

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 29, 2024

NEW ISSUE – Book-Entry-Only

**RATING: Moody’s “Aa2”
See “RATING” herein.**

This Official Statement has been prepared on behalf of Utah Housing Corporation (“UHC”) to provide information on the Offered Bonds. This cover page contains certain information for quick reference only. It is not a summary of the Offered Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. Capitalized terms used herein and not defined have the meanings specified in the Indenture.

\$206,540,000*



**UTAH HOUSING CORPORATION
Single Family Mortgage Bonds
2024 Series E (Non-AMT)
2024 Series F (Federally Taxable)**

- Dated Date/Delivery Date:** June 20, 2024*
- Due:** January 1 and July 1, as shown on the inside cover.
- Interest Payment Dates:** Interest accrued on the above captioned Bonds (collectively, the “Offered Bonds”) will be payable on each January 1 and July 1, commencing January 1, 2025 until maturity or earlier redemption, as described herein.
- Interest Rates:** Payable at the rates as shown on the inside cover.
- Redemption:** The Offered Bonds are subject to redemption on the dates and at the Redemption Prices more fully described herein. See “DESCRIPTION OF THE OFFERED BONDS – Redemption Provisions.”
- Denominations:** The Offered Bonds will be available to purchasers in book-entry form only in denominations of \$5,000 and integral multiple thereof as described herein.
- Tax Matters:** In the opinion of Gilmore & Bell, P.C., Bond Counsel to Utah Housing Corporation (“UHC”), under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”): (1) the interest on the 2024 Series E Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; and (2) the interest on the 2024 Series E Bonds and the 2024 Series F Bonds is exempt from individual income taxation by the State of Utah. The interest on the 2024 Series F Bonds is included in gross income for federal income tax purposes. Bond Counsel notes that interest on the 2024 Series E Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See “TAX MATTERS” in this Official Statement.
- Purpose:** Proceeds of the Offered Bonds, certain moneys made available upon the issuance of the Offered Bonds and other available funds will be used to: (a) finance the purchase of certain Ginnie Mae Certificates, Fannie Mae Certificates and/or Freddie Mac Certificates, (b) finance down payment, closing cost and interest rate buy down assistance, and (c) pay the costs of issuance in connection with the Offered Bonds.
- Security:** All of the Bonds issued and outstanding under the Indenture, including the Offered Bonds and any Additional Bonds and regularly scheduled payments on Auxiliary Obligations are to be secured under the Indenture by a pledge of and lien on the proceeds of the Bonds, the Revenues, all moneys and securities in the Funds and Accounts (other than moneys and securities in the Rebate Account, any Issuer Payment Account, any Bond Purchase Fund, the Short Term Bond Account and, in certain circumstances, the Additional Security Account) created by or pursuant to the Indenture, including the Investments thereof (if any), the rights and interest of UHC in and to the Mortgage Loans and MBS, and any and all other property of any kind from time to time hereafter pledged as additional security under the Indenture by a Series or Supplemental Indenture, by delivery or by writing of any kind by UHC or by any person on its behalf.
See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS.”
- Book-Entry Only System:** The Offered Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). See “APPENDIX G – DTC AND BOOK-ENTRY SYSTEM.”
- Trustee:** Zions Bancorporation, National Association
- Bond Counsel:** Gilmore & Bell, P.C.
- Underwriters’ Counsel:** Kutak Rock LLP

Jefferies

Barclays

D.A. Davidson & Co.

Fidelity

Raymond James

Zions Bank

Dated: _____, 2024

* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

MATURITY SCHEDULE*
UTAH HOUSING CORPORATION
Single Family Mortgage Bonds

\$91,735,000
2024 Series E (Non-AMT)
\$17,760,000 Serial Bonds

Maturity	Amount	Interest Rate	Price	CUSIP[†]
January 1, 2025	\$ 400,000	%	%	917437
July 1, 2025	505,000			917437
January 1, 2026	530,000			917437
July 1, 2026	540,000			917437
January 1, 2027	565,000			917437
July 1, 2027	580,000			917437
January 1, 2028	600,000			917437
July 1, 2028	625,000			917437
January 1, 2029	645,000			917437
July 1, 2029	660,000			917437
January 1, 2030	695,000			917437
July 1, 2030	710,000			917437
January 1, 2031	740,000			917437
July 1, 2031	760,000			917437
January 1, 2032	785,000			917437
July 1, 2032	815,000			917437
January 1, 2033	845,000			917437
July 1, 2033	870,000			917437
January 1, 2034	900,000			917437
July 1, 2034	930,000			917437
January 1, 2035	965,000			917437
July 1, 2035	995,000			917437
January 1, 2036	1,035,000			917437
July 1, 2036	1,065,000			917437

\$7,210,000 ___% Term Bonds Due July 1, 2039 Price ___% CUSIP[†]: 917437
\$15,780,000 ___% Term Bonds Due July 1, 2044 Price ___% CUSIP[†]: 917437
\$23,735,000 ___% Term Bonds Due January 1, 2050 Price ___% CUSIP[†]: 917437
\$27,250,000 ___% PAC Term Bonds Due July 1, 2054 Price ___% CUSIP[†]: 917437

* Preliminary; subject to change.

† CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems, Inc. CUSIP data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Global Services database. CUSIP numbers have been assigned by an organization not affiliated with UHC and are included for the convenience of the holders of the Offered Bonds. None of UHC, the Underwriters or the Trustee is responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness on the Offered Bonds or as indicated above.

MATURITY SCHEDULE*

**UTAH HOUSING CORPORATION
Single Family Mortgage Bonds**

\$114,805,000

2024 Series F (Federally Taxable)

\$21,270,000 Serial Bonds

Maturity	Amount	Interest Rate	Price	CUSIP[†]
January 1, 2025	\$ 460,000	%	%	917437
July 1, 2025	600,000			917437
January 1, 2026	625,000			917437
July 1, 2026	650,000			917437
January 1, 2027	665,000			917437
July 1, 2027	690,000			917437
January 1, 2028	720,000			917437
July 1, 2028	740,000			917437
January 1, 2025	765,000			917437
July 1, 2029	800,000			917437
January 1, 2030	820,000			917437
July 1, 2030	850,000			917437
January 1, 2031	880,000			917437
July 1, 2031	915,000			917437
January 1, 2032	945,000			917437
July 1, 2032	975,000			917437
January 1, 2033	1,010,000			917437
July 1, 2033	1,050,000			917437
January 1, 2034	1,085,000			917437
July 1, 2034	1,125,000			917437
January 1, 2035	1,160,000			917437
July 1, 2035	1,205,000			917437
January 1, 2036	1,245,000			917437
July 1, 2036	1,290,000			917437

\$8,750,000 ___% Term Bonds Due July 1, 2039 Price ___% CUSIP[†]: 917437

\$19,305,000 ___% Term Bonds Due July 1, 2044 Price ___% CUSIP[†]: 917437

\$32,130,000 ___% Term Bonds Due July 1, 2050 Price ___% CUSIP[†]: 917437

\$33,350,000 ___% PAC Term Bonds Due July 1, 2054 Price ___% CUSIP[†]: 917437

* Preliminary; subject to change.

† CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems, Inc. CUSIP data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Global Services database. CUSIP numbers have been assigned by an organization not affiliated with UHC and are included for the convenience of the holders of the Offered Bonds. None of UHC, the Underwriters or the Trustee is responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness on the Offered Bonds or as indicated above.

**UTAH HOUSING CORPORATION
STATE OF UTAH**

Board of Trustees

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Annette Lowder, Vice Chair
Darryle Rude
*(Ex officio—Commissioner,
Utah Department of Financial Institutions)*
Kirt Slaugh
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Andrew Nestlehut – Senior Vice President and CFO
Jonathan A. Hanks – Senior Vice President and COO

BOND COUNSEL

Gilmore & Bell, P.C.
Salt Lake City, Utah

TRUSTEE, REGISTRAR AND PAYING AGENT

Zions Bancorporation, National Association
Salt Lake City, Utah

No dealer, broker, salesperson or other person has been authorized by UHC 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 must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Offered Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

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

The Offered Bonds have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission nor has the Commission or any state securities commission passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

This Official Statement contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “forecast,” “intend,” “expect,” “project,” “budget,” “plan” and similar expressions identify forward-looking statements.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. UHC DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED, OCCUR.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the readers’ convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

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

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OFFICIAL STATEMENT
of
UTAH HOUSING CORPORATION
Relating to its
\$206,540,000*
Single Family Mortgage Bonds
2024 Series E (Non-AMT)
2024 Series F (Federally Taxable)

INTRODUCTION

This Official Statement (which includes the cover page and appendices hereto) of Utah Housing Corporation (“UHC”) provides certain information in connection with the issuance and sale of UHC’s \$91,735,000* Single Family Mortgage Bonds, 2024 Series E (Non-AMT) (the “**2024 Series E Bonds**”) and \$114,805,000* Single Family Mortgage Bonds, 2024 Series F (Federally Taxable) (the “**2024 Series F Bonds**” and, together with the 2024 Series E Bonds, the “**Offered Bonds**”).

The Offered Bonds are being issued pursuant to the Utah Housing Corporation Act, Title 63H, Chapter 8, Utah Code Annotated 1953, as amended (the “**Act**”), an Amended and Restated General Indenture of Trust dated as of September 1, 2023 (the “**General Indenture**”), between UHC and Zions Bancorporation, National Association, as trustee, registrar and paying agent (the “**Trustee**”), and a 2024 Series E/F Indenture, dated as of June 1, 2024 (the “**2024 Series E/F Indenture**”), between UHC and the Trustee. The Offered Bonds are the eighth and ninth Series of Bonds issued under the General Indenture. As of March 31, 2024, Bonds issued under the General Indenture were Outstanding in an aggregate principal amount of \$581,255,000. UHC expects to issue additional Series of Bonds under the General Indenture in furtherance of its single family mortgage program (herein referred to as the “**Single Family Program**” or the “**Program**”) and may incur Auxiliary Obligations upon satisfaction of the conditions set forth in the General Indenture. All bonds issued under the General Indenture are referred to herein as the “**Bonds**.” The General Indenture and all supplemental indentures, including supplemental indentures providing for the issuance and remarketing of Bonds (such as the 2024 Series E/F Indenture), are referred to herein collectively as the “**Indenture**.”

The Offered Bonds are being issued in furtherance of UHC’s Single Family Program to provide financing for the purchase of housing by low and moderate income persons within the State of Utah (the “**State**”). Proceeds of the 2024 Series E Bonds, a portion of the proceeds of the 2024 Series F Bonds, certain moneys made available upon the issuance of the Offered Bonds and other available funds, are expected to be used to (a) finance the purchase of certain Ginnie Mae Certificates, Fannie Mae Certificates and/or Freddie Mac Certificates (collectively, the “**2024 Series E/F MBS**”) backed by Mortgage Loans (including any participations therein) originated pursuant to UHC’s FirstHome Program (the “**2024 Series E/F Mortgage Loans**”), (b) finance down payment, closing cost and interest rate buy down assistance made in connection with the 2024 Series E/F Mortgage Loans (the “**2024 Series E/F DPA**”), and (c) pay costs of issuance of the Offered Bonds. A portion of the proceeds of the 2024 Series F Bonds, together with other available funds, are expected to be used to (a) purchase certain Ginnie Mae Certificates, Fannie Mae Certificates and/or Freddie Mac Certificates (collectively, the “**2024 Series F MBS**”) backed by Mortgage Loans (including any participations therein) originated pursuant to UHC’s FHA/VA Mortgage Program and HFA Advantage Program (the “**2024 Series F Mortgage Loans**”), (b) finance down payment, closing cost and interest rate buy down assistance made in connection with the 2024 Series F Mortgage Loans (the “**2024 Series F DPA**”), and (c) pay costs of issuance of the Offered Bonds. See “SINGLE FAMILY MORTGAGE PROGRAM” herein.

UHC may issue Additional Bonds (including Refunding Bonds) secured by the pledge and lien of the General Indenture upon satisfaction of the terms and conditions thereof, including the condition that, so long as there are Outstanding Bonds rated by a Rating Agency upon the request of UHC, UHC will obtain a confirmation from each

* Preliminary; subject to change.

such Rating Agency that the issuance of such Additional Bonds will not result in the lowering or withdrawal of its then current rating on each Series of Outstanding Bonds. Additional Bonds, which may bear interest at variable interest rates or at interest rates fixed to maturity, may be issued to finance the purchase of Mortgage Loans and/or mortgage-backed securities backed by Mortgage Loans (“MBS”) made to finance UHC’s Single Family Program. The General Indenture also permits the issuance of Additional Bonds to make mortgage loans for the acquisition and rehabilitation or the construction of multifamily rental housing developments. There are currently no Residential Development Mortgage Loans held under the Indenture, and UHC has no present intention of issuing Bonds under the General Indenture to finance multifamily developments. UHC reserves the right to issue other obligations not secured by the pledge and lien of the General Indenture, including bonds secured by its general revenues.

The Offered Bonds will be equally and ratably secured by the pledges and covenants contained in the General Indenture with all other Bonds and regularly scheduled payments on Auxiliary Obligations incurred and to be incurred under the General Indenture.

The Offered Bonds are limited obligations of UHC, payable solely from and secured by the pledge pursuant to the Indenture of the revenues and assets derived from the proceeds of the Bonds, including the Mortgage Loans and MBS, the money received by UHC from the Mortgage Loans and MBS and other revenues as provided in the Indenture and the money and securities held in the Funds and Accounts created by the Indenture other than money and securities held in the Rebate Account, any Issuer Payment Account, any Bond Purchase Fund, the Short Term Bond Account and, in certain circumstances, the Additional Security Account. The Offered Bonds are not a debt or liability of the State of Utah, the legislature thereof or any political subdivision, municipality or body corporate and politic therein. Neither the State of Utah, the legislature thereof nor any political subdivision, municipality or body corporate and politic therein is liable for the Offered Bonds and the Offered Bonds do not constitute the giving, pledging or loaning of the credit of the State of Utah, the legislature thereof or any political subdivision, municipality or body corporate and politic therein, nor shall the Offered Bonds be payable out of any funds other than those of UHC. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal or redemption price of or interest on the Offered Bonds. UHC has no taxing power. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS” herein.

The Offered Bonds will be dated their date of delivery, will bear interest from such date at the rates and will mature in the amounts and on the dates set forth on the inside cover of this Official Statement. See “DESCRIPTION OF THE OFFERED BONDS—General Terms” herein.

Pursuant to separate indentures (each, a “**Prior Indenture**”), UHC has issued and delivered multiple series of mortgage revenue bonds to finance the Program. Information relating to bonds outstanding is set forth in “SINGLE FAMILY PROGRAM—Other Housing Finance Programs of UHC” herein. All series of the bonds previously issued by UHC pursuant to such Prior Indentures, together with any additional obligations to be issued on parity therewith, are separately secured by moneys and assets pledged under the particular Prior Indenture pursuant to which such series was issued. The Offered Bonds will not be secured under Prior Indentures or with parity obligations issued under such Prior Indentures.

UHC may deposit or allocate a portion of the proceeds from the issuance of one or more Series of Bonds (including the Offered Bonds) into a participation loan subaccount under the General Indenture (such proceeds, the “**Participation Funds**”). Participation Funds may be used from time to time to finance the purchase of MBS under the General Indenture. Both principal payments and prepayments of MBS purchased with proceeds of the Offered Bonds and the Participation Funds, if any, will be allocated pro rata (at such percentages to be determined by UHC) between the Offered Bonds Subaccount of the Revenue Account and the revenue subaccount Related to the bonds that generated the Participation Funds. Interest payments on MBS purchased with proceeds of the Offered Bonds and the Participation Funds will be allocated at such percentages to be determined by UHC to reduce or increase the effective interest rate on the Mortgage Loans made under the bond issues providing the Participation Funds.

In addition to the Program, UHC is authorized under the Act to engage in certain other activities. See “SINGLE FAMILY MORTGAGE PROGRAM” for a description of UHC’s single family and multifamily programs implemented prior to the date hereof. The proceeds of the Bonds may not be used to finance any activities of UHC other than the Program.

All capitalized terms used in this Official Statement that are defined in the Indenture shall have the respective meanings set forth in the Indenture. See “APPENDIX E—SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Definitions of Certain Terms” attached hereto. The references to and summaries and descriptions of the Act, the Indenture, the Bonds and the Program, the other statutes, instruments and documents which are included in this Official Statement do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entirety by references to the appropriate statute, instrument or document. Copies in reasonable quantity of the Indenture and other documents referenced, herein may be obtained from the Underwriter or from UHC at 2479 South Lake Park Boulevard, West Valley City, Utah 84120.

UTAH HOUSING CORPORATION

General

UHC was created as an independent body politic and corporate, constituting a public corporation of the State by virtue of the Act. The purpose of UHC is to assure an adequate source of capital for housing for low and moderate income persons living in the State.

The Act authorizes UHC to borrow money and to issue its bonds, notes and other obligations in such principal amounts as UHC determines shall be necessary to provide sufficient funds to carry out its purposes and powers, including the power to make mortgage loans and purchase or otherwise finance mortgage loans originated by mortgage lenders. The Act does not limit the principal amount of bonds that may be outstanding at any one time. The constitutionality of the Act was upheld by Utah’s Supreme Court in March 1977 in *Utah Housing Finance Agency v. Smart*, 561 P.2d 1052 (Utah Sup. Ct. 1977).

Since its inception and through March 31, 2024, UHC has issued over \$12 billion aggregate principal amount of single family mortgage revenue bonds. As of March 31, 2024, \$1,984,511,132 aggregate principal amount of UHC’s single family mortgage revenue bonds were outstanding (including compounded interest and excluding bonds issued or redeemed after such date) under the Prior Indentures and the General Indenture.

As of March 31, 2024, UHC had purchased over 111,000 mortgage loans secured by single family homes. This permanent financing has been made available through issuing bonds and construction loan notes, selling mortgage loans in the secondary market, and securitizing mortgage loans into mortgage backed securities.

The office of UHC is located at 2479 South Lake Park Blvd., West Valley City, Utah 84120. Its telephone number is (801) 902-8200.

Board of Trustees

The UHC Board of Trustees (the “**Board**”) consists of nine trustees: eight are appointed by the Governor and one is an elected officer of the State. Three trustees serve as ex officio trustees; six are public trustees. Any public trustee is eligible for reappointment but may not serve more than two full consecutive terms. Of the six public trustees, two trustees are appointed to represent the mortgage lending industry, two are appointed to represent the home building and real estate industry, and two are appointed to represent the public at large. No more than three of the six public trustees of UHC may belong to the same political party. Each of the public trustees is appointed from and must reside in a different county. Unless a public trustee vacates his or her position for any reason, each trustee shall hold office until his or her successor shall have been appointed. Five trustees of UHC constitute a quorum for transaction of business. An affirmative vote of at least five trustees is necessary for any action to be taken by the Board. A vacancy in the Board may not impair the right of a quorum to exercise all rights and perform all duties of UHC.

The Act provides that the Chair of UHC is appointed by the Governor. The Vice Chair and the President of UHC are appointed by the trustees of UHC. The President of UHC is not a trustee of UHC. All other officers are appointed by the President.

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The principal occupation of each trustee and the dates of commencement and expiration of the respective current terms of the non-ex officio members are as follows:

Patricia Sheffield (Chair) – Retired; Former Director, Washington County Children’s Justice Center; Former Prevention Specialist, Southwest Center Mental Health, Substance Abuse and Prevention Services; Former Member, Attorney General’s Safety Net Committee; Former Member, Utah Council on Victim of Crime; Former Member, Quality Improvement Committee, Utah Division of Child and Family Services. B.S. and M.S., University of Utah. (Second term commenced June 30, 2021; expires May 31, 2025.)

Annette Lowder (Vice Chair) – Chief Operations Officer, Intercap Lending, Inc; Former Chief Operations Officer, Flagship Financial; Former National Sales/Operations Manager, Loangate NFM; Former Branch Manager, ALT Lending, NFM. AA, BYU Idaho (Ricks College). (First term commenced May 15, 2019; Expired May 31, 2023; Second term expires May 31, 2027.)

Kirt Slaugh – (Ex Officio Designee); Chief Deputy in the Office of State Treasurer; Former National Sales Manager, Key Bank; Former Treasury Management, Intermountain Healthcare; Former President, Utah Association for Financial Professionals; Former Member and Chair, Utah Money Management Council. MBA, University of Utah; Certified Treasury Professional. (Term commenced February 1, 2022.)

Darryle Rude – (Ex Officio); Commissioner, Utah Department of Financial Institutions; Former Chief Examiner, Former Supervisor of Banks, Former Supervisor of Industrial Banks, Utah Department of Financial Institutions; Former Member, Utah Money Management Council; Member, CSBS Education Foundation; Current Member, State Supervisory Processes Committee. Business Management Degree, University of Montana; Utah Department of Human Resource Management’s Certified Public Manager Program. (Term commenced March 16, 2022.)

Steve Waldrip – (Ex Officio Designee); Senior Advisor for Housing Strategy and Innovation, Governor of Utah; Former Co-Founder & Chairman, Rocky Mountain Homes Fund and Housing Solutions Foundation; Former State Legislator, Utah House of Representatives; Former Board Chair and Current Board Member, United Way of Northern Utah; Former Senior Project Manager, Boyer Company; Former Associate, Paine Hamblen LLP; B.A., English, Brigham Young University; J.D., University of Utah; LL.M., Taxation, University of Washington. (Term commenced February 26, 2024.)

Jonathan Hardy – Consultant to BCG Holdings and its affiliate BCG Affordable Residential Communities; Former Division Director for Housing and Community Development; Former Manager of the Olene Walker Housing Loan Fund, the Private Activity Bond Authority, along with the State’s Community Development Block Grant and Permanent Community Impact Fund; Former Board Member of Utah Housing Corporation; Former member of the Multi-Family Committee of the Board of Utah Housing Corporation; Former Commissioner for the Commission on Housing Affordability; Former Vice Chair of the State Homeless Coordinating Committee; Former Chair of the Permanent Community Impact Fund Board. (First term commenced June 15, 2023; expires May 31, 2027.)

Jessica Norie – President, Artspace; Former President and Founder, Community Development Finance Alliance; Former Housing Development Manager, Utah Housing Corporation; Former Board Member, Salt Lake County Continuum of Care. MPA, University of Utah; B.S., History, Portland State University. (First term commenced May 15, 2019; expired May 31, 2023; Second term expires May 31, 2027.)

Lori Fleming – Associate Broker, Golden Spike Realty; Member, UAR Professional Standards Committee; 2nd Vice President of Board of Directors, Northern Wasatch Associate of Realtors; UAR Legislation Committee; UAR Leadership. (First term commenced June 30, 2021; expires May 31, 2025.)

Rob Allphin – Executive Vice President, Momentum Loans; Former Executive Vice President, First Colony Mortgage; Former Regional Vice President, Guild Mortgage Company; Former Regional Manager, Academy Mortgage Corporation; Former Divisional Sale Performance Manager, Bank of America; Former Area Sales Manager, Countrywide Financial; Former Branch Manager, Countrywide Financial; Former Loan Officer/Branch Manager, CTX Mortgage. B.S., Brigham Young University. (First term commenced June 30, 2021; expires May 31, 2025.)

Management and Staff

The Act authorizes the trustees to appoint the President, and the President is authorized to appoint such other officers as are deemed necessary or advisable. UHC currently has a staff of one hundred and four persons. The names and titles of UHC's senior officers are as follows:

David C. Damschen, President and CEO, May 3, 2021 to present; Former Utah State Treasurer; extensive private and public sector experience in institutional investments, debt management, and treasury operations; Former ex officio member of 20 boards and commissions, including Utah Retirement Systems, Utah Housing Corporation, Utah State Bonding Commission, Utah Capital Investment Board and the Utah Community Impact Board; Member, National Ski Patrol; Former US Coast Guard Officer. B.A., University of Washington's Foster School of Business.

Cleon P. Butterfield, CPA – Senior Vice President and CFO, 2001 to present; Former Treasurer, Director of Operations, Director of Program Development, and Financial Officer, Utah Housing Corporation, 1979-2001; Member, Board of Directors, Federal Home Loan Bank of Des Moines; Member, Advisory Board, School of Accounting, University of Utah; Former Member and Past Chair, Affordable Housing Advisory Council, Federal Home Loan Bank of Des Moines; Former Member and Past Chair, Affordable Housing Advisory Council, Federal Home Loan Bank of Seattle; Former Council Member, State of Utah Alternative Dispute Resolution Council. B.S., Brigham Young University; M.B.A., University of Utah. Mr. Butterfield has announced his retirement as Senior Vice President and CFO of UHC effective June 15, 2024.

Andrew Nestlehut – Senior Vice President and CFO, March 18, 2024 to present; Former Senior Director of Capital Management, Director of Capital Management, Assistant Director of Finance, Senior Manager of Investments and Treasury Operations, and various other financial roles, Illinois Housing Authority February 2011 to March 15, 2024. B.S., University of Illinois; M.S., Loyola University of Chicago.

Jonathan A. Hanks – Senior Vice President and COO, 2009 to present; Former Vice President of Multifamily Finance, and Vice President of Mortgage Servicing, Utah Housing Corporation, 1995-2008; Former Assistant Executive Director, NeighborWorks Salt Lake, 1994-1995; Former Member and Past Chair, Board of Directors, Utah Center for Neighborhood Stabilization; Member, Board of Directors, Rocky Mountain Community Reinvestment Corporation; Former Member, State Homeless Coordinating Committee; Former Member and President, Board of Directors, Wasatch Peak Academy. B.A., University of Utah; M.B.A., University of Phoenix.

FINANCING PLAN

The proceeds of the Offered Bonds, moneys made available upon the issuance of the Offered Bonds and other available moneys, will be applied to finance the purchase of the 2024 Series E/F MBS and 2024 Series F MBS, to fund the 2024 Series E/F DPA and 2024 Series F DPA, and to pay the costs of issuance of the Offered Bonds. See "SOURCES AND USES OF FUNDS."

DESCRIPTION OF THE OFFERED BONDS

General Terms

The Offered Bonds will be dated their date of delivery, will bear interest from such date at the rates and will mature in the amounts and on the dates set forth on the inside cover of this Official Statement. Interest on the Offered Bonds is payable semiannually on January 1 and July 1 of each year (each, an "**Interest Payment Date**"), commencing January 1, 2025, until maturity or earlier redemption. The Offered Bonds are issuable only as fully registered bonds in denominations of \$5,000 or integral multiples thereof. Interest on the Offered Bonds is calculated on the basis of a 360-day year consisting of twelve 30-day months from the date of issue or the most recent Interest Payment Date, whichever is later, and is payable to the Owners of record in the bond registration books maintained by the Trustee as of the 15th day of the month immediately preceding such Payment Date or, if such date is not a Business Day, the next preceding day which is a Business Day (the "**Record Date**").

The Offered Bonds are being registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("**DTC**"), which is serving as securities depository for the Offered Bonds. So long

as DTC or Cede & Co. is the registered owner of the Offered Bonds, payments of principal, redemption price and interest with respect to the Offered Bonds will be made directly to DTC by the Trustee, or its successors, as Trustee. Disbursement of such payments to DTC Participants (as defined herein) is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants as more fully described herein. See “APPENDIX G —DTC AND BOOK-ENTRY SYSTEM” attached hereto.

Redemption Provisions*

Special Redemption of the Offered Bonds.

Unexpended Proceeds of the Offered Bonds. The Offered Bonds are subject to special redemption at the direction of UHC prior to their respective maturities, as a whole or in part, at a Redemption Price equal to the principal amount thereof plus accrued interest thereon to the date of redemption, without premium, except that the 2024 Series E Bonds maturing on July 1, 2054 in the principal amount of \$27,250,000 (the “**2024 Series E PAC Bonds**”) and the 2024 Series F Bonds maturing on July 1, 2054 in the principal amount of \$33,350,000 (the “**2024 Series F PAC Bonds**”) and, together with the 2024 Series E PAC Bonds, the “**PAC Bonds**”) shall be redeemed at a Redemption Price that maintains the original yield on such Bonds (as calculated by UHC, which calculation, once made and the Redemption Price communicated to the Trustee, shall be conclusive on all parties), plus accrued interest to the date of redemption, at any time from amounts equal to unexpended proceeds of the Offered Bonds transferred from the Subaccounts of the Acquisition Account related to the Offered Bonds or from any other source as needed to pay the Redemption Price plus accrued interest to the date of redemption to the 2024 Series E Subaccount of the Redemption Fund or the 2024 Series F Subaccount of the Redemption Fund, as the case may be. Neither UHC nor the Trustee will apply any such proceeds of the 2024 Series E Bonds to the redemption of the 2024 Series F Bonds.

The Indenture requires that the Trustee transfer amounts representing proceeds of the Offered Bonds equal to \$250,000 or more, which are not used to purchase 2024 Series E/F MBS, 2024 Series E/F Mortgage Loans, 2024 Series F MBS or 2024 Series F Mortgage Loans that remain on deposit in the Subaccounts of the Acquisition Account Related to the Offered Bonds pursuant to an Issuer Request filed with the Trustee stating that UHC no longer reasonably expects to apply the amounts to be transferred for any such purpose. Such amounts that are not expended by May 1, 2027 are to be transferred no later than June 1, 2027, for the redemption of the Offered Bonds. Notwithstanding the foregoing, UHC may extend such outside date for the redemption of the 2024 Series E Bonds to a later date or dates not later than December 1, 2027, and may extend such outside date for the redemption of the 2024 Series F Bonds to a later date or dates as it deems appropriate, as to all or a portion of such moneys, if UHC has filed with the Trustee an Issuer Request specifying such later date or dates for such withdrawal, accompanied by a Cash Flow Statement (unless the principal amount and term of such extension are covered by a previous Cash Flow Statement. If proceeds of the Offered Bonds in an amount less than \$250,000 remain on deposit in the Subaccounts of the Acquisition Account Related to the Offered Bonds, UHC may direct that such amounts be transferred to the Subaccounts of the Revenue Account Related to the Offered Bonds.

Mortgage Prepayments, Excess Revenues, Debt Service Reserve Fund Reductions. The Offered Bonds are subject to redemption prior to their respective stated maturities, as a whole or in part, at a Redemption Price equal to the principal amount thereof plus accrued interest thereon to the date of redemption, without premium, on any date at the option of UHC, from (i) Mortgage Repayments and Mortgage Prepayments relating to Mortgage Loans or MBS allocable to Bonds of any Series, including, but not limited to, the Offered Bonds, or from the proceeds of Mortgage Loans or MBS financed from such Prepayments, to the extent not required to make regularly scheduled principal payments, including sinking fund installments, on such Bonds; and (ii) from excess Revenues relating to any Series of Bonds (including amounts transferred from the Debt Service Reserve Fund as a result of reductions in the amounts required to be deposited therein and Mortgage Prepayment, Mortgage Repayments and excess Revenues transferred from the Additional Security Account); upon the deposit or transfer of such funds to the 2024 Series E Subaccount of the Special Redemption Account or the 2024 Series F Subaccount of the Special Redemption Account, as the case may be.

Unless otherwise directed by UHC as provided in the Indenture or as required to maintain the tax exemption of the interest on the 2024 Series E Bonds, moneys deposited in or transferred to the 2024 Series E Subaccount of the

* Preliminary; subject to change.

Special Redemption Account or the 2024 Series F Subaccount of the Special Redemption Account, as the case may be, are expected to redeem the Offered Bonds at a minimum semiannually on each January 1 and July 1, commencing January 1, 2025, in the order of priority as described under “—Estimated Weighted Average Lives of the PAC Bonds” below.

Except as required by law to maintain the tax exemption of interest on the 2024 Series E Bonds the PAC Bonds are subject to such special redemption only if, after giving effect to such redemption, the respective aggregate principal amounts of PAC Bonds outstanding on such redemption date is not less than the respective Cumulative Applicable Amounts (as defined herein) set forth below for each PAC Bond. See “—*Extraordinary Mandatory Redemption of the 2024 Series E PAC Bonds*” and “—*Extraordinary Mandatory Redemption of the 2024 Series F PAC Bonds*” below.

Extraordinary Mandatory Redemption of the 2024 Series E PAC Bonds. The 2024 Series E PAC Bonds are subject to mandatory redemption from Directed 2024 Series E Principal Payments (as defined herein) on one or more days during each semiannual period ending on January 1 or July 1, commencing with the period ending January 1, 2025, at a Redemption Price equal to the principal amount thereof plus accrued interest to the redemption date to the extent that, after giving effect to such redemption, the aggregate principal amount of the 2024 Series E PAC Bonds outstanding on such redemption date is not less than the related cumulative applicable amount shown in the column entitled “2024 Series E Cumulative Applicable Amount” for the applicable semiannual period as set forth in the table below (the “**2024 Series E Cumulative Applicable Amounts**”), as such amount may be adjusted. The Directed 2024 Series E Principal Payments must be used for such mandatory redemption of the 2024 Series E PAC Bonds before being used for any other purposes under the Indenture.

As used in this Official Statement, the term “Directed 2024 Series E Principal Payments” means, with respect to any redemption date, the Mortgage Repayments and Mortgage Prepayments relating to the portion of the 2024 Series E/F Mortgage Loans, 2024 Series E/F MBS and 2024 Series E/F DPA financed by proceeds of the 2024 Series E Bonds, less the sum of the principal amount of the 2024 Series E Bonds scheduled to mature or subject to sinking fund redemption on such redemption date (or if no 2024 Series E Bonds are scheduled to mature or are subject to sinking fund redemption on such redemption date, a pro rata portion of the next scheduled maturity amount of sinking fund installment amount of such 2024 Series E Bonds).

In the event the Directed 2024 Series E Principal Payments are insufficient in any semiannual period to call the 2024 Series E PAC Bonds in the amount described above, the 2024 Series E PAC Bonds would continue to be callable in future semiannual periods from Directed 2024 Series E Principal Payments received in such future semiannual periods. In the event that there are excess Directed 2024 Series E Principal Payments with respect to any semiannual period, such excess may be applied for any authorized purpose under the Indenture, including the redemption of the Offered Bonds as described under “—*Mortgage Prepayments, Excess Revenues, Debt Service Reserve Fund Reductions*” above.

2024 Series E		2024 Series E	
Payment Date	Cumulative Applicable Amount	Payment Date	Cumulative Applicable Amount
Closing Date	\$27,250,000	January 1, 2031	\$10,465,000
January 1, 2025	27,245,000	July 1, 2031	9,180,000
July 1, 2025	26,780,000	January 1, 2032	7,965,000
January 1, 2026	25,930,000	July 1, 2032	6,815,000
July 1, 2026	24,700,000	January 1, 2033	5,735,000
January 1, 2027	23,120,000	July 1, 2033	4,720,000
July 1, 2027	21,310,000	January 1, 2034	3,770,000
January 1, 2028	19,555,000	July 1, 2034	2,885,000
July 1, 2028	17,870,000	January 1, 2035	2,070,000
January 1, 2029	16,255,000	July 1, 2035	1,320,000
July 1, 2029	14,700,000	January 1, 2036	645,000
January 1, 2030	13,225,000	July 1, 2036	30,000
July 1, 2030	11,810,000	January 1, 2037	-0-

If the 2024 Series E PAC Bonds are redeemed from unexpended proceeds as described above, then each amount set forth in the 2024 Series E Cumulative Applicable Amount column in the table above shall be reduced by a fraction (i) the numerator of which is the principal amount of the 2024 Series E PAC Bonds remaining outstanding after such redemption and (ii) the denominator of which is the original principal amount of the 2024 Series E PAC Bonds, rounded to the nearest \$5,000 denomination.

The 2024 Series E Cumulative Applicable Amounts are derived from assumptions that include, among other assumptions, the expected origination schedule for the Mortgage Loans underlying the portion of the 2024 Series E/F MBS financed with proceeds of the 2024 Series E Bonds and receipt of Mortgage Prepayments for such Mortgage Loans at 75% of the PSA Prepayment Benchmark (as defined herein). See “—Estimated Weighted Average Lives of the PAC Bonds” below for a description of the PSA Prepayment Benchmark.

