for the issuance of the 2021 Series A Bonds. The Authority may reduce the amount held in the Capital Reserve Fund to any amount equal to or exceeding the then applicable Capital Reserve Requirement with respect to any Series of Bonds at any time and from time to time without notice to Bondholders.

Mortgage Reserve Fund

The 1976 General Resolution establishes a Mortgage Reserve Fund and provides for payments into the Mortgage Reserve Fund to the extent needed so that the amount on deposit therein equals the Mortgage Reserve Requirement reduced by amounts previously transferred from the Mortgage Reserve Fund to the Principal Account in the Debt Service Fund and not previously repaid to the Mortgage Reserve Fund. Under the 1976 General Resolution, however, there is no Mortgage Reserve Requirement applicable to the 2021 Series A Bonds or any other Series of Bonds currently outstanding. Notwithstanding the absence of any applicable Mortgage Reserve Requirement, as of June 30, 2021, there was \$1,280,518 in the Mortgage Reserve Fund. The Authority may reduce the amount held in the Mortgage Reserve Fund to any amount equal to or exceeding the then applicable Mortgage Reserve Requirement with respect to any Series of Bonds at any time and from time to time without notice to Bondholders.

Additional Bonds

Upon the satisfaction of a number of conditions precedent, including, without limitation, the Authority filing with the Trustee an Officer's Certificate showing that anticipated Revenues, together with other amounts deposited under the 1976 General Resolution, are expected to be sufficient to pay the Bonds, the 1976 General Resolution permits the issuance of Additional Bonds for the purposes set forth in the 1976 General Resolution, including, without limitation, to refund Outstanding Bonds issued under the Resolutions or other bonds of the Authority issued to finance single family mortgage loans. Any Additional Bonds issued under the Resolutions will be on parity with the 2021 Series A Bonds and all Bonds heretofore and hereafter issued under the Resolutions and will be entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the Resolutions. The Authority currently intends to continue to issue Additional Bonds under the 1976 General Resolution from time to time.

Certain Additional Information

See Appendix E herein for certain additional information on Bonds outstanding under, and funds and investments held under, the 1976 General Resolution, including, without limitation, the Bonds outstanding by interest rate and the percentages of Mortgage Loan principal prepayments and Prepayments required to be applied to the payment or redemption of Bonds of the related Series under the 1976 General Resolution in accordance with the so-called Ten Year Rule.

CASH FLOW ANALYSES FOR THE BONDS

In order to determine whether Revenues from the Program Obligations financed under the 1976 General Resolution, together with other Revenues allocable to Outstanding Bonds under the 1976 General Resolution, are expected to be sufficient to meet the Authority's payment obligations and expenses under the 1976 General Resolution, including payment of the 2021 Series A Bonds, the Authority has reviewed analyses of the cash flows (collectively, the "Cash Flow Analyses") prepared at the Authority's request by the Cash Flow Consultant.

The purpose of the Cash Flow Analyses is to examine the effect on the Authority's Revenues of changes in certain factors that influence revenues, including, but not limited to, prepayment and default patterns on the Program Obligations, levels of origination of Program Obligations, and rates of return on reinvestment of Bond proceeds and the

Program Obligations payments. Based on the Cash Flow Analyses prepared in accordance with the requirements and criteria of the Rating Agency, it is expected that Revenues pledged to payment of the Bonds, including the 2021 Series A Bonds, will be sufficient to pay scheduled principal and interest on all Bonds outstanding, including the 2021 Series A Bonds. Because actual experience can differ significantly from hypothetical scenarios, however, no representation is made that any of the Cash Flow Analyses will reflect the actual course of events or that Revenues will in fact be sufficient to pay the debt service on the 2021 Series A Bonds, other Outstanding Bonds or any future Series of the Bonds.

The Resolutions permit the Authority to change the interest rates for the New Mortgage Loans and, together with other documents related to the 2021 Series A Bonds, contain certain covenants and requirements related to such changes of the interest rates, including, without limitation, requirements for certain documentation from the Authority and the Cash Flow Consultant in connection with the reduction of such interest rates below certain specified thresholds including the Base Mortgage Rate for the applicable Series of Bonds, and, in certain events, review by the Rating Agency. The Authority expects to evaluate the interest rates weekly and expects to adjust such interest rates for future originations of New Mortgage Loans, adjust the portion of future Mortgage Loans or Down Payment Assistance Loans to be allocated to the 2021 Series A Bonds and/or undertake other steps, as appropriate in light of Program objectives, rates in the residential mortgage market generally during the origination period, the Base Mortgage Rate, certain tax covenants and the limitations established under the Resolutions.

EARLY REDEMPTION RISKS

The 2021 Series A Bonds will be subject to optional, special or mandatory redemption prior to maturity from time to time upon the occurrence of any one of a number of events or options pursuant to the Resolutions, including, without limitation, as applicable, special redemptions from unexpended proceeds, from prepayments of Program Obligations, from excess Capital Reserve Fund money and excess Mortgage Reserve Fund money and from other excess Revenues. Some of the events that may result in or contribute to early redemption of the 2021 Series A Bonds are discussed briefly below.

Redemption Risks from Unexpended Proceeds

The Resolutions provide for the redemption from time to time of a portion of Bonds (which may include, without limitation, 2021 Series A Bonds) from all or a portion of unexpended proceeds in the event that the Authority expects to be unable to expend money in the respective Mortgage Purchase and Loan Account (see "ESTIMATED SOURCES AND USES OF FUNDS" herein for the amount deposited therein) to purchase Program Obligations prior to certain Redemption Dates. See "THE 2021 SERIES A BONDS – Redemption – Special Redemption – Special Mandatory Redemption from Unexpended Proceeds" herein for a description of the redemption from unexpended proceeds of the 2021 Series A Bonds.

Redemption from unexpended proceeds generally occurs (i) in a declining residential mortgage loan interest rate environment when, after the issuance of bonds and the setting of the interest rate or the permitted range of interest rates on the Mortgage Loans, mortgage interest rates fall to a level where market rate loans are more attractive than Mortgage Loans made available from proceeds of the Authority's bonds, or (ii) in certain limited instances of market or business disruption, residential mortgage loans are unable to be originated in a timely manner (see "THE AUTHORITY – Business Disruption Risk; COVID-19" herein). The last Bonds of the Authority to be redeemed from unexpended proceeds were 1996 Series A Bonds, of which \$5,625,000 were redeemed on January 7, 1998. The Authority currently evaluates its current Mortgage Loan interest rates weekly and has established procedures allowing it to adjust such interest rates as appropriate within certain limitations established by the Resolutions and the Code, as noted in the last paragraph under "CASH FLOW ANALYSES FOR THE BONDS" hereinabove. Nonetheless, the Authority does not know what changes in market interest rates for mortgage loans or real estate market conditions will occur after the issuance of the 2021 Series A Bonds or what impact any such changes may have on the acquisition of the New Mortgage Loans to be purchased with proceeds of the 2021 Series A Bonds or whether the limitations established by the Resolutions and the Code will permit the Authority to adjust the interest rate for New Mortgage Loans so as to remain sufficiently competitive in the market place.

The Authority's Program competes with mortgage products offered by mortgage lenders within the State and with mortgage products offered by other issuers of tax-exempt single family qualified mortgage bonds in the State. Certain local issuers of tax-exempt bonds may issue bonds to finance single family mortgage loans in the State during the origination period for the Program Obligations, the proceeds of which will finance mortgage loans that will compete with the origination of New Mortgage Loans in the particular geographic jurisdiction of each such local issuer, as applicable,

or by agreement with or consent from one or more other local issuers in the area of operation of such other local issuer(s). There are no issuers of tax exempt single family qualified mortgage revenue bonds on a statewide basis in the State other than the Authority.

Redemption Risks from Prepayments of Program Obligations and Other Excess Revenues

Prepayments of mortgage loans are subject to demographic trends, fluctuations in the general domestic interest rate climate and other economic conditions, which affect the economic incentive to prepay. The Authority cannot predict at what rate prepayments will be received with respect to the New Program Obligations and any Transferred Loans or other Program Obligations financed under the 1976 General Resolution.

The average life of the 2021 Series A Bonds will vary as a result of various factors including the actual prepayment experience on Program Obligations financed under the 1976 General Resolution. Such Prepayments and certain other excess Revenues under the Resolutions may be applied under certain circumstances regardless of Series source, in accordance with the Resolutions to effect redemptions of 2021 Series A Bonds or other Bonds, or may be applied under certain circumstances to purchase additional Mortgage Loans. In certain circumstances, such redemptions and the selection of Bonds to be redeemed are required by the Resolutions. In other circumstances, such redemptions and/or the selection of Bonds to be redeemed are permitted by the Resolution if so directed by the Authority at its election. In certain events, the Authority may direct the Trustee to "cross-call" Bonds by applying Prepayments of Program Obligations financed under one Series Resolution or other excess Revenues to redeem Bonds of another Series. For the past several years, the Authority has routinely cross-called Bonds in this manner. Any unscheduled redemptions of 2021 Series A Bonds from Prepayments or other excess Revenues (which may include cross-calls, if permitted) will affect the average life of the 2021 Series A Bonds. Under other circumstances, the Authority may be permitted under the Code and then current interest rates may make it advantageous to the Authority to elect to apply such Prepayments or other excess Revenues to purchase additional Program Obligations. With respect to the 2021 Series A Bonds, see "THE 2021 SERIES A BONDS – Redemption – Special Redemption" herein, including, without limitation, "... – Special Redemption – Special Redemption of 2021 Series A Bonds from Tax Restricted Principal Receipts" herein.

In addition to the operation of the provisions of the Resolutions governing redemptions from Prepayments, other factual circumstances that occur over time will impact the average life of the 2021 Series A Bonds due to a number of factors, including, without limitation, the actual rate of prepayment of the New Program Obligations and any Transferred Loans, the occurrence of delinquencies, defaults, acceleration and foreclosures of the Program Obligations, the requirements of the Code as to application of principal payments and Prepayments received with respect to the New Program Obligations and any Transferred Loans, and mortgage loan interest rates at that time. The Authority makes no representation as to the receipt of Prepayments as of any date or as to the overall rate of prepayment of the New Program Obligations or any Transferred Loans or as to future redemptions of the 2021 Series A Bonds except as required under the Resolutions.

INITIAL INVESTMENT OF BOND PROCEEDS

On or about the Issue Date of the 2021 Series A Bonds, the Authority expects to invest the unexpended proceeds and revenues thereof in various Investment Obligations, each of which will satisfy the applicable requirements set forth in the definition of "Investment Obligations" under the Resolutions (see "APPENDIX A – CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTIONS – Certain Definitions – Investment Obligations" herein). The Series Resolution provides that the Authority may acquire or enter into other substitute Investment Obligations from time to time upon the termination of any of the initial investments in accordance with its respective terms.

Certain information on some of the investments held under the 1976 General Resolution is included in "APPENDIX E – CERTAIN INFORMATION ON PARITY BONDS OUTSTANDING AND INVESTMENTS HELD UNDER THE 1976 GENERAL RESOLUTION" hereto.

THE AUTHORITY

Purpose and Powers

The Georgia Housing and Finance Authority was created in 1991 as a body corporate and politic and is deemed an instrumentality of the State and a public corporation performing an essential governmental function. The Authority was created to replace the Georgia Residential Finance Authority and to assume all operations, rights, powers, duties, obligations and liabilities of the Georgia Residential Finance Authority, which was created in 1974. Under the Act, the purposes of the Authority, among others, are the provision of public financing and financial assistance for (i) housing designed or financed for the primary purpose of providing safe, decent, energy efficient, appropriate, and affordable dwelling accommodations for persons and families of low or moderate income and (ii) the financing of mortgage loans made for the purposes described in clause (i) or participations therein and the underwriting, servicing and administration of mortgage loans made for the purposes described in clause (i) or participations therein.

The Authority has the power, among others, to purchase notes evidencing loans which are secured by mortgages, to make loans, to acquire and contract to acquire mortgages, to service mortgages and to make and execute contracts for the servicing of mortgages made or acquired by the Authority, to borrow money and to issue notes, bonds and other obligations subject to the approval of the Georgia State Financing and Investment Commission, and to do any and all things necessary or convenient to carry out its purposes and exercise the powers given and granted to the Authority by the Act. See "OTHER SINGLE FAMILY PROGRAMS OF THE AUTHORITY UNDER OTHER BOND RESOLUTIONS" herein.

The Act presently authorizes the Authority to have outstanding bonds and notes for single family residential finance purposes in an aggregate principal amount not exceeding \$3,000,000,000, excluding refunding bonds and notes. Under the Resolutions, Bonds may be issued in accordance therewith without limitation as to amount except as may be limited by law. The issuance of the 2021 Series A Bonds will not result in any violation of the aforesaid issuance limit.

The Act provides, inter alia, as follows: (a) for administrative purposes only, the Authority is assigned to the Department of Community Affairs ("DCA"), which is a legislatively created executive branch department of the State government (described hereinafter), (b) the members of the Authority's Board are the same persons who comprise the State's Board of Community Affairs (the "DCA Board"), who are appointed by the Governor as described hereinafter, (c) at each July meeting or upon any office vacancy, the Authority will elect from its membership a chair, a vice chair, a secretary and such other officers as it may determine, each for a one year term, which officers may not serve consecutive terms, (d) except for the authorization of the issuance of bonds, the Authority may delegate to its Executive Director such powers and duties as it may deem proper, (e) the Commissioner of DCA is the Executive Director of the Authority, (f) the Executive Director may appoint such directors, deputies and assistants as may be necessary to manage the operations of the Authority, and may organize the Authority into such divisions, sections or offices as the Executive Director may deem necessary or convenient, (g) the Authority may contract with DCA for professional, technical, clerical and administrative support and for any purpose necessary or incidental to carrying out the duties, responsibilities or functions of the Authority and (h) that no funds or assets of the Authority will be distributed to DCA or any other department, authority or agency of the State unless otherwise provided by law, except that the Authority may pay reasonable compensation for services rendered and may reimburse expenses incurred and except as may be deemed necessary or desirable by the Authority to fulfill its purposes under the Act.

DCA is a legislatively created department of the executive branch of the State's government, created pursuant to the Official Code of Georgia Annotated, Title 50, Chapter 8, as amended (the "DCA Act"). DCA currently administers a wide range of community development programs, including, without limitation, the coordinated, comprehensive state and local planning process, the state office of rural development, various grant and loan programs, the state job tax credit program, and the state cap allocation system for private activity bonds. As an executive branch department of state government, DCA has no authority to issue bonds.

As noted hereinabove, pursuant to the Act, the Commissioner of DCA is the Executive Director of the Authority. Christopher Nunn has served as the Commissioner of DCA since October 1, 2017 by appointment by the DCA Board upon the recommendation of then Governor Nathan Deal. Prior to his appointment as the Commissioner of DCA, Commissioner Nunn served as Commissioner of the State's Department of Administrative Services, prior to which he served as Deputy Commissioner for Community Development and Finance at DCA. Before entering public service, Commissioner Nunn served as Chief Operating Officer of an Atlanta based accounting firm, worked with a

global executive recruitment and assessment firm, and worked as a strategic consultant with a major national accounting firm. Commissioner Nunn graduated Phi Beta Kappa from Emory University with a B.A. in Political Science, and later earned a Master of International Relations degree from the University of St. Andrews in St. Andrews, Scotland. Commissioner Nunn serves on the boards of a number of civic, community and educational organizations.

The Authority's offices and DCA's offices are located at 60 Executive Park South N.E., Atlanta, Georgia 30329, and the Authority's telephone number is (404) 679-4840. At the present time, DCA maintains a homepage on the Internet at www.dca.ga.gov, which homepage includes certain general information relating to the Authority's Georgia Dream Homeownership Program; DCA has no obligation, however, to continue to maintain the homepage or any successor thereto or to continue to include information on the Authority's Georgia Dream Homeownership Program therein.

Authority's Board

The powers of the Authority are vested in nineteen (19) members who also comprise the Board of DCA. Board members are appointed by the Governor and are composed of one member from each United States Congressional District in the State (currently fourteen) plus five additional members from the State at large, and include elected officials of counties or municipalities, individuals with an interest or expertise in community or economic development, environmental issues, housing development or finance or citizens who in the judgment and discretion of the Governor would enhance the DCA Board.

The members of the Authority as of October 6, 2021, their respective elected position or principal occupations, as applicable, and the United States Congressional District ("C.D.") that they represent or their status as a member at large, as applicable, are listed below.

<u>Name</u>	<u>Position or Occupation</u>	<u>Representation Status</u>
Vince R. Williams Chair	Mayor, City of Union City Union City, Georgia	C.D. 13
Steven Broadbent Vice Chair	Business Executive Johns Creek, Georgia	C.D. 6
David James Burge Secretary	Attorney Atlanta, Georgia	C.D. 5
Chad Barrow	Business Executive Garden City, Georgia	C.D. 1
Clinton Johnson	Dougherty County Commissioner Albany, Georgia	C.D. 2
Donna Armstrong Lackey	Executive Director of Carroll County Board of Commissioners Carrollton, Georgia	C.D. 3
Frank Turner, Jr.	Attorney Covington, Georgia	C.D. 4
Tim Le	Business Executive Peachtree Corners, Georgia	C.D. 7
Randall Walker	Mayor of Perry Perry, Georgia	C.D. 8
Gilbert C. Barrett	Business Executive Demorest, Georgia	C.D. 9

<u>Name</u>	<u>Position or Occupation</u>	<u>Representation Status</u>
Charlie M. Maddox	Pastor Athens, Georgia	C.D. 10
Stephen A. Taylor	Commissioner of Bartow County; Chairman, Development Authority of Bartow County; Member, Bartow-Cartersville Joint Development Authority Cartersville, Georgia	C.D. 11
Adam H. Hatcher	Attorney Augusta, Georgia	C.D. 12
Boyd L. Austin, Jr.	Business Executive Dallas, Georgia	C.D. 14
Audrey King	Business Executive Statesboro, Georgia	Member at Large
Albert M. Hodge, Jr.	Business Executive Rome, Georgia	Member at Large
Joyce Carter Stevens	Business Executive Good Hope, Georgia	Member at Large
Anna Chafin	Chief Executive Officer, Development Authority of Bryan County Richmond Hill, Georgia	Member at Large
D. Scott Gibbs	Business Executive Gainesville, Georgia	Member at Large

Single Family Housing Finance Senior Staff

Certain aspects of the Authority's single family housing functions and programs (including, without limitation, its single family Georgia Dream Homeownership Program) are administered by staff in the Homeownership Division within DCA's Housing Group. The members of the senior management staff in the Homeownership Division who are involved in the administration of the Authority's single family bond program are as follows:

Tonya C. Curry, Deputy Executive Director of the Authority, Deputy Commissioner for Housing and Director of the Housing Group from March 1, 2019 to present; Ms. Curry started her career in state government as Executive Counsel for the Authority and later served as Director of Bond Finance and Investments from November 1995 to August 2000; prior to returning to the Authority and DCA, she served as Deputy Commissioner and General Counsel for the Georgia Department of Human Services from October 2015 to February 2019; Assistant Attorney General in the Office of Attorney General, Commercial Transactions & Litigation Division, working primarily with the State's bond issuing authorities, from August 2006 to December 2007; Chief Enforcement Attorney and later Assistant Commissioner of Securities within the Secretary of State's Securities and Business Regulation Division from Sept 2003 to August 2006; and Director of Legal and Business Research and later Deputy Chief of Staff in the Office of the Governor from August 2000 to January 2003. Prior to joining State government, Ms. Curry served as a Local Government and Community Relations Program Manager for the Atlanta Committee for the 1996 Olympic Games, a Vice President with Dillon, Read & Co. Inc. and an Associate with the law firm of Kutak Rock in Atlanta, Georgia. Ms. Curry has been licensed to practice law in the State of Georgia since 1990 and maintains her admissions to local, state and federal courts in the Atlanta region. B.A. (English), Georgetown University; J.D. Howard University School of Law.

Brenda McGee, Division Director of the Homeownership Division from September 2017 to present; Office Director of the HomeSafe Georgia program at DCA from October 2010 to August 2017; Portfolio Manager of the Authority from October 2007 to September 2010; Asset Manager at NetBank from October 1999 to September 2007; Loan Administration Manager at BancMortgage Financial from January 1996 to September 1999; Loan Administration Manager at Bank South from April 1990 to December 1995.

Fenice Taylor, Director of Bond Finance from January 2019 to present; Office Director of Homeownership Finance in the Homeownership Division from September 2015 to January 2019; Office Director of Housing Finance in the Housing Finance and Development Division of DCA from September 2012 to August 2015; the Office of Housing Finance administers both single family production and multifamily housing financing programs, including the Low-Income Housing Tax Credit ("LIHTC") and HOME programs; Housing Credit Program Manager at DCA, administering the LIHTC program, Sec. 1602 Tax Credit Exchange Program and Tax Credit Assistance Program from January 2002 to September 2012; Ms. Taylor has been with DCA since October 1998; senior tax credit program staff with the Texas Department of Housing and Community Affairs from May 1997 to September 1998. B.B.A. with Honors, University of Texas; Phi Kappa Phi honor society; certified public accountant licensed in Georgia and Texas; member of the American Institute of Certified Public Accountants; Accredited Mortgage Professional.

Nathan Christiansen, Office Director of Homeownership Finance in the Homeownership Division from January 2021 to present. Single Family Loan Portfolio Manager from September 2015 to December 2020; Manager of Closing, Funding, Servicing and CDF Data Exchange at HomeSafe Georgia from December 2010 to August 2015. Prior to joining the Authority, Mr. Christiansen worked in the retail banking industry concentrating in investments and insurance. He also worked in real estate for a title company, overseeing the closing and funding teams during the refinance boom of the mid-2000s. B.S.B.A. (Finance), University of Central Florida.

Other aspects of the Authority's single family housing bond program, including, without limitation, loan servicing, accounting and investment functions, are administered by staff in the Finance Division within DCA's Finance and Administration Group. The members of the senior management staff in the Finance Division who are involved in the administration of the Authority's single family bond program are as follows:

Stephanie Green, Chief Financial Officer from January 1, 2018 to present; Division Director of the Finance Division from September 2012 to January 1, 2018; Finance Director of the Authority from June 2011 to September 2012; Vice President of Loan Servicing Georgia Student Finance Commission November 2006 to May 2011; Accounting Director, Department of Motor Vehicle Safety from November 2001 to November 2006; Director of Accounting of DCA from 1998 to 2001; Accounting Manager of the Authority from 1990 to 1998. B.S., University of the West Indies.

Demetrius Brown, Office Director in the Finance Division from January 2019 to present, responsible for financial reporting for GHFA's single family bond program and various state and federal programs; Director of Accounting for the Georgia Department of Community Health ("DCH") from November 2015 to December 2018; Senior Financial Analyst for DCH from September 2013 to November 2015; Accounting Manager for DCH from September 2008 to August 2013. B.B.A., Marygrove College.

Single Family Housing Programs

The single family housing programs of the Authority administered by the Divisions of DCA noted hereinabove include, without limitation, the following: the Georgia Dream First Mortgage Loans to be financed by the 2021 Series A Bonds and previously financed by other single family mortgage bonds issued by the Authority; the Georgia Dream Down Payment Assistance Loans financed from various sources including, but not limited to, money available under the Resolutions and other funds available to the Authority from time to time; single family loan administration; and loan servicing through State Home Mortgage.

See "GEORGIA DREAM HOMEOWNERSHIP PROGRAM" hereinafter for a description of the Authority's single family home ownership program financed with proceeds of the Bonds.

Any revenues derived by the Authority in connection with any of its programs, other than its Georgia Dream Homeownership Program financed with proceeds of Bonds issued pursuant to the 1976 General Resolution described below, will not be pledged to the payment of debt service on the 2021 Series A Bonds.

Cybersecurity

The Authority relies on a complex technology environment to conduct its operations. As a recipient and provider of personal, private and sensitive information, the Authority faces multiple cyber threats including, but not limited to, hacking, viruses, malware, ransomware, phishing, business email compromise, and other attacks on computers and other sensitive digital networks, systems, and assets. Housing finance authorities and other public finance entities have been targeted by outside third parties, including technically sophisticated and well-resourced actors, attempting to misappropriate assets or information or cause operational disruption and damage. Further, third parties, such as hosted solution providers, that provide services to the Authority, could also be a source of security risk in the event of a failure of their own security systems and infrastructure.

The Authority uses a layered approach that employs sound operational strategies and security technology solutions to secure against, detect, and mitigate the effects of cyber threats on its infrastructure and information assets. The Authority conducts regular information security and privacy awareness training that is mandatory for all Authority staff and regularly conducts risk assessments and tests of its cybersecurity systems and infrastructure. The Chief Information Officer focuses on and leads the efforts of the Authority to keep its cyber assets secure. In addition, the Information Security Officer focuses on increasing the maturity level of the Authority's cyber infrastructure.

Despite its efforts, no assurances can be given that the Authority's security and operational control measures will be successful in guarding against any and each cyber threat and attack, especially because the techniques used are increasingly sophisticated, change frequently, are complex, and are often not recognized until launched. To date, cyber-attacks have not had a material impact on the Authority's financial condition, results or business; however, the Authority is not able to predict future attacks or their severity. The results of any attack on the Authority's computer and information technology systems could impact its operations for an unknown period of time, damage the Authority's digital networks and systems, and damage the Authority's reputation, financial performance, and customer or vendor relationships. Such an attack also could result in litigation or regulatory investigations or actions, including regulatory actions by state and federal governmental authorities. The costs of remedying any such damage could be substantial and such damage to the Authority's reputation and relationships could adversely affect the Authority's ability to make loans and issue Bonds in the future.

Business Disruption Risk; COVID-19

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt the Authority's ability to conduct its business. A prolonged disruption in the Authority's operations could have an adverse effect on the Authority's financial condition and results of operations. To plan for and mitigate the impact such an event may have on its operations, the Authority has updated its operations and business continuity plan to (i) provide for the continued execution of the mission-essential functions of the Authority with minimal or no disruption if an emergency threatens, interrupts or incapacitates the Authority's operations, (ii) provide Authority leadership with timely direction, control and coordination before, during and after an emergency, and (iii) facilitate the return to normal operating conditions as soon as practical based on the circumstances surrounding any given emergency. No assurances can be given that the Authority's efforts to mitigate the effects of an emergency or other event will be successful in preventing any and all disruptions to its operations in the event of an emergency.

One such external event is the global outbreak of COVID-19, a respiratory disease declared in March of 2020 to be a pandemic (the "Pandemic") by the World Health Organization and an emergency by federal and state governments. Since the start of the Pandemic, Presidential administrations, Congress, the Federal Reserve, HUD/FHA (including GNMA), the Federal Housing Finance Agency (including Fannie Mae and Freddie Mac), USDA Rural Development, the VA, the Centers for Disease Control and the Consumer Financial Protection Bureau have enacted legislation and/or issued orders or directives (collectively, "Governmental Actions") to alleviate the effects of COVID-19 on homeowners, renters, landlords, servicers, lenders and others. Governmental Actions have included loan forbearance directives, moratoriums on foreclosures and/or evictions, loan modification directives, loan servicing assistance, rental assistance and homeownership assistance. Some of the Governmental Actions have been extended and/or modified, and others have

expired or been enjoined. While it is generally expected that new legislation may be enacted, new orders may be issued, and existing and new Governmental Actions may be extended, modified, litigated, or allowed to expire, no guarantee can be made with regards to the duration and/or effectiveness of any such Governmental Actions.

With respect to the Mortgage Loans financed under the 1976 General Resolution and serviced by State Home Mortgage (who serviced 98.23% of the outstanding principal amount of Mortgage Loans held under the 1976 General Resolution as of June 30, 2021; see "GEORGIA DREAM HOMEOWNERSHIP PROGRAM – Servicing of Mortgage Loans" herein), as of September 17, 2021, (i) the Authority received in total 1,615 requests for COVID-19 related forbearance with respect to the Mortgage Loans held under the 1976 General Resolution, (ii) forbearance remained in effect for Mortgage Loans in the aggregate principal amount equal to approximately 6.1% of the total principal amount of the Mortgage Loans, and (iii) the Authority paused foreclosure actions for Mortgage Loans in an aggregate principal amount equal to approximately 3.8% of the principal amount of the Mortgage Loans. The Authority may approve, or may be required to approve, additional forbearance requests during the Pandemic.

In response to the COVID-19 Pandemic, FHA is offering several loan modification options and a stand-alone partial claim on loans that it insures. The Authority, through State Home Mortgage, is following the new Covid-19 FHA loan modification and partial claim options in accordance with insurer guidelines. As of September 17, 2021, GHFA, through State Home Mortgage, has approved modifications, partial claims or a combination thereof for a total of 57 Mortgage Loans held under the Resolution.

The Authority, as administrator of federal Homeowner Assistance Funds, has implemented a pilot program to assist delinquent borrowers of Mortgage Loans held under the 1976 General Resolution (the "Pilot Homeownership Assistance Program"). Working through State Home Mortgage, the Pilot Homeownership Assistance Program is providing delinquent borrowers up to \$50,000 each for past due amounts on delinquent Mortgage Loans held under the 1976 General Resolution. Approximately \$34 Million (net of administrative fees) aggregate amount of funds are available under the Authority's Pilot Homeownership Assistance Program.

The Governmental Actions and other future federal, state, and local measures may have both adverse and positive effects on the Authority operations, financial condition and bond ratings. In addition, unemployment in the State and economic uncertainty during the Pandemic for segments of the population may have an adverse effect on existing and future loans in the Authority's portfolio. The Authority continues to review the possible impacts of these various actions and events on its operations, financial condition, and bond ratings.

The Authority cannot predict (i) the duration or extent of the Pandemic or any other outbreak emergency; (ii) the duration or expansion of any foreclosure or eviction moratorium affecting the Authority's ability to foreclose and collect on delinquent Mortgage Loans; (iii) the number of Mortgage Loans that will be in forbearance, default or foreclosure as a result of the Pandemic and subsequent federal, State and local responses thereto; (iv) whether and to what extent the Pandemic or other outbreak or emergency may disrupt the local or global economy, real estate markets, manufacturing, or supply chain, or whether any such disruption may adversely impact the Authority or its operations; (v) whether or to what extent the Authority or other government agencies may provide or require additional deferrals, forbearances, adjustments, or other changes to payments on Mortgage Loans; or (vi) the effect of the Pandemic on the State budget, or whether any such effect may adversely impact the Authority or its operations. The Pandemic and resulting business and market disruptions may have an adverse impact on the Authority's operations, financial condition or bond ratings to an extent that may be material.

GEORGIA DREAM HOMEOWNERSHIP PROGRAM

The Authority has established its Georgia Dream Homeownership Program (the "Program" or the "Georgia Dream Program") under which the Authority may use revenue bond proceeds to purchase and make certain qualified Mortgage Loans (and Program Securities backed thereby) secured by first mortgage liens or security title (and a limited amount of second or third lien Down Payment Assistance Loans) on single family residential housing located in the State, including condominium units, intended for ownership and occupancy by eligible persons and families. The Authority has considered, and in the future may implement, additional components of the Program that may include, without limitation, subordinate mortgage loans for home improvements or down payment assistance structured differently than the Down Payment Assistance Loans described herein. The Authority continuously strives to improve and expand its marketing and origination efforts with respect to the Program, including coordinating its efforts and components of the Program with lenders, realtors and other Federal, State and local governmental programs and initiatives.

This Official Statement summarizes the provisions of the Authority's Georgia Dream Homeownership Program as of the date hereof in connection with the current origination of Program Obligations. The Authority revises aspects of its Program from time to time and may make revisions to the Program prior to the full origination of Program Obligations with proceeds of the 2021 Series A Bonds. Accordingly, the following description of the Authority's Georgia Dream Homeownership Program is applicable only with respect to current originations of Program Obligations and may not apply to the origination of Program Obligations in the future.

Under the Program, the Authority will commit to purchase and will purchase from proceeds deposited in the 2021 Series A Mortgage Purchase and Loan Account newly originated New Program Obligations. Pursuant to certain resolutions of the Authority previously adopted, the Authority may purchase certain Mortgage Loans prior to the issuance of the 2021 Series A Bonds with money from its General Fund or as described under "1976 GENERAL RESOLUTION MORTGAGE LOANS – Commencement of Origination of 2021 Series A New Mortgage Loans" herein, which Mortgage Loans will be purchased by the Trustee with proceeds of the 2021 Series A Bonds upon the issuance thereof and will bear interest rates established pursuant to the same procedures and requirements and will have the same terms and other characteristics as other New Mortgage Loans.

Eligible Program Obligations

Under the Program, all Mortgage Loans, Program Securities and Down Payment Assistance Loans purchased by the Authority with proceeds of Bonds issued under the 1976 General Resolution must comply with the applicable requirements thereof and the applicable requirements of the Series Program Determination adopted by the Authority with respect to each respective Series of Bonds, as well as the applicable requirements of the Act and federal tax law. The Program Obligations currently authorized to be financed under the 1976 General Resolution include FHA insured, VA guaranteed, USDA/RD guaranteed, and Conventional Loans, in each case as whole loans and such Mortgage Loans pooled into Program Securities guaranteed by GNMA, Fannie Mae or another Federal Mortgage Agency, and Down Payment Assistance Loans, although the Authority no longer is a GNMA approved issuer of GNMA Program Securities and currently has no plans to issue additional Fannie Mae Program Securities. The Series Program Determinations permit different requirements for Down Payment Assistance Loans, subject to the applicable provisions of the Act and federal tax law. The Authority may change the Series Program Determinations in the future. The Mortgage Loans and Down Payment Assistance Loans will be secured by single family residential dwellings located in the State, will meet the Authority's purchase price and household Annual Income limits and will be purchased by eligible persons and families of low or moderate income. See "APPENDIX C – INSURANCE AND GUARANTY PROGRAMS FOR MORTGAGE LOANS" herein.

The Program Obligations (other than the Down Payment Assistance Loans discussed hereinafter) will be non-adjustable fixed rate Mortgage Loans (or Program Securities backed by Mortgage Loans) with original terms of up to thirty (30) years, secured by Mortgages on single-family, owner-occupied housing located within the State. As noted hereinabove, certain Program Obligations financed under the 1976 General Resolution between 2005 and 2007, outstanding in the aggregate principal amount of \$3,003,516.78 as of June 30, 2021, have an original term of thirty-five (35) years, with interest only payable during the first five (5) years, and with the principal fully amortized over the remaining thirty (30) years of the loan term, all of which Program Obligations are now fully amortizing. The balance of the Program Obligations financed under the 1976 General Resolution and all New Program Obligations financed by the new money 2021 Series A Bonds (other than Down Payment Assistance Loans) will have an original term of thirty (30) years, with the principal fully amortized over such term. With respect to the Down Payment Assistance Loans, see "Georgia Dream Down Payment Assistance Loan Program" hereinafter.

Pursuant to the Act and federal tax law, the Authority has established the following maximum purchase price limits for single family residences financed under the 1976 General Resolution: (a) \$325,000 for residences located in the Atlanta - Sandy Springs - Marietta Metropolitan Statistical Area (the "Atlanta MSA"), and (b) \$275,000 for residences located elsewhere in the State. The Atlanta MSA currently includes the following counties: Barrow, Bartow, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Heard, Henry, Jasper, Morgan, Newton, Paulding, Pickens, Pike, Rockdale, Spalding and Walton Counties.

The Authority has established the following household Annual Income (as defined in the Seller Guide) limits for Mortgagors who purchase single family residences financed under the 1976 General Resolution:

- (a) Within the Atlanta MSA, \$96,000 for Mortgagors whose household size is three (3) or more persons, and \$84,000 for Mortgagors whose household size is two (2) or less persons; and
- (b) Outside the Atlanta MSA, \$83,000 for Mortgagors whose household size is three (3) or more persons, and \$72,000 for Mortgagors whose household size is two (2) or less persons.

The Authority may revise the maximum purchase price limits and maximum Annual Income limits set forth above in accordance with the applicable federal tax requirements.

In addition, the Authority requires all Georgia Dream borrowers to receive home buyer education or counseling.

As required by the Act, at least one-third (1/3) of the total proceeds available from the 2021 Series A Bonds to finance New Program Obligations will be made available to finance single family housing units in all Metropolitan Statistical Areas (collectively, the "MSAs") (as defined in the Act for the purposes of this paragraph) of the State, and one-third (1/3) of such total proceeds available to finance New Program Obligations will be made available to finance single family housing units outside of the MSAs of the State, in each case for at least four (4) months from the date of issuance of such Bonds. Generally speaking, an MSA for this purpose consists of a county or group of counties containing at least one city having a population of 50,000 or more, plus adjacent counties that are metropolitan in character, which have a population of 50,000 or more and which are economically and socially integrated with the central city. The MSAs of the State include the areas surrounding the cities of Albany, Athens, Atlanta, Augusta, Brunswick, Columbus, Dalton, Gainesville, Hinesville-Fort Stewart, Macon, Rome, Savannah, Valdosta and Warner Robins, Georgia, and Chattanooga, Tennessee.

The Authority also may establish additional set asides from time to time in order to further the Authority's public purposes.

The Authority will review all Mortgage Loans and Down Payment Assistance Loans prior to purchase, and the Authority reserves the right to decline to finance any Mortgage Loans and Down Payment Assistance Loans not approved by the Authority. All Mortgage Loans and Down Payment Assistance Loans to be purchased by the Authority with proceeds of the 2021 Series A Bonds must be delivered for purchase by the Lending Institutions during the applicable periods designated by the Authority in accordance with the Program Documents.

Georgia Dream Down Payment Assistance Loan Program

General. At the end of calendar year 1993, the Authority established its Georgia Dream Down Payment Assistance Loan Program, (previously known as the "OwnHOME Program"), which is a down payment assistance program for qualified low and moderate income home buyers. During the first six (6) months of calendar year 2021 and each of calendar years 2020 and 2019, approximately 100% of the Mortgage Loans being financed through the Authority's Georgia Dream First Mortgage Program were for Mortgagors who also received a second mortgage Down Payment Assistance Loan. The Authority currently funds the Georgia Dream Down Payment Assistance Loan Program from Bond proceeds available under the Resolutions (which will include proceeds of the 2021 Series A Bonds as described hereinafter). From July 2017 until December 31, 2020, the Authority funded this Program in part from an allocation of \$73,000,000 from Treasury for Down Payment Assistance Loans in certain designated counties under the Hardest Hit Fund Program described hereinafter, together with funds recovered under the Hardest Hit Fund Program. In the past the Authority also has funded its Down Payment Assistance Loan Program from various other funding sources available to the Authority from time to time. The Authority reserves the right to modify its funding of the Georgia Dream Down Payment Assistance Loan Program with respect to the first priority Mortgage Loans financed in whole or in part with proceeds of the 2021 Series A Bonds as permitted by the Resolutions. As noted above, while the HHF Down Payment Assistance Loans and other Down Payment Assistance Loans financed with other non-Bond sources of funds from time to time have been a component of the Authority's Georgia Dream Homeownership Program, notwithstanding any provision herein to the contrary, such non-Bond financed Down Payment Assistance Loans do not constitute "Program Obligations" under the 1976 General Resolution.

Under the Authority's Georgia Dream Down Payment Assistance Program, Down Payment Assistance Loans (1) bear interest at zero percent (0%), with no principal amortization, and no stated maturity date, (2) are secured by a second or third mortgage lien on the property being financed so long as the first mortgage lien is securing a Mortgage Loan pledged under the 1976 General Resolution, (3) provide that principal thereof will be payable only upon sale, transfer or refinancing of the mortgaged property or upon the mortgaged property ceasing to be the principal residence of the

Mortgagor or otherwise used in a manner not permitted for residences financed with the proceeds of qualified mortgage revenue bonds, (4) are prepayable at any time without penalty or premium and (5) require the borrower to pay a cash down payment at loan closing of at least \$1,000. Some or all amounts due on the Down Payment Assistance Loans may be forgiven by the Authority, provided such forgiveness is consistent with the Program Cash Flow Certificate last filed by the Authority with the Trustee and the Rating Agency.

The Down Payment Assistance Loan amount for Georgia Dream First Mortgage Program borrowers was a minimum of \$1,000 and a maximum of \$5,000 through October 31, 2003. Beginning November 1, 2003 and continuing through March 31, 2021, the loan amount of each Down Payment Assistance Loan was a fixed amount of \$5,000, except for participants in special targeted programs described hereinafter, in which case the loan amount was up to \$7,500 under the "PEN Program" and the "CHOICE Program" described hereinafter and \$15,000 under the Hardest Hit Fund Program described hereinafter. Beginning April 1, 2021, the Authority temporarily increased the loan amount of each Down Payment Assistance Loan to a fixed amount of \$7,500, except for borrowers in the special targeted programs, in which case the loan amount may be up to \$10,000 under the "PEN Program" or the "CHOICE Program". The Down Payment Assistance Loan proceeds may be used for a portion of the down payment, closing costs and pre-paid expenses, or as otherwise required or permitted by any of the Authority's special targeted second mortgage loan programs described hereinafter, which may include principal reduction. Since the inception of the Georgia Dream Down Payment Assistance Loan Program, the average principal amount of each Down Payment Assistance Loan made by the Authority as of June 30, 2021 was approximately \$3,878.86 (exclusive of the special targeted programs described hereinafter). The Authority currently administers all Down Payment Assistance Loans directly.

As noted hereinabove, the Authority originally financed its Down Payment Assistance Loans from non-bond sources of funds as noted hereinabove, which alternative funding sources continue to be used by the Authority from time to time as well as Bond proceeds. Beginning in 2001, each Series Resolution authorized a certain amount of Bond proceeds to be applied to finance Down Payment Assistance Loans, initially in the amount of \$250,000 per Series of Bonds and beginning in 2009 in greater amounts. From 2001 to June 30, 2021, pursuant to the applicable Series Resolutions, the Authority has authorized Bond proceeds in the aggregate principal amount of approximately \$55,195,655 to be applied to finance Down Payment Assistance Loans and has originated approximately 8,680 Down Payment Assistance Loans in the original aggregate principal amount of approximately \$52,723,827 with such Bond Proceeds, and as of June 30, 2021 such Down Payment Assistance Loans were outstanding in the aggregate principal amount of approximately \$33,129,160.49. In addition to the initial deposit into the 2021 Series A Down Payment Assistance Subaccount within the 2021 Series A Mortgage Purchase and Loan Account on the Issue Date (see "ESTIMATED SOURCES AND USES OF FUNDS" herein), pursuant to the 2021 Series A Resolution, the Authority may authorize application of additional proceeds of the 2021 Series A Bonds to finance Down Payment Assistance Loans by filing with the Trustee an Officer's Certificate to that effect and a revised Program Cash Flow Certificate reflecting the amount of proceeds so authorized and satisfying certain additional requirements of the Resolutions.

Special Targeted Down Payment Assistance Loan Programs. The Authority's special targeted second mortgage loan programs currently include its "PEN Program," its "CHOICE Program" and its "Hardest Hit Fund Program".

The "PEN Program" is targeted to "Protectors" (including full time employees of a police department, sheriff's office, correctional facility or other local or state government law enforcement agency or fire department, volunteer firefighters, and active duty United States armed services personnel), "Educators" and "Nurses" (including other full time healthcare workers), in each case as such categories of eligible PEN borrowers are more fully specified by the Authority's PEN Program. Eligible PEN borrowers may obtain a Down Payment Assistance Loan since April 1, 2021 in the temporarily increased loan amount of \$10,000, bearing interest at zero percent (0%), and must pay a cash down payment of at least \$1,000 toward the purchase price of the eligible single family residence.