Except as required by law to maintain the tax exemption of interest on the 2024 Series E Bonds or as may be permitted as described under “—*Optional Redemption of the Offered Bonds*” below, UHC may redeem 2024 Series E PAC Bonds from sources other than Directed 2024 Series E Principal Payments only if such redemption does not reduce the outstanding principal amount of the 2024 Series E PAC Bonds to an amount less than the 2024 Series E Cumulative Applicable Amounts shown in the table above, or as such amount may have been adjusted due to a redemption of the 2024 Series E PAC Bonds from unexpended proceeds.

Extraordinary Mandatory Special Redemption of the 2024 Series F PAC Bonds. The 2024 Series F PAC Bonds are subject to mandatory redemption from Directed 2024 Series F Principal Payments (as defined herein) on one or more days during each semiannual period ending on January 1 or July 1, commencing with the period ending January 1, 2025, at a Redemption Price equal to the principal amount thereof plus accrued interest to the redemption date to the extent that, after giving effect to such redemption, the aggregate principal amount of the 2024 Series F PAC Bonds outstanding on such redemption date is not less than the related cumulative applicable amount shown in the column entitled “2024 Series F Cumulative Applicable Amount” for the applicable semiannual period as set forth in the table below (the “**2024 Series F Cumulative Applicable Amounts**”), as such amount may be adjusted. The Directed 2024 Series F Principal Payments must be used for such mandatory redemption of the 2024 Series F PAC Bonds before being used for any other purposes under the Indenture.

As used in this Official Statement, the term “Directed 2024 Series F Principal Payments” means, with respect to any redemption date, the sum of: (a) the Mortgage Repayments and Mortgage Prepayments relating to the portion of the 2024 Series E/F Mortgage Loans, 2024 Series E/F MBS and 2024 Series E/F DPA financed with proceeds of the 2024 Series F Bonds and (b) all Mortgage Repayments and Mortgage Prepayments relating to the 2024 Series F Mortgage Loans, 2024 Series F MBS and 2024 Series F DPA, less the sum of the principal amount of the 2024 Series F Bonds scheduled to mature or subject to sinking fund redemption on such redemption date (or if no 2024 Series F Bonds are scheduled to mature or are subject to sinking fund redemption on such redemption date, a pro rata portion of the next scheduled maturity amount of sinking fund installment amount of such 2024 Series F Bonds).

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In the event the Directed 2024 Series F Principal Payments are insufficient in any semiannual period to call the 2024 Series F PAC Bonds in the amount described above, the 2024 Series F PAC Bonds would continue to be callable in future semiannual periods from Directed 2024 Series F Principal Payments received in such future semiannual periods. In the event that there are excess Directed 2024 Series F Principal Payments with respect to any semiannual period, such excess may be applied for any authorized purpose under the Indenture, including the redemption of the Offered Bonds as described under “—*Mortgage Prepayments, Excess Revenues, Debt Service Reserve Fund Reductions*” above.

2024 Series F Cumulative Applicable		2024 Series F Cumulative Applicable	
Payment Date	Amount	Payment Date	Amount
Closing Date	\$33,350,000	January 1, 2031	\$12,815,000
January 1, 2025	33,340,000	July 1, 2031	11,245,000
July 1, 2025	32,780,000	January 1, 2032	9,755,000
January 1, 2026	31,745,000	July 1, 2032	8,340,000
July 1, 2026	30,255,000	January 1, 2033	7,010,000
January 1, 2027	28,325,000	July 1, 2033	5,765,000
July 1, 2027	26,115,000	January 1, 2034	4,595,000
January 1, 2028	23,970,000	July 1, 2034	3,510,000
July 1, 2028	21,905,000	January 1, 2035	2,500,000
January 1, 2029	19,920,000	July 1, 2035	1,580,000
July 1, 2029	18,025,000	January 1, 2036	740,000
January 1, 2030	16,205,000	July 1, 2036	-0-
July 1, 2030	14,470,000		

If the 2024 Series F PAC Bonds are redeemed from unexpended proceeds as described above, then each amount set forth in the 2024 Series F Cumulative Applicable Amount column in the table above shall be reduced by a fraction (i) the numerator of which is the principal amount of the 2024 Series F PAC Bonds remaining outstanding after such redemption and (ii) the denominator of which is the original principal amount of the 2024 Series F PAC Bonds, rounded to the nearest \$5,000 denomination.

The 2024 Series F Cumulative Applicable Amounts are derived from assumptions that include, among other assumptions, the expected origination schedule for the Mortgage Loans underlying the portion of the 2024 Series E/F MBS financed with proceeds of the 2024 Series F Bonds and 2024 Series F MBS and receipt of Mortgage Prepayments for such Mortgage Loans at 75% of the PSA Prepayment Benchmark (as defined herein). See “—Estimated Weighted Average Lives of the PAC Bonds” below for a description of the PSA Prepayment Benchmark.

Except as may be permitted as described under “—*Optional Redemption of the Offered Bonds*” below, UHC may redeem 2024 Series F PAC Bonds from sources other than Directed 2024 Series F Principal Payments only if such redemption does not reduce the outstanding principal amount of the 2024 Series F PAC Bonds to an amount less than the 2024 Series F Cumulative Applicable Amounts shown in the table above, or as such amount may have been adjusted due to a redemption of the 2024 Series F PAC Bonds from unexpended proceeds.

Cross Calls and Recycling. Upon satisfaction of the conditions set forth in the Indenture, UHC may, by delivery of an Issuer Request to the Trustee, instruct the Trustee to transfer moneys on deposit in any subaccount of the Redemption Fund related to a Series of Bonds to be applied to the redemption of the Bonds of a different Series. In addition, the Indenture permits UHC, by delivery of an Issuer Request to the Trustee at any time prior to the giving of notice of redemption, to instruct the Trustee to transfer moneys on deposit in any subaccount in the Redemption Fund to a Related or an Unrelated subaccount of the Acquisition Account to be used to make or purchase Mortgage Loans, MBS or DPA as permitted by the Indenture. See APPENDIX E—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Redemption Fund” attached hereto. Cross calls of the Offered Bonds with any Mortgage Repayments or Mortgage Prepayments from Mortgage Loans and MBS securing any Series of Bonds other than the Offered Bonds and excess Revenues may be applied to redeem the PAC Bonds so as to reduce the respective outstanding aggregate principal amounts of the PAC Bonds to, but not below, the respective amounts shown in the columns entitled 2024 Series E Cumulative Applicable Amounts and 2024 Series F Cumulative Applicable Amounts

for the applicable PAC Bonds for the applicable semiannual period as set forth in the tables above, as such amounts may be adjusted. In addition, no moneys in the 2024 Series E subaccount or the 2024 Series F subaccount of the Revenue Account shall be transferred to a Related or Unrelated subaccount of the Acquisition Account to be used to make or purchase Mortgage Loans, MBS or DPA until there has been deposited in the 2024 Series E subaccount and the 2024 Series F subaccount of the Special Redemption Account, respectively, amounts sufficient to redeem the PAC Bonds to the extent that, after giving effect to such redemptions, the aggregate principal amounts of the respective PAC Bonds outstanding on such redemption date is not less than the 2024 Series E Cumulative Applicable Amounts and 2024 Series F Cumulative Applicable Amounts for the applicable PAC Bonds for the applicable semiannual period as set forth in the tables above, as such amounts may be adjusted.

Optional Redemption of the Offered Bonds. The Offered Bonds, other than the PAC Bonds, are subject to redemption at the option of UHC on or after July 1, 2032, either in whole or in part on any date, at a Redemption Price, without premium, equal to the principal amount thereof plus accrued interest thereon to the date of redemption.

The PAC Bonds are subject to redemption at the option of UHC on or after July 1, 2032, either in whole or in part on any date, at the prices set forth below plus accrued interest to the date of redemption:

2024 Series E PAC Bonds		2024 Series F PAC Bonds	
Redemption Date	Redemption Price [†]	Redemption Date	Redemption Price [†]
July 1, 2032		July 1, 2032	
January 1, 2033	%	January 1, 2033	%
July 1, 2033		July 1, 2033	
January 1, 2034		January 1, 2034	
July 1, 2034		July 1, 2034	
January 1, 2035		January 1, 2035	
July 1, 2035 and thereafter		July 1, 2035 and thereafter	

[†] Any PAC Bonds optionally redeemed on a date other than a redemption date listed above will be redeemed at a price calculated by UHC using straight-line interpolation between the applicable redemption prices for the redemption dates listed above immediately preceding and succeeding such redemption date.

In the event of a partial redemption, UHC shall direct the tenor, maturity or maturities, and the amounts thereof, so to be redeemed.

Sinking Fund Redemption of the Offered Bonds. The 2024 Series E Term Bonds maturing on July 1, 2039 are subject to redemption in part, by lot, at the principal amount thereof plus accrued interest thereon to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem or pay at maturity the principal amount of such Bonds specified for each of the dates shown below:

Date	Amount	Date	Amount
January 1, 2037	\$1,100,000	July 1, 2038	\$1,225,000
July 1, 2037	1,140,000	January 1, 2039	1,260,000
January 1, 2038	1,180,000	July 1, 2039 [†]	1,305,000

[†] Final Maturity

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The 2024 Series E Term Bonds maturing on July 1, 2044 are subject to redemption in part, by lot, at the principal amount thereof plus accrued interest thereon to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem or pay at maturity the principal amount of such Bonds specified for each of the dates shown below:

Date	Amount	Date	Amount
January 1, 2040	\$1,350,000	July 1, 2042	\$1,595,000
July 1, 2040	1,395,000	January 1, 2043	1,655,000
January 1, 2041	1,445,000	July 1, 2043	1,705,000
July 1, 2041	1,495,000	January 1, 2044	1,770,000
January 1, 2042	1,545,000	July 1, 2044 [†]	1,825,000

[†] Final Maturity

The 2024 Series E Term Bonds maturing on January 1, 2050 are subject to redemption in part, by lot, at the principal amount thereof plus accrued interest thereon to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem or pay at maturity the principal amount of such Bonds specified for each of the dates shown below:

Date	Amount	Date	Amount
January 1, 2045	\$1,890,000	January 1, 2048	\$2,315,000
July 1, 2045	1,955,000	July 1, 2048	2,385,000
January 1, 2046	2,020,000	January 1, 2049	2,475,000
July 1, 2046	2,090,000	July 1, 2049	2,555,000
January 1, 2047	2,160,000	January 1, 2050 [†]	1,655,000
July 1, 2047	2,235,000		

[†] Final Maturity

The 2024 Series E PAC Bonds maturing on July 1, 2054 are subject to redemption in part, by lot, at the principal amount thereof plus accrued interest thereon to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem or pay at maturity the principal amount of such Bonds specified for each of the dates shown below:

Date	Amount	Date	Amount
January 1, 2050	\$ 990,000	July 1, 2052	\$3,125,000
July 1, 2050	2,735,000	January 1, 2053	3,240,000
January 1, 2051	2,835,000	July 1, 2053	3,350,000
July 1, 2051	2,920,000	January 1, 2054	3,460,000
January 1, 2052	3,025,000	July 1, 2054 [†]	1,570,000

[†] Final Maturity

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The 2024 Series F Term Bonds maturing on July 1, 2039 are subject to redemption in part, by lot, at the principal amount thereof plus accrued interest thereon to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem or pay at maturity the principal amount of such Bonds specified for each of the dates shown below:

Date	Amount	Date	Amount
January 1, 2037	\$1,335,000	July 1, 2038	\$1,485,000
July 1, 2037	1,380,000	January 1, 2039	1,530,000
January 1, 2038	1,430,000	July 1, 2039 [†]	1,590,000

[†] Final Maturity

The 2024 Series F Term Bonds maturing on July 1, 2044 are subject to redemption in part, by lot, at the principal amount thereof plus accrued interest thereon to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem or pay at maturity the principal amount of such Bonds specified for each of the dates shown below:

Date	Amount	Date	Amount
January 1, 2040	\$1,645,000	July 1, 2042	\$1,960,000
July 1, 2040	1,700,000	January 1, 2043	2,025,000
January 1, 2041	1,765,000	July 1, 2043	2,090,000
July 1, 2041	1,820,000	January 1, 2044	2,170,000
January 1, 2042	1,885,000	July 1, 2044 [†]	2,245,000

[†] Final Maturity

The 2024 Series F Term Bonds maturing on July 1, 2050 are subject to redemption in part, by lot, at the principal amount thereof plus accrued interest thereon to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem or pay at maturity the principal amount of such Bonds specified for each of the dates shown below:

Date	Amount	Date	Amount
January 1, 2045	\$2,325,000	January 1, 2048	\$2,865,000
July 1, 2045	2,410,000	July 1, 2048	2,965,000
January 1, 2046	2,495,000	January 1, 2049	3,070,000
July 1, 2046	2,580,000	July 1, 2049	3,175,000
January 1, 2047	2,675,000	January 1, 2050	3,290,000
July 1, 2047	2,760,000	July 1, 2050 [†]	1,520,000

[†] Final Maturity

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The 2024 Series F PAC Bonds maturing on July 1, 2054 are subject to redemption in part, by lot, at the principal amount thereof plus accrued interest thereon to the date of redemption, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem or pay at maturity the principal amount of such Bonds specified for each of the dates shown below:

Date	Amount	Date	Amount
July 1, 2050	\$1,880,000	January 1, 2053	\$4,045,000
January 1, 2051	3,520,000	July 1, 2053	4,195,000
July 1, 2051	3,650,000	January 1, 2054	4,335,000
January 1, 2052	3,775,000	July 1, 2054 [†]	4,035,000
July 1, 2052	3,915,000		

[†] Final Maturity

The amounts accumulated for each Sinking Fund Installment may be applied by the Trustee, at the direction of UHC, prior to the giving of notice of redemption of the Offered Bonds from such Sinking Fund Installment, to the purchase for cancellation of such Offered Bonds for which such Sinking Fund Installment was established at a price (including any brokerage and other charges) not exceeding the principal amount thereof, plus accrued interest to the date of purchase.

Upon any purchase or redemption of any Offered Bonds for which Sinking Fund Installments shall have been established, other than by application of Sinking Fund Installments, an amount equal to the applicable principal amount thereof will be credited toward a part or all of any one or more of such Sinking Fund Installments, as directed by UHC in written instructions, or in the absence of such direction, toward each such Sinking Fund Installment in amounts bearing the same ratio as the total principal amount of such Offered Bond so purchased or redeemed bears to the total amount of all such Sinking Fund Installments to be credited.

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“Ten-Year Rule”. To comply with federal tax law as it relates to the 2024 Series E/F MBS, the following approximate cumulative percentages of scheduled Mortgage Payments and Mortgage Prepayments relating to the 2024 Series E/F MBS allocated to the 2024 Series E Bonds received on or after the following dates is expected to be applied no later than the close of the first semiannual period beginning after the date of receipt to redeem 2024 Series E Bonds through payment thereof at maturity or redemption:

Start Date	End Date	Percent
06/20/2024	02/20/2027	1.0%
02/21/2027	12/19/2028	2.0
12/20/2028	04/21/2029	3.0
04/22/2029	09/22/2029	4.0
09/23/2029	02/19/2030	5.0
02/20/2030	03/22/2030	6.0
03/23/2030	08/19/2030	7.0
08/20/2030	09/20/2030	8.0
09/21/2030	11/19/2030	9.0
11/20/2030	12/20/2030	10.0
12/21/2030	02/21/2031	11.0
02/22/2031	05/20/2031	12.0
05/21/2031	06/20/2031	13.0
06/21/2031	07/20/2031	14.0
07/21/2031	08/19/2031	15.0
08/20/2031	09/20/2031	17.0
09/21/2031	10/20/2031	18.0
10/21/2031	01/19/2032	19.0
01/20/2032	02/21/2032	21.0
02/22/2032	10/19/2032	23.0
10/20/2032	12/19/2032	25.0
12/20/2032	02/20/2033	26.0
02/21/2033	06/19/2034	28.0
06/20/2034	07/01/2054	100.0

If UHC is required to apply scheduled Mortgage Payments and Mortgage Prepayments relating to the 2024 Series E/F MBS as described in this paragraph, such amounts shall be applied to redeem the 2024 Series E PAC Bonds above the 2024 Series E Cumulative Applicable Amounts, but only to the extent that no other 2024 Series E Bonds are outstanding. UHC reserves the right to modify the amounts and timing of redemptions at any time to the extent the Code permits or requires such modification.

Other Provisions Concerning Redemption. Notice of redemption shall be given, not more than 60 days nor less than 20 days prior to the redemption date (or such other date as may be acceptable to the then-registered owner), to registered owners of the Offered Bonds, or portions thereof, to be redeemed. Any notice mailed or otherwise delivered in a manner as may be customary for the industry shall be conclusively presumed to have been duly given, whether or not the owner of such Offered Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such registered owners shall not affect the validity of the proceedings for the redemption of any Offered Bonds. The obligation of the Bond Registrar to give the notice as described in this paragraph shall not be conditioned upon the prior payment to the Trustee of moneys or Defeasance Obligations sufficient to pay the Redemption Price of the Offered Bonds or portions thereof to which such notice relates or the interest thereon to the redemption date.

If DTC or its nominee is the registered owner of any Offered Bonds to be redeemed, notice of redemption will be given to DTC or its nominee as the registered owner of such Offered Bond. Any failure on the part of DTC or failure on the part of a nominee of a Beneficial Owner (having received notice from a DTC Participant or otherwise) to notify the Beneficial Owner of any Offered Bond to be redeemed shall not affect the validity of the redemption of such Bond. See APPENDIX G—“DTC AND BOOK-ENTRY SYSTEM” attached hereto.

If less than all the Offered Bonds of like tenor and maturity are to be redeemed, the particular Offered Bonds or the respective portions thereof to be redeemed will be selected by lot by the Bond Registrar in such manner as the Bond Registrar in its discretion deems fair and appropriate.

The portion of any Offered Bond of a denomination larger than the minimum denomination may be redeemed in the principal amount of such minimum denomination or in an integral multiple of \$5,000 in excess thereof, and for purposes of selection and redemption, any such Offered Bond of a denomination larger than the minimum denomination shall be considered to be that number of separate Offered Bonds of such minimum denomination which is obtained by dividing the principal amount of such Offered Bond by such minimum denomination (provided that one of such Bonds may be in a denomination in excess of such minimum denomination). If there shall be selected for redemption less than all of an Offered Bond, UHC shall execute and the Bond Registrar shall authenticate and deliver, upon the surrender of such Offered Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Offered Bond so surrendered, Offered Bonds of like interest rate, tenor and maturity in any of the authorized denominations.

UHC may, at its option, prior to the date fixed for redemption in any notice of redemption rescind and cancel such redemption by Issuer Request to the Trustee and the Trustee shall mail notice of such cancellation to the recipients of the redemption being cancelled.

If, on the redemption date, moneys for the redemption of Offered Bonds or portions thereof, together with interest to the redemption date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Offered Bonds or portions thereof so called for redemption shall cease to accrue and become payable.

Subject to the terms and conditions set forth in the Indenture and prior to the mailing by the Trustee of a notice of redemption with respect to Offered Bonds of any particular tenor and maturity, UHC may direct the Trustee to purchase such Offered Bonds with available moneys under the Indenture for cancellation in lieu of redemption. The Trustee shall apply available moneys in accordance with the Indenture from the Funds and Accounts specified in the Indenture to purchase such Offered Bonds.

Estimated Weighted Average Lives of the PAC Bonds*

The weighted average life of a security refers to the average of the length of time that will elapse from the date of issuance of such security to the date each installment of principal is paid to the investor weighted by the amount of such installment. The weighted average lives of the PAC Bonds will be influenced by, among other factors, the rate at which principal payments (including Mortgage Repayments and Mortgage Prepayments) are made on the 2024 Series E/F Mortgage Loans and the 2024 Series F Mortgage Loans, respectively.

Payments of mortgage loans are commonly projected in accordance with a prepayment standard or model. The results of the model used in this Official Statement have been calculated using the Securities Industry and Financial Markets Association (formerly known as the Public Securities Association (“PSA”)) prepayment standard or model (the “**PSA Prepayment Benchmark**”) which is based on an assumed rate of prepayment each month of the then unpaid principal balance of the mortgage loans. The PSA Prepayment Benchmark assumes an increasingly larger percentage of the mortgage loans prepaying each month for the first 30 months of the mortgages’ life and then assumes a constant prepayment rate of 6% per annum of the unpaid principal balance for the remaining life of the mortgage loans.

The following table assumes, among other assumptions, that:

- (a) all of the 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans are prepaid at the indicated percentage of PSA Prepayment Benchmark;

* Preliminary; subject to change.

(b) all Mortgage Prepayments of 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans are timely received;

(c) approximately \$150,000,000 of 2024 Series E/F Mortgage Loans bearing interest at a weighted average rate of 6.748% and \$6,240,000 of 2024 Series E/F DPA bearing interest at a weighted average rate of 7.875% will be acquired during the period beginning on March 20, 2024 and ending on August 20, 2024;

(d) Approximately 60% of the Mortgage Repayments and Mortgage Prepayments relating to the 2024 Series E/F Mortgage Loans, 2024 Series E/F MBS and 2024 Series E/F DPA will be deposited in the 2024 Series E subaccount of the Special Redemption Account to redeem 2024 Series E Bonds and the remaining 40% of the Mortgage Repayments and Mortgage Prepayments relating to the 2024 Series E/F Mortgage Loans, 2024 Series E/F MBS and 2024 Series E/F DPA will be deposited in the 2024 Series F subaccount of the Special Redemption Account to redeem 2024 Series F Bonds;

(e) approximately \$50,000,000 of 2024 Series F Mortgage Loans bearing interest at a weighted average rate of 7.198% and \$2,140,000 of 2024 Series F DPA bearing interest at a weighted average rate of 8.000% will be acquired during the period beginning on March 20, 2024 and ending on August 20, 2024;

(f) all of the 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans are 30-year mortgage loans (although the remaining terms of such Mortgage Loans may be less than 30 years because principal payments may be made before such Mortgage Loans are transferred to or deposited in accounts relating to the Offered Bonds);

(g) no moneys are withdrawn from the trust estate by UHC after satisfaction of the Asset Requirement;

(h) amounts in the 2024 Series E subaccount of the Special Redemption Account are used to redeem 2024 Series E Bonds in the following order of priority:

(i) The 2024 Series E PAC Bonds until the Outstanding principal amount of the 2024 Series E PAC Bonds is not less than the 2024 Series E Cumulative Applicable Amount for the applicable semiannual period;

(ii) The 2024 Series E Bonds (other than the 2024 Series E PAC Bonds) on a pro rata basis based on the amounts of the 2024 Series E Bonds outstanding before any redemptions under this paragraph for the applicable semiannual period; and

(iii) The 2024 Series E PAC Bonds without regard to the 2024 Series E Cumulative Applicable Amounts;

(h) amounts in the 2024 Series F subaccount of the Special Redemption Account are used to redeem 2024 Series F Bonds in the following order of priority:

(i) The 2024 Series F PAC Bonds until the Outstanding principal amount of the 2024 Series F PAC Bonds is not less than the 2024 Series F Cumulative Applicable Amount for the applicable semiannual period;

(ii) The 2024 Series F Bonds (other than the 2024 Series F PAC Bonds) on a pro rata basis based on the amounts of the 2024 Series F Bonds outstanding before any redemptions under this paragraph for the applicable semiannual period; and

(iii) The 2024 Series F PAC Bonds without regard to the 2024 Series F Cumulative Applicable Amounts;

(i) no Offered Bonds are redeemed pursuant to the optional redemption provisions of the Indenture.

THE FOLLOWING TABLE ALSO ASSUMES THAT MONEYS ON DEPOSIT IN SUBACCOUNTS OF THE REDEMPTION FUND RELATED TO OTHER SERIES WILL NOT BE APPLIED TO REDEEM THE OFFERED BONDS OR TO PURCHASE 2024 SERIES E/F MORTGAGE LOANS, 2024 SERIES F MORTGAGE LOANS, 2024 SERIES E/F MBS OR 2024 SERIES F MBS AND THAT MONEYS TO BE USED TO REDEEM OFFERED BONDS WILL NOT BE APPLIED TO REDEEM BONDS OF ANOTHER SERIES OR MAKE OR PURCHASE MORTGAGE LOANS OR MBS RELATED TO ANOTHER SERIES. See “DESCRIPTION OF THE OFFERED BONDS—Redemption Provisions—*Special Redemption of the Offered Bonds—Cross Calls and Recycling.*” Based on such assumptions, some or all of which are unlikely to reflect actual experience, the following table indicates the projected weighted average lives of the 2024 Series E PAC Bonds and the 2024 Series F PAC Bonds.

**ESTIMATED PROJECTED WEIGHTED AVERAGE LIVES
(IN YEARS)[†] OF PAC BONDS***

Payment Speed	2024 Series E PAC Bonds		2024 Series F PAC Bonds	
	Optional Call Not Exercised	Optional Call Exercised 07/01/2032	Optional Call Not Exercised	Optional Call Exercised 07/01/2032
0% PSA	27.9	8.0	28.2	8.0
25% PSA	14.7	7.1	14.8	7.1
50% PSA	7.5	6.2	7.5	6.2
75% PSA	6.0	5.5	6.0	5.5
100% PSA	6.0	5.5	6.0	5.5
200% PSA	6.0	5.5	6.0	5.5
300% PSA	6.0	5.5	6.0	5.5
400% PSA	6.0	5.5	6.0	5.5
500% PSA	6.1	5.5	6.1	5.5

[†] The weighted average life of a bond is determined by: (i) multiplying the amount of each principal payment by the number of years from the date of the issuance of the bond to the related principal payment date, (ii) adding the results, and (iii) dividing the sum of the total principal paid on the bond.

The PSA Prepayment Benchmark does not purport to be a prediction of the anticipated rate of prepayments of the 2024 Series E/F Mortgage Loans or the 2024 Series F Mortgage Loans, and there is no assurance that the Mortgage Prepayments of such Mortgage Loans will conform to any of the assumed prepayment rates. See “ASSUMPTIONS REGARDING REVENUES, DEBT SERVICE REQUIREMENTS, OPERATING EXPENSES AND CERTAIN OTHER MATTERS” for a discussion of certain factors that may affect the rate of prepayment of the 2024 Series E/F Mortgage Loans and the 2024 Series F Mortgage Loans. UHC makes no representation as to the percentage of the principal balance of the 2024 Series E/F Mortgage Loans or the 2024 Series F Mortgage Loans that will be paid as of any date or as to the overall rate of prepayment.

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* Preliminary; subject to change.

SOURCES AND USES OF FUNDS*

The sources and uses of funds with respect to the Offered Bonds are set forth herein:

Sources

2024 Series E Bonds Par	\$
2024 Series F Bonds Par	
2024 Series E Bonds Original Issue Premium	
2024 Series F Bonds Original Issue Premium.....	
UHC Contribution.....	
 Total	 <u>\$</u>

Uses

Deposit to 2024 Series E/F subaccount of the Acquisition Account ¹	\$
Deposit to 2024 Series F subaccount of the Acquisition Account	
Underwriters’ Fee	
For Costs of Issuance Other than Underwriters’ Fee	
 Total	 <u>\$</u>

¹ Approximately \$ _____ of the proceeds of the 2024 Series E Bonds will be used to refund certain indebtedness of UHC to make approximately \$ _____ of transferred proceeds available for deposit to the 2024 Series E/F subaccount of the Acquisition Account.

SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS

Pledge

The Bonds and regularly scheduled payments on Auxiliary Obligations are to be secured under the Indenture by a pledge of and lien on the proceeds of the Bonds, the Revenues, all moneys and securities in the Funds and Accounts (other than moneys and securities in the Rebate Account, any Issuer Payment Account, any Bond Purchase Fund, the Short Term Bond Account and, in certain circumstances, the Additional Security Account) created by or pursuant to the Indenture, including the Investments thereof (if any), the rights and interest of UHC in and to the Mortgage Loans and MBS, and any and all other property of any kind from time to time hereafter pledged as additional security under the Indenture by a Series or Supplemental Indenture, by delivery or by writing of any kind by UHC or by any person on its behalf.

The Indenture does not require Mortgage Loans purchased with amounts made available by the proceeds of Additional Bonds (“**Additional Mortgage Loans**”) to be insured or guaranteed as set forth herein or be placed in pools backed by MBS. Proceeds of Additional Bonds may be used to acquire Mortgage Loans insured by FHA or by a private mortgage guaranty insurance policy issued by a private mortgage guaranty insurance provider, Mortgage Loans guaranteed by VA or Rural Housing, uninsured Mortgage Loans, MBS issued by Ginnie Mae, MBS issued by Fannie Mae, MBS issued by Freddie Mac, or such other loans or securities.

For purposes of the pledge and lien of the Indenture, the term “Mortgage Loan” and “MBS” includes only Mortgage Loans and MBS acquired by the Trustee from monies in the Acquisition Account or transferred for credit to the Indenture.

The term “Revenues” means (i) all Mortgage Repayments, Mortgage Prepayments and, except insofar as such payments may constitute Servicing Fees, any penalty payments on account of overdue Mortgage Repayments,

* Preliminary; subject to change.

(ii) Investment Revenues, (iii) Interest Rate Contract Revenues, (iv) all other payments and receipts received by UHC with respect to MBS, Mortgage Loans and DPA and (v) Rental Development Mortgage Repayments, Rental Development Prepayments and Rental Development Recovery Payments, but shall not include (i) Escrow Payments or Rental Development Escrow Payments, (ii) Servicing Fees, unless such fees are specifically pledged to the Trustee, (iii) any commitment, reservation, extension, or application fees charged by UHC in connection with a Mortgage Loan or Mortgage Purchase Agreement, or Rental Development Mortgage Loan, (iv) any commitment, reservation, extension or application fees charged by a Mortgage Lender in connection with a Mortgage Loan or (v) accrued interest received in connection with the purchase of any Investment Obligations.

The pledge is subject in all cases to the provisions of the Indenture permitting the application of such moneys and assets for or to the purposes and on the terms and conditions set forth therein. Such applications include refunding certain outstanding bonds of UHC, purchasing Mortgage Loans and MBS with Bond proceeds, and paying principal of and interest on the Bonds and scheduled payments with respect to Auxiliary Obligations with Revenues. Moneys and investments held in subaccounts of any Issuer Payment Account of the Debt Service Fund are pledged solely for the payment of Principal Installments, Redemption Price of, interest on and other amounts payable with respect to General Obligations of the Related Series with respect to which such subaccount was created and are not pledged to pay principal, Redemption Price of, interest on and other amounts payable with respect to any other Bonds or Auxiliary Obligations; and provided further that proceeds derived from the sale of a Series of Short Term Bonds may be pledged solely for the Principal Installments and Redemption Price, if any, and interest on such Series of Short Term Bonds. The Offered Bonds are not secured by amounts on deposit in UHC Payment Account.

All Bonds are equally and ratably secured as provided in the Indenture.

Debt Service Reserve Fund

The Indenture establishes a Debt Service Reserve Fund and a Debt Service Reserve Fund Requirement for the Bonds. The “Debt Service Reserve Fund Requirement” means the aggregate of the debt service reserve fund requirements set forth in the Series Indentures. The Debt Service Reserve Fund Requirement with respect to the Offered Bonds is expected to be \$-0-. Upon the issuance of the Offered Bonds, the balance of the Debt Service Reserve Fund is expected to be an amount at least equal to the Debt Service Reserve Fund Requirement with respect to all Bonds. See APPENDIX G—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Debt Service Reserve Fund” attached hereto.

Additional Bonds; Refunding Bonds; Auxiliary Obligations

UHC may issue Additional Bonds (including Refunding Bonds) secured by the pledge and lien of the General Indenture upon satisfaction of the terms and conditions thereof, including the condition that, so long as there are Outstanding Bonds rated by a Rating Agency as requested by UHC, UHC will obtain a confirmation from each such Rating Agency then providing a rating on any Outstanding Bonds that the issuance of such Bonds will not result in the lowering or withdrawal of its then current rating on each Series of Outstanding Bonds. Additional Bonds, which may bear interest at variable interest rates or at interest rates fixed to maturity, may be issued to finance either the purchase of mortgage loans and/or MBS backed by mortgage loans made to finance the acquisition of single family housing or the making of mortgage loans for acquisition and rehabilitation or construction of multifamily rental housing. There are currently no Residential Development Mortgage Loans held under the Indenture, and UHC has no present intention of issuing Bonds under the General Indenture to finance multifamily developments. UHC has reserved the right to issue other obligations not secured by the pledge and lien of the General Indenture, including bonds secured by its general revenues.

UHC is also permitted under the Indenture to incur Auxiliary Obligations, such as obligations under Interest Rate Contracts and Liquidity Facilities in connection with Variable Rate Bonds. UHC is required to file a Cash Flow Statement with the Trustee prior to incurring an Auxiliary Obligation. UHC’s obligation to pay scheduled interest to an Auxiliary Obligation Provider or scheduled principal and/or interest under an Auxiliary Agreement may be secured by a pledge and lien of the General Indenture on a parity with the lien securing the Bonds.

The General Indenture permits UHC to give an Auxiliary Obligation Provider the right to approve, consent or take action in lieu of or in addition to the Holders of the related Series of Bonds.

**ASSUMPTIONS REGARDING REVENUES, DEBT SERVICE
REQUIREMENTS, OPERATING EXPENSES AND
CERTAIN OTHER MATTERS**

UHC expects payments of principal and interest on Mortgage Loans and MBS, together with Interest Rate Contract Revenues and income expected to be derived from the investment of moneys in funds and accounts established pursuant to the Indenture to be sufficient to pay the interest on, principal of and Sinking Fund Installments for the Bonds, scheduled amounts due under Related Auxiliary Obligations and the costs of operating the Program. Certain assumptions have been made as to the range of variation in the generation of Revenues from such sources in order to determine the effect of such variation on the sufficiency of Revenues to pay debt service on the Bonds. UHC has reviewed these assumptions and concluded that they are reasonable but cannot guarantee that actual results will not vary materially from those projected. To the extent that (i) Mortgage Loans or MBS are not made or purchased at the times anticipated by UHC, or are not made or purchased at all, (ii) Mortgage Loans and MBS made or purchased by UHC are not paid on a timely basis in accordance with their terms, (iii) the rate of receipt of Mortgage Prepayments is either more rapid or less rapid than that projected, (iv) interest payable on Variable Rate Bonds and scheduled amounts due under Related Auxiliary Obligations differs from Related Interest Rate Contract Revenues, or (v) actual investment income differs from that estimated by UHC, the moneys available may be insufficient for the payment of debt service on the Bonds and scheduled amounts due under Related Auxiliary Obligations and operating expenses of the Program.

Payments on Mortgage Loans and MBS, whether from Mortgage Repayments or Mortgage Prepayments, together with Revenues generated as investment income on the funds held under the Indenture and invested in Investment Obligations or under Investment Agreements, are assumed to be the primary source of Revenue. Mortgage Loans are assumed to amortize based on their existing amortization schedules and to bear interest at fixed interest rates. Mortgage Loans will amortize based on a thirty-year schedule and will bear interest at fixed interest rates.

UHC anticipates that there will be some delinquent and defaulted Mortgage Loan payments. In addition, physical damage to the residences securing the Mortgage Loans may exceed the limits of, or be caused by a peril not insured under, the standard hazard insurance policies insuring such residences. UHC believes that it is reasonable to assume that the amount of delinquent and defaulted Mortgage Loan payments for which mortgage insurance proceeds will not have been received will not exceed the aggregate balance in the Debt Service Reserve Fund.

If Mortgage Prepayments of the 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans occur, a portion of the Offered Bonds may be redeemed pursuant to the special redemption provisions of the Indenture. See “DESCRIPTION OF THE OFFERED BONDS—Redemption Provisions—*Special Redemption of the Offered Bonds*,” and “—Estimated Weighted Average Lives of the PAC Bonds” herein. UHC anticipates that a portion of such 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans will be partially or completely prepaid or terminated prior to their respective final maturity and that the Offered Bonds may have a substantially shorter life than the stated maturity of the Offered Bonds. The actual rate of principal payments on pools of mortgage loans may be influenced by a variety of economic, geographic, social and other factors and there is no reliable basis for predicting the actual average lives of the 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans. Factors affecting prepayment of the 2024 Series E/F Mortgage Loans and the 2024 Series F Mortgage Loans may include changes in prevailing interest rates, changes in mortgagors’ housing needs, job transfers, unemployment, mortgagors’ net equity in the mortgaged properties, servicing decisions, the age and payment terms of the mortgages, the extent to which the mortgages are assumed or refinanced, the use of second-lien or other individualized financing arrangements and the requirements of the Program, including the requirements of the Code with respect to the assumption of Mortgage Loans funded with the proceeds of Qualified Mortgage Bonds. UHC makes no representation as to the factors that will affect the prepayment of the 2024 Series E/F Mortgage Loans or 2024 Series F Mortgage Loans or the relative importance of such factors. Factors not identified by UHC or discussed herein may significantly affect the prepayment of 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans.

Upon satisfaction of the conditions set forth in the Indenture, UHC may instruct the Trustee to apply moneys on deposit in subaccounts of the Redemption Fund related to other Series to redeem Offered Bonds and may instruct the Trustee to apply moneys on deposit in the Related subaccounts of the Redemption Fund to redeem Bonds of another Series under certain circumstances. Upon satisfaction of the conditions set forth in the Indenture, UHC may also instruct the Trustee to apply moneys on deposit in subaccounts of the Redemption Fund related to other Series to

purchase Mortgage Loans and MBS related to the Offered Bonds or another Series and may instruct the Trustee to apply money on deposit in Related subaccounts of the Redemption Fund to make or purchase Mortgage Loans and MBS related to the Offered Bonds or another Series. See “DESCRIPTION OF THE OFFERED BONDS—Redemption Provisions—*Special Redemption of the Offered Bonds—Cross Calls and Recycling*” herein. Such instruction may result in the Offered Bonds having a shorter or longer life.

UHC believes the assumptions described herein are reasonable but cannot guarantee that actual results will not vary materially from such assumptions. If subsequent events do not correspond to such assumptions, the amount of revenues from Mortgage Loans and MBS, investment earnings and insurance proceeds available for the payment of principal of, Sinking Fund Installments for and interest on the Bonds and costs of operating of the Program may be adversely affected.

INVESTMENT CONSIDERATIONS

The purchase of the Offered Bonds involves certain investment considerations discussed throughout this Official Statement. Prospective purchasers of the Offered Bonds should make a decision to purchase the Offered Bonds only after reviewing the entire Official Statement and making an independent evaluation of the information contained and cited herein. Certain of those investment considerations are summarized below. This summary is not intended to be definitive or exhaustive, and the order in which the following investment considerations and risks are presented is not intended to reflect their relative significance.

Special Considerations Relative to the Origination of Mortgage Loans

The dollar amount of Mortgage Loans which FHA and VA can insure or guarantee in any federal fiscal year is limited by statute and administrative procedures. If an appropriation act is not passed in any federal fiscal year or if FHA or VA reach the limits of their authority, or change their respective programs, the Mortgage Lenders might not be able to originate Mortgage Loans in the anticipated principal amount or with funds available in any Acquisition Account. Through legislative action by the United States Congress, changes in regulations by HUD or executive action, the fees and standards for participation in FHA insurance programs may change. Pursuant to legislative or executive action, current federal housing programs, including home mortgage insurance and/or guarantees, may be substantially modified or eliminated. If such changes occur, the ability of UHC to apply amounts on deposit in the Acquisition Account to the purchase of 2024 Series E/F Mortgage Loans, 2024 Series E/F MBS, 2024 Series F Mortgage Loans or 2024 Series F MBS may be affected.

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

To facilitate the operation of the Single Family Mortgage Program, from time to time, UHC may use certain of its general operating funds to purchase MBS in anticipation of the issuance of Bonds.

UHC is not obligated to use the proceeds of the Offered Bonds or other Bonds in any particular order and, depending upon the respective mortgage loan interest rates, UHC may elect, from time to time, to use proceeds of particular Series of Bonds to the exclusion of other Series of Bonds, including the Offered Bonds. Additionally, UHC may finance Mortgage Loans originated by Mortgage Lenders pursuant to the Single Family Mortgage Program through sources of funding other than the issuance of Bonds. See “SINGLE FAMILY MORTGAGE PROGRAM—Other Housing Finance Programs of UHC” below. Failure to originate Mortgage Loans in amounts contemplated in connection with the issuance of each Series of Bonds may result in redemption of such Series of Bonds, in whole or in part. See “DESCRIPTION OF THE OFFERED BONDS—Redemption Provisions” herein.

It is anticipated that a portion of the Mortgage Loans will be partially or completely prepaid or terminated prior to their respective final maturities as a result of events such as sale of the related residence, default, condemnation or casualty loss or noncompliance with the Program guidelines. Because of the inherent uncertainty of historical basis with respect to prepayments of mortgage loans of a type similar to the Mortgage Loans described herein, including

such Mortgage Loans with a related DPA second mortgage Loan, and the requirements under the Act and the Code, as applicable, that, in the event of an assignment, the Mortgage Loan is to be accelerated when an assignee does not qualify under their respective provisions, there is no reliable basis for predicting the actual average life of the Mortgage Loans. Prepayment of a number of Mortgage Loans, however, is anticipated.

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

Principal receipts received by the Trustee with respect to the 2024 Series E/F MBS, the 2024 Series E/F Mortgage Loans, the 2024 Series F Mortgage Loans and the 2024 Series F MBS and from excess Revenues to the extent not used to recycle or cross-call other Series of Bonds may be applied to the payment or redemption of the Offered Bonds as described under “THE OFFERED BONDS—Redemption Provisions” herein. It is therefore expected that some portion of the Offered Bonds will be redeemed prior to their respective stated maturities.

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

So long as any PAC Bonds are outstanding, the 2024 Series E/F Indenture limits the recycling of Mortgage Prepayments to finance additional Mortgage Loans and MBS to amounts in excess of such Mortgage Prepayments needed to redeem the PAC Bonds up to the respective Cumulative Applicable Amounts for the applicable PAC Bond on the applicable Bond Payment Date. UHC may issue additional bonds (which may or may not be issued pursuant to the General Indenture) to finance mortgages at interest rates below the rates provided for the 2024 Series E/F Mortgage Loans and the 2024 Series F Mortgage Loans. Any proceeds of the Offered Bonds initially deposited in the Acquisition Account which are not used to purchase 2024 Series E/F MBS or 2024 Series F MBS (or otherwise finance 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans) may be used to redeem an appropriate portion of the Offered Bonds. In addition, UHC may provide funds through other programs for the refinancing of Mortgage Loans purchased, acquired or financed with proceeds of the Bonds. If Mortgage Loans are so refinanced and paid in full, such payments would be treated as Mortgage Prepayments on the Mortgage Loans, resulting in an early redemption of the Bonds. See “DESCRIPTION OF THE OFFERED BONDS—Redemption Provisions” herein.

Prepayment and Redemption Considerations

The Trustee will receive Mortgage Repayments and Mortgage Prepayments from each of the 2024 Series E/F MBS and the 2024 Series F MBS. Mortgage Prepayments consist of all principal payments in excess of the regularly scheduled principal payments on the 2024 Series E/F MBS and 2024 Series F MBS, including, but not limited to, payments representing: (i) optional Mortgage Prepayments of 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans, (ii) casualty insurance proceeds or condemnation awards applied to the prepayment of 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans following a partial or total destruction or condemnation of a residence, (iii) mortgage insurance or guaranty proceeds or other amounts received with respect to 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans following acceleration thereof upon the occurrence of an event of default thereunder, (iv) Mortgage Prepayments of the 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans required pursuant to applicable rules, regulations, policies and procedures of FHA, VA, Ginnie Mae, Fannie Mae or Freddie Mac, (v) Mortgage Prepayments of the 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans without notice while under supervision of a trustee in bankruptcy, and (vi) Mortgage Prepayments of the 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans in connection with the modification of such loans that results in the removal of 2024 Series E/F Mortgage Loans or 2024 Series F Mortgage Loans from the pool of loans backing the related 2024 Series E/F MBS or 2024 Series F MBS, respectively, (see “Developments in the Residential Mortgage Market May Adversely Affect Bond Yield” below). Mortgage Prepayments are usually the result of the resale of the premises securing a 2024 Series E/F Mortgage Loan or a 2024 Series F Mortgage or the refinancing of a 2024 Series E/F Mortgage Loan or 2024 Series F Mortgage Loan due to changes in mortgage interest

rates. Therefore, economic and financial market conditions may have a significant effect on the rate of Mortgage Prepayments. UHC is not aware of any means which would allow it to accurately predict the actual level of Mortgage Prepayments it will receive from the 2024 Series E/F MBS or the 2024 Series F MBS. Mortgage Prepayments with respect to the 2024 Series E/F MBS and the 2024 Series F MBS allocated to the Offered Bonds will be applied to the special redemption from revenues of the Offered Bonds at the price and in accordance with the procedures described under the heading “DESCRIPTION OF THE OFFERED BONDS—Redemption Provisions” herein.

In accordance with the terms of the Indenture and pursuant to an Issuer Request, UHC may elect to transfer moneys on deposit in a subaccount of an Account in the Redemption Fund to a related or unrelated subaccount of the Acquisition Account of the Program Fund to purchase, finance or acquire additional Mortgage Loans or MBS, so long as each such Issuer Request (a) certifies that the Request is consistent with the most recently filed related Cash Flow Statement and the related Series Indenture and (b) shall be accompanied by evidence of the satisfaction of all Asset Requirements for the related Series. The use of moneys in the Redemption Fund to purchase, finance or acquire additional Mortgage Loans or Mortgage Certificates is known as “recycling.” The 2024 Series E/F Indenture provides that UHC will recycle such amounts only after the redemption of the Offered Bonds. See “DESCRIPTION OF THE OFFERED BONDS—Redemption” above. UHC does not presently recycle such amounts to purchase, finance or acquire Mortgage Loans or MBS.

The “10-Year Rule” (Section 143(a)(2)(A)(iv) of the Code), as it is commonly called, generally requires that Mortgage Repayments and Mortgage Prepayments from the portion of the 2024 Series E/F MBS and 2024 Series E/F DPA financed with proceeds of the 2024 Series E Bonds must be used to redeem the 2024 Series E Bonds to the extent such repayments are received more than 10 years after the issue date thereof (or, with respect to any tax-exempt Bonds redeemed by the 2024 Series E Bonds, the original Bond). Such principal payments, when received, are considered “Restricted Principal Receipts”. The 10-Year Rule generally limits UHC’s ability to cross-call Bonds from Restricted Principal Receipts or to recycle such Restricted Principal Receipts. From time to time, there have been efforts to repeal the 10-Year Rule. Any repeal of the 10-Year Rule may lead to increased recycling or to the cross-calling of the Bonds (including, but not limited to, the 2024 Series E Bonds).

No representation is made as to the actual timing of the origination of the 2024 Series E/F Mortgage Loans or the 2024 Series F Mortgage Loans, the anticipated yield to redemption of any Offered Bonds, the redemption of any of the Offered Bonds or the rate of prepayment on the 2024 Series E/F Mortgage Loans or the 2024 Series F Mortgage Loans. Investors seeking to maximize yield are urged to make an investment decision with respect to the Offered Bonds based upon the investor’s desired yield to redemption or maturity, the anticipated yield to redemption or maturity of the Offered Bonds resulting from the price thereof and the investor’s own determination as to (a) the anticipated rate of Mortgage Prepayments with respect to the Mortgage Loans (including the 2024 Series E/F Mortgage Loans and the 2024 Series F Mortgage Loans) and (b) UHC’s ability and willingness to redeem Bonds and recycle.

Developments in the Residential Mortgage Market May Adversely Affect Bond Yield

The residential mortgage market in the United States has experienced a variety of difficulties and changed economic conditions that may adversely affect the performance and market value of mortgage revenue bonds. In response to increased delinquencies and losses with respect to residential mortgage loans, the federal government, state governments, consumer advocacy groups and others have urged aggressive action to modify mortgage loans to avoid foreclosures and, in response, certain mortgage servicers have established foreclosure avoidance programs for borrowers. In addition, numerous laws, regulations and rules relating to mortgage loans generally, and foreclosure actions particularly, have been enacted by federal, state and local governmental authorities and it is likely that additional laws, regulations and rules will be proposed and/or enacted. These laws, regulations, and rules, together with judicial decisions, may result in delays in the foreclosure process, reduced payments by borrowers, modification of the original terms of the 2024 Series E/F Mortgage Loans and the 2024 Series F Mortgage Loans, including permanent forgiveness of debt, increased Mortgage Prepayments due to the availability of government-sponsored refinancing initiatives and/or increased reimbursable mortgage servicing expenses. Several courts have also taken unprecedented steps to slow the foreclosure process or prevent foreclosure altogether.

Any modification of a 2024 Series E/F Mortgage Loan or a 2024 Series F Mortgage Loan may result in the removal of such 2024 Series E/F Mortgage Loan or 2024 Series F Mortgage from the pool of loans backing the related

2024 Series E/F MBS or 2024 Series F MBS, respectively. The principal balance of the removed 2024 Series E/F Mortgage Loan or removed 2024 Series F Mortgage Loan will be distributed on the related 2024 Series E/F MBS or 2024 Series F MBS, respectively, and will affect expected timing of distributions of principal on the 2024 Series E/F MBS or 2024 Series F MBS, and, therefore, the Offered Bonds. Bondholders bear the risk that modifications of the 2024 Series E/F Mortgage Loans and the 2024 Series F Mortgage Loans may reduce the yield on any Offered Bonds purchased at a premium.

Yield and Prepayment Considerations

The Offered Bonds will be sensitive to the rate and the timing of Mortgage Repayments and Mortgage Prepayments on the respective 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans. As a result, actual weighted average lives of the Offered Bonds may vary substantially over the lives of such Offered Bonds. The yield to the holders of Offered Bonds purchased at a discount or premium will be affected by the actual rate of Mortgage Prepayments on the 2024 Series E/F Mortgage Loans and the 2024 Series F Mortgage Loans to the extent such Mortgage Prepayments affect principal payments on the 2024 Series E/F MBS and the 2024 Series F MBS. A lower rate of Mortgage Prepayments than expected on the 2024 Series E/F MBS or the 2024 Series F MBS would negatively affect the yield on the Offered Bonds sold at a discount, and a higher rate of Mortgage Prepayments than expected would negatively affect the yield on the Offered Bonds sold at a premium. Because it is impossible to predict with any accuracy the timing and dollar amount of Mortgage Prepayments that will be made on the 2024 Series E/F MBS and the 2024 Series F MBS, investors may find it difficult to analyze the effect of Mortgage Prepayments on the yield on the Offered Bonds.

Rating Downgrade

Because the 2024 Series E/F MBS and 2024 Series F MBS are guaranteed by Ginnie Mae, Fannie Mae and/or Freddie Mac, as applicable, any downgrade in the sovereign credit rating of the United States of America by Moody's may result in a downgrade of the Offered Bonds by the Rating Agency. Any reduction of the rating in effect for the Offered Bonds may adversely affect their market price. See "RATING" herein.

Nature of Guaranties of Fannie Mae and Freddie Mac

The obligations of Fannie Mae under its guarantees of the Fannie Mae Certificates, and the obligations of Freddie Mac under its guarantees of the Freddie Mac Certificates, are the respective obligations of Fannie Mae and Freddie Mac only. Neither the Fannie Mae Certificates nor the Freddie Mac Certificates (collectively, the "**Enterprise MBS**"), including the interest thereon, are guaranteed by the United States, nor do they constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Fannie Mae or Freddie Mac, respectively, nor are they entitled to the full faith and credit of the United States. If either Fannie Mae or Freddie Mac is unable to satisfy its obligations under its guarantees, distributions on its Enterprise MBS would consist solely of payments and other recoveries on the related mortgage loans. Accordingly, Mortgage Prepayments, delinquencies and defaults on the Mortgage Loans would affect distributions on the Enterprise MBS and could adversely affect payments on the Offered Bonds.

On June 3, 2019, Fannie Mae and Freddie Mac (each, an "**Enterprise**" and, together, the "**Enterprises**") began issuing common, single mortgage-backed securities, formally known as Uniform Mortgage-Backed Securities ("**UMBS**"). The UMBS issued by the Enterprises finance fixed-rate mortgages and are guaranteed by either Fannie Mae or Freddie Mac depending upon which Enterprise issues the UMBS. Each UMBS is backed by fixed-rate mortgage loans purchased entirely by one of the Enterprises; thus, there is no comingling of collateral. The UMBS have characteristics similar to Fannie Mae Certificates and Freddie Mac has modified its security structure to more closely align with Fannie Mae Certificates. The Enterprises may be required to consult with each other to ensure specific Enterprise programs or policies do not cause or have potential to cause cash flows to investors of mortgage-backed securities to misalign. Proceeds of the Offered Bonds are expected to be used to purchase 2024 Series E/F MBS and 2024 Series F MBS which may include UMBS issued by Fannie Mae or Freddie Mac. For purposes of this Official Statement and the 2024 Series E/F Indenture, the terms "2024 Series E/F MBS" and "2024 Series F MBS" include UMBS.

Investment Obligations

The Indenture provides that amounts on deposit in any Funds and Accounts under the Indenture may be from time to time invested or reinvested in Investment Obligations. Certain investment agreements and, where acceptable to the Rating Agencies then rating the Related Bonds, guarantees may be delivered, from time to time, in connection with each Series of Bonds issued pursuant to the Indenture. The investment agreements, and any related guarantees, entered into in connection with the Bonds are herein collectively referred to as the “Investment Agreements”. In each case, the Investment Agreements, when entered into, must be consistent with and permit the continuation of the then current rating on the Bonds. Copies of Investment Agreements, if any, are on file with the Trustee. It is not expected that proceeds of the Offered Bonds will be invested in an Investment Agreement.

The failure to receive timely payment on Investment Obligations, including any Investment Agreements, could adversely affect UHC’s ability to pay principal of and interest on the Bonds. If the rating issued by a Rating Agency with respect to any provider of an Investment Agreement falls below certain rating levels established by such Rating Agency with respect to such entity’s long-term and/or short-term rating, as applicable, the rating on the Bonds may be adversely affected. UHC is under no obligation with respect to assuring the continued maintenance by any provider of an Investment Agreement of a particular rating from a Rating Agency, nor to find a substitute Investment Agreement in the event of a lowering of a provider’s rating. See “ASSUMPTIONS REGARDING REVENUES, DEBT SERVICE REQUIREMENTS, OPERATING EXPENSES AND CERTAIN OTHER MATTERS” herein.

Delays after Defaults on Certain Mortgage Loans

If a mortgagor defaults in the payment of a Mortgage Loan which does not back an MBS and UHC institutes foreclosure proceedings, there will be certain required time delays which, should they occur with respect to a sufficient number of Mortgage Loans, could disrupt the flow of revenues available for the payment of principal of, Sinking Fund Installments for and interest on the Bonds. These time delays derive from the procedures applicable to the collection of mortgage insurance or guarantees as well as those required under State law for the enforcement of rights of mortgagees. See Appendix A—“SUMMARY OF CERTAIN MORTGAGE INSURANCE AND GUARANTY PROGRAMS” attached hereto.

Nonorigination of Mortgage Loans

Competition in making real estate loans in the State normally comes primarily from commercial banks and other mortgage lenders in the area. One of the principal factors in competing for real estate loans is the interest rate charged to the mortgagor. If interest rates on other available mortgage loans decline substantially, UHC may not be able to purchase Mortgage Loans. If moneys in the Acquisition Account are not used to purchase Mortgage Loans, the Offered Bonds are subject to redemption prior to maturity at par, under certain circumstances. See “DESCRIPTION OF THE OFFERED BONDS—Redemption Provisions—*Special Redemption of the Offered Bonds*” herein. See “SINGLE FAMILY MORTGAGE PROGRAM—Other Housing Finance Programs of UHC” for the status of each of UHC’s current single family mortgage programs.

Business Disruption Risk

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt UHC’s ability to conduct its business. A prolonged disruption in UHC’s operations could have an adverse effect on UHC’s financial condition and results of operations. To plan for and mitigate the impact such an event may have on its operations, UHC has developed a business continuity plan (the “**Plan**”). The Plan is designed to (1) provide for the continued execution of the mission-essential functions of UHC and minimize disruption if an emergency threatens, interrupts or incapacitates UHC’s operations, (2) provide leadership with timely direction, control and coordination before, during and after an emergency, and (3) facilitate the return to normal operating conditions as soon as practical based on the circumstances surrounding any given emergency. The Plan also includes Disaster Recovery procedures for UHC’s information technology infrastructure. The Disaster Recovery procedures are tested and improved upon annually. No assurances can be given that UHC’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.

Cybersecurity

UHC, like many other public entities, relies on a technology environment to conduct its operations. As a recipient and provider of personal, private, or sensitive information, UHC is subject to multiple cyber threats including, but not limited to, hacking, viruses, malware, and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to UHC's digital systems for the purpose of misappropriating assets or information or causing operational disruption and damage. Further, third parties, such as hosted solution providers which provide services to UHC, could also be a source of security risk in the event of a failure of their own security systems and infrastructure.

UHC 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. This includes a comprehensive Managed Detection & Response (MDR) and Endpoint Detection & Response (EDR) solution that is monitored 24 hours a day, 7 days a week. UHC conducts regular information security and privacy awareness training that is mandatory for all Agency staff and regularly conducts risk assessments and tests of its cybersecurity systems and infrastructure. UHC's Vice President of Information Technology Manager focuses on and leads the efforts of UHC to keep its cyber assets secure.

Despite its efforts, no assurances can be given that UHC'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 UHC's financial condition, results or business; however, UHC is not able to predict the severity of future attacks. The results of any attack on UHC's computer and information technology systems could impact its operations for an unknown period of time, damage UHC's digital networks and systems, and damage UHC's reputation, financial performance, and customer or vendor relationships. Such an attack could also 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 UHC's reputation and relationships could adversely affect UHC's ability to make loans and issue Bonds in the future.

SINGLE FAMILY MORTGAGE PROGRAM

UHC's Single Family programs presently include FirstHome, FHA/VA Mortgage, and HFA Advantage programs. Additional Mortgage Loans may be financed upon such terms and conditions as UHC may establish. The 2024 Series E/F Mortgage Loans and 2024 Series F Mortgage Loans are expected to consist of Mortgage Loans made under UHC programs in operation at the time of origination of such Mortgage Loans. The 2024 Series E/F Mortgage Loans are expected to constitute Mortgage Loans made under the FirstHome program (i.e., mortgage loans satisfying both the requirements of the Act and the requirements for mortgage loans financed through issuance of federally tax-exempt bonds). The 2024 Series F Mortgage Loans are expected to consist of Mortgage Loans made under a variety of UHC Single Family programs including the FHA/VA Mortgage and HFA Advantage programs (i.e., mortgage loans satisfying the requirements of the Act but not necessarily satisfying the requirements for mortgage loans financed through the issuance of federally tax-exempt bonds). Additional Mortgage Loans and Mortgage Loans underlying MBS will be required to satisfy UHC's Single Family program requirements applicable at the time of origination of such Mortgage Loans. For certain demographic information with respect to the mortgage loans in UHC's portfolio through the calendar year ending December 31, 2023, see www.utahhousingcorp.org/pdf/loan-demographics.pdf and www.utahhousingcorp.org/pdf/SFB_231231.pdf.

Although individual policies, procedures and requirements discussed in the following sections may be modified from time to time as experience or changed conditions necessitate, the following summary outlines the current procedures, documentation and requirements generally observed by UHC in processing Mortgage Loan acquisitions.

Requirements for Mortgage Loans

Mortgage Loans will consist of thirty-year, fixed-rate mortgage loans. Each Mortgage Loan will be secured by a Deed of Trust constituting first liens on single-family, owner-occupied housing, subject only to certain permitted encumbrances. See "Participation Documents" below. UHC may purchase Mortgage Loans that have related security

instruments recorded in the name of Mortgage Electronic Registration Systems, Inc. (“**MERS**”) in connection with the registration of such Mortgage Loans on the MERS system. Such Mortgage Loans will reflect UHC as the Holder and Servicer in the MERS system, and UHC will be the beneficiary of such security instruments.

Principal Documents

Each Mortgage Loan purchase transaction between the Mortgage Lender and UHC is on a contractual basis and the terms of each such transaction will be as set forth in the following documents (the “**Participation Documents**”) as they may be amended from time to time:

- Participation Agreement;
- Mortgage Purchase Agreement;
- Selling Supplement; and
- Any other documents incorporated by reference into the Participation Agreement.

Brief descriptions of the Participation Documents are set forth below. Reference is made to the Participation Documents for full details of the terms thereof.

Participation Agreement. The Participation Agreement is the primary agreement controlling the contractual relationship between UHC and each Mortgage Lender. The Participation Agreement (i) describes the qualifications of a Mortgage Lender; (ii) establishes that the Mortgage Lender will sell Mortgage Loans to UHC (including all servicing rights); (iii) sets forth the warranties of the Mortgage Lender regarding compliance with UHC’s requirements for Mortgage Loans; and (iv) sets forth the remedies available upon the occurrence of various defaults of Lenders. The Participation Agreement also contains definitions of terms and phrases used in other Participation Documents. Each Mortgage Lender listed in Appendix D hereto has been determined by UHC to be eligible to participate in the Single Family Mortgage Program, as of the date hereof. Additional lenders may be qualified by UHC and eligible to participate.

Mortgage Purchase Agreement. Purchases of Mortgage Loans are made pursuant to Mortgage Purchase Agreements, each of which is incorporated by reference into the Participation Documents. Each Mortgage Purchase Agreement provides for the sale of a specified Mortgage Loan to be closed and delivered to UHC. Each Mortgage Purchase Agreement relates to a specific mortgagor, residence and mortgage loan amount for which UHC commits funds pursuant to the commitment procedures described above.

The Mortgage Purchase Agreement requires that the Mortgage Loan must be delivered to UHC by a final delivery date. UHC requires the Mortgage Lender to deliver a written cancellation of its commitment to deliver a Mortgage Loan before the final mortgage delivery date if the Mortgage Loan will not be closed and delivered to UHC. The Mortgage Lender may, however, obtain an extension with prior UHC approval. For such extension to the final delivery date, the Mortgage Lender will be charged an extension fee. Late delivery fees will be charged for Mortgage Loans delivered late if the Mortgage Lender fails to obtain prior written approval of any final delivery date extension. Extension fees and late fees will be withheld from the amount UHC pays to the Mortgage Lender for the Mortgage Loan. Should a Mortgage Lender fail to cancel its commitment to deliver a Mortgage Loan and fail to deliver the Mortgage Loan, UHC may assess a non-delivery fee to the Mortgage Lender.

Prior to each purchase by UHC of a Mortgage Loan with respect to a residence (including as part of such residence all land and improvements financed by the Mortgage Loan), UHC shall obtain affidavits executed by each mortgagor and each seller, as applicable, with respect to such residence designed to ensure compliance with program guidelines.

Selling Supplement to Participation Agreement. The Selling Supplement to Participation Agreement describes the Eligible Mortgage Loan Requirements under the Single Family Program. UHC has the right to decline to purchase any Mortgage Loan offered to it if, in the reasonable opinion of UHC, the Mortgage Loan does not conform to the requirements of the Participation Documents. The Selling Supplement also describes the FirstHome, FHA/VA Mortgage and HFA Advantage Program parameters, including the mortgage purchase price or prices, interest rates, discount points, acquisition cost limits, income limits and other parameters and information necessary for Lenders to determine the eligibility of borrowers, residences and Mortgage Loans under each Program.

The Selling Supplement sets forth the procedures a Mortgage Lender must follow in order to enter into a Mortgage Purchase Agreement with UHC for each Mortgage Loan. The commitment procedures require a Mortgage Lender to have taken a loan application from a potential home buyer who has entered into a binding purchase contract with the seller of a residence. The Mortgage Lender must have completed a portion of the underwriting of the applicant before requesting a commitment of funds for the applicant. The Selling Supplement provides that an origination fee equal to 1% of each Mortgage Loan may be charged to a mortgagor for each FirstHome loan. An origination fee that is customarily charged may be charged for each FHA/VA Mortgage and HFA Advantage loan. A separate Mortgage Purchase Agreement will be entered into between a Mortgage Lender and UHC to confirm such Lender's commitment to sell a specified Mortgage Loan to UHC. The Mortgage Lender must then deliver the Mortgage Loan to UHC for purchase on or before 35 days after the effective date of the Mortgage Purchase Agreement. In the event UHC permits delivery of Mortgage Loans after such date, UHC may charge a file late-delivery fee and/or an extension fee. Following correction of any deficiencies in the Mortgage Loan, UHC will direct the Trustee to disburse funds to the Mortgage Lender for the purchase of any eligible Mortgage Loans delivered to UHC.

The Selling Supplement to Participation Agreement may be amended or supplemented from time to time, provided any such amendment or supplement does not adversely affect the rights or security of the Holders of the Bonds.

Program Descriptions

FirstHome Loan—a Mortgage Loan which is insured by FHA or guaranteed by VA. This program is for first-time homebuyers (plus Single Parent or Veteran households) for a Residence in any Utah location. This program may also include a conventional, uninsured Subordinate Mortgage Loan (a “**Subordinate Mortgage Loan**”) in an amount of up to 6% of the Mortgage Loan.

FHA/VA Mortgage—a Mortgage Loan which is insured by FHA or guaranteed by VA. This program is for homebuyers who have previously owned a home or are first-time homebuyers (plus Single Parent or Veteran households) for a Residence in any Utah location. This program may also include a Subordinate Mortgage Loan in an amount of up to 6% of the Mortgage Loan.

HFA Advantage—a Mortgage Loan which is a conventional loan with mortgage insurance provided by MGIC or Essent. This program is for homebuyers who have previously owned a home as well as first-time homebuyers with credit scores of 700 or above. The Residence can be in any Utah location. This program may also include a Subordinate Mortgage Loan in an amount equal to the less of \$25,000 or up to 6% of the Mortgage Loan.

All Mortgage Loans are processed using the Mortgage Purchase Agreement procedures and may be originated by any Mortgage Lender. A Subordinate Mortgage Loan provides cash assistance from UHC for downpayment, closing costs and the processing fee that a Mortgage Lender may collect for originating and processing the Subordinate Mortgage Loan. Each Subordinate Mortgage Loan is secured by a subordinate note and subordinate deed of trust (the “**Subordinate Mortgage**”).

Each FirstHome, or FHA/VA Mortgage Loan purchased by UHC is insured by FHA or guaranteed by VA and may be accompanied by an uninsured Subordinate Mortgage Loan funded by UHC from funds not related to any of its series of bonds. Each Subordinate Mortgage Loan shall be in an amount not greater than 6% of the related FirstHome, FHA/VA Mortgage or HFA Advantage senior Mortgage Loan. All Subordinate Mortgage Loans are due and payable upon default of the related FirstHome, FHA/VA Mortgage or HFA Advantage Loan, upon its payment in full or upon transfer of the residence.

If the interest rate of the related FirstHome, FHA/VA Mortgage or HFA Advantage senior Mortgage Loan is below seven percent (7%), the interest rate of the Subordinate Mortgage Loan will be one percent (1%) over the interest rate of the related senior Mortgage Loan. If the interest rate of the related senior Mortgage Loan exceeds seven percent (7%), the interest rate of the Subordinate Mortgage Loan will be the higher of eight percent (8%) or the interest rate of the related senior Mortgage Loan. The amortization period of each Subordinate Mortgage Loan is equal to the amortization period on the related senior Mortgage Loan.

UHC will make amounts available from time to time to purchase Subordinate Mortgage Loans. UHC believes such amounts will be sufficient to purchase all related Subordinate Mortgage Loans. UHC will purchase the eligible senior Mortgage Loan and Subordinate Mortgage Loan following delivery of the Mortgage Loan submission package to UHC. Ownership of the Subordinate Mortgage Loans will be retained by UHC and will not be pledged under the Indenture.

Sale of Servicing to UHC

Lenders transfer the servicing rights to UHC for both the senior Mortgage Loan and the related Subordinate Mortgage Loan for a service release fee. Service release fees will be paid, based on the sum of the unpaid balance of the senior Mortgage Loan as of the purchase date, at a predetermined price. UHC services all outstanding Mortgage Loans originated pursuant to the programs described under this caption “SINGLE FAMILY MORTGAGE PROGRAM”. UHC is an authorized issuer/servicer of Ginnie Mae securities, an approved issuer of Ginnie Mae mortgage backed securities, a Fannie Mae and Freddie Mac approved seller and servicer for conventional mortgage loans, and an approved seller and servicer of Fannie Mae securities and Freddie Mac securities.

Servicing Procedures

The Servicing procedures which UHC follows include (i) the collection of monthly Mortgage Loan payments and escrows for taxes, FHA mortgage insurance premiums and hazard insurance premiums, (ii) delinquency servicing, and (iii) foreclosure and bankruptcy processing. The Servicing is accomplished in accordance with federal and state law, and in accordance with accepted mortgage practices of prudent lending institutions in Utah or with such other standards as are required to maintain the insured or guaranteed status of any Mortgage Loans, and by maintaining adequate mortgage servicing facilities and personnel. Hazard insurance is maintained, regardless of any failure or refusal by a mortgagor to pay in timely fashion the premiums therefor.

Procedures have been established with respect to the daily remittance of Mortgage Loan collections to the Trustee. Additionally, daily and monthly reporting and reconciliation processes have been established within UHC which provide for independent evaluation of the performance of the servicing processes carried out by UHC. Quality control reviews are performed to assure compliance with FHA’s and Government-Sponsored Enterprises’ independent quality control review requirements. Annually, an independent Certified Public Accountant conducts an audit according to the standards of the Uniform Single Attestation Program for Mortgage Bankers established by the Mortgage Bankers Association of America.

The Servicing procedures may be amended or supplemented from time to time, provided that any such amendment or supplement does not in any manner impair or adversely affect the rights or security of the holders of the Bonds.

Requirements of Section 143 of the Code Relating to the 2024 Series E/F Mortgage Loans

Depending on the date of origination of a 2024 Series E/F Mortgage Loan and the application of various effective date provisions and transition rules contained in the Code or in various federal tax acts or other interpretations of the applicability of certain Code provisions, all, a portion or none of the following requirements contained in Section 143 of the Code will be applicable to such 2024 Series E/F Mortgage Loan. Such requirements are applicable to Mortgage Loans (“**Qualified Mortgage Loans**”) financed in whole or in part with proceeds of “qualified mortgage bonds” under the Code (“**Qualified Mortgage Bonds**”), such as the 2024 Series E Bonds.

Section 143 of the Code provides that interest on obligations of a governmental unit issued to finance single-family residences, or to refund bonds which were used to finance single-family residences is excludable from gross income for federal income tax purposes only if certain requirements are met with respect to the terms, amount and purpose of the obligations, the use and investment of funds generated by the issuance of the obligations, the nature of the residence and the mortgage, the origination of mortgages, the repayment of the tax-exempt borrowing, the eligibility of the borrower executing the mortgage and periodic and annual information reports of UHC.

UHC has covenanted in the Indenture to do and perform all acts and things necessary or desirable to comply with the Code and to adopt and maintain appropriate procedures for such purpose. In its Program rules and guidelines, UHC has established procedures and documentation requirements to enable UHC to comply with the requirements of Sections 143 and 148 of the Code.