The Authority's "CHOICE Program" (Consumer Home Ownership and Independence Choices for Everyone) assists eligible borrowers with disabilities and households with disabled members with Down Payment Assistance Loans since April 1, 2021 in the temporarily increased in the loan amount of \$10,000, bearing interest at zero percent (0%). Eligible CHOICE borrowers must pay a cash down payment of at least \$1,000 toward the purchase price of the eligible single-family residence.

The Authority's federally funded Hardest Hit Fund Down Payment Assistance Loan Program (also referred to herein as the "Hardest Hit Fund Program"), administered from July 2017 until December 31, 2020, was restricted to

eligible borrowers purchasing eligible existing single family residences (no new construction) financed by a Georgia Dream Program first Mortgage Loan (satisfying all Georgia Dream Program requirements described herein) on a first-come, first-served basis originally in the following ten of the State's counties deemed by Treasury to be hardest hit by the most recent pre-pandemic economic recession: Bibb, Chatham, Clayton, DeKalb, Douglas, Fulton, Gwinnett, Henry, Muscogee and Paulding Counties. Under the Hardest Hit Fund Program, the Authority and Treasury reviewed Georgia counties' eligibility on a semi-annual basis to determine if counties maintained their eligibility for the Hardest Hit Fund Program, and as of November 1, 2018, the counties of Gwinnett, Henry and Paulding were removed from the eligible counties list. Each eligible borrower obtained an HHF DPA Loan in the loan amount of \$15,000, bearing interest at zero percent (0%), and was required to pay a cash down payment of at least \$1,000 toward the purchase price of the eligible existing single family residence; HHF DPA Loans will be forgiven and released five years after the loan closing date. As of December 31, 2020 the Authority had financed \$70,455,000 of Down Payment Assistance Loans using its Hardest Hit Fund Program funds.

In addition to the foregoing special programs, the Authority is continuing to develop and expand its targeted second mortgage loan programs to better serve the citizens of the State.

Purchase of Program Obligations

The Authority has approved certain Lending Institutions and others may be considered for approval to participate in the Program as Sellers based upon their satisfaction of the Authority's participation requirements. As of June 30, 2021, the Authority had approved 106 Lending Institutions to participate in the Program as Sellers. In approving Lending Institutions for participation in the Program as Sellers, the Authority considers, among other things, performance as a participant in the Authority's prior home ownership loan programs, the market areas served and their status as participants in programs of Federal Mortgage Agencies, if applicable.

Upon compliance with the provisions of the Resolutions and the Loan Seller Agreements, the Authority may purchase New Mortgage Loans from Lending Institutions at a purchase price of 100% of the original principal balance of the Mortgage Loans, which Mortgage Loans will be either FHA insured, VA guaranteed, Conventional or USDA/RD guaranteed in accordance with those respective Federal programs.

Each Loan Seller Agreement provides that certain representations and warranties will be deemed to have been made by the Seller thereunder concerning each Mortgage Loan to be originated and purchased thereunder, including, without limitation, that (a) the Lending Institution has complied with all requirements of the Loan Seller Agreement and the Authority's Seller Guide, (b) in making each Mortgage Loan, the Lending Institution has complied with all applicable laws, rules and regulations, (c) the Mortgage Loan is either insured by FHA, guaranteed by VA or USDA/RD or is a Conventional Loan, (d) the Mortgage securing the Mortgage Loan has been properly filed for recording and constitutes a valid first mortgage lien on the mortgaged property subject only to real property taxes and assessments not yet due and easements and restrictions of record which do not adversely affect to a material degree the use or value of the mortgaged property, and (e) improvements to the mortgaged property are covered by a valid policy of fire and extended coverage insurance in an amount at least equal to the outstanding principal balance of the Mortgage Loan, or the maximum insurable value, whichever is less. The Loan Seller Agreement also provides certain representations and warranties with respect to Georgia Dream Down Payment Assistance Loans.

Should any Lending Institution fail to make or deliver for purchase New Mortgage Loans in accordance with the Loan Seller Agreement or in the event that any warranty made by a Lending Institution with respect to any New Mortgage Loan is found to be untrue or misleading in any material respect, the Authority is entitled to all remedies provided at law or in equity, including but not limited to, the right to (i) require the Lending Institution to repurchase such New Mortgage Loan, (ii) rescind or terminate the Loan Seller Agreement, (iii) seek equitable relief by way of injunction, (iv) seek damages, (v) suspend or limit the Lending Institution's participation in the Authority's Program and (vi) recover the costs of pursuing any of the foregoing remedies.

Servicing of Mortgage Loans

To insure the appropriate servicing of all Mortgage Loans financed by the Authority, the Authority (a) has entered into a number of Loan Administrator Agreements (collectively and each respectively, as amended, the "Loan Administrator Agreements") with various mortgage servicers (collectively and each respectively, the "Loan Administrators"), and (b) services certain Mortgage Loans itself as described hereinafter. Each Loan Administrator

(which also may be a Seller under a Loan Seller Agreement) must be approved by the Authority and must be a Fannie Mae seller/servicer and either an FHA approved servicer or a VA approved servicer or a federally insured financial institution. The Loan Administrator Agreements govern the servicing of all existing Mortgage Loans under the 1976 General Resolution, including all New Mortgage Loans, except for Mortgage Loans serviced by the Authority.

Each Loan Administrator Agreement sets forth certain duties and responsibilities of the Loan Administrator, including, among others: (a) to forward to the Trustee in accordance with the requirements of the Loan Administrator Guide those portions of Mortgage Loan payments applicable to principal and interest on each Mortgage Loan after deducting a servicing fee of three-eighths of one percent (0.375%) per annum of the outstanding principal collected on each Mortgage Loan being serviced, (b) to deposit those portions of Mortgage Loan payments applicable to taxes and insurance premiums in an escrow bank account established for such purpose, such account to be held in trust for the benefit of both the Authority and the respective Mortgagors in a bank or savings association approved by the Authority whose accounts are federally insured by the Federal Deposit Insurance Corporation, (c) to pay from all escrow accounts so established all taxes and insurance premiums when due, and (d) to assure that all property covered by each Mortgage Loan is insured by a fire and extended coverage insurance policy in accordance with the requirements of the Loan Administrator Agreement.

Under the registered trade name of State Home Mortgage, the Authority services certain loans financed by the Authority's various housing programs, which currently include certain single family Mortgage Loans financed under the 1976 General Resolution, as well as certain other bond funded and non-bond funded single family and multifamily mortgage loan financing programs of the Authority and in the future may include loans financed by other non-housing programs of the Authority. All Mortgage Loans serviced by the Authority are serviced in accordance with the applicable provisions of the Authority's Loan Administrator Guide and, as applicable, the Fannie Mae Guide or servicing requirements applicable to FHA insured Mortgage Loans, VA guaranteed Mortgage Loans, Conventional Loans and USDA/RD guaranteed Mortgage Loans. As of June 30, 2021, of the four (4) Loan Administrators servicing Mortgage Loans financed under the 1976 General Resolution, State Home Mortgage serviced the largest percent of the then outstanding Mortgage Loans financed under the 1976 General Resolution, servicing approximately 96.24% of such outstanding Mortgage Loans based upon the number of Mortgage Loans outstanding and approximately 98.23% based upon the outstanding principal balances of such Mortgage Loans.

The chart below sets forth for each of the four Loan Administrators servicing Mortgage Loans under the 1976 General Resolution the number of Mortgage Loans, the aggregate principal amount of Mortgage Loans, the percentage of the portfolio by the number of Mortgage Loans and the percentage by outstanding principal balance, all as of June 30, 2021.

<u>Loan Administrator</u>	<u>Number of Mortgage Loans</u>	<u>Mortgage Loans Aggregate Principal Balance</u>	<u>Percent of Portfolio by Number of Mortgage Loans</u>	<u>Percent of Portfolio by Outstanding Principal Balance</u>
State Home Mortgage	13,091	\$1,266,191,212.51	96.24%	98.23%
SunTrust Mortgage, Inc.	247	15,350,508.51	1.82%	1.19%
Regions Bank d/b/a Regions Mortgage	159	2,403,623.97	1.17%	0.19%
Bank of America, N.A.	105	5,087,623.33	0.77%	0.39%

The Authority currently intends to administer Down Payment Assistance Loans originated in conjunction with the 2021 Series A Bonds directly as part of its administration of the Georgia Dream Down Payment Assistance Loan Program.

OTHER SINGLE FAMILY PROGRAMS OF THE AUTHORITY UNDER OTHER BOND RESOLUTIONS

The Authority previously issued single family mortgage bonds under certain other general bond resolutions that have been discharged and under which no bonds remain outstanding.

Any revenues derived by the Authority in connection with any other single family bond program that the Authority previously undertook or may undertake in the future will not be pledged to the payment of debt service on the 2021 Series A Bonds.

TAX EXEMPTION

In the opinion of Bond Counsel, assuming compliance with certain covenants contained in the Resolutions and the other Program Documents, under existing laws, regulations, rulings and judicial decisions, interest on the 2021 Series A Bonds is excluded from gross income for Federal income tax purposes as described herein and is not a specific item of tax preference for purposes of the federal alternative minimum tax provisions of the Code.

In the further opinion of Bond Counsel, interest on the 2021 Series A Bonds is exempt from taxation within the State of Georgia.

The proposed text of Bond Counsel's legal opinion is set forth as **Appendix F**. The legal opinion to be delivered may vary from that text if necessary to reflect facts, circumstances and the law in effect on the Issue Date.

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 2021 Series A Bonds. The Authority has covenanted in the Resolutions, the Tax Regulatory Agreement and No-Arbitrage Certificate dated the Issue Date (the "Tax Certificate"), the Loan Administrator Agreement, the Loan Seller Agreement and other relevant documents relating to the Program (collectively, the "Program Documents") to comply with certain restrictions, and has created certain procedures, all of which are intended to ensure that interest on the 2021 Series A Bonds will not be includible in gross income for Federal income tax purposes. The Opinions of Bond Counsel assume compliance with these covenants and procedures. Failure to comply with these covenants and procedures could result in interest on the 2021 Series A Bonds being includible in income for Federal income tax purposes and such inclusion could be required retroactively to the respective dates of issuance of the 2021 Series A Bonds. For a discussion of these requirements and the Authority's obligations with respect to compliance therewith, see "FEDERAL INCOME TAX MATTERS" below. 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 respective dates of issuance of the 2021 Series A Bonds may adversely affect the tax status of the interest on the 2021 Series A Bonds. Bond Counsel has not been made aware of any actions taken (or not taken) or events occurring (or not occurring) which would have had such adverse effect.

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 matters referred to above or adversely affect the market value of the 2021 Series A 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 2021 Series A Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular lawsuit will be resolved, or whether the 2021 Series A Bonds or the market value thereof would be impacted thereby. Purchasers of the 2021 Series A Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial authorities as of the date of issuance and delivery of the 2021 Series A 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.

Recognition of Income Generally. Section 451 of the Code was amended by Pub. L. No. 115-97, enacted December 22, 2017 (sometimes referred to as the Tax Cuts and Jobs Act), to provide that taxpayers using an accrual method of accounting for federal income tax purposes generally will be required to include certain amounts in income, including original issue discount and market discount, no later than the time such amounts are reflected on certain financial statements of such taxpayer. The application of this rule may require the accrual of income earlier than would have been the case prior to the amendment of Section 451 of the Code. Investors should consult their own tax advisors regarding the application of this rule and its impact on the timing of the recognition of income related to the 2021 Series A Bonds under the Code.

Backup Withholding. Interest on tax-exempt obligations such as the 2021 Series A Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed

on payments made to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The new reporting requirement does not in and of itself affect or alter the excludability of interest on the 2021 Series A Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

FEDERAL INCOME TAX MATTERS

The Code and the Treasury Regulations issued thereunder provide that interest on bonds issued by a State or a political subdivision thereof that are "qualified mortgage bonds," such as the 2021 Series A Bonds, will be excludible from gross income for federal income tax purposes. The requisites of treatment of the 2021 Series A Bonds as qualified mortgage bonds include: (1) all new money lendable proceeds of the 2021 Series A Bonds (exclusive of issuance costs and a reasonably required reserve fund) are to be used to finance owner-occupied residences within 42 months from the date of issuance of the 2021 Series A Bonds and any new money lendable proceeds not so used within 42 months in excess of \$250,000 must be used to redeem the 2021 Series A Bonds; (2) each residence being financed must be located in Georgia and must be reasonably expected to be used as the Mortgagor's principal residence; (3) 95% or more of the net lendable proceeds of the 2021 Series A Bonds must be used to finance the residences of Mortgagors who had no present ownership interest in their principal residences at any time during the 3-year period ending on the date their mortgage is executed, unless the Mortgage Loan is to finance qualified home improvements or rehabilitations or is made with respect to a residence located in a Targeted Area; (4) the purchase price of each residence may not exceed 90% of the average area purchase price (110% in Targeted Areas) of a single family residence in the statistical area in which the residence is located; (5) the family income of Mortgagors, except in high housing cost areas, must be 115% (100% for family sizes of less than 3 individuals) or less of the greater of (i) the area median family income in the statistical area in which the residence is located or (ii) the statewide median gross income for the state in which the residence is located (for 2/3 of the financing used in Targeted Areas the income limitation is 140% (120% for family sizes of less than 3 individuals) and for 1/3 of the financing used in Targeted Areas there is no income limitation); (6) the investment of proceeds of the 2021 Series A Bonds is restricted and certain investment earnings must be rebated to the United States; (7) for a period of at least one year, at least 20% of the new money lendable proceeds of the 2021 Series A Bonds must be made available for owner financing in Targeted Areas; (8) proceeds of the Mortgage Loan may not be used to refinance pre-existing mortgages (other than bridge loans or similar temporary initial financing) of the Mortgagor, unless the new mortgage is to finance qualified rehabilitation; and (9) any person assuming a mortgage must satisfy the requirements of (2), (3), (4) and (5). The Transferred Loans held under the 1976 General Resolution were subject to the requirements of (2), (3), (4), (5), (8) and (9) at the time of their origination. In the event the 2021 Series A Bonds should fail to meet one or more of the requirements of (2), (3), (4), (5), (8) and (9), the 2021 Series A Bonds will be treated as meeting such requirements provided (i) the Authority in good faith attempted to meet all such requirements before the mortgages were executed, (ii) 95% or more of the proceeds devoted to owner financing was devoted to residences with respect to which all such requirements are met, and (iii) any failure to meet such requirements is corrected within a reasonable period after such failure is first discovered.

The Treasury Regulations provide that the requirements of (2), (3) and (4) will be considered satisfied if the Mortgagor and the seller of the residence each executed appropriate affidavits and if the Federal income tax returns of the Mortgagor for the previous three years (if the same were filed to the extent required by law) indicate no deductions for home mortgage loan interest or for residential real property taxes. The Loan Seller Agreement provides that the Seller of the Mortgage Loan must monitor to whom and for what purposes the mortgage proceeds are being disbursed to assure compliance with such requirements, and each mortgage to be financed must restrict assumptions to persons satisfying the foregoing requirements. Moreover, the Seller must take reasonable steps to verify independently the accuracy of all the foregoing. The Authority believes that the covenants contained in the Program Documents, together with the procedures established in those and other related documents to be followed by the Authority, the Trustee, the Seller and the Loan Administrator, satisfy the foregoing requirements.

LITIGATION

At the time of delivery of the 2021 Series A Bonds, the Authority will certify that there is no action, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the signer, threatened against the Authority affecting the corporate existence of the Authority or the titles of its officers to their respective offices, or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the 2021 Series A Bonds or the collection of revenues or assets of the Authority pledged or to be pledged to pay the principal or Redemption

Price of, and interest on, the 2021 Series A Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the 2021 Series A Bonds, the Resolutions, the Loan Seller Agreements or the Loan Administrator Agreements or contesting the powers of the Authority or any authority for the issuance of the 2021 Series A Bonds, the adoption of the Resolutions, the Loan Seller Agreements or the Loan Administrator Agreements wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the 2021 Series A Bonds, the Resolutions, the Loan Seller Agreements or the Loan Administrator Agreements, or any such action, proceeding, inquiry or investigation wherein the Authority reasonably expects that an unfavorable decision, ruling or finding would materially adversely affect the Authority's ability to pay the principal of and interest on the 2021 Series A Bonds or other Bonds when due.

VALIDATION, OTHER APPROVALS AND ALLOCATION

The Act requires that all bonds issued by the Authority be validated in accordance with the Revenue Bond Law of the State and be approved by the Georgia State Financing and Investment Commission ("GSFIC") prior to issuance. GSFIC's approval has been obtained, and the 2021 Series A Bonds were approved by a validation proceeding in the Superior Court of Fulton County, Georgia on March 10, 2021.

The Code places a ceiling on the aggregate principal amount of private activity bonds, including qualified mortgage bonds, but excluding certain refunding bonds. The State has established a system under which the State's ceiling is allocated among various private activity bond issues, and the Authority has obtained an allocation from the State for the 2021 Series A Bonds.

CONTINUING DISCLOSURE UNDERTAKING

Continuing Disclosure Agreement.

At the request of the Underwriters in accordance with the requirements of Rule 15c2-12 with respect to the 2021 Series A Bonds, the Authority has agreed to enter into a Continuing Disclosure Agreement with respect to the 2021 Series A Bonds, which Continuing Disclosure Agreement will be between the Authority and Digital Assurance Certification, L.L.C. ("DAC"), as the initial exclusive disclosure dissemination agent (the "Dissemination Agent") thereunder. Pursuant to the Continuing Disclosure Agreement, the Authority agrees to provide to the Dissemination Agent, and the Dissemination Agent agrees to disseminate, the following in accordance with Rule 15c2-12:

(a) (x) to the Municipal Securities Rulemaking Board's (the "MSRB") Electronic Municipal Market Access system ("EMMA"), or (y) in the future, if applicable, to any successor repository prescribed by the SEC for this purpose pursuant to Rule 15c2-12 (as then applicable, the "National Repository" or the "Repository"), in each case in the required electronic format prescribed by the SEC or the MSRB for the purposes of Rule 15c2-12 (the "Required Electronic Format"), the following together with any identifying information or other information then required by Rule 15c2-12 (collectively, the "Annual Filings") on or before 120 days after the last day of each Fiscal Year of the Authority commencing with the Authority's Fiscal Year ending June 30, 2022: (i) annual financial information and operating data on the Authority, the Bonds, the 2021 Series A Bonds, the Program Obligations financed thereby and the security therefor of the type included in this Official Statement under the headings "1976 GENERAL RESOLUTION MORTGAGE LOANS – Current Status of Single Family Mortgage Loan Program Under 1976 General Resolution", "APPENDIX D – CERTAIN INFORMATION ON MORTGAGE LOAN PROGRAM UNDER 1976 GENERAL RESOLUTION" and "APPENDIX E – CERTAIN INFORMATION ON PARITY BONDS OUTSTANDING AND INVESTMENTS HELD UNDER THE 1976 GENERAL RESOLUTION – Bonds Outstanding Under the 1976 General Resolution", " – Bonds Outstanding by Interest Rate Under 1976 General Resolution", " – Certain Investments under 1976 General Resolution" and (ii) the Authority's annual audited financial statements prepared by a firm of certified public accountants in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board, as such principles are modified by the governmental accounting standards promulgated by the Governmental Accounting Standards Board, as in effect from time to time; and

(b) in a timely manner pursuant to Rule 15c2-12 (requiring submission to the Repository not later than ten (10) business days after the occurrence of the Listed Event), in the Required Electronic Format, notice of the occurrence of any of the following events with respect to the 2021 Series A Bonds, together with any identifying information or other information required by Rule 15c2-12 (collectively and each respectively, the

"Listed Events Filings"): (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of such Series of Bonds or other material events affecting the tax status of such Series of Bonds; (7) modifications to rights of owners of such Series of Bonds, if material; (8) unscheduled Bond calls (redemptions) of such Series of Bonds, if material; (9) tender offers; (10) defeasances; (11) release, substitution or sale of property securing repayment of such Series of Bonds, if material; (12) rating changes with respect to such Series of Bonds; (13) bankruptcy, insolvency, receivership or similar event of the Authority, which event will be considered to occur in those certain instances set forth in the Continuing Disclosure Agreement (see Appendix G herein); (14) the consummation of a merger, consolidation or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material; (15) appointment of a successor or additional trustee or the change of name of a trustee, if material; (16) incurrence of a financial obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Authority, any of which affect owners of the 2021 Series A Bonds, if material; or (17) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Authority, any of which reflect financial difficulties.

Under the Rule, for purposes of subsections (16) and (17) hereinabove, "financial obligation" means (i) a debt obligation, (ii) a 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" does not include municipal securities as to which a final official statement has been provided to MSRB pursuant to the Rule.

In addition, the Authority will agree pursuant to the Continuing Disclosure Agreement to send to the Dissemination Agent for filing with the Repository, in the Required Electronic Format, together with any identifying information or other information required by Rule 15c2-12, written notice of (i) any failure of the Authority to provide the annual financial information and operating data and/or annual audited financial statements as described under subparagraph (a) hereinabove by the specified date, and (ii) any amendment to or modification of the Continuing Disclosure Agreement or the type of financial information or operating data included in the Annual Filings to be made pursuant to subparagraph (a) hereinabove or the accounting principles pursuant to which the annual audited financial statements are prepared or any change of the Authority's Fiscal Year.

Pursuant to the Continuing Disclosure Agreement, the Authority acknowledges that its undertaking pursuant to the Continuing Disclosure Agreement is a condition precedent to the initial purchase of the 2021 Series A Bonds by the Underwriters pursuant to the Bond Purchase Agreement, and is made pursuant to Rule 15c2-12 and for the benefit of the Beneficial Owners of the 2021 Series A Bonds. The Continuing Disclosure Agreement permits the aforesaid Annual Filings and Listed Event Filing to be filed by any means of transmission publicly recognized by the SEC at the time of the transmission as being consistent with the intent of Rule 15c2-12. The Authority's obligation to provide the aforesaid Annual Filings and Listed Event Filings will be enforceable by the Beneficial Owners of the 2021 Series A Bonds, and by the Dissemination Agent on their behalf, provided, however, that all rights of enforcement under or with respect to the Continuing Disclosure Agreement by or on behalf of the Beneficial Owners of the 2021 Series A Bonds will be limited to the sole and exclusive remedy of the right to seek specific performance of the Authority's obligations under the Continuing Disclosure Agreement and any failure by the Authority to comply with the Continuing Disclosure Agreement will not constitute a default under the Resolutions or the 2021 Series A Bonds, and provided further, however, that Beneficial Owners of the 2021 Series A Bonds will have no right to seek specific performance with respect to any alleged inadequacy of any Annual Filings or Listed Event Filings made by the Authority pursuant to the Continuing Disclosure Agreement directly (except to direct the Dissemination Agent to seek such specific performance on behalf of all such Beneficial Owners), and the Dissemination Agent shall be obligated to seek such specific performance with respect to any such alleged inadequacy only upon written direction from Beneficial Owners of at least twenty-five percent (25%) in aggregate principal amount of the 2021 Series A Bonds then outstanding and upon receipt of indemnification satisfactory to the Dissemination Agent.

The Dissemination Agent has only the duties specifically set forth in the Continuing Disclosure Agreement. The Dissemination Agent's obligation to deliver the information at the times and with the contents described in the respective Continuing Disclosure Agreement is limited to the extent the Authority has provided such information to the Dissemination Agent as required by such Continuing Disclosure Agreement. The Dissemination Agent has no duty with respect to the content of any disclosure filing or notice prepared by the Authority pursuant to the terms of the Continuing Disclosure Agreement, has no duty or obligation to review or verify any information in any disclosure filing or any other information, disclosures or notices provided to it by the Authority, and will not be deemed to be acting in any fiduciary capacity for the Authority, the Beneficial Owners of the 2021 Series A Bonds or any other party. The Dissemination Agent has no responsibility for the Authority's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent has no duty to determine or liability for failing to determine whether the Authority has complied with the Continuing Disclosure Agreement. The Dissemination Agent may conclusively rely upon certifications of the Authority at all times.

The Authority expects the Continuing Disclosure Agreement for the 2021 Series A Bonds will be in substantially the proposed form set forth in **Appendix G** hereto.

ADDITIONAL AVAILABLE INFORMATION CONCERNING THE AUTHORITY AND ITS BOND PROGRAMS

In addition to the Authority's undertaking under the Continuing Disclosure Agreement discussed hereinabove, the Resolutions also require the Authority to file annually with the Trustee, within ninety (90) days after the end of each Fiscal Year, a copy of the annual financial statements of the Authority's operations for such Fiscal Year, accompanied by an opinion on the Authority's financial statements, rendered by a firm of certified public accountants. A copy of such annual financial statements, accompanied by the accountant's opinion, will be mailed to each holder or beneficial owner of Bonds who files his name and address with the Authority for such purpose. The Resolutions further provide that the books and records of the Authority maintained pursuant to the Resolutions will be subject to inspection at all reasonable times by the Trustee and the holders of not less than five percent (5%) in principal amount of Bonds then Outstanding.

Copies of previously published information concerning the Authority and its programs may be obtained by any holder of Bonds by writing to the Authority at 60 Executive Park South N.E., Atlanta, Georgia 30329, Attention: Director of Bond Finance (email: Fenice.Taylor@dca.ga.gov). The Authority may charge for handling and copying costs incurred in responding to requests for information.

AVAILABLE FINANCIAL STATEMENTS OF THE AUTHORITY

Included in **Appendix H** hereto are the financial statements of the Authority as of June 30, 2021 and for the fiscal year then ended, which have been audited by CohnReznick LLP, independent certified public accountants, as stated in the firm's independent auditor's report dated September 15, 2021 attached to the financial statements in **Appendix H**.

All other financial information concerning the Authority contained herein (other than in **Appendix H**), including, without limitation, other information elsewhere herein as of June 30, 2021 or September 17, 2021 and any financial forecast or projection, is unaudited information provided by the Authority. The Authority's independent auditor does not express an opinion or any other form of assurance on any financial forecast or projection contained herein.

CERTAIN LEGAL MATTERS

Certain legal matters relating to the authorization and validity of the 2021 Series A Bonds will be subject to the approving opinion of Kutak Rock LLP, Atlanta, Georgia, Bond Counsel, which will be furnished at the expense of the Authority upon delivery of the 2021 Series A Bonds in substantially the form included in **Appendix F** hereto (the "Bond Counsel Opinion"). The Bond Counsel Opinion will be limited to matters relating to authorization and validity of the 2021 Series A Bonds and the tax-exempt status of interest thereon as described in the section "TAX EXEMPTION" herein. Bond Counsel also may advise the Authority with respect to other matters relating to the 2021 Series A Bonds. Bond Counsel have not been engaged to investigate the financial resources of the Authority or its ability to provide for payment of the 2021 Series A Bonds, and the Bond Counsel Opinion will make no statement as to such matters or as to the accuracy or completeness of this Official Statement or any other information that may have been relied on by anyone in making the decision to purchase 2021 Series A Bonds, except as expressly set forth in the Bond Counsel Opinion. Certain legal matters will be passed upon on behalf of the Underwriters by Butler Snow LLP, Atlanta, Georgia. The

validation proceeding in the Superior Court of Fulton County, Georgia with respect to all 2021 Series A Bonds was favorably determined on March 10, 2021.

UNDERWRITING

The 2021 Series A Bonds will be purchased by an underwriting group consisting of Citigroup Global Markets Inc. ("Citigroup"), Raymond James & Associates, Inc. ("Raymond James") and the other Underwriters listed on the cover of this Official Statement (collectively, the "Underwriters" and each respectively, an "Underwriter").

Pursuant to a Bond Purchase Agreement, the Underwriters have jointly and severally agreed, subject to certain terms and conditions, to purchase all but not less than all of the 2021 Series A Bonds at the prices set forth on the inside front cover page hereof. Subsequent to the initial public offering of the 2021 Series A Bonds, the prices of the 2021 Series A Bonds may change from time to time. The Underwriters may offer and sell the 2021 Series A Bonds to certain dealers, including, without limitation, dealer banks, dealers acting as agents and dealers purchasing for investment trusts and other investment vehicles, at prices lower than such initial public offering prices set forth on the inside cover page hereof. In consideration of the services rendered by the Underwriters in connection with the issuance and sale of the 2021 Series A Bonds, the Underwriters will be paid underwriting fees equal to \$_____.

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

Citigroup Global Markets Inc., an Underwriter of the 2021 Series A Bonds, has entered into a retail distribution agreement with Fidelity Capital Markets, a division of National Financial Services LLC (together with its affiliates, "Fidelity"). Under this distribution agreement, Citigroup Global Markets Inc. may distribute municipal securities to retail investors at the original issue price through Fidelity. As part of this arrangement, Citigroup Global Markets Inc. will compensate Fidelity for its selling efforts.

BofA Securities, Inc., an Underwriter of the 2021 Series A Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the 2021 Series A Bonds.

J.P. Morgan Securities LLC ("JPMS"), an Underwriter of the 2021 Series A Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 2021 Series A Bonds that such firm sells.

Morgan Stanley & Co. LLC, an Underwriter of the 2021 Series A Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the 2021 Series A Bonds.

Wells Fargo Corporate & Investment Banking (which may be referred to elsewhere as "CIB," "Wells Fargo Securities" or "WFS") are the trade names used for the corporate banking, capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association ("WFBNA"), a member of NFA, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, N.A. Municipal Finance Group, a separately identifiable department of WFBNA, registered with the U.S. Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

WFBNA, acting through its Municipal Finance Group, an Underwriters for the 2021 Series A Bonds, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which

uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the 2021 Series A Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2021 Series A Bonds with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the 2021 Series A Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

Certain of the Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities sales and trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, market making, financing and brokerage activities and other financial and non-financial activities and services. Such Underwriters and their respective affiliates, from time to time, may have performed and in the future may perform various banking, financial advisory and/or investment banking services for the Authority or for mortgagors, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, such Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps), commodities, currencies, and other financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve or relate to assets, securities and/or instruments of the Authority (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Authority. Such Underwriters and their respective affiliates also may communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

RATING

By letter dated October 5, 2021, S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P"), assigned a rating of "AAA" to the 2021 Series A Bonds. Any explanation of such rating should be obtained from S&P, and prospective investors should review S&P's complete published rating reports. The rating is not a recommendation to buy, sell or hold any of the 2021 Series A Bonds. There is no assurance that the aforesaid initially assigned rating will remain in effect for any given period of time or that it will not be placed on CreditWatch, lowered or withdrawn entirely in the future. Any change or withdrawal of such rating could have an adverse effect on the market price and marketability of the 2021 Series A Bonds. Neither the Authority nor the Underwriters have undertaken any responsibility to bring to the attention of the holders of the 2021 Series A Bonds any proposed or issued revision, suspension or withdrawal of the rating after the date hereof or to oppose any such revision, suspension or withdrawal, except as to the Authority to extent described in "CONTINUING DISCLOSURE UNDERTAKING" and "APPENDIX G – PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT" herein.

LEGALITY FOR INVESTMENT

The Act provides that the 2021 Series A Bonds will be securities in which all public officers and bodies of the State and all municipalities and all municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks, and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds including capital in their control or belonging to them. The Act also provides that the 2021 Series A Bonds will be securities which may be deposited with and will be received by all public officers and bodies of the State and all municipalities and municipal subdivisions for any purpose for which the deposit of the bonds or other obligations of the State is now or may hereafter be authorized.

THE STATE NOT OBLIGATED

THE 2021 SERIES A BONDS WILL CONSTITUTE GENERAL OBLIGATIONS OF THE AUTHORITY PAYABLE OUT OF ANY OF THE AUTHORITY'S REVENUES, MONEY OR ASSETS LEGALLY AVAILABLE THEREFOR SUBJECT ONLY TO AGREEMENTS HERETOFORE AND HEREAFTER MADE WITH HOLDERS OF NOTES AND BONDS OTHER THAN THE BONDS PLEDGING PARTICULAR REVENUES, MONEY OR ASSETS FOR THE PAYMENT THEREOF. THE 2021 SERIES A BONDS AND OTHER OBLIGATIONS OF THE AUTHORITY WILL NOT BE DEEMED TO CONSTITUTE A DEBT OF THE STATE OR ITS AGENCIES OR A PLEDGE OF THE FAITH OR CREDIT OF THE STATE OR ITS AGENCIES, BUT WILL BE PAYABLE SOLELY AS PROVIDED IN THE RESOLUTIONS OF THE AUTHORITY AUTHORIZING THE ISSUANCE OF THE 2021 SERIES A BONDS. THE ISSUANCE OF THE 2021 SERIES A BONDS WILL NOT DIRECTLY OR INDIRECTLY OBLIGATE THE STATE TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF THE 2021 SERIES A BONDS. THE AUTHORITY HAS NO TAXING POWER.

The Act provides that while any of the 2021 Series A Bonds are Outstanding, the powers, duties or existence of the Authority or of its officers, employees or agents will not be diminished or impaired in any manner that will affect adversely the interest and rights of the holders of the 2021 Series A Bonds.

MISCELLANEOUS

The agreements of the Authority with the holders of the 2021 Series A Bonds are fully set forth in the Resolutions. This Official Statement is not to be construed as a contract with the purchasers of the 2021 Series A Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated are intended merely as opinion and not as representations of fact. Copies of the Act, the Resolutions, the Loan Seller Agreements and the Loan Administrator Agreements referred to herein may be obtained from the Authority.

GEORGIA HOUSING AND FINANCE AUTHORITY

By: _____
Vince R. Williams, Chair

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APPENDIX A

CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTIONS

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APPENDIX A
CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTIONS

CERTAIN DEFINITIONS

The following are definitions in summary form of certain terms defined in the 1976 General Resolution or the 2021 Series A Resolution or as used herein. Certain of these provisions may be amended without notice to or the consent of Bondholders and other may be amended only upon receipt of the consent of the requisite percent of Bondholders.

"Account" means an account created by or pursuant to the 1976 General Resolution.

"Act" means the Georgia Housing and Finance Authority Act, Official Code of Georgia Annotated, Title 50, Chapter 26, as amended from time to time.

"Allocation Agreement" means the agreement with respect to the application of payments received on the Blended Loans.

"Alternative Liquidity Instrument" means any Liquidity Instrument delivered in substitution for the Liquidity Instrument then in effect delivered to, and accepted by, the Trustee pursuant to the applicable Series Resolution.

"Authority" means the Georgia Housing and Finance Authority, an instrumentality of the State and a public corporation, performing an essential governmental function, and any successor thereto or, as applicable, its predecessor, the Georgia Residential Finance Authority.

"Authorized Denomination" means \$5,000 or any integral multiple thereof.

"Authorized Officer" means, upon the filing with the Trustee of a certificate of the Chair or Vice Chair of the Authority directing such appointment, together with specimen signatures of the persons holding each office specified, the Chair, Vice Chair, Secretary and Executive Director of the Authority and any other authorized officer of the Authority as designated by a resolution of the Authority.

"Base Mortgage Rate" means, with respect to each Series of Bonds, the one or more mortgage loan interest rates established pursuant to the applicable Series Resolution, which will be the basis, on a weighted average basis, for comparison of the assumed mortgage loan interest rate(s) provided to the Rating Agency upon the issuance of such Series of Bonds with the actual interest rates on the Mortgage Loans financed by such Series of Bonds, as such interest rate may be adjusted pursuant to the applicable Resolutions. With respect to the 2021 Series A New Mortgage Loans, pursuant to the Series Certificate the Authority has established a Base Mortgage Rate of 3.500%* per annum.

"Blended Loans" means those Mortgage Loans, or Mortgage Loans underlying Program Securities, purchased or financed in compliance with the 1976 General Resolution and the applicable Series Resolution and financed in part with funds in the Mortgage Purchase and Loan Account for applicable Series of Bonds and in part with funds provided from another Series Resolution under the 1976 General Resolution, another general resolution or series resolution of the Authority or any other source of funds, pursuant to a mechanism providing for repayment for deposit under the applicable Series Resolution and to such other source of funds of relative amounts to be determined prior to the purchase or financing of such Mortgage Loans or Program Securities as set forth in an Allocation Agreement.

"Bond" or *"Bonds"* means any Bond or Bonds, as the case may be, authorized under the 1976 General Resolution and issued pursuant to a Series Resolution.

"Bond Counsel" means an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal, state and public agency financing, appointed by the Attorney General of the State at the request of the Authority.

"Bondholder" or *"holder"* or *"Holder"* or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the bearer of any Outstanding Bond or Bonds registered to bearer or not registered, or

the registered owner of any Outstanding Bond or Bonds which shall at the time be registered other than to bearer and "Holder" or "holder", when used with reference to coupons, shall mean any person who shall be the bearer of any such coupons.

"*Bond Proceeds Fund*" means the Bond Proceeds Fund established pursuant to the 1976 General Resolution.

"*Bond Purchase Agreement*" means the Bond Purchase Agreement for the 2021 Series A Bonds authorized by the 2021 Series A Resolution.

"*Business Day*" means any day (a) other than a Saturday or a Sunday, (b) on which banks in the cities in which the respective principal offices of the Trustee, the Bond Registrar and the Trustee are located are not required or authorized by law to be closed and (c) on which the New York Stock Exchange is open.

"*Capital Reserve Fund*" means the Capital Reserve Fund established and created under the 1976 General Resolution.

"*Capital Reserve Requirement*" means, with respect to the Outstanding Bonds as of any date of calculation, the greater of (i) an amount equal to the aggregate with respect to all Series of the amounts, if any, specified as Capital Reserve Requirement for each Series in the respective Series Resolution authorizing such Series or (ii) an amount equal to three percent (3%) of the then current balance of all Mortgage Loans (but not Program Securities) as such amount shall be set forth in an Officer's Certificate; provided, however, the amount deposited in the Capital Reserve Fund from the proceeds of sale of each Series of Bonds shall be no less than the amount required to be deposited by the Act, if any.

"*Cash Flow Consultant*" means cfX Incorporated or any other firm designated by the Authority with nationally recognized expertise and experience in the production and analysis of the cash flows associated with costs of mortgage loans and the use thereof to support debt service payments on securities.

"*Code*" means the Internal Revenue Code of 1986 and the applicable final, temporary or proposed regulations thereunder and revenue rulings issued with respect thereto, all as heretofore and hereafter amended, to the extent the same may be applicable to a Series of Bonds, or as such term may be further defined in the applicable Series Resolution.

"*Continuing Disclosure Agreement*" means the Continuing Disclosure Agreement between the Authority and Digital Assurance Certification, L.L.C., as dissemination agent, with respect to the 2021 Series A Bonds.

"*Conventional Loans*" or "*Conventional Mortgage Loans*" means Mortgage Loans secured by first mortgage liens and having a loan-to-value ratio of eighty percent (80%) or less or insured by a private mortgage insurance policy provided by a Qualified Mortgage Insurance Company.

"*Cost of Issuance Account*" mean the respective Account so designated with respect to each Series of Bonds that is established and created by the 1976 General Resolution.

"*Costs of Issuance*" means all items of expense, payable or reimbursable, directly or indirectly by the Authority and related to the authorization, sale and issuance of Bonds, including but not limited to printing costs, costs of reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, professional consultants' fees, costs of credit ratings, fees and charges for execution, transportation and safekeeping of Bonds, costs and expenses of refunding and other costs, charges and fees in connection with the foregoing.

"*DCA*" means the Department of Community Affairs of the State, which is a legislatively created department of the executive branch of the State's government created pursuant to the DCA Act.

"*DCA Act*" means Official Code of Georgia Annotated, Title 50, Chapter 8, as amended.

"*DCA Board*" means the Board of Community Affairs of the State created pursuant to the DCA Act.

"*Debt Service Fund*" means the Debt Service Fund established pursuant to the 1976 General Resolution.

"Defaulted Mortgage Loan" means any Mortgage Loan described in an Officer's Certificate and stated to be in default in accordance with its terms or any Mortgage Loan not so described in an Officer's Certificate on which payments are sixty (60) days in arrears.

"Depository" means any bank or trust company appointed under the 1976 General Resolution to act as a depository, and each successor or successors and any other bank or trust company at any time substituted in its place pursuant to any Series Resolution.

"Disbursing Agreement" means an agreement by and between the Authority and a Lending Institution with respect to making of Mortgage Loans pursuant to the 1976 General Resolution.

"Down Payment Assistance Loans" means certain second or third lien mortgage loans financed with Bond proceeds under the 1976 General Resolution that (1) will have a zero percent (0%) interest rate, (2) will be secured by a second or third mortgage lien on the property being financed so long as the first mortgage lien is securing a Mortgage Loan pledged under the 1976 General Resolution, (3) will provide that principal thereof will be payable only upon sale, transfer or refinancing of the mortgaged property or upon the mortgaged property ceasing to be the principal residence of the Mortgagor or otherwise used in a manner not permitted for residences financed with the proceeds of qualified mortgage revenue bonds, (4) will permit prepayment at any time without penalty or premium, and (5) some or all amounts due thereunder may be forgiven, provided such forgiveness is consistent with the Program Cash Flow Certificate last filed by the Authority with the Trustee and the Rating Agency. In addition, certain *"Down Payment Assistance Loans"* satisfy all of the foregoing requirements except that they are not financed with Bond proceeds under the 1976 General Resolution; notwithstanding any provision to the contrary herein, such non-Bond financed Down Payment Assistance Loans do not constitute "Program Obligations" under the 1976 General Resolution.

"Event of Default" means any of the events specified in the 1976 General Resolution.

"Executive Director" means the Executive Director of the Authority.

"Fannie Mae" means the Federal National Mortgage Association, a federally chartered and stockholder owned corporation organized and existing under the Federal National Mortgage Association Charter Act, 12 U.S.C. §1716 et seq.

"Fannie Mae Program Security" means an obligation representing an undivided interest in a pool of Mortgage Loans, to the extent the payments to be made on such obligation are guaranteed by Fannie Mae.

"Federal Mortgage Agency" means the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, USDA/RD and such other public or private agencies or corporations as the United States Congress may create for the purpose of Housing finance.

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

"Fiduciary" means the Trustee, any Depository or a Paying Agent.

"Fiscal Year" means the period of twelve (12) calendar months ending with June 30 of any year, which may be amended from time to time by resolution of the Authority.

"Fixed Interest Rate" means an interest rate on the Bonds that is fixed from the Issue Date until final maturity.

"Fixed Rate Bonds" means the 2021 Series A Bonds and all other Bonds that bear interest at a Fixed Rate.

"Freddie Mac" means the Federal Home Loan Mortgage Corporation, a shareholder owned government sponsored enterprise organized and existing under the laws of the United States.

"Fund" means a Fund created by or pursuant to the 1976 General Resolution.

"*General Fund*" means the fund so designated which was established and created by a resolution of the Authority adopted December 8, 1975, as such resolution may be amended from time to time.

"*GNMA*" or "*Ginnie Mae*" means the Government National Mortgage Association, a government-sponsored enterprise organized and existing under the laws of the United States, or its successors.

"*GNMA Program Securities*" means an obligation representing an undivided interest in a pool of Mortgage Loans, to the extent the payments to be made on such obligation are guaranteed by GNMA.

"*Government Obligations*" means obligations of the United States of America, or any agency or instrumentality of the United States of America, the principal of and interest on which are guaranteed by the United States of America, or any agency or instrumentality of the United States of America (including obligations issued or held in book-entry form on the books of the United States Department of the Treasury and including zero coupon and callable securities).