Mortgage Eligibility Requirements. Section 143 of the Code provides that UHC must reasonably expect at the time a Qualified Mortgage Loan is executed that the Eligible Borrower will make the residence financed by the Qualified Mortgage Loan the Eligible Borrower's principal residence within a reasonable time after the financing is provided. Under the procedures established by UHC, the Eligible Borrower will be required to certify at the closing of the Qualified Mortgage Loan that the Eligible Borrower intends to make the financed residence their principal residence within 60 days. Section 143 of the Code provides that the acquisition cost of the residence being financed may not exceed certain limitations established for the State. UHC has established purchase price requirements which are within the "safe harbor" limitations for all areas of the State, as published by the United States Treasury Department (the "**U.S. Treasury**") under Section 143 of the Code. UHC requires a certification from the Eligible Borrower and the seller detailing all amounts paid as the acquisition cost of the residence. At least 95% of the net proceeds of an issue must be used to finance residences of Eligible Borrowers who have not had a present ownership interest in a principal residence during the three-year period prior to the date on which the mortgage is executed. Proceeds of Qualified Mortgage Bonds used to make Mortgage Loans in "targeted areas," to certain Veterans and for qualified rehabilitation are treated as meeting this requirement. UHC requires the Eligible Borrower to certify that the Eligible Borrower has not had a present ownership interest in the Eligible Borrower's principal residence within the preceding three years.

Under Section 143 of the Code, an existing mortgage loan may not be acquired or replaced with proceeds of a Qualified Mortgage Loan, except for certain mortgage loans for qualified rehabilitation (as more particularly described in the Code). In addition, the replacement of construction period loans and bridge loans or similar temporary initial financings (generally loans with a term of 24 months or less) is not treated as the acquisition or replacement of an existing mortgage loan. With certain limited exceptions, UHC requires an Eligible Borrower to certify at the time of application for a Qualified Mortgage Loan that any residential property owned will be legally transferred before closing such loan. In addition, the Mortgage Lender will be required to review a preliminary title report or the Eligible Borrower's credit report prior to closing to determine whether the Eligible Borrower has any outstanding loans that could be acquired or replaced with the proceeds of the Qualified Mortgage Loan.

Section 143 of the Code requires that all Qualified Mortgage Loans must be made to borrowers whose family income is 115% or less of the applicable median family income (100% for families of fewer than three persons), except that one-third of the amount of Qualified Mortgage Loans for targeted area residences may be made to borrowers who do not satisfy this requirement if the remainder of Mortgage Loans in "targeted areas" are made to borrowers whose family income is 140% or less of the applicable median family income (120% for families of fewer than three persons).

Mortgage Loans can be assumed as long as the borrower has no prior home ownership interest in the last three years unless property is in a targeted area, and purchase price and income requirements are met by the assuming party at the time of assumption. UHC requires that each Qualified Mortgage Loan have a provision allowing UHC to accelerate such loan if the mortgage is assumed and any such requirements are not met.

An issue of Qualified Mortgage Bonds is treated as meeting the mortgage eligibility requirements if (1) the issuer in good faith has attempted to meet all of the mortgage eligibility requirements before the mortgages were executed, (2) 95% or more of the net proceeds of the issue used to make mortgage loans was devoted to financing residences that met all such mortgage eligibility requirements at the time the loans were executed or assumed, and (3) any failure to comply with the mortgage eligibility requirements is corrected within a reasonable period after such failure is first discovered. In determining whether 95% of the net proceeds have been used, UHC may rely on an affidavit of the borrower and of the seller or on examination of copies of the borrower's federal income tax returns for the three years preceding the date the mortgage is executed, unless UHC or the Mortgage Lender knows or has reason to believe that such information is false. Should the relevant information in such affidavits and returns ultimately prove to be untrue, the correction requirements under (3) above must be met. UHC expects to satisfy such correction requirements by (a) rescinding UHC's purchase of any Mortgage Loan that is defective due to the fault of the Mortgage

Lender, or (b) declaring a default and recovering the proceeds of foreclosure or proceeds of mortgage insurance or a guaranty with respect to a Mortgage Loan that is defective for a reason other than the fault of the Mortgage Lender.

Loan Origination. Section 143 of the Code requires that, except for amounts of less than \$250,000, all proceeds of Qualified Mortgage Bonds of a Series issued after December 31, 1988 that are required to be used to finance owner-occupied residences be so used within 42 months of the date of issuance of such Series of Qualified Mortgage Bonds or, with respect to Qualified Mortgage Bonds issued to refund prior bonds, within 42 months of the date of issuance of such prior issue of bonds in the case of refunding of unexpended proceeds. Proceeds of Qualified Mortgage Bonds that are not used to finance owner-occupied residences within such period are required to be used to redeem bonds of the issue within the applicable 42-month period. No portion of the proceeds of such Qualified Mortgage Bonds may be used to make or finance a mortgage loan after the close of such period. See “DESCRIPTION OF THE OFFERED BONDS—Redemption Provisions—*Special Redemption of the Offered Bonds—Unexpended Proceeds of the Offered Bonds*” above.

Repayment of Issue. Section 143 of the Code requires that, except for amounts of less than \$250,000, repayments of principal of a Qualified Mortgage Loan received after ten years from the date of issuance of the Series of Qualified Mortgage Bonds issued after December 31, 1988 financing such Qualified Mortgage Loan (or, in the case of Qualified Mortgage Bonds financing such Qualified Mortgage Loans which are treated as refunding bonds for purposes of this provision of the Code, the date of issuance of the original issue of bonds) be used to redeem Qualified Mortgage Bonds of such issue no later than the close of the first semiannual period beginning after the date the Mortgage Prepayment or complete repayment of the Qualified Mortgage Loan is received (the “**10-Year Rule**”).

Recapture Tax. Section 143 of the Code imposes, subject to certain exceptions, a recapture tax on Eligible Borrowers who (1) receive Qualified Mortgage Loans originated after December 31, 1990 and purchased with proceeds of Qualified Mortgage Bonds and (2) dispose of the residence financed with such Qualified Mortgage Loan within nine years. In general, Section 143 provides that, subject to a limit of 50% of the amount of gain realized on disposition, an amount equal to 1.25% of the mortgage amount per year is to be recaptured if the residence is disposed of within five years. This maximum recapture amount is phased out on an annual basis during years six through nine, with no recapture being imposed on dispositions occurring after nine years. An exception would exclude from recapture part or all of the subsidy in the case of Eligible Borrowers whose income at the time of the disposition is less than a prescribed amount. UHC is unable to predict whether, or to what extent, this recapture tax exposure will affect UHC’s ability to purchase Qualified Mortgage Loans or its effect on the prepayment of Qualified Mortgage Loans.

Requirements Related to Investments. Section 143 of the Code requires that the aggregate yield on Qualified Mortgage Loans financed with moneys relating to an issue of Qualified Mortgage Bonds not exceed the aggregate yield on such issue by more than 1-1/8%. Section 148 of the Code also requires UHC to pay to the U.S. Treasury certain investment earnings on non-mortgage investments to the extent such investment earnings exceed the amount that would have been earned on such investments had such investments been invested at a yield equal to the yield on the Series of Qualified Mortgage Bonds. UHC has established accounting procedures to determine the amount of such excess investment earnings.

Other Requirements. Section 146 of the Code restricts the amount of private activity bonds, including obligations issued to finance single family residences, that may be issued in the State during each calendar year. Several exceptions to this restriction exist, including one covering certain refunding issues. The 2024 Series E Bonds will meet the requirements of the Code with respect to annual volume limitation.

Section 143 of the Code requires that 20% of the net proceeds of an issue of Qualified Mortgage Bonds be made available for owner financing of “targeted area” residences for at least one year after the date on which owner financing is first made available, and that UHC attempt with reasonable diligence to place such proceeds in Qualified Mortgage Loans. “Targeted areas” are (1) those census tracts in the State in which 70% or more of the families have an income that is 80% or less of the statewide median family income or (2) areas of chronic economic distress designated by the State and approved by the Secretaries of Housing and Urban Development and the U.S. Treasury under the criteria specified in Section 143 of the Code. A portion of the proceeds of the 2024 Series E Bonds, including any premium, deposited in the 2024 Series E/F Subaccount of the Acquisition Account will be made available for one

year following the delivery of such Bonds to provide funds for owner financing of “targeted area” residences, if required.

Monitoring for Compliance. Lenders are responsible for reviewing each Qualified Mortgage Loan application with the accompanying documentation for compliance with the requirements of Section 143 of the Code. Normal and appropriate measures are required to be undertaken by the Mortgage Lenders to verify the information given either independently or concurrently with credit reviews, when applicable. All documentation is required to be cross-checked by the Mortgage Lenders to assure that the information presented is complete and consistent.

Certain Information Relating to MBS and Mortgage Loans

Information relating to the MBS financed or acquired with proceeds of Bonds under the Indenture or transferred for credit to the Indenture as of March 31, 2024, is set forth below:

Series of Bonds	MBS Pass-Through Rates	Principal Amount of MBS Financed	Principal Amount of MBS Outstanding	Remaining Unspent Bond Proceeds
2019 Series A	4.0% - 6.5%	\$ 74,984,832	\$ 13,580,735	\$ -0-
2023 Series AB	5.5% - 7.5%	\$111,390,550	\$110,918,462	\$ -0-
2024 Series AB	5.5% - 8.0%	<u>\$221,218,342</u>	\$220,841,421	\$ 78,552
Total		<u>\$407,593,724</u>	<u>\$344,676,698</u>	<u>\$1,259,185</u>

Information as of March 31, 2024 relating to the MBS described in the table above is set forth below:

Type of MBS	Outstanding Balance	Percentage
Ginnie Mae Certificates	\$343,383,582	99.62%
Fannie Mae Certificates	1,293,116	0.38
Freddie Mac Certificates	<u>-0-</u>	<u>0.00</u>
Total	<u>\$344,676,698</u>	<u>100.00%</u>

Information relating to the Mortgage Loans financed or acquired with the proceeds of Bonds under the Indenture or transferred for credit to the Indenture as of March 31, 2024, is set forth below:

Series of Bonds	Weighted ¹ Average Mortgage Rate	Principal Balance of Mortgage Loans Financed	Mortgage Loans Outstanding	Principal Balance of Mortgage Loans Outstanding
2019 Series A	4.796%	\$94,734,794	538	\$43,569,957
Surplus Assets ²	<u>4.561</u>	<u>10,813,505</u>	<u>46</u>	<u>10,361,968</u>
Total	<u>4.796%</u>	<u>\$94,734,794</u>	<u>545</u>	<u>\$44,350,581</u>

¹ This table does not include DPA loans or Mortgage Loans backing MBS.

² Mortgage Loans held in the Additional Security Account and not allocated to any Series of Bonds.

Information as of March 31, 2024, relating to the insurance of outstanding Mortgage Loans described in the table above is set forth below:

Insurance/Guaranty Provider	Number of Mortgage Loans	Outstanding Principal Balance	Percentage of Total (Number of Loans)	Percentage of Total (Amount)
FHA	568	\$51,181,275	97.26%	94.90%
VA	7	444,729	1.20%	.82%
Conventional	9	2,305,920	1.54%	4.28%
Uninsured				
Rural Housing	<u>-0-</u>	<u>-0-</u>	<u>0.00%</u>	<u>0.00%</u>
Total	<u>584</u>	<u>\$53,931,925</u>	<u>100.00%</u>	<u>100.00%</u>

UHC makes no representation regarding the financial condition of any Private Mortgage Insurer or its ability to make full and timely payment of claims made by UHC on Mortgage Loans. If such claims are not paid in full on a timely basis, UHC may experience losses on Mortgage Loans in default or in foreclosure. The financial strength ratings of Private Mortgage Insurers, including the Private Mortgage Insurers currently providing Mortgage Pool Insurance to UHC, have been under review by the Rating Agency as a result of disruptions in the housing market. Many of these Private Mortgage Insurers have had ratings downgrades or other negative adjustments.

See APPENDIX A—“SUMMARY OF CERTAIN MORTGAGE INSURANCE AND GUARANTY PROGRAMS” attached hereto for a description of the mortgage insurance or guaranty maintained with respect to the Mortgage Loans held under the Indenture.

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Certain Information Relating to Mortgage Delinquencies and Foreclosures

The following table sets forth delinquencies for Mortgage Loans financed or acquired by UHC under the General Indenture at the end of each quarter, beginning with the first quarter of 2020. See also www.utahhousingcorp.org/pdf/SFB2019_240331.pdf.

Quarter	Number of Loans	Average Delinquency Rate	Delinquency Statistics ¹		
			% of Loans Delinquent Payments		
			1	2	3 or more
I-2020	988	15.89%	8.30	2.94	4.66
II-2020	948	14.56%	6.01	3.38	5.17
III-2020	886	17.72%	8.13	1.58	8.01
IV-2020	836	18.30%	7.42	1.91	8.97
I-2021	796	17.09%	5.53	2.14	9.42
II-2021	746	15.68%	5.76	1.61	8.31
III-2021	708	15.25%	7.49	0.56	7.20
IV-2021	676	12.57%	6.36	2.22	3.99
I-2022	640	12.03%	7.19	2.34	2.50
II-2022	609	11.17%	6.08	2.96	2.13
III-2022	588	15.65%	9.35	2.72	3.57
IV-2022	576	16.15%	7.64	4.34	4.17
I-2023	589	12.39%	6.79	1.53	4.07
II-2023	577	13.52%	7.45	2.08	3.99
III-2023	553	16.27%	9.40	2.89	3.98
IV-2023	545	17.25%	9.36	3.30	4.59
I-2024	538	14.68%	8.55	2.97	3.16

¹ This table does not include DPA loans, Mortgage Loans backing MBS or Mortgage Loans held in the Additional Security Account.

The following table sets forth foreclosures for Mortgage Loans financed or acquired by UHC under the General Indenture at the end of each year, beginning in 2020.

	Number of Mortgage Loans ¹	Percent of Mortgage Loans in Foreclosure
2020	836	0.66%
2021	676	0.38%
2022	576	0.58%
2023	545	0.37%

¹ This table does not include DPA loans, Mortgage Loans backing MBS or Mortgage Loans held in the Additional Security Account.

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Outstanding Mortgage Revenue Bonds

The following table shows the principal amounts of Bonds which have been issued and were Outstanding as of March 31, 2024:

Series of Bonds	Dated	Amount Issued	Amount Outstanding	Final Maturity	Coupon Rates
2019 Series A	October 2, 2019	\$162,505,000	\$ 41,175,000	2050	2.390-3.875%
2023 Series AB	September 20, 2023	\$115,235,000	\$115,235,000	2053	3.400-6.047%
2024 Series AB	January 4, 2024	\$232,380,000	\$232,380,000	2054	3.450-6.500%
2024 Series CD	March 20, 2024	\$192,465,000	\$192,465,000	2054	3.100-6.250%
Total		<u>\$702,585,000</u>	<u>\$581,255,000</u>		

Acquisition of Additional Mortgage Loans

In accordance with the Indenture, UHC may apply amounts received as Mortgage Repayments and Mortgage Prepayments and the proceeds of any Additional Bonds to purchase Mortgage Loans. Such Mortgage Loans must satisfy the applicable requirements of the General Indenture, the related Series Indenture, the Act and the Code. The General Indenture does not require such Mortgage Loans to be insured by FHA or any other insurer or guaranteed by VA or any other guarantor, to have any particular initial loan-to-value ratio, or to bear interest at fixed-rates. The terms of such Mortgage Loans and the eligibility requirement for borrowers and residences will be established by UHC at the time such Mortgage Loans are to be made.

Other Housing Finance Programs of UHC

The 2012 General Indenture. Pursuant to General Indenture of Trust, dated as of August 1, 2012, and various supplements thereto (the “**2012 General Indenture**”), UHC issued, several series of single family mortgage revenue bonds (the “**2012 General Indenture Bonds**”). The proceeds of such 2012 General Indenture Bonds were made available to acquire Mortgage Loans originated under UHC’s homeownership programs. As of March 31, 2024, 2012 General Indenture Bonds in the aggregate principal amount of \$190,431,000 were outstanding under the 2012 General Indenture. **The Offered Bonds are not being issued or secured under 2012 General Indenture. None of the 2012 General Indenture Bonds are secured under the Indenture.**

The 2015 General Indenture. Pursuant to the General Indenture of Trust, dated as of September 1, 2015 (the “**2015 General Indenture**”), UHC issued several series of Tax-Exempt Mortgage-backed Securities (the “**TEMS Certificates**”). The proceeds of such TEMS Certificates were made available to acquire Mortgage Loans originated under UHC’s homeownership programs. As of March 31, 2024, TEMS Certificates in the aggregate principal amount of \$1,177,695,132 were outstanding under the 2015 General Indenture. **The Offered Bonds are not being issued or secured under the 2015 General Indenture. None of the TEMS Certificates are secured under the Indenture.**

TBA Program. In addition to financing Mortgage Loans with the proceeds of Bonds, UHC operates programs to finance MBS in the secondary market and hedge market risk by selling MBS into the “to be announced” market (the “**TBA Market**”). UHC’s program was initiated in 2009. As of March 31, 2024, UHC had completed the sale and settlement of \$6.7 billion of MBS in the TBA Market and had commitments to settle and deliver approximately \$45.5 million of MBS. Such sales may adversely affect the amount and timing of origination of Mortgage Loans with the proceeds of the Offered Bonds. The origination of Mortgage Loans may also be affected by events affecting the economy of the State such as the rate of job growth and building activity. Depending upon the interest rates of certain Mortgage Loans and certain MBS which UHC may have intended to acquire with the proceeds of the Offered Bonds when such Mortgage Loans were originated and such MBS were pooled, it may become more advantageous for UHC to sell such Mortgage Loans and MBS in the TBA Market instead of acquiring such Mortgage Loans and MBS with proceeds of the Offered Bonds.

Cash Window Delivery. UHC monitors best execution for its conventional loan program and will utilize Fannie Mae and Freddie Mac cash window delivery of mortgage loans as market conditions warrant. As of March 31, 2024 UHC has delivered approximately \$479 million in aggregate principal amount of mortgage loans to Fannie Mae and Freddie Mac.

CRA Participation Program. UHC has an additional capital source for Community Reinvestment Act (“CRA”) eligible mortgage loans that may be utilized on occasion as market conditions warrant. From time to time, as mutually agreed between UHC and banks in the State seeking CRA credit, UHC may agree to sell and such participating banks may agree to purchase an aggregate undivided 100% participation interest in mortgage loans to borrowers with qualifying incomes of 80% or less of the area median income. As of March 31, 2024 UHC has sold approximately \$343 million in aggregate principal amount of mortgage loans into this program.

DPA Program. UHC currently offers down payment, closing cost and interest rate buydown assistance to eligible borrowers in conjunction with certain Mortgage Loans financed through the Program. Such assistance may be financed by bond proceeds, proceeds of the sale of MBS in the TBA Market, State funds or funds of UHC. UHC currently offers two forms of such assistance. Under one such form, the assistance is a second mortgage loan in an amount up to 6% of the original principal amount of the first Mortgage Loan. If the rate of the related first Mortgage Loan is below seven percent (7%), such second mortgage loan shall bear interest at a rate that is one percent (1%) over the rate of the related first Mortgage Loan or, if the rate of the related first Mortgage Loan exceeds seven percent (7%), such second mortgage loan shall bear interest at a rate that is the higher of eight percent (8%) or the rate of the related first Mortgage Loan, and is fully amortizing over 30 years. The other form of assistance is a second mortgage loan, made in connection with the construction of a new home, in an amount up to \$20,000 that bears interest at 0% and is only repayable upon the earlier of sale of the property, refinance of the Mortgage Loan, or maturity of the Mortgage Loan. UHC reserves the right to change, suspend or discontinue such assistance at any time and in its sole discretion.

Buydown Program. As a tool to assist with home affordability, permanent interest rate buydowns may be permitted as market conditions warrant. The cost of the buydown is determined with cash-flow analysis for loans financed with bond proceeds, or from MBS prices for loans financed through the TBA program. The cost of the buydown is passed directly to the mortgagor as an additional closing cost and may be covered with the borrower’s own funds, UHC’s DPA, First-time Homebuyer Assistance Funds, or allowable interested party contributions.

Multifamily Program. UHC also issues bonds to finance the acquisition, construction and rehabilitation of multifamily housing developments. As of March 31, 2024, UHC had outstanding multifamily housing revenue bonds in an aggregate principal amount (face amount with respect to “draw down” bonds) of approximately \$1,094,236,197 under various indentures—none of which has been issued under the General Indenture. All of such bonds constitute conduit debt obligations, and the activity of these bonds is not reflected on UHC’s financial statements. UHC has no present plan to issue multifamily housing revenue bonds other than bonds constituting conduit debt obligations and has no present plan to issue such multifamily housing revenue bonds under the General Indenture.

Refinancing Program. UHC will implement a new refinancing program effective May 1, 2024 that will allow for subordination of certain UHC DPA, which will only be permitted once, when the first mortgage is refinanced with a UHC refinance loan. Additional information about the program will be posted on UHC’s website.

UHC continually evaluates all of its existing programs and the addition or development of new programs, including new refinancing programs for Mortgage Loans that may be purchased, acquired, or financed with proceeds of Bonds.

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CONTINUING DISCLOSURE

Pursuant to the terms of a Continuing Disclosure Certificate with respect to the Offered Bonds (the “**Disclosure Certificate**”), UHC has covenanted for the benefit of the Holders and Beneficial Owners of the Offered Bonds to provide certain financial information and operating data relating to UHC not later than six (6) months following the end of UHC’s fiscal year, commencing with a report for UHC’s fiscal year ending June 30, 2024 (the “**Annual Bond Disclosure Report**”), and to provide notices of the occurrence of certain enumerated events, in some cases only if material. The filing of the Annual Bond Disclosure Report or event notices will be made solely by transmitting such filing to the Municipal Securities Rulemaking Board pursuant to its Electronic Municipal Market Access (“**EMMA**”) system as provided at <http://www.emma.msrb.org>. The specific nature of the information to be contained in the Annual Bond Disclosure Report and the event notices is set forth in the proposed form of Disclosure Certificate attached hereto as APPENDIX F. These covenants have been made in order to assist the Underwriters in complying with the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, by the Securities and Exchange Commission (“**Rule 15c2-12**”).

UHC has previously entered into other continuing disclosure undertakings under Rule 15c2-12 in connection with its issuance of certain other securities. UHC’s annual disclosure report for the fiscal year ending June 30, 2021 relating to certain of its TEMS Certificates, which was timely filed, inadvertently did not include certain information for the TEMS Certificates issued during that fiscal year. Such information has now been filed and is available on the EMMA website.

If UHC fails to comply with any provision of the Disclosure Certificate, the Trustee may (and, at the request of the Holders of at least 25% aggregate principal amount of Outstanding Offered Bonds, shall), or any Holder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause UHC to comply with its obligations under the Disclosure Certificate. A default under the Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under the Disclosure Certificate in the event of any failure of UHC to comply with the Disclosure Certificate shall be an action to compel performance.

LEGALITY FOR INVESTMENT

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

LEGALITY

Certain legal matters in connection with the Bonds are subject to the approval of Gilmore & Bell, P.C., Salt Lake City, Utah, Bond Counsel to UHC, and certain legal matters will be passed upon for the Underwriters by their counsel, Kutak Rock LLP, Omaha, Nebraska. The form of approving opinion of Bond Counsel to be delivered on the date of issuance of the Bonds is set forth in Appendix B.

RELATIONSHIPS AMONG THE PARTIES

In connection with the issuance of the Offered Bond, UHC and the Underwriters are being represented by the attorneys or law firms identified above under the heading “LEGALITY.” In other transactions not related to the Offered Bonds, each of these attorneys or law firms may have acted as bond counsel or represented UHC, the

Underwriters, or their affiliates in capacities different from those described under “LEGALITY,” and there will be no limitations imposed as a result of the issuance of the Offered Bonds on the ability of any of these firms or attorneys to act as bond counsel or represent any of these parties in any future transactions. Potential purchasers of the Offered Bonds should not assume that UHC and the Underwriters or their respective counsel or Bond Counsel have not previously engaged in or will not after the issuance of the Offered Bonds engage in, other transactions with each other or with any affiliates of any of them, and no assurance can be given that there are or will be no past or future relationship or transactions between or among any of these parties or these attorneys or law firms.

TAX MATTERS

The following is a summary of the material federal and State income tax consequences of holding and disposing of the Offered Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of holders subject to special treatment under the federal income tax laws (for example, dealers in the Offered Bonds or other persons who do not hold the Offered Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah discussed below, does not discuss the consequences to an owner under state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Offered Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Offered Bonds.

Opinion of Bond Counsel – 2024 Series E Bonds

In the opinion of Gilmore & Bell, P.C., Bond Counsel to UHC, under the law existing as of the issue date of the 2024 Series E Bonds:

Federal Tax Exemption. The interest on the 2024 Series E Bonds including any original issue discount properly allocable to an owner thereof is excludable from gross income for federal income tax purposes.

State of Utah Exemption. Interest on the 2024 Series E Bonds is exempt from Utah individual income taxation.

Alternative Minimum Tax – 2024 Series E Bonds. The interest on the 2024 Series E Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bond Counsel’s opinions are provided as of the date of the original issue of the 2024 Series E Bonds, subject to the condition that UHC complies with all requirements of the Code that must be satisfied subsequent to the issuance of the 2024 Series E Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. UHC has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the inclusion of interest on the 2024 Series E Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the 2024 Series E Bonds.

Other Tax Consequences – 2024 Series E Bonds

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a 2024 Series E Bond over its issue price. The stated redemption price at maturity of a 2024 Series E Bond is the sum of all payments on the 2024 Series E Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a 2024 Series E Bond is generally the first price at which a substantial amount of the 2024 Series E Bonds of that maturity have been sold to the public. Under Code § 1288, original issue discount on tax-exempt obligations accrues on a compound basis. The amount of original issue discount that accrues to an owner of a 2024 Series E Bond during any accrual period generally equals (1) the issue price of that 2024 Series E Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that 2024 Series E Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3)

any interest payable on that 2024 Series E Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that 2024 Series E Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a 2024 Series E Bond over its stated redemption price at maturity. The stated redemption price at maturity of a 2024 Series E Bond is the sum of all payments on the 2024 Series E Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a 2024 Series E Bond is generally the first price at which a substantial amount of the 2024 Series E Bonds of that maturity have been sold to the public. Under Code § 171, premium on tax-exempt obligations amortizes using constant yield principles. As premium is amortized, the owner's basis in the 2024 Series E Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the 2024 Series E Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of premium.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a 2024 Series E Bond, an owner of the 2024 Series E Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the 2024 Series E Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the 2024 Series E Bond. To the extent the 2024 Series E Bonds are held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the 2024 Series E Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on 2024 Series E Bonds, and to the proceeds paid on the sale of 2024 Series E Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the 2024 Series E Bonds should be aware that ownership of the 2024 Series E Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the 2024 Series E Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of 2024 Series E Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the 2024 Series E Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the 2024 Series E Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

Tax Status of 2024 Series F Bonds

No Federal Tax Exemption. The interest on the 2024 Series F Bonds including any original issue discount properly allocable to an owner thereof is included in gross income for federal income tax purposes.

Utah Tax Exemption. In the opinion of Gilmore & Bell, P.C., Bond Counsel to UHC, under the law existing as of the issue date, the interest on the 2024 Series F Bonds is exempt from Utah individual income taxation.

Other Tax Consequences – 2024 Series F Bonds

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a 2024 Series F Bond over its issue price. The stated redemption price at maturity of a 2024 Series F Bond is the sum of all payments on the 2024 Series F Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a 2024 Series F Bond is the first price at which a substantial amount of the 2024 Series F Bonds of that maturity have been sold to the public. If the original issue discount on a 2024 Series F Bond is more than a *de minimis* amount (generally $\frac{1}{4}$ of 1% of the stated redemption price at maturity of the 2024 Series F Bond multiplied by either (a) the number of complete years to the maturity date of the 2024 Series F Bond, or (b) the weighted average maturity of the 2024 Series F Bond, in the case of a bond providing for the mandatory, or in certain cases optional, payment prior to its maturity date), then that 2024 Series F Bond will be treated as issued with original issue discount. The amount of original issue discount that accrues to an owner of a 2024 Series F Bond during any accrual period generally equals (1) the issue price of that 2024 Series F Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that 2024 Series F Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that 2024 Series F Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be included in gross income for federal income tax purposes, and will increase the owner’s tax basis in that 2024 Series F Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a 2024 Series F Bond over its stated redemption price at maturity. The stated redemption price at maturity of a 2024 Series F Bond is the sum of all payments on the 2024 Series F Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a 2024 Series F Bond is generally the first price at which a substantial amount of the 2024 Series F Bonds of that maturity have been sold to the public. Under Section 171 of the Code, the owner of a 2024 Series F Bond having bond premium may elect to amortize the premium over the term of the 2024 Series F Bond using constant yield principles, based on the purchaser’s yield to maturity. An owner of a 2024 Series F Bond amortizes bond premium by offsetting the qualified stated interest allocable to an accrual period with the bond premium allocable to that accrual period. This offset occurs when the owner takes the qualified stated interest into income under the owner’s regular method of accounting. If the premium allocable to an accrual period exceeds the qualified stated interest for that period, the excess is treated by the owner as a deduction under Section 171(a)(1) of the Code. As premium is amortized, the owner’s basis in the 2024 Series F Bond will be reduced by the amount of amortizable bond premium properly allocable to the owner. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange, Legal Defeasance or Retirement of 2024 Series F Bonds. Upon the sale, exchange, legal defeasance or retirement (including redemption) of a 2024 Series F Bond, an owner of the 2024 Series F generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange, legal defeasance or retirement of the 2024 Series F Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the 2024 Series F Bond or the Series E Bond, as applicable. To the extent a 2024 Series F Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the 2024 Series F Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements for 2024 Series F Bonds. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the 2024 Series F Bonds, and to the proceeds paid on the sale of the 2024 Series F Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s federal income tax liability.

Collateral Federal Income Tax Consequences for 2024 Series F Bonds. Prospective purchasers of the 2024 Series F Bonds should be aware that ownership of the 2024 Series F Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers

of 2024 Series F Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the 2024 Series F Bonds, including the possible application of state, local, foreign and other tax laws.

NO LITIGATION

There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to its knowledge, threatened against UHC which seeks to restrain or enjoin the issuance, sale, execution or delivery of the Offered Bonds or the origination, purchase or servicing of Mortgage Loans or the issuance or purchase of MBS with proceeds of the Offered Bonds, which in any way contests or affects the validity of the Offered Bonds, any proceeding of UHC taken concerning the issuance, sale, execution or delivery thereof or the security provided for their payment, or the existence of UHC, the titles of its officers to their respective offices, or its powers relating to the issuance, sale, execution or delivery of the Offered Bonds, or which would materially adversely affect the financial condition of UHC.

RATING

Moody's Investors Service, Inc. (the "**Rating Agency**") has assigned the Offered Bonds a rating of "Aa2". Such rating reflects only the views of the Rating Agency. Explanations of the significance of the rating may be obtained from the Rating Agency as follows: Moody's Investors Service, Inc., 99 Church Street, New York, New York 10007, (212) 553-0300. A rating is not a recommendation to buy, sell or hold the Offered Bonds, and there is no assurance that any rating will be maintained for any given period of time by the Rating Agency or that it will not be revised or withdrawn entirely by the Rating Agency, if in its judgment circumstances so warrant. Any such revision or withdrawal of a rating may have an adverse affect on the market price of the Offered Bonds.

UNDERWRITING

The Offered Bonds will be purchased from UHC by the underwriters listed on the front cover page of this Official Statement (the "**Underwriters**") under a Purchase Contract dated _____, 2024, pursuant to which the Underwriters agree, subject to certain conditions, to purchase all of the Offered Bonds, at an aggregate purchase price of \$ _____ (representing the principal amount of \$ _____, plus \$ _____ original issue premium). The Underwriters will be paid a fee of \$ _____ (including reimbursement of certain expenses) in connection with the underwriting of the Offered Bonds.

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

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

The Underwriters are not acting as financial advisor to UHC in connection with the offer and sale of the Offered Bonds.

Zions Bancorporation, National Association, one of the Underwriters of the Offered Bonds, is also serving as Trustee under the General Indenture pursuant to which the Offered Bonds are issued.

FINANCIAL STATEMENTS OF UHC

The financial statements of UHC as of and for the fiscal year ended June 30, 2023 are included in Appendix C, have been audited by Deloitte & Touche LLP, an independent auditor, as stated in their report appearing therein. Deloitte & Touche LLP has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Deloitte & Touche LLP has also not performed any procedures relating to this Official Statement.

The financial data listed as fiscal year 2024 has been derived from the unaudited internal records of UHC. UHC's independent auditors have not reviewed, examined, or performed any procedures with respect to the unaudited financial information, nor the forward-looking financial information, nor have they expressed any opinion or any other form of assurance on such information, and assume no responsibility for, and disclaim any association with the unaudited financial information. The unaudited information is preliminary and is subject to change as a result of the audit and may differ from the audited financial statements when they are released.

ADDITIONAL INFORMATION

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

Copies in reasonable quantity of the Indenture and other documents referenced herein may be obtained during the offering period from the Underwriters or from UHC at 2479 South Lake Park Blvd., West Valley City, Utah 84120.

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APPENDIX A

SUMMARY OF CERTAIN MORTGAGE INSURANCE AND SECURITY GUARANTY PROGRAMS

Introduction

The United States Department of Housing and Urban Development (“**HUD**”), created by the Housing and Urban Development Act of 1965, is responsible for the administration of various federal programs authorized under the National Housing Act of 1934, as amended (the “**National Housing Act**”), and the United States Housing Act of 1937, as amended. The Department of Veterans Affairs (“**VA**”) administers the mortgage guarantee program authorized under the Servicemen’s Readjustment Act of 1944, as amended (the “**Servicemen’s Readjustment Act**”). The Cranston-Gonzalez National Affordable Housing Act of 1990 authorized the establishment of FmHA Guaranteed Rural Housing Loan Program. These programs may be financed by annual appropriations from Congress, as well as by mortgage insurance premiums and fees; subsidies and insurance payments are in some cases made from trust funds established under the various programs.

Following is a summary of programs relating to mortgages which UHC may finance under the Program and is only a brief outline and does not purport to summarize or describe all of the provisions of such programs. For a more complete description of the terms of such programs, reference is made to the provisions of the contracts embodied in the regulations of the FHA and the VA, respectively, and of the regulations, master insurance contracts and other such information of the various private mortgage insurers and federal government guarantors.

Federal Authorization and Funding

The continued availability of certain governmental mortgage insurance and guarantee programs depends on periodic action by the United States Congress and the President, which action may be influenced by federal fiscal and budgetary considerations and controversies. In addition, other funding made available to, or administered by, UHC may be curtailed or provided in a different manner. It is not possible to predict what effect, if any, future governmental action may have on the ability of UHC to purchase insured or guaranteed mortgage loans or on its other operations.

Federal Housing Administration Mortgage Insurance Programs

The National Housing Act authorizes various Federal Housing Administration (“**FHA**”) mortgage insurance programs, which differ in some respects depending primarily upon whether the premises contain five or more dwelling units or less than five such units. FHA imposes loan-to-value ratio limitations and other requirements on all single family mortgage loans it insures. Under the Section 203(b) program, which is the most widely used FHA insurance program, FHA insures mortgage loans of up to 30 years’ duration for the purchase of one-to-four family dwelling units. The maximum loan-to-value factor for one-family residences may generally not exceed an amount equal to 96.50% of the appraised value of the property, plus the initial FHA insurance premium. In addition, loans under the Section 203(b) program, together with any subordinate loans, may not exceed 100% of the appraised value of the property and the mortgagor must pay, at a minimum, 3.50% of the lesser of the appraised value or the sales price of the property.