"*GSE*" or "*GSEs*" means, each respectively or both collectively, as applicable, the Federal National Mortgage Association and the Federal Home Loan Mortgage Association.

"*Housing*" means Housing as defined in the Act.

"*Interest Payment Date*" means (a) pursuant to the 1976 General Resolution, each respective date on which interest on a Series of Bonds is required to be paid pursuant to the applicable Series Resolution and (b) with respect to the 2021 Series A Bonds, June 1 and December 1 of each year commencing on June 1, 2022*.

"*Interest Requirement*" means, as of any particular date of calculation, the amount equal to unpaid interest then due, plus an amount which on the respective next succeeding Interest Payment Date or Dates for all Series of Bonds Outstanding will be equal to the interest to become due on each Series of Bonds Outstanding on such next respective succeeding Interest Payment Date or Dates. If any Bonds bear interest at a rate that is subject to adjustment, the Interest Requirement will be calculated as if such Bonds continued to bear interest to, but not including, the next Interest Payment Date at the rate in effect on the date of calculation.

"*Investment Obligation(s)*" means such investments as are permitted by the Act for the investment of money and funds of the Authority, as such investments may be specified with more particularity in the applicable Series Resolution. The Series Resolution provides that the Investment Obligations with respect to the 2021 Series A Bonds will consist of investments satisfying the Authority's then current Bond Fund Investment Policy (the "Investment Policy"). The Investment Policy applicable to the 2021 Series A Bonds as of the date hereof includes, without limitation, certain maturity limitations for particular investments, certain portfolio composition limitations, certain collateralization requirements, allows certain limited exceptions and identifies the following as acceptable investments, provided, however, that the Authority may amend the Investment Policy from time to time without any amendment to the applicable Series Resolution and without notice to Bondholders:

- (a) Government Obligations, including zero coupon and callable securities;
- (b) Debt instruments issued by United States government agencies or by United States government-sponsored enterprises chartered by the United States government, including zero coupon, structured, fixed rate, floating rate and callable securities and including debentures of government-sponsored enterprises with implied "Agency status" credit;
- (c) Fixed rate or floating rate mortgage-backed securities collateralized by residential first mortgage loans and issued by GNMA, Fannie Mae or Freddie Mac or such other government-sponsored enterprises as may succeed the foregoing, including, without limitation, collateralized mortgage obligations, pass-through securities or forward contracts for mortgage loans;
- (d) Investment agreements or guaranteed investment contracts if (i) the provider or guarantor (A) either has an unsecured long term debt rating of "AAA" from the Rating Agency or has an unsecured long term debt rating of at least "AA-" from the Rating Agency and an unsecured short term debt rating of "A-1" from the Rating Agency, or (B) fully collateralizes the investment agreement to maintain the rating on

the Bonds, and (ii) such investment agreements include downgrade cure and termination provisions satisfying the Investment Policy;

(e) Corporate debt securities if the issuer (i) has an unsecured long term debt rating of "AA-" from the Rating Agency for long term investments or (ii) has an unsecured short term debt rating equivalent to "A-1" from the Rating Agency and an unsecured long term debt rating of at least "AA-" from the Rating Agency for short term investments; such corporate debt securities may include zero coupon, structured, floating rate or callable bonds;

(f) Repurchase agreements if (i) the counter-party has an unsecured short term debt rating of "A-1" from the Rating Agency, (ii) the repurchase agreement is collateralized by securities described in subparagraphs (a), (b) or (c) above of at least 102% and held at a third party custodian, and (iii) the repurchase agreement collateral is marked to market in accordance with the Investment Policy;

(g) Georgia Fund 1, which is a money market fund investing only in Investment Obligations and only for the benefit of Georgia municipalities, counties, state and local authorities and other governmental agencies;

(h) Certificates of deposit if issued by a bank having an unsecured long term debt rating of "AA-" from the Rating Agency for long term investments or having an unsecured long term debt rating of at least "A-" from the Rating Agency and an unsecured short term debt rating of "A-1" from the Rating Agency for short term investments; rating requirements do not apply to investment amounts of less than the Federally insured limit; total certificate of deposit exposure to a single bank in excess of the Federally insured amount must maintain collateral levels of at least 110% of the certificate of deposit amount using securities described in subparagraph (a), (b) or (c) above, which collateral must be held at a third party custodian and must be marked to market in accordance with the Investment Policy;

(i) Commercial paper if the issuer has an unsecured short term debt rating of "A-1" or better from the Rating Agency;

(j) Municipal securities if the issuer or the issue has (i) an unsecured long term debt rating of "AA-" from the Rating Agency for long term investments with a final maturity of five years or more or (ii) an unsecured long term debt rating of at least "A-" from the Rating Agency and the highest applicable short term rating from the Rating Agency for investments with a final maturity less than five years, and which may include federally taxable, tax exempt, zero coupon, structured, floating rate and callable municipal securities;

(k) Money market mutual funds (including, without limitation, so-called "prime money market funds" and "private money market funds") consisting of domestic funds investing primarily in Investment Obligations permitted under the Investment Policy with no more than one-day liquidity and relatively stable Net Asset Value ("NAV") that does not fluctuate more than 1% over a 12 month period, and having a rating of at least "AA-" from the Rating Agency;

(l) Bond mutual funds consisting of short duration mutual funds having a relatively stable NAV, investing substantially all money only in Investment Obligations permitted under the Investment Policy, having a minimum rating of "AA-" from the Rating Agency and otherwise satisfying the Investment Policy; and

(m) Collateralized bank deposits satisfying the requirements of the Investment Policy.

Under the Investment Policy, with certain limited exceptions, short-term investments must mature within six (6) months of the date of acquisition or have withdrawal provisions satisfying the Investment Policy. If not otherwise directed by the Authority in accordance with the Series Resolution, the Authority customarily directs the Trustee to invest cash balances in the Investment Agreement applicable to the respective Series of Bonds if one exists and otherwise in a money market fund satisfying the Investment Policy.

"Issue Date" means, with respect to Bonds of a particular Series, the date as specified in the particular Series Certificate.

"Lending Institution" means, any bank or trust company, savings and loan association, savings bank, credit union, insurance company or mortgage banker or mortgage broker authorized to deal in mortgage loans insured or guaranteed by an agency of the United States government. Such Lending Institution shall have a place of business in the State or in a contiguous state, shall be authorized to do business in the State, and shall have such qualifications as shall be established from time to time by rules and regulations of the Authority. For purposes of the 1976 General Resolution, Lending Institutions shall also be deemed to include the Federal National Mortgage Association or any Federal or State agency.

"Loan" or "Mortgage Loan" means an interest-bearing obligation secured by a Mortgage for financing ownership of single family residential housing consisting of not more than four units and condominium units intended for ownership or occupancy by qualified low and moderate income persons and families authorized by the Act, excluding any Down Payment Assistance Loans.

"Loan Administrator" means, collectively, each Lending Institution that enters into a Loan Administrator Agreement with the Authority.

"Loan Administrator Agreement" means, collectively, the servicing agreements and the Loan Administrator Agreements between the Authority and each respective Loan Administrator, as amended from time to time by the Authority.

"Loan Seller Agreement" means, collectively, the Loan Seller Agreements between the Authority and each respective Seller in each case as may be amended from time to time by the Authority.

"MBS" means a mortgage-backed security or securities issued by either GSE or by GNMA.

"Mortgage" means a deed to secure debt covering a fee simple or leasehold estate that is accompanied by a promissory note, the holder of which is either the Authority or a Lending Institution where the debt is secured by real property, as defined in the Act, located in the State and improved by a residential structure.

"Mortgage Expense Reserve Requirement" means such amount, if any, as may be determined by an Officer's Certificate delivered to the Trustee at least annually to be maintained in the Mortgage Reserve Fund for expenses of the Authority in connection with the purposes set forth in the 1976 General Resolution.

"Mortgage Loan" or "Loan" means an interest-bearing obligation secured by a Mortgage for financing ownership of single family residential housing consisting of not more than four units and condominium units intended for ownership or occupancy by qualified low and moderate income persons and families authorized by the Act, excluding any Down Payment Assistance Loans.

"Mortgage Loan Principal Receipts" means, so long as 2021 Series A Bonds remain outstanding, as of any date of computation, an amount equal to the sum of the actual receipts of scheduled amortization of principal and Prepayments on the 2021 Series A Program Obligations.

"Mortgage Principal Reserve Requirement" means (a) effective January 6, 1995 as to all Bonds issued after October 1, 1993, unless otherwise specified in a Series Resolution, zero (\$0), and (b) as to all Bonds issued prior to October 1, 1993, an amount equal to one and one-half percent (1.5%) of the aggregate unpaid principal amount of the Mortgage Loans held by the Authority at the time of calculation.

"Mortgage Purchase and Loan Accounts" means the Accounts so designated which are established and created by the 1976 General Resolution.

"Mortgage Reserve Fund" means the Fund so designated which is established and created by the 1976 General Resolution.

"Mortgage Reserve Requirement" means the aggregate of the Mortgage Expense Requirement and the Mortgage Principal Reserve Requirement.

"Mortgagor" means a debtor under a Mortgage Loan or a Down Payment Assistance Loan.

"New Loans" or "New Mortgage Loans" mean the newly originated Mortgage Loans, including Mortgage Loans underlying Program Securities, or portions thereof (including identification of the interest portion, if different from the principal portion) identified by the Authority on its records at the time of acquisition of the Mortgage Loan or the Program Security, on single family residential housing units for eligible persons and families of low and moderate income within the State acquired in whole or in part with proceeds of the 2021 Series A Bonds deposited in the 2021 Series A Mortgage Purchase and Loan Account established pursuant to the Resolutions.

"New Mortgage Loans Principal Receipts" means, as of any date of computation, an amount equal to the sum of the actual receipts of scheduled amortization of principal and Prepayments on the New Mortgage Loans.

"New Program Obligations" mean the New Mortgage Loans (as whole loans), the new Down Payment Assistance Loans and the new Program Securities purchased in whole or in part with proceeds of the 2021 Series A Bonds from the 2021 Series A Mortgage Purchase and Loan Account established pursuant to the Resolutions.

"NIBP" means the Housing Finance Agency Initiative Single Family New Issue Bond Program announced by the United States Department of the Treasury on October 19, 2009, as amended.

"1976 General Resolution" means that certain resolution of the Authority entitled "Single Family Mortgage Bond Resolution (FHA Insured or VA Guaranteed Mortgage Loans)"; adopted on November 10, 1976, as supplemented and amended on August 26, 1977, on November 9, 1983, on October 1, 1985, on October 29, 1986, on July 17, 1987, on October 29, 1987, on June 10, 1988, on November 12, 1991, on October 6, 1993, on May 19, 1994, on August 2, 1994, on June 11, 1997, on April 7, 1998, on August 14, 2002 and on February 1, 2006, as the same may be further supplemented and amended from time to time in accordance with its terms.

"Officer's Certificate" means a certificate signed by an Authorized Officer.

"Opinion of Bond Counsel" means an opinion signed by an attorney or firm of attorneys nationally recognized in the field of law relating to municipal, state and public agency financing, appointed by the Attorney General of the State at the request of the Authority.

"Optional Redemption Account" means the Account so designated which is established and created by the 1976 General Resolution.

"Outstanding" means, when used with reference to Bonds and as of any particular date, all Bonds theretofore and thereupon being delivered except (a) any Bond cancelled by the Trustee, or proven to the satisfaction of the Trustee to have been cancelled by the Authority or any Paying Agent, at or before said date, (b) any Bond for the payment or redemption of which either (i) money, equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or Redemption Date, or (ii) Investment Obligations or money in amounts which, when due, will provide money sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be, and which shall have theretofore been deposited with one or more of the Fiduciaries in trust (whether upon or prior to maturity or the Redemption Date of such Bond) and, except in the case of a Bond to be paid at maturity, of which notice of redemption shall have been given or provided for in accordance with the Resolutions and (c) any Bond in lieu of or in substitution for which another Bond shall have been delivered pursuant to the Resolutions.

"Paying Agent" means paying agent for the Bonds appointed by or pursuant to the 1976 General Resolution, and its successor or successors and any other corporation or association that may at any time be substituted in its place pursuant to any Series Resolution.

"Prepayment" means any amount received or recovered which reduces or eliminates the principal amount of any Program Obligation other than scheduled amortization payments of the principal amount of any Program Obligation, including any prepayment penalty, fee, premium or other such additional charge, less the amount retained by any servicer of such Program Obligation, other than the Authority, as additional compensation on account of such prepayment.

"*Principal Account*" means the Account so designated which is established and created pursuant to the 1976 General Resolution.

"*Principal Installment*" means, with respect to any particular Principal Installment Date, an amount equal to the sum of (a) the aggregate principal amount of Outstanding Bonds payable on such Principal Installment Date as determined by the applicable Series Resolution (but not including Sinking Fund Installments) and (b) the aggregate of Sinking Fund Installments with respect to all Outstanding Term Bonds payable on such Principal Installment Date as determined by the applicable Series Resolution.

"*Principal Installment Date*" means each respective date on which Principal Installments are required to be made pursuant to the applicable Series Resolution.

"*Principal Requirement*" means as of any particular date of calculation with respect to Bonds Outstanding on that date, the amount of money equal to any unpaid Principal Installment then due, plus the Principal Installment to become due on the Bonds on the next succeeding Principal Installment Date.

"*Program*" means the Authority's Georgia Dream Homeownership Program of committing to purchase and purchasing Mortgage Loans and Down Payment Assistance Loans from Lending Institutions and making Mortgage Loans and Down Payment Assistance Loans to Mortgagors including the payment when due of principal and redemption premium, if any, of and interest on Bonds issued pursuant to the Act for the purpose of purchasing or making such Mortgage Loans and Down Payment Assistance Loans.

"*Program Documents*" means, collectively, the Resolutions, the Tax Regulatory Agreement and Non-Arbitrage Certificate dated the Issue Date, the Loan Administrator Agreement, the Loan Seller Agreement and other relevant documents relating to the Program.

"*Program Obligations*" means Mortgage Loans (as whole loans), Program Securities and Down Payment Assistance Loans financed with Bond proceeds under the 1976 General Resolution.

"*Program Security*" means an obligation representing an undivided interest in a pool of Mortgage Loans, to the extent the payments to be made on such obligation are guaranteed or insured by a Federal Mortgage Agency.

"*Qualified Mortgage Insurance Company*" means a mortgage insurance company satisfactory to the Authority, authorized to do business in the State, qualified to provide insurance on mortgages purchased by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation and rated in either of the two highest rating categories (without regard to numeric or other modifiers or gradations within categories) of the Rating Agency, provided that not more than ten percent (10%) of the outstanding aggregate balance of Mortgage Loans under the 1976 General Resolution shall be insured by companies rated "AA-" by Standard & Poor's Ratings Group or its corporate successor) or otherwise approved in writing by the Rating Agency.

"*Rating Agency*" means each nationally recognized rating service that the Authority has requested to maintain a then current rating on the 2021 Series A Bonds.

"*Record Date*", with respect to any Interest Payment Date means November 15 or May 15, as the case may be, next preceding such Interest Payment Date, or, if such November 15 or May 15 shall be a legal holiday or a day on which banking institutions in the Borough of Manhattan, the City and State of New York, or in the City of Atlanta, Georgia are authorized by law to close, the next preceding day which shall not be a legal holiday or a day on which such institutions are so authorized to close.

"*Redemption Date*" means the date upon which Bonds are to be called for redemption pursuant to the Resolutions.

"*Redemption Price*" means, when used with respect to a Bond or portion thereof, the principal amount thereof plus the applicable premium, if any, and the applicable accrued interest, if any, payable upon redemption thereof.

"*Resolutions*" means, the 1976 General Resolution, together with the 2021 Series A Resolution, and any series or supplemental resolutions adopted and series certificates authorized heretofore or hereafter by the Authority pursuant to the 1976 General Resolution.

"*Revenue Fund*" means the Revenue Fund established pursuant to the 1976 General Resolution.

"*Revenues*" means all payments, proceeds, charges, rents and all other income derived in cash by or for the account of the Authority from or related to the Program including, without limiting the generality of the foregoing, scheduled amortization payments of principal of and interest on Program Obligations and Prepayments but not including commitment fees or financing fees charged by the Authority.

"*Seller*" means, collectively, each Lending Institution that enters into a Loan Seller Agreement with the Authority.

"*Seller Guide*" means the Seller Guide published by the Authority in connection with the Program, which is incorporated into the Loan Seller Agreement, as such Seller Guide may be amended from time to time by the Authority.

"*Serial Bonds*" means the 2021 Series A Serial Bonds.

"*Series*" means all of the Bonds, delivered on original issuance in a simultaneous transaction, regardless of variations in maturity, interest rate, or other provisions, and any Bond thereafter delivered in lieu of or substitutions, for any of such Bonds.

"*Series Certificate*" means the respective Certificate of the Authority that sets forth pricing terms and other terms of the 2021 Series A Bonds executed pursuant to the 2021 Series A Resolution.

"*Series Program Determinations*" means determinations by the Authority relating to Program Obligations and certain other matters in connection with a Series of Bonds under the 1976 General Resolution to be set forth (or provided to be determined at certain specified times in the future) in a Series Resolution and shall include the following: (i) the type of security instrument which will secure each Mortgage Loan and whether such security instrument shall be a first lien or security title, coordinate first lien or security title, second lien or security title or third lien or security title or a combination thereof; (ii) whether each Mortgage Loan shall have approximately equal monthly payments or shall be a graduated payment loan or have a fixed or variable rate of interest; (iii) the maximum term to maturity of each Mortgage Loan; (iv) whether the property to be financed with each Mortgage Loan shall be a principal residence and any limitations with respect to newly constructed residences; (v) the extent to which Mortgage Loans are to be guaranteed or insured by the Federal Housing Administration, the Department of Veteran's Affairs, the Farmers Home Administration or any other federal agency and required credit standards and other terms of primary mortgage insurance, if any, and the levels of coverage thereof, and applicable loan to value ratios, if applicable; (vi) provisions relating to applications of Revenues, including application thereof for redemption of Bonds or financing new Mortgage Loans; (vii) terms of investment, if any, with respect to the Capital Reserve Fund; (viii) the Capital Reserve Requirement, if any; (ix) maximum costs of issuance and program expenses for such Series to be paid for from amounts held under this Officer's Resolution; (x) restrictions, if any, on the applications of the proceeds of the voluntary sale of Program Obligations; (xi) the requirements applicable to Down Payment Assistance Loans; and (xii) any other provision deemed advisable by the Authority not in conflict with the 1976 General Resolution; provided that the Authority may permit any of the above determinations to be applied to any portion of the proceeds of a Series to be established by an Officer's Certificate to be delivered to the Trustee prior to the date that such proceeds are applied to the financing of Program Obligations, together with evidence that such determinations do not affect the then current rating on the Bonds.

"*Series Resolution*" means as applicable in the context used, the 2021 Series A Resolution or any series resolution of the Authority adopted in accordance with the terms of the 1976 General Resolution, together with, if applicable in the context, the Series Certificate executed pursuant to such Series Resolution.

"*Sinking Fund Accounts*" mean the Accounts so designated which are established and created by the 1976 General Resolution.

"*Sinking Fund Installment*" means, with respect to any particular date, the amount of money required by or pursuant to a Series Resolution to be paid by the Authority on such date toward the retirement of any particular Term Bonds prior to their respective stated maturities.

"*Special Record Date*" means any date so established pursuant to the Series Certificate.

"*Special Redemption Account*" means the Account so designated which is established and created by the 1976 General Resolution.

"*State*" means the State of Georgia.

"*Targeted Area*" shall have the meaning intended under Section 143(j) of the Code.

"*Term Bonds*" means, collectively, the 12/1/2036* Term Bonds, the 12/1/2041* Term Bonds, the 12/1/2046* Term Bonds and the 12/1/2051* Term Bonds.

"*Transferred Loans*" means, those mortgage loans and program securities estimated as of September 17, 2021, based on June 30, 2021 mortgage loan data, to be in the outstanding principal amount of approximately \$21.08* million on the Issue Date that have been allocated to the Refunded Bonds and that will be transferred to the current refunding 2021 Series A Bonds in connection with the refunding of the Refunded Bonds.

"*Transferred Loans Principal Receipts*" means, as of any date of computation, an amount equal to the sum of the actual receipts of scheduled amortization of principal and Prepayments on the Transferred Loans.

"*Transferred Proceeds*" means those moneys that are proceeds of Refunded Bonds and are allocable to the applicable refunding bonds upon the refunding of the Refunded Bonds in accordance with the applicable Series Resolution.

"*Treasury*" means the United States Department of the Treasury.

"*Trustee*" means U.S. Bank, National Association, as successor trustee, and its successor or successors and any other person at any time substituted in its place pursuant to the 1976 General Resolution.

"*Trust Estate*" means the property pledged, assigned and mortgaged to the Trustee pursuant to the Resolutions.

"*12/1/2036* Term Bonds*" means the 2021 Series A Bonds issued in the original aggregate principal amount of \$11,355,000*, which mature on December 1, 2036*.

"*12/1/2041* Term Bonds*" means the 2021 Series A Bonds issued in the original aggregate principal amount of \$19,360,000*, which mature on December 1, 2041*.

"*12/1/2046* Term Bonds*" means those 2021 Series A Bonds issued in the original aggregate principal amount of \$18,385,000*, which mature on December 1, 2046*.

"*12/1/2051* Term Bonds*" means those 2021 Series A Bonds issued in the original aggregate principal amount of \$26,025,000*, which mature on December 1, 2051*.

"*2021 Series A Bonds*" means those certain Bonds in the original aggregate principal amount of \$101,235,000*, issued pursuant to the 2021 Series A Resolution, which are designated as 2021 Series A Bonds, which are comprised of new money qualified mortgage revenue bonds and current refunding qualified mortgage revenue bonds, and which mature on the respective dates and in the respective principal amounts set forth on the inside front cover hereof.

"*2021 Series A Capital Reserve Account*" means the Account in the Capital Reserve Fund so designated which is established and created pursuant to the applicable Series Resolution and the 1976 General Resolution.

"2021 Series A Cost of Issuance Account" means the Account by that name in the Bond Proceeds Fund created pursuant to the applicable Series Resolution and the 1976 General Resolution.

"2021 Series A Loans Principal Receipts" means the New Mortgage Loans Principal Receipts.

"2021 Series A Mortgage Purchase and Loan Account" means the Account by that name in the Bond Proceeds Fund created pursuant to the Series Resolution and the 1976 General Resolution.

"2021 Series A Program Obligations" means the New Program Obligations.

"2021 Series A Serial Bonds" means, collectively, those 2021 Series A Bonds issued in the original aggregate principal amount of \$26,110,000*, which mature on June 1 and December 1 of each year from December 1, 2022* to and including December 1, 2033*, in the respective principal amounts set forth on the inside front cover hereof.

"2021 Series A Series Resolution" or "2021 Series A Resolution" means, collectively, the Series Resolution Authorizing the Issuance and Sale of up to an Aggregate Principal Amount of \$250,000,000 Single Family Mortgage Bonds (2021 Series), adopted by the Authority on November 18, 2020, and the Series Certificate Relating to \$101,235,000* Single Family Mortgage Bonds, 2021 Series A, to be executed on behalf of the Authority pursuant to the aforesaid Series Resolutions.

"USDA/RDA" means the United States Department of Agriculture, Rural Development Agency, formerly known as the Farmers Home Administration, or its successors.

"VA" means the Department of Veterans Affairs, a department of the United States of America, or any successor to its functions and obligations.

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTIONS

The 1976 General Resolution and the Series Resolution contain various covenants and security provisions, certain of which are summarized below. (See also "THE 2021 SERIES A BONDS" and "SECURITY FOR THE BONDS" herein.) This summary does not purport to be comprehensive or definitive and is subject to all of the terms and provisions of the Resolutions to which reference is hereby made. Copies of the Resolutions are available from the Authority or the Trustee.

Bonds Other Than Those Issued Under the 1976 General Resolution

The Authority may adopt one or more other general bond resolutions and reserves the right to issue other obligations thereunder so long as such obligations are not secured by a charge and lien on the Revenues superior to the lien of the Resolutions and are not payable from any of the Funds or Accounts established and created by or pursuant to the Resolutions. The Authority has adopted the 1984 General Resolution and reserves the right to continue to issue bonds thereunder. See "OTHER SINGLE FAMILY PROGRAMS OF THE AUTHORITY" herein.

Establishment of Bond Proceeds Fund

Pursuant to the 1976 General Resolution, the Authority established and created the Bond Proceeds Fund, which shall be a special Fund held by the Trustee. Within the Bond Proceeds Fund, the Authority established the following Accounts in the manner hereinafter provided:

- (a) Cost of Issuance Account;
- (b) Mortgage Purchase and Loan Account;
- (c) Capitalized Interest Account; and
- (d) Note Repayment Account.

The 1976 General Resolution provides that a Series Resolution authorizing the issuance of a Series of Bonds may, but is not required to, provide for separate Accounts to be held by the Trustee designated ". . . Capitalized Interest Account" and ". . . Note Repayment Account" (in each case, inserting therein the Series designation of such Bonds).

The respective Series Resolution authorizing the issuance of the 2021 Series A Bonds does not provide for the establishment of a 2021 Series A Note Repayment Account.

Application of Cost of Issuance Account

The 1976 General Resolution provides that each Series Resolution authorizing the issuance of a Series of Bonds may, but is not required to, provide for a separate Account to be held by the Trustee designated ". . . Cost of Issuance Account" (inserting therein the Series designation of such Bonds). Money in each such Cost of Issuance Account shall be expended for Costs of Issuance of such Series of Bonds and for no other purpose upon receipt by the Trustee of a requisition signed by an Authorized Officer stating the amount and purpose of any such payment, and any amounts in a Cost of Issuance Account remaining therein upon payment of all Costs of Issuance for each Series of Bonds shall be paid to and deposited in the Revenue Fund upon receipt by the Trustee of an Officer's Certificate stating that such money are no longer needed for the payment of Costs of Issuance whereupon such Account shall be closed. Interest and other income derived from the investment or deposit of each such Cost of Issuance Account shall be transferred by the Trustee upon receipt thereof to the Revenue Fund.

The respective Series Resolution establishes the Cost of Issuance Account for each Series of Bonds. Following receipt of the proceeds of sale of the 2021 Series A Bonds, the Authority shall deposit money in the respective Cost of Issuance Account in the amount directed in the respective Series Certificate. In addition, operating funds of the Authority may be deposited in the Bond Proceeds Fund in accordance with the respective Series Certificate in order to provide money to pay Costs of Issuance.

Application of Mortgage Purchase and Loan Account

The 1976 General Resolution provides that each Series Resolution authorizing the issuance of a Series of Bonds (unless such Bonds are issued as refunding Bonds and, in connection with the issuance of such refunding Bonds, no funds shall be deposited in a Mortgage Purchase and Loan Account for such Series) shall establish a separate Account to be held by the Trustee designated "... Mortgage Purchase and Loan Account" (inserting therein the Series designation of such Bonds). Except as otherwise provided in the Resolutions for transfers to other Funds and Accounts, money in the Mortgage Purchase and Loan Accounts shall, to the extent permitted by the Act, be used solely for the purchase and making of Program Obligations.

In the event that the Authority expends money for the purpose of purchasing a Program Obligation, the Trustee shall, upon receipt of a requisition signed by an Authorized Officer filed with the Trustee identifying:

- (i) the Mortgage Purchase and Loan Account from which a disbursement is to be made and the amount thereof,
- (ii) the Lending Institution to whom payment was made by the Authority or is to become due from the Trustee from money in such Mortgage Purchase and Loan Account with respect to the purchase of Program Obligations pursuant to a Mortgage Purchase Agreement, and
- (iii) the date of disbursement to the applicable Lending Institution or to the Authority, as the case may be,

disburse from such Mortgage Purchase and Loan Account on such date either to the applicable Lending Institution or to or for the account of the Authority, as directed by such requisition, the amount set forth in such requisition pursuant to clause (i) above. The Authority shall maintain in the office of the Authority accurate records of all such requisitions, a description of the Program Obligations purchased pursuant thereto, the purchase price of such Program Obligations and the Lending Institutions from whom such Program Obligations were purchased.

In the event that money is to be expended for the purpose of making a Program Obligation, the Trustee shall, upon receipt of a requisition signed by an Authorized Officer identifying:

- (i) the Mortgage Purchase and Loan Account from which a disbursement is to be made and the amount thereof,

(ii) the Depository, if any, or such other persons to whom a payment is to be made pursuant to a Disbursing Agreement, and

(iii) the date of disbursement,

disburse from such Mortgage Purchase and Loan Account on such date to the designated Depository or other person the amount set forth in such requisition pursuant to clause (i) above. The Authority shall keep a record of all such requisitions. Amounts so paid to any Depository or other person shall, upon receipt, be deposited in a special trust fund held by the Depository. Amounts so held by a Depository shall be deemed a part of the Mortgage Purchase and Loan Account from which the disbursement to the Depository shall have been made subject to the lien of the Resolutions and, except as otherwise provided in the Resolutions, shall be withdrawn solely for the making of Program Obligations either by the Authority or by a Lending Institution designated by the Authority as its agent for disbursements evidenced by an Officer's Certificate filed with the Depository of the fund from which the Lending Institution is authorized by the Authority to make withdrawals. Upon receipt of a requisition signed by an Authorized Officer directing a transfer to the Trustee, any Depository shall immediately pay to the Trustee from such special fund the amount set forth in such requisition, and the Trustee shall deposit such amount in the Mortgage Purchase and Loan Account from which the disbursement to the Depository was made or, if so instructed by an Officer's Certificate, into the Principal Account in the Debt Service Fund.

The interest earned and other income derived from the investment or deposit of the Mortgage Purchase and Loan Accounts shall be transferred to the Revenue Fund by the Trustee upon receipt thereof (or, upon receipt thereof, paid by a Depository to the Trustee for such transfer) to the extent that such amounts exceed any losses realized by investments or deposits in the Mortgage Purchase and Loan Accounts.

In the event that there shall be amounts remaining in any Mortgage Purchase and Loan Account derived from or attributable to Bond proceeds (not including amounts transferred to the applicable Mortgage Purchase and Loan Account) forty-two (42) months (or such shorter period required by the Code) after the Issue Date of the Bonds of the Series for which any such Account was established, or such lesser period of time as may be provided in the applicable Series Resolution, the Trustee or Depository shall transfer such excess to the Principal Account in the Debt Service Fund or the Special Redemption Account within the Debt Service Fund, as directed by and in accordance with an Officer's Certificate authorizing the same.

The Series Resolution provides that any portion of the money on deposit in the applicable Mortgage Purchase and Loan Account that are not then expected to be expended for the purchase of Program Obligations by the dates described in "THE 2021 SERIES A BONDS – Redemption" herein shall, as directed in an Officer's Certificate, be withdrawn from the respective Mortgage Purchase and Loan Account and deposited in the Special Redemption Account for the redemption of the respective Series of Bonds as provided in the Series Resolution not more than forty-five (45) days following such date of withdrawal. The date for withdrawal of money on deposit in the applicable Mortgage Purchase and Loan Account for deposit in the Special Redemption Account may be extended for any period or periods for which (i) the Trustee shall have received an Officer's Certificate which states that the Revenue to be received by the Authority for such period or periods designated in such Officer's Certificate plus any other money available to the Trustee for the payment of principal of and interest on the Bonds will be sufficient to pay the principal of and interest on the Bonds when due, such Officer's Certificate to be accompanied by and supported by cash flow analyses evidencing such sufficiency and (ii) if required under the Series Resolution, the Trustee shall have received an Opinion of Bond Counsel to the effect that such extension will not adversely affect the excludability from gross income for federal income tax purposes of interest on the Bonds; provided that such Redemption Dates may not be extended to later than the date set forth in "THE 2021 SERIES A BONDS – Redemption" herein.

All Prepayments deposited in the applicable Mortgage Purchase and Loan Account (See "SECURITY FOR THE BONDS") herein shall be disbursed in the manner provided in the Resolutions or the Authority may, by Officer's Certificate, direct the Trustee to transfer such Prepayments from the Mortgage Purchase and Loan Account to the Principal Account in the Debt Service Fund; provided, however, that no amounts shall be disbursed from any Mortgage Purchase and Loan Account which have been transferred therein unless the Authority shall have filed with the Trustee an Officer's Certificate setting forth a schedule of anticipated Revenues to be derived from all Program Obligations outstanding (exclusive of Program Obligations purchased or made from the proceeds of Notes outstanding) and all Program Obligations expected to be made from amounts then held in the Mortgage Purchase and Loan Accounts (giving effect in determining such anticipated Revenues to Prepayments estimated at the time of filing such Officer's

Certificate on Program Obligations prior to maturity and stating that the Authority expects that such Prepayments will be made on or before the dates as of which they have been estimated to be made in such schedule) together with a schedule of Principal Installments of and interest on all Bonds Outstanding, and showing that the anticipated Revenues, together with any other amounts then held in the Debt Service Fund, the Capital Reserve Fund and the Mortgage Reserve Fund will at least be sufficient to pay as and when due all of such Principal Installments and interest.

Program Obligation discounts attributable to Program Obligations purchased or made from Prepayments shall be transferred by the Trustee to such Funds or accounts, if any, as shall be designated by an Officer's Certificate.

The Trustee shall transfer from any Mortgage Purchase and Loan Account, for deposit in the Interest Account or Principal Account in the Debt Service Fund, any amounts necessary for the payment, when due, of Principal Installments of or interest on Bonds. The Authority shall by Officer's Certificate direct any Depository to pay to the Trustee for deposit in the Debt Service Fund any money held by it in a special fund referred to above that are necessary for such payments.

Establishment of Other Funds and Accounts

Pursuant to the Resolutions, the Authority established and created the following Funds and Accounts that are held by the Trustee:

- (1) Revenue Fund;
- (2) Debt Service Fund and therein: (i) Principal Account, (ii) Interest Account, (iii) Sinking Fund Accounts, (iv) Special Redemption Account, and (v) Optional Redemption Account;
- (3) Mortgage Reserve Fund and therein: the respective Mortgage Reserve Account; and
- (4) Capital Reserve Fund and therein: the respective Capital Reserve Account.

Application of Principal, Interest and Sinking Fund Accounts

The Trustee shall pay out of the Debt Service Fund to the Paying Agent: (i) on or before each Interest Payment Date for any of the Bonds, the amount required for the interest payable on such date and (ii) on or before each Principal Installment Date, the amount required for the Principal Installment payable on such date. As of the forty-fifth (45th) day prior to each Principal Installment Date on which a Sinking Fund Installment is due and within five (5) days thereafter, the Trustee shall transfer the amount required to the applicable Sinking Fund Account from the Principal Account in the Debt Service Fund. The Trustee shall apply money in the Sinking Fund Account to the purchase or redemption of the Term Bonds for which such Sinking Fund Account is maintained.

Any amount at any time held in the Principal Account in the Debt Service Fund in excess of the Principal Requirement shall be retained in such Account or, upon receipt of an Officer's Certificate authorizing the same, shall be transferred by the Trustee to a Mortgage Purchase and Loan Account or to the Special Redemption Account in the Debt Service Fund as determined by such Officer's Certificate.

Application of Redemption Accounts

The Debt Service Fund includes a Special Redemption Account and an Optional Redemption Account. Amounts in the Special Redemption Account are to be applied by the Trustee for the purchase or redemption of Bonds subject to the operation of the Special Redemption Account at a price set forth in the applicable Series Resolution. Amounts in the Optional Redemption Account are to be applied by the Trustee for the purchase or redemption of Bonds subject to redemption by operation of the Optional Redemption Account at a price set forth in the applicable Series Resolution.

The Trustee shall transfer to the Special Redemption Account or the Optional Redemption Account in the Debt Service Fund from the Mortgage Reserve Fund the amount stated in an Officer's Certificate to pay the premium or other amounts in respect of Bonds to be purchased or redeemed at the time of such purchase or not more than thirty (30) days prior to such redemption.

Subject to provisions of the Resolutions directing redemption of Bonds of any particular series or maturity, and to the redemption provisions of the Bonds, the Authority shall direct the selection of the Bonds to be purchased and the purchase price thereof, and the amount and the Redemption Date of the Bonds to be redeemed, and if any of the Bonds to be purchased or redeemed are Term Bonds, the years in which Sinking Fund Installments are to be reduced and the amount by which the Sinking Fund Installments are to be reduced, provided that the aggregate of such reductions in Sinking Fund Installments shall equal the aggregate principal amount of Term Bonds to be purchased or redeemed. Such purchases shall be made by the Trustee at the most advantageous prices (not to exceed the applicable Redemption Price) obtainable with due diligence, and such redemptions shall be made in the manner provided in the Resolutions.

Prior to any purchase or redemption of Bonds the Authority shall, in addition to the requirements set forth above, have filed with the Trustee an Officer's Certificate setting forth a schedule of anticipated Revenues to be derived from all Program Obligations outstanding (exclusive of Program Obligations purchased or made from the proceeds of Notes outstanding) after giving effect to such purchase or redemption determined as set forth above, and giving effect to any Prepayments on Program Obligations estimated at the time of filing such Officer's Certificate and stating that the Authority expects that such Prepayments will be made on or before the dates as of which they have been estimated to be made in such schedule, together with a schedule of Principal Installments of and interest on all Bonds which will be Outstanding after such purchase or redemption, and showing that the anticipated Revenues, together with any other amounts to be held in the Debt Service Fund, the Capital Reserve Fund and the Mortgage Reserve Fund after such purchase or redemption, will at least be sufficient to pay as and when due all of such Principal Installments and interest.

The interest earned or other income derived from the investment or deposit of money in the Special Redemption Account and the Optional Redemption Account in the Debt Service Fund shall be transferred by the Trustee upon receipt thereof to the Revenue Fund.

Notwithstanding the foregoing provisions, money in the Special Redemption Account in the Debt Service Fund which represent, directly or indirectly, the proceeds of refunding Bonds issued pursuant to the 1976 General Resolution (i) shall in no event be applied to the redemption of Bonds and (ii) shall be transferred to the Mortgage Purchase and Loan Account established by the Series Resolution pursuant to which such refunding Bonds were issued not later than ninety (90) days after the Issue Date of such refunding Bonds upon and in accordance with the direction of the Authority set forth in an Officer's Certificate filed with the Trustee.

Deficiencies in Debt Service Fund

In the event that the amount in the Debt Service Fund will be insufficient to pay the Principal Installment due on the Bonds on the next succeeding Principal Installment Date, the Trustee shall, not later than forty-five (45) days prior to such Principal Installment Date, notify the Authority in writing the amount of such estimated deficiency. Not later than thirty (30) days prior to any Principal Installment Date with respect to which the Authority has received such notice, the Authority shall deliver to the Trustee an Officer's Certificate determining:

- (1) the amount, if any, to be transferred to the Principal Account from one or more Mortgage Purchase and Loan Accounts and identifying such accounts; and
- (2) the amount, if any, which the Authority will pay to the Trustee for deposit in the Principal Account in the Debt Service Fund not later than five (5) days prior to the next succeeding Principal Installment Date from the General Fund, from the proceeds of Bonds, from the sale of Program Obligations or from any other lawful source other than Funds and Accounts established by the Resolutions.

The Trustee is authorized to make the transfers and deposits as provided in such Officer's Certificate prior to the following authorized transfers. In the event that there remains a deficiency in the Principal Account to pay the next succeeding Principal Installment of Bonds five (5) days prior to the next succeeding Principal Installment Date, the Trustee shall withdraw from the following Funds and Accounts the amount of such deficiency and transfer the same to the Principal Account, but as to each Fund or Account only after the Funds or Accounts previously mentioned shall have been used to the maximum amount therein:

- (1) the Optional and Special Redemption Accounts in the Debt Service Fund;

- (2) the Mortgage Reserve Fund; and
- (3) the Capital Reserve Fund.

In the event there remains a deficiency in the Principal Account after money are withdrawn from the Capital Reserve Fund, the Trustee shall transfer money from any other Fund or Account pledged to the payment of Principal Installments of the Bonds, other than money in the Interest Account required for the payment of interest on the Bonds on the next succeeding Interest Payment Date, to the Principal Account in the amount of such deficiency.

Not later than forty-five (45) days prior to any Interest Payment Date the Trustee shall notify the Authority in writing if the amount in the Interest Account will be sufficient to pay the interest due on the Bonds on the next succeeding Interest Payment Date and shall state the amount of such estimated deficiency. Not later than thirty (30) days prior to any Interest Payment Date with respect to which the Authority has received such notice, the Authority shall deliver to the Trustee an Officer's Certificate determining:

- (1) the amount, if any, which the Authority will pay to the Trustee for deposit in the respective Interest Account not later than five (5) days prior to the next succeeding Interest Payment Date from the General Fund or from any other lawful source other than Funds or Accounts established by the Resolutions; or
- (2) that the Authority elects not to make up such deficiencies from the above-mentioned sources.

The Trustee is authorized to deposit such amounts paid by the Authority, if any, into the respective Interest Account prior to the following transfers. In the event there remains a deficiency in the respective Interest Account due on the Bonds on the next succeeding Interest Payment date five (5) days prior to the next succeeding Interest Payment Date, the Trustee shall withdraw from the Mortgage Reserve Fund and deposit in the respective Interest Account the amount of such deficiency, and in the event that there remains a deficiency in the respective Interest Account after such transfer, the Trustee shall withdraw from the Capital Reserve Fund and deposit in the respective Interest Account the amount of such deficiency remaining. In the event there remains a deficiency in the respective Interest Account after money are withdrawn from the Mortgage Reserve Fund and the Capital Reserve Fund, the Trustee shall transfer money from any other Fund or Account pledged to the payment of interest on the Bonds, including the Principal Account or any Sinking Fund Account if no other money is available, to the respective Interest Account in the amount of such deficiency.

The Authority covenants that it will pay to the Trustee for deposits in the Principal Account or the respective Interest Account, as the case may be, the amounts of any remaining deficiencies from the General Fund or any of the Authority's other revenues, money or assets, legally available therefore, subject only to any agreements heretofore or hereinafter made with the holders of any notes or bonds other than Bonds pledging any portion hereof.

General Fund

All amounts paid to the Authority for deposit in the General Fund, except as otherwise provided in the Resolutions, shall be free and clear of any lien or pledge created by the Resolutions and may be used for any lawful purpose, including payments to the Bond Proceeds Fund, the Revenue Fund, the Debt Service Fund, the Capital Reserve Fund or the Mortgage Reserve Fund. See "SECURITY FOR THE BONDS" herein.

Tax Covenants

Pursuant to the terms of the Resolutions, the Authority covenanted at all times to do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Authority on the Bonds shall, for the purposes of federal income tax, be exempt from all income taxation under any valid provision of law.

Pursuant to the terms of the Resolutions, the Authority also covenanted that no part of the proceeds of the Bonds or any other funds of the Authority shall at any time be used directly or indirectly to acquire securities or obligations the acquisition of which would cause any Bond to be an arbitrage bond as defined in Section 103(d)(2) of the Internal Revenue Code of 1954, as amended, as to Bonds issued prior to August 16, 1986, and Section 148 of the

Internal Revenue Code of 1986, as amended, as to Bonds issued on or after August 16, 1986, and, in either case, any applicable regulations issued thereunder.