Insurance benefits are payable only upon foreclosure (or other acquisition of possession) and conveyance of the premises to FHA. Assignment of a defaulted loan to FHA is not permitted. Under some of the FHA insurance programs, insurance claims are paid by FHA in cash unless the insured specifically requests payment in debentures issued by FHA. Under others, FHA has the option at its discretion to pay insurance claims in cash or in such debentures. FHA debentures issued in satisfaction of FHA insurance claims bear interest payable semiannually on January 1 and July 1 of each year at the FHA debenture interest rate (which may be lower than the rate on the insured mortgage) in effect under FHA regulations on the date the FHA mortgage insurance commitment was issued, or as of the initial insurance endorsement of the mortgage loan, 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 the date of the institution of foreclosure or the date of acquisition of the property, whichever is earlier, and the insured generally is not compensated for interest accrued and unpaid prior to that date. Under such circumstances, the amount of insurance benefits generally paid by FHA is equal to 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. The regulations under all insurance programs described above provide that the insurance payment itself bears interest from the date of default by the mortgagor, which under HUD regulations will occur no less than 30 days after the due date of a mortgage payment to the date of payment of the claim at the same interest rate as the applicable HUD debenture interest rate determined in the manner set forth above.

When any property conveyed to FHA has been damaged by fire, earthquake, flood or tornado or the property has suffered damage due to failure of the mortgagee to make required inspections, it is required, as a condition to payment of an insurance claim, that such property be repaired by the mortgage lender prior to such conveyance. In some instances, when damage has resulted from failure of the mortgagee to inspect and preserve the property, FHA may deduct the amount of such damages from the insurance payment made by FHA.

The availability of FHA mortgage insurance depends on congressional action to increase the limitation on the aggregate amount of loan guarantees. The fees and standards for participation in FHA insurance programs may change as a result of congressional action or changes in regulations by HUD. It is not possible to predict the effect of legislative or regulatory action, if any, on the ability of UHC to purchase Mortgage Loans or Mortgage-Backed Securities.

Department of Veterans Affairs Mortgage Guaranty Program

The Servicemen's Readjustment Act, as amended, permits an eligible veteran (or, in certain instances, the spouse of a veteran) and service member ("**Eligible VA Borrowers**") to obtain a mortgage loan guaranty by the VA covering mortgage financing of the purchase of a one-to-four family dwelling unit. This 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 30 years.

Under the VA's tiered guaranty system, the maximum guaranty allowed is based on the size of the mortgage loan. For VA loans over \$144,000 in connection with the purchase, construction improvement or refinance of property by Eligible VA Borrowers, the VA will guarantee (x) up to 25% of the loan amount for Eligible VA Borrowers with full guaranty entitlement or (y) the lesser of 25% of the loan amount or 25% of the Freddie Mac conforming loan limit of the county in which the borrower resides, reduced by the amount of guaranty entitle previously used for borrowers who have previously used and not restored the guaranty entitlement. For VA loans under \$144,000 the maximum guaranty is \$36,000. The actual guaranty may be less than the maximum guaranty in the event the guaranty entitlement previously used 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 guaranteed 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 60 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), the VA gives instructions to the mortgagee to make "no bid" at the foreclosure sale and pays the guaranty amount to the mortgagee, leaving the mortgagee responsible for the disposition of the property. Mortgagees may also "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 may be less than their expected cost to acquire, manage and dispose of the property.

Private Mortgage Insurance

In general, private mortgage insurance (“**PMI**”) contracts provide for payment of insurance benefits to a mortgage lender upon the failure of a mortgagor to make any payment or to perform any obligation under the insured mortgage loan and the continuance of such failure for a stated period. Under most PMI policies, the maximum insurable amounts range from 90% to 95% of the appraised value or selling price for owner-occupied dwellings, whichever is lower. Requirements of borrower equity vary according to the percentage of the mortgage to be insured. Certain insurers will credit toward the value of the land to be improved, trade-in property or work equity, a specified percentage of this amount, if at least a minimum cash equity is met and the home is to be owner-occupied. Although there may be variations among insurers, available coverage by private mortgage insurers is generally limited to first mortgage loans or contracts on improved real estate, with amortization over the term of the loan or contract in substantially equal monthly payments, including accruals for taxes and insurance.

The Homeowners Protection Act of 1998 (the “**HPA**”) provides for cancellation of PMI upon the following: (i) at the homeowners request upon the date on which the principal balance of the mortgage loan is scheduled to reach 80% of the original value of the residence or the principal balance reaches 80% of the original value of the residence, (ii) automatically on the date on which the principal balance of the mortgage loan is scheduled to reach 78% of the original value of the residence, or if the borrower is not then current on the borrower’s mortgage loan payments, on the date on which the mortgagor subsequently becomes current on such payments, or (iii) in any event, on the first day of the month immediately following the date that is the midpoint of the amortization period of the mortgage loan if the mortgagor is then current on the borrower’s mortgage loan payments. The HPA also requires that mortgagors be provided with certain disclosures and notices regarding termination and cancellation of private mortgage insurance.

Under the various policies, delinquencies must be reported to the insurer within a specified period of time after default, and proceedings to recover title are required to be commenced within a specified period of time after default. It is standard practice for private mortgage insurers to require that lending institutions, prior to presenting a claim under the mortgage insurance, acquire and tender to the private mortgage insurer title to the property, free and clear of all liens and encumbrances, including any right of redemption by the mortgagor. When such claim is presented, the private mortgage insurer will normally retain the option to pay the claim in full and take title to the property and arrange for its sale or pay the insured percentage of the claim and allow the insured mortgage lender to retain title to the property.

The amount of loss payable generally includes the principal balance due under the mortgage loan, plus accumulated interest, real estate taxes and hazard insurance premiums which have been advanced, expenses incurred in the preservation of the insured property, and other expenses necessarily incurred in the recovery proceedings, although in no event will the insurer be required to pay an amount which exceeds the coverage under a policy.

Prior to insuring loans for any mortgage lender, the insurer investigates and evaluates such mortgage lender in the areas of (a) quality of appraisal ability, (b) quality of underwriting ability, (c) net worth and quality of assets and (d) ability and past performance of servicing staff and adequacy of servicing procedures.

Ginnie Mae and the Ginnie Mae Certificates

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

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

Ginnie Mae is authorized by Section 306(g) of Title III of the National Housing Act to guarantee the timely payment of the principal of, and interest on, securities that are based on and backed by trusts or pools composed of mortgage loans insured or guaranteed under the National Housing Act, Title V of the Housing Act of 1949, the Servicemen's Readjustment Act, Chapter 37 of Title 38 of the United States Code or Section 184 of the Housing and Community Development Act of 1992. Section 306(g) further provides that "the full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty by Ginnie Mae."

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

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

Ginnie Mae shall have no responsibility to determine whether or not the Program complies with the requirements of the Code or whether or not interest on the Bonds may be exempt from federal income taxation. The payments due to the Trustee, as holder, pursuant to the terms of the Ginnie Mae Certificates, will not change if the interest on the Bonds for any reason is determined to be subject to federal income taxation.

Servicing of the Mortgages. Under contractual agreements entered into by and between the servicer and Ginnie Mae, the servicer is responsible for servicing and otherwise administering the mortgage loans underlying the Ginnie Mae Certificates in accordance with generally accepted practices of the mortgage banking industry and the Ginnie Mae Mortgage-Backed Securities Guide (the "**Ginnie Mae Guide**").

The monthly remuneration of the servicer, for its servicing and administrative functions, and the guaranty fee charged by Ginnie Mae are based on the unpaid principal amount of the Ginnie Mae Certificates outstanding. The Ginnie Mae Certificates carry an interest rate that is below the interest rate on the underlying mortgage loans (after taking into account the servicing and guaranty fees which are deducted from payments on the mortgage loans before payments are passed through to the holder of the Ginnie Mae Certificate).

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

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

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

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

Payment of principal of each Ginnie Mae I Security and Ginnie Mae II Security is expected to commence on the fifteenth and twentieth day of the month, respectively, following issuance of such Ginnie Mae Certificate.

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

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

Fannie Mae and the Fannie Mae Certificates

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

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

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

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

Fannie Mae has implemented a mortgage-backed securities program pursuant to which Fannie Mae issues securities backed by pools of mortgage loans (the "Fannie Mae MBS Program"). The obligations of Fannie Mae,

including its obligations under the Fannie Mae Certificates, are obligations solely of Fannie Mae and are not backed by, or entitled to, the full faith and credit of the United States.

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

Copies of the Fannie Mae Prospectus and Fannie Mae’s most recent annual and quarterly reports and proxy statement are available from Fannie Mae, Office of Investor Relations, 1100 15th Street NW, Washington, DC 20005.

Fannie Mae Certificates. As of June 3, 2019, each Fannie Mae Certificate will be a Uniform Mortgage-Backed Security (“**UMBS**”). Any Fannie Mae Certificate acquired pursuant to the Program will represent the entire interest in a specified pool of conventional mortgage loans purchased by Fannie Mae from the servicer and identified in records maintained by Fannie Mae. The conventional mortgage loans backing each Fannie Mae Certificate will bear interest at a specified rate per annum, and each Fannie Mae Certificate will bear interest at a lower rate per annum (the “**pass-through rate**”). The difference between the interest rate on the conventional mortgage loans and the pass-through rate on the Fannie Mae Certificate will be collected by the servicer and used to pay the servicer’s servicing fee and Fannie Mae’s guaranty fee. Fannie Mae may change such fee and impose other charges from time to time.

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

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

For purposes of distributions, a mortgage loan will be considered to have been prepaid in full if, in Fannie Mae’s reasonable judgment, the full amount finally recoverable on account of such mortgage loan has been received, whether or not such full amount is equal to the stated principal balance of the mortgage loan. Fannie Mae

may, in its discretion, include with any distribution principal prepayments, both full and partial, received during the month prior to the month of distribution, but is under no obligation to do so.

Freddie Mac and Freddie Mac Certificates

General. The summary of the Federal Home Loan Mortgage Corporation (“**Freddie Mac**”), the Freddie Mac Certificates, Freddie Mac guarantees and Freddie Mac’s mortgage purchase and servicing standards does not purport to be complete and is qualified in its entirety by reference to Freddie Mac’s current Mortgage Participation Certificates Offering Circular, any applicable Offering Circular and Pool Supplements, Freddie Mac’s current Mortgage Participation Certificates Agreement, as amended, Freddie Mac’s Information Statement, any Information Statement Supplements and any other documents made available by Freddie Mac. Copies of these documents can be obtained from Freddie Mac at 8200 Jones Branch Drive, McLean, Virginia 22102. At the time of printing this Official Statement, the documents mentioned above and general information regarding Freddie Mac can be accessed at <http://www.freddiemac.com>. However, UHC makes no representation regarding the content, accuracy or availability of any such document or any information provided at such web site. Such web site is not part of this Official Statement.

Freddie Mac is a shareholder-owned government-sponsored enterprise created on July 24, 1970 pursuant to the Federal Home Loan Mortgage Corporation Act and Title III of the Emergency Home Finance Act of 1970, as amended, 12 U.S.C. Sections 1451-1459 (the “**Freddie Mac Act**”). Freddie Mac is subject to the supervision and regulation of the Federal Housing Finance Agency (“**FHFA**”) to the extent provided in HERA. The FHFA has placed Freddie Mac into conservatorship.

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

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

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

Freddie Mac Certificates. As of June 3, 2019, each Freddie Mac Certificate will be a Uniform Mortgage-Backed Security (“**UMBS**”). Each Freddie Mac Certificate which qualifies as a Mortgage-Backed Security under the General Indenture will represent an undivided interest in a pool of fixed-rate, first-lien conventional mortgage loans or FHA- and VA-guaranteed mortgage loans, or participation interests therein. Freddie Mac guarantees to each registered holder of an Freddie Mac Certificate that it will distribute amounts representing such holder’s proportionate interest in interest payments on the mortgage loans in the pool represented by such Freddie Mac Certificates (less servicing and guarantee fees aggregating the excess of the interest on such mortgage loans over the Freddie Mac Certificates’ pass-through rate), whether or not such amount is actually received. With respect to certain Freddie Mac Certificates, Freddie Mac guarantees the holder’s proportionate interest in scheduled principal payments on such mortgage loans, if timely received, and also guarantees ultimate collection of scheduled principal payments, prepayments of principal and the remaining principal balance in the event of a foreclosure or other disposition of a mortgage loan. With respect to such Freddie Mac Certificates, Freddie Mac may remit the amount due on account of its guarantee of collection of principal at any time after default on an underlying mortgage, but not later than (i) 30 days following foreclosure sale, (ii) 30 days following payment of the claim by any mortgage insurer or (iii) 30 days following the expiration of any right of redemption, whichever occurs later, but in any event no later than one year

after demand has been made upon the mortgagor for accelerated payment of principal. Freddie Mac Certificates may also include those Freddie Mac Certificates as to which Freddie Mac has guaranteed the timely payment of the holder's proportionate interest in scheduled principal payments on the underlying mortgage loans, as calculated by Freddie Mac.

THE OBLIGATIONS OF FREDDIE MAC UNDER ITS GUARANTEES ARE OBLIGATIONS SOLELY OF FREDDIE MAC AND ARE NOT BACKED BY, OR ENTITLED TO, THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA. IF FREDDIE MAC WERE UNABLE TO SATISFY SUCH OBLIGATIONS, DISTRIBUTIONS TO THE REGISTERED HOLDERS OF FREDDIE MAC CERTIFICATES WOULD CONSIST SOLELY OF PAYMENTS AND OTHER RECOVERIES ON THE UNDERLYING MORTGAGE LOANS AND, ACCORDINGLY, MONTHLY DISTRIBUTIONS TO THE HOLDERS OF FREDDIE MAC CERTIFICATES WOULD BE AFFECTED BY DELINQUENT PAYMENTS AND DEFAULTS ON SUCH MORTGAGE LOANS.

Conforming Loan Limits. The Freddie Mac Act limits the maximum original principal amount of single-family mortgages that Freddie Mac may purchase. These limits are referred to as "conforming loan limits." For loans delivered during 2024, Freddie Mac's conforming loan limit for a first lien conventional single-family mortgage ranges from \$766,550 to \$1,149,825 for a one-unit family dwelling in Utah. The conforming loan limit for second-lien mortgages is 50 percent of the limit for first-lien mortgages on one-family dwellings. When Freddie Mac purchases both the first-lien and second-lien mortgage on the same property, the Freddie Mac Act provides that the total amount Freddie Mac may purchase may not exceed the applicable conforming loan limit.

The Freddie Mac Act also prohibits Freddie Mac from purchasing first-lien conventional single-family mortgages if the outstanding principal balance at the time of purchase exceeds 80 percent of the value of the real property securing the mortgage unless Freddie Mac has a level of credit protection (such as mortgage insurance from an approved mortgage insurer, a seller's agreement to repurchase or replace any mortgage that has defaulted) or the retention of at least a 10 percent participation interest in the mortgages by the seller. This requirement does not apply to FHA- or VA-guaranteed mortgage loans.

The single-family mortgages purchased and guaranteed by Freddie Mac generally are subject to the credit, appraisal, underwriting and other purchase policies and guidelines set forth in Freddie Mac's Single-Family Seller Servicer Guide. Freddie Mac may modify these guidelines or grant waivers for certain mortgages that it purchases.

Servicing of the Mortgages. Freddie Mac services or supervises the servicing of the mortgages it purchases. In performing its servicing responsibilities, Freddie Mac may employ servicing agents or independent contractors. Each such servicer generally is required to perform all activities concerning the calculation, collection and processing of mortgage payments and related borrower inquiries, as well as all mortgage administrative responsibilities, including claims collection, workouts, foreclosures and reports. Servicers service mortgages, either directly or through approved sub servicers, and receive fees for their services. Freddie Mac monitors a servicer's performance through periodic and special reports and inspections to ensure it complies with its obligations. Freddie Mac will retain from monthly interest payments on each mortgage a management and guarantee fee, which equals any interest received by Freddie Mac from the servicer over the amount of interest payable to holders of the Freddie Mac Certificate.

Property Insurance Requirements for Mortgage Loans

Primary Hazard Insurance. Each Mortgage Loan must contain covenants relating to insurance of the residence. The coverage must include all fire and extended coverage risks customarily insured against in the geographical area in which the residence is located. The insurance policy must provide, as a minimum, fire and extended coverage insurance in an amount at least equal to the lesser of the unpaid principal amount of the Mortgage Loan from time to time outstanding or the full replacement cost of the residence and other improvements on said property (but in no event shall the amount required be greater than the maximum insurable value of such residence and other improvements). Such insurance must be in effect (or there must be a binder for the issuance of the same) on the date of delivery of the Mortgage Loan to UHC; the coverage provided thereby must meet the requirements, if applicable, of FHA, VA, or the private mortgage insurer. Each hazard insurance policy must be written by an insurance carrier licensed or authorized by law to transact business in the State, and the policy must contain a standard mortgagee

clause naming UHC as an insured and provide notice to UHC at least 10 days in advance of the effective date of any reduction in coverage or cancellation of the policy.

Unless the servicer maintains a mortgagee single-interest hazard insurance policy (with UHC named as additional insured in the case of Mortgage Loans that are not represented by, or supporting, a mortgage-backed security) insuring the servicer against loss from a mortgagor's failure to maintain a hazard insurance policy, the mortgagor will be required to escrow hazard insurance premiums on a monthly basis with the servicer, and the servicer will retain possession of the insurance policy and be responsible for assuring that such insurance is in force and effect.

In general, a standard form of fire and extended coverage policy covers physical damage to, or destruction of, the improvements on the property by fire, lightning, explosion, smoke, windstorm, hail, riot, vandalism, aircraft, vehicles, theft and civil commotion, subject to the conditions and exclusions particularized in each policy. Although policies relating to different Mortgage Loans may be issued by different insurance companies and, therefore, may have minor differences in coverage, the basic terms are dictated by Utah law. Policies typically exclude physical damage resulting from the following: enemy attack by armed forces, invasion, insurrection, rebellion, revolution, civil war, usurped power, floods and water damage, power interruption, earth movement, nuclear reaction and neglect. In addition, such policies typically exclude losses which occur while the hazard is increased by any means within the control or knowledge of the insured or while the premises are vacant or unoccupied beyond a period of 30 consecutive days.

Special Hazard Insurance. To the extent required by UHC, a separate special hazard insurance policy may be obtained to provide protection with respect to direct physical loss arising from perils not insured under the primary hazard insurance as described above and losses that may result from the application of a coinsurance clause with respect to a defaulted mortgage loan secured by damaged property. However, certain perils are not insured under special hazard insurance such as loss resulting from fraudulently created loans, war, certain governmental actions, nuclear reaction or radiation and damage by flood to the extent covered by required flood insurance as described below.

Uninsured Casualties. Certain risks, including, but not limited to, losses attributable to nuclear reaction or radiation or losses caused by hostile or warlike action, or attributable to insurrection, revolution or civil war, are normally not covered by the insurance policies described above. To the extent any of such uninsured risks occur or claims do not result in full recoveries or the required insurance is not purchased or maintained with respect to a significant number of mortgage loans, the security for the Bonds may be impaired.

Flood Insurance. Each Residence which is in a "designated flood hazard area," as that term is defined under the National Flood Insurance Program, must be insured from loss by floods in an amount equal to the maximum insurance available under the National Flood Insurance Program.

Participant's Obligations Regarding Insurance. The servicer of Mortgage Loans is required to use its best efforts to maintain in effect, or to require the mortgagor to maintain, the primary hazard and flood insurance required under the Program on all residences as long as the Bonds are outstanding. In addition, the servicer is obligated to perform its duties in a manner which will preserve all claims against insurers.

Errors and Omissions Insurance; Fidelity Insurance; Theft and Forgery Insurance. The servicer of Mortgage Loans is required to maintain in full force and effect, at its own expense, errors and omissions insurance, fidelity insurance (or a direct surety bond) and theft and forgery insurance on those of its officers and employees having access to any amounts paid by mortgagors under the Program. The servicer of Mortgage Loans may provide such insurance under any blanket policy or policies which it customarily carries.

Servicemembers Civil Relief Act of 2003

The Servicemembers Civil Relief Act of 2003 (the "SCRA") protects service men and women called to active military duty by suspending enforcement of civil liabilities through foreclosure and providing relief from current obligations. The SCRA revises and replaces the Soldiers' and Sailors' Civil Relief Act of 1940. Except in certain limited circumstances, the SCRA provides that no obligation or liability incurred by a person on active military duty

before the member entered active military duty shall bear interest at a rate in excess of 6% per annum during the period of active duty (and in the case of a mortgage obligation, one year thereafter). The benefits of such act constitute a forgiveness of the obligation in excess of 6% per annum, rather than a forbearance of collection. UHC is unable to determine whether the provisions of the SCRA will affect the willingness of any lender participating in the Program to originate Mortgage Loans. UHC is unable to predict whether the SCRA will have any adverse effect on UHC's ability to pay debt service on the Bonds or whether the provisions of the SCRA may be modified in the future.

Utah Foreclosure Procedures

The security instruments employed under UHC's Single Family Program generally take the form of trust deeds. The Utah Code permits the trustee under a trust deed to conduct a non-judicial foreclosure sale. The trustee institutes this process by sending notice of its intent to foreclose to the trustor (mortgagor) and to any persons who have requested such notice under applicable statutory procedures. After not fewer than thirty days from the day on which the notice of foreclosure was sent, a notice of default is to be filed for record with the county recorder. No later than ten days after the notice of default is recorded the trustee shall mail a copy of the recorded notice of default to the trustor, any subsequent lien holder and any person who has properly requested a notice of default. The trustor may reinstate the trust deed at any time within three months after the notice of default is recorded by paying all delinquent installments plus costs, expenses, trustees' fees and attorneys' fees.

After not less than three months have elapsed from the filing of the notice of default the trustee shall give a written notice of sale adequately describing the property being sold and identifying the time and the place where the sale is to be held. The notice of sale is given by (i) publication in a newspaper having general circulation at least three times, once a week for three consecutive weeks, the last publication to be at least ten days but not more than thirty days prior to the sale, (ii) posting the notice on the property and at the office of the county recorder in which the property is located at least twenty days before the date the sale is scheduled, and (iii) mailing the notice to the trustor, any subsequent lien holder and any person who has properly requested a notice of sale at least twenty days before the date of the sale. The sale shall be held at the time and place designated in the notice of sale. No redemption is permitted after the sale has taken place. Within 5 business days of the day the trustee receives the payment of the price bid, the trustee shall execute and record with the county recorder a trustee's deed conveying title to the property to the purchaser.

Trust deeds may also be foreclosed in judicial proceedings in the manner provided by law for the foreclosure of mortgages. In such a judicial proceeding, a mortgagor has 180 days after the foreclosure sale to redeem and is entitled to possession during the redemption period. In addition to the mortgagor, rights of redemption are also accorded to the mortgagor's successor, junior lienors or judgment creditors by paying the foreclosure sale purchaser the purchase price plus interest and other costs. A Sheriff's Certificate is issued at the time of sale to the purchaser, but a deed is not issued until the expiration of the 180-day redemption period.

The Utah Code allows a deficiency judgment if proceeds from sale are insufficient to satisfy the judgment, but in the case of a trustee's sale under a trust deed, the amount of any deficiency judgment is limited to the amount by which the amount of the indebtedness secured by the trust deed being foreclosed plus interest and the costs and expenses incurred in the foreclosure exceeds the fair market value of the property at the time of the foreclosure sale.

A mortgagor may deliver the deed of a secured property to UHC in lieu of having the respective trust deed foreclosed, provided that UHC, and FHA or VA, as applicable, give prior consent.

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APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the Offered Bonds, Gilmore & Bell, P.C., Salt Lake City, Utah, Bond Counsel, propose to issue an opinion in substantially the following form:

We have acted as bond counsel to Utah Housing Corporation (“UHC”) in connection with the issuance by UHC of its \$ _____ Single Family Mortgage Bonds, 2024 Series E (Non-AMT) (the “2024 Series E Bonds”) and \$ _____ Single Family Mortgage Bonds, 2024 Series F (Federally Taxable) (the “2024 Series F Bonds” and collectively with the 2024 Series E Bonds, the “2024 Series E/F Bonds”). UHC is an independent body politic and corporate, constituting a public corporation, created by and existing under the Utah Housing Corporation Act, Title 63H, Chapter 8, Utah Code Annotated 1953, as amended (the “Act”). The 2024 Series E/F Bonds are authorized to be issued under and secured by an Amended and Restated General Indenture of Trust, dated as of September 1, 2023, between UHC and Zions Bancorporation, National Association, as trustee (the “Trustee”) and a 2024 Series E/F Indenture, dated as of June 1, 2024, between UHC and the Trustee (collectively, the “Indenture”). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture.

In such connection, we have reviewed the Indenture, the Tax Certificate, dated the date hereof (the “Tax Certificate”), certificates of UHC, the Trustee and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions or events. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than UHC. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture, the Tax Certificate, and certificates of UHC, including (without limitation) covenants and agreements compliance with which is necessary to assure that any future actions, omissions, or events will not cause interest on the 2024 Series E Bonds to be includable in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the 2024 Series E/F Bonds, the Indenture, the Tax Certificate, and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors’ rights, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the official statement or other offering material relating to the 2024 Series E/F Bonds and express no opinion with respect thereto.

Based upon and subject to the foregoing, and in reliance thereon, as of the date hereof, it is our opinion that:

1. UHC is an independent body politic and corporate, constituting a public corporation, validly existing under the laws of the State of Utah, and has lawful authority to issue the 2024 Series E/F Bonds.
2. The Indenture has been duly executed and delivered by, and is a valid and binding obligation of, UHC. The Indenture creates a valid pledge to secure the payment of the principal of and interest on the 2024 Series E/F Bonds, of the Revenues and any other amounts (including the proceeds of the sale of the 2024 Series E/F Bonds)

held by the Trustee in any fund or account established pursuant to the Indenture and of the rights and interests of UHC in and to the Mortgage Loans and MBS, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

3. The 2024 Series E/F Bonds constitute valid and binding limited obligations of UHC, payable solely from the Revenues and other assets pledged therefor under the Indenture. The 2024 Series E/F Bonds do not constitute a debt or liability of the State of Utah or any political subdivision thereof.

4. The interest on the 2024 Series E Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes, (ii) is exempt from Utah individual income taxation, and (iii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that UHC comply with all requirements of the Code that must be satisfied subsequent to the issuance of the 2024 Series E Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. UHC has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the 2024 Series E Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2024 Series E Bonds.

5. Interest on the 2024 Series F Bonds is taxable as ordinary income for federal income tax purposes.

6. Under the laws of the State of Utah on the date hereof, interest on the 2024 Series F Bonds (including any original issue discount properly allocable to an owner thereof) is exempt from Utah individual income taxation.

We express no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the 2024 Series E/F Bonds.

Yours truly,

APPENDIX C

UHC FINANCIAL STATEMENTS

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Utah Housing Corporation

Financial Statements as of and for the
Year Ended June 30, 2023,
Combining Supplemental Schedules as of and
for the Year Ended June 30, 2023,
and Independent Auditor's Reports

UTAH HOUSING CORPORATION

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INDEPENDENT AUDITOR'S REPORT

To the Audit Committee
Utah Housing Corporation
West Valley City, Utah

Opinion

We have audited the financial statements of Utah Housing Corporation (the "Corporation"), which comprise the balance sheet as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of June 30, 2023, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of the proportionate share of the net pension liability and contributions listed in the foregoing table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining supplemental schedules listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining supplemental schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

The image shows a handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

September 19, 2023

UTAH HOUSING CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2023

This section of the Utah Housing Corporation's (the "Corporation") annual financial report presents the Corporation management's discussion and analysis of the Corporation's financial performance during the fiscal year ended June 30, 2023. It is intended to be read in conjunction with the Corporation's financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

The financial highlights of the Corporation as of and for the year ended June 30, 2023, compared with prior-year balances are as follows:

- Total loans receivable increased \$93.7 million (18.9%)
- Net pension asset decreased \$6.1 million (-100%)
- Bonds payable increased \$128.3 million (9.4%)
- Notes payable increased \$22.5 million (87.7%)
- Net pension liability increased \$4.6 million (100%)
- Interest on cash and investments increased \$15.0 million (43.3%)
- Interest expense increased \$19.5 million (96.6%)
- Gain on sale of loans decreased \$25.9 million (-63%)
- Net fair value of investments increased \$73.9 million (58.6%)
- Total net position decreased \$19.4 million (-3.8%)

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of four parts: Management's Discussion and Analysis; the Financial Statements, including Notes to the Financial Statements; Required Supplemental Information; and Combining Supplemental Schedules. The accounting and reporting policies of the Corporation conform to accounting principles generally accepted in the United States of America and follow the accrual basis of accounting as prescribed by the Governmental Accounting Standards Board (GASB). The Corporation is an independent public corporation, is self-supporting, and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Corporation. These statements are presented in a manner similar to a private business, such as mortgage banking, mortgage servicing, real estate development, commercial lending, construction management, and private consulting. Summary information is presented for separate mortgage revenue bond programs in the Supplemental Schedules. In addition, To the information presented in this report is more detailed information maintained in separate accounts to control and manage those designated financial transactions.

**UTAH HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ANALYSIS OF THE CORPORATION

The following table summarizes the changes in net position between June 30, 2023 and 2022 (in thousands):

	2023	2022	\$ Change	% Change
CURRENT ASSETS:				
Cash and cash equivalents	\$ 243,412	\$ 235,808	\$ 7,604	3.2 %
Investments (partially restricted)	54,078	105,932	(51,854)	(49.0)%
Current maturities of loans receivable (partially restricted)	14,614	11,939	2,675	22.4 %
Interest receivable	7,553	4,963	2,590	52.2 %
Derivative asset	515	-	515	100.0 %
Other current assets	<u>2,329</u>	<u>2,261</u>	<u>68</u>	<u>3.0 %</u>
Total current assets	<u>322,501</u>	<u>360,903</u>	<u>(38,402)</u>	<u>(10.6)%</u>
NONCURRENT ASSETS:				
Investments (partially restricted)	1,112,488	1,027,106	85,382	8.3 %
Loans receivable (partially restricted)	575,098	484,059	91,039	18.8 %
Net Pension Asset	-	6,111	(6,111)	(100.0)%
Net Investment in Capital Assets	7,446	5,867	1,579	26.9 %
Mortgage servicing rights	30,348	34,585	(4,237)	(12.3)%
Other assets	<u>2,480</u>	<u>1,713</u>	<u>767</u>	<u>44.8 %</u>
Total noncurrent assets	<u>1,727,860</u>	<u>1,559,441</u>	<u>168,419</u>	<u>10.8 %</u>
DEFERRED OUTFLOWS:				
Accumulated decrease in fair value of hedging derivatives	-	432	(432)	(100.0)%
Pension	<u>2,788</u>	<u>2,150</u>	<u>638</u>	<u>29.7 %</u>
Total deferred outflows	<u>2,788</u>	<u>2,582</u>	<u>206</u>	<u>8.0 %</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,053,149</u>	<u>\$ 1,922,926</u>	<u>\$ 130,223</u>	<u>6.8 %</u>

(Continued)

**UTAH HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2022	\$ Change	% Change
CURRENT LIABILITIES:				
Interest payable	\$ 8,260	\$ 6,215	\$ 2,045	32.9 %
Current maturities of bonds payable	267,690	229,576	38,114	16.6 %
Current maturities of notes payable	19,881	17,840	2,041	11.4 %
Current portion of subscription liability	786	-	786	100.0 %
Other current liabilities	<u>5,743</u>	<u>5,457</u>	<u>286</u>	<u>5.2 %</u>
Total current liabilities	<u>302,360</u>	<u>259,088</u>	<u>43,272</u>	<u>16.7 %</u>
NONCURRENT LIABILITIES:				
Bonds payable	1,231,009	1,140,830	90,179	7.9 %
Notes payable	28,269	7,815	20,454	261.7 %
Unearned revenue	379	428	(49)	(11.4)%
Net pension liability	4,642	-	4,642	0.0 %
Subscription liability	748	-	748	100.0 %
Derivative instruments	<u>-</u>	<u>432</u>	<u>(432)</u>	<u>(100.0)%</u>
Total noncurrent liabilities	<u>1,265,047</u>	<u>1,149,505</u>	<u>115,542</u>	<u>10.1 %</u>
Total liabilities	<u>1,567,407</u>	<u>1,408,593</u>	<u>158,814</u>	<u>11.3 %</u>
DEFERRED INFLOWS:				
Accumulated increase in fair value of hedging derivatives	515	-	515	100.0 %
Pension	<u>20</u>	<u>9,704</u>	<u>(9,684)</u>	<u>(99.8)%</u>
Total deferred inflows	<u>535</u>	<u>9,704</u>	<u>(9,169)</u>	<u>(94.5)%</u>
NET POSITION:				
Net investment in capital assets	7,446	5,867	1,579	26.9 %
Restricted — expendable	139,764	170,987	(31,223)	(18.3)%
Unrestricted	<u>337,997</u>	<u>327,775</u>	<u>10,222</u>	<u>3.1 %</u>
Total net position	<u>485,207</u>	<u>504,629</u>	<u>(19,422)</u>	<u>(3.8)%</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	<u>\$ 2,053,149</u>	<u>\$ 1,922,926</u>	<u>\$ 130,223</u>	<u>6.8 %</u>

(Concluded)

**UTAH HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

The following table summarizes the changes in operating income before fair value adjustments and changes in net position between the years ended June 30, 2023 and 2022 (in thousands):

	2023	2022	\$ Change	% Change
OPERATING REVENUES:				
Interest on loans receivable	\$ 26,371	\$ 26,475	\$ (104)	(0.4)%
Interest on cash and investments	49,473	34,523	14,950	43.3 %
Servicing revenues	14,148	13,310	838	6.3 %
Gain on sale of loans	15,224	41,104	(25,880)	(63.0)%
Other revenues	<u>7,807</u>	<u>5,306</u>	<u>2,501</u>	<u>47.1 %</u>
Total operating revenues (not including fair value adjustments)	<u>113,023</u>	<u>120,718</u>	<u>(7,695)</u>	<u>(6.4)%</u>
OPERATING EXPENSES:				
Interest	39,743	20,218	19,525	96.6 %
Salaries and benefits	15,365	9,814	5,551	56.6 %
General operating expense	5,181	6,387	(1,206)	(18.9)%
Loan servicing fees	1,633	2,044	(411)	(20.1)%
Amortization of other assets	14,278	14,841	(563)	(3.8)%
Bond issuance expenses	2,006	3,274	(1,268)	(38.7)%
Net provision for loan losses	785	(1,607)	2,392	(148.8)%
Depreciation of capital assets	<u>1,260</u>	<u>477</u>	<u>783</u>	<u>164.2 %</u>
Total operating expenses	<u>80,251</u>	<u>55,448</u>	<u>24,803</u>	<u>44.7 %</u>
OPERATING INCOME BEFORE FAIR VALUE ADJUSTMENTS	32,772	65,270	(32,498)	(49.8)%
Net decrease in fair value of investments	<u>(52,194)</u>	<u>(126,084)</u>	<u>73,890</u>	<u>58.6 %</u>
CHANGE IN NET POSITION	(19,422)	(60,814)	41,392	(68.1)%
NET POSITION — Beginning of year	<u>504,629</u>	<u>565,443</u>	<u>(60,814)</u>	<u>(10.8)%</u>
NET POSITION — End of year	<u>\$ 485,207</u>	<u>\$ 504,629</u>	<u>\$ (19,422)</u>	<u>(3.8)%</u>

OTHER FINANCIAL ANALYSIS

The Corporation uses multiple sources of capital resources to fund its affordable housing programs. These sources include the traditional Mortgage Revenue Bonds (MRB) taxable bonding and a tax-exempt MBS structure called Tax Exempt Mortgage Securities (TEMS) in addition to issuing mortgage-backed securities (MBS) through Ginnie Mae, Fannie Mae, and Freddie Mac programs.