Modifications and Amendments

Amendments Without Bondholder Consent. The Authority may, without the consent of any Bondholders, supplement the Resolutions by adopting a resolution, which upon filing with the Trustee a copy thereof, may: (a) close the Resolutions against, or provide limitations and restrictions upon, the issuance in the future of Bonds or of other evidences of indebtedness by the Authority; (b) add additional covenants and agreements to be observed by the Authority which are not contrary to or inconsistent with the Resolutions as theretofore in effect; (c) add additional limitations or restrictions to be observed by the Authority which are not contrary to or inconsistent with the Resolutions as theretofore in effect; (d) surrender any right, power or privilege reserved to or conferred upon the Authority by the Resolutions; (e) confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Resolutions, of the Revenues or of any other money, securities or funds; and (f) specify, determine or authorize by Series Resolution any and all matters and things relative to the Bonds of a Series or the proceeds thereof which are not contrary to or inconsistent with the Resolutions as theretofore in effect. Without the consent of any Bondholders, the Authority may, with the consent of the Trustee, amend or supplement the Resolutions by adopting a resolution to (i) cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolutions or (ii) insert such provisions clarifying matters or questions arising under the Resolutions as are necessary or desirable and are not contrary to or inconsistent with the Resolutions as theretofore in effect. The Authority may adopt a resolution amending or supplementing the Resolutions, or releasing the Authority from any of the obligations, covenants, agreements, limitations, conditions or restrictions therein, but no such resolution shall be effective until after the filing with the Trustee of a copy thereof certified by the Authority and unless (1) no Bonds delivered by the Authority prior to the adoption of such resolution remain Outstanding at the time the resolution becomes effective or (2) such resolution is consented to by or on behalf of Bondholders in accordance with the 1976 General Resolution. In addition, the Series Resolution may be amended so long as such amendment is only applicable to Bonds issued thereunder after such amendment becomes effective.

The Resolutions and the rights and obligations of the Authority and the Bondholders may be modified or amended in any particular with the consent, given as provided in the Resolutions, of the Holders of at least sixty percent (60%) in principal amount of the Bonds Outstanding; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series, maturity and interest rate remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this paragraph; and provided further that no such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the description of the Bonds, the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Trustee of its written assent thereto.

The terms and provisions of the Resolutions and the rights and obligations of the Authority and the Holders of the Bonds and coupons, if any, thereunder, in any particular, may be modified or amended in any respect upon the adoption by the Authority and filing with the Trustee of a Resolution of the Authority making such modification or amendment and the consent to such Resolution of the Holders of all of the Bonds then Outstanding, such consent to be given and proven as provided in the 1976 General Resolution except that no notice to Bondholder either by mailing or publication shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Trustee of its written assent thereto.

As required under the NIBP in connection with the 2009 Series C Bonds, the Resolutions provide that, notwithstanding any of the provisions of the Resolutions described hereinabove, during anytime that any 2009 Series C Bonds (issued under the NIBP) are Outstanding, the Authority may not amend, supplement or otherwise modify in any material respect the Resolutions or any other related document without the prior written consent of the GSEs; provided, however, that the consent of the GSEs shall not be required with respect to Series Resolutions or supplements entered into solely for the purpose of providing for the issuance of a Series of Bonds pursuant to the 1976 General Resolution. With respect to amendments to the Resolution or the Series Certificate, the determination of the GSEs as to the materiality of an amendment shall be controlling.

Amendments Only with Consent of Bondholders. The Authority may at any time adopt and file in accordance with the 1976 General Resolution a resolution of the Authority making a modification or amendment permitted by the 1976 General Resolution, to take effect when and as described in this paragraph. A copy of such resolution (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed on behalf of the Authority to Bondholders (but failure to mail such copy and request shall not affect the validity of such resolution when consented to as in this paragraph provided). Such resolution shall not be effective unless and until, and shall take effect in accordance with its terms when, (1) there shall have been filed with the Trustee (a) the written consents of Holders of the percentage of Outstanding Bonds specified in the 1976 General Resolution, and (b) a Counsel's Opinion stating that such resolution has been duly and lawfully adopted by the Authority in accordance with the Series Resolution, is authorized or permitted by the Series Resolution, and, when effective, will be valid and binding upon the Authority and enforceable in accordance with its terms, which opinion may be qualified to the extent that such resolution may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally, and (2) a notice shall have been mailed to Bondholders as hereinafter in this paragraph provided. Each such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by the 1976 General Resolution. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient under the 1976 General Resolution shall be conclusive that the consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Holder of the Bonds giving such consent and upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefore (whether or not such subsequent Holder thereof has notice thereof), but, notwithstanding the provisions of the 1976 General Resolution, such consent may be revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to but not later than the time when the written statement of the Trustee hereinafter in this paragraph provided for is filed, such a revocation and, if such Bonds are transferable by delivery, proof that such Bonds are held by the signer of such revocation in the manner permitted by the 1976 General Resolution. The fact that consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation is on file with the Trustee. At any time after the Holders of the required percentages of Bonds shall have filed their consents to such resolution, the Trustee shall make and file with the Authority, and the Trustee shall retain a copy of, a written statement that the Holders of such required percentages of Bonds have filed and given such consents. Such written statement shall be conclusive that such consents have been so filed and have been given. At any time thereafter notice, stating in substance that such resolution (which may be referred to as a resolution adopted by the Authority on a stated date a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds and will be effective as provided in this paragraph, may be given to Bondholders by the Authority by mailing such notice to Bondholders not more than ninety (90) days after the Holders of the required percentages of Bonds shall have filed their consents to the resolution and the written statement of the Trustee hereinabove provided for is filed. The Authority shall file with the Trustee proof of the mailing of such notice to Bondholders. A record, consisting of the papers required or permitted by this paragraph to be filed with the Trustee, shall be proof of the matters therein stated. Such resolution making such modification or amendment shall be deemed conclusively binding upon the Authority, the Fiduciaries and the Holders of all Bonds and coupons at the expiration of forty (40) days after the filing with the Trustee of proof of the mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such resolution in a legal action or equitable proceeding for such purpose commenced within such forty day (40) period; provided, however, that any Fiduciary and the Authority during such forty day (40) period and any further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action or to refrain from taking such action, with respect to such resolution as they may deem expedient.

Paying Agent

The 1976 General Resolution provides that the Authority shall appoint one or more Paying Agents for the Bonds of each Series of Bonds by Series Resolution adopted prior to their delivery, that the Authority may, at any time or from time to time by Supplemental Resolution, appoint one or more other Paying Agents for the Bonds, and that the Trustee may be appointed and may act as a Paying Agent. Pursuant to the Resolutions, the Authority has appointed the Trustee as the Paying Agent for the Bonds.

Any Paying Agent shall be a bank, trust company or national banking association, having trust powers and having a capital and surplus aggregating at least ten million dollars (\$10,000,000). Any Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by the 1976 General Resolution by executing and

delivering to the Authority and the Trustee a written acceptance thereof. The Trustee may be appointed and may act as a Paying Agent.

Events of Default

Events of Default specified in the 1976 General Resolution are:

- (1) the failure of the Authority to pay (i) interest on any of the Bonds as the same shall become due, or (ii) the principal or Redemption Price of any of the Bonds as the same shall become due, whether at maturity or upon call for redemption; or
- (2) a default in the observance or performance of any covenant, contract or other provision in the Bonds or Resolutions and such default shall continue for a period of ninety (90) days after written notice to the Authority from a Bondholder or from the Trustee specifying such default and requiring the same be remedied; or
- (3) the failure of the Authority to redeem Bonds subject to redemption by operation of Sinking Fund Installments; or
- (4) the filing by the Authority of a petition seeking a composition of indebtedness under any applicable law or statute of the United States of America or of the State; or
- (5) the filing of a petition of bankruptcy against the Authority that shall not have been discharged in such a period of time as provided by law.

Remedies

Upon the happening and continuance of an Event of Default, the Trustee in its own name, and on behalf and for the benefit and protection of the Holders of all Bonds and coupons, may proceed, and upon the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Bonds then Outstanding of the Series with respect to which such Event of Default has happened, shall proceed, to protect and enforce its rights and the Authority's rights and, to the full extent that the Holders of such Bonds themselves might do, the rights of the Holders of such Bonds under the laws of the State or under the Resolutions by such suits, actions or proceedings in equity or at law, either for the specific performance of any covenant or contract contained therein, or in aid or execution of any power therein granted, or for any proper, legal, or equitable remedy, as the Trustee shall deem most effectual to protect and enforce such rights.

In any action, suit or other proceeding by the Trustee, the fees, counsel fees and expenses of the Trustee shall constitute permitted costs and disbursements, and all costs and disbursements, allowed by the court, shall be a first charge on the Revenues.

Restrictions on Bondholder Action

No Holder of any Bond or coupon shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of any provision of the Resolutions or for the execution of any trust under the 1976 General Resolution or for any other remedy under the 1976 General Resolution unless (1)(a) such Holder previously shall have given to the Authority and the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, (b) after the occurrence of such Event of Default, written request shall have been made of the Trustee to institute such suit, action or proceeding by the Holders of not less than twenty-five percent (25%) in principal amount of the Bonds then Outstanding and there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs and liabilities to be incurred therein or thereby, and (c) the Trustee shall have refused or neglected to comply with such request within a reasonable time, or (2)(a) such Holder previously shall have obtained the written consent of the Trustee to the institution of such suit, action or proceeding, and (b) such suit, action or proceeding is brought for the ratable benefit of all Holders of all Bonds and coupons subject to the provisions of the Resolutions.

No Holder of any Bond or coupon shall have any right in any manner whatever by his action to affect, disturb or prejudice the pledge of Revenues or other money, funds or securities under the 1976 General Resolution, or, except in the manner and on the conditions provided in the 1976 General Resolution, to enforce any right or duty thereunder.

Application of Money after Default

All money paid and credited to the Revenue Fund, and all money acquired by enforcement of remedies by the Trustee shall, except to the extent, if any, otherwise directed by the court, be paid by the Trustee into and credited to the Revenue Fund. Such money so paid and credited to the Revenue Fund and all other money so paid from time to time in such Revenue Fund, shall at all times be held, transferred, withdrawn and applied as prescribed in the 1976 General Resolution.

In the event that the money in the Debt Service Fund and any other Funds held by the Authority or Fiduciaries available for the payment of interest or principal or Redemption Price then due with respect to Bonds shall be insufficient for such payment, such money and funds (other than funds held for the payment or redemption of particular Bonds or coupons as provided in the 1976 General Resolution) shall be applied as follows:

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

Second: To the payment to the persons entitled thereto, of the unpaid Principal Installment or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds so due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

In the case of an Event of Default, no coupon or claim for interest appertaining to any of the Bonds, which in any way at or after maturity shall have been transferred or pledged separate and apart from the Bond to which it appertains, shall, unless accompanied by such Bond, be entitled to any benefit by or from the Resolutions except after the prior payment in full of the principal and Redemption Price of all Bonds then due and of all coupons and claims for interest then due which have not been transferred or pledged separate and apart from the Bonds to which they appertain.

Defeasance

If the Authority shall pay or cause to be paid to the Holders of the Bonds, the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the 1976 General Resolution, then, unless there shall be an Officer's Certificate delivered to the Trustee to the contrary, the pledge of the Revenues and other money, securities and funds pledged by the Resolutions and the covenants, agreements and other obligations of the Authority to the Bondholders under the Resolutions shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Authority expressed in an Officer's Certificate delivered to the Trustee, execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over and deliver to the Authority all money, securities or assignments held by them pursuant to the 1976 General Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds and interest installments appertaining thereto for the payment or redemption of which money shall have been deposited with the Trustee by or on behalf of the Authority, whether at or prior to the maturity or the Redemption Date of such Bonds, shall be deemed to have been paid within the meaning of the Resolutions; provided, however, that if any such Bonds are to be redeemed prior to maturity thereof, there shall have been taken all action necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been made for the giving of such notice. No money so deposited with the Trustee shall be withdrawn or used for any purpose other than, and all such money shall be held in trust for and be applied to, the payment when due, of the principal or Redemption Price of the Bonds for the payment or redemption of which they were deposited and the interest accrued thereon to the date of maturity or redemption, excepting only that (a) any

money so held by the Trustee for the payment to the Holders of any particular Bonds or Redemption Price of, or interest on, such Bonds shall be invested by the Trustee, upon receipt of a copy of a resolution of the Authority, certified by the Secretary, authorizing such investment, in such Investment Obligations as the Authority may approve, provided that the principal amount of such Investment Obligations at least equal to the amount of money required for the payment on any future date of the interest on or principal of Redemption Price of such Bonds shall mature on or before said future date, and (b) all interest on all such investments shall be paid over to the Authority as received by the Trustee, free and clear of any trust, lien or pledge.

As an alternative cumulative to and not excluding the provisions of the above, any Bonds and interest installments appertaining thereto, whether at or prior to the maturity or the Redemption Date of such Bonds, shall be deemed to have been paid within the meaning of the Resolutions if (1) in case any such Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been made for the giving of such notice, and (2) there shall have been deposited with the Trustee by or on behalf of the Authority either (a) money in an amount which shall be sufficient, or (b) Investment Obligations the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be. Neither such Investment Obligations or any money so deposited with the Trustee nor any money received by the Trustee on account of principal of or interest on said Investment Obligations shall be withdrawn or used for any purpose other than, and all such money shall be held in trust for and be applied to, the payment, when due, of the principal or Redemption Price of the Bonds for the payment or redemption of which they were deposited and the interest accrued thereon to the date of maturity or redemption.

Anything in the 1976 General Resolution to the contrary notwithstanding, any money held by a Fiduciary in trust for the payment and discharge of any of the Bonds or interest thereon which remain unclaimed for six (6) years after the date when such Bonds have become due and payable, either at maturity or by call for redemption, if such money were held by the Fiduciary at said date, or for six (6) years after the date of deposit of such money if deposited with the Fiduciary after the said date when such Bonds became due and payable, shall, at the request of the Authority expressed in Officer's Certificates delivered to the Trustee, be paid by the Fiduciary to the Authority as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Holders of such Bonds and coupons shall look only to the Authority for the payment thereof. All Bonds which have not been presented for payment pursuant to the provisions of the 1976 General Resolution within twenty (20) years after the date that such Bonds or coupons have become due and payable, either at maturity or by call for redemption, shall be deemed to be null and void.

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APPENDIX B

BOOK-ENTRY ONLY BONDS, DTC AND GLOBAL CLEARANCE PROCEDURES

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APPENDIX B

BOOK-ENTRY ONLY BONDS, DTC AND GLOBAL CLEARANCE PROCEDURES

*The information in this **Appendix B** is subject to any change in or reinterpretation of the rules, regulations and procedures of the Depository Trust Company ("DTC"), Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear") or Clearstream Banking, société anonyme, Luxembourg ("Clearstream Banking") (DTC, Euroclear and Clearstream Banking together, the "Clearing Systems") currently in effect. **The Authority makes no representation or warranty as to the accuracy, completeness or adequacy of the information regarding the Clearing Systems in this Appendix B.** The information under this caption concerning the Clearing Systems has been provided by the Underwriters and has been obtained thereby from sources that the Underwriters believe to be reliable, but none of the Underwriters take any responsibility for the accuracy, completeness or adequacy of the information in this **Appendix B**. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the members of the Authority, the Trustee or the Underwriters will have any responsibility or liability for any aspect of the records relating to, or payments made on account of beneficial ownership interests in the Bonds held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

Clearing Systems

DTC Book-Entry Only System. The Depository Trust Company ("DTC"), New York, New York, will act as the initial securities depository (the "Bond Depository") for the 2021 Series A Bonds. The 2021 Series A Bonds initially will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the 2021 Series A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

Purchases of the 2021 Series A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2021 Series A Bonds on DTC's records. The ownership interest of each actual purchaser of 2021 Series A 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 expected, however, to receive written confirmations providing details of the transactions, 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 2021 Series A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2021 Series A Bonds, except in the event that use of the book-entry system for the 2021 Series A Bonds is discontinued.

To facilitate subsequent transfers, all 2021 Series A 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 the 2021 Series A 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 2021 Series A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2021 Series A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2021 Series A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2021 Series A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Resolutions. For example, Beneficial Owners of 2021 Series A Bonds may wish to ascertain that the nominee holding the 2021 Series A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all the 2021 Series A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2021 Series A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2021 Series A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, and interest payments on the 2021 Series A Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee on 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 Participants and not of DTC, the Trustee, the Paying Agent or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2021 Series A Bonds at any time by giving reasonable notice to the Authority, the Trustee and the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE 2021 SERIES A BONDS, THE AUTHORITY, THE TRUSTEE AND THE PAYING AGENT WILL TREAT CEDE & CO. AS THE ONLY REGISTERED BONDHOLDER OF THE 2021 SERIES A BONDS FOR ALL PURPOSES UNDER THE RESOLUTIONS, INCLUDING RECEIPT OF ALL PRINCIPAL OF AND INTEREST ON THE 2021 SERIES A BONDS, RECEIPT OF NOTICES AND VOTING.

NEITHER THE AUTHORITY, THE TRUSTEE NOR THE PAYING AGENT HAS ANY RESPONSIBILITY OR OBLIGATIONS TO THE DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (B) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE 2021 SERIES A BONDS; (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF

ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTIONS TO BE GIVEN TO BONDHOLDERS; (D) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE 2021 SERIES A BONDS; OR (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS REGISTERED BONDHOLDER.

Euroclear and Clearstream Banking. Euroclear and Clearstream Banking have advised the Authority as follows:

Euroclear and Clearstream Banking each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream Banking provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream Banking also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream Banking have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream Banking customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream Banking is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system, either directly or indirectly.

Clearing and Settlement Procedures

The Bonds sold in offshore transactions initially will be issued to investors through the book-entry facilities of DTC, or Clearstream Banking and Euroclear in Europe if the investors are participants in those systems, or indirectly through organizations that are participants in the systems. For any of such Bonds, the record holder will be DTC's nominee. Clearstream Banking and Euroclear will hold omnibus positions on behalf of their participants through customers' securities accounts in Clearstream Banking's and Euroclear's names on the books of their respective depositories.

The depositories, in turn, will hold positions in customers' securities accounts in the depositories' names on the books of DTC. Because of time zone differences, the securities account of a Clearstream Banking or Euroclear participant as a result of a transaction with a participant, other than a depository holding on behalf of Clearstream Banking or Euroclear, will be credited during the securities settlement processing day, which must be a business day for Clearstream Banking or Euroclear, as the case may be, immediately following the DTC settlement date. These credits or any transactions in the securities settled during the processing will be reported to the relevant Euroclear participant or Clearstream Banking participant on that business day. Cash received in Clearstream Banking or Euroclear as a result of sales of securities by or through a Clearstream Banking participant or Euroclear participant to a DTC Participant, other than the depository for Clearstream Banking or Euroclear, will be received with value on the DTC settlement date but will be available in the relevant Clearstream Banking or Euroclear cash account only as of the business day following settlement in DTC.

Transfers between participants will occur in accordance with DTC rules. Transfers between Clearstream Banking participants or Euroclear participants will occur in accordance with their respective rules and operating procedures. Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream Banking participants or Euroclear participants, on the other, will be affected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by the relevant depositories; however, cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in the system in accordance with its rules and procedures and within its established deadlines in European time. The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its depository to take action to affect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in accordance with normal procedures for same day funds settlement applicable to DTC. Clearstream Banking participants or Euroclear participants may not deliver instructions directly to the depositories.

The Authority as Issuer will not impose any fees in respect of holding the Bonds; however, holders of book-entry interests in the Bonds may incur fees normally payable in respect of the maintenance and operation of accounts in the Clearing Systems.

Initial Settlement

Interests in the Bonds will be issued and sold in uncertified book-entry form. Purchasers electing to hold book-entry interests in the Bonds through Euroclear and Clearstream Banking accounts will follow the settlement procedures applicable to conventional Eurobonds. Book-entry interests in the Bonds will be credited to Euroclear and Clearstream Banking participants' securities clearance accounts on the business day following the date of delivery of the Bonds against payment (value as on the date of delivery of the Bonds). DTC participants acting on behalf of purchasers electing to hold book-entry interests in the Bonds through DTC will follow the delivery practices applicable to securities eligible for DTC's Same Day Funds Settlement system. DTC participants' securities accounts will be credited with book-entry interests in the Bonds following confirmation of receipt of payment to the Trustee on behalf of the Authority on the date of delivery of the Bonds.

Secondary Marker Trading

Secondary market trades in the Bonds will be settled by transfer of title to book-entry interests in the Clearing Systems. Title to such book-entry interests will pass by registration of the transfer within the records of Euroclear, Clearstream Banking or DTC, as the case may be, in accordance with their respective procedures. Book-entry interests in the Bonds may be transferred within Euroclear and within Clearstream Banking and between Euroclear and Clearstream Banking in accordance with procedures established for these purposes by Euroclear and Clearstream Banking. Book-entry interests in the Bonds may be transferred within DTC in accordance with procedures established for this purpose by DTC. Transfer of book-entry interests in the Bonds between Euroclear or Clearstream Banking and DTC may be affected in accordance with procedures established for this purpose by Euroclear, Clearstream Banking and DTC.

As noted hereinabove, the information in this Appendix B concerning the Clearing Systems has been provided by the Underwriters and has been obtained from sources that the Underwriters believe to be reliable, but the Underwriters take no responsibility for the accuracy, completeness or adequacy thereof. The Authority makes no representation or warranty as to the accuracy, completeness or adequacy of the information regarding the Clearing Systems in this Appendix B.

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APPENDIX C

INSURANCE AND GUARANTY PROGRAMS FOR MORTGAGE LOANS

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APPENDIX C

INSURANCE AND GUARANTY PROGRAMS FOR MORTGAGE LOANS

In response to current financial market and real estate market disruptions due to COVID-19 and the Pandemic, certain federal insurance and guaranty programs for mortgage loans have been changed. See "THE AUTHORITY—Business Disruption; COVID-19" herein for a discussion of certain of those related program changes.

The Mortgage Loans financed under the 1976 General Resolution may include Mortgage Loans insured by FHA, Mortgage Loans guaranteed by VA, Mortgage Loans guaranteed by the United States Department of Agriculture, Rural Development Agency ("USDA/RD") and Conventional Mortgage Loans having a principal balance not exceeding either (a) eighty percent (80%) of the fair market value of the mortgaged property or (b) one hundred percent (100%) of the fair market value of the mortgaged property provided that there is issued a mortgage insurance policy by a Qualified Mortgage Insurance Company, which mortgage insurance policy shall provide coverage in the applicable percentage required by the Series Resolution. Upon foreclosure, the Qualified Mortgage Insurance Company is obligated to pay a claim including unpaid principal, accrued interest and certain expenses of foreclosure, or in lieu thereof may permit the mortgagee or its assignee to retain title and may pay an agreed percentage of the claim. Certain terms of the FHA insured, VA guaranteed and USDA/RD guaranteed Mortgage Loan Programs and of private mortgage insurance programs as of the date hereof are very briefly and generally summarized hereinafter, which summary is not intended to be comprehensive or complete.

While it retains its right to do so in accordance with the Resolutions, the Authority currently is not purchasing any additional new Conventional Mortgage Loans having a principal balance exceeding eighty percent (80%) of the fair market value of the mortgaged property (and thus currently is not purchasing any additional new Conventional Loans requiring private mortgage insurance), and currently has no plans to do so.

In addition, the 1976 General Resolution permits the financing of certain Program Securities, which Program Securities may include Fannie Mae Program Securities and GNMA Program Securities, and to which the then current terms of and requirements for Fannie Mae Program Securities and GNMA Program Securities will apply, as applicable. While the Authority retains the right under the 1976 General Resolution to securitize additional FHA insured Mortgage Loans, VA guaranteed Mortgage Loans and USDA/RD guaranteed Mortgage Loans into GNMA Program Securities and securitize additional Conventional Mortgage Loans into Fannie Mae Program Securities, it no longer is a GNMA approved issuer of GNMA Program Securities and currently has no plans to issue any additional Fannie Mae Program Securities.

The terms of the FHA insured, VA guaranteed and USDA/RD guaranteed Mortgage Loan programs and the private mortgage insurance programs may change from the terms of such programs described generally hereinafter, and the terms of such programs in effect at such future time will govern the Authority's participation in such programs at such time.

Federal Housing Administration Mortgage Insurance Program

The United States Department of Housing and Urban Development ("HUD") is responsible for the administration of various federal programs authorized under the National Housing Act, as amended, and the United States Housing Act, as amended, which authorizes various FHA mortgage insurance programs that apply to single family and to multifamily units and projects. In order to receive payment of insurance benefits from HUD with respect to mortgaged premises containing less than five (5) dwelling units, generally a mortgagee must acquire title to the property, either through foreclosure or conveyance (or other acquisition of possession), and convey such title to HUD. Generally, the mortgagee must obtain a deed in lieu of foreclosure or commence foreclosure proceedings within six (6) months after a mortgagor's default. Upon recordation of the deed conveying the property to HUD, the mortgagee notifies HUD of the filing and assigns, without recourse or warranty, claims which it has acquired in connection with the mortgage.

In addition, over the past several years, FHA has implemented and continues to revise and expand several loss mitigation home retention options, including, without limitation, special forbearance, loan modification, partial claim options, and the Home Affordable Modification Program.

Under certain FHA programs, HUD has the option at its discretion to pay insurance claims in cash or in debentures, while under others HUD will pay insurance claims in cash unless the mortgagee requests payment in debentures. The current HUD policy, subject to change at any time, is to make insurance payments on mortgages covering less than five (5) dwellings units in cash with respect to all programs covering such units as to which it has discretion to determine the form of insurance payment. HUD debentures issued in satisfaction of FHA insurance claims bear interest at the HUD debenture interest rate in effect under HUD regulations on the date of the mortgage insurance commitment or of the initial insurance endorsement of the mortgage, whichever rate is higher.

When entitlement to insurance benefits results from foreclosure (or other acquisition of possession) and conveyance, the insurance payment is computed as of sixty (60) days after the due date of a mortgage payment, and the mortgagee generally is not compensated for mortgage interest accrued and unpaid prior to that date. Under such circumstances, the amount of insurance benefits generally paid by FHA is equal to the sum of the adjusted interest due, the unpaid principal amount of the mortgage loan, adjusted to reimburse the mortgagee for certain tax, insurance and similar payments made by it and to deduct certain amounts received or retained by the mortgagee after default, plus reimbursement not to exceed two-thirds of the mortgagee's foreclosure costs, or \$75, whichever is greater. Unless the mortgagee has not observed certain HUD regulations, the insurance payment itself bears interest from the date of default to the date of payment of the claim at the same interest rate as the applicable HUD debenture interest rate.

When any property to be conveyed to HUD has been damaged by fire, earthquake, flood or tornado, it is required, unless otherwise authorized by HUD, as a condition to payment of an insurance claim, that such property be repaired prior to such conveyance.

Department of Veterans Affairs Mortgage Guaranty Program

The Servicemen's Readjustment Act, as amended, permits a veteran (or in certain instances the spouse of a veteran) to obtain a mortgage loan guaranty by the VA covering mortgage financing of the purchase of a one to four family dwelling unit. The program has no mortgage loan limits, requires no down payment from the purchaser and permits the guaranty of mortgage loans with terms limited by the estimated economic life of the property, up to approximately thirty (30) years.

The VA uses a multi-tier guaranty system. The maximum VA guaranty for mortgage loans in the amount of \$45,000 or less is a guaranty of fifty percent (50%) of the loan amount. The maximum VA guaranty for mortgage loans from \$45,001 to \$56,250 is \$22,500. The maximum VA guaranty for mortgage loans from \$56,251 to \$144,000 is a guaranty of forty percent (40%) of the loan amount up to a maximum guaranty of \$36,000. The maximum VA guaranty for mortgage loans from \$144,000 to \$417,000 is a guaranty of twenty-five percent (25%) of the loan amount, subject to certain additional limitations. The maximum VA guaranty for mortgage loans more than \$417,000 is a guaranty of the lesser of twenty-five percent (25%) of the VA loan limit for the particular county or twenty-five percent (25%) of the loan amount, in either case subject to certain additional limitations. Under the Program, subject to the foregoing limitations, a VA Mortgage Loan would be guaranteed in any amount that, together with the down payment by or on behalf of the mortgagor, will equal at least twenty-five percent (25%) of the lesser of the sales price or the appraised value of the single-family dwelling. The actual guaranty may be less than the maximum guaranty as described above in the event a veteran's guaranty entitlement previously used for a guaranteed loan has not been restored by the VA.

The liability on the guaranty is reduced or increased pro rata with any reduction or increase in the amount of the indebtedness, but in no event will the amount payable on the guaranty exceed the amount of the original guaranty. Notwithstanding the dollar and percentage limitations of the guaranty, a mortgage holder will ordinarily suffer a monetary loss only where the difference between the unsatisfied indebtedness and the proceeds of a foreclosure sale of the mortgaged premises is greater than the original guaranty, as adjusted. The VA may, at its option and without regard to the guaranty, make full payment to a mortgagee of unsatisfied indebtedness on a mortgage upon its assignment to the VA. Under certain circumstances, a mortgagee is required to accept partial payments on a loan that is more than thirty (30) days overdue.

When a VA loan is foreclosed, the VA must decide whether to (i) acquire the property and pay off the debt or (ii) not acquire the property through the "no bid" process. Under option (ii), mortgagees may buy down the veteran's indebtedness at the time of the foreclosure sale to convert a no bid into a VA acquisition. No bids are more likely if

the property has significantly declined in value, because the cost to the VA to pay the guaranty amount may be less than their expected cost to acquire, manage and dispose of the property.

United States Department of Agriculture, Rural Development Guaranteed Rural Housing Loan Program

The Cranston-Gonzalez National Affordable Housing Act of 1990 authorized the establishment of the USDA/RD Guaranteed Rural Housing Loan Program. Households with Annual Incomes at or below one hundred fifteen percent (115%) of median area income are eligible for these loans, subject to the geographic restrictions described below.

The USDA/RD Guaranteed Rural Housing Loan program is limited to only certain rural areas of the State. These designations are based upon the most recent available and applicable census data. Currently, any city, place, town or village that is not classified as an urban area is classified as "rural" for the purposes of this USDA/RD program, and in general an urban area is either an "Urbanized Area" with a population of 50,000 or more or an "Urban Cluster" with a population of at least 2,500 and less than 50,000. For more information, see www.census.gov.

The USDA/RD guaranty covers the lesser of (a) any loss equal to ninety percent (90%) of the original principal amount of the loan or (b) any loss in full up to thirty-five percent (35%) of the original principal amount of the loan with any additional loss on the remaining sixty-five percent (65%) to be shared approximately eighty-five percent (85%) by USDA/RD and approximately fifteen percent (15%) by the mortgagee.

USDA/RD does not accept conveyance of the property, but rather pays the lender's claim upon foreclosure. The claim payment includes certain actual costs incurred by the lender prior to foreclosure, including interest expense, and an allowance for the costs associated with liquidating the property. The claim payment amount is based on the net sales proceeds if the property is sold within six (6) months, or if no sale occurs within six (6) months, the claim payment amount is determined according to a formula based upon an appraisal of the property performed by USDA/RD. The lender's actual disposition costs may be higher than the USDA/RD claim payment.

Private Mortgage Insurance Programs

As noted hereinabove, the Authority currently is not purchasing any new Conventional Mortgage Loans requiring private mortgage insurance, although its current Mortgage Loan portfolio under the 1976 General Resolution includes Conventional Loans originated in the past at times when the applicable private mortgage insurance company constituted a Qualified Mortgage Insurance Company in accordance with the requirements of the 1976 General Resolution (see "1976 GENERAL RESOLUTION MORTGAGE LOANS – Current Status of Single Family Mortgage Loan Program Under 1976 General Resolution" herein). The Authority will continue to have the right to purchase new Conventional Loans in the future in accordance with the provisions of the 1976 General Resolution.

Conventional Mortgage Loans having a loan-to-value ratio greater than eighty percent (80%) will be covered by a primary mortgage insurance policy (a "Private Mortgage Insurance Policy") issued by a private mortgage insurance company constituting a Qualified Mortgage Insurance Company at the time the Loan is approved by the Authority. The Authority requires that each Qualified Mortgage Insurance Company approved for insuring Mortgage Loans must meet the requirements established by the Authority, which include qualification to insure mortgages purchased by Fannie Mae and Freddie Mac ("FHLMC"), authorization to do business and to issue mortgage insurance in the State, and compliance with applicable federal and State law.

Each Private Mortgage Insurance Policy will be issued by a Qualified Mortgage Insurance Company pursuant to the Qualified Mortgage Insurance Company's applicable master policy. The Authority as assignee of the lender under such Mortgage Loans will be the insured or assignee of record (the "Insured"), as its interests may appear, under each such Private Mortgage Insurance Policy. The Authority requires each Seller of such Conventional Mortgage Loans to cause a Private Mortgage Insurance Policy to be maintained in full force and effect with respect to all Mortgage Loans requiring such insurance and to act on behalf of the Insured with respect to all actions required to be taken by the Insured under each such Mortgage Insurance Policy.

Pursuant to the federal Homeowners' Protection Act of 1998, at certain times and under certain circumstances (which circumstances include consideration of the loan-to-value ratio of the mortgage loan), the borrower has the right to require the release of the Private Mortgage Insurance Policy in effect with respect to the mortgage loan and at other

times and under other circumstances (which circumstances include consideration of the loan-to-value ratio of the mortgage loan), the lender must cancel and release the Private Mortgage Insurance Policy in effect with respect to the mortgage loan even if not requested to do so by the borrower.

The Qualified Mortgage Insurance Company will be required generally to pay to the Insured either: (1) the insured percentage of the loss, or (2) at its option under certain of the Private Mortgage Insurance Policies, the sum of the delinquent monthly payments plus any advances made by the Insured, both to the date of the claim payment, and thereafter, monthly payments in the amount that would have become due under the Mortgage Loan if it had not been discharged plus any advances made by the Insured until the earlier of (A) the date the Mortgage Loan would have been discharged in full if the default had not occurred, or (B) an approved sale. Any rents or other payments collected or received by the Insured that are derived from or are in any way related to the mortgaged property will be deducted from any claim payment.

GNMA Program Securities and Fannie Mae Securities

GNMA guarantees to registered holders of GNMA Program Securities that it will distribute amounts representing scheduled principal and interest at the applicable pass-through interest rate on the underlying mortgage loans, whether or not received, and the full principal balance of any foreclosed or other finally liquidated mortgage loans, whether or not such principal is actually received. The obligations of GNMA under its guaranties are general obligations of the United States of America backed by and entitled to its full faith and credit.

Fannie Mae guarantees to registered holders of Fannie Mae Program Securities that it will distribute amounts representing scheduled principal and interest at the applicable pass-through interest rate on the underlying mortgage loans, whether or not received, and the full principal balance of any foreclosed or other finally liquidated mortgage loans, whether or not such principal is actually received. The obligations of Fannie Mae under its guaranties are obligations solely of Fannie Mae and are not backed by or entitled to the full faith and credit of the United States of America.

While the Authority did securitize certain FHA insured Mortgage Loans, VA guaranteed Mortgage Loans and USDA/RD guaranteed Mortgage Loans into GNMA Program Securities and securitize certain Conventional Mortgage Loans into Fannie Mae Program Securities prior to September 2008, and retains the right under the 1976 General Resolution to do so in the future, the Authority no longer is a GNMA approved issuer of GNMA Program Securities and currently has no plans to securitize additional Conventional Mortgage Loans into Fannie Mae Program Securities.

[End of Appendix C]

APPENDIX D

**CERTAIN INFORMATION ON MORTGAGE LOAN PROGRAM
UNDER 1976 GENERAL RESOLUTION**

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APPENDIX D

CERTAIN INFORMATION ON MORTGAGE LOAN PROGRAM UNDER 1976 GENERAL RESOLUTION

The following table sets forth the following as to Mortgage Loans held under the 1976 General Resolution as of June 30, 2021, including all Mortgage Loans originated under the 1976 General Resolution or transferred to a Mortgage Purchase and Loan Account under the 1976 General Resolution in connection with a current refunding or otherwise, including, without limitation, Blended Loans financed in whole or in part under or transferred to the 1976 General Resolution, Mortgage Loans In Foreclosure, but excluding Mortgage Loans pooled into Program Securities and Down Payment Assistance Loans: the Mortgage Loan pool name for each Series or Subseries of Bonds and (if applicable) the participation percentages as to Blended Loans; the Bond Series or Subseries tax plan percentages and (if applicable) retired Bonds status; the interest rate ranges of the outstanding Mortgage Loans; the aggregate principal amount of Mortgage Loans originated; the outstanding principal balance of Mortgage Loans held as whole loans; and the number of outstanding Mortgage Loans.

The Authority has collected and compiled its mortgage loan portfolio information since 1976 using a number of different information recording systems, creating the possibility of human or mechanical error in collecting, compiling and transcribing this information.

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u>	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
1988A	Retired(100%)	5.00%	\$ 25,208,366.00	\$ 9,542.43	1
1988C	Retired(100%)	5.00%	24,144,542.00	23,381.66	1
1993A	2014A(100%)	5.55% - 5.80%	90,263,046.00	31,509.01	4
1993C	2015A(18.68%) 2014A(81.32%)	5.00% - 5.80%	25,049,552.00	397,228.28	35
1994A	Retired(100%)	6.800%	3,743,991.00	12,412.84	1
1994B	Retired(100%)	5.00% - 7.65%	30,626,264.00	487,296.60	32
1994C	Retired(100%)	5.00% - 8.00%	21,312,973.00	\$335,698.05	20
1995A	Retired(100%)	5.00% - 7.75%	45,568,579.00	1,073,483.88	62

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u>	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
1994C/1995A (86.21%/13.79%)	Retired(100%)	6.70% - 7.00%	7,528,015.00	225,946.00	14
1995B	Retired(100%)	5.00% - 7.375%	36,454,260.00	1,107,127.89	57
1996A	Retired(100%)	5.00% - 7.375%	28,676,516.00	\$785,050.53	37
1996B	Retired(100%)	4.010% - 7.375%	38,655,574.00	1,352,615.34	62
1995B/1996B (94.45%/5.55%)	Retired(100%)	5.00% - 7.125%	3,031,855.00	\$120,428.43	6
1997A	Retired(100%)	5.00% - 7.375%	20,768,729.00	988,240.38	41
1997B	Retired(100%)	5.00% - 7.125%	22,761,315.00	1,137,597.98	50
1997A/1996A (90%/10%)	Retired(100%)	7.125%	1,327,773.00	\$22,918.48	1
1997A/1996B (90%/10%)	Retired(100%)	4.375% - 6.75%	5,699,587.00	375,322.84	15
1997B/1993B	Retired(90%) 2015A(1.868%) 2014A(8.132%)	6.50% - 6.75%	7,495,480.00	259,655.52	13
1997A/1993B	Retired(90%) 2015A(1.868%) 2014A(8.132%)	5.00% - 7.125%	8,186,567.00	666,366.13	26
1998A	Retired(27.72%) 2010A(61.58%) 2016A(10.70%)	5.00% - 6.75%	24,178,857.00	1,536,441.96	54

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u>	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
1998A/1993B (90%/10%)	Retired(24.94%) 2015A(1.868%) 2014A(8.132%) 2010A(55.42%) 2016A(9.63%)	5.00% - 6.50%	11,286,466.00	678,512.37	27
1998B	Retired(61.33%) 2010A(32.95%) 2016A(5.73%)	5.00% - 8.700%	24,714,814.00	331,807.73	13
1998C	Retired(61.33%) 2010A(32.95%) 2016A(5.73%)	5.00% - 7.00%	13,294,098.00	740,625.62	27
1999B	Retired(100%)	5.00% - 8.70%	25,957,301.00	\$89,760.63	6
1999B/1998C (90%/10%)	Retired(96.13%) 2010A(3.29%) 2016A(0.57%)	5.00% - 7.125%	38,028,263.00	2,501,505.88	73
2000A	Retired(100%)	6.250%	201,295.00	\$10,768.74	1
2000A/1998C (90%/10%)	Retired(96.13%) 2010A(3.29%) 2016A(0.57%)	4.00% - 7.25%	18,608,910.00	1,226,278.05	35
2000A/1999B (90%/10%)	Retired(100%)	5.00% - 7.50%	25,988,456.00	1,489,409.61	44
2000B/1999B (90%/10%)	Retired(100%)	5.00% - 7.625%	32,851,075.00	2,153,461.13	62
2000C/2000A (90%/10%)	Retired(100%)	5.00% - 7.375%	23,044,953.00	1,944,436.27	53

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u>	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
2000B/2000A (90%/10%)	Retired(100%)	6.25 - 7.500%	4,114,134.00	192,607.93	5
2001A/2000B (90%/10%)	Retired(100%)	5.00% - 7.25%	23,828,634.00	2,378,733.16	67
2001A/2000B (85%/15%)	Retired(100%)	5.625% - 6.875%	8,510,632.00	793,493.45	20
1991A-D Free Assets	Retired(100%)	7.650% - 7.80%	7,779,296.00	6,207.66	4
2004A	2015A(54.8255%) 2014A(45.1745%)	5.000% - 6.80%	3,866,631.00	938,726.82	22
2004A/1994A	Retired(87.1%) 2015A(7.0725%) 2014A(5.8275%)	4.500% - 6.80%	10,236,330.00	530,384.75	33
2004B/2004A	2015A(22.2945%) 2014A(77.7055%)	4.270% - 5.625%	18,630,835.00	2,674,849.32	51
2004B	2015A(18.68%) 2014A(81.32%)	5.00% - 5.50%	6,852,183.00	1,593,312.87	27
2005A/2004B	2015A(1.868%) 2014A(8.132%) 2014B(90%)	4.00% - 5.50%	22,680,441.00	5,302,329.11	89
2005A	2014B(100%)	5.00% - 5.375%	12,877,252.00	3,195,051.88	54
2006A/2005A (90%/10%)	2014B(10%) 2016A(30.0510%) 2015B(59.9490%)	5.00% - 5.625%	12,998,233.00	2,299,014.32	41

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u>	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
2006A	2016A(33.3900%) 2015B(66.6100%)	5.00% - 6.125%	45,299,676.00	10,310,480.62	150
2006B	2016A(46.3978%) 2015B(53.6022%)	5.00% - 6.625%	39,781,518.00	6,899,440.93	95
2006C	2016A(64.6106%) 2015B(35.3894%)	4.125% - 6.375%	43,386,090.00	9,978,391.21	132
2007A/2006C (90%/10%)	2016B(90%) 2016A(6.4611%) 2015B(3.5389%)	5.00% - 5.875%	10,976,832.00	1,960,740.85	28
2007A	2016B(100%)	5.00% - 6.25%	15,482,022.00	3,500,209.21	49
2007C	2016B(100%)	5.00% - 6.75%	22,007,753.00	6,102,969.23	80
2007C/2007A (90%/10%)	2016B(100%)	5.00% - 6.375%	9,603,652.00	2,036,360.56	30
2007D	Retired(100%)	5.00% - 6.625%	19,753,768.00	5,907,217.24	83
2007D/2007C (90%/10%)	2016B(10%) Retired(90%)	5.00% - 6.625%	30,233,095.00	7,713,259.95	108
2009A	Retired(100%)	5.00% - 7.75%	21,530,073.00	7,364,128.18	115
2009B	2019A(100%)	5.00% - 6.75%	28,797,560.00	11,301,406.98	166
2010A,2009C,C1	2010A(85.1918%) 2016A(14.8082%)	4.595% - 6.250%	35,072,790.00	12,509,995.52	172
2010B,2009C-2	2010B(100%)	4.128% - 5.375%	46,234,573.00	16,174,218.38	214