The current-year operations reflect the Corporation's ability to optimize its alternative sources of capital for its affordable housing programs. The Corporation produced \$732.5 million of new single-family loans during the fiscal year as compared to \$1,087 million of loans in the prior year. These loans were funded by a variety of capital sources and represent a best execution approach to capital optimization. The Corporation sold

UTAH HOUSING CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2023

\$626.7 million of loans as Ginnie Mae (GNMA) mortgage backed securities (MBS) including repurchased loans from our loss mitigation process. Additionally, \$28.0 million of loans as Federal Home Loan Mortgage Corporation (FHLMC) whole loans. This includes \$234.0 million of tax-exempt MBS-backed pass-through bonds. The Corporation also issued \$48.3 million of new taxable MRBs during the current fiscal year.

Operating income before fair value adjustments for the fiscal year ended June 30, 2023, was \$32.7 million which was \$32.5 million lower and, as compared to the previous year. This decrease from the past fiscal year was primarily due to a decrease in the amount GNMA MBS loans sold which were sold at lower premiums. The decrease was partially offset by higher interest income due to rising interest rates on the Corporations cash and investments during the fiscal year.

The Corporation also continues to evaluate the allowance for loan loss reserves on an annual basis, as it relates to its uninsured second mortgage and repurchased loan portfolio. During the fiscal year and previous fiscal year loans are being actively processed to bring the loans current where possible. The allowance of 2.5% at June 30, 2022 remains sufficient for June 30, 2023.

The Corporation experienced a significant change in financial position caused by a decrease in the valuation of its Mortgage Backed Security portfolio. The Corporation's Fair Market Value (FMV) adjustment for the fiscal year decreased revenues by \$47.5 million. The Corporation's MBS investments are held within its single-family bond programs reflected on its Balance Sheet are valued at FMV. These investments are the matched with the outstanding TEMS bonds and will ultimately be collected at the full principal amount of the underlying mortgages. Thus, the current year FMV adjustment will later be reflected as gains on financial statements as payments are received at par.

Its quality loan portfolio of federally insured mortgage loans and large cash and investment balances represents the ongoing financial strength of the Corporation. The following two key ratios used by rating agencies to evaluate the industry, reaffirms that the Corporation remains financially strong.

The Corporation's *Adjusted Debt to Equity Ratio* (defined as total liabilities divided by the total net position) is 3.23. This ratio is interpreted as having \$3.23 of debt for every dollar of equity. The Corporation's ratio is higher than last year's ratio of 2.79 as the Corporation has decreased equity (net position) from the prior year. The Corporation's ratio is now trending upwards from a previous high of 3.03 since fiscal year 1993 as the Corporation's net position incorporates fair market value adjustments, and as the Corporation has issued more MBS compared to bonds over the past several years.

The Corporation's *Net Interest Spread Ratio* (defined as total interest revenues, less interest expense divided by total interest revenues) is 47.6%. This ratio is down from 66.9% in the prior year. This is a reflection of the higher cost of capital of the single-family debt in a rising interest rate environment.

The fiscal year general and administrative budget of \$15.9 million was adequate to fund operations.

DEBT ADMINISTRATION

At fiscal year end June 30, 2023, the Corporation had total debt outstanding of \$1,546 million, an increase of \$150.8 million or 10.80% during the fiscal year, as shown in the table on the following page. More detailed information about the Corporation's debt is presented in Notes 11 and 13 to the financial statements.

**UTAH HOUSING CORPORATION
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

The following table summarizes the changes in debt between June 30, 2023 and 2022 (in thousands):

	2023	2022	% (Decrease) Increase
Notes payable	\$ 48,150	\$ 25,655	87.7 %
Taxable bonds payable	225,997	222,636	1.5 %
Subordinate General Obligation (GO) bonds payable	29,180	34,275	(14.9)%
All other tax-exempt bonds payable	<u>1,243,522</u>	<u>1,113,495</u>	<u>11.7 %</u>
Total debt	<u>\$ 1,546,849</u>	<u>\$ 1,396,061</u>	<u>10.8 %</u>

All bonds and debt issued by the Corporation, except general obligation bonds, are special obligations of the Corporation and are payable solely from the designated revenues and assets derived from the proceeds of the bonds, and are not legal obligations of the State of Utah or any other political subdivision thereof.

CONTACTING THE CORPORATION’S FINANCIAL MANAGEMENT

This financial report is designed to provide the citizens of Utah, our constituents and investors with a general overview of the Corporation’s finances and to demonstrate the Corporation’s financial accountability over its resources. If you have questions about this report or need additional financial information, contact the Chief Financial Officer at Utah Housing Corporation, 2479 Lake Park Blvd., West Valley City, UT 84120, call +1 801 902 8200 or visit our website at: www.utahhousingcorp.org.

UTAH HOUSING CORPORATION

BALANCE SHEET AS OF JUNE 30, 2023 (In thousands)

ASSETS AND DEFERRED OUTFLOWS

CURRENT ASSETS:

Cash and cash equivalents	\$ 243,412
Investments (partially restricted, Note 3)	54,078
Current maturities of loans receivable (partially restricted, Note 6)	14,614
Interest receivable	7,553
Derivative asset	515
Other current assets	<u>2,329</u>

Total current assets 322,501

NONCURRENT ASSETS:

Investments (partially restricted, Note 3)	1,112,488
Loans receivable—net of allowance (partially restricted, Note 6)	575,098
Net investment in capital assets	7,446
Mortgage servicing rights	30,348
Other assets	<u>2,480</u>

Total noncurrent assets 1,727,860

Total assets 2,050,361

DEFERRED OUTFLOWS:

Pension	<u>2,788</u>
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Total deferred outflows 2,788

TOTAL ASSETS AND DEFERRED OUTFLOWS \$ 2,053,149

(Continued)

UTAH HOUSING CORPORATION

BALANCE SHEET AS OF JUNE 30, 2023 (In thousands)

LIABILITIES, DEFERRED INFLOWS, AND NET POSITION

CURRENT LIABILITIES:

Interest payable	\$ 8,260
Current maturities of bonds payable	267,690
Current maturities of notes payable	19,881
Current portion of subscription liability	786
Other current liabilities	<u>5,743</u>
Total current liabilities	<u>302,360</u>

NONCURRENT LIABILITIES:

Bonds payable	1,231,009
Notes payable	28,269
Unearned revenue	379
Net pension liability	4,642
Subscription liability	<u>748</u>
Total noncurrent liabilities	<u>1,265,047</u>

Total liabilities	<u>1,567,407</u>
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DEFERRED INFLOWS:

Accumulated decrease in fair value of hedging derivatives (Note 14)	515
Pension	<u>20</u>
Total deferred inflows	<u>535</u>

NET POSITION:

Net investment in capital assets	7,446
Restricted—expendable	139,764
Unrestricted	<u>337,997</u>
Total net position	<u>485,207</u>

TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	<u>\$ 2,053,149</u>
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See notes to financial statements.

UTAH HOUSING CORPORATION

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2023 (In thousands)

OPERATING REVENUES:	
Interest on loans receivable	\$ 26,371
Interest on cash and investments	49,473
Servicing revenues	14,148
Gain on sale of loans	15,224
Other revenues	7,807
Net decrease in the fair value of investments	<u>(52,194)</u>
 Total operating revenues	 <u>60,829</u>
OPERATING EXPENSES:	
Interest	39,743
Salaries and benefits	15,365
General operating expenses	5,181
Loan servicing fees	1,633
Amortization of mortgage servicing rights	14,278
Bond issuance expenses	2,006
Net provision for loan losses	785
Depreciation of capital assets	<u>1,260</u>
 Total operating expenses	 <u>80,251</u>
 CHANGE IN NET POSITION	 <u>(19,422)</u>
NET POSITION—Beginning of year	<u>504,629</u>
NET POSITION—End of year	<u>\$ 485,207</u>

See notes to financial statements.

UTAH HOUSING CORPORATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2023

(In thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from interest on loans receivable	\$ 25,457
Cash received from payments on loans receivable	77,611
Cash received from loan servicing revenues	14,148
Cash received from other revenues	7,434
Cash received from sale of loan securities	670,063
Purchase of loans receivable	(830,589)
Purchase of mortgage servicing rights	(10,040)
Cash payments for servicing fees	(1,633)
Cash payments for general operating expenses	(1,837)
Cash payments to employees for salaries and benefits	<u>(15,680)</u>
Net cash used in operating activities	<u>(65,066)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Proceeds from bonds payable	287,999
Proceeds from notes payable	26,182
Principal paid on bonds payable	(154,246)
Principal paid on notes payable	(3,687)
Interest paid on bonds payable, notes payable, and revolving credit agreement	(43,149)
Cash payments for bond issuance costs	<u>(2,006)</u>
Net cash provided by non-capital financing activities	<u>111,093</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases of capital assets	<u>(502)</u>
Net cash used in capital and related financing activities	<u>(502)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investments	(430,813)
Proceeds from sales and maturities of investments	345,091
Interest and dividends on investments	<u>47,801</u>
Net cash used in investing activities	<u>(37,921)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,604
CASH AND CASH EQUIVALENTS — Beginning of year	<u>235,808</u>
CASH AND CASH EQUIVALENTS — End of year	<u>\$ 243,412</u>

(Continued)

UTAH HOUSING CORPORATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2023 (In thousands)

RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating loss	<u>\$ (19,422)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	1,260
Interest on cash and investments	(49,473)
Net decrease in the fair value of investments	52,194
Interest expense	39,743
Bond issuance costs	2,006
Provision for loan losses	785
Changes in operating assets and liabilities:	
Increase in receivables	(95,643)
Increase in other assets (current and non-current)	(835)
Decrease in mortgage servicing rights	4,237
Increase in other liabilities	286
Increase in net pension asset/liability	10,753
Decrease in subscription liability	(910)
Decrease in deferred inflows/outflows for pensions	(9,998)
Decrease in unearned revenue	<u>(49)</u>
Total adjustments	<u>(45,644)</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (65,066)</u>

See notes to financial statements. (Concluded)

UTAH HOUSING CORPORATION

NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

1. DESCRIPTION OF THE CORPORATION AND PROGRAMS

Utah Housing Corporation (the “Corporation”), previously known as Utah Housing Finance Agency, was created in 1975 by the Utah Legislature under the provisions of Part 9, Chapter 4, Title 9 of the Utah Code, Annotated 1953, as amended (the “Act”). The Act empowers the Corporation, among other things, to issue bonds and other obligations, and to purchase mortgage loans in furtherance of its purpose of providing safe and sanitary housing for persons of limited income residing in the State of Utah. The principal amount of bonds and other obligations outstanding is not limited by the Act.

The enabling legislation, along with bond indentures and bond resolutions adopted by the Corporation, contains specific provisions pertaining to (a) the use of the proceeds from the sale of notes and bonds, (b) the application of pledged receipts and recoveries of principal from mortgages, and (c) the creation of certain funds along with the accounting policies of such funds.

The Corporation has no taxing authority. Bonds and obligations issued by the Corporation do not constitute a debt of the State of Utah or any political subdivision thereof.

The Corporation has divided its operations into specific fund groups, as follows:

Operating Fund—This fund is primarily used to account for the operating expenses and general administration of the Corporation. Resources to operate the Corporation are provided from servicing net revenues, other revenues, and transfers from unrestricted single-family programs.

Single-Family Mortgage Program Funds—These funds are established to track and maintain the various single-family programs of the Corporation. This includes the funds established under the Single-Family Mortgage Revenue Bond (MRB) Resolutions adopted at various dates, warehoused loans, sale and issuance of mortgage-backed securities, repurchased loans from mortgage-backed securities, and the Corporation’s second mortgage program. The bond programs account for proceeds from the sale of the Single-Family MRBs, the debt service requirements of the bond indebtedness, and the mortgage loans on eligible single-family housing being financed from bond proceeds, as well as loans and corresponding notes payable from the Community Reinvestment Act (CRA) participation program. First mortgage loans are insured by private mortgage insurance, Federal Housing Administration, or are guaranteed by the Veterans Administration or Fannie Mae through a risk sharing agreement.

The Corporation exercises its authority, granted by the Internal Revenue Code, to issue tax-exempt MRBs to provide funds for the purchase of mortgage loans to be made to finance the acquisition of single-family residences in the State of Utah by households of low and moderate income. The Corporation has also issued various MRBs that are taxable.

Housing Development Funds—These funds are used to account for funds to assist in financing difficult-to-develop housing. Those activities include the acquisition, development, financing of new construction or rehabilitation of transitional housing, permanently affordable rental housing for very low-income households, and others with special housing needs. In addition, these funds are used to make construction and long-term loans for affordable housing developments throughout Utah. These funds are also used to assist very low-income first-time homebuyers with down payment, closing costs, and other forms of financial assistance.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—The accounting and reporting policies of the Corporation conform with accounting principles generally accepted in the United States of America and follow the accrual basis of accounting as prescribed by the Governmental Accounting Standards Board (GASB). The Corporation uses the economic resources measurement focus and the accrual basis of accounting.

Financial activities of the Corporation are recorded in funds established under various bond resolutions. The administrative and operational activities, including the operating expenses of various programs, are recorded in the general operating fund and are not allocated to the various funds, except for fiduciary and other miscellaneous expenditures.

Cash and Cash Equivalents—Cash and cash equivalents consist principally of cash deposits, sweep account investments in money market funds, and investment in the Utah State Public Treasurer's Investment Fund (PTIF).

Investments—Investments, except for guaranteed investment contracts (GICs) with insurance companies, are presented at fair value. The fair value of investments is based on published market prices and quotations from major investment brokers at current exchange rates, as available. GICs are recorded at current contract value.

Loans Receivable—Loans receivable are carried at the unpaid principal balance outstanding, less the allowance for estimated loan losses.

Allowance for Loan Losses—The allowance for loan losses is a reserve against current operations based on management's estimate of expected future loan losses. Management's estimate considers such factors as the payment history of the loans, guarantees, mortgage insurance, historical loss experience, and overall economic conditions. Based on the review of the factors, a total reserve amount is calculated and a provision is made against current operations to reflect the estimated balance.

Interest Receivable—Interest on loans and investments is recognized as earned.

Capital Assets—Capital assets with an initial cost greater than \$5,000 are carried at cost. Office equipment, furniture and fixtures, and vehicles are depreciated using the straight-line method over their estimated useful lives of 3 to 7 years. The building is depreciated using the straight-line method over an estimated useful life of 40 years.

Bond Financing Costs—Costs of issuing bonds are expensed as they are incurred.

Bond Discounts and Premiums—Discounts and premiums on bonds payable are amortized to interest expense over the lives of the respective bond issues using the effective interest method.

Derivative Instruments—The Corporation enters into various interest rate swap contracts and forward sales contracts as part of its overall funding strategy. The objective of these financial instruments is to increase the volume of funding available to purchase qualified homes under the Corporation's low- to moderate-income programs. The Corporation has recorded the fair market value of its derivative investments on the financial statements and has evaluated and measured their effectiveness. Currently no variable-interest bonds are outstanding as well as no interest rate swap contracts.

Transfers—The Corporation may make transfers among the various funds to meet the cash flow requirements of the individual programs or to account for equity and working capital contributions. The

Corporation may also contribute amounts from the operating funds to provide assistance to certain bond issues or transfer from unrestricted single-family programs to provide resources for the Corporation's general and administrative expenses.

Mortgage Loan Servicing—Mortgage loan servicing fees paid to the general operating fund are based on a stipulated percentage of the outstanding loan principal balances being serviced. Costs associated with the acquisition of loan servicing rights through the purchase of servicing contracts or bulk loan purchases from external mortgage servicers are deferred and amortized over the estimated lives of loans being serviced.

Use of Estimates—The preparation of these financial statements required the use of estimates and assumptions by management in determining the entity's assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses. Actual results could differ materially from these estimates and assumptions.

Restricted Assets—Assets whose use is restricted for a specific purpose are disclosed in the financial statements. When both restricted and unrestricted resources are available for use, it is the Corporation's policy to use restricted resources first, then unrestricted as they are needed.

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

Deferred Outflows/Inflows of Resources – In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

New Accounting Principles— GASB Statement No. 91, *Conduit Debt Obligations*, was effective for the Corporation in 2023. The primary objectives of Statement No. 91 are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations and (3) related note disclosures. The Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The Corporation reports conduit debt obligations in Note 12. There was no impact to the Corporation's net position related to the adoption of this Statement.

GASB Statement No 96, *Subscription-based Information Technology Arrangements*, was effective for the Corporation in 2023. This Statement provides guidance on the accounting and financial reporting for subscription based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset— an intangible asset—and a corresponding subscription liability; (3) provides the

capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option). The Corporation recognized \$2,438,000 in the subscription assets and \$2,444,000 in subscription liabilities as of July 1, 2022. The Corporation's SBITA subscription assets have been disclosed in Note 8 and the correlating SBITA liabilities have been disclosed in Note 15.

3. CASH AND INVESTMENTS

Cash and investments at June 30, 2023, are summarized as follows (in thousands):

	<u>Operating</u>	<u>Single-Family</u>	<u>Housing Development</u>	<u>Total</u>
Cash and cash equivalents	\$ 29,838	\$ 185,318	\$ 28,256	\$ 243,412
Investments	-	1,166,501	65	1,166,566
Total	<u>\$ 29,838</u>	<u>\$ 1,351,819</u>	<u>\$ 28,321</u>	<u>\$ 1,409,978</u>

Cash deposits at June 30, 2023, are summarized as follows (in thousands):

<u>Fund</u>	<u>Bank Balances</u>	<u>Book Balances</u>
Operating	\$ 30	\$ 208
Single-Family	197	829
Housing Development	1	1
Total	<u>\$ 228</u>	<u>\$ 1,038</u>

The Corporation also invests in the Utah Public Treasurer's Investment Pool (PTIF), which is a voluntary external local governmental investment pool managed by the Utah State Treasurer's Office and is audited by the Utah State Auditor. As of June 30 2023 the amount invested was \$221.6 million. No separate report has been issued for the PTIF. The PTIF is not registered with the SEC as an investment company and is not rated. The PTIF is authorized and regulated by the Utah Money Management Act (Utah Code Title 51 and Chapter 7). The PTIF invests in high-grade securities that are delivered to the custody of the Utah State Treasurer, assuring a perfected interest in the securities; therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. The maximum weighted-average life of the portfolio does not exceed 90 days. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated to participants on the ratio of the participant's share of the total funds in the PTIF based on the participant's

average daily balance. The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor. Additional information is available at the Utah State Treasurer's Office.

Investments—As of June 30, 2023, the Corporation had the following investments and maturities (in thousands):

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Money market mutual funds*	\$ 74,793	\$ 74,793	\$ -	\$ -	\$ -
Negotiable certificates of deposit	65	65	-	-	-
Guaranteed investment contracts	6,611	-	-	6,611	-
U.S. agency mortgage-backed securities	<u>1,105,876</u>	<u>-</u>	<u>71</u>	<u>506</u>	<u>1,105,299</u>
Total	<u>\$ 1,187,345</u>	<u>\$ 74,858</u>	<u>\$ 71</u>	<u>\$ 7,117</u>	<u>\$ 1,105,299</u>

* Investment in money market mutual fund from checking sweep account of \$20,780 thousand as of June 30, 2023, is included in cash and cash equivalents in the financial statements.

Restricted Investments—\$1,140,506 of single-family investments as of June 30, 2023, are restricted under bond indentures or other debt agreements, or are otherwise pledged as collateral for borrowings.

Interest Rate Risk—The Corporation's policy for investment maturities is determined by various bond indentures and bond resolutions adopted by the Corporation. Excess cash is invested in the PTIF.

Custodial Credit Risk—Custodial credit risk for investments is the risk that, in the event of failure of the counter party, the Corporation will not be able to recover the value of the investment in the possession of an outside party. The Corporation does not have a formal policy for custodial credit risk.

The Corporation's deposits at times exceed federally insured limits. At June 30, 2023, the Corporation had no uninsured deposits. All other cash deposits were insured or collateralized as of June 30, 2023.

The Corporation's investments were held in the Corporation's name by their custodian, except \$20,780,000 in a money market sweep account where the underlying securities were uninsured and held by the investment's counterparty, not in the name of the Corporation. These investments are collateralized by investments held by the money market account.

Credit Risk—Investments for each bond issue are those permitted by the various bond indentures and bond resolutions adopted by the Corporation, which also enable the underlying bonds to maintain their credit ratings. The investment activities are not subject to state statutes. As of June 30, 2023, the Corporation held investments in money market mutual funds rated AAA by Standard & Poor's or Fitch, and Aaa by Moody's Investors Service. The underlying investments of the Corporation's sweep accounts are invested in a money market mutual fund that is rated AAA by Standard & Poor's or Fitch, and Aaa by Moody's Investors Service. The Corporation's investments in Fannie Mae (FNMA) and Ginnie Mae (GNMA) securities are unrated and uninsured; however, the investment in FNMA securities are guaranteed to the MBS trust that the trust will have sufficient funds to ensure that investors will receive monthly payments of principal and interest, whether or not collected from the borrower, and

GNMA MBS are guaranteed by the full faith and credit of the federal government. The Corporation's remaining investments are uninsured and unrated.

Concentration of Credit Risk—The Corporation places no limit on the amount the Corporation may invest in any one issuer. More than 5% of the Corporation's investments are in GNMA MBS investments; these investments represent 93% of the Corporation's total investments as of June 30, 2023.

4. FAIR VALUE MEASUREMENTS

The Corporation categorizes their value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the investment or derivative instrument and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 - Unadjusted quoted prices for identical instruments in active markets

Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3- Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation.

Investments in short-term money market-type securities and certificates of deposit are reported at cost plus accrued interest, which approximates fair value.

Debt securities are comprised of investments in mortgage-backed securities (MBS) issued under U.S. Agencies (FNMA and GNMA). The MBS are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. Index-linked securities are valued by multiplying the external market price feed by the applicable day's Index Ratio. Level 2 securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

The following table summarizes Level 1, 2 and 3 financial assets and liabilities measured at fair value at June 30, 2023 in thousands):

	Fair Value June 30, 2023	Level 1	Level 2	Level 3
Investment Type				
Money market mutual funds	\$ 74,793	\$ -	\$ 74,793	\$ -
Negotiable Certificates of Deposit	65	-	65	-
U.S. agency mortgage-backed securities	<u>1,105,876</u>	<u>-</u>	<u>1,105,876</u>	<u>-</u>
Total	<u>1,180,734</u>	<u>-</u>	<u>1,180,734</u>	<u>-</u>
Derivatives				
Forward sale agreements	<u>\$ 515</u>	<u>\$ -</u>	<u>\$ 515</u>	<u>\$ -</u>
Total	<u>515</u>	<u>-</u>	<u>515</u>	<u>-</u>

5. BOND RESERVE FUNDS

A significant portion of investments in the Single-Family Bond Program Funds are held by trustees and are restricted as to use as required by the various bond resolutions (see Note 3). Such restricted assets are included in funds and accounts within the program funds as established by the bond resolutions. Such funds typically include, among others, bond proceed funds, revenue funds, recovery of principal funds, debt service funds, redemption funds, and asset accumulation funds.

In addition to the funds referred to above, the resolutions provide for a debt service reserve fund and, in some cases, a mortgage reserve fund or interest reserve fund. The reserve requirements are defined in the bond documents based on maximum annual debt service requirements or some percentage of bonds outstanding for the debt service reserve fund and some percentage of mortgages outstanding for the mortgage reserve fund.

As of June 30, 2023, these reserve requirements and the resulting related balance of investments was as follows (in thousands):

	Minimum Requirement	Balance
Single-Family Mortgage Bond Funds	<u>\$ 13,992</u>	<u>\$ 16,352</u>

6. LOANS RECEIVABLE

As of June 30, 2023, loans receivable consisted of the following (in thousands):

	Current Maturities	Long-Term Portion	Total
Single-Family Mortgage Purchase Funds	\$ 14,320	\$ 558,935	\$ 573,255
Multi-Family Risk Share Loan	14	984	998
Housing Development Funds	280	20,065	20,345
Allowance for loan losses	-	(4,886)	(4,886)
Total	<u>\$ 14,614</u>	<u>\$ 575,098</u>	<u>\$ 589,712</u>

The weighted-average mortgage rates for the loans receivable were as follows as of June 30, 2023:

Loan Type	Rate
Single-Family Mortgage Purchase Funds	5.33%
Multi-Family Risk Share Loan	5.39%
Housing Development Funds	2.32%

The Corporation issues bonds and note payables and applies the proceeds to fund the purchase of qualified loans originated from certified lenders. The receipt of payments from these loans is restricted principally for the purpose of paying the related principal and interest. Of the total loans receivable balance, \$290,335,000 of the single-family program loans are restricted under bond indentures or other debt agreements or are otherwise pledged as collateral for borrowings as of June 30, 2023.

The Corporation had no loans that have completed the foreclosure proceedings as of June 30, 2023 and are in the process of being conveyed to the Department of Housing and Urban Development. The amount would have been included in the Single-Family Mortgage Program Funds loans receivable.

7. LOANS SOLD WITH RISK OF REPURCHASE

During the year ended June 30, 2023, the Corporation sold no mortgage loans with full recourse to any financial institution. During the year ended June 30, 2023, the Corporation sold \$25,182,000 of mortgage loans with repurchase risk under the UBS Community Reinvestment Act (CRA) Agreement. As of June 30, 2023, the unpaid principal balance on loans sold with repurchase risk was \$48,822,000, of which \$48,747,000 is Federal Housing Administration (FHA) insured. Utah Housing Corporation repurchased 1 loan totaling \$60,000 in the FNMA program, 2 loans totaling \$723,000 in the UBS CRA program and 2 loans totaling \$358,000 in the American Express CRA program during the fiscal year.

During the year ended June 30, 2023, the Corporation sold no loans under the FNMA risk share program and \$27,993,000 under the FHLMC risk share program. Loans sold under this program bear repurchase risk during the first year upon occurrence of certain events. Utah Housing Corporation repurchased no loans in the FNMA or FHLMC risk share program during the fiscal year.

8. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets—not being depreciated—land	<u>\$ 1,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,472</u>
Total capital assets—not being depreciated	<u>\$ 1,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,472</u>
Capital assets—being depreciated:				
Buildings and improvements	5,814	-	-	5,814
Furniture and fixtures	669	20	-	689
Equipment	3,091	399	(201)	3,289
Vehicles	121	83	(65)	139
Subscriptions	<u>-</u>	<u>2,438</u>	<u>-</u>	<u>2,438</u>
Total capital assets being depreciated	<u>\$ 9,695</u>	<u>\$ 2,940</u>	<u>\$ (266)</u>	<u>\$ 12,369</u>
Less accumulated depreciation for:				
Buildings and improvements	(2,238)	(138)	-	(2,376)
Furniture and fixtures	(578)	(31)	-	(609)
Equipment	(2,363)	(267)	99	(2,531)
Vehicles	(121)	(1)	66	(56)
Subscriptions	<u>-</u>	<u>(823)</u>	<u>-</u>	<u>(823)</u>
Total accumulated depreciation	<u>\$ (5,300)</u>	<u>\$ (1,260)</u>	<u>\$ 165</u>	<u>\$ (6,395)</u>
Total capital assets—being depreciated—net	<u>\$ 4,395</u>	<u>\$ 1,680</u>	<u>\$ (101)</u>	<u>\$ 5,974</u>
Capital assets—net	<u>\$ 5,867</u>	<u>\$ 1,680</u>	<u>\$ (101)</u>	<u>\$ 7,446</u>

9. MORTGAGE LOAN SERVICING

The Corporation's mortgage servicing department serviced a total of 27,534 loans with unpaid principal balances of \$3,820,689,000 as of June 30, 2023. Escrow cash balances for these loans were \$35,252,000 at June 30, 2023. These escrow balances are not included in the accompanying financial statements.

During the year ended June 30, 2023, the Corporation purchased and capitalized loan servicing rights of \$10,040,000 for \$732,549,000 of loans, respectively. Mortgage servicing rights are capitalized at the time a loan is purchased and amortized over a 7-year useful life. The Corporation also amortized \$14,278,000 of servicing rights during the year ended June 30, 2023. Mortgage servicing rights (net of accumulated amortization) totaled \$30,348,000 on June 30, 2023.

During the year ended June 30, 2023 the Corporation issued 63 GNMA loan pools with security proceeds of \$626,659,000. Additionally, the Corporation was servicing 728 GNMA loan pools with an outstanding security balance of \$3,126,762,000 as of June 30, 2023.

Additionally, during the year ended June 30, 2023, the Corporation issued no FNMA securities under the FNMA risk share program. As of June 30, 2023, the Corporation was servicing \$47,629,000 of FNMA securities.

During the year ended June 30, 2023, the Corporation issued \$27,993,000 of FHLMC securities under the FHLMC HFA Advantage program and did not issue any FHLMC securities under the FHLMC risk share program. As of June 30, 2023, the Corporation was servicing \$51,808,000 of FHLMC securities.

10. REVOLVING CREDIT NOTES

The Corporation has revolving credit agreements with financial institutions for the acquisition of mortgage loans. As of June 30, 2023 the total amount available under existing agreements was \$250,000,000. The first revolving credit agreement is scheduled to mature on December 29, 2023, and the limit under this agreement is \$100,000,000. Interest paid on amounts drawn is calculated at one-month Secured Overnight Financing Rate (SOFR) plus 0.6%, with the one-month SOFR rate not to be less than 0.25%. The second agreement provides a commitment up to \$150,000,000 and is scheduled to mature on May 28, 2024. Interest paid on amounts drawn is calculated at the Applicable Treasury rate for seven-year obligations as published by Bloomberg Financial Services plus 0.6%, with the rate not to be less than 0%.

To be able to draw on the \$100,000,000 credit agreement described above, the Corporation must comply with certain financial covenants. As of June 30, 2023, the Corporation was in compliance with all covenants.

Total interest expense incurred on these revolving credit agreements for the year ended June 30, 2023 was \$0.

Changes in Line of Credit Payable—Short-term debt activity for the year ended June 30, 2023 was as follows (in thousands):

	Beginning Balance	Additions	Payments	Ending Balance
Line of Credit Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

11. LONG-TERM DEBT

Single-Family Mortgage Purchase Bonds—Bonds payable in each series or issue generally consist of both serial and/or term bonds maturing at annual, semiannual, or monthly intervals. Outstanding principal on bonds payable (excluding unamortized premium) consisted of the following at June 30, 2023 (in thousands):

Bond Issue	Interest Rate Range	Final Maturity Date	Outstanding Fixed
2009 Series C	4.500%-5.00%	2031	230
2010 Series A	4.250%-4.950%	2032	145
2010 Series B	4.000%-4.625%	2034	2,510
2011 Series A	4.750%-5.750%	2033	490
2012 Series C	2.050%-2.850%	2039	465
2013 Series C	2.150%-2.150%	2043	430
2013 Series D	2.050%-2.050%	2043	437
2013 Series E	2.200%-2.200%	2041	4,745
2013 Series F	3.100%-3.100%	2043	912
2013 HOMES Series A	4.000%-4.000%	2043	262
2013 Series G	2.650%-2.650%	2043	143
2014 Series A	2.900%-2.900%	2044	1,020
2014 HOMES Series A	3.500%-3.500%	2044	629
2014 HOMES Series B	3.500%-3.500%	2044	411
2014 Series B	2.850%-2.850%	2044	1,127
2014 HOMES Series C	3.500%-3.500%	2044	764
2014 HOMES Series D	4.000%-4.000%	2044	131
2014 HOMES Series E	3.500%-3.500%	2044	1,227
2014 HOMES Series F	3.500%-3.500%	2044	2,423
2014 HOMES Series G	3.500%-3.500%	2044	905
2014 HOMES Series H	3.500%-3.500%	2044	1,876
2014 HOMES Series I	3.500%-3.500%	2044	1,068
2014 HOMES Series J	3.500%-3.500%	2044	829
2014 Series C	2.700%-2.700%	2044	1,814
2015 HOMES Series A	3.500%-3.500%	2045	1,342
2015 HOMES Series B	3.500%-3.500%	2045	930
2015 HOMES Series C	3.500%-3.500%	2045	975
2015 Series A	2.200%-2.200%	2041	2,380
2015 HOMES Series D	3.500%-3.500%	2045	1,714
2015 HOMES Series E	3.500%-3.500%	2045	2,962
2015 HOMES Series F	3.500%-3.500%	2045	2,952
2015 Series B	2.500%-2.500%	2045	3,862
2015 HOMES Series G	3.500%-3.500%	2045	3,551
2015 HOMES Series H	3.500%-3.500%	2045	1,243
2015 TEMS Series A	3.500%-3.500%	2045	768
2015 Series C	2.700%-2.700%	2045	1,842
2015 TEMS Series B	3.500%-3.500%	2045	1,683
2015 TEMS Series C	3.500%-3.500%	2045	2,824
2015 Series D	2.650%-4.000%	2045	29,020
2016 Series A	2.650%-2.650%	2046	3,328
2016 TEMS Series A	3.500%-3.500%	2046	1,410
2016 TEMS Series B	3.500%-3.500%	2046	908
2016 TEMS Series C	3.000%-3.000%	2046	1,089

(Continued)

Bond Issue	Interest Rate Range	Final Maturity Date	Outstanding Fixed
2016 TEMS Series D	3.000%-3.000%	2046	4,025
2016 TEMS Series E	3.500%-3.500%	2046	3,239
2016 TEMS Series F	3.000%-3.000%	2046	2,484
2016 TEMS Series G	3.500%-3.500%	2046	3,116
2016 TEMS Series H	3.000%-3.000%	2046	2,776
2016 TEMS Series I	3.500%-3.500%	2046	1,049
2016 TEMS Series J	3.000%-3.000%	2046	2,459
2016 TEMS Series K	3.000%-3.000%	2046	5,030
2016 TEMS Series L	3.000%-3.000%	2046	6,976
2016 TEMS Series M	3.000%-3.000%	2046	7,141
2016 Series B	2.170%-2.170%	2047	2,483
2016 TEMS Series N	3.000%-3.000%	2046	8,241
2017 TEMS Series A	3.000%-3.000%	2047	3,264
2017 TEMS Series B	3.500%-3.500%	2047	3,144
2017 TEMS Series C	3.500%-3.500%	2047	5,161
2017 TEMS Series D	3.500%-3.500%	2047	1,895
2017 Series A	2.800%-2.800%	2047	4,344
2017 TEMS Series E	3.500%-3.500%	2047	2,393
2017 TEMS Series F	3.500%-3.500%	2047	2,475
2017 TEMS Series G	3.500%-3.500%	2047	2,863
2017 TEMS Series H	3.500%-3.500%	2047	4,380
2017 TEMS Series I	3.500%-3.500%	2047	3,546
2017 TEMS Series J	3.500%-3.500%	2047	3,688
2017 TEMS Series K	3.500%-3.500%	2047	2,084
2017 TEMS Series L	3.500%-3.500%	2047	3,372
2017 TEMS Series M	3.500%-3.500%	2047	3,370
2017 Series B	2.690%-2.690%	2048	2,685
2018 TEMS Series A	3.500%-3.500%	2048	3,409
2018 TEMS Series B	3.500%-3.500%	2048	4,700
2018 TEMS Series C	4.000%-4.000%	2048	1,024
2018 TEMS Series D	4.000%-4.000%	2048	2,608
2018 Series A	3.450%-3.450%	2048	3,910
2018 TEMS Series E	4.000%-4.000%	2048	957
2018 TEMS Series F	4.000%-4.000%	2048	4,611
2018 TEMS Series G	4.500%-4.500%	2048	5,094
2018 TEMS Series H	4.500%-4.500%	2048	4,205
2018 TEMS Series I	4.500%-4.500%	2048	6,036
2018 Series B	3.820%-3.820%	2049	5,192
2018 TEMS Series J	4.500%-4.500%	2048	2,720
2019 TEMS Series A	4.500%-4.500%	2049	4,653
2019 TEMS Series B	4.500%-4.500%	2049	5,758
2019 TEMS Series C	4.500%-4.500%	2049	3,771
2019 TEMS Series D	4.500%-4.500%	2049	4,380
2019 TEMS Series E	4.500%-4.500%	2049	4,770
2019 TEMS Series F	4.500%-4.500%	2049	6,009
2019 TEMS Series G	4.500%-4.500%	2049	6,555
2019 TEMS Series H	4.500%-4.500%	2049	6,664
2019 TEMS Series I	4.000%-4.000%	2049	6,563
2019 Series A	2.150%-3.875%	2050	49,020
2019 TEMS Series J	3.500%-3.500%	2049	10,295

(Continued)

Bond Issue	Interest Rate Range	Final Maturity Date	Outstanding Fixed
2019 TEMS Series K	3.500%-3.500%	2049	12,251
2019 TEMS Series L	3.500%-3.500%	2049	4,161
2019 Series B	2.600%-2.600%	2050	10,097
2020 TEMS Series A	3.500%-3.500%	2050	11,666
2020 TEMS Series B	3.500%-3.500%	2050	9,960
2020 TEMS Series C	3.500%-3.500%	2050	10,138
2020 Series A	2.150%-2.150%	2050	5,099
2020 TEMS Series D	3.000%-3.000%	2050	9,555
2020 TEMS Series E	3.000%-3.000%	2050	13,429
2020 TEMS Series F	2.500%-2.500%	2050	38,296
2020 TEMS Series G	2.500%-2.500%	2050	30,268
2020 Series B	1.600%-1.600%	2051	8,320
2021 TEMS Series A	2.500%-2.500%	2051	18,382
2021 TEMS Series B	2.500%-2.500%	2051	22,656
2021 TEMS Series C	2.500%-2.500%	2051	10,411
2021 TEMS Series D	2.000%-2.000%	2051	15,464
2021 TEMS Series E	2.000%-2.000%	2051	35,936
2021 TEMS Series F	2.500%-2.500%	2051	32,873
2021 TEMS Series G	2.500%-2.500%	2051	44,758
2021 Series A	1.850%-1.850%	2051	9,793
2021 TEMS Series H	2.500%-2.500%	2051	48,796
2021 TEMS Series I	2.500%-2.500%	2051	46,434
2021 TEMS Series J	2.500%-2.500%	2051	52,449
2021 TEMS Series K	2.500%-2.500%	2051	51,581
2021 TEMS Series L	2.500%-2.500%	2051	42,092
2021 TEMS Series M	2.500%-2.500%	2051	46,099
2021 Series B	1.850%-1.850%	2052	30,154
2022 TEMS Series A	3.000%-3.000%	2052	31,883
2022 TEMS Series B	2.500%-2.500%	2052	17,058
2022 TEMS Series C	3.000%-3.000%	2052	28,382
2022 TEMS Series D	3.000%-3.000%	2052	21,361
2022 TEMS Series E	3.500%-3.500%	2052	17,586
2022 TEMS Series F	4.500%-4.500%	2052	14,278
2022 Series A	4.125%-4.125%	2052	24,100
2022 Series B	4.125%-4.125%	2052	17,295
2022 TEMS Series G	5.000%-5.000%	2052	29,443
2022 TEMS Series H	5.000%-5.000%	2052	25,491
2022 TEMS Series I	5.000%-5.000%	2052	25,000
2022 TEMS Series J	5.000%-5.000%	2052	21,266
2022 TEMS Series K	4.500%-4.500%	2052	11,917
2022 TEMS Series L	5.000%-5.000%	2052	10,066
2022 TEMS Series M	5.500%-5.500%	2052	12,746
2022 TEMS Series N	6.000%-6.000%	2052	14,262
2022 TEMS Series O	6.500%-6.500%	2052	11,015
2023 Series A	5.250%-5.250%	2053	31,000
2023 TEMS Series A	6.500%-6.500%	2053	14,495
2023 TEMS Series B	6.000%-6.000%	2053	10,931
2023 TEMS Series C	5.500%-5.500%	2053	16,265
2023 TEMS Series D	6.500%-6.500%	2053	13,981
2023 TEMS Series E	6.000%-6.000%	2053	14,824

Single-Family Mortgage Purchase
Bonds Total

\$ 1,446,126

(Concluded)

All of the above described bonds are subject to early redemption after various dates at prices ranging from par to 105% of par.