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u>	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
2011A,2009C-3	2011A(100%)	3.945% - 5.50%	11,937,621.00	3,477,329.88	44
2011A,2009C- 3/2010B,2009C-2 (50%/50%)	2010B(50%) 2011A(50%)	4.125% - 5.375%	22,793,617.00	8,167,347.40	111
2011A,2009C-3/2009A (50%/50%)	Retired(50%) 2011A(50%)	4.595% - 5.625%	6,077,353.00	1,649,764.63	28
2011A,2009C-3/2007D (50%/50%)	Retired(50%) 2011A(50%)	5.125% - 5.625%	2,635,686.00	1,148,076.14	16
2011A,2009C- 3/2010A,2009C-1 (50%/50%)	2010A(42.5959%) 2011A(50.0000%) 2016A(7.4041%)	4.125% - 5.125%	20,803,965.00	7,076,594.60	100
2011B,2009C- 4/2011A,2009C-3 (50%/50%)	2011A(50%) 2011B(50%)	3.820% - 5.50%	54,198,738.00	18,791,934.73	252
2011C,2009C- 5/2011B,2009C-4 (50%/50%)	2011B(50%) 2011C(50%)	3.820% - 5.50%	60,261,135.00	19,856,159.14	285
2006B/2010B,2009C-2 (50%/50%)	2010B(50%) 2016A(23.1989%) 2015B(26.8011%)	3.50% - 4.375%	2,286,417.00	665,288.92	8
2012A	2012A(100%)	2.875% - 4.250%	16,957,561.00	7,344,879.67	84
2012A/2010A (60.12%/39.88%)	2010A(33.9726%) 2012A(60.1223%)	4.558% - 6.750%	7,819,885.00	1,262,872.03	50

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u>	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
	2016A(5.9052%)				
2012A/2010A (60.12%/39.88%)	2010A(33.9726%) 2012A(60.1223%) 2016A(5.9052%)	4.558% - 6.50%	7,623,073.00	1,573,885.64	59
2012A/2010A/1998A (54.11%/43.12%/2.77%)	Retired(2.77%) 2010A(36.7333%) 2012A(54.11%) 2016A(6.3851%)	6.00%	581,341.00	191,523.60	7
2012A/2010A/1998B (6.01%/38.80%/59.19%)	Retired(55.1932%) 2010A(33.0498%) 2012A(6.01%) 2016A(5.7448%)	4.558% - 6.375%	3,932,122.00	1,076,793.99	35
2012A/2010A (61.25%/38.75%)	2010A(33.0156%) 2012A(61.25%) 2016A(5.7388%)	4.558% - 6.750%	7,040,106.00	1,810,173.88	60
2012A/2010A/1998B (55.12%/38.75%/6/13%)	Retired(6.13%) 2010A(33.0084%) 2012A(55.12%) 2016A(5.7376%)	4.558% - 6.125%	4,980,495.00	1,229,214.24	46
2012A	2012A(100%)	4.558% - 8.400%	5,403,499.00	83,796.22	6
2012A/2000B (90%/10%)	Retired(10%) 2012A(90%)	4.558% - 7.125%	5,590,379.00	1,493,426.25	40
2012A/2000C (90%/10%)	Retired(10%) 2012A(90%)	4.558% - 6.250%	5,373,236.00	1,516,867.47	33
2012A/2000C	Retired(10%)	4.558% - 5.875%	9,609,828.00	2,451,678.21	68

<u>Pool and Participation Percent (if any)</u> (90%/10%)	<u>Tax Plan And Tax Plan Percentages</u> 2012A(90%)	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
2012A	2012A(100%)	5.125% - 6.00%	1,186,173.00	298,466.07	6
2012A/2001C	Retired(90%) 2012A(10%)	4.558% - 5.875%	3,910,516.00	1,194,779.63	27
2012A	2012A(100%)	5.00% - 8.350%	3,858,666.00	141,413.66	24
2012A/1991A-D Free Asset	Retired(23.28%) 2012A(76.72%)	5.00% - 7.110%	1,565,759.00	74,616.14	8
2012A/2001C	Retired(85%) 2012A(15%)	4.558% - 6.00%	11,056,638.00	2,624,281.20	60
2012A/2002A	Retired(90%) 2012A(10%)	4.558% - 6.00%	10,564,115.00	2,449,165.14	56
2012A/2002A	Retired(85%) 2012A(15%)	5.375% - 6.00%	1,388,980.00	296,088.27	8
2012A/2002A	Retired(85%) 2012A(15%)	5.50% - 5.875%	1,542,540.00	346,778.42	9
2012A/2002A	Retired(90%) 2012A(10%)	5.00% - 6.00%	2,760,402.00	559,573.00	12
2012A	2012A(100%)	4.558% - 6.250%	15,031,588.00	3,865,317.59	85
2012A/2002C	2014A(90%) 2012A(10%)	5.00% - 6.250%	11,105,427.00	2,627,389.95	54
2012A/2002C	2014A(90%) 2012A(10%)	4.558% - 6.00%	3,667,315.00	1,199,996.17	29

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u>	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
2012A	2012A(100%)	5.00% - 5.50%	2,707,991.00	698,171.80	19
2012A	2012A(100%)	4.558% - 6.125%	3,223,652.00	869,865.55	20
2012A/2002C	2012A(90%) 2014A(10%)	4.125% - 6.00%	10,037,901.00	2,710,242.05	65
2012A	2012A(100%)	5.00% - 7.650%	1,386,420.00	83,963.40	6
2012A/2004A (10%/90%)	2012A(10%) 2014A(40.6570%) 2015A(49.3430%)	4.558% - 5.50%	16,298,971.00	4,746,458.33	102
2012A/2010A/2007D/2009A (9.63%/.33%/10%/80.04%)	RETIRED(45.8746%) 2010A(0.2842%) 2012A(9.6278%) 2014A(9.1973%) 2014B(7.1352%) 2015A(2.5064%) 2015B(12.7660%) 2016A(10.1251%) 2016B(2.4834%)	4.558% - 7.750%	22,170,055.00	8,032,578.68	117
2013A	2013A(100%)	2.875% - 4.375%	49,721,035.00	21,440,416.98	245
2013A/2011B,2009C	2011B(50%) 2013A(50%)	2.875% - 3.500%	22,879,045.00	8,971,106.25	109
2013A/2011C,2009C	2011C(50%)	2.875% - 4.875%	100,839,614.00	42,816,061.42	539

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u> 2013A(50%)	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
2013A/2012A (50%/50%)	2012A(50%) 2013A(50%)	2.875% - 3.250%	17,300,044.00	7,939,575.82	91
2014A	2014A(100%)	3.750% - 4.375%	37,524,251.00	14,707,063.97	162
2014A/2013A (50%/50%)	2013A(50%) 2014A(50%)	3.125% - 4.375%	31,608,979.00	13,161,925.40	150
2014B	2014B(100%)	4.00% - 4.500%	27,247,973.00	12,261,736.19	131
2014B/2014A (50%/50%)	2014A(50%) 2014B(50%)	4.00% - 4.625%	43,997,960.00	20,200,157.20	223
2015A	2015A(100%)	3.875% - 4.125%	46,697,108.00	5,876,048.40	270
2015A/2014B (50%/50%)	2015A(50%) 2014B(50%)	3.750% - 4.625%	47,416,623.00	21,325,101.30	239
2015B	2015B (100%)	3.875% - 4.375%	36,157,317.00	19,261,625.61	202
2016A/2015A (50%/50%)	2016A(50%) 2015A(50%)	3.875% - 4.375%	32,956,028.00	18,897,684.11	192
2016B	2016B (100%)	3.750% - 4.00%	24,505,956.00	16,064,037.21	146
2016B/2015B (50%/50%)	2016B (50%) 2015B (50%)	3.750% - 4.375%	27,429,730.00	16,491,878.07	158
2017A	2017A (100%)	3.875% - 4.750%	30,934,985.00	22,540,405.45	211
2017A/2016A	2017A (50%)	3.750% - 4.625%	57,153,273.00	35,969,582.63	334

<u>Pool and Participation Percent (if any)</u> (50%/50%)	<u>Tax Plan And Tax Plan Percentages</u> 2016A (50%)	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
2017B	2017B (100%)	4.250% - 4.625%	36,443,184.00	28,278,409.23	239
2017B/2016B	2017B (50%) 2016B (50%)	3.750% - 4.750%	52,819,765.00	39,493,402.54	349
2017C	2017C (100%)	4.250% - 4.375%	2,643,996.00	2,300,693.13	22
2017C/2017A	2017C (50%) 2017A (50%)	4.250% - 4.750%	28,476,909.00	22,807,775.85	198
2017C/2017B	2017B (50%) 2017C (50%)	4.188% - 4.500%	57,395,225.00	46,229,792.33	393
2018A	2018A (100%)	4.375% - 5.125%	25,248,876.00	21,762,550.33	168
2018A/2017C	2018A (50%) 2017C (50%)	4.250% - 4.875%	81,616,861.00	64,949,736.04	520
2018B	2018B (100%)	5.00% - 5.375%	33,943,009.00	29,020,329.74	227
2018B/2018A	2018B (50%) 2018A (50%)	4.375% - 5.125%	81,593,786.00	67,335,348.33	520
2019A/2018B	2019A (50%) 2018B (50%)	4.202% - 5.375%	75,707,641.00	62,610,364.14	488
2019B/2018B	2019B (50%) 2018B (50%)	3.625% - 5.375%	16,238,238.00	14,340,697.35	108
2019B/2019A	2019B (50%) 2019A (50%)	3.500% - 5.000%	111,689,413.00	04,068,962.76	772

<u>Pool and Participation Percent (if any)</u>	<u>Tax Plan And Tax Plan Percentages</u>	<u>Interest Rate Range</u>	<u>Total Mortgages Originated</u>	<u>Outstanding Principal Balance</u>	<u>Number of Loans Outstanding</u>
2020A/2019A	2020A (50%) 2019A (50%)	3.250% - 5.375%	7,193,394.00	6,105,645.52	42
2019B/2020A	2020A (50%) 2019B (50%)	3.25 - 5.125%	113,621,966.00	108,664,260.17	758
2019B/2020B	2019B (50%) 2020B (50%)	2.875 - 4.375%	27,738,683.00	26,895,590.11	187
2020B/2020A	2020B (50%) 2020A (50%)	2.875 - 5.000%	69,853,031.00	68,779,892.66	462
		Grand Total	<u>\$3,021,154,539.00</u>	<u>\$1,289,032,968.32</u>	13,602

[End of Appendix D]

APPENDIX E

CERTAIN INFORMATION ON PARITY BONDS OUTSTANDING AND INVESTMENTS HELD UNDER THE 1976 GENERAL RESOLUTION

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APPENDIX E

Bonds Outstanding Under the 1976 General Resolution as of June 30, 2021

<u>Series</u>	<u>Series Original</u>	<u>Outstanding Principal</u>	<u>Due Date</u>	<u>Longest Maturity⁽¹⁾</u>	<u>Range of Interest Rates⁽²⁾</u>	
	<u>Principal Amount</u>	<u>Amount as of 6/30/2021⁽¹⁾</u>		<u>Original Principal Amount</u>	<u>Lowest</u>	<u>Highest</u>
2010B	\$ 24,000,000	\$ 3,580,000	12/1/2028	\$ 4,870,000	0.450%	5.000%
2009C-2 ⁽³⁾	36,000,000	19,260,000	12/1/2041	36,000,000	3.010	3.010
2009C-3 ⁽³⁾	39,600,000	17,150,000	12/1/2041	39,600,000	3.550	3.550
2011B	28,000,000	2,410,000	12/1/2029	6,060,000	0.300	4.000
2009C-4 ⁽³⁾	42,000,000	20,100,000	12/1/2041	42,000,000	2.670	2.670
2011C	33,200,000	2,850,000	06/1/2030	6,730,000	0.350	4.125
2009C-5 ⁽³⁾	49,800,000	24,510,000	12/1/2041	49,800,000	2.400	2.400
2012A	100,610,000	40,705,000	12/1/2042	12,070,000	0.530	4.050
2013A	149,395,000	111,145,000	12/1/2043	6,830,000	0.200	3.900
2014A	156,110,000	44,170,000	06/1/2044	31,165,000	0.150	4.700
2014B	103,000,000	88,105,000	06/1/2044	20,485,000	0.150	3.650
2015A	103,445,000	75,000,000	06/1/2045	22,570,000	0.350	3.800
2015B	111,555,000	68,085,000	12/1/2045	21,790,000	0.500	3.875
2016A	107,400,000	82,540,000	12/1/2046	24,635,000	0.650	3.500
2016B	117,600,000	91,745,000	12/1/2046	16,985,000	1.000	3.500
2017A	80,000,000	41,710,000	12/1/2047	17,555,000	0.940	4.100
2017B	94,670,000	81,255,000	12/1/2047	21,635,000	0.800	4.000
2017C	90,000,000	82,950,000	06/1/2048	28,715,000	2.850	3.750
2018A	110,000,000	85,180,000	12/1/2048	22,965,000	1.800	4.000
2018B	125,330,000	51,320,000	12/1/2048	35,590,000	1.900	4.200
2019A	111,310,000	110,570,000	06/1/2049	37,075,000	2.125	3.700
2019B	138,690,000	138,690,000	12/1/2049	56,605,000	1.650	3.250
2020A	139,150,000	135,400,000	06/1/2050	33,720,000	1.000	4.000
2020B	110,850,000	110,850,000	06/1/2050	58,530,000	0.300	2.500
TOTAL	<u>\$2,201,715,000</u>	<u>\$1,529,280,000</u>		<u>\$653,980,000</u>		

- (1) All the Bonds shown are Term Bonds with sinking fund requirements. Portions of the original principal amounts listed may have been redeemed as of June 30, 2021, and substantial portions of the principal amounts listed will be redeemed prior to the respective maturity date. Since June 30, 2021, the Authority (i) redeemed Bonds in the aggregate principal amount of \$58,655,000 on September 1, 2021, and (ii) in connection with the proposed refunding component of the 2021 Series A Bonds, currently plans to optionally redeem the outstanding 2009 Series C-2 Bonds and the outstanding 2010 Series B Bonds in whole or in part within 90 days of the Issue Date.
- (2) The range of interest rates is as of initial issuance; Bonds bearing interest at the lowest or highest interest rates listed may have been redeemed as of June 30, 2021.
- (3) The 2009 Series C Bonds were initially issued under the NIBP in the original aggregate principal amount of \$195,000,000 as NIBP "Escrowed Proceeds Bonds", initially bearing a variable NIBP "Short-Term Rate", were re-designated, released and converted to Fixed Rate Bonds under the NIBP bearing interest at their respective NIBP "Permanent Rate". The respective original aggregate principal amount and fixed interest rate for each of the five respective Subseries of 2009 Series C Bonds is set forth in the chart hereinabove.

Georgia Housing and Finance Authority
Bonds Outstanding by Interest Rate
Under the 1976 General Resolution as of June 30, 2021

<u>Bond</u>	<u>Bond Principal</u>	<u>Bond</u>	<u>Bond Principal</u>
<u>Interest Rate</u>	<u>Outstanding</u>	<u>Interest Rate</u>	<u>Outstanding</u>
0.300%	\$1,180,000	2.600%	\$11,945,000
0.350	1,205,000	2.650	8,990,000
0.400	1,220,000	2.670	20,100,000
0.450	1,240,000	2.700	8,010,000
0.550	1,260,000	2.750	26,985,000
0.600	1,275,000	2.800	6,170,000
0.750	1,300,000	2.850	11,160,000
0.800	1,320,000	2.900	17,870,000
0.950	1,340,000	2.950	28,200,000
1.000	1,365,000	3.000	29,505,000
1.100	1,530,000	3.010	19,260,000
1.250	2,940,000	3.050	44,250,000
1.300	3,870,000	3.100	26,145,000
1.450	2,515,000	3.125	17,275,000
1.500	2,310,000	3.150	40,060,000
1.550	1,580,000	3.200	66,980,000
1.600	1,690,000	3.250	76,075,000
1.650	3,335,000	3.300	19,880,000
1.700	3,905,000	3.350	68,020,000
1.750	3,370,000	3.400	30,750,000
1.800	5,800,000	3.450	31,125,000
1.850	2,405,000	3.500	85,720,000
1.900	6,615,000	3.550	62,480,000
1.950	4,135,000	3.600	56,305,000
2.000	4,160,000	3.650	89,910,000
2.050	6,280,000	3.700	49,030,000
2.100	6,585,000	3.750	23,430,000
2.125	2,210,000	3.800	73,020,000
2.150	4,610,000	3.850	41,205,000
2.200	16,685,000	3.875	20,130,000
2.250	9,015,000	3.900	15,270,000
2.300	8,830,000	3.950	8,280,000
2.350	30,425,000	4.000	89,155,000
2.400	36,280,000	4.050	5,905,000
2.450	14,790,000	4.100	7,550,000
2.500	77,185,000	4.200	<u>14,430,000</u>
2.550	2,945,000		
		Grand Total	<u>\$1,529,280,000</u>

Bonds Outstanding Under 1976 General Resolution
Ten Year Rule Percentages as of June 30, 2021

Bond Series	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	6/30/2028	6/30/2029	6/30/2030	6/30/2031
2010 Series B	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2011 Series A	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2011 Series B	0%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2011 Series C	0%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2012 Series A	71%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2013 Series A	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2014 Series A-1,2,3	31%	31%	31%	100%	100%	100%	100%	100%	100%	100%	100%
2014 Series A-4	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
2014 Series B	25%	25%	25%	25%	100%	100%	100%	100%	100%	100%	100%
2015 Series A	21%	26%	28%	28%	100%	100%	100%	100%	100%	100%	100%
2015 Series B	55%	55%	55%	55%	55%	100%	100%	100%	100%	100%	100%
2016 Series A	54%	54%	54%	54%	54%	100%	100%	100%	100%	100%	100%
2016 Series B	41%	41%	41%	41%	41%	41%	100%	100%	100%	100%	100%
2017 Series A	0%	0%	0%	0%	0%	0%	100%	100%	100%	100%	100%
2017 Series B	0%	0%	0%	0%	0%	0%	0%	100%	100%	100%	100%
2017 Series C	0%	0%	0%	0%	0%	0%	0%	100%	100%	100%	100%
2018 Series A	0%	0%	0%	0%	0%	0%	0%	100%	100%	100%	100%
2018 Series B	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%	100%
2019 Series A	10%	10%	10%	10%	10%	10%	10%	10%	100%	100%	100%
2019 Series B	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	100%
2020 Series A	12%	12%	12%	12%	12%	12%	12%	12%	12%	100%	100%
2020 Series B	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%

Note: The above percentages represent estimates based upon information currently available and are not guaranteed.
There can be no assurance that federal tax law, rules or regulations enacted or proposed and the interpretation thereof will not alter the above percentages

CERTAIN INVESTMENTS UNDER 1976 GENERAL RESOLUTION
as of June 30, 2021 (UNLESS OTHERWISE NOTED)

Capital Reserve Fund and Mortgage Reserve Fund Investments

As of June 30, 2021, the total par value of all Investment Obligations held in the Capital Reserve Fund and Mortgage Reserve Fund equals \$65,049,634, and such Investment Obligations are comprised of the following:

<u>Investment Obligation Type</u>	<u>% Reserve Funds</u>	<u>Investment Final Maturity</u>
Freddie Mac Mortgage Backed Securities	44.18%	January 2051
U.S. Money Market Funds	19.11%	N/A
Ginnie Mae Mortgage Backed Securities	15.45%	February 2048
Bayerische Landesbank Investment Agreement ⁽¹⁾	8.10%	December 2029
Fannie Mae Debentures and Mortgage Backed Securities	6.35%	August 2050
Trinity Plus/General Electric Corp. Investment Agreement	5.27%	November 2032
Federal Home Loan Bank Debenture	1.54%	March 2030

(1) Guaranteed by the German Free State of Bavaria, a/k/a/Freistaat Bayern, which as of September 17, 2021 was rated "Aaa" by Moody's Investors Service.

Mortgage Purchase and Loan Account Investments

As of June 30, 2021, the total par value of all Investment Obligations held in the Mortgage Purchase and Loan Account equals \$13,652,133, and such Investment Obligations are comprised 100% of U.S. Money Market Funds. The total par value as of September 17, 2021 is \$1,465,623.99, all of which is invested in U.S. Money Market Funds as of such date.

Revenue Account [Float] Investments

As of June 30, 2021, the total par value of all Investment Obligations held in the Revenue Account equaled \$114,249,318, and composition of such Investment Obligations is set forth in the following chart. From such \$114,249,318, on September 1, 2021, \$58,655,000 was applied to pay the principal of Bonds redeemed on such date, and \$533,906.34 was applied to pay the accrued interest on such redeemed Bonds.

<u>Investment Obligation Type</u>	<u>% Revenue Funds</u>	<u>Investment Final Maturity</u>
U.S. Money Market Funds	97.26%	N/A
Trinity Plus/General Electric Corp. Investment Agreement	2.08%	November 2032
FGIC/General Electric Corp. Investment Agreement	0.66%	November 2026

[End of Appendix E]

APPENDIX F

PROPOSED FORM OF BOND COUNSEL OPINION

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APPENDIX F

PROPOSED FORM OF BOND COUNSEL OPINION

Set forth below is the proposed form of the opinion of Bond Counsel to be delivered in connection with the issuance of the 2021 Series A Bonds, which proposed form is preliminary and subject to change prior to the delivery of the 2021 Series A Bonds.

PROPOSED FORM OF BOND COUNSEL OPINION ON 2021 SERIES A BONDS

November 9, 2021*

Georgia Housing and Finance Authority
Atlanta, Georgia

Re: Georgia Housing and Finance Authority Single Family Mortgage Bonds, 2021 Series A

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and sale by the Georgia Housing and Finance Authority (the "Authority") of the Authority's Single Family Mortgage Bonds, 2021 Series A (the "2021 Series A Bonds" or the "Bonds"). The Bonds are issuable as fully registered Bonds without coupons in the denominations, and are issued and dated, as provided in the Single Family Mortgage Bond Resolution adopted by the Authority on November 10, 1976, as supplemented and amended (the "General Resolution"), the Series Resolution Authorizing the Issuance and Sale of Up to an Aggregate Principal Amount of \$250,000,000 Single Family Mortgage Bonds (2021 Series), adopted by the Authority on November 18, 2020 (the "2021 Series Resolution" or the "Series Resolution") and the Series Certificate Relating to \$101,235,000* Single Family Mortgage Bonds, 2021 Series A, executed on behalf of the Authority pursuant to the Series Resolution (the "Series Certificate"). The 2021 Series A Bonds will be issued in the original aggregate principal amount of \$101,235,000* and will constitute new money "qualified mortgage bonds" and current refunding "qualified mortgage bonds" pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). The General Resolution, the Series Resolution and the Series Certificate are referred to herein collectively as the "Resolutions". Reference is hereby made to the validation proceedings concluded in the Superior Court of Fulton County, Georgia, relating to the issuance of the Bonds.

The Bonds are general revenue obligations of the Authority payable out of any of the Authority's revenues, money or assets legally available therefor, subject only to agreements heretofore and hereafter made with holders of notes and bonds other than bonds issued under the Resolutions, pledging particular revenues, money or assets for the payment thereof. The Bonds will not be deemed to constitute a debt of the State of Georgia (the "State") or its agencies or a pledge of the faith or credit of the State or its agencies. The issuance of the Bonds will not directly or indirectly obligate the State to levy or to pledge any form of taxation whatever therefor or to make any appropriation for payment of the Bonds. The Authority has no taxing power.

The Bonds mature and bear interest as set forth in the Resolutions. The Bonds are subject to mandatory, special and optional redemption prior to maturity by the Authority at the times, in the manner and upon the terms provided in the Bonds and in the Resolutions.

All capitalized terms not otherwise defined herein shall have the meaning prescribed thereto in the Resolutions.

In connection with the issuance of the Bonds, we have examined (a) certified copies of the General Resolution and the Series Resolution authorizing the issuance of the Bonds, adopted by the members of the Authority pursuant to and under the provisions of the Georgia Housing and Finance Authority Act, Official Code of Georgia Annotated, Title 50, Chapter 26, as amended (the "Act") and the Series Certificate, (b) the forms of the Bonds, (c) the forms of

the Authority's Loan Administrator Agreement and the Loan Seller Agreement (including the Seller Guide) (the "Program Documents") relating to the Authority's Georgia Dream Homeownership Program (the "Program"), which Program Documents require delivery of certain affidavits and other documents prior to the purchase of any Program Obligations originated thereunder, and (d) such other opinions, documents, certificates and letters, including calculations prepared by cfX Incorporated, as we deem relevant and necessary in rendering this opinion.

From such examination we are of the opinion that:

1. The Authority is duly organized and existing under the laws of the State, particularly the Act. Pursuant to the Act, the Authority is empowered to issue the Bonds for the purpose of purchasing Mortgage Loans or other evidences of debt to finance single family housing in the State for qualified persons, to refund certain of its outstanding bonds, and to pledge and grant a security interest in the Revenues and amounts in the Funds and Accounts established by the Resolutions.

2. The Bonds have been validly authorized, executed and issued in accordance with the laws of the State and represent valid and binding general revenue obligations of the Authority payable out of any of the Authority's revenues, money or assets legally available therefor, subject only to agreements heretofore and hereafter made with holders of notes and bonds, other than bonds issued under the Resolutions, pledging particular revenues, money or assets for the payment thereof. The Resolutions create the valid pledge which they purport to create, and pursuant to the Resolutions, the principal of, premium, if any, and interest on the Bonds are secured by a pledge of, and security interest in Bond Proceeds, Program Obligations and Permitted Investments, all Revenues derived therefrom, and all moneys, and other assets and income (except amounts in the Rebate Fund) held in and to be deposited in Funds and Accounts established by or pursuant to the Resolutions; all subject to the right of the Authority to direct withdrawals of amounts from said Funds and Accounts upon the conditions set forth in the Resolutions.

3. The Resolutions have been validly authorized, executed and delivered by the Authority, are in full force and effect, are valid and binding on the Authority, are enforceable in accordance with their terms, and the holders of the Bonds are entitled to the benefits thereof.

4. Under existing laws, regulations, rulings and judicial decisions, (i) interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes, and (ii) interest on the Bonds is not a specific item of tax preference for purposes of the federal alternative minimum tax provisions of the Code.

5. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is exempt from taxation within the State.

We express no other opinion regarding Federal or state tax consequences arising with respect to the Bonds.

The obligations of the Authority contained in the Bonds and the Resolutions, and the enforceability thereof, are subject to general principles of equity which may permit the exercise of judicial discretion, the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State, applicable bankruptcy, insolvency, moratorium or similar laws relating to or affecting creditors' rights generally, and the exercise by the United States of America of the powers delegated to it by the Constitution.

The opinions set forth in paragraph (4) herein are based upon a review of, and assume continued compliance with, certain covenants, representations and certifications of the Authority set forth in the Resolutions and the Program Documents and certain procedures set forth in the Program Documents to be executed by certain lenders originating Mortgage Loans (the "Sellers"), which procedures are to be followed by the Sellers in the origination of Mortgage Loans, and further assume the accuracy of certain warranties of the Sellers set forth in the Program Documents and certain affidavits to be obtained from Mortgagors, all of which are designed to assure that the Program complies with the applicable provisions of the Code.

The opinions we have expressed herein as to the treatment of the interest borne by the Bonds for Federal income tax purposes are based upon laws, regulations, rulings and decisions in effect on the date hereof. In addition to the opinions set forth in paragraph (4) above, certain individual owners of the Bonds may have to take interest on

such Bonds into account for the purpose of calculating the amount of social security or railroad retirement benefits includible in gross income of such owners for federal income tax purposes. All owners of the Bonds (including, but not limited to, insurance companies, financial institutions, S corporations and United States branches of foreign corporations) should consult their tax advisors concerning the effects of these and other applicable provisions of the Code on their individual tax liabilities. The extent of certain indirect 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.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

Very truly yours,

[End of Appendix F]

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APPENDIX G

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

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APPENDIX G

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (this "Agreement") is dated as of November 1, 2021* for convenience of reference, and also is made and entered into to be effective as of November 9, 2021* (the "Effective Date"), between **GEORGIA HOUSING AND FINANCE AUTHORITY** (the "Authority"), and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.**, a limited liability company organized and existing under the laws of the State of Florida, as exclusive Dissemination Agent (the "Dissemination Agent" or "DAC"), in order to provide certain continuing disclosure with respect to the Georgia Housing and Finance Authority Single Family Mortgage Bonds, 2021 Series A Bonds (the "2021 Series A Bonds"). Capitalized terms used, but not defined, herein shall have the meanings ascribed thereto in the hereinafter defined Official Statement.

WHEREAS, the Authority has issued on the Effective Date hereof the 2021 Series A Bonds in the original aggregate principal amount of \$101,235,000* pursuant to the Series Certificate relating to the issuance of the Authority's \$101,235,000* Single Family Mortgage Bonds, 2021 Series A (the "Series Certificate"), executed and delivered with respect to the 2021 Series A Bonds pursuant to the Series Resolution Authorizing the Issuance and Sale of up to an Aggregate Principal Amount of \$250,000,000 Single Family Mortgage Bonds (2021 Series), adopted by the Authority on November 18, 2020 (the "2021 Series Resolution", and, together with the Series Certificate, collectively, as the same may be further supplemented and amended hereafter, the "2021 Series A Resolution"); the 2021 Series A Resolution was adopted pursuant to the Single Family Mortgage Bond Resolution adopted by the Authority on November 10, 1976, as supplemented and amended heretofore and as the same may be further supplemented and amended hereafter (the "General Bond Resolution" and, together with the 2021 Series A Resolution, collectively, the "Bond Resolutions"); the 2021 Series A Bonds will be dated their date of issuance;

WHEREAS, the Authority authorized the preparation and distribution of the Preliminary Official Statement, dated October 6, 2021, with respect to, among other matters, the 2021 Series A Bonds (the "Preliminary Official Statement"), and, on or about the date of the Preliminary Official Statement, the Authority executed and delivered its Rule 15c2-12 Certificate whereby the Authority, inter alia, deemed that the Original Preliminary Official Statement was final within the meaning of Rule 15c2-12, as in effect on the Effective Date hereof (the "Rule"), of the Securities and Exchange Commission ("SEC");

WHEREAS, upon the sale of the 2021 Series A Bonds to Citigroup Global Markets Inc. ("Citigroup"), Raymond James & Associates, Inc. ("Raymond James ") and the other underwriters identified on the front cover of the Preliminary Official Statement (collectively, the "Underwriters"), the Authority authorized the preparation and distribution of the Official Statement dated October __, 2021* with respect to the 2021 Series A Bonds (the "Official Statement");

WHEREAS, as a condition precedent to the purchase of the 2021 Series A Bonds by the Underwriters on the date of issuance pursuant to the Bond Purchase Agreement, dated October __, 2021* (the "Bond Purchase Agreement"), between the Authority and the Underwriters, and in order to accommodate the compliance by the Underwriters with their obligations under the Rule, the Authority has agreed to enter into this Agreement and to provide for the public disclosure of certain information concerning the 2021 Series A Bonds and the security for the 2021 Series A Bonds on an ongoing basis for so long as the 2021 Series A Bonds remain outstanding as set forth herein, and the Dissemination Agent has agreed to serve as exclusive dissemination agent for the Authority with respect to such continuing public disclosure in accordance with this Agreement (the Bond Resolutions, the Bond Purchase Agreement and the Official Statement are referred to herein, collectively and each respectively, as the "Financing Documents");

NOW THEREFORE, in consideration of the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the parties hereto agree as follows:

Section 1. Definitions. (a) As provided hereinabove, for the purposes of this Agreement, all capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed thereto in the Official Statement.

(b) In addition to the terms defined elsewhere herein, the following terms shall have the following meanings for the purposes of this Agreement:

"Accompanying Information" means any identifying information or other information required to accompany the applicable Filing pursuant to the Rule.

"Annual Disclosure Report," "Annual Filings" and "Annual Finance Statements" each shall have the respective meaning set forth in Section 3 hereof.

"Annual Filing Date" means the date that is one hundred twenty (120) days after the last day of the Authority's Fiscal Year (currently ending June 30). The Annual Filing Date may be changed by the Authority upon the change of its Fiscal Year and by giving written notice thereof pursuant to Section 4(b) hereof.

"Authority Disclosure Representative" means each of the two persons designated in writing by the Authority to the Dissemination Agent as the primary contacts at the Authority for the Dissemination Agent for matters arising under this Agreement.

"EMMA" means MSRB's Electronic Municipal Market Access system or any successor thereto. Unless otherwise directed by the MSRB or the SEC, Filings with the MSRB are to be made through the EMMA website, currently located at <http://emma.msrb.org>.

"Filing" means, as applicable, any Annual Filing or Listed Event Filing or any other notice or report filed with the MSRB (currently through EMMA) in Required Electronic Format under this Agreement.

"Listed Events" and "Listed Event Filings" each shall have the respective meaning set forth in Section 4 hereof.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor to its functions designated by the SEC for the purposes of the Rule.

"Repository" means (a) MSRB's EMMA or (b) in the future, any successor repository or repositories prescribed by the SEC for the purpose of serving as repository under the Rule.

"Required Electronic Format" means the electronic format prescribed by the SEC or the MSRB pursuant to the Rule.

"Third Party Beneficiaries" shall have the meaning set forth in Section 2(c) hereof.

"timely" as used with respect to any Filing required under this Agreement for the purposes of the Rule shall have the meaning required under the Rule as of the Effective Date hereof.

Section 2. Scope of this Agreement. (a) The Authority has agreed to enter into this Agreement and to undertake its disclosure obligations hereunder at the request of the Underwriters and as a condition precedent to the Underwriters' purchase of the 2021 Series A Bonds pursuant to the Bond Purchase Agreement in order to assist the Underwriters' compliance with the Rule, and the Dissemination Agent has agreed to enter into this Agreement at the request of the Authority. The obligations of the Authority under this Agreement relate solely to the 2021 Series A Bonds and shall not apply to any other securities issued or to be issued by the Authority, whether issued under the General Bond Resolution or issued for the purposes of financing single family mortgage loans or otherwise.

(b) This Agreement constitutes the Authority's agreement to disclose all information related to the 2021 Series A Bonds required to be provided in accordance with the Rule. The Authority will be responsible for preparing each notice or report to be filed with the Repository by the Dissemination Agent on behalf of the Authority in accordance with the terms of this Agreement. The Dissemination Agent will have no responsibility whatsoever for the content of any notices or reports prepared by the Authority hereunder.

(c) Neither this Agreement, nor the performance by the Authority or the Dissemination Agent of their respective obligations hereunder, shall create any third party beneficiary rights, shall be enforceable by any third party, or shall constitute a basis for a claim by any person, except as expressly provided herein and except as required by law, including, without limitation, the Rule; provided, however, each of the Underwriters and each Beneficial Owner of the 2021 Series A Bonds is hereby made a third party beneficiary hereof (collectively and each respectively, "Third Party Beneficiaries") and shall have the right, but not the obligation, to enforce the obligations of the parties hereunder pursuant to Section 9 hereof.

(d) The Authority acknowledges that it is an "obligated person" within the meaning of the Rule with respect to the 2021 Series A Bonds. Nothing in this Agreement shall be construed to mean or imply that the Dissemination Agent is an "obligated person" under the Rule.

(e) Notwithstanding any provision of this Agreement to the contrary, and without limiting the obligations of the Dissemination Agent hereunder, as to the Third-Party Beneficiaries the Authority is and shall remain responsible for disclosure of all information related to the 2021 Series A Bonds required to be provided in accordance with the Rule.

(f) This Agreement and the Authority's obligations hereunder shall terminate upon the defeasance, redemption or payment in full of all 2021 Series A Bonds.

Section 3. Annual Filings. The Authority shall provide to the Dissemination Agent not later than ten (10) calendar days prior to the Annual Filing Date in the Required Electronic Format the following annual reports, each for the annual period ending on the last day of the Authority's Fiscal Year, commencing with the Fiscal Year ending on June 30, 2022, together with any Accompanying Information:

(a) An annual financial and operating data disclosure report with respect to the Authority, the 2021 Series A Bonds, the Program Obligations financed thereby and the security for the 2021 Series A Bonds, containing financial information and operating data, including, without limitation, of the type included in the Official Statement as to all parity bonds issued under the 1976 General Resolution and all Mortgage Loans, Down Payment Assistance Loans and Program Securities financed under the 1976 General Resolution in the tables under the captions "1976 GENERAL RESOLUTION MORTGAGE LOANS – Current Status of Single Family Mortgage Loan Program Under 1976 General Resolution", "APPENDIX D – CERTAIN INFORMATION ON MORTGAGE LOAN PROGRAM UNDER 1976 GENERAL RESOLUTION" and "APPENDIX E – CERTAIN INFORMATION ON PARITY BONDS OUTSTANDING AND INVESTMENTS HELD UNDER THE 1976 GENERAL RESOLUTION – Bonds Outstanding Under the 1976 General Resolution", " – Bonds Outstanding by Interest Rate Under 1976 General Resolution", " – Certain Investments Under 1976 General Resolution" and in addition, to the extent applicable, similar information with respect to the 2021 Series A Bonds and the Program Obligations financed with proceeds of the 2021 Series A Bonds (collectively, the "Annual Disclosure Report");

(b) The annual audited financial statements of the Authority prepared by a firm of certified public accountants in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board, as such principles are modified by the governmental accounting standards promulgated by the Governmental Accounting Standards Board, as in effect from time to time, and presented on a two year comparative basis for informational purposes (the "Audited Financial Statements" and, together with the Annual Disclosure Report, the "Annual Filings"); and

(c) In the event the Authority's Audited Financial Statements will not be available prior to the Annual Filing Date in any year, the Authority shall have the right, but not the obligation, to elect to provide to the Dissemination Agent for filing pursuant to Section 5 hereof the Authority's unaudited annual financial statements otherwise satisfying the description in Section 3(b) hereinabove, and in such event such unaudited annual financial statements shall satisfy the "Annual Filings" required hereunder so long as the Authority also promptly files its Audited Financial Statements when available.

Section 4. Listed Events Filings. (a) Upon having actual knowledge of the occurrence of any of the following events with respect to the 2021 Series A Bonds, together with any additional events required under the Rule

with respect to the 2021 Series A Bonds (collectively and each respectively, the "Listed Events"), if material in the event materiality is a condition of the Rule with respect to such Listed Event, the Authority shall provide to the Dissemination Agent in a prompt and timely manner and in the Required Electronic Format a written notice of the occurrence of each such Listed Event (collectively and each respectively, the "Listed Event Filings"), together with any Accompanying Information, and together with the written authorization and direction from the Authority directing the Dissemination Agent to file such written notice with the Repository, including the date on which the Authority instructs the Dissemination Agent to file such notice with the Repository, which date shall not be later than ten (10) business days after the occurrence of the Listed Event:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2021 Series A Bonds or other material events affecting the tax status of the 2021 Series A Bonds;
- (7) modifications to rights of owners of the 2021 Series A Bonds, if material;
- (8) unscheduled Bond calls (redemptions), if material;
- (9) tender offers;
- (10) defeasances;
- (11) release, substitution or sale of property securing repayment of the 2021 Series A Bonds, if material;
- (12) rating changes;
- (13) bankruptcy, insolvency, receivership or similar event of the Authority, which event shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority;
- (14) the consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (15) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(16) incurrence of a financial obligation (as defined in the Rule) of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Authority, any of which affect owners of the 2021 Series A Bonds, if material; or

(17) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Authority, any of which reflect financial difficulties.

Under the Rule, for purposes of subparagraphs (16) and (17) hereinabove, "financial obligation" means (i) a debt obligation, (ii) a 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" does not include municipal securities as to which a final official statement has been provided to MSRB pursuant to the Rule.

(b) In addition, the Authority hereby agrees to provide to the Dissemination Agent in the Required Electronic Format, together with any Accompanying Information, written notice of (i) failure of the Authority to provide the Annual Disclosure Report and/or Annual Financial Statements required under Section 3 hereof by the Annual Filing Date, and (ii) any amendment to or modification of this Agreement or the type of financial information or operating data included in the Authority's Annual Disclosure Report or the accounting principles pursuant to which the Audited Financial Statements are prepared or any change of the Authority's Fiscal Year.

Section 5. Dissemination Agent Notices. (a) If on the fifth (5th) business day prior to the Annual Filing Date, the Dissemination Agent has not received a copy of the Annual Filing, the Dissemination Agent shall contact each Authority Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Authority of its undertaking to provide the Annual Filing pursuant to Section 3 hereof. Upon receipt of such reminder, the Authority Disclosure Representative shall either (i) provide to the Dissemination Agent in the Required Electronic Format, together with any Accompanying Information, the Annual Filing no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Dissemination Agent in writing that the Authority will not be able to file the Annual Filing by the Annual Filing Date, state the date by which the Annual Filing for such year will be provided and instruct the Dissemination Agent to immediately file a submission to that effect with the Repository, together with any Accompanying Information.

(b) If the Dissemination Agent has not received either an Annual Filing or the written notice described in Section 5(a)(ii) hereof by 5:00 PM ET on the Annual Filing Date, the Authority hereby irrevocably directs the Dissemination Agent to immediately file a submission with the Repository with respect to such failure, together with any Accompanying Information.

(c) If Audited Financial Statements of the Authority are not available prior to the Annual Filing Date, the Authority shall provide the Audited Financial Statements when available in a prompt and timely manner, in the Required Electronic Format, together with any Accompanying Information, to the Dissemination Agent for filing with the Repository.

(d) The Dissemination Agent shall:

- (i) determine the name and address of each applicable Repository each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Disclosure Report received under Section 3(a) with the Repository;
- (iii) upon receipt, promptly file the Audited Financial Statements received under Section 3(b), together with any Accompanying Information, with the Repository;
- (iv) upon receipt, promptly file the Authority's unaudited financial statements received under Section 3(c), together with any Accompanying Information, with the Repository; and

- (v) upon receipt, promptly file each Listed Event Filing with the Repository, together with any Accompanying Information.

(e) The Dissemination Agent shall be under no obligation to notify the Authority of an event that may constitute a Listed Event. In the event the Dissemination Agent so notifies the Authority, within the first to occur of (A) five (5) business days after receipt of such notice or (B) eight (8) business days after the occurrence of the event, the Authority will give the Dissemination Agent written notice that (i) a Listed Event has not occurred and no filing is to be made or (ii) a Listed Event has occurred and instructing the Dissemination Agent to file a Listed Event Filing pursuant to subsection (d)(v) hereof, and in the latter case the Authority also shall furnish to the Dissemination Agent, the Listed Event Filing and any Accompanying Information, in the Required Electronic Format, together with the written authorization of the Authority for the Dissemination Agent to file such Listed Event Filing with the Repository, and the date the Authority instructs the Dissemination Agent to file the Listed Event Filing with the Repository, which date shall not be later than ten (10) business days after the occurrence of the Listed Event.

(f) Whenever the Authority provides information to the Dissemination Agent, including, without limitation, Annual Filings, Listed Event Filings and other voluntary Filings pursuant to Section 6(c) hereof, the Authority shall indicate the full name of the 2021 Series A Bonds and the 9-digit CUSIP numbers for the 2021 Series A Bonds to which the provided information relates, which CUSIP numbers current as of the Effective Date hereof are set forth on Exhibit A hereto, together with all other Accompanying Information required by the Rule.

(g) The Authority acknowledges and understands that the duties of the Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Agreement.