Interest on the single-family bonds is payable semiannually. Principal and interest for Home Ownership Mortgage-backed Exempt Securities (HOMES) and TEMS Series are paid monthly based on receipts from the underlying pass-through security.

Of the bonds described in the bonds payable listing, \$225,997,000 is not excluded from gross income for federal income tax purposes and is, therefore, taxable. Also, there are \$925,000 Class II bonds and \$29,180,000 of Class III bonds. The Class III bonds carry the Corporation's general obligation rating of AA.

As of June 30, 2023, there was no variable rate debt outstanding.

Annual sinking fund payments are generally required for all bonds during years with no annual maturities. The assets of each bond or group of bonds (indenture) listed above are pledged for the payment of principal and interest on the bonds issued and to be issued by the respective programs.

Scheduled amounts of future debt service requirements for the single-family bond issues (both fixed and variable rate), including principal maturities and sinking fund requirements for the years subsequent to June 30, 2023, are as follows (in thousands):

Years Ending June 30	Principal Amount	Interest Amount	Total
2024	\$ 256,242	\$ 48,823	\$ 305,065
2025	264,193	40,780	304,973
2026	202,329	31,932	234,261
2027	187,178	25,169	212,347
2028-2032	171,149	19,094	190,243
2033-2037	193,208	42,863	236,071
2038-2042	42,886	27,323	70,209
2043-2047	46,415	20,256	66,671
2048-2052	48,029	11,724	59,753
2053-2054	34,497	3,620	38,117
Total	\$ 1,446,126	\$ 271,584	\$ 1,717,710

Changes in Long-Term Debt—Long-term debt activity (including current portions of long-term debt) for the year ended June 30, 2023 was as follows (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Single-family mortgage purchase bonds	\$ 1,318,097	\$ 282,275	\$ (154,246)	\$ 1,446,126	\$ 256,242
Premium on bonds	52,309	5,724	(5,460)	52,573	11,448
Total bonds payable	1,370,406	287,999	(159,706)	1,498,699	267,690
Notes payable	\$ 25,655	\$ 26,181	\$ (3,686)	\$ 48,150	\$ 19,881
Total long-term debt	<u>\$ 1,396,061</u>	<u>\$ 314,180</u>	<u>\$ (163,392)</u>	<u>\$ 1,546,849</u>	<u>\$ 287,571</u>

Total interest expense incurred on long-term debt for the year ended June 30, 2023 was \$39,728,000 none of which was capitalized.

Under the Internal Revenue Code, arbitrage earnings on certain bond issues may be subject to rebate. At June 30, 2023 there was no estimated arbitrage rebates payable. Any expense or changes in the accrual for the year ended June 30, 2023, was included with interest income on cash and investments on the statement of revenues, expenses, and changes in net position.

12. CONDUIT DEBT

The Corporation has issued Multi-Family Mortgage Purchase Bonds as conduit debt obligations for the purpose of providing capital financing for third party affordable housing projects that are not a part of the Corporation. The Corporation is not obligated in any manner for repayment of the conduit debt.

The Corporation has not included the activity of these bonds in the financial statements for the current year. Conduit debt outstanding consisted of the following issues at June 30, 2023 (in thousands):

<u>Bond Issue</u>	<u>Interest Rate Range</u>	<u>Final Maturity Date</u>	<u>Outstanding</u>		<u>Total</u>
			<u>Fixed</u>	<u>Variable</u>	
2005 A Series, Boyer Hill Military Housing	5.392% - 5.442%	2050	\$ 35,980	\$ -	\$ 35,980
2006 A-1 & B-1 Series, Liberty Commons	5.590% - 6.500%	2041	13,828	-	13,828
2010 A Series, Liberty Peak	2.250% - 4.250%	2028	12,235	-	12,235
2010 A Series, Providence Place	3.010% - 3.010%	2052	8,380	-	8,380
2009 A Series, Fireclay II	2.400% - 4.000%	2051	22,010	-	22,010
2011 A Series, Fireclay II	2.400% - 4.000%	2051	915	-	915
2012 B Series, Beacon Hill	1.000% - 3.400%	2030	15,545	-	15,545
2014 Series, Enclave	Variable weekly rate	2047	-	16,632	16,632
2015 Series Lofts 616	4.210% - 4.210%	2036	24,911	-	24,911
2016 Series A&B Boulder	3.730% - 9.500%	2046	28,125	-	28,125
2016 Series A&B Veranda West	3.740% - 5.100%	2049	25,046	-	25,046
2016 Series Artesian Springs	3.990% - 3.990%	2033	12,000	-	12,000
2016 Series A&B Pleasant View III	4.520% - 5.360%	2049	13,762	-	13,762
2016 Series Granary Place	4.890% - 4.890%	2050	10,056	-	10,056
2017 Series Boulder Pines	1.200% - 9.500%	2047	2,750	-	2,750
2017 Series Arcadia	4.840% - 4.840%	2050	19,627	-	19,627
2017 Series Moda Meadowbrook Apts	4.860% - 4.860%	2050	12,662	-	12,662
2017 Series Garden Lofts	4.660% - 4.660%	2051	27,300	-	27,300
2018 Series Osmond/Normandie	Variable monthly rate	2039	-	8,123	8,123
2019 Series Exchange A	Variable monthly rate	2039	-	14,000	14,000
2019 Series A&B Triview III/Red Rocks At Sienna	5.00% - 6.25%	2062	31,435	-	31,435
2019 Series Jordan Bluffs	Variable daily rate	2036	-	23,000	23,000
2019 Series Exchange B	Variable monthly rate	2038	-	11,195	11,195
2019 Series Arcadia II	Variable monthly rate	2037	-	23,500	23,500
2019 Series Moda Union	Variable daily rate	2039	-	23,669	23,669
2020 Series Jackson Series A	3.360% - 3.360%	2037	11,117	-	11,117
2020 Series Moda Glenwood	Variable monthly rate	2053	-	25,000	25,000
2020 Series A&B Meadows At Homestead	Variable monthly rate	2053	-	21,868	21,868
2020 American Fork Affordable	Variable monthly rate	2037	-	30,000	30,000
2020 North Logan/The Meadows Apts	Variable monthly rate	2053	-	22,335	22,335
2020 255 South State Street Series A	5.000% - 5.000%	2040	31,000	-	31,000
2020 255 South State Street Series B	5.000% - 5.000%	2040	3,100	-	3,100
2022 255 South State Street Series	8.950% - 8.950%	2025	3,500	-	3,500

(Continued)

<u>Bond Issue</u>	<u>Interest Rate Range</u>	<u>Final Maturity Date</u>	<u>Outstanding Fixed</u>	<u>Outstanding Variable</u>	<u>Total</u>
2021 1700 South Affordable	Variable monthly rate	2040	-	29,186	29,186
2021 River Rock Series A&B	5.100%-5.100%	2065	35,000	-	35,000
2021 River Rock Series C	6.00% - 6.00%	2038	1,500	-	1,500
2021 Wall & 17th Affordable ABC	Variable monthly rate	2039	-	17,300	17,300
2021 Lotus Anthem	Variable monthly rate	2054	-	27,700	27,700
2021 Village At North Station	Variable monthly rate	2056	-	71,256	71,256
2021 85 North P2 Apts	3.500% - 3.500%	2024	3,984	-	3,984
2021 New City Plaza	3.500% - 3.500%	2025	34,836	-	34,836
2022 New City Plaza	3.500% - 3.500%	2025	1,957	-	1,957
2021 Alta Vue	Variable Daily rate	2041	-	18,748	18,748
2021 Series A&B Richfield Apts	Variable Daily rate	2041	-	15,634	15,634
2021 Lotus Riverwalk Apts	Variable monthly rate	2055	-	16,700	16,700
2022 Fellowship Manor	2.00% - 2.00%	2024	12,031	-	12,031
2022 Three Link	2.00% - 2.00%	2024	14,177	-	14,177
2022 Midshore Manor	3.72% - 3.72%	2039	11,363	-	11,363
2022 Jackson Station	4.450% - 4.450%	2065	23,280	-	23,280
2022 Moda Shoreline	4.000% - 4.000%	2025	31,855	-	31,855
2022 Spark	Variable monthly rate	2042	-	224	224
2022 144 South Apt	Variable monthly rate	2042	-	-	-
2022 Lotus II Riverwalk Apts	Variable monthly rate	2055	-	11,940	11,940
2023 The Nest at Rio Grande Apt	Variable monthly rate	2044	-	50	50
			<u>\$ 535,267</u>	<u>\$ 428,060</u>	<u>\$ 963,327</u>

(Concluded)

13. NOTES PAYABLE

Single Family—The Corporation has entered into several different agreements with financial institutions to provide a source of capital for the purchase of single-family mortgage loans. Under the terms of these agreements, the Corporation is obligated to make a scheduled monthly principal and interest payment based on the Applicable Treasury rate for seven-year obligations as published by Bloomberg Financial Services, plus any principal curtailments received on the underlying loans receivable. The rates applicable to the outstanding balance as of June 30, 2023, ranged from 2.070% to 5.220%.

As of June 30, 2023, there are \$46,961,000 of single-family loans receivable pledged to provide the corresponding principal and interest payments related to these agreements. Payments made under these agreements will occur until the maturity of the underlying loans receivable mature or are paid in full.

There was \$176,489,000 of available capital under the existing agreements as of June 30, 2023.

Multifamily—The Corporation has entered into an agreement with Federal Financing Bank (FFB) to provide a source of capital for the purchase of certificates of participation of multi-family mortgage loans. Under the terms of these agreements, the Corporation is obligated to make a scheduled monthly principal and interest payment based on the loan agreement entered for thirty years, plus any principal curtailments received on the underlying loans receivable. The rates applicable to the outstanding balance as of June 30, 2023 was 5.390%.

As of June 30, 2023, there are \$998,000 of multi-family loans receivable pledged to provide the corresponding principal and interest payments related to these agreements. Payments made under these agreements will occur until the maturity of the underlying loans receivable mature or are paid in full.

The future expected debt service payments as of June 30, 2023, are as follows (in thousands):

Years Ending June 30	Principal Amount	Interest Amount	Total
2024	\$ 19,881	\$ 1,815	\$ 21,696
2025	6,415	1,248	7,663
2026	4,632	1,009	5,641
2027	4,826	815	5,641
2028	3,656	612	4,268
2029-2033	7,922	815	8,737
2034-2038	132	204	336
2039-2043	173	163	336
2044-2048	227	110	337
2049-2053	<u>286</u>	<u>39</u>	<u>325</u>
Total	<u>\$ 48,150</u>	<u>\$ 6,830</u>	<u>\$ 54,980</u>

14. DERIVATIVE INSTRUMENTS

The Corporation has entered into derivative instruments to hedge against interest rate or cash flow risks, forward sales commitments on MBSs.

A summary of derivative instruments as of June 30, 2023 is as follows (in thousands):

	Notional Amount	Fair Market Value
Forwards	<u>\$ (144,878)</u>	<u>\$ 515</u>

Forward Sales Contracts—Forward sales securities commitments and private sales commitments are utilized to hedge changes in fair value of mortgage loan inventory and commitments to originate mortgage loans. At June 30, 2023, the Corporation had executed 92 forward transactions with a \$144,878,000 notional amount and a \$515,000 fair market value for GNMA, and FHLMC securities. The forward sales were settled on August 21, 2023.

Credit Risk—Several of the Corporation’s forward agreements require it to post collateral in the event that the fair market value of the contract has decreased. The Corporation did not have any collateral posted with a counterparty as of June 30, 2023.

The following is a summary of the forward commitments entered into as of June 30, 2023 (in thousands):

Count	Par	Exposure	Original Premium	June 30, 2023 Premium	Fair Value
7	\$ (12,000)	8 %	\$ 26	\$ 34	\$ (8)
12	(21,000)	15 %	354	255	99
26	(36,000)	25 %	384	279	105
11	(13,500)	9 %	-	(80)	80
1	(13,378)	9 %	217	79	138
2	(2,000)	1 %	-	(10)	10
18	(25,500)	18 %	268	224	44
15	<u>(21,500)</u>	<u>15 %</u>	<u>304</u>	<u>257</u>	<u>47</u>
Total	<u>\$ (144,878)</u>	<u>100 %</u>	<u>\$ 1,553</u>	<u>\$ 1,038</u>	<u>\$ 515</u>

15. SUBSCRIPTION BASED TECHNOLOGY ARRANGEMENTS (SBITAS)

The Corporation contracts with vendors under SBITAs with non-cancelable terms of one year or more. For these, the corporation recognizes a Subscription liability at the present value of payments expected to be made during the subscription term based off contract fixed costs or the contractual minimum of the variable costs as these are assumed to be “fixed in substance”. The subscription payments were discounted using the estimated incremental borrowing rate for each contract. The Corporation also recognizes a subscription asset based on the initial measurement of the subscription liability and that asset is amortized over the subscription term, the subscription asset at June 30, 2023 was \$2,438,000 and the accumulated amortization was \$823,000 (see Note 8).

Variable payments that were not fixed in substance (i.e. subject to contractual minimums) were not included in the SBITA calculations. Total expenses related to these variable payments were \$331,000 during the year ended June 30, 2023.

Scheduled payments of future Subscription liability calculations, including principal and interest requirements are as follows (in thousands):

Years Ending June 30	Principal Amount	Interest Amount	Total
2024	\$ 786	\$ 36	\$ 822
2025	632	15	647
2026	<u>116</u>	<u>1</u>	<u>117</u>
Total	<u>\$ 1,534</u>	<u>\$ 52</u>	<u>\$ 1,586</u>

Subscription liability activity for the year ended June 30, 2023 was as follows (in thousands):

Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
\$ -	\$ 2,444	\$ (910)	\$ 1,534	\$ 786

During the fiscal year, there were commitments under SBITAs that started prior to the commencement of the subscription period which resulted in expense totaling of \$68,000. The Corporation did not incur any termination penalties, other payments, or impairment losses for any of its SBITAs during the fiscal year.

16. RETIREMENT PLANS

Plan Description—Eligible plan participants are provided with pensions through the Utah Retirement Systems that are comprised of the following Pension Trust Funds:

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (“Noncontributory System”) is a multiple employer, cost-sharing, retirement system.
- Public Employees Contributory Retirement System (“Contributory System”) is a multiple employer, cost-sharing, retirement system.
- Tier 2 Public Employees Contributory Retirement System (“Tier 2 Public Employees System”) is a multiple employer, cost-sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the URS are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotate 1953, as amended. The Systems’ defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S., Salt Lake City, UT 84102 or visiting the website at <https://www.urs.org/general/publications>.

URS provides retirement, disability, and death benefits. Retirement benefits available to all full-time employees (working 30 hours or more) are as follows:

Summary of Benefits by System

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent per Year of Service	COLA**
Noncontributory System	Highest three years	30 years, any age 25 years, any age* 20 years, age 60* 10 years, age 62* Four years, age 65	2.0% per year all years	Up to 4%
Contributory System	Highest five years	30 years, any age 25 years, any age* 20 years, age 60* 10 years, age 62* Four years, age 65	1.25% per year to June 1975 2.00% per year July 1975 to present	Up to 4%
Tier 2 Public Employees System	Highest five years	35 years, any age 20 years, age 60* 10 years, age 62* Four years, age 65	1.5% per year all years	Up to 2.5%

* Actuarial reductions are applied.

** All postretirement cost-of-living adjustments (COLA) are non-compounding and are based on the original benefit, except for Judges, which is a compounding benefit. The COLA are also limited to the actual consumer price index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Contributions

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2023 are as follows:

System	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer Rate 401(k) plan
Contributory System:				
12—State and School Division Tier 1	N/A	6.00%	17.70%	N/A
112—State and School Division Tier 2***	N/A	N/A	19.84%	0.18%
Noncontributory System—				
16—State and School Division Tier 1	N/A	N/A	22.19%	1.50%
Tier 2 DC Only				
212—State and School	N/A	N/A	10.02%	10.00%

***Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 Plans.

For fiscal year ended June 30, 2023, the employer and employee contributions to the Systems were as follows (in thousands):

System	2023	
	Employer Contributions	Employee Contributions
Noncontributory System	\$ 865	N/A
Contributory System	82	-
Tier 2 Public Employees System	751	-
Tier 2 DC Only System	141	-
Total Contributions	\$ 1,839	-

Contributions reported are the URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems. There were no employee contributions made during the year ended June 30, 2023.

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

At June 30, 2023, the Corporation reported a net pension asset of \$0 and a net pension liability of \$4,642,000.

System	(Measurement Date): December 31, 2022 (in thousands)				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share 31-Dec-21	Change (Decrease)
Noncontributory System	\$ -	\$ 3,829	0.1773396%	1.7879860%	(0.0014590)%
Contributory System	-	637	4.8756941%	5.3588744%	(0.4831770)%
Tier 2 Public Employees System	-	176	0.1615999%	1.5216610%	(0.0093434)%
Total net pension asset/liability	-	\$ 4,642			

The net pension asset and liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2022 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2023 the Corporation recognized pension expense of \$2,250,000.

At June 30, 2023, the Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 726	\$ 7
Changes in assumptions	276	-
Net difference between projected and actual earning on pension plan investments	- 857	- -
Changes in proportion and differences between contributions and proportionate share of contributions	- 47	- 13
Contributions subsequent to the measurement date	<u>882</u>	<u>-</u>
Total	<u>\$ 2,788</u>	<u>\$ 20</u>

There was \$882,000 reported as deferred outflows of resources related to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Year Ended December 31	Net Deferred Outflows (Inflows) of Resources
2023	\$ (568)
2024	(46)
2025	465
2026	1,962
2027	15
Thereafter	<u>58</u>
Total	<u>\$ 1,886</u>

Actuarial Assumptions

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.25%–9.25%, average, including inflation
Investment rate of return	6.85%, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2020. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019

improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2022, valuation were based on an experience study of the demographic assumptions as of January 1, 2020 and a review of economic assumptions as of January 1, 2022.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		Long-Term
	Target Asset Allocation	Real Return Arithmetic Basis	Expected Portfolio Real Rate of Return
Equity securities	35.00 %	6.58 %	2.30 %
Debt securities	20.00 %	1.08 %	0.22 %
Real assets	18.00 %	5.72 %	1.03 %
Private equity	12.00 %	9.80 %	1.18 %
Absolute return	15.00 %	2.91 %	0.44 %
Cash and cash equivalents	<u>0.00%</u>	(0.11)%	<u>0.00%</u>
Totals	<u>100 %</u>		<u>5.17 %</u>
Inflation			<u>2.50 %</u>
Expected arithmetic nominal return			<u>7.67 %</u>

The 6.85% assumed investment rate of return is composed of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount Rate

The discount rate used to measure the total pension liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate.

Sensitivity of the proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.85%) or one percentage point higher (7.85%) than the current rate (in thousands):

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 9,571	\$ 3,829	\$ (975)
Contributory System	3,365	637	(1,711)
Tier 2 Public Employees System	<u>769</u>	<u>176</u>	<u>(281)</u>
Proportionate share of net pension liability/(asset)	<u>\$ 13,705</u>	<u>\$ 4,642</u>	<u>\$ (2,967)</u>

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b), and 408 of the Internal Revenue code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

The Corporation participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan
- Roth IRA Plan
- Traditional IRA Plan

In addition to the required contributions shown above, the Corporation contributes an additional 1.5% to the Tier 2 employees 401(k) Plans. The Corporation's employee and employer contributions to the Utah Retirement Define Contribution Savings Plans for the fiscal year ended June 30, 2023 were as follows (in thousands):

	2023	2022	2021
401(k) Plan			
Employer Contributions	\$ 348	\$ 31	\$ 251
Employee Contributions	289	275	234
457 Plan			
Employee Contributions	127	37	62
Roth IRA Plan			
Employee Contributions	72	57	60
Traditional IRA Plan			
Employee Contributions	2	2	-

17. COMMITMENT AND CONTINGENCY

As of June 30, 2023 the Corporation is committed to purchase mortgages under the warehouse loans and the single-family programs in the amount of \$101,548,000. These mortgage commitments will be funded through cash and cash equivalents or revolving credit agreements and are expected to be purchased by the end of September 2023.

18. UNRESTRICTED NET POSITION DESIGNATIONS

The Corporation's board and management have designated the unrestricted net positions of the Operating Fund and Single-Family Program Funds for the following purposes at June 30, 2023 (in thousands):

Future operating expenses	\$ 35,676
Down payment assistance	25,000
Debt service shortfall and maintenance of bond ratings	<u>277,321</u>
Total	<u>\$ 337,997</u>

These designations are reviewed annually by the Corporation's board and management as to amount and purpose.

19. DIVERSITY OF CREDIT RISK

The Corporation purchases mortgage loans secured by residences located throughout the State of Utah. Loans are diversified geographically in approximate proportion to population dispersion.

Guidelines affecting diversity of risk have been established by Corporation management, mortgage insurers, and bond rating agencies in order to minimize losses in the event that certain projects, geographic areas, or industrial sectors within the state may be adversely affected by natural or economic disaster.

20. RELATED-PARTY TRANSACTIONS

At June 30, 2023 the Corporation had \$221,592,000 in cash held in an investment pool maintained by the Utah State Treasurer and had earned interest income for the year ended of \$8,208,000. During the year ended June 30, 2023 the Corporation recorded expenses of \$4,814,000 in the General Operating Fund for retirement plans and health insurance expenses paid to the State of Utah or agencies thereof.

The Act prohibits any member or employee of the Corporation from participating in any action by the Corporation authorizing a transaction to which the member or employee of the Corporation has or will have a direct or indirect interest, unless it is disclosed in a public meeting.

21. SUBSEQUENT EVENTS

Subsequent to June 30, 2023, the Corporation has issued bonds as outlined below (in thousands):

Issuance Description	Delivery Date	Tax Exempt	Taxable
2023 TEMS Series F	7/20/2023	\$ 13,376	\$ -
2023 TEMS Series G	8/21/2023	22,630	-
2023 TEMS Series H	9/21/2023	20,257	-
2019 Indenture Series 2023 A	9/20/2023	43,280	-
2019 Indenture Series 2023 B-1	9/20/2023	-	29,970
2019 Indenture Series 2023 B-2	9/20/2023	-	41,985
		<u>\$ 99,543</u>	<u>\$ 71,955</u>

* * * * *

REQUIRED SUPPLEMENTAL INFORMATION

UTAH HOUSING CORPORATION

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE YEAR ENDED JUNE 30, 2023

	Date	Noncontributory System	Contributory System	Tier 2 Public Employees System
Proportion of the net pension liability	12/31/2015	0.1545306 %	1.5236271 %	0.1707590 %
	12/31/2016	0.1578277 %	1.9000816 %	0.1726572 %
	12/31/2017	0.1590519 %	2.4067297 %	0.1738736 %
	12/31/2018	0.1650161 %	2.9113361 %	0.1706223 %
	12/31/2019	0.1735812 %	5.1233160 %	0.1684787 %
	12/31/2020	0.1778494 %	6.3690803 %	0.1688820 %
	12/31/2021	0.1787986 %	5.3588711 %	0.1521661 %
	12/31/2022	0.1773396 %	4.8756941 %	0.1615999 %
	Proportionate share of net pension (asset) liability	12/31/2015	\$ 4,854,000	\$ 955,000
12/31/2016		\$ 5,115,000	\$ 1,041,000	\$ 19,000
12/31/2017		\$ 3,889,000	\$ 158,000	\$ 15,330
12/31/2018		\$ 6,139,000	\$ 2,067,000	\$ 73,074
12/31/2019		\$ 3,856,000	\$ 354,000	\$ 38,000
12/31/2020		\$ 2,371,000	\$ (1,515,000)	\$ 24,000
12/31/2021		\$ (1,221,000)	\$ (4,826,000)	\$ (64,000)
12/31/2022		\$ 3,829,000	\$ 637,000	\$ 176,000
Covered-employee payroll		12/31/2015	\$ 3,953,000	\$ 483,000
	12/31/2016	\$ 3,993,000	\$ 509,000	\$ 1,416,000
	12/31/2017	\$ 3,934,000	\$ 548,000	\$ 1,702,000
	12/31/2018	\$ 4,093,000	\$ 565,000	\$ 1,993,000
	12/31/2019	\$ 3,800,000	\$ 572,000	\$ 2,341,000
	12/31/2020	\$ 3,769,000	\$ 614,000	\$ 2,701,000
	12/31/2021	\$ 3,864,000	\$ 454,000	\$ 2,824,000
	12/31/2022	\$ 3,725,000	\$ 320,000	\$ 3,519,000
	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	12/31/2015	122.79 %	197.82 %
12/31/2016		128.09 %	204.41 %	1.36 %
12/31/2017		98.86 %	28.92 %	0.90 %
12/31/2018		150.00 %	365.84 %	3.67 %
12/31/2019		101.48 %	61.88 %	1.62 %
12/31/2020		62.90 %	(246.61)%	0.90 %
12/31/2021		(31.62)%	(1,063.88)%	(2.28)%
12/31/2022		102.72 %	199.04 %	5.00 %
Plan fiduciary net position as a percentage of the total pension plan liability		12/31/2015	84.50 %	92.40 %
	12/31/2016	84.90 %	93.40 %	95.10 %
	12/31/2017	89.20 %	99.20 %	97.40 %
	12/31/2018	84.10 %	91.40 %	90.80 %
	12/31/2019	90.10 %	98.90 %	96.50 %
	12/31/2020	94.30 %	103.70 %	98.30 %
	12/31/2021	102.70 %	114.10 %	103.80 %
	12/31/2022	91.60 %	97.90 %	92.30 %

UTAH HOUSING CORPORATION

SCHEDULE OF CONTRIBUTIONS FOR THE YEAR ENDED JUNE 30, 2023

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered Payroll	Contributions as a percentage of covered employee payroll
Noncontributory System	2015	\$ 818,000	\$ 818,000	\$ -	\$ 3,807,000	21.49%
	2016	857,000	857,000	-	3,993,000	21.46%
	2017	847,000	847,000	-	3,955,000	21.42%
	2018	859,000	859,000	-	4,021,000	21.36%
	2019	866,000	866,000	-	4,046,000	21.40%
	2020	846,000	846,000	-	3,812,000	22.19%
	2021	832,000	832,000	-	3,749,000	22.19%
	2022	810,000	810,000	-	3,654,000	22.17%
	2023	865,000	865,000	-	3,897,000	22.20%
Contributory System	2015	82,000	82,000	-	465,000	17.63%
	2016	87,000	87,000	-	493,000	17.65%
	2017	94,000	94,000	-	532,000	17.67%
	2018	99,000	99,000	-	560,000	17.68%
	2019	103,000	103,000	-	584,000	17.64%
	2020	106,000	106,000	-	601,000	17.64%
	2021	105,000	105,000	-	596,000	17.62%
	2022	54,000	54,000	-	306,000	17.65%
	2023	62,000	62,000	-	348,000	17.82%
Tier 2 Public Employees System*	2015	186,000	186,000	-	1,018,000	18.27%
	2016	231,000	231,000	-	1,264,000	18.28%
	2017	282,000	282,000	-	1,544,000	18.26%
	2018	344,000	344,000	-	1,866,000	18.44%
	2019	398,000	398,000	-	2,113,000	18.84%
	2020	500,000	500,000	-	2,634,000	18.98%
	2021	511,000	511,000	-	2,673,000	19.12%
	2022	590,000	590,000	-	3,039,000	19.41%
	2023	751,000	751,000	-	3,787,000	19.83%
Tier 2 Public Employees DC Only System*	2015	25,000	25,000	-	244,000	10.25%
	2016	36,000	36,000	-	355,000	10.14%
	2017	39,000	39,000	-	385,000	10.13%
	2018	46,000	46,000	-	454,000	10.13%
	2019	59,000	59,000	-	590,000	10.00%
	2020	76,000	76,000	-	754,000	10.08%
	2021	107,000	107,000	-	1,071,000	9.99%
	2022	117,000	117,000	-	1,170,000	10.00%
	2023	141,000	141,000	-	1,409,000	10.01%

* Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011.

UTAH HOUSING CORPORATION

NOTE TO REQUIRED SUPPLEMENTAL INFORMATION AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

1. CHANGES IN ASSUMPTIONS

No changes were made in actuarial assumptions from the prior year's valuation.