Section 6. Content, Manner and Timeliness of Filings. (a) The Authority shall be solely responsible for the content and timeliness of any Filings, reports or notices prepared by the Authority pursuant to this Agreement. The Dissemination Agent shall not be responsible for reviewing or verifying or determining in any way the accuracy or completeness of any Filings, reports or notices prepared by the Authority pursuant to this Agreement.

(b) Each Filing delivered by the Authority to the Dissemination Agent pursuant to this Agreement shall be in the Required Electronic Format suitable for submission to the Repository and in such form as may be permissible and appropriate under the Rule. If an item of information required to be contained in any Filing from the Authority pursuant to this Agreement would be misleading without explanation, the Authority shall additionally provide a statement as a part of such Filing explaining or clarifying such disclosure item in order that the statement and the disclosure item will not be misleading in light of the circumstances in which made. Each Filing filed with the Repository by the Dissemination Agent pursuant to this Agreement shall be in the Required Electronic Format suitable for submission to the Repository and in such form as may be permissible and appropriate under the Rule, together with any Accompanying Information required by the Rule.

(c) Nothing in this Agreement shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Filing, in addition to that which is required by this Agreement. If the Authority chooses to include any information in any Filing, in addition to the information specifically required by this Agreement, and if the Authority clearly identifies such additional information as information that will not be updated or included in future reports or notices filed with the Repository hereunder, then the Authority shall have no obligation under this Agreement to update such information or include it in any future Filing.

(d) Any report, notice or other Filing filed with the Repository pursuant to this Agreement may consist of a single document or separate documents comprising a package and may incorporate by reference other clearly identified documents or specified portions thereof previously filed with the SEC or available to the public at the MSRB's EMMA or any successor internet website established pursuant to the Rule for such purpose or as may otherwise be permitted pursuant to the Rule, provided that any final Official Statement incorporated by reference must be available to the public from the MSRB.

(e) Notwithstanding any provision of this Agreement to the contrary, the Authority and the Dissemination Agent each hereby agree that all Filings required under this Agreement shall be made within the time

requirements of the Rule, including, without limitation, the requirement that all Listed Event Filings be made within ten (10) business days of the occurrence of the Listed Event.

(f) The Dissemination Agent shall file all notices, reports and other Filings with the Repository pursuant to this Agreement by written electronic transmissions in the Required Electronic Format or by whatever means that at the time of the transmission are mutually acceptable to the parties hereto and the Repository and are permissible under the Rule.

(g) At the time the Authority or the Dissemination Agent files any information with the Repository, such party shall simultaneously notify the other party hereto by written electronic transmission that such information has been filed with the Repository, and shall include a copy of such Filing, public disclosure, notice, report or other information in the Required Electronic Format.

Section 7. Limitations on Disclosure. Nothing in this Agreement shall be construed to require the Authority or the Dissemination Agent to interpret or provide an opinion concerning information filed with the Repository pursuant to this Agreement. Nothing in this Agreement shall be construed to require or authorize the Dissemination Agent to file any information with the Repository concerning the Authority or the 2021 Series A Bonds excepting that required by Section 5 hereof.

Section 8. Dissemination Agent Provisions. (a) The Authority has appointed DAC as its initial exclusive Dissemination Agent under this Agreement. The Authority may, upon thirty (30) days written notice to the Dissemination Agent, replace or appoint a successor Dissemination Agent. The Dissemination Agent may resign at any time by providing thirty (30) days' prior written notice to the Authority. Upon termination of DAC's services as Dissemination Agent, whether by notice of the Authority or DAC, the Authority agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of Dissemination Agent under this Agreement for the benefit of the Third-Party Beneficiaries (including without limitation, the Beneficial Owners of the 2021 Series A Bonds). Notwithstanding any replacement or appointment of a successor, the Authority shall remain liable until payment in full for any and all sums owed and payable to the Dissemination Agent.

(b) The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited by the extent the Authority has provided such information to the Dissemination Agent as required by this Agreement. The Dissemination Agent shall have no duty with respect to the content of any Filing, disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any Filing or any other information, disclosures or notices provided to it by the Authority and shall not be deemed to be acting in any fiduciary capacity for the Authority, the Third-Party Beneficiaries or any other party. The Dissemination Agent shall have no responsibility for the Authority's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Authority has complied with this Agreement. The Dissemination Agent may conclusively rely upon written representations, notices and certifications of the Authority at all times.

(c) To the extent permitted by law, the Authority agrees to indemnify and save the Dissemination Agent and its respective officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their 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 Authority under this subsection shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the 2021 Series A Bonds.

(d) The Authority and the Dissemination Agent each may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and neither of them shall incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. Each party shall be responsible for the fees and expenses of such counsel unless the Authority expressly agrees in writing to the contrary.

Section 9. Defaults; Remedies. (a) A party shall be in default of its obligations hereunder if it fails and refuses to carry out or perform its obligations hereunder for a period of thirty (30) days following notice of default given in writing to such party by any other party hereto or by any Third-Party Beneficiary hereof, unless such default is cured within such thirty (30) day cure period. An extension of such thirty (30) day cure period may be granted for good cause (in the reasonable judgment of the party granting the extension) by written notice.

(b) If a default occurs and continues beyond the notice and cure period specified above, the non-defaulting party or any named Third Party Beneficiary hereof may seek specific performance of the defaulting party's obligations hereunder as the sole and exclusive remedy available upon any such default (excepting only as provided in subsection (d) of this Section); provided, however, as to any default consisting of a failure to file with the Repository any report, notice or other Filing required under this Agreement, any Beneficial Owner of the 2021 Series A Bonds may seek such specific performance directly or may give the Dissemination Agent written direction to seek specific performance, and upon receipt of such written direction and receipt of indemnification satisfactory to the Dissemination Agent, the Dissemination Agent shall seek such specific performance; provided further, however, as to any default or alleged default consisting of the inadequacy of the information included in any report, notice or other Filing filed with the Repository pursuant to this Agreement, no Beneficial Owner of 2021 Series A Bonds shall have the right to seek specific performance directly and the Dissemination Agent shall be obligated to seek such specific performance on behalf of Beneficial Owners of 2021 Series A Bonds only upon written direction of Beneficial Owners of not less than twenty-five percent (25%) in aggregate principal amount of the 2021 Series A Bonds then outstanding and upon receipt of indemnification satisfactory to the Dissemination Agent. Each of the parties and Third-Party Beneficiaries hereof hereby acknowledges that monetary damages will not be an adequate remedy at law for any default hereunder, and therefore agrees that the exclusive remedy of specific performance will be available to enforce this Agreement (excepting only as provided in subsection (d) of this Section).

(c) Notwithstanding any provision of this Agreement or the Bond Resolutions to the contrary, no default under this Agreement shall constitute a default or Event of Default under the Bond Resolutions.

(d) Notwithstanding any provision of subsection (b) of this Section to the contrary, in the event the default that has occurred and continued beyond the notice and cure period specified in subsection (a) hereof consists of the Authority's failure to pay the Dissemination Agent amounts due hereunder, the Dissemination Agent's remedies shall not be limited to specific performance and the Dissemination Agent may pursue any remedy available thereto, including, without limitation, the right to resign hereunder in accordance with Section 8(a) hereof.

Section 10. Amendment or Modification. (a) This Agreement shall not be amended or modified except as provided in this Section, and, except as provided in subsection (b) hereof, may not be amended or modified except by a writing executed by the Dissemination Agent and the Authority. No modification, amendment, alteration or termination of all or any part of this Agreement shall be construed to be, or operate as, altering or amending in any way the provisions of the Bond Resolutions. The Authority shall file with the Repository notice of any amendment or modification of this Agreement (excepting an amendment pursuant to subsection (b) hereof) in accordance with Section 4(b) hereof.

(b) The Repositories hereunder shall be automatically amended from time to time if the SEC designates or recognizes one or more entities as an additional or successor Repository under the Rule.

(c) This Agreement shall be amended or modified from time to time as may be necessary or desirable to conform the terms hereof to the Rule or any official release of the SEC with respect to the Rule, to the extent applicable to the 2021 Series A Bonds and the subject matter hereof, including, without limitation, the following: this Agreement may be amended in connection with a change in circumstances that arises from a change in legal requirements or a change in the identity, nature or status of the Authority or any other "obligated person" under the Rule with respect to the 2021 Series A Bonds or the type of business conducted thereby, provided, however, that (i) this Agreement as so amended would have complied with the Rule at the time of initial issuance and sale of the 2021 Series A Bonds, after taking into account any amendments or interpretative releases of the SEC with respect to the Rule applicable to the 2021 Series A Bonds and any change in circumstances occurring since such time of initial issuance and sale and (ii) the amendment does not materially impair the interests of the Beneficial Owners of the 2021 Series A Bonds, as determined by either (A) an opinion of Bond Counsel or other counsel to the Authority or (B) approving vote of the Beneficial Owners of the 2021 Series A Bonds in accordance with the procedures and

requirements substantially similar to those applicable to amendments to the General Bond Resolution pursuant to Article IX thereof (including, without limitation, the percentage of Beneficial Owners whose approval is required).

Section 11. Notices. All notices pursuant to this Agreement shall be in writing (including, without limitation, notices sent electronically by e-mail, telecopy, or similar written telecommunication), and shall be effective upon receipt thereof on a Business Day. All notices shall be directed to the applicable party and to the attention of the respective person listed below, or at such other address or to the attention of such other person as such party shall have designated for such purpose in written notice.

The Authority:

Georgia Housing and Finance Authority
c/o Georgia Department of Community Affairs
60 Executive Park South
Atlanta, GA 30329
Attention: Fenice Taylor
Director of Bond Finance
Telephone No.: (404) 679-0647
Telecopy No.: (770) 302-9635
E-mail: Fenice.Taylor@dca.ga.gov

The Dissemination Agent:

Digital Assurance Certification, LLC
390 N. Orange Avenue
17th Floor
Orlando, FL 32801
Attention: Ms. Paula Stuart
Chief Executive Officer
Telephone No.: (407) 515-1111
Telecopy No.: (407) 515-6513
E-mail: pstuart@dacbond.com

Section 12. Miscellaneous. (a) Representations. Each of the parties hereto represents and warrants to each other party that (i) it has duly authorized the execution and delivery of this Agreement by the officers of such party whose signatures appear on the execution pages hereto, (ii) it has all requisite power and authority to execute, deliver and perform this Agreement under applicable law and any resolutions or other actions of such party now in effect, (iii) the execution and delivery of this Agreement, and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party or its property or assets is bound, and (iv) there is no litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Agreement, or its due authorization, execution and delivery of this Agreement, or otherwise contesting or questioning the issuance of the 2021 Series A Bonds.

(b) Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia and applicable federal law.

(c) Severability. If any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall survive and continue in full force and effect.

(d) Electronic Form and Counterparts. This Agreement may be executed and delivered in electronic form, which electronic form shall be effective as the original hereof, and may be executed in multiple counterparts, each of which shall constitute an original and all of which shall constitute and be treated as one and the same document; it shall not be necessary that all signatories hereto sign all such counterparts so long as at least one such counterpart shall be signed electronically or manually by each such signatory.

IN WITNESS WHEREOF, the Authority and the Dissemination Agent have each caused their duly authorized officers to execute this Continuing Disclosure Agreement [2021 Series A] as of the Effective Date hereinabove written.

GEORGIA HOUSING AND FINANCE AUTHORITY

Attest: _____
Tonya C. Curry
Deputy Executive Director

By: _____
G. Christopher Nunn
Executive Director

**DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Dissemination Agent**

By: _____
Chief Executive Officer

EXHIBIT A

CUSIP⁽¹⁾ NUMBERS UPON INITIAL ISSUANCE

\$101,235,000*

**Georgia Housing and Finance Authority
Single Family Mortgage Bonds
2021 Series A**

<u>Maturity Date*</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>CUSIP Number⁽¹⁾</u>
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[End of Appendix G]

⁽¹⁾ Copyright American Bankers Association; CUSIP® is a registered trademark of the American Bankers Association. The CUSIP numbers have been assigned by the CUSIP Service Bureau managed on behalf of the American Bankers Association by S&P Global Market Intelligence, and are included herein solely for the convenience of bondholders. Neither the Authority nor any Underwriter makes any representation as to the selection, accuracy or use now or in the future of such CUSIP numbers or has any responsibility with respect to such CUSIP numbers.

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APPENDIX H

**AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2021 and 2020

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

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Independent Auditor's Report

To the Board of Directors
Georgia Housing and Finance Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Georgia Housing and Finance Authority (the Authority), a component unit of the State of Georgia, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority'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 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 financial statements based on our audits. We conducted our audits 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 entity'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 entity'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 financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority, as of June 30, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information on pages 51 through 55 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information on pages 51 through 55 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The accompanying verification of required insurance and adjusted net worth calculation are presented for purposes of additional analysis as required by the Government National Mortgage Association (Ginnie Mae or GNMA) and are also not a required part of the basic financial statements. 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 September 15, 2021, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Atlanta, Georgia
September 15, 2021

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

**Management's Discussion and Analysis
June 30, 2021 and 2020**

As management of the Georgia Housing and Finance Authority, ("GHFA" or the "Authority"), we offer readers of GHFA's financial statements this narrative overview and analysis of the financial activities of GHFA for the fiscal years ended June 30, 2021 and 2020. We encourage readers to read the information presented here in conjunction with additional information we have furnished in the Authority's financial statements, which follow this narrative.

Affordable, quality housing builds strong communities and a strong economy provides the cornerstone of family life. This statement is management's belief and as the State of Georgia's housing agency, GHFA works to ensure that Georgians have the housing they need. GHFA is charged with the responsibility for financing affordable housing development, providing homeownership education and financing for home buyers, and providing financial assistance to local governments for housing activities designed to benefit low and moderate-income Georgians. In addition, through multiple housing programs, GHFA provides funding to non-profit organizations and local governments to enable them to provide supportive housing shelter and other essential services to the difficult to house and homeless. Funding for single-family loans program is through the issuance of tax-exempt revenue bonds. The affordable housing initiatives and supportive housing programs are funded primarily by federal and state grants.

During the year ended June 30, 2021, GHFA awards and expenditures that benefited residents of Georgia included:

- GHFA's "Georgia Dream" first mortgage program provided \$148,349,531 in single family first mortgages along with \$2,430,000 (for 358 families) in bond funded down payment assistance and \$9,240,000 (for 616 families) in U.S. Treasury Hardest Hit Fund down payment assistance, allowing 974 households to achieve homeownership, most of them for the first time. Over half of the bond funded down payment assistance went to PEN (Protectors, Educators and Healthcare workers) and CHOICE (disabled) recipients. The average FICO score of the Georgia Dream loans purchased in this fiscal year is 707. On September 18, 2020, Standard and Poor's Global Ratings ("S&P") assigned its 'AAA' rating to GHFA's Series 2020B single- family mortgage bonds. At the same time, Standard and Poor's affirmed its 'AAA' rating on all debt under GHFA's single-family mortgage bond resolution (the 1976 general resolution). The outlook is stable. There have been no credit watches, downgrades, or other actions by S&P or any other rating agency with respect to any of GHFA's Outstanding Bonds. The Authority's bond issuance capacity increased from \$1.3 billion to \$3 billion in April 2016.
- GHFA's Housing Counseling Program provided \$817,727 in grants, supporting 5,263 Georgians receiving housing counseling services and education. Additionally, GHFA provided on-line pre-purchase counseling to 2,985 families.
- GHFA allocated \$31,478,997 in 9% Housing Tax Credits this year. These credits will provide financing to support the development of 2,466 affordable apartment homes for Georgia families in 39 neighborhoods throughout the State. Nineteen (19) of these properties will be located in Rural communities. Fourteen (14) of the properties will provide housing for Georgia seniors.
- GHFA, in partnership with Southface and the Georgia Health Policy Center ("GHPC"), has partnered with the Kresge Foundation and local public housing authorities ("PHAs") to assist PHAs in addressing residents' health through better quality housing and improved access to services. Kresge has contributed a grant of \$391,962, and each project team receiving a HOME loan will contribute \$75,000 upfront. Of the 11 project sites included in the initiative, 10 sites have closed on its HOME loan and contributed its full \$75,000 as leveraged funding. Services

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

**Management's Discussion and Analysis
June 30, 2021 and 2020**

being provided by Southface and GHPC include front end research to set a baseline of resident and environmental health, a Health and Housing Learning Academy designed to share strategies with and between PHAs for improving relationships with the public health sector and meeting residents' health needs, technical assistance during development, and post development research.

- In 2021, GHFA awarded \$6.5 million in grants to 15 local communities around the State to build new affordable single-family homes and help existing homeowners rehabilitate their homes. Grant amounts range from \$400,000 to \$600,000. The awards were made through the Community HOME Investment Program (CHIP).
- GHFA also allocated \$60,209,872 in 4% Housing Tax Credits to be used to develop and preserve 8,033 affordable apartment homes in 49 properties across Georgia.
- GHFA awarded \$24 million in HOME funds and \$11 million in National Housing Trust Fund (NHTF) funds to finance the development of fourteen 9% and 4% Housing Tax Credit developments. These developments will provide 1,760 affordable apartment homes.
- GHFA, through the Emergency Solutions Grant and State Housing Trust Fund for the Homeless, awarded \$4,667,743 in Federal and State funding for 127 programs to providers of shelter, homeless management information systems, rapid re-housing, homelessness prevention, and supportive services for the homeless. GHFA also received additional funding due to COVID 19 pandemic. In response to the COVID-19 pandemic, the Emergency Solutions Grant program received an additional \$45,418,452 in funding under the Coronavirus Aid, Relief and Economic Security Act (CARES Act). With additional federal funding, GHFA awarded \$11,879,609 to provide additional services for our providers for shelter, homeless management information systems, rapid re-housing, homelessness prevention, and other supportive services for the homeless.
- GHFA distributed \$3,497,903 through the Housing Opportunities for Persons with AIDS ("HOPWA") program for ten projects to provide rental assistance to individuals living with HIV/AIDS and their families. HOPWA also received additional funding for our providers. In response to the COVID-19 pandemic, the HOPWA program received additional funding of \$562,987 under the Coronavirus Aid, Relief and Economic Security Act (CARES Act). GHFA awarded \$430,589 additional dollars to our existing ten projects.
- GHFA's Shelter Plus Care program expended \$13,872,102 in funding that provided rental assistance for nearly 1,800 units to enable individuals who are homeless and have a disability to obtain permanent housing with supportive services.

Fiscal year 2021 financial highlights

- Total assets decreased \$44,981,190
- Investments increased \$28,462,650
- Program loans decreased by \$16,233,980
- Mortgage loans, net of premiums and discounts decreased by \$18,578,464
- Mortgage bonds, net of premiums and discounts decreased by \$64,869,498
- Total net position increased \$10,913,292

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

**Management's Discussion and Analysis
June 30, 2021 and 2020**

Overview of the financial statements

The Georgia Housing and Finance Authority, a corporate body and instrumentality of the State of Georgia, is a public purpose financial enterprise and uses enterprise fund accounting. These annual financial statements consist of two parts: Management's Discussion and Analysis, (this section) and the basic financial statements. The financial statements of GHFA report information using methods similar to those used by private-sector companies. These statements provide both long-term and short-term information about the Authority's overall financial status. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. Financial statements by program are presented as supplementary information.

Required financial statements

The *Statements of Net Position* presents information on all of GHFA's assets and liabilities, with the difference between the two reported as net position. This statement provides information about the nature and amounts of investments in resources (assets) and the obligations to the Authority's creditors (liabilities). It provides one way to measure the financial health of GHFA by providing the basis for evaluating the capital structure and assessing the liquidity and financial flexibility. However, one will need to consider other non-financial factors such as changes in economic conditions and new or changed government legislation.

All of the current year's revenue and expenses are accounted for in the *Statements of Revenues, Expenses, and Changes in Net Position*. This statement measures the success of GHFA's operations over the past year and can be used to determine whether the Authority has successfully recovered its cost as well as assessing credit worthiness.

The final required financial statement is the *Statements of Cash Flows*. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing and financing activities. The statement provides answers to such questions as "where did the cash come from, what was the cash used for, and what was the change in cash balance during the reporting period?"

Management believes that the Authority's financial condition is stable. GHFA's strength is also reflected in the continued AAA rating assigned by Standard and Poor's Rating Services, a division of McGraw Hill Companies. Federal Housing Administration ("FHA") has recognized GHFA for distinction in loss mitigation and HUD has assigned the Authority a Tier 1 rating in loss mitigation efforts. GHFA is operating well within financial policies and guidelines set by the Board. Adequate liquid asset levels and good mortgage portfolio performance at June 30, 2021 exhibit GHFA's financial strength.

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Management's Discussion and Analysis
June 30, 2021 and 2020

Financial analysis

During fiscal year 2021, the Authority's total net position increased by \$10.9 million or 4.4%. The following table summarizes the changes in combined net position between June 30, 2021 and 2020:

	Net Position (Dollars in Millions)		Increase (Decrease) Amount	Increase (Decrease) %
	2021	2020		
Cash and investments	\$ 352.7	\$ 391.0	\$ (38.3)	(9.8)%
Accrued interest receivable	9.7	9.6	0.1	1.0%
Other current assets	289.5	241.2	48.3	20.0%
Total current assets	651.9	641.8	10.1	1.6%
Mortgage loans receivable, net	1,278.1	1,296.0	(17.9)	(1.4)%
Investments	259.9	280.2	(20.3)	(7.2)%
Capital assets, net	3.1	3.5	(0.4)	(11.4)%
Other assets, net	584.2	600.7	(16.5)	(2.7)%
Total assets	2,777.2	2,822.2	(45.0)	(1.6)%
Accounts payable and accrued expenses	6.9	5.6	1.3	23.2%
Other current liabilities	421.2	398.6	22.6	5.7%
Total current liabilities	428.1	404.2	23.9	5.9%
Bonds payable	1,496.6	1,561.6	(65.0)	(4.2)%
Refundable grants	570.6	586.9	(16.3)	(2.8)%
Revenue received in advance	22.8	21.3	1.5	7.0%
Total liabilities	2,518.1	2,574.0	(55.9)	(2.2)%
Net position				
Net investment in capital assets	3.1	3.5	(0.4)	(11.4)%
Unrestricted	256.0	244.7	11.3	4.6%
Total net position	\$ 259.1	\$ 248.2	\$ 10.9	4.4%

Mortgage loan activity decreased by 1.4% during the 2021 fiscal year. Bonds totaling \$110,850,000 were issued during the fiscal year 2021 as compared to \$277,840,000 in fiscal year 2020.

The allowance for possible losses on single family mortgage loans receivable portfolio for fiscal year 2021 remained a balance of \$4,500,000. The allowance for possible losses on other loans receivable, included in other assets above, remained a balance of \$4,736,392 in 2021.

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Management's Discussion and Analysis
June 30, 2021 and 2020

During fiscal year 2020, the Authority's total net position increased \$25.6 million or 11.5%. The following table summarizes the changes in combined net position between June 30, 2020 and 2019:

	Net Position (Dollars in Millions)		Increase (Decrease) Amount	Increase (Decrease) %
	2020	2019		
Cash and investments	\$ 391.0	\$ 310.7	\$ 80.3	25.8%
Accrued interest receivable	9.6	9.7	(0.1)	(1.0)%
Other current assets	241.2	195.6	45.6	23.3%
Total current assets	641.8	516.0	125.8	24.4%
Mortgage loans receivable, net	1,296.0	1,252.7	43.3	3.5%
Investments	280.2	229.1	51.1	22.3
Capital assets, net	3.5	2.9	0.6	20.7
Other assets, net	600.7	588.6	12.1	1.6%
Total assets	2,822.2	2,589.3	232.9	9.0%
Accounts payable and accrued expenses	5.6	4.3	1.3	30.2%
Other current liabilities	398.6	359.6	39.0	10.8%
Total current liabilities	404.2	363.9	40.3	11.1%
Bonds payable	1,561.6	1,407.0	154.6	11.0%
Refundable grants	586.9	576.1	10.8	1.9%
Revenue received in advance	21.3	19.7	1.6	8.1%
Total liabilities	2,574.0	2,366.7	207.3	8.8%
Net position				
Net investment in capital assets	3.5	2.9	0.6	20.7%
Unrestricted	244.7	219.7	25.0	11.4%
Total net position	\$ 248.2	\$ 222.6	\$ 25.6	11.5%

Mortgage loan activity increased by 3.5% during the 2020 fiscal year. Bonds totaling \$277,840,000 were issued during the fiscal year 2020 as compared to \$236,640,000 in fiscal year 2019.

The allowance for possible losses on single family mortgage loans receivable portfolio for fiscal year 2020 remained a balance of \$4,500,000. The allowance for possible losses on other loans receivable, included in other assets above, remained a balance of \$4,736,392 in 2020.

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Management's Discussion and Analysis
June 30, 2021 and 2020

The following table shows a summary of changes in revenues, expenses and changes in net position between June 30, 2021 and 2020:

	Changes in Net Position (Dollars in Millions)		Increase (Decrease) Amount	Increase (Decrease) %
	2021	2020		
Revenues:				
Interest on loans	\$ 62.3	\$ 61.9	\$ 0.4	0.6%
Interest on investments	7.2	20.3	(13.1)	(64.5)%
State assistance and bond sales	35.2	30.1	5.1	16.9%
Federal and state grants	84.6	106.0	(21.4)	(20.2)%
Other	6.7	5.1	1.6	31.4%
Total revenues	196.0	223.4	(27.4)	(12.3)%
Expenses:				
Interest on bonds	51.5	52.0	(0.5)	(1.0)%
Mortgage servicing	8.3	7.8	0.5	6.4%
Administrative	30.6	25.8	4.8	18.6%
Federal and state grant expense	86.3	107.0	(20.7)	(19.3)%
Professional fees	2.6	2.0	0.6	30.0%
Other	5.8	3.2	2.6	81.3%
Total expenses	185.1	197.8	(12.7)	(6.4)%
Change in net position	10.9	25.6	(14.7)	(57.4)%
Net position at beginning of year	248.2	222.6	25.6	11.5%
Net position at end of year	\$ 259.1	\$ 248.2	\$ 10.9	4.4%

Interest on investments decreased from the prior year's level due to lower short-term market interest rates during fiscal year 2021. Interest on bonds decreased from the prior year's level due to a decrease in the amount of bonds outstanding during fiscal year 2021. Federal and state grant revenue and expense decreased from prior year's level due to decreased funding and spending in the REBA program.

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Management's Discussion and Analysis
June 30, 2021 and 2020

The following table shows a summary of changes in revenues, expenses and changes in net position between June 30, 2020 and 2019:

	Changes in Net Position (Dollars in Millions)		Increase (Decrease) Amount	Increase (Decrease) %
	2020	2019		
Revenues:				
Interest on loans	\$ 61.9	\$ 57.2	\$ 4.7	8.2%
Interest on investments	20.3	22.4	(2.1)	(9.4)%
State assistance and bond sales	30.1	25.9	4.2	16.2%
Federal and state grants	106.0	103.1	2.9	2.8%
Other	5.1	4.7	0.4	8.5%
Total revenues	223.4	213.3	10.1	4.7%
Expenses:				
Interest on bonds	52.0	46.2	5.8	12.6%
Mortgage servicing	7.8	7.7	0.1	1.3%
Administrative	25.8	24.6	1.2	4.9%
Federal and state grant expense	107.0	103.9	3.1	3.0%
Professional fees	2.0	2.0	-	0.0%
Other	3.2	2.8	0.4	14.3%
Total expenses	197.8	187.2	10.6	5.7%
Change in net position	25.6	26.1	(0.5)	(1.9)%
Net position at beginning of year	222.6	196.5	26.1	13.3%
Net position at end of year	\$ 248.2	\$ 222.6	\$ 25.6	11.5%

Interest on investments decreased from the prior year's level due to lower short-term market interest rates during fiscal year 2020. Interest on loans increased from the prior year's level due to an increase in the amount of loans outstanding during fiscal year 2020. Interest on bonds increased from the prior year's level due to an increase in the amount of bonds outstanding during fiscal year 2020.

Capital assets and long-term debt activity

At June 30, 2021, the Authority had \$3.1 million invested in capital assets consisting primarily of an office building, capital and leasehold improvements to the building, computer equipment and vehicles. Depreciation expense for fiscal year 2021 totaled \$313,769.

During fiscal year 2021, GHFA issued approximately \$110.9 million in serial and term bonds at rates between 0.3% and 2.5%. During fiscal year 2021, bonds in the amount of approximately \$174.5 million either matured or were called for a net decrease of \$63.6 million of bonds outstanding. At June 30, 2021, \$1,538.9 million in revenue bonds was outstanding. Debt service schedules extend to fiscal year 2051.

During fiscal year 2020, GHFA issued approximately \$277.8 million in serial and term bonds at rates between 1.0% and 4.0%. During fiscal year 2020, bonds in the amount of approximately \$121.1 million either matured or were called for a net increase of \$156.7 million of bonds outstanding. At June 30, 2020, \$1,603.8 million in revenue bonds was outstanding.

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

**Management's Discussion and Analysis
June 30, 2021 and 2020**

Contacting GHFA's financial management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of GHFA's finances and to demonstrate accountability for the money it receives. If you have questions about this report or need additional information, contact:

Georgia Housing and Finance Authority
Attn: Finance Division
60 Executive Park South NE
Atlanta, Georgia 30329

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Statements of Net Position

	June 30,	
	2021	2020
Assets		
Current assets		
Cash and cash equivalents and equity in pooled cash	\$ 352,685,648	\$ 390,987,543
Short-term investments	152,189,079	103,440,995
Mortgage loans receivable, current portion	39,208,362	39,925,410
Accrued interest receivable	9,714,189	9,597,815
Mortgage escrow deposits	80,472,092	80,197,336
Other current assets	17,634,081	17,658,059
Total current assets	651,903,451	641,807,158
Noncurrent assets		
Long-term investments	259,868,129	280,153,563
Mortgage loans receivable, net	1,278,109,056	1,295,970,472
Program loans receivable	570,630,112	586,864,092
Other loans receivable, net	13,561,771	13,944,655
Capital assets, net	3,142,363	3,456,132
Total noncurrent assets	2,125,311,431	2,180,388,914
Total assets	\$ 2,777,214,882	\$ 2,822,196,072

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Statements of Net Position

	June 30,	
	2021	2020
Liabilities		
Current liabilities		
Mortgage bonds payable, current maturities	\$ 42,330,000	\$ 42,170,000
Accrued interest on bonds	4,087,454	4,589,401
Accounts payable and accrued expenses	6,878,029	5,633,393
Mortgage escrow deposits held	80,472,092	80,197,336
Revenue received in advance, current maturities	3,064,606	3,013,608
Program funds received in advance	291,247,091	268,550,571
Total current liabilities	428,079,272	404,154,309
Noncurrent liabilities		
Mortgage bonds payable, net	1,496,556,462	1,561,585,960
Refundable program grants	570,630,112	586,864,092
Revenue received in advance	22,840,951	21,396,918
Total noncurrent liabilities	2,090,027,525	2,169,846,970
Total liabilities	2,518,106,797	2,574,001,279
Net position		
Net investment in capital assets	3,142,363	3,456,132
Unrestricted	255,965,722	244,738,661
Total net position	259,108,085	248,194,793
Total liabilities and net position	\$ 2,777,214,882	\$ 2,822,196,072

See Notes to Financial Statements

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Statements of Revenues, Expenses, and Changes in Net Position

	Years ended June 30,	
	2021	2020
Operating revenues		
Interest on loans	\$ 62,331,427	\$ 61,921,200
Interest on investments	14,572,368	14,617,583
Net (decrease) increase in fair value of investments	(7,354,938)	5,654,205
Administrative fees:		
Federal and state assistance programs	31,576,282	26,818,347
Single family trustee	3,563,089	3,312,939
Federal and state grant income	84,644,241	106,029,097
Other miscellaneous income	6,658,752	5,103,791
Total operating revenues	195,991,221	223,457,162
Operating expenses		
Interest on bonds	51,513,946	51,981,533
Mortgage servicing	8,250,351	7,762,078
Administrative	30,571,791	25,763,207
Federal and state grant expense	86,289,923	107,075,348
Professional fees	2,635,754	2,009,508
Other	5,816,164	3,227,445
Total operating expenses	185,077,929	197,819,119
Change in net position	10,913,292	25,638,043
Net position at beginning of year	248,194,793	222,556,750
Net position at end of year	\$ 259,108,085	\$ 248,194,793

See Notes to Financial Statements.

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Statements of Cash Flows

	Years ended June 30,	
	2021	2020
Cash flows from operating activities		
Receipts from loans and investments	\$ 246,261,790	\$ 264,037,788
Payments to purchase and service mortgage loans	(159,029,882)	(244,762,525)
Interest payments to bond holders	(53,280,392)	(52,924,687)
Payments to employees and suppliers	(36,337,463)	(23,906,704)
Federal and state grants	84,644,241	106,029,097
Other payments	(36,626,625)	(37,512,455)
Purchases of other loans	(27,836,282)	(50,481,993)
Principal repayments on other loans	44,453,146	38,300,527
Net cash provided by (used in) operating activities	<u>62,248,533</u>	<u>(1,220,952)</u>
Cash flows from investing activities		
Purchases of investments	(99,158,142)	(81,756,769)
Proceeds from sales and maturities of investments	63,340,554	10,125,242
Net cash used in investing activities	<u>(35,817,588)</u>	<u>(71,631,527)</u>
Cash flows from noncapital financing activities		
Proceeds from issuance of bonds, net of premium	110,850,000	277,840,000
Principal repayments of bonds, net of discount	(174,455,000)	(121,055,000)
Cost of bonds issued	(1,127,840)	(2,828,033)
Net cash (used in) provided by noncapital financing activities	<u>(64,732,840)</u>	<u>153,956,967</u>
Cash flows from capital and related financing activities		
Cash payments for purchase of capital assets	-	(778,047)
Net cash used in capital and related financing activities	<u>-</u>	<u>(778,047)</u>
Net (decrease) increase in cash and cash equivalents	(38,301,895)	80,326,441
Cash and cash equivalents at beginning of year	<u>390,987,543</u>	<u>310,661,102</u>
Cash and cash equivalents at end of year	<u><u>\$ 352,685,648</u></u>	<u><u>\$ 390,987,543</u></u>

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Statements of Cash Flows

	Years ended June 30,	
	2021	2020
Reconciliation of change in net position to net cash provided by (used in) operating activities:		
Change in net position	\$ 10,913,292	\$ 25,638,043
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities		
Depreciation	313,769	235,964
Amortization of mortgage loan premiums and discounts	(1,264,499)	(1,163,285)
Net decrease (increase) in fair value of investments	7,354,938	(5,654,205)
Net (increase) decrease in capital appreciation bonds	(1,264,498)	1,528,919
Bond issuance costs on retired bonds	2,392,339	3,991,318
Change in assets and liabilities:		
Issuance of mortgage loans	(150,779,531)	(237,000,447)
Principal repayments of mortgage loans	169,357,995	187,499,005
Issuance of other loans	(27,836,282)	(50,481,993)
Principal repayments on other loans	44,453,146	38,300,527
Accrued interest receivable	(116,374)	55,774
Other current assets	23,978	(515,296)
Accounts payable, accrued expenses, and other liabilities	1,244,636	1,337,255
Accrued interest on bonds	(501,947)	220,131
Program funds received in advance	22,696,520	22,362,776
Refundable program grants	(16,233,980)	10,793,958
Revenue received in advance	1,495,031	1,630,604
Net cash provided by (used in) operating activities	<u>\$ 62,248,533</u>	<u>\$ (1,220,952)</u>

See Notes to Financial Statements.

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

**Notes to Financial Statements
June 30, 2021 and 2020**

Note 1 - Organization and activities

The Georgia Housing and Finance Authority (GHFA or the "Authority") was created in 1991 as a body corporate and politic and is deemed an instrumentality of the State of Georgia (the State) and a public corporation performing an essential governmental function. The Authority was created to replace the Georgia Residential Finance Authority and to assume all operations, rights, powers, duties, obligations and liabilities of the Georgia Residential Finance Authority, which was created in 1974. Under the Authority's enabling legislation (the "Act"), the purposes of the Authority, among others, are the provision of public financing and financial assistance for (i) work designed or financed for the primary purpose of providing safe, decent, energy efficient, appropriate, and affordable dwelling accommodations for persons and families of low or moderate income and (ii) the financing of mortgage loans made for the purposes described in clause (i) or participations therein and the underwriting, servicing and administration of mortgage loans made for the purposes described in clause (i) or participations therein.

The Authority has the power, among others, to purchase notes evidencing loans which are secured by mortgages, to make loans, to acquire and contract to acquire mortgages, to service mortgages, and to make and execute contracts for the servicing of mortgages made or acquired by the Authority, to borrow money and to issue notes, bonds and other obligations subject to the approval of the Georgia State Financing and Investment Commission, to make investments, and to do any and all things necessary or convenient to carry out its purposes and exercise the powers given and granted to the Authority by the Act.

The Act provides, for administrative purposes only, that the Authority is assigned to the Department of Community Affairs ("DCA"), which is a legislatively created executive branch department of the State. The members of the Authority's board are the same persons who comprise the DCA board, who are appointed by the Governor. Except for the authorization of the issuance of bonds, the Authority may delegate to its executive director such powers and duties as it may deem proper. The commissioner of DCA is the executive director of the Authority. The Authority may contract with DCA for professional, technical, clerical and administrative support and for any purpose necessary or incidental to carrying out the duties, responsibilities or functions of the Authority. No funds or assets of the Authority will be distributed to DCA or any other department, authority or agency of the State unless otherwise provided by law, except that the Authority may pay reasonable compensation for services rendered and may reimburse expenses incurred and except as may be deemed necessary or desirable by the Authority to fulfill its purposes under the Act.

The powers of the Authority are vested in nineteen members who also comprise the board of DCA and GHFA. Board members are appointed by the Governor and are composed of one member from each United States Congressional District in the State (currently fourteen) plus five additional members from the State at large, and include elected officials of counties or municipalities, individuals with an interest or expertise in community or economic development, environmental issues, housing development or finance or citizens who in the judgment and discretion of the Governor would enhance the board.

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Note 2 - Housing programs

The following business-type activities of the Authority are classified as proprietary:

Administrative Program

The Administrative Program activities include income not directly related to the repayment of specific notes or bonds and includes expenses related to the Authority's administrative functions. Administrative Program activities include, but are not limited to, services related to the State's allocation and monitoring of Federal and State low-income housing tax credits ("LIHTC"). The Administrative Activities program includes the following programs:

Low-Income State Housing Tax Credit

In 1986, the Authority was designated by the Governor as the State's allocating agency for the Low-Income Housing Tax Credit ("LIHTC") program. The program was established to promote the development of low-income rental housing through tax incentives, rather than direct subsidies. The LIHTC program is a ten-year Federal tax credit against a taxpayer's ordinary income tax liability which is available (directly or through partnerships) to individuals and corporations who acquire or develop and own qualified low-income rental housing.

Single-Family Mortgage Revenue Program

The Single-Family Mortgage Revenue Program accounts for proceeds of single-family mortgage bonds issued to finance the purchase of single-family mortgage loans for eligible persons and families of low and moderate income within the State of Georgia.

Substantially all single-family mortgage loans made or purchased by the Authority are insured under programs offered by the Federal Housing Administration ("FHA") or Veteran's Administration ("VA"). The Authority also makes or purchases loans with conventional insurance and has a small group of uninsured loans. The Single-Family Mortgage Revenue Program includes the Georgia Dream Program described below:

The Georgia Dream Program

The Georgia Dream Program enables the Authority to finance the purchase of housing by Georgia families of low or moderate income. The Authority is authorized to issue tax-exempt revenue bonds to raise funds, the proceeds of which are used to make qualified mortgage loans for eligible persons and families. The bonds are to be repaid from collections of scheduled repayments and prepayments of mortgage loans. The bonds are direct obligations of the Authority and not a debt of the State or any political subdivision thereof. The Authority's bond issuance capacity at June 30, 2021 was \$3,000,000,000 in connection with the Georgia Dream Program.

Hospital Finance Authority Program

The Hospital Equipment Financing Authority ("HEFA") was established in 1984 by the Georgia General Assembly under the provisions of the Hospital Equipment Financing Act (the "Hospital Act"). The Hospital Act empowered HEFA, among other authorized activities, to finance the purchase of hospital equipment by not-for-profit Georgia hospitals. During 1990, the Hospital Act was amended such that HEFA was empowered to finance the acquisition and construction of hospital facilities as well as hospital equipment, and the name of HEFA was also changed to the Hospital Financing Authority ("HFA"). HFA issued low interest rate, tax-exempt revenue bonds to raise funds which are used to provide below market interest rate loans to eligible hospitals. HFA has no taxing power.

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Effective April 9, 1993, the Georgia General Assembly amended the Hospital Act which governs the operations of HFA. This amendment dissolved HFA as a separate legal entity and merged its operations into the Authority. As of April 9, 1993, all assets and liabilities of HFA were transferred to the Authority. The Authority's bond issuance capacity at June 30, 2021 was \$30,000,000 in connection with the Hospital Finance Authority Program. During 2021 and 2020, there was no activity in the Hospital Finance Authority Program.

Blended Component Units

Blended component units have governing bodies substantively the same as the Authority, provide services entirely or almost entirely to the primary government or have total debt outstanding, including leases, that is expected to be paid entirely, or almost entirely, with resources of the Authority. As such, although they are legally separate entities, they are, in substance, part of the government's operations. GASB standards require this type of component unit to be reported as part of the primary government and blended into the appropriate funds.

The Authority's blended component units are as follows:

Georgia Housing and Finance Authority Affordable Housing, Inc.

The Georgia Housing and Finance Authority Affordable Housing, Inc. ("AHI") was organized to promote nonprofit affordable housing and a system of affordable housing financing for persons in Georgia of low and moderate income or of special housing needs including, but not limited to, the elderly and the mentally and physically disabled. The program provides financial assistance in the form of low interest rate loans and limited assistance to qualified sponsors in the form of grants.

The following programs are included in AHI:

Loan Program

The Board of Directors may authorize the disbursement of available money from AHI for residential housing projects sponsored by a qualified organization. AHI may consult, as appropriate, with person with interests in housing in order to acquaint them with AHI and to solicit information relating to housing needs, residential housing projects, and criteria for the selection of residential housing projects. The criteria for making disbursement decisions include, but are not limited to, the following:

- a. The number of persons assisted;
- b. The leveraging of money or in-kind services by a qualified sponsor;
- c. The geographic distribution of residential housing projects;
- d. The availability of other forms of assistance; and
- e. Any and all other factors bearing upon the advisability and necessity of the residential housing project.

Funds may also be disbursed from AHI to pay expenses of the Board of Directors, to pay any and all operating expenses, and to pay for professional, technical, and clerical services provided to the Board of Directors.

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Hardest Hit Fund Program

During 2011, AHI received an award from the U.S. Treasury in the amount of \$339,255,819 for the Hardest Hit Fund ("HHF") program of which \$47,410,693 can be used for administrative expenses. During 2016, AHI received an additional award from the U.S. Treasury in the amount of \$30,880,575 for the HHF program of which \$441,423 can be used for administrative expenses. During 2018, AHI received an additional award from the U.S. Treasury in the amount of \$437,866 for the down payment assistance program. Total funding for the program was \$370,574,260 consisting of administrative expense of \$47,852,116 and program funding of \$322,722,144. AHI's HHF program provides loans to unemployed and substantially under-employed homeowners to help them remain in their homes and prevent avoidable foreclosures despite loss of income due to involuntary job loss. The HHF program funds loans to be used to pay mortgage payments, including escrowed items, while the homeowner seeks employment or completes training for a new career. Loans are forgiven over a 5 year period.

The HHF funds are also used to provide down payment assistance to eligible borrowers purchasing eligible existing single family residences financed by a Georgia Dream Program first mortgage loan originally in 10 selected Georgia counties. However, as of November 1, 2018, the number of eligible counties was reduced to 7.

Any amounts remaining and recaptured from program activities are to be remitted back to the U.S. Treasury upon termination of the program. The U.S. Treasury's oversight ended on May 28, 2021, and AHI returned \$12,614,817. The original program funding and recaptured funds provided assistance in the amount of \$332,436,552 to 17,186 homeowners.

Georgia Rental Assistance Program

In March 2021, AHI launched the Georgia Rental Assistance (GRA) program on behalf of the State of Georgia's Emergency Rental Assistance program. The funding provides rental and utility assistance for eligible applicants, tenants and landlords, who have been impacted directly or indirectly by the COVID-19 pandemic. The program is funded from appropriations from the federal government's American Rescue Plan in the amount of \$552,302,716 for phase one of the program. Applicants are eligible for up to twelve months of past due payment relief and additional three months of future rent, if needed. To be eligible for assistance, applicants must qualify for unemployment or have experienced financial hardship due to COVID-19, demonstrate a risk of experiencing homelessness or housing instability and have household income at or below 80 percent of area median income (AMI). As of June 30, 2021 and 2020, payments to landlords and tenants totaled \$10,132,818 and \$-, respectively, and incurred administrative expenses of \$4,322,427 and \$-, respectively. Any funds remaining after September 30, 2022 will be returned to the U.S. Treasury.

Homeowner Assistance Program

In late fiscal year 2021, on behalf of the State of Georgia, AHI received funding to launch the Homeowners Assistance Program to mitigate financial hardship for eligible homeowners impacted by the COVID-19 pandemic for the purpose of preserving homeownership. The program is funded from appropriations from the federal government's American Rescue Plan in the amount of \$354,185,231. The program will be launched in fiscal year 2022.

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Georgia Housing and Finance Authority Economic Development Financing, Inc.

The Georgia Housing and Finance Authority Economic Development Financing, Inc. ("EDFI") was organized to administer various loan programs, which offer financial assistance to businesses in Georgia.

The following program is included in EDFI:

State Small Business Credit Initiative

In fiscal year 2012, the Authority implemented the State Small Business Credit Initiative ("SSBCI") which is a small business loan program created by the Small Business Jobs Act of 2010. The State of Georgia was allocated \$47,808,507 in federal funds to increase access to capital for small businesses in Georgia. On December 12, 2016, the State of Georgia was allocated an additional \$216,241 in federal funds from the U.S. Treasury. The four Georgia SSBCI programs and the dollar amounts allocated to each is as follows: 1) Georgia Capital Access Program (GCAP), a portfolio insurance program - \$2 million; 2) Georgia Small Business Credit Guarantee ("SBCG"), a loan guarantee program with a conversion option to a risk reserve pool - \$17,808,507; 3) Georgia Funding for CDFIs, a loan participation program which provides financing to underserved businesses through Community Development Financial Institutions (CDFIs) - \$20 million; and 4) Georgia Loan Participation Program ("GA LPP"), a loan program where the State purchases a participation of up to 25% of an approved loan ranging from \$100,000 to \$5 million.

All participating lenders in the Georgia SSBCI program must submit an application to be vetted and approved, prior to enrolling loans in the program. Approved lenders then sign a Program Participation Agreement. Although eligibility requirements vary slightly between the four programs, the Georgia SSBCI is primarily designed to serve businesses with 500 or fewer employees, and the target participation amount for SSBCI funds is \$1,250,000 or less. Eligible loan uses include start-up costs, working capital, business acquisition and expansions; franchise financing; equipment; inventory financing; commercial real estate acquisitions, etc.

The U.S. Treasury's direct oversight ended on March 31, 2017 with the expiration of the Allocation Agreements between the U.S. Treasury and each state. Effective June 1, 2017, the two remaining SSBCI programs are SBCG and GA LPP. Georgia SBCG is a loan guarantee program. Each loan covered under the SBCG Program will stand alone with a maximum guarantee of 50% up to \$200,000. Under the new agreement, GA LPP is a loan program where the State purchases a participation of up to 25 percent of an approved loan ranging from \$100,000 to \$1 million.

Other Programs

Federal Assistance Programs

The Federal Assistance Programs account for revenue and expenditures of the following assistance programs:

Emergency Solutions Grant Program

The Authority receives an annual allocation of federal Emergency Solutions Grant Program funds to provide shelter and essential services to eligible homeless individuals and families. The Authority utilizes these federal funds to provide grants to eligible nonprofit and local government providers serving the 152 counties.

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Shelter Plus Care Program

The Authority competes annually for an award of funds under the Shelter Plus Care Program that can provide housing and supportive services on a long-term basis for homeless persons and their families. The federal award of funds may be used for rental assistance by specific project sponsors that, in return, match the federal rental assistance with service funding for the beneficiaries. Upon award of the federal funds to GHFA, the Authority enters into grant agreements with each project sponsor to implement the program.

HOME Investment Partnership Program

The Authority administers the HOME Investment Partnership Program ("HOME") for the State. Under the HOME Program, the Authority receives and approves applications for federal affordable housing funds available under the federal HOME Program provisions of the 1990 National Affordable Housing Act. The Authority receives federal grant HOME Program proceeds, for the purpose of funding loans and grants to qualified applicants. The Authority is responsible for each HOME loan and grant recipient maintaining compliance with affordability requirements of the HOME Program. The HOME loans are to be repaid out of a portion of the borrowers net cash flow, as defined.

Housing Opportunities for Persons with AIDS Program

The Authority receives an annual allocation of federal Housing Opportunities for Persons with AIDS Program funds to provide supportive housing and services to persons living with AIDS and related diseases. The Authority utilizes these funds to provide grants within the State's 126 county entitlement jurisdiction to eligible nonprofit organizations whose mission incorporates the provision of housing and supportive services to persons with AIDS and related diseases.

Homelessness Prevention and Rapid Re-Housing Program

The Authority implemented the Homelessness Prevention and Rapid Re-Housing Program ("HPRP"). This program provides financial and other assistance to prevent individuals and families becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized. The Authority enters into grant agreements with each project sponsor to implement the program.

Tax Credit Assistance Program

The Authority implemented the Tax Credit Assistance Program ("TCAP"). This program provides assistance to eligible low-income housing tax credit projects which are subject to the same limitations as required by the State housing credit agency with respect to an award of low-income housing credits under section 42 of the IRC of 1986.

Neighborhood Stabilization Program

The Authority implemented the Neighborhood Stabilization Program. This program assists in the development of viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for low and moderate-income Georgians.

Tax Credit Exchange Program

The Authority implemented the Tax Credit Exchange Program ("TCEP") which is administered by the U.S. Treasury and is designed to help stalled LIHTC programs move forward. This program allows the Authority to exchange up to 40% of their 2009 LIHTC allocation for cash grants from the U.S. Treasury.

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State Assistance Programs

The State Assistance Programs account for revenue and expenditures of the following assistance programs:

Downtown Development Revolving Loan

The purpose of the Downtown Development Revolving Loan Fund ("DDRLF") is to assist cities, counties and development authorities in their efforts to revitalize and enhance downtown areas by providing below-market rate financing to fund capital projects in core historic downtown areas and adjacent historic neighborhoods where DDRLF will spur commercial redevelopment.

Eligible applicants under this program are municipalities with a population of 100,000 or less, counties with a population of 100,000 or less proposing projects in a core historic commercial area, and development authorities proposing projects in a core historic commercial area in municipalities or counties with a population of 100,000 or less.

The ultimate user of funds may be a private business or a public entity such as a city or development authority. Applicants must demonstrate that they have a viable downtown development project and clearly identify the proposed uses of the loan proceeds. The maximum loan is \$250,000 per project, which must leverage private and/or other public financing. Funds for the DDRLF Program were authorized by the Georgia General Assembly beginning in fiscal year 2000. The program has been sustained by loan repayments and interest income.

Housing Trust Fund

The purpose of the State Housing Trust Fund (HTF) is to support the efforts of organizations that embrace the goal of ending homelessness in Georgia. These organizations, through State appropriated dollars, provide housing and essential services for individuals and families. These organizations include non-profits, faith-based organizations, community homeless provider networks, and public programs.

Regional Economic Business Assistance

Regional Economic Business Assistance ("REBA") is an incentive program that is used to help "close the deal" when companies are considering Georgia and another state or country for their location or expansion. REBA funds may be used to finance various fixed-asset needs of a company including infrastructure, real estate acquisition, construction, or machinery and equipment. A local development authority must be the applicant for a REBA application and the application must be supported by a recommendation letter from a state agency, typically the Georgia Department of Economic Development. The funds for the program are appropriated annually by the Georgia General Assembly. REBA funds may be specified as a grant or a loan, depending upon the letter of recommendation. The recommendation will also authorize the amount of REBA funds available for the project.

Life Sciences Facilities Fund

Life Sciences Facilities Fund ("LSFF") is an incentive program that provides low-cost loan assistance for the purchase of fixed assets to assist with the expansion, retention or relocation of life-science companies targeted by Georgia. The Facilities Fund is intended to be used as an incentive when needed to retain or recruit life-science companies in and to Georgia, or to fill a financing gap that is unmet by the private sector. Funds for the LSFF Program were authorized by the Georgia General Assembly in fiscal year 2005.

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State Home Mortgage

State Home Mortgage was created by the Authority in 1994 to provide in-house loan servicing capabilities for Authority financed single-family and multifamily mortgage loans. As of June 30, 2021 and 2020, State Home Mortgage was servicing approximately, 13,591 and 14,117 loans, respectively, or 96% and 97%, respectively, of the Authority's outstanding principal balance of the single-family mortgage loan portfolio, and 100% of the outstanding principal balance of the multifamily mortgage loan portfolio.

Investment in Georgia HAP Administrators, Inc.

The Authority has a 9% investment interest in Georgia HAP Administrators Inc. ("Georgia HAP"). The Authority accounts for its investment using the cost method. Under the cost method, the Authority recognizes income on its investment as cash is received. In addition, the Authority earns incentive management fees from Georgia HAP. Total earnings received from Georgia HAP during 2021 and 2020 were \$1,494,909 and \$1,394,909, respectively which is included in administrative fees-state assistance programs on the statements of revenues, expenses, and changes in net position.

Note 3 - Summary of significant account policies

The following summarizes the significant accounting policies of the Authority:

Financial statement presentation

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board ("GASB"), the criteria for determining the programs, organizations, and functions of government included in the accompanying basic financial statements are as follows: oversight responsibility, including selection of governing authority, designation of management, and ability to significantly influence operations; accountability for fiscal matters, including budgets, surplus and deficits, debt, fiscal management, and revenue characteristics; scope of public service; and special financing relationships.

For financial reporting purposes, the Authority is a component unit of the State of Georgia. The financial statements of the Authority include the blended component units AHI and EDFI which are reported in the Supplementary Schedule of Program Net Position and Schedule of Program Revenues, Expenses, and Changes in Net Position.

Basis of accounting

The accounting and reporting policies of the Authority conform to generally accepted accounting principles of the Governmental Accounting Standards Board (GASB). The Authority maintains its accounting records and prepares its financial statements using the accrual basis of accounting. The Authority's proprietary activities are accounted for on the flow of economic resources measurement focus. This measurement focus emphasizes the determination of changes in net position. Under this method, revenue is recorded when earned, and expenses, including compensated absences, are recognized when the liability is incurred.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

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Cash and cash equivalents and equity in pooled cash and investment securities

Cash and cash equivalents and equity in pooled cash, as reported in the statements of net position include short-term investment securities with original maturities of twelve months or less, local government investment pools, repurchase agreements, money market accounts, mutual funds, and investment agreements under which funds can be withdrawn at any time without penalty. Amounts reported as cash and cash equivalents and equity in pooled cash include amounts that are restricted for use under state grants, federal programs, and bond resolutions as shown in Note 4. Investment securities are carried at fair value based on quoted market prices. The Authority's Board of Directors approves the Investment Policies which allow the Authority to utilize valuation pricing provided by custodians. See Note 4 for discussion of fair value measurements.

Short term investments securities include investment securities with maturities less than twelve months. Long-term investments securities include investment securities with maturities greater than twelve months.

The low credit risk associated with the Authority's investments is primarily due to its strong reliance on securities issued by the U.S. Government and its agencies. As with any fixed income portfolio, there exists market price risk in a changing interest rate environment, and some of the Authority's investments are subject to change in fair value as interest rates fluctuate. This exposure is focused largely within certain classes of mortgage-backed securities (MBS), such as collateralized mortgage obligations. These securities are based on cash flows from payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a change in interest rates. The mortgage-backed securities are reported in aggregate as mortgage-backed securities in the disclosure of investments.

Equity in pooled cash

Equity in pooled cash relates to pooled investments with State Treasury. GHFA follows Governmental Accounting Standards Board ("GASB") Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires marketable securities to be carried at fair value. Additionally, GHFA adopted GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. GHFA maintains an investment in the Georgia Fund 1 ("GF1") investment pool, which is managed by the Local Government Investment Pool Trust whom The Office of the State Treasurer manages. The GF1's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal. The GF1 is managed as a stable Net Asset Value ("NAV") pool. The pool operates and reports to participants on an amortized cost basis. The income, gain and losses, net of administration fees of the pool are allocated to participants monthly on the ratio of the participant's share of total funds in the pool based on the participant's average daily balance. This method differs from the fair value method used to value investments in these financial statements because the amortized cost method is not designed to distribute to participants all unrealized gains and losses in the fair values of the pooled investments. For financial reporting purposes, the pool is reported at fair market value. For cash flow financial statement reporting purposes, amounts reported in the Pooled Investments with State Treasury are considered cash equivalents.

Mortgage loans receivable

Mortgage loans receivable are stated at their unpaid principal balance less loan discounts. The discounts are amortized using a method approximating a level yield over the estimated average life

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of the loans. Purchased servicing costs associated with mortgage loans are amortized over the expected average life of the outstanding mortgage loan, which is estimated to be seven years.

Mortgage loans are classified as foreclosures (nonperforming loans) when collection of principal and accrued interest in accordance with the stated terms of the agreement is unlikely. Interest income recognition is discontinued once a loan is considered non-performing which occurs when the loan is placed in foreclosure.

Mortgage escrow deposits

In connection with the mortgage loans, the Authority holds various trustee bank accounts on behalf of the mortgagors which consist of escrow deposits for taxes and insurance, replacement reserves, and operating deficit reserves. A corresponding liability is recorded upon receipt by the Authority of the mortgagors' escrow deposits and is included in mortgage escrow deposits held on the Statements of Net Position.

Real estate owned

Real estate owned represents real estate acquired through foreclosure or deeds-in-lieu and is stated at the lower of cost or fair value less estimated costs to sell. Expenses incurred related to real estate owned are reported on the Statements of Revenue, Expenses, and Changes in Net Position.

HOME loans

HOME loans are recorded at amounts drawn from the federal HOME program and subsequently loaned to the borrower. A liability is recorded to reflect the Authority's obligation to either re-loan or return to the federal government any HOME loan repayments. Because the obligation amount is dependent on the actual HOME loan repayments, no valuation reserve is recorded.

American Recovery and Reinvestment Act loans

American Recovery and Reinvestment Act ("ARRA") loans are recorded at amounts drawn from the TCAP, TCEP, and HPRP programs and subsequently loaned to the borrower. Loans made to borrowers under such programs are subject to certain compliance regulations, which must be maintained during the term of the loan. A liability is recorded to reflect the Authority's obligation to return to the federal government any loan repayments which is included in refundable program grants on the Statements of Net Position.

Other loans receivable, net

Other loans receivable includes loans to various non-profits and municipalities as well as advances from loan service agreements and miscellaneous receivables.

Provision for possible loan losses

Approximately 94% of the Authority's mortgage loans are FHA insured, VA guaranteed, or USDA/RD guaranteed, and the remainder is largely covered by mortgage insurance and/or pool insurance. A small group of loans in the amount of approximately \$49,800,000 and \$50,400,000 are uninsured and dependent on the value of underlying real estate collateral as of June 30, 2021 and 2020, respectively. A provision for possible losses on delinquent loans is made when, in the opinion of management, the loan balance exceeds the net realizable value of the underlying collateral, including federal and mortgage pool insurance. Based on the Authority's experience, insured loans have not resulted in any significant losses to the Authority beyond the administrative costs of foreclosure. Collateralized loans historically have not resulted in significant losses. The allowance for possible losses on mortgage loans receivable as of June 30, 2021 and 2020 totaled \$4,500,000.

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and \$4,500,000, respectively. The allowance includes a provision for accrued interest on foreclosed loans. The allowance for possible losses on other loans receivable as of June 30, 2021 and 2020 totaled \$4,736,392 and \$4,736,392, respectively. The provision for possible losses recognized during the years ended June 30, 2021 and 2020 totaled \$1,252,302 and \$967,167, respectively.

Capital assets

Capital assets are stated at cost. Depreciation on property and equipment is calculated on the straight-line method over the estimated useful lives of the assets. Repairs and maintenance are expensed as incurred. In accordance with the Authority's capitalization policy, capital assets under \$25,000 are expensed.

Building	40 years
Capital Improvements	10 years
Vehicles	4 years
Equipment, Computers, and Software	2 - 5 years

Impairment of long-lived assets

The Authority reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Management evaluates possible impairment events on whether the service utility or use of the long-lived assets decline significantly and unexpectedly. No impairment loss has been recognized during the years ended June 30, 2021 and 2020.

Bond premiums, discounts, and issuance costs and amortization

Bond premiums and discounts are amortized over the term of the obligations using a method which approximates the effective interest method. Bond premiums and discounts are included in the net balance for bonds payable. Issuance costs are expensed when incurred. Accretion income for the years ended June 30, 2021 and 2020 was \$1,264,499 and \$1,163,285, respectively. Estimated accretion income for each of the next five ensuing years is approximately \$1,200,000.

Arbitrage

The Authority periodically monitors for the existence of any rebatable arbitrage interest, in accordance with IRS regulations, associated with its tax-exempt debt. The rebate is based on the differential between the interest earnings from the investment of tax-exempt bond proceeds as compared to the interest expense associated with the respective bonds. Arbitrage rebates are expensed when paid or when, upon determination by management, an arbitrage rebate liability is estimated.

Revenue received in advance

Revenue received in advance represents fees received in connection with the LIHTC and Multi-Family ("MF") program for compliance monitoring and asset management. The Authority, on behalf of the IRS, is responsible for monitoring compliance with IRS Section 42 by Georgia participants in the LIHTC and MF program. Such monitoring includes performing periodic site visits, property inspections, and tenant eligibility verifications, which are required to be performed annually over the compliance period. Participants are required to maintain compliance with Section 42 for a minimum of 15 years for the LIHTC program and a minimum of 30 years for the MF program. Participants are required to pay the entire amount of compliance monitoring fees at inception. The prepaid amount of fees received are deferred and amortized into income using the straight-line method over the applicable compliance periods.

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Participants who receive ARRA funds are also required to pay an asset management fee to the Authority at inception for oversight services in connection with administering the funds over a 14.5-year term. These fees will be amortized into income, using the straight-line method over the service period.

Estimated amortization of all revenue received in advance over the next five years as follows:

Year	Amount
2022	\$ 3,064,606
2023	2,509,591
2024	2,279,611
2025	1,930,121
2026	2,032,454
Thereafter	14,089,174
Total	<u>\$ 25,905,557</u>

Program funds received in advance

The Authority has a liability for program funds received in advance as of June 30, 2021 and 2020 of \$291,247,091 and \$268,550,571, respectively. The program funds received in advance are included in the balance of cash and cash equivalents and investments as shown on the Statements of Net Position. The liability will be recognized as revenue as the Authority expends the funds in accordance with the applicable programs requirements. Any program funds received in advance may be required to be returned to the granting authority under terms of the programs.

As of June 30, 2021 and 2020, the program funds received in advance are as follows:

Program	Source	June 30,	
		2021	2020
REBA	State of Georgia	\$ 161,351,607	\$ 168,935,686
Hardest Hit Fund	US Department of Treasury	154,031	23,025,762
Emergency Rental Assistance	US Department of Treasury	36,245,804	-
Tax Credit Assistance Program	State of Georgia	20,444,003	9,750,865
State Small Business Credit Initiative	State of Georgia	9,123,529	9,849,832
HOME	State of Georgia	36,243,108	28,910,030
Downtown Development	State of Georgia	9,789,452	9,789,452
Housing Trust Fund	State of Georgia	8,960,988	9,139,510
Life Science	State of Georgia	4,169,835	4,169,835
Homeowner Assistance	US Department of Treasury	250,390	-
Other	State of Georgia	4,514,344	4,979,599
		<u>\$ 291,247,091</u>	<u>\$ 268,550,571</u>

Net position

Net position is the amount of total assets that exceed total liabilities. Net position is classified and displayed in three categories in the financial statements.

Net investment in capital assets, consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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Restricted net position consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position consists of other net position that do not meet the definition of restricted or net investment in capital assets.

As of June 30, 2021 and 2020, the Authority's net position is classified into two categories which are net investment in capital assets and unrestricted net position.

Program revenues and expenses

HOME loan program revenue and a corresponding expense are recognized at the time the HOME loan is closed.

Purchased servicing rights are related to mortgage loans and are received in advance and recognized over the estimated seven-year term that the mortgages are expected to be outstanding.

Program funds received under grant awards are not recognized as revenue until the related program expenditures and eligibility requirements are incurred.

Income taxes

Income received or generated by the Authority is not subject to federal income tax, pursuant to Internal Revenue Code Section 115. The Authority is exempt from state and local property taxes. Interest paid on obligations issued by the Authority is excludable from the gross income of the recipients, pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended. Contributions to the Authority are tax deductible contributions, pursuant to Sections 170(b)(1)(A)(v) and 170 (c)(1) of the Internal Revenue Code of 1986, as amended.

Reclassifications

Reclassifications have been made to the prior year balances to conform to the current year presentation.

Note 4 - Cash and cash equivalents and equity in pooled cash and investment securities

Investment of funds

The Act authorizes the Authority to invest any accumulation of its funds. GHFA invests its funds under the guidance of the GHFA investment policies that are adopted by the Board annually. The investment policies authorize the Authority to invest in specific types of securities such as money market mutual funds, certificates of deposit of financial institutions insured by federal depository insurance, interest-bearing time deposits, repurchase agreements, or other similar banking arrangements and any other obligations of investment grade quality, as defined in the applicable GHFA investment policy.

The following assets, reporting at fair value and held by the Authority at June 30, 2021 and 2020, were evaluated in accordance with GASB Statement No. 40 for interest rate risk, custodial credit risk, credit risk and concentration of credit risk. All cash and cash equivalents are stated at their actual bank balance values and may differ from book balances.

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Cash and cash equivalents, equity in pooled cash, and investment securities as of June 30, 2021 and 2020 are presented in the financial statements as follows:

	June 30,	
	2021	2020
Cash and cash equivalents and equity in pooled cash:		
Cash	\$ 47,382,877	\$ 41,544,024
Georgia Fund 1	93,052,614	102,397,559
Money market accounts	60,554,806	38,316,136
Cash restricted under state grant programs	13,026,801	43,103,242
Assets restricted under revenue bond resolutions:		
Georgia Fund 1	125,091,274	149,752,371
Money market accounts	13,571,312	13,065,985
GNMA MBS	5,964	-
Investment agreements	-	2,808,226
Total cash and cash equivalents and equity in pooled cash	<u>352,685,648</u>	<u>390,987,543</u>
Short-term investment securities:		
U.S. Government and agency securities	6,328,161	-
Corporate bonds	6,760,074	4,338,527
Foreign bonds	2,398,172	627,513
Bank CDs	3,248,060	1,232,277
Commercial paper	59,972,000	-
Agency mortgage-backed securities	-	300
Non-purpose investments	73,482,612	97,242,378
Total short-term investment securities	<u>152,189,079</u>	<u>103,440,995</u>
Long-term investment securities:		
Mortgage-backed securities	19,611,607	33,757,986
U.S. Government and agency securities	79,528,220	75,445,556
Corporate MBS/ABS	7,366,590	11,022,361
Foreign bonds	5,380,037	5,315,238
Bank CDs	2,742,973	5,606,334
Corporate bonds	25,326,050	40,082,320
Fixed income fund	16,989,750	13,689,373
Strategic income opportunities fund	27,691,133	25,534,674
Securitized investors fund	7,801,083	3,886,872
Assets restricted under revenue bond resolutions:		
Investment agreements	11,829,547	11,829,547
Agency mortgage-backed securities	42,315,762	36,697,826
GNMA MBS	10,374,291	15,281,716
Agency debentures	2,911,086	2,003,760
Total long-term investment securities	<u>259,868,129</u>	<u>280,153,563</u>
Total cash and cash equivalents, equity in pooled cash, and investment securities	<u><u>\$ 764,742,856</u></u>	<u><u>\$ 774,582,101</u></u>

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Investment fair value measurements

The Authority has adopted GASB Statement No. 72, *Fair Value Measurement and Application*. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value:

- Level 1 - quoted market prices in active markets
- Level 2 - inputs other than quoted market prices that are observable either directly or indirectly
- Level 3 - unobservable inputs

The Authority has investments in securities that are measured at fair value on a recurring basis in the financial statements. The Authority uses a three-level hierarchy for determining fair value and a financial asset or liability classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The following table presents the financial assets that the Authority measured at fair value:

2021	Level			Total
	1	2	3	
U.S. Government and agency securities	\$ 88,767,467	\$ -	\$ -	\$ 88,767,467
Mortgage-backed securities	72,301,660	-	-	72,301,660
Corporate MBS/ABS	7,366,590	-	-	7,366,590
Foreign bonds	7,778,209	-	-	7,778,209
Investment agreements	-	-	11,829,547	11,829,547
Non-purpose investments	-	73,482,612	-	73,482,612
Fixed income fund	-	-	16,989,750	16,989,750
Strategic income opportunities fund	27,691,133	-	-	27,691,133
Securitized investors fund	7,801,083	-	-	7,801,083
Bank CDs	5,991,033	-	-	5,991,033
Commercial paper	59,972,000	-	-	59,972,000
Corporate bonds	32,086,124	-	-	32,086,124
	<u>\$ 309,755,299</u>	<u>\$ 73,482,612</u>	<u>\$ 28,819,297</u>	<u>\$ 412,057,208</u>
Investments measured at amortized cost :				
Georgia Fund 1				93,052,614
Total investments				<u>\$ 505,109,822</u>

2020	Level			Total
	1	2	3	
U.S. Government and agency securities	\$ 77,449,316	\$ -	\$ -	\$ 77,449,316
Mortgage-backed securities	85,737,828	-	-	85,737,828
Corporate MBS/ABS	11,022,361	-	-	11,022,361
Foreign bonds	5,942,751	-	-	5,942,751
Investment agreements	-	-	11,829,547	11,829,547
Non-purpose investments	-	97,242,378	-	97,242,378
Fixed income fund	-	-	13,689,373	13,689,373
Strategic income opportunities fund	25,534,674	-	-	25,534,674
Securitized investors fund	3,886,872	-	-	3,886,872
Bank CDs	6,838,611	-	-	6,838,611
Corporate bonds	44,420,847	-	-	44,420,847
	<u>\$ 260,833,260</u>	<u>\$ 97,242,378</u>	<u>\$ 25,518,920</u>	<u>\$ 383,594,558</u>
Investments measured at amortized cost :				
Georgia Fund 1				102,397,559
Total investments				<u>\$ 485,992,117</u>

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Non-purpose investments classified in Level 2 of the fair value hierarchy are valued based on significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates), or other market corroborated inputs.

Securities valued at Level 3 are based on significant unobservable inputs based on all information available in the circumstances to the extent observable inputs are not available. The fair value of investment agreements and fixed income funds in Level 3 represent the value of unit positions in funds that are not publicly traded on an exchange. Fair value of these securities can be impacted by redemption restrictions imposed by the fund managers.

The fair value of the financial assets listed below was determined by using level 3 inputs (inputs that are unobservable, uninsured and unregistered investment for which the securities are held by the broker, dealer, or their agent but not in the Authority's name) as of June 30, 2021 and 2020.

The following table sets forth a summary of changes in the fair value of the Authority's level 3 assets for the years ended June 30, 2021 and 2020:

2021	Investment Agreements	Fixed Income Fund	Total
Balance, beginning of year	\$ 11,829,547	\$ 13,689,373	\$ 25,518,920
Realized gains (losses)	-	-	-
Unrealized gains (losses) relating to instruments still held at the reporting date	-	3,300,377	3,300,377
Purchases	-	-	-
Sales	-	-	-
Transfers in and/or out of level 3	-	-	-
Balance, end of year	<u>\$ 11,829,547</u>	<u>\$ 16,989,750</u>	<u>\$ 28,819,297</u>
2020	Investment Agreements	Fixed Income Fund	Total
Balance, beginning of year	\$ 14,637,773	\$ 13,255,316	\$ 27,893,089
Realized gains (losses)	-	-	-
Unrealized gains (losses) relating to instruments still held at the reporting date	-	434,057	434,057
Purchases	-	-	-
Sales	-	-	-
Transfers in and/or out of level 3	(2,808,226)	-	(2,808,226)
Balance, end of year	<u>\$ 11,829,547</u>	<u>\$ 13,689,373</u>	<u>\$ 25,518,920</u>

Interest rate risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Authority manages interest rate risk by attempting to match investment maturities and interest payment terms with expected cash requirements and maturities

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of the related bond series. Negative amounts represent net short position for securities purchased, but not yet settled. As of June 30, 2021 and 2020, interest income from investments totals \$7,217,430 and \$20,271,788, respectively, and accrued interest outstanding totals \$846,443 and \$1,096,583, respectively.

The maturities of investments as of June 30, 2021 and 2020 are as follows:

	Total Fair Value	Investment maturities as of June 30, 2021				
		Less than 3 Months	4 - 12 Months	1 - 5 Years	6 - 10 Years	More than 10 Years
Cash and cash equivalents and equity in pooled cash:						
Cash	\$ 47,382,877	\$ 47,382,877	\$ -	\$ -	\$ -	\$ -
Georgia Fund 1	93,052,614	93,052,614	-	-	-	-
Money market accounts	60,554,806	60,554,806	-	-	-	-
Cash restricted under State grant programs	13,026,801	13,026,801	-	-	-	-
Assets restricted under revenue bond resolutions:						
Georgia Fund 1	125,091,274	125,091,274	-	-	-	-
Money market accounts	13,571,312	13,571,312	-	-	-	-
Investment agreements	-	-	-	-	-	-
GNMA MBS	5,964	-	5,964	-	-	-
Total cash and cash equivalents and equity in pooled cash	\$ 352,685,648	\$ 352,679,684	\$ 5,964	\$ -	\$ -	\$ -
Short-term investment securities:						
U.S. Government and agency securities	\$ 6,328,161	\$ 4,307,161	\$ 2,021,000	\$ -	\$ -	\$ -
Corporate bonds	6,760,074	3,413,253	3,346,821	-	-	-
Foreign bonds	2,398,172	1,968,537	429,635	-	-	-
Bank CDs	3,248,060	-	3,248,060	-	-	-
Agency mortgage-backed securities	-	-	-	-	-	-
Commercial paper	59,972,000	-	59,972,000	-	-	-
Non-purpose investments	73,482,612	-	73,482,612	-	-	-
Total short-term investment securities	\$ 152,189,079	\$ 9,688,951	\$ 142,500,128	\$ -	\$ -	\$ -
Long-term investment securities:						
Mortgage-backed securities	\$ 19,611,607	\$ -	\$ -	\$ 59,137	\$ 972,001	\$ 18,580,469
U.S. Government and agency securities	79,528,220	-	-	59,521,351	16,675,210	3,331,659
Corporate MBS/ABS	7,366,590	-	-	962,022	1,459,102	4,945,466
Foreign bonds	5,380,037	-	-	2,536,416	2,364,530	479,091
Bank CDs	2,742,973	-	-	2,742,973	-	-
Corporate bonds	25,326,050	-	-	15,975,644	9,124,058	226,348
Fixed income fund	16,989,750	-	-	16,989,750	-	-
Strategic income opportunities fund	27,691,133	-	-	27,691,133	-	-
Securitized investors fund	7,801,083	-	-	7,801,083	-	-
Assets restricted under revenue bond resolutions:						
Investment agreements	11,829,547	-	-	2,809,670	3,207,588	5,812,289
Agency mortgage-backed securities	42,315,762	-	-	-	-	42,315,762
Agency debentures	2,911,086	-	-	-	2,911,086	-
GNMA MBS	10,374,291	-	-	68,420	-	10,305,871
Total long-term investment securities	\$ 259,868,129	\$ -	\$ -	\$ 137,157,599	\$ 36,713,575	\$ 85,996,955

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	Total Fair Value	Investment maturities as of June 30, 2020				
		Less than 3 Months	4 - 12 Months	1 - 5 Years	6 - 10 Years	More than 10 Years
Cash and cash equivalents and equity in pooled cash						
Cash	\$ 41,544,024	\$ 41,544,024	\$ -	\$ -	\$ -	\$ -
Georgia Fund 1	102,397,559	102,397,559	-	-	-	-
Money market accounts	38,316,136	38,316,136	-	-	-	-
Cash restricted under State grant programs	43,103,242	43,103,242	-	-	-	-
Assets restricted under revenue bond resolutions						
Georgia Fund 1	149,752,371	149,752,371	-	-	-	-
Money market accounts	13,065,985	13,065,985	-	-	-	-
Investment agreements	2,808,226	-	2,808,226	-	-	-
Total cash and cash equivalents and equity in pooled cash	\$ 390,987,543	\$ 388,179,317	\$ 2,808,226	\$ -	\$ -	\$ -
Short-term investment securities						
Corporate bonds	\$ 4,338,527	\$ 651,005	\$ 3,687,522	\$ -	\$ -	\$ -
Foreign bonds	627,513	-	627,513	-	-	-
Bank CDs	1,232,277	982,254	250,023	-	-	-
Agency mortgage-backed securities	300	-	300	-	-	-
Non purpose investments	97,242,378	-	97,242,378	-	-	-
Total short-term investment securities	\$ 103,440,995	\$ 1,633,259	\$ 101,807,736	\$ -	\$ -	\$ -
Long-term investment securities						
Mortgage-backed securities	\$ 33,757,986	\$ -	\$ -	\$ 98,628	\$ 832,894	\$ 32,826,464
U.S. Government and agency securities	75,445,556	-	-	53,075,773	20,836,366	1,533,417
Corporate MBS/ABS	11,022,361	-	-	2,389,622	2,934,778	5,697,961
Foreign bonds	5,315,238	-	-	3,242,378	2,008,579	64,281
Bank CDs	5,606,334	-	-	5,606,334	-	-
Corporate bonds	40,082,320	-	-	25,335,370	14,133,203	613,747
Fixed income bonds	13,689,373	-	-	13,689,373	-	-
Strategic income opportunities fund	25,534,674	-	-	25,534,674	-	-
Securitized investor fund	3,886,872	-	-	3,886,872	-	-
Assets restricted under revenue bond resolutions:						
Investment agreements	11,829,547	-	-	2,659,904	3,357,354	5,812,289
Agency mortgage-backed securities	36,697,826	-	-	-	-	36,697,826
Agency debentures	2,003,760	-	-	-	2,003,760	-
GNMA MBS	15,281,716	-	-	233,342	-	15,048,374
Total long-term investment securities	\$ 280,153,563	\$ -	\$ -	\$ 135,752,270	\$ 46,106,934	\$ 98,294,359

Custodial credit risk

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Authority will not be able to recover all or a portion of the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2021 and 2020, all of the Authority's investments were insured, registered, collateralized, or were held by the Authority or its agent in the Authority's name.

Credit risk and concentration of credit risk

Credit quality risk is the risk that the issuer or other guarantor of an investment will not fulfill its payment obligations. Some investments, such as U.S. Treasuries and GNMA securities, are backed by the full faith and credit of the United States government and are considered to have minimal credit risk. Other investments are in government agency, corporate, money market funds and bank debt securities, which have been categorized based on the fund's or issuer's credit rating by a Nationally Recognized Statistical Rating Organization. These debt securities are not typically

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collateralized except in the case of asset-backed and mortgage-backed securities. The Authority has selected high quality debt investments in order to minimize its exposure to loss due to credit risk. The Authority maintains its cash in bank deposit accounts at Federal Deposit Insurance Corporation (FDIC) insured financial institutions. Any deposits in excess of federally insured limits are collateralized by U.S. Government and Agency securities held by the Georgia Bankers Association in the State Treasurer's collateral pool for that institution, as defined in O.C.G.A. §45-8-13. As of June 30, 2021 and 2020, all of the Authority's deposits were either covered by federal depository insurance or were covered by collateral held by the Authority's agent in the Authority's name. The amount of the Authority's deposits collateralized as of June 30, 2021 and 2020 were \$118,216,011 and \$110,326,462, respectively. The Authority has not experienced any losses in connection with its investments as a result of credit risk.

The exposure of the Authority's debt securities to credit quality risk as of June 30, 2021 and 2020 is as follows:

	Total Fair Value	Government securities	Standard & Poor's Credit Rating as of June 30, 2021						
			AAA	AA	A	BBB	BB	CCC	Not Rated
Cash and cash equivalents and equity in pooled cash:									
Cash	\$ 47,382,877	\$ -	\$ 20,122,701	\$ -	\$ 27,260,176	\$ -	\$ -	\$ -	\$ -
Georgia Fund 1	93,052,614	-	93,052,614	-	-	-	-	-	-
Money market accounts	60,554,806	-	39,132,827	-	-	-	-	-	21,421,979
Cash restricted under State grant programs	13,026,801	-	13,026,801	-	-	-	-	-	-
Assets restricted under revenue bond resolutions:									
Georgia Fund 1	125,091,274	-	125,091,274	-	-	-	-	-	-
Money market accounts	13,571,312	-	13,571,312	-	-	-	-	-	-
GNMA MBS	5,964	-	5,964	-	-	-	-	-	-
Total cash and cash equivalents and equity in pooled cash	\$ 352,685,648	\$ -	\$ 304,003,493	\$ -	\$ 27,260,176	\$ -	\$ -	\$ -	\$ 21,421,979
Short-term investment securities:									
U.S. Government and agency securities	\$ 6,328,161	\$ -	\$ 5,028,200	\$ 1,299,961	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	6,760,074	-	-	5,325,531	1,399,166	35,377	-	-	-
Foreign bonds	2,398,172	-	-	-	20,355	2,377,817	-	-	-
Bank CDs	3,248,060	-	-	498,183	-	1,002,683	-	-	1,747,194
Commercial paper	59,972,000	-	59,972,000	-	-	-	-	-	-
Non-purpose investments	73,482,612	-	-	-	-	-	-	-	73,482,612
Total short-term investment securities	\$ 152,189,079	\$ -	\$ 65,000,200	\$ 7,123,675	\$ 1,419,521	\$ 3,415,877	\$ -	\$ -	\$ 75,229,806
Long-term investment securities:									
Mortgage-backed securities	\$ 19,611,607	\$ -	\$ 7,090,799	\$ 12,520,808	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Government and agency securities	79,528,220	-	66,274,333	3,002,387	-	-	-	-	10,251,500
Corporate MBS/ABS	7,366,590	-	6,031,347	935,429	138,146	50,286	-	-	211,382
Foreign bonds	5,380,037	-	772,593	398,561	2,397,235	1,658,963	152,685	-	-
Bank CDs	2,742,973	-	-	250,464	1,240,019	250,415	-	-	1,002,075
Corporate bonds	25,326,050	-	-	9,206,912	4,138,900	11,617,904	292,459	69,875	-
Fixed income fund	16,989,750	-	-	-	-	-	-	-	16,989,750
Strategic income opportunities fund	27,691,133	-	-	-	-	-	-	-	27,691,133
Securitized investors fund	7,801,083	-	-	-	-	-	-	-	7,801,083
Assets restricted under revenue bond resolutions:									
Investment agreements	11,829,547	-	-	-	-	11,829,547	-	-	-
Agency mortgage-backed securities	42,315,762	-	42,315,762	-	-	-	-	-	-
GNMA MBS	10,374,291	-	10,374,291	-	-	-	-	-	-
Agency debentures	2,911,086	-	2,911,086	-	-	-	-	-	-
Total long-term investment securities	\$ 259,868,129	\$ -	\$ 135,770,211	\$ 26,314,561	\$ 7,914,300	\$ 25,407,115	\$ 445,144	\$ 69,875	\$ 63,946,923

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	Total Fair Value	Government securities	Standard & Poor's Credit Rating as of June 30, 2020						Not Rated
			AAA	AA	A	BBB	BB	CCC	
Cash and cash equivalents and equity in pooled cash:									
Cash	\$ 41,544,024	\$ -	\$ 27,031,738		\$ 3,277,243	\$ 10,251,794	\$ -	\$ -	\$ 983,249
Georgia Fund 1	102,397,559	-	102,397,559	-	-	-	-	-	-
Money market accounts	38,316,136	-	32,702,208	-	-	-	-	-	5,613,928
Cash restricted under State grant programs	43,103,242	-	43,103,242	-	-	-	-	-	-
Assets restricted under revenue bond resolutions:									
Georgia Fund 1	149,752,371	-	149,752,371	-	-	-	-	-	-
Money market accounts	13,065,985	-	13,065,985	-	-	-	-	-	-
Investment agreements	2,808,226	-	-	-	-	-	-	-	2,808,226
Total cash and cash equivalents and equity in pooled cash	\$ 390,987,543	\$ -	\$ 368,053,103	\$ -	\$ 3,277,243	\$ 10,251,794	\$ -	\$ -	\$ 9,405,403
Short-term investment securities:									
Corporate bonds	\$ 4,338,527	\$ -	\$ -	\$ 2,247,159	\$ 279,249	\$ 1,812,119	\$ -	\$ -	\$ -
Foreign bonds	627,513	-	-	-	211,449	416,064	-	-	-
Bank CDs	1,232,277	-	-	491,078	495,611	-	-	-	245,588
Agency mortgage-backed securities	300	-	-	300	-	-	-	-	-
Non purpose investments	97,242,378	-	-	-	-	-	-	-	97,242,378
Total short-term investment securities	\$ 103,440,995	\$ -	\$ -	\$ 2,738,537	\$ 986,309	\$ 2,228,183	\$ -	\$ -	\$ 97,487,966
Long-term investment securities:									
Mortgage-backed securities	\$ 33,757,986	\$ -	\$ -	\$ 33,757,986	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Government and agency securities	75,445,556	-	25,404,935	50,040,621	-	-	-	-	-
Corporate MBS/ABS	11,022,361	-	8,534,792	1,635,225	333,866	43,418	-	-	475,060
Foreign bonds	5,315,238	-	29,228	35,877	2,491,334	2,753,558	5,241	-	-
Bank CDs	5,606,334	-	-	507,444	764,964	767,434	249,802	-	3,316,690
Corporate bonds	40,082,320	-	638,343	17,445,674	9,991,610	11,937,145	45,695	23,853	-
Fixed income fund	13,689,373	-	-	-	-	-	-	-	13,689,373
Strategic income opportunites fund	25,534,674	-	-	-	-	-	-	-	25,534,674
Securitized investors fund	3,886,872	-	-	-	-	-	-	-	3,886,872
Assets restricted under revenue bond resolutions:									
Investment agreements	11,829,547	-	5,268,062	-	6,561,485	-	-	-	-
Agency mortgage-backed securities	36,697,826	-	-	36,697,826	-	-	-	-	-
GNMA MBS	15,281,716	-	-	15,281,716	-	-	-	-	-
Agency debentures	2,003,760	-	-	2,003,760	-	-	-	-	-
Total long-term investment securities	\$ 280,153,563	\$ -	\$ 39,875,360	\$ 157,406,129	\$ 20,143,259	\$ 15,501,555	\$ 300,738	\$ 23,853	\$ 46,902,669

Note 5 - Mortgage loans receivable

The Authority's single-family bond programs are designed to provide mortgage loans to qualified home-buyers within the State of Georgia. The Authority's guidelines generally require the mortgage loans to be either FHA insured, guaranteed by the Department of Veterans Affairs or conventionally financed with traditional primary mortgage insurance; and, in the case of pre-1987 single-family programs, insured with mortgage pool policies. A small portion of the Authority's mortgage loans are uninsured. However, uninsured loans are collateralized with a first mortgage on the underlying real estate. Interest on mortgage loans receivable range from 2.875% to 8.700% per annum as of June 30, 2021. As of June 30, 2021 and 2020, interest income from mortgage loans receivable totals \$62,331,427 and \$61,921,200, respectively, and accrued interest outstanding totals \$8,867,746 and \$8,501,232, respectively.

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Mortgage loans receivable, net consist of the following at June 30, 2021 and 2020:

	June 30,	
	2021	2020
Single-family mortgage loans (2.875% to 8.700%)		
FHA insured	\$ 1,238,833,485	\$ 1,249,735,745
Conventional insured	26,767,726	33,355,084
VA insured	7,732,847	8,771,124
Conventional uninsured	49,826,217	50,389,996
	<u>1,323,160,275</u>	<u>1,342,251,949</u>
Less allowance for loan losses	<u>(4,500,000)</u>	<u>(4,500,000)</u>
	1,318,660,275	1,337,751,949
Less current portion of mortgage loan receivable	<u>(39,208,362)</u>	<u>(39,925,410)</u>
	1,279,451,913	1,297,826,539
Less real estate owned	<u>(1,342,857)</u>	<u>(1,856,067)</u>
Long-term portion of mortgage loans receivable, net	<u>\$ 1,278,109,056</u>	<u>\$ 1,295,970,472</u>

In connection with the mortgage loans, the Authority holds various trustee bank accounts on behalf of the mortgagors which consist of escrow deposits for taxes and insurance, replacement reserves, and operating deficit reserves. A corresponding liability is recorded upon receipt by the Authority of the mortgagors' escrow deposits. As of June 30, 2021 and 2020, amount held in such escrows total \$34,353,880 and \$37,322,568, respectively, which are included in mortgage escrow deposits on the Statements of Net Position. As of June 30, 2021 and 2020, real estate owned properties in the amount of \$1,342,857 and \$1,856,067, respectively, are included in other current assets on the Statements of Net Position.

Note 6 - HOME loans receivable and refundable home grant proceeds

The Authority acts as an intermediary on behalf of the federal government under the HOME Program provisions of the 1990 National Affordable Housing Act. Applicants include entities developing multifamily low-income housing properties. Qualified applicants are issued loans using grant proceeds the Authority receives from the federal government. These loans generally do not have required scheduled payments of principal or interest. Instead, the loans require payment of interest to the extent of a portion of net cash flows, as defined, of the borrowers. These loans generally are nonrecourse and are collateralized by a subordinated mortgage on the underlying property of the borrower. Any repayments the Authority receives on these loans are required to be repaid to the federal government or used to fund new HOME loans. The Authority accounts for the loans receivable at the face value of the loans. A corresponding liability is recorded in the same amount to reflect the Authority's obligation to the federal government. In the event the loans receivable is not repaid, the Authority will not incur any loss and the refundable grant proceeds liability will not be required to be repaid. In the event the borrower fails to comply with the affordability requirements of the HOME Program, any HOME funds invested must be repaid. During the years ended June 30, 2021 and 2020, the Authority made HOME loans to applicants totaling \$27,836,282 and \$50,481,993, respectively, which are included with the Federal and State grant income and expense on the statements of revenues, expenses, and changes in net position. HOME loans and the corresponding refundable HOME grant proceeds obligation outstanding as of June 30, 2021 and 2020, totaled \$570,630,112 and \$586,864,092, respectively.

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In connection with the mortgage loans, the Authority holds various trustee bank accounts on behalf of the mortgagors which consist of escrow deposits for taxes and insurance, replacement reserves, and operating deficit reserves. A corresponding liability is recorded upon receipt by the Authority of the mortgagors' escrow deposits. As of June 30, 2021 and 2020, amount held in such escrows total \$46,118,212 and \$42,874,768, respectively, which are included in mortgage escrow deposits on the Statements of Net Position.

ARRA loans receivable

The Authority has received a total of \$56,481,680 under the Tax Credit Assistance Program ("TCAP") funding award from HUD pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA). By statute, projects eligible to receive TCAP assistance are rental housing projects that received an award of LIHTCs under Section 42(h) of the Internal Revenue Code of 1986, as amended, ("IRC") (26 U.S.C. 42), during the period from October 1, 2006 to September 30, 2009 (federal fiscal years 2007, 2008 or 2009). The Authority expended 100% of TCAP funds by February 16, 2012. As of June 30, 2021, no committed funds are undrawn.

TCAP loan payments are based on projected cash flow, as defined. The permanent loans are non-recourse and collateralized by a subordinated mortgage on the underlying property of the borrower. Per HUD guidance, any program income earned after the grant period must be used to develop or operate affordable housing.

GHFA will utilize the repayment of the originally expended funds, program income, for matching HOME loans with TCAP construction loans, providing revolving funds for Community Development Financial Institution ("CDFI"), Portfolio Asset Management (PAM) and for high priority preservation of affordable housing. For each activity, funds will be utilized to aid in the acquisition, construction, and, or continued operation of affordable properties aimed at serving households whose annual incomes does not exceed 80% area median income for the applicable area.

The Authority has also received a total of \$195,011,506 in Tax Credit Exchange Program ("TCEP") grant awards from the U.S. Treasury under Section 1602 of the Act. The TCEP funds are to finance construction or acquisition and rehabilitation of qualified low-income projects. The Authority disbursed grant funds to subawardees in 2010 and 2011. Any funds not disbursed to the subawardee by December 31, 2011 had to be returned to the U.S. Treasury on January 1, 2012. The Authority spent \$194,985,130 by December 31, 2011 and \$26,376 was returned to U.S. Treasury. As of June 30, 2021, no committed funds are undrawn.

There is no principal and interest payment on TCEP funds. However, a compliance reserve account will be established for each TCEP subaward by generally requiring each subawardee to contribute 50% of a project's annual net cash flow, as defined, throughout the 15-year compliance period. Such compliance reserve will be used to pay the U.S. Treasury if a recapture event occurs or to replenish the operating deficit reserve and/or replacement reserve account. Any funds remaining in the compliance reserve account will be returned to the subawardee after the compliance period ends.

The subawards are not required to be repaid unless a recapture event occurs during the 15-year compliance period with respect to a qualified low-income building. In the event of a recapture event, the debt is owed to the U.S. Treasury.

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Hardest Hit Fund loans receivable

During 2011, AHI received an award from the U.S. Treasury in the amount of \$339,255,819 for the HHF program of which \$47,410,693 can be used for administrative expenses. During 2016, AHI received an additional award from the U.S. Treasury in the amount of \$30,880,575 for the HHF program of which \$441,423 can be used for administrative expenses. During 2018, AHI received an additional award from the U.S. Treasury in the amount of \$437,866 for the down payment assistance program. Loans made under the HHF program bear no interest and are secured by a deed on the property. The loans are forgivable 20 percent a year, until maturity, five years from date of the last monthly payment. The unforgiven portion of the loan is required to be repaid if the borrower sells or refinances the property before the five year period. At maturity, the loan will be considered satisfied and the lien will be released. If the property is sold before maturity, and does not generate net proceeds sufficient to repay the remaining loan balance, the unpaid portion will be forgiven. Any amounts remaining and recaptured from the program activities are to be remitted back to the U.S. Treasury upon termination of the program. Accordingly, AHI does not bear the risk of loss in connection with the HHF program lending activities and as such, records loans receivable, which are fully offset by a corresponding liability of the same amount payable to the U.S. Treasury. The U.S. Treasury oversight of the program ended on May 28, 2021, and remaining and recaptured funds were returned on that date. During the years ended June 30, 2021 and 2020, HHF loans funded were \$15,403,516 and \$27,629,293, and repayments received were \$5,976 and \$10,787, respectively. As of June 30, 2021 and 2020, HHF loans receivable and its corresponding liability/loan principal reserves were \$130,297,452 and \$151,266,545, respectively, of which \$- and \$151,266,545 are payable to the U.S. Treasury, respectively. Unexpended grant proceeds of \$154,031 and \$- remain outstanding as of June 30, 2021 and 2020, respectively.

Note 7 - Capital assets

Capital assets consisted of the following as of June 30, 2021 and 2020:

	July 1, 2020	Additions	Deletions	June 30, 2021
Land	\$ 800,000	\$ -	\$ -	\$ 800,000
Building	3,865,000	-	-	3,865,000
Capital improvements	4,982,640	-	-	4,982,640
Vehicles	378,755	-	-	378,755
Equipment, computers and software	438,177	-	-	438,177
	<u>10,464,572</u>	<u>-</u>	<u>-</u>	<u>10,464,572</u>
Less accumulated depreciation				
Building	(2,596,103)	(96,625)	-	(2,692,728)
Capital improvements	(3,595,405)	(217,144)	-	(3,812,549)
Vehicles	(378,755)	-	-	(378,755)
Equipment, computers and software	(438,177)	-	-	(438,177)
	<u></u>	<u></u>	<u></u>	<u></u>
Capital assets, net	<u>\$ 3,456,132</u>	<u>\$ (313,769)</u>	<u>\$ -</u>	<u>\$ 3,142,363</u>

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	July 1, 2019	Additions	Deletions	June 30, 2020
Land	\$ 800,000	\$ -	\$ -	\$ 800,000
Building	3,865,000	-	-	3,865,000
Capital improvements	4,204,593	778,047	-	4,982,640
Vehicles	378,755	-	-	378,755
Equipment, computers and software	438,177	-	-	438,177
	<u>9,686,525</u>	<u>778,047</u>	<u>-</u>	<u>10,464,572</u>
Less accumulated depreciation				
Building	(2,499,478)	(96,625)	-	(2,596,103)
Capital improvements	(3,456,066)	(139,339)	-	(3,595,405)
Vehicles	(378,755)	-	-	(378,755)
Equipment, computers and software	(438,177)	-	-	(438,177)
	<u>(4,372,576)</u>	<u>(235,964)</u>	<u>(0)</u>	<u>(4,608,540)</u>
Capital assets, net	<u>\$ 2,914,049</u>	<u>\$ 542,083</u>	<u>\$ -</u>	<u>\$ 3,456,132</u>

Note 8 - Credit facility

The Authority has a credit facility with the Federal Home Loan Bank of Atlanta ("FHLB Atlanta"), which allows collateralized borrowings up to \$200,000,000. Borrowings, or advances under the facility are typically used to warehouse single-family mortgage loans in between bond issues. These warehouse advances are repayable from the proceeds of single-family mortgage bonds issued by the Authority. Each advance bears a fixed rate of interest dependent upon the length and the amount of the advance, as determined by FHLB Atlanta. Outstanding warehouse advances under the facility are set to mature on the expected closing date of the next issuance of single-family mortgage bonds. Advances are collateralized by the market value of pledged investment securities held in safekeeping at FHLB Atlanta. During the years ended June 30, 2021 and 2020, the Authority utilized advances from the FHLB Atlanta which totaled \$18,156,037 and \$75,988,095, respectively. As of June 30, 2021 and 2020, there were no advances outstanding, respectively. On August 11, 2021, the Authority began using advances again to purchase loans for 2021 Series A expected to close in November 2021.

Note 9 - Mortgage bonds payable

The principal long-term obligations of the Authority are single-family mortgage bonds payable out of the Authority's revenue, monies, or assets legally available there from. The bonds are issued to finance the purchase of single-family mortgage loans for eligible persons and families of low and moderate income within the State of Georgia. As of June 30, 2021 and 2020, accrued interest on bonds was \$4,087,454 and \$4,589,401, respectively.

As provided in the bond resolutions, the bonds are secured by certain assets authorized for that purpose and any interest earned thereon. These assets include mortgage loans purchased and certain cash and cash equivalents and investment securities in mortgage bond accounts restricted in prescribed amounts as required by Revenue Bond Resolutions.

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Reserve balances included in the assets restricted under revenue bond resolutions investment accounts which are included in investments on the Statements of Net Position were as follows at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Capital reserve for debt service	\$ 63,769,116	\$ 60,810,649
Mortgage reserve for debt service and potential loan losses	<u>1,280,518</u>	<u>1,214,169</u>
Total	<u><u>\$ 65,049,634</u></u>	<u><u>\$ 62,024,818</u></u>

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Tables reflecting mortgage bond activity during fiscal years 2021 and 2020 as well as general information about each bond issue follow:

	Net bonds outstanding June 30, 2019	Less Matured called, or redeemed	Issued	Net change unamortized bond premium (discount)	Net bonds outstanding June 30, 2020	Less Matured called, or redeemed	Issued	Net change unamortized bond premium (discount)	Net bonds outstanding June 30, 2021
Resolution 1 Series:									
1999A	\$ (9,415)	\$ -	\$ -	\$ -	\$ (9,415)	\$ -	\$ -	\$ -	\$ (9,415)
1999B	9,413	-	-	-	9,413	-	-	-	9,413
2010A	19,127,440	19,070,000	-	(57,440)	-	-	-	-	-
2010B	29,421,663	2,655,000	-	(19,978)	26,746,685	3,785,000	-	(22,847)	22,938,838
2011A	24,393,548	3,155,000	-	(14,921)	21,223,627	3,995,000	-	(16,266)	17,212,361
2011B	30,697,483	3,705,000	-	(19,297)	26,973,186	4,370,000	-	(19,313)	22,583,873
2011C	37,521,022	4,810,000	-	(12,706)	32,698,316	5,280,000	-	(12,065)	27,406,251
2012A	49,820,000	4,500,000	-	-	45,320,000	4,615,000	-	-	40,705,000
2013A	118,862,404	3,635,000	-	(28,133)	115,199,271	3,740,000	-	(26,737)	111,432,534
2014A	74,214,854	10,565,000	-	(149,553)	63,500,301	17,185,000	-	(192,477)	46,122,824
2014B	93,180,000	2,400,000	-	-	90,780,000	2,675,000	-	-	88,105,000
2015A	86,772,824	5,365,000	-	(124,891)	81,282,933	5,115,000	-	(96,589)	76,071,344
2015B	83,486,599	5,870,000	-	(94,376)	77,522,223	9,735,000	-	(108,734)	67,678,489
2016A	97,222,982	5,310,000	-	(149,064)	91,763,918	6,685,000	-	(140,456)	84,938,462
2016B	105,635,379	6,350,000	-	(129,688)	99,155,691	6,800,000	-	(112,114)	92,243,577
2017A	76,447,097	19,175,000	-	(319,104)	56,952,993	14,310,000	-	(165,950)	42,477,043
2017B	91,627,472	4,525,000	-	(167,858)	86,934,614	5,265,000	-	(145,536)	81,524,078
2017C	90,000,000	-	-	-	90,000,000	7,050,000	-	-	82,950,000
2018A	108,590,000	3,730,000	-	-	104,860,000	19,680,000	-	-	85,180,000
2018B	117,111,276	16,235,000	-	123,724	101,000,000	49,680,000	-	-	51,320,000
2019A	111,310,000	-	-	-	111,310,000	740,000	-	-	110,570,000
2019B	-	-	138,690,000	-	138,690,000	-	-	-	138,690,000
2020A	-	-	139,150,000	2,692,204	141,842,204	3,750,000	-	(205,414)	137,886,790
2020B	-	-	-	-	-	-	110,850,000	-	110,850,000
Total Resolution 1	<u>1,445,442,041</u>	<u>\$ 121,055,000</u>	<u>\$ 277,840,000</u>	<u>\$ 1,528,919</u>	<u>\$ 1,603,755,960</u>	<u>\$ 174,455,000</u>	<u>\$ 110,850,000</u>	<u>\$ (1,264,498)</u>	<u>\$ 1,538,886,462</u>
Total all series	<u>\$ 1,445,442,041</u>	<u>\$ 121,055,000</u>	<u>\$ 277,840,000</u>	<u>\$ 1,528,919</u>	<u>\$ 1,603,755,960</u>	<u>\$ 174,455,000</u>	<u>\$ 110,850,000</u>	<u>\$ (1,264,498)</u>	<u>\$ 1,538,886,462</u>

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Original issue amounts, interest rates, and amounts outstanding as of June 30, 2021 and 2020 follow:

	Original issue amount	Interest rates	2021 Amount outstanding	2020 Amount outstanding
Resolution 1 Series:				
2010B	\$ 96,000,000	0.4500 - 5.000%	\$ 22,840,000	\$ 26,625,000
2011A	105,600,000	0.3750 - 5.000%	17,150,000	21,145,000
2011B	98,000,000	0.3000 - 4.000%	22,510,000	26,880,000
2011C	116,200,000	0.3500 - 4.125%	27,360,000	32,640,000
2012A	47,955,000	0.5300 - 4.050%	40,705,000	45,320,000
2013A	149,395,000	0.2000 - 3.900%	111,145,000	114,885,000
2014A	156,110,000	0.1500 - 4.700%	44,170,000	61,355,000
2014B	103,000,000	0.1500 - 3.650%	88,105,000	90,780,000
2015A	103,445,000	0.3500 - 3.800%	75,000,000	80,115,000
2015B	111,555,000	0.5000 - 3.875%	68,085,000	77,820,000
2016A	107,400,000	0.6500 - 3.500%	82,540,000	89,225,000
2016B	117,600,000	1.0000 - 3.500%	91,745,000	98,545,000
2017A	80,000,000	0.9400 - 4.100%	41,710,000	56,020,000
2017B	94,670,000	0.8000 - 4.000%	81,255,000	86,520,000
2017C	90,000,000	2.8500 - 3.750%	82,950,000	90,000,000
2018A	110,000,000	1.8000 - 4.000%	85,180,000	104,860,000
2018B	125,330,000	1.9000 - 4.200%	51,320,000	101,000,000
2019A	111,310,000	2.1250 - 3.700%	110,570,000	111,310,000
2019B	138,690,000	1.6500 - 3.250%	138,690,000	138,690,000
2020A	139,150,000	1.0000 - 4.000%	135,400,000	139,150,000
2020B	110,850,000	0.3000 - 2.500%	110,850,000	-
Total Resolution 1	<u>2,312,260,000</u>		<u>1,529,280,000</u>	<u>1,592,885,000</u>
Total Bonds	<u>\$ 2,312,260,000</u>		<u>1,529,280,000</u>	<u>1,592,885,000</u>
Plus Unamortized Premium (Discount)			<u>9,606,462</u>	<u>10,870,960</u>
Net Bonds Payable			<u>\$ 1,538,886,462</u>	<u>\$ 1,603,755,960</u>

Future debt service requirements are set forth below:

Year ending June 30,	Future Debt Service Required		
	Resolution 1		Total
	Principal	Interest	
2022	\$ 42,330,000	\$ 48,778,094	\$ 91,108,094
2023	44,345,000	47,690,069	92,035,069
2024	43,370,000	46,576,310	89,946,310
2025	43,670,000	45,490,240	89,160,240
2026	43,770,000	44,311,550	88,081,550
2027-2031	245,985,000	202,454,821	448,439,821
2032-2036	287,615,000	159,956,069	447,571,069
2037-2041	309,295,000	110,111,401	419,406,401
2042-2046	274,320,000	57,850,004	332,170,004
2047-2051	194,580,000	12,884,468	207,464,468
Totals	<u>\$ 1,529,280,000</u>	<u>\$ 776,103,026</u>	<u>\$ 2,305,383,026</u>

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Interest is payable on all bonds on June 1 and December 1 of each year. Various issues of bonds outstanding are all subject to mandatory redemptions. All bonds are callable by the Authority without penalty prior to their scheduled maturity under certain conditions. The Authority's management believes that they are in compliance as of June 30, 2021 and 2020.

Note 10 - Related party transactions

The Authority leases office space to DCA, a related party. This leasing agreement is renewable every year and is applicable for the date of July 1 through June 30. Rental income for the years ended June 30, 2021 and 2020 were \$1,442,977 and \$1,288,877, respectively.

Costs incurred by DCA for the administration of all Authority programs are reimbursed monthly by the Authority. The Authority has no employees and contracts DCA for all staffing needs. The Authority reimburses DCA for the services provided that include the cost of salaries, related benefits including pension, and other program expenses. For the years ended June 30, 2021 and 2020, reimbursement to DCA for the above described costs incurred on behalf of the Authority totaled \$28,472,350 and \$23,555,866, respectively.

Note 11 - Commitments and contingencies

The Authority participated in a number of Federal and State financial assistance programs. These programs are subject to independent financial and compliance audits by grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.

In addition to specific program compliance requirements, the Authority is also required to comply with general compliance requirements and is subject to the provisions of Uniform Guidance.

Bond resolution

The Georgia Housing and Finance Authority is empowered to issue tax-exempt bonds under the 1976 General Resolution. The Authority's debt is serviced by the cash flow streams generated by the mortgages held in its portfolio, or if necessary, the Authority's revenues, money or assets legally available. The use of assets of the program is restricted by the resolution. Certain amounts in the program are restricted to the financing of housing or to the retirement of bonds according to established agreements. Bonds issued by GHFA do not constitute a debt of the State or a pledge of the faith or credit of the State and are solely the obligations of the Authority. GHFA's bond rating on the 1976 Resolution is currently AAA.

Financial contingencies

The Authority's business operations include significant lending and borrowing arrangements. Borrowings are made in the form of bonds. Proceeds from these bonds are mainly used to finance home mortgage loans to qualifying borrowers. The ultimate source of repayment of these borrowings and the related interest is return of principal and interest on the loans. The Authority invests proceeds from borrowings prior to their use. It also invests funds from repayments received on its loans. These investments usually consist of money market funds and various debt securities. The Authority generally does not invest in equity securities. Approximately 96% of the Authority's loans are insured and approximately 4% are uninsured. The Authority is subject to credit risks related to its cash balances and its investments in debt securities. It is also subject to the risk that the underlying value of the collateral on its uninsured loans declines. The Authority maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits. Any deposits in

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excess of federally insured limits are collateralized by U.S. Government and Agency securities held by GBA Services Inc., a subsidiary of the Georgia Bankers Association in the State of Georgia Pledging Pool, in the State Treasurer's collateral pool for that institution, as defined in O.C.G.A. §45-8-13. As of June 30, 2021, the Authority has not experienced any losses associated with these deposits. If the Authority were to incur significant losses in connection with the above cash balances and debt investments, it would impair the Authority's ability to service its debt obligations as they become due.

Additionally, as described above, the Authority has uninsured single-family mortgage loans of approximately \$49,800,000 and \$50,400,000 as of June 30, 2021 and 2020, respectively. All of these loans are for home mortgages in the State of Georgia. Current economic conditions in Georgia have a direct impact on foreclosures and the higher rate of loss on foreclosed loans. If the economy declines, one impact of these conditions could be a decline in housing values and an increase in unemployment and underemployment. The Authority could incur a higher rate of foreclosure and a higher rate of loss on foreclosed loans as a result of the impact of their economic factors and the decline in the value of its underlying collateral on uninsured loans. If the economy declines and, as a result, the Authority could experience a dramatic increase in foreclosures, it is possible that the combination of such an increase combined with lower housing prices could result in increased losses of loan assets that could have adverse impacts on the Authority's ability to repay its outstanding bonds.

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, events have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity. This could have a negative impact on the Authority's financial position, results of operations, and cash flows. As of June 30, 2021, the global pandemic is still ongoing. Management continues to monitor the results of operations to evaluate the economic impact of the pandemic on the Authority.

Note 12 - Segment information

The Authority issued revenue bonds to finance the purchase of single-family mortgage loans for eligible persons and families of low and moderate income within the State. Investors in the revenue bonds rely solely on the revenue generated by the individual activities for repayment. Summary financial information for the single-family program is included in the Supplementary Information.

Note 13 - Insured mortgages and net worth requirement

A significant portion of the Authority's mortgage loans are insured by FHA/VA. The Authority acts as a nonsupervised mortgagee in connection with these loans and, as such, is required to comply with certain mortgage lending guidelines as set forth in the applicable HUD regulations. Included in these guidelines is the requirement to maintain a minimum net worth requirement of \$2,500,000 plus 0.35% of the total effective outstanding obligations. As of June 30, 2021 and 2020, the Authority was in compliance with these requirements.

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**Notes to Financial Statements
June 30, 2021 and 2020**

Note 14 - Condensed financial statements - blended component units

The blended component units as of June 30, 2021 and 2020 are presented below:

Condensed financial statements for blended component units as of June 30, 2021

	GHFA	AHI (Blended Component Unit)	EDFI (Blended Component Unit)	Total
Assets				
Current assets	\$ 601,509,169	\$ 39,209,793	\$ 11,184,489	\$ 651,903,451
Noncurrent assets	2,119,457,436	2,686,151	25,481	2,122,169,068
Capital assets, net	3,142,363	-	-	3,142,363
Total assets	<u>2,724,108,968</u>	<u>41,895,944</u>	<u>11,209,970</u>	<u>2,777,214,882</u>
Liabilities				
Current liabilities	381,034,620	37,858,192	9,186,460	428,079,272
Noncurrent liabilities	2,090,027,525	-	-	2,090,027,525
Total liabilities	<u>2,471,062,145</u>	<u>37,858,192</u>	<u>9,186,460</u>	<u>2,518,106,797</u>
Net position				
Net investment in capital assets	3,142,363	-	-	3,142,363
Unrestricted	249,904,460	4,037,752	2,023,510	255,965,722
Total net position	<u>253,046,823</u>	<u>4,037,752</u>	<u>2,023,510</u>	<u>259,108,085</u>
Total liabilities and net position	<u>\$ 2,724,108,968</u>	<u>\$ 41,895,944</u>	<u>\$ 11,209,970</u>	<u>\$ 2,777,214,882</u>

	GHFA	AHI (Blended Component Unit)	EDFI (Blended Component Unit)	Total
Operating revenues				
Interest on loans	\$ 61,583,003	\$ -	\$ 748,424	\$ 62,331,427
Interest on investments	14,502,604	43,439	26,325	14,572,368
Net decrease in fair value of investments	(7,311,960)	(37,966)	(5,012)	(7,354,938)
Administrative fees:				
Federal and state assistance programs	25,160,662	6,415,620	-	31,576,282
Single family trustee	3,563,089	-	-	3,563,089
Federal and state grant income	61,492,704	20,570,621	2,580,916	84,644,241
Other miscellaneous income	1,621,748	4,965,714	71,290	6,658,752
Total operating revenues	<u>160,611,850</u>	<u>31,957,428</u>	<u>3,421,943</u>	<u>195,991,221</u>
Operating expenses				
Interest on bonds	51,513,946	-	-	51,513,946
Mortgage servicing	8,250,351	-	-	8,250,351
Administrative	23,996,570	6,175,913	399,308	30,571,791
Federal and state grant expense	58,172,673	25,536,334	2,580,916	86,289,923
Professional fees	2,017,804	617,950	-	2,635,754
Other	4,697,159	1,109,789	9,216	5,816,164
Total operating expenses	<u>148,648,503</u>	<u>33,439,986</u>	<u>2,989,440</u>	<u>185,077,929</u>
Change in net position	11,963,347	(1,482,558)	432,503	10,913,292
Net position at beginning of year	<u>241,083,476</u>	<u>5,520,310</u>	<u>1,591,007</u>	<u>248,194,793</u>
Operating transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position at end of year	<u>\$ 253,046,823</u>	<u>\$ 4,037,752</u>	<u>\$ 2,023,510</u>	<u>\$ 259,108,085</u>

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Notes to Financial Statements
June 30, 2021 and 2020

	GHFA	AHI (Blended Component)	EDFI (Blended Component)	Total
Cash flows provided by (used in) operating activities	\$ 50,485,994	\$ 12,064,389	\$ (301,850)	\$ 62,248,533
Cash flows provided by (used in) investing activities	(35,823,413)	(18,138)	23,963	(35,817,588)
Cash flows provided by (used in) noncapital financing activities	(64,732,840)	-	-	(64,732,840)
Net increase (decrease) in cash and cash equivalents	(50,070,259)	12,046,251	(277,887)	(38,301,895)
Cash and cash equivalents at beginning of year	354,708,051	26,079,943	10,199,549	390,987,543
Cash and cash equivalents at end of year	<u>\$ 304,637,792</u>	<u>\$ 38,126,194</u>	<u>\$ 9,921,662</u>	<u>\$ 352,685,648</u>
Reconciliation of change in net position to net cash provided by (used in) operating activities				
Change in net position	\$ 11,963,346	\$ (1,482,557)	\$ 432,503	\$ 10,913,292
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities	(5,280,544)	13,546,946	(734,353)	7,532,049
Change in assets and liabilities	43,803,192	-	-	43,803,192
Net cash provided by (used in) operating activities	<u>\$ 50,485,994</u>	<u>\$ 12,064,389</u>	<u>\$ (301,850)</u>	<u>\$ 62,248,533</u>

Condensed financial statements for blended component units as of June 30, 2020

	GHFA	AHI (Blended Component Unit)	EDFI (Blended Component Unit)	Total
Assets				
Current assets	\$ 604,188,875	\$ 26,084,558	\$ 11,533,725	\$ 641,807,158
Noncurrent assets	2,174,216,106	2,682,748	33,928	2,176,932,782
Capital assets, net	3,456,132	-	-	3,456,132
Total assets	<u>2,781,861,113</u>	<u>28,767,306</u>	<u>11,567,653</u>	<u>2,822,196,072</u>
Liabilities				
Current liabilities	370,930,667	23,246,996	9,976,646	404,154,309
Noncurrent liabilities	2,169,846,970	-	-	2,169,846,970
Total liabilities	<u>2,540,777,637</u>	<u>23,246,996</u>	<u>9,976,646</u>	<u>2,574,001,279</u>
Net position				
Net investment in capital assets	3,456,132	-	-	3,456,132
Unrestricted	237,627,344	5,520,310	1,591,007	244,738,661
Total net position	<u>241,083,476</u>	<u>5,520,310</u>	<u>1,591,007</u>	<u>248,194,793</u>
Total liabilities and net position	<u>\$ 2,781,861,113</u>	<u>\$ 28,767,306</u>	<u>\$ 11,567,653</u>	<u>\$ 2,822,196,072</u>

Georgia Housing and Finance Authority
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June 30, 2021 and 2020

	GHFA	AHI (Blended Component Unit)	EDFI (Blended Component Unit)	Total
Operating revenues				
Interest on loans	\$ 61,223,282	\$ -	\$ 697,918	\$ 61,921,200
Interest on investments	14,080,187	400,706	136,690	14,617,583
Net increase in fair value of investments	5,559,729	70,128	24,348	5,654,205
Administrative fees:				
Federal and state assistance programs	23,271,020	3,547,327	-	26,818,347
Single family trustee	3,312,939	-	-	3,312,939
Federal and state grant income	79,544,435	24,163,875	2,320,787	106,029,097
Other miscellaneous income	1,638,373	3,465,418	-	5,103,791
Total operating revenues	<u>188,629,965</u>	<u>31,647,454</u>	<u>3,179,743</u>	<u>223,457,162</u>
Operating expenses				
Interest on bonds	51,981,533	-	-	51,981,533
Mortgage servicing	7,762,078	-	-	7,762,078
Administrative	22,201,165	3,247,746	314,296	25,763,207
Federal and state grant expense	77,125,268	27,629,293	2,320,787	107,075,348
Professional fees	1,969,475	40,033	-	2,009,508
Other	2,911,999	310,482	4,964	3,227,445
Total operating expenses	<u>163,951,518</u>	<u>31,227,554</u>	<u>2,640,047</u>	<u>197,819,119</u>
Change in net position	24,678,447	419,900	539,696	25,638,043
Net position at beginning of year	<u>216,405,029</u>	<u>5,100,410</u>	<u>1,051,311</u>	<u>222,556,750</u>
Operating transfers	-	-	-	-
Net position at end of year	<u>\$ 241,083,476</u>	<u>\$ 5,520,310</u>	<u>\$ 1,591,007</u>	<u>\$ 248,194,793</u>

	GHFA	AHI (Blended Component Unit)	EDFI (Blended Component Unit)	Total
Cash flows provided by (used in) operating activities	\$ (4,561,192)	\$ 1,407,237	\$ 1,933,003	\$ (1,220,952)
Cash flows provided by (used in) investing activities	(70,743,575)	230,955	(1,118,907)	(71,631,527)
Cash flows provided by (used in) noncapital financing activities	153,956,967	-	-	153,956,967
Cash flows provided by (used in) capital and related financing activities	<u>(778,047)</u>	<u>-</u>	<u>-</u>	<u>(778,047)</u>
Net increase (decrease) in cash and cash equivalents	77,874,153	1,638,192	814,096	80,326,441
Cash and cash equivalents at beginning of year	<u>276,833,898</u>	<u>24,441,751</u>	<u>9,385,453</u>	<u>310,661,102</u>
Cash and cash equivalents at end of year	<u>\$ 354,708,051</u>	<u>\$ 26,079,943</u>	<u>\$ 10,199,549</u>	<u>\$ 390,987,543</u>

Reconciliation of change in net position to net cash provided by (used in) operating activities				
Change in net position	\$ 24,678,447	\$ 419,900	\$ 539,696	\$ 25,638,043
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities	(3,441,933)	987,337	1,393,307	(1,061,289)
Change in assets and liabilities	<u>(25,797,706)</u>	<u>-</u>	<u>-</u>	<u>(25,797,706)</u>
Net cash provided by (used in) operating activities	<u>\$ (4,561,192)</u>	<u>\$ 1,407,237</u>	<u>\$ 1,933,003</u>	<u>\$ (1,220,952)</u>

Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)

Notes to Financial Statements
June 30, 2021 and 2020

Note 15 - Subsequent events

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through September 15, 2021 (the date the financial statements were available to be issued) and concluded that the following subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

The Authority is currently in the process of issuing GHFA 2021 Series A Single-Family Mortgage Bonds. The issue is estimated to be \$101,235,000 and is expected to close on November 9, 2021.

On July 28, 2021, the Authority increased its errors and omissions insurance policy amount to \$2,530,000.

Supplementary Information

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

Supplementary Information

**Schedule of Program Net Position
June 30, 2021**

	Administrative Program	Single Family Mortgage Revenue Programs	AHI	EDFI	Federal & State Assistance Programs	Total
Assets						
Current assets						
Cash and cash equivalents and equity in pooled cash	\$ 36,696,095	\$ 138,668,550	\$ 38,126,194	\$ 11,156,662	\$ 128,038,147	\$ 352,685,648
Short-term investments	78,706,467	73,482,612	-	-	-	152,189,079
Mortgage loans receivable, current portion	-	39,208,362	-	-	-	39,208,362
Accrued interest receivable	375,309	9,029,454	4,324	2,745	302,357	9,714,189
Mortgage escrow deposits	80,472,092	-	-	-	-	80,472,092
Interfund receivable (payable)	(6,908,039)	646,119	-	25,082	6,236,838	-
Other current assets	15,504,909	1,036,897	1,079,275	-	13,000	17,634,081
Total current assets	204,846,833	262,071,994	39,209,793	11,184,489	134,590,342	651,903,451
Noncurrent Assets						
Long-term investments	76,595,187	67,430,686	1,935,526	25,481	113,881,249	259,868,129
Mortgage loans receivable, net	1,160,902	1,276,379,517	-	-	568,637	1,278,109,056
Program loans receivable	-	-	-	-	570,630,112	570,630,112
Other loans receivable, net	58,659	-	750,625	-	12,752,487	13,561,771
Capital assets, net	3,142,363	-	-	-	-	3,142,363
Total noncurrent assets	80,957,111	1,343,810,203	2,686,151	25,481	697,832,485	2,125,311,431
Total assets	\$ 285,803,944	\$ 1,605,882,197	\$ 41,895,944	\$ 11,209,970	\$ 832,422,827	\$ 2,777,214,882

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

Supplementary Information

**Schedule of Program Net Position
June 30, 2021**

	Administrative Program	Single Family Mortgage Revenue Programs	AHI	EDFI	Federal & State Assistance Programs	Total
Liabilities						
Current liabilities						
Mortgage bonds payable, current maturities	\$ -	\$ 42,330,000	\$ -	\$ -	\$ -	\$ 42,330,000
Accrued interest on bonds	-	4,087,454	-	-	-	4,087,454
Accounts payable and accrued expenses	4,833,916	1,061,011	944,749	37,849	504	6,878,029
Interfund payable (receivable)	(263,218)	-	263,218	-	-	-
Mortgage escrow deposits held	80,472,092	-	-	-	-	80,472,092
Revenue received in advance, current maturities	3,064,606	-	-	-	-	3,064,606
Program funds received in advance	3,068,892	-	36,650,225	9,148,611	242,379,363	291,247,091
Total current liabilities	91,176,288	47,478,465	37,858,192	9,186,460	242,379,867	428,079,272
Noncurrent liabilities						
Mortgage bonds payable, net	-	1,496,556,462	-	-	-	1,496,556,462
Refundable program grants	-	-	-	-	570,630,112	570,630,112
Revenue received in advance	22,840,951	-	-	-	-	22,840,951
Total noncurrent liabilities	22,840,951	1,496,556,462	-	-	570,630,112	2,090,027,525
Total liabilities	114,017,239	1,544,034,927	37,858,192	9,186,460	813,009,979	2,518,106,797
Net position						
Net investment in capital assets	3,142,363	-	-	-	-	3,142,363
Unrestricted	168,644,342	61,847,270	4,037,752	2,023,510	19,412,848	255,965,722
Total net position	171,786,705	61,847,270	4,037,752	2,023,510	19,412,848	259,108,085
Total liabilities and net position	\$ 285,803,944	\$ 1,605,882,197	\$ 41,895,944	\$ 11,209,970	\$ 832,422,827	\$ 2,777,214,882

See Independent Auditor's Report.

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

Supplementary Information

**Schedule of Program Revenues, Expenses, and Changes In Net Position
Year Ended June 30, 2021**

	Administrative Program	Single Family Mortgage Revenue Programs	AHI	EDFI	Federal & State Assistance Programs	Total
Operating revenues						
Interest on loans	\$ 43,664	\$ 61,324,008	\$ -	\$ 748,424	\$ 215,331	\$ 62,331,427
Interest on investments	10,934,046	2,564,645	43,439	26,325	1,003,913	14,572,368
Net decrease in fair value of investments	(2,907,358)	(3,724,028)	(37,966)	(5,012)	(680,574)	(7,354,938)
Administrative fees:						
Federal and state assistance programs	24,929,937	57,023	6,415,620	-	173,702	31,576,282
Single family trustee	3,563,089	-	-	-	-	3,563,089
Federal and state grant income	3,468,905	-	20,570,621	2,580,916	58,023,799	84,644,241
Other miscellaneous income	1,621,748	-	4,965,714	71,290	-	6,658,752
Total operating revenues	<u>41,654,031</u>	<u>60,221,648</u>	<u>31,957,428</u>	<u>3,421,943</u>	<u>58,736,171</u>	<u>195,991,221</u>
Operating expenses						
Interest on bonds	-	51,513,946	-	-	-	51,513,946
Mortgage servicing	2,114,412	6,135,939	-	-	-	8,250,351
Administrative	20,197,261	3,572,858	6,175,913	399,308	226,451	30,571,791
Federal and state grant expense	-	-	25,536,334	2,580,916	58,172,673	86,289,923
Professional fees	570,285	1,447,519	617,950	-	-	2,635,754
Other	4,695,395	-	1,109,789	9,216	1,764	5,816,164
Total operating expenses	<u>27,577,353</u>	<u>62,670,262</u>	<u>33,439,986</u>	<u>2,989,440</u>	<u>58,400,888</u>	<u>185,077,929</u>
Change in net position	14,076,678	(2,448,614)	(1,482,558)	432,503	335,283	10,913,292
Net position at beginning of year	<u>157,710,027</u>	<u>64,295,884</u>	<u>5,520,310</u>	<u>1,591,007</u>	<u>19,077,565</u>	<u>248,194,793</u>
Operating transfers	-	-	-	-	-	-
Net position at end of year	<u>\$ 171,786,705</u>	<u>\$ 61,847,270</u>	<u>\$ 4,037,752</u>	<u>\$ 2,023,510</u>	<u>\$ 19,412,848</u>	<u>\$ 259,108,085</u>

See Independent Auditor's Report.

**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

Supplementary Information

**Schedule of Adjusted Net Worth and
Ginnie Mae Required Net Worth
June 30, 2021**

Adjusted net worth calculation:

Total net position per financial statements at June 30, 2021	\$ 259,108,085
Less unacceptable assets for computation of adjusted net worth as set forth in Attachment A of the Audit Guide	<u>-</u>
Adjusted net worth at June 30, 2021 as defined by the Audit Guide	<u><u>\$ 259,108,085</u></u>

Required net worth calculation:

Unpaid principal balance and securities outstanding	\$ 12,875,931
Outstanding balance and commitments authority issued and requested	<u>-</u>
Total outstanding portfolio and authority	12,875,931
Required net worth	<u><u>2,545,066</u></u>
Total required net worth	<u><u>\$ 2,545,066</u></u>

Excess (deficit) net worth (Adjusted net worth - required net worth)	<u><u>\$ 256,563,019</u></u>
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**Georgia Housing and Finance Authority
(A Component Unit of the State of Georgia)**

Supplementary Information

**Schedule of Required Insurance Calculation
June 30, 2021**

Identification of Affiliated Ginnie Mae Issuers

Affiliated Ginnie Mae Issuers:

Georgia Housing and Finance Authority 58-1222605

Affiliated Issuers on same Insurance Policies:

None

Required Insurance Calculation

Servicing portfolio:

Ginnie Mae	\$ -
Fannie Mae	58,288,903
Conventional (other)	1,263,959,873
Ginnie Mae subservicing	-

Total servicing portfolio	<u><u>\$ 1,322,248,776</u></u>
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Required Fidelity Bond Coverage	<u><u>\$ 1,847,249</u></u>
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Required Mortgage Servicing Errors and Omissions Coverage	<u><u>\$ 1,847,249</u></u>
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Verification of Insurance Coverage

Fidelity Bond Coverage	<u><u>\$ 2,500,000</u></u>
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Mortgage Servicing Errors and Omissions Coverage	<u><u>\$ 2,431,453</u></u>
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Excess Insurance Coverage

Fidelity Bond Coverage	<u><u>\$ 652,751</u></u>
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Mortgage Servicing Errors and Omissions Coverage	<u><u>\$ 584,204</u></u>
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Ginnie Mae Loss Payable Endorsement

Fidelity Bond Coverage	<u><u>YES</u></u>
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Mortgage Servicing Errors and Omissions Coverage	<u><u>YES</u></u>
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