SUPPLEMENTAL SCHEDULES

UTAH HOUSING CORPORATION

COMBINING BALANCE SHEET AS OF JUNE 30, 2023 (In thousands)

	General Operating Fund	Single-Family Mortgage Program Funds	Housing Development Funds	Total
ASSETS AND DEFERRED OUTFLOWS				
CURRENT ASSETS:				
Cash and cash equivalents	29,838	\$ 185,318	\$ 28,256	\$ 243,412
Investments (partially restricted)	-	54,013	65	54,078
Current maturities of loans receivable (partially restricted)	14	14,320	280	14,614
Interest receivable	4	7,256	293	7,553
Derivative assets	-	515	-	515
Other current assets	2,283	3	43	2,329
Total current assets	32,139	261,425	28,937	322,501
NONCURRENT ASSETS:				
Investments (partially restricted)	-	1,112,488	-	1,112,488
Loans receivable (partially restricted)	984	554,049	20,065	575,098
Net investment in capital assets	7,446	-	-	7,446
Mortgage servicing rights	30,348	-	-	30,348
Other assets	-	-	2,480	2,480
Total noncurrent assets	38,778	1,666,537	22,545	1,727,860
Total assets	70,917	1,927,962	51,482	2,050,361
DEFERRED OUTFLOWS—				
Accumulated increase in fair value of hedging derivatives				
Pension	2,788	-	-	2,788
TOTAL ASSETS AND DEFERRED OUTFLOWS	73,705	1,927,962	51,482	2,053,149
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION				
CURRENT LIABILITIES:				
Interest payable	\$ 5	\$ 8,255	-	\$ 8,260
Current maturities of bonds payable	-	267,690	-	267,690
Current maturities of notes payable	14	19,867	-	19,881
Current portion of subscription liability	786	-	-	786
Other current liabilities	3,700	318	1,725	5,743
Total current liabilities	4,505	296,130	1,725	302,360
NONCURRENT LIABILITIES:				
Bonds payable	-	1,231,009	-	1,231,009
Notes payable	984	27,285	-	28,269
Unearned revenue	379	-	-	379
Net Pension Liability	4,642	-	-	4,642
Subscription liability	748	-	-	748
Interfund payable (receivable)	9,732	(9,732)	-	-
Total noncurrent liabilities	16,485	1,248,562	-	1,265,047
Total liabilities	20,990	1,544,692	1,725	1,567,407
DEFERRED INFLOWS:				
Accumulated decrease in fair value of hedging derivatives	-	515	-	515
Pension	20	-	-	20
Total deferred inflows	20	515	-	535
NET POSITION:				
Net investment in capital assets	7,446	-	-	7,446
Restricted—expendable	-	90,007	49,757	139,764
Unrestricted	45,249	292,748	-	337,997
Total net position	52,695	382,755	49,757	485,207
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 73,705	\$ 1,927,962	\$ 51,482	\$ 2,053,149

UTAH HOUSING CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2023

(In thousands)

	General Operating Fund	Single-Family Mortgage Program Funds	Housing Development Funds	Total
OPERATING REVENUES:				
Interest on loans receivable	\$ 17	\$ 25,797	\$ 557	\$ 26,371
Interest on cash and investments	1,112	48,361	-	49,473
Servicing revenues	14,148	-	-	14,148
Gain on sale of loans	-	15,224	-	15,224
Other revenues	5,619	126	2,062	7,807
Net decrease in the fair value of investments	-	(52,194)	-	(52,194)
Total operating revenues	<u>20,896</u>	<u>37,314</u>	<u>2,619</u>	<u>60,829</u>
OPERATING EXPENSES:				
Interest	15	39,728	-	39,743
Salaries and benefits	15,365	-	-	15,365
General operating expense	4,306	588	287	5,181
Loan servicing fees	-	1,633	-	1,633
Amortization of other mortgage servicing rights	14,278	-	-	14,278
Bond issuance expenses	-	2,006	-	2,006
Net provision for loan losses	-	785	-	785
Depreciation of capital assets	1,260	-	-	1,260
Total operating expenses	<u>35,224</u>	<u>44,740</u>	<u>287</u>	<u>80,251</u>
OPERATING (LOSS) INCOME	(14,328)	(7,426)	2,332	(19,422)
TRANSFERS IN (OUT)	<u>17,158</u>	<u>(19,908)</u>	<u>2,750</u>	<u>-</u>
CHANGE IN NET POSITION	2,830	(27,334)	5,082	(19,422)
NET POSITION—Beginning of year	<u>49,865</u>	<u>410,089</u>	<u>44,675</u>	<u>504,629</u>
NET POSITION—End of year	<u>\$ 52,695</u>	<u>\$ 382,755</u>	<u>\$ 49,757</u>	<u>\$ 485,207</u>

UTAH HOUSING CORPORATION

COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2023 (In thousands)

	General Operating Fund	Single-Family Mortgage Program Funds	Housing Development Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from interest on loans receivable	\$ 17	\$ 25,144	\$ 296	\$ 25,457
Cash received from payments on loans receivable	2	70,219	7,390	77,611
Cash received from loan servicing revenues	14,148	-	-	14,148
Cash received from other revenues	5,246	126	2,062	7,434
Cash received from sale of loan securities	-	669,863	200	670,063
Purchase of loans receivable	(1,000)	(815,302)	(14,287)	(830,589)
Purchase of mortgage servicing rights	(10,040)	-	-	(10,040)
Cash payments for servicing fees	-	(1,633)	-	(1,633)
Cash payments for general operating expenses	(3,302)	(375)	1,840	(1,837)
Cash payments to employees for salaries and benefits	(15,680)	-	-	(15,680)
Net cash provided by (used in) operating activities	(10,609)	(51,958)	(2,499)	(65,066)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Proceeds from bonds payable	-	287,999	-	287,999
Proceeds from notes payable	1,000	25,182	-	26,182
Principal paid on bonds payable	-	(154,246)	-	(154,246)
Principal paid on notes payable	(2)	(3,685)	-	(3,687)
Interest paid on bonds, notes, and revolving credit	(11)	(43,138)	-	(43,149)
Cash payments for bond issuance costs	-	(2,006)	-	(2,006)
Transfers	17,158	(19,908)	2,750	-
Interfund payable (receivables)	(8,813)	8,813	-	-
Net cash provided by (used in) in non-capital financing activities	9,332	99,011	2,750	111,093
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchases of capital assets	(502)	-	-	(502)
Net cash used in capital and related financing activities	(502)	-	-	(502)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of investments	-	(430,813)	-	(430,813)
Proceeds from sales and maturities of investments	-	345,156	(65)	345,091
Interest and dividends on investments	1,112	46,689	-	47,801
Net cash provided by (used in) investing activities	1,112	(38,968)	(65)	(37,921)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(667)	8,085	186	7,604
CASH AND CASH EQUIVALENTS — Beginning of year	30,505	177,233	28,070	235,808
CASH AND CASH EQUIVALENTS — End of year	\$ 29,838	\$ 185,318	\$ 28,256	\$ 243,412

(Continued)

UTAH HOUSING CORPORATION

COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2023

(In thousands)

	General Operating Fund	Single-Family Mortgage Program Funds	Housing Development Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (14,328)	\$ (7,426)	\$ 2,332	\$ (19,422)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Adjustments for operating activities:				
Depreciation	1,260	-	-	1,260
Interest on cash and investments	(1,112)	(48,361)	-	(49,473)
Net increase in the fair value of investments	-	52,194	-	52,194
Interest expense	15	39,728	-	39,743
Bond issuance costs	-	2,006	-	2,006
Provision for loan losses	-	785	-	785
Changes in operating assets and liabilities:				
(Increase) decrease in other receivables	(611)	(91,097)	(3,935)	(95,643)
(Increase) decrease in other assets	(601)	522	(756)	(835)
(Increase) decrease in mortgage servicing rights	4,237	-	-	4,237
Increase (decrease) in other liabilities	735	(309)	(140)	286
Increase (decrease) in net pension asset/liability	10,753	-	-	10,753
Increase (decrease) in subscription liability	(910)	-	-	(910)
Increase (decrease) deferred inflows/outflows for pensions	(9,998)	-	-	(9,998)
Increase (decrease) in unearned revenue	(49)	-	-	(49)
Total adjustments	3,719	(44,532)	(4,831)	(45,644)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ (10,609)	\$ (51,958)	\$ (2,499)	\$ (65,066)

(Concluded)

APPENDIX D

LENDERS INVITED TO PARTICIPATE

AS OF MARCH 31, 2024

Academy Mortgage Corporation	Luminate Home Loans, Inc.
Alameda Mortgage Corporation	Mason McDuffie Mortgage Corporation
America First Federal C. U.	Momentum Home Loans
American Pacific Mortgage Corp	Moria Development, dba Peoples Mortgage Corp.
Ark La Tex Financial Services, LLC	Mortgage300 Corporation
Axia Financial LLC	Mountain America Credit Union
Bank of Utah	Nations Reliable Lending, LLC
Belem Servicing LLC dba Patriot Home Mortgage	NBH Bank
Canopy Mortgage, LLC	Nest Home Lending, LLC
Cardinal Financial Company	Network Funding, L.P.
Castle & Cooke Mortgage LLC	New American Funding
Citywide Home Loans	Northpointe Bank
CLM Mortgage, Inc.	On Q Financial, LLC
CMG Mortgage Inc. dba CMF Financial	Pacific Residential Mortgage, LLC
Cornerstone Home Lending Inc.	Panorama Mortgage Group
Cross Country Mortgage	Paramount Residential Mortgage Group, Inc.
Cyprus Federal Credit Union	Plains Commerce Bank
DHI Mortgage Company Ltd.	Premier Mortgage Resources, LLC
Direct Mortgage, Corp.	Primary Residential Mortgage Inc.
Everett Financial Inc. dba Supreme Lending	PrimeLending
Fairway Independent Mortgage Corp.	RANLife
First Colony Mortgage Corp.	Security Home Mortgage
Gardner Financial Services, dba Legacy Mutual	Security National Mortgage Co.
Glacier Bank	Sun American Mortgage Company
Goldenwest Federal Credit Union	SWBC Mortgage Corp.
Guaranteed Rate Affinity	Synergy One Lending Inc.
Guaranteed Rate, Inc.	Union Home Mortgage Corp.
Guild Mortgage Company	Utah Community Federal Credit Union
Intercap Lending Inc.	Utah Mortgage Loan Corp
Lennar Mortgage, LLC	Vandyk Mortgage Corporation
LoanDepot.com, LLC	Veritas Funding LLC
Lower, LLC, dba Homeside Financial	Zions Bancorporation, National Association

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APPENDIX E

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The Indenture, copies of which are available from UHC and the Trustee, contains various covenants and security provisions, some of which are summarized herein.

Definitions of Certain Terms

“*Account*” or “*Accounts*” means one or more of the special trust accounts created and established pursuant to the Indenture or a Series Indenture.

“*Accountant*” means a nationally recognized firm of independent certified public accountants selected by UHC, which may be the firm of accountants that regularly audits the books of UHC.

“*Acquisition Account*” means the Account so designated, which is created and established in the General Indenture.

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

“*Act*” means the Utah Housing Corporation Act, Title 63H, Chapter 8, Utah Code Annotated 1953, as amended or supplemented from time to time.

“*Additional Bonds*” means Bonds authenticated and delivered pursuant to the General Indenture (other than the Initial Bonds).

“*Additional Security*” means any Mortgage Loans, MBS, cash or other assets transferred to the Trustee to be pledged to the payment of the Bonds under the General Indenture.

“*Additional Security Account*” means the account so designated, which is created and established in the Revenue Fund by the General Indenture to hold the Additional Security in accordance with the General Indenture and which may contain subaccounts Related to a Series as provided for in a Related Series Indenture.

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

“*Aggregate Principal Amount*” means, as of any date of calculation, the principal amount or Accreted Value of the Bonds referred to.

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

“*Asset Requirement*” means the requirement that, as of any date of calculation, the sum of (a) amounts held in the Revenue Fund, Acquisition Account, Rental Development Mortgage Loan Account, Debt Service Fund, Redemption Fund and Debt Service Reserve Fund, and (b) the aggregate unpaid principal balance of the MBS, the Mortgage Loans and the Rental Development Mortgage Loans, be at least equal to 102% of the aggregate principal amount of Bonds then Outstanding or such lower percentage as will not adversely affect the then existing rating on the Bonds by each Rating Agency then rating the Bonds at UHC’s request.

“*Authorized Officer*” means the Chair, Vice Chair, Secretary, President, Chief Financial Officer, or any Senior Vice President of UHC, or any other officer or employee of UHC, authorized to perform the particular acts or duties by resolution duly adopted by UHC.

“*Auxiliary Agreement Providers*” means Interest Rate Contract Providers and Liquidity Facility Providers.

“*Auxiliary Agreements*” means Interest Rate Contracts and Liquidity Facilities.

“*Auxiliary Obligations*” means obligations of UHC for the payment of money under Auxiliary Agreements.

“*Bond*” or “*Bonds*” means any of the bonds of UHC authorized and issued under the Indenture, including the Initial Bonds and any Additional or Refunding Bonds.

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

“*Bond Purchase Fund*” means the Fund so designated, which is created and established by a Series Indenture.

“*Bond Registrar*” means the bank, trust company or national banking association, appointed as Bond Registrar under the General Indenture, and having the duties, responsibilities and rights provided for in the Indenture and its successor or successors, and any other person at any time substituted in its place as Bond Registrar pursuant to the Indenture.

“*Bond Year*” means, with respect to each Series, the 12-month period designated as such by the Related Series Indenture, except that the first Bond Year for any Bonds may commence on the date of issuance thereof and end on the date specified by such Series Indenture.

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

“*Borrower*” means the maker of, and any other party obligated on, a Mortgage Loan in connection with the acquisition, refinancing, improvement or rehabilitation of Residential Housing.

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

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

(a) the amount of Mortgage Repayments and Mortgage Prepayments and/or Rental Development Mortgage Repayments, Rental Development Mortgage Prepayments and Rental Development Recovery Payments, as applicable, reasonably expected to be received by UHC in each such Bond Year from

Related Mortgage Loans, Related Rental Development Mortgage Loans, and/or MBS, as applicable, together with Related Investment Revenues, Related Interest Rate Contract Revenues, amounts reasonably expected to be received in connection with DPA, and other moneys (including without limitation moneys in any special escrows established with the Trustee) that are reasonably expected to be available to make Related Debt Service Payments and to pay Related Program Expenses and to pay the Purchase Price of any such Variable Rate Bonds subject to mandatory tender on any such tender date; and

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

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

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

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

“Corporate Trust Office” means, when used with respect to any Fiduciary, the corporate trust office of such Fiduciary at which at any particular time the Indenture is being administered.

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

“Cost of Issuance Account” means the Account so designated, which is created and established within the Program Fund by the General Indenture.

“Cost of Rental Development” shall mean costs and expenses determined by UHC to be necessary in connection with a Rental Development.

“Counsel’s Opinion” means an opinion signed by an attorney or firm of attorneys (who may be counsel to UHC or an attorney or firm of attorneys retained by UHC in other connections) licensed to practice in the state in which such attorney or firm of attorneys maintains an office, selected from time to time by UHC.

“Covenant Default” means an Event of Default specified in the General Indenture.

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

“Debt Service Reserve Fund” means the Fund so designated, which is created and established by the General Indenture.

“*Debt Service Reserve Fund Credit Facility*” means a letter of credit, insurance policy, surety bond, or other credit facility provided to the Trustee by a bank, insurance company or other financial institution whose senior unsecured debt obligations are, or whose claims paying ability is, at the time of the delivery of such Debt Service Reserve Fund Credit Facility, rated in at least the top two rating categories, without regard to modifier, by at least one Rating Agency, which provides for payment when due, in accordance with the terms thereof, of the principal or redemption price of and/or interest on the Bonds.

“*Debt Service Reserve Fund Requirement*” means the aggregate of the Debt Service Reserve Fund requirements set forth in the applicable Series Indenture.

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

“*Depository*” means any bank, trust company, or savings and loan association (including any Fiduciary) selected by UHC and approved by the Trustee as a depository of moneys, MBS, Mortgage Loans, Development Mortgage Loans or Investment Obligations held under the provisions of the Indenture, and its successor or successors.

“*DPA*” means down payment, closing cost and/or interest rate buy down assistance provided by UHC to a Borrower funded with Bond proceeds in connection with a Related Mortgage Loan. The DPA may contain such terms, interest rate and other provisions determined by UHC prior to the issuance of a Series of Bonds funding the DPA.

“*Eligible Borrower*” or “*Borrower*” means a person or a family qualifying as a mortgagor for a Mortgage Loan under determinations made by UHC in accordance with the Act.

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

“*Event of Default*” means any of those events defined as Events of Default in the General Indenture.

“*Fannie Mae*” means Fannie Mae, a corporation organized and existing under the Federal National Mortgage Association Charter Act, 12 U.S.C., Section 1716 et seq., and its successors and assigns.

“*Fannie Mae Certificate*” means a single pool, guaranteed mortgage, pass-through certificate, bearing interest at the Pass-Through Rate, issued by Fannie Mae, guaranteed as to timely payment of interest and principal by Fannie Mae and backed by Conventional Mortgage Loans, which will mature not later than the date set forth in the applicable Series Indenture.

“*Fannie Mae Certificate Purchase Price*” means the percentage of the principal balance of the applicable pool of Mortgage Loans on record at Fannie Mae on the first day of the month of purchase, or such other percentage of such principal balance as may be reported by UHC to the Trustee upon the acquisition of the related Fannie Mae Certificate.

“*FHA*” means the Federal Housing Administration and any agency or instrumentality of the United States of America succeeding to the mortgage insurance functions thereof.

“*Fiduciary*” means the Trustee, the Bond Registrar, the Paying Agent, the Tender Agent or a Depository or any or all of them, as may be appropriate.

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

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

“*Freddie Mac*” means the Federal Home Loan Mortgage Corporation or any successor thereto.

“*Freddie Mac Certificate*” means a mortgage participation certificate issued by Freddie Mac and representing an undivided interest in a pool of Conventional Mortgage Loans identified by a particular alphanumeric number and CUSIP number, guaranteed as to timely payment of principal and interest by Freddie Mac and bearing interest at the Pass-Through Rate, which will mature not later than the date set forth in the applicable Series Indenture.

“*Freddie Mac Certificate Purchase Price*” means the percentage of the principal balance of the applicable pool of Mortgage Loans on record at Freddie Mac on the first day of the month of purchase, as reported by UHC to the Trustee upon the acquisition of the related Freddie Mac Certificate.

“*Fund*” or “*Funds*” means one or more of the special trust funds created and established pursuant to the General Indenture or a Series Indenture.

“*General Obligation Bond*” means a Bond, the payment of principal of and interest on which is a General Obligation of UHC.

“*General Obligation Bond Default*” means the event specified as such in the General Indenture.

“*General Obligations*” means Bonds or Auxiliary Obligations secured or additionally secured, as provided in the Related Series Indenture, by a pledge of general revenues or moneys of UHC legally available therefor, and not pledged or otherwise encumbered to secure other obligations of UHC and subject to UHC’s right at any time to apply such revenues and moneys to any lawful purpose.

“*Ginnie Mae*” means the Government National Mortgage Association, a wholly owned corporate instrumentality of the United States within the Department of Housing and Urban Development or any successor to its functions.

“*Ginnie Mae Certificate*” means a fully modified, mortgage backed security (which may be issued under either the Ginnie Mae I Program or the Ginnie Mae II Program) bearing interest at the Pass-Through Rate, issued by UHC or another Qualified Issuer, registered in the name of the Trustee and guaranteed as to timely payment of principal and interest by Ginnie Mae pursuant to Section 306(g) of Title III of the National Housing Act of 1934 and the regulations promulgated thereunder backed by FHA insured Mortgage Loans, VA guaranteed Mortgage Loans or other Mortgage Loans or mortgage loans insured or guaranteed by an eligible governmental insurer, which will mature not later than the date set forth in the applicable Series Indenture.

“*Ginnie Mae Certificate Purchase Price*” means the percentage of the principal balance of the applicable pool of Mortgage Loans on record at Ginnie Mae on the first day of the month of purchase, as reported by UHC to the Trustee upon the acquisition of the related Ginnie Mae Certificate.

“*Indenture*” means the General Indenture authorized, executed and issued by an Authorized Officer and any amendments or supplements made in accordance with its terms, including all Series Indentures.

“*Initial Bonds*” means the Series of Bonds authorized by the first Series Indenture which was dated as of October 1, 2019.

“*Interest Payment Date*” means, for each Bond, any Payment Date upon which interest on such Bond is due and payable in accordance with the Related Series Indenture.

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

“*Interest Rate Contract Provider*” means a Person that is a party to an Interest Rate Contract with UHC with respect to specified Bonds and whose credit rating by each nationally recognized rating agency then rating the Bonds

at UHC's request is sufficiently high to maintain the then current rating on such Bonds by such rating agency or the equivalent of such rating by virtue of guarantees or insurance arrangements.

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

"Investment Obligations" means and includes any of the following which at the time are legal investments for fiduciaries under the laws of the State for moneys held under the Indenture which are then proposed to be invested therein: (i) direct general obligations of the United States of America; (ii) obligations the payment of the principal of and interest on which is unconditionally guaranteed by the full faith and credit of the United States of America; (iii) direct and general obligations of any state within the United States of America or of any political subdivision thereof, provided that at the time of purchase such obligations are rated by each nationally recognized rating agency then rating the Bonds at UHC's request sufficiently high to maintain the then current rating on the Bonds by such rating agency; (iv) senior bonds, debentures, participation certificates, notes, collateralized mortgage obligations or mortgage backed securities issued by any of the following: Bank for Cooperatives, Federal Financing Bank, Federal Land Banks, Federal Intermediate Credit Banks, Federal National Mortgage Association (excluding mortgage strip securities valued greater than par), Export-Import Bank of the United States, Farmers Home Administration, Federal Home Loan Mortgage Corporation (but, with respect to participation certificates thereof, only to the extent that the payment of principal on such participation certificates is guaranteed as to timely payment) or Government National Mortgage Association, or any other agency or corporation which has been or may hereafter be created by or pursuant to an Act of the Congress of the United States as an agency or instrumentality thereof whose obligations are unconditionally guaranteed by the United States of America; (v) public housing bonds, temporary notes or preliminary loan notes fully secured by contracts with the United States of America; (vi) negotiable or non-negotiable certificates of deposit, time deposits or other similar banking arrangements which are (A) issued by any bank or trust company whose negotiable or non-negotiable certificates of deposit, time deposits or other similar banking arrangements are rated at the time of their issuance by each nationally recognized rating agency then rating the Bonds at UHC's request sufficiently high to maintain the then current rating on the Bonds by such rating agency, or (B) collateralized by Investment Obligations described in (i) or (ii) above having a market value at all times (exclusive of accrued interest) at least equal to the greater of 100% of the amount of such deposit or similar banking arrangement or such other amount as shall be acceptable to each nationally recognized rating agency then rating the Bonds at UHC's request in order for such rating agency to maintain the rating then in effect on the Bonds; provided, however, that such collateral shall be in the possession of the Trustee or a third party acting as agent for the Trustee; (vii) repurchase agreements which are (A) with any institution whose long-term debt securities have a rating sufficiently high to maintain the then current rating on the Bonds by each nationally recognized rating agency then rating the Bonds at UHC's request (or equivalent rating of short term obligations if the investment is for a period not exceeding three years), or (B) collateralized by Investment Obligations described in (i) or (ii) above having a market value at all times (exclusive of accrued interest) at least equal to the greater of 100% of the amount of the repurchase price payable with respect to such repurchase agreement or such other amount as shall be acceptable to each nationally recognized rating agency then rating the Bonds at UHC's request in order for each such rating agency to maintain the rating then in effect on the Bonds; provided, however, that in the case of collateralized Investment Obligations, such collateral shall be in the possession of the Trustee or a third party acting as agent for the Trustee; (viii) units of a money market fund comprised solely of obligations guaranteed by the full faith and credit of the United States of America which have a rating from each nationally recognized rating agency then rating the Bonds at UHC's request sufficiently high to maintain the then current rating on the Bonds by such rating agency; (ix) units of a money market or mutual fund or any other investment which has a rating sufficiently high to maintain the then current rating on the Bonds by each Rating Agency; (x) general obligations of an Investment Provider under investment agreements; (xi) Mortgage Loans insured by the FHA and (xii) municipal obligations, the payment of principal and redemption price, if any, and interest on which is irrevocably secured by obligations of the type referred to in clauses (i) or (ii) above and which obligations have been deposited in an escrow arrangement which is irrevocably pledged to the payment of such municipal obligations and which municipal obligations are rated in the highest rating category for comparable types of obligations by each Rating Agency then maintaining a rating on the Bonds at UHC's request.

Notwithstanding the foregoing, it is expressly understood that the definition of Investment Obligations shall be, and be deemed to be, expanded, or new definitions and related provisions shall be added to the General Indenture, thus permitting investments with different characteristics from those permitted which an Authorized Officer deems from time to time to be in the interest of UHC, as reflected in an UHC Certificate, a Series Indenture or a Supplemental

Indenture, if at the time of inclusion such inclusion will not, in and of itself, adversely affect the then current rating on the Bonds by each Rating Agency then rating the Bonds at the request of UHC, as certified in such UHC Certificate, Series Indenture or Supplemental Indenture.

“*Investment Providers*” means any commercial bank or trust company, bank holding company, investment company or other entity (which may include the Trustee, the Bond Registrar or the Paying Agent), whose credit rating (or the equivalent of such rating by virtue of guarantees or insurance arrangements) by each nationally recognized rating agency then rating the Bonds at UHC’s request is sufficiently high to maintain the then current rating on the such Bonds by such rating agency or is otherwise acceptable to each such rating agency in order to maintain the then current rating on such Bonds by such rating agency which Investment Providers shall be approved by UHC for the purpose of providing investment agreements.

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

“*Issuer*” means Utah Housing Corporation, an independent body politic and corporate, constituting a public corporation of the State of Utah, and any body, authority, agency or other entity which may hereafter by law succeed to the powers, duties and functions of UHC.

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

“*Issuer Payment Account*” means the Account so designated, which is created and established in the Debt Service Fund with respect to General Obligations by the General Indenture.

“*Issuer Request*” means a written request or direction of UHC signed by an Authorized Officer.

“*Liquidity Facility*” means a letter of credit, standby bond purchase agreement, security bond, reimbursement agreement or other agreement between UHC and a Liquidity Facility Provider with respect to specified Bonds issued under the Indenture.

“*Liquidity Facility Provider*” means a Person that is a party to a Liquidity Facility with UHC with respect to specified Bonds and whose credit rating by each nationally recognized rating agency then rating the Bonds at UHC’s request is sufficiently high to maintain the then current rating on such Bonds by such rating agency or the equivalent of such rating by virtue of guarantees or insurance arrangements.

“*MBS*” means, collectively, the Ginnie Mae Certificates, the Fannie Mae Certificates and the Freddie Mac Certificates, and any Uniform Mortgage-Backed Securities issued and guaranteed by Fannie Mae or Freddie Mac, as applicable, and as provided for by law. In the event that only a portion of or interest in an MBS is acquired under the Indenture, references herein to such MBS shall be interpreted and applied to relate to such portion or interest; provided that for purposes of the pledge and lien of the General Indenture, the term “MBS” shall only include MBS acquired by the Trustee from money in the Acquisition Account.

“*Mortgage*” means a deed of trust securing a Mortgage Loan and constituting a (i) first lien on real property (such property held in fee simple by the mortgagor) improved by Residential Housing or (ii) a subordinate lien on real property (such property held in fee simple by the mortgagor) improved by the Residential Housing for which there also exists a related prior lien Mortgage.

“*Mortgage Broker*” means a partnership, corporation, limited liability company or sole proprietorship approved by UHC under the Single Family Underwriting Guide to assist UHC in the making of Mortgage Loans.

“*Mortgage Lender*” means any bank or trust company, Fannie Mae-approved mortgage banker, savings bank, national banking association, life insurance company, credit union, or other financial institution or governmental agency which is approved by Fannie Mae or Freddie Mac or which is an FHA approved direct endorsement lender or

a VA approved automatic lender or other eligible governmental lender, and is deemed eligible by UHC to participate in the Program, and UHC.

“*Mortgage Loan*” means (a) a permanent loan secured by a Mortgage for the purchase of owner-occupied Residential Housing made to an Eligible Borrower which is made or purchased by UHC pursuant to the Program and which loan satisfies the requirements of the Act and the Indenture, provided, that for purposes of the pledge and lien of the Indenture or (b) DPA relating to a loan described in (a) above; provided that for purposes of the pledge and lien of the Indenture, the term “Mortgage Loan” shall only include Mortgage Loans acquired by the Trustee from money in the Acquisition Account.

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

“*Mortgage Purchase Agreement*” means an agreement between UHC and a Mortgage Lender, relating to the commitment to purchase a Mortgage Loan, as such agreement may from time to time be amended, substituted or supplemented.

“*Mortgage Repayments*” means, with respect to any MBS, Mortgage Loan, or other mortgage loans, the amounts received by or for the account of UHC as scheduled payments of principal and interest on such MBS, Mortgage Loan or other mortgage loans, by or on behalf of the Borrower to or for the account of UHC and does not include Mortgage Prepayments, Servicing Fees or Escrow Payments.

“*Mortgagor*” shall mean the qualified mortgagor of a Rental Development receiving a Rental Development Mortgage Loan from UHC pursuant to the terms and provisions of a Rental Development Mortgage and Rental Development Mortgage Note.

“*Notice Parties*” means UHC, the Trustee, the Bond Registrar and the Paying Agent.

“*Outstanding*” means, when used with respect to all Bonds as of any date, all Bonds theretofore authenticated and delivered under the Indenture except:

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

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

“*Pass-Through Rate*” means the rate of interest on an MBS equal to the rate of interest on the Mortgage Loans underlying such MBS less authorized Servicing Fees (including the guarantee fee charged by Ginnie Mae, Fannie Mae or Freddie Mac, as applicable).

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

“*Payment Date*” means for each Bond, each date on which interest or a Principal Installment or both are payable on such Bond and for each Auxiliary Obligation, each date on which scheduled amounts are payable with respect to such Auxiliary Obligation, and unless limited, means all such dates.

“*Period of Construction*” shall mean that period during which a Rental Development is being constructed, terminating with the date of commencement of principal amortization on the Rental Development Mortgage Loan relating to such Rental Development.

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

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

“*Program*” means (i) UHC’s Single Family Mortgage Program pursuant to which UHC has determined to make or purchase Mortgage Loans and (ii) UHC’s Multifamily Rental Housing Program pursuant to which UHC has determined to make or purchase Rental Development Mortgage Loans, in accordance with the Act and the Rules and the Indenture.

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

“*Program Fund*” means the Fund so designated, which is created and established by the General Indenture.

“*Qualified Issuer*” means a lender of FHA insured mortgage loans or VA or Rural Housing and Community Development Service of the Department of Agriculture guaranteed mortgage loans eligible per Ginnie Mae requirements to acquire or originate eligible mortgage loans to be used in the creation, marketing, and servicing of Ginnie Mae Certificates.

“*Rating Agency*” means, at any particular time, any nationally recognized credit rating service designated by UHC, if and to the extent such service has at the time one or more outstanding ratings of Bonds at UHC’s request. UHC shall at all times have designated at least one such service as a Rating Agency under the Indenture.

“*Rebate Account*” means the Account so designated, which is created and established in the Revenue Fund by the General Indenture.

“*Rebate Requirement*” means the amount of rebatable arbitrage computed pursuant to Treasury Regulation Section 1.148-3.

“*Record Date*,” means, except as otherwise provided in a Series Indenture with respect to each Payment Date with respect to Bonds which are not Variable Rate Bonds, the Bond Registrar’s close of business on the fifteenth day of the month immediately preceding such Payment Date or, if such date is not a Business Day, the next preceding day which is a Business Day; and with respect to Variable Rate Bonds, the Bond Registrar’s close of business on the Business Day immediately preceding such Payment Date; and, in the case of each redemption, such Record Date shall be specified by the Bond Registrar in the notice of redemption, provided that such Record Date shall not be less than fifteen (15) calendar days before the delivery of such notice of redemption or such other date as may be acceptable to the Bondholder.

“*Redemption Fund*” means the Fund so designated, which is created and established by the General Indenture.

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

“*Refunding Bonds*” means Additional Bonds authenticated and delivered pursuant to the General Indenture.

“*Related*” (whether capitalized or not) means, with respect to any particular Bond, Series, Series Indenture, Supplemental Indenture, Cash Flow Statement, Fund, Account, MBS (or portion thereof), Mortgage Loan, Rental Development Mortgage Loan, Rental Development Mortgage Repayment, Rental Development Recovery Payment, Rental Development Prepayment, Additional Security, Auxiliary Agreement, Mortgage Repayment or Mortgage Prepayment, having been created in connection with the issuance of, or having been derived from the proceeds of, or having been reallocated to, or concerning, the same Series, as the case may be.

“*Rental Development*” shall mean a project with respect to which UHC is authorized to make a Rental Development Mortgage Loan under the Act.

“*Rental Development Escrow Payment*” shall mean all payments made in order to obtain or maintain mortgage insurance and fire and other hazard insurance and any payments required to be made with respect to a Rental Development Mortgage for taxes or other governmental charges or other similar charges to a Mortgagor customarily required to be escrowed.

“*Rental Development Mortgage*” shall mean the documents evidencing the grant by a Mortgagor to UHC of a mortgage lien (or such lien as otherwise permitted pursuant to the General Indenture) on the real property of the Rental Development and security interest in the personal property attached to or used or to be used in connection with the construction or operation of the Rental Development which is not excluded.

“*Rental Development Mortgage Loan*” shall mean a loan made, funded or refunded by UHC pursuant to the General Indenture with respect to a Rental Development, and secured by a mortgage lien on the real property or on the interest in the real property comprising or to comprise the Rental Development and a lien on all personal property acquired with the proceeds of such loan and attached to or used or to be attached to or to be used in connection with the construction or operation of the Rental Development. Rental Development Mortgage Loan shall also mean any subsequent increases to the initial Rental Development Mortgage Loan amount for a Rental Development.

“*Rental Development Mortgage Loan Account*” means the Account so designated, which is created and established in the Program Fund by the General Indenture.

“*Rental Development Mortgage Note*” shall mean a promissory note given by the Mortgagor to or assigned to UHC to evidence the applicable Rental Development Mortgage Loan.

“*Rental Development Mortgage Repayment*” shall mean the amounts paid or required to be paid from time to time to UHC by a Mortgagor or on behalf of a Mortgagor, for principal and interest and any other payments or charges, exclusive of administrative fees, on a Rental Development Mortgage Loan pursuant to a Rental Development Mortgage, but not including Rental Development Escrow Payments, Rental Development Prepayments, Rental Development Recovery Payments and any fee received by UHC at the time of initial issuance of funds to a Mortgagor.

“*Rental Development Prepayment*” shall mean any moneys received from any payment of principal or interest, including any prepayment penalties or other charges, on any Rental Development Mortgage Loan more than 60 days prior to the scheduled payments of principal and interest called for thereby, other than moneys constituting a Rental Development Recovery Payment.

“*Rental Development Recovery Payment*” shall mean moneys received by UHC with respect to a Rental Development from (i) proceedings taken by UHC in the event of the default by a Mortgagor, including the sale, assignment or other disposition of the Rental Development Mortgage Loan or the Rental Development and the proceeds of any additional security relating to such Rental Development Mortgage Loan or Rental Development, (ii) the prepayment or refunding of or with respect to a Rental Development Mortgage Loan in default, (iii) the condemnation of a Rental Development or any part thereof or from hazard insurance payable with respect to the damage or destruction of a Rental Development and which are not applied to the repair or reconstruction of such Rental Development or (iv) the voluntary sale of any Rental Development Mortgage Loan by UHC, including the transfer of such Rental Development Mortgage Loan to another indenture of UHC

“*Residential Housing*” or “*Residence*” means a residential dwelling located within the State that qualifies for financing by UHC within the meaning of the Act and the Rules.

“*Revenue Account*” means the Account so designated, which is created and established in the Revenue Fund by the General Indenture.

“*Revenue Fund*” means the Fund so designated, which is created and established by the General Indenture.

“*Revenues*” means (a) all Mortgage Repayments, Mortgage Prepayments and, except insofar as such payments may constitute Servicing Fees, any penalty payments on account of overdue Mortgage Repayments, (b) Investment Revenues, (c) any income or cash or liquid securities held in the Additional Security Account (d) Interest Rate Contract Revenues (e) all other payments and receipts received by UHC with respect to MBS, Mortgage Loans or other mortgage loans, (f) Rental Development Mortgage Repayments, Rental Development Prepayments and Rental Development Recovery Payments, but shall not include (i) Escrow Payments or Rental Development Escrow Payments, (ii) Servicing Fees, unless such fees are specifically pledged to the Trustee, (iii) any commitment, reservation, extension, or application fees charged by UHC in connection with a Mortgage Loan, Mortgage Purchase Agreement, or Rental Development Mortgage Loan, (iv) any commitment, reservation, extension or application fees charged by a Mortgage Lender in connection with a Mortgage Loan or (v) accrued interest received in connection with the purchase of any Investment Obligations.

“*Rules*” means the rules adopted by UHC pursuant to the Act governing the activities authorized by the Act to carry into effect the powers and purposes of UHC and the conduct of its business, as the same may be amended and supplemented from time to time.

“*Serial Bonds,*” with respect to a Series of Bonds, shall have the meaning set forth in the Related Series Indenture.

“*Series*” means and refers to all of the Bonds designated as such in the Related Series Indenture, regardless of variations, dated date, maturity, interest rate or other provisions, and any Bond thereafter delivered in lieu of or substitution for any of such Bonds pursuant to the General Indenture and a Related Series Indenture.

“*Series Indenture*” means a Supplemental Indenture authorizing a Series of Bonds and delivered pursuant to the General Indenture.

“*Servicing Fees*” means (a) any fees paid to or retained by a Mortgage Lender in connection with the servicing obligations undertaken by the Mortgage Lender in accordance with the Related Mortgage Purchase Agreement and (b) any fees retained by or expenses reimbursed to UHC with respect to Mortgage Loans or Rental Development Mortgage Loans serviced by UHC.

“*Short Term Bond Account*” means the Account so designated, which is created and established in the Program Fund by the General Indenture.

“*State*” means the State of Utah.

“*Subordinate Bonds*” means any bonds, notes or other obligations authorized by the General Indenture which by their terms are junior in right of payment to Bonds and other parity obligations under the General Indenture.

“*Supplement*” means each respective Single Family Mortgage Program Selling Supplement to Mortgage Purchase Agreement, each respective Single Family Mortgage Program Servicing Supplement to Mortgage Purchase Agreement and each respective Single Family Mortgage Program Accounting and Reporting Supplement to Mortgage Purchase Agreement incorporated by reference into each respective Mortgage Purchase Agreement, as the same may be amended from time to time.

“*Supplemental Indenture*” means any supplemental indenture (including a Series Indenture) approved by UHC in accordance with the General Indenture amending or supplementing the Indenture.

“*Targeted Area*” means a “targeted area” within the meaning of Section 143 of the Code.

“*Targeted Area Residence*” means a “targeted area residence” within the meaning of Section 143 of the Code.

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

“*Tax-exempt Status*” means the exclusion of interest on Tax-exempt Bonds from the gross income of the recipient thereof for federal income tax purposes.

“*Term Bonds*” means Bonds for which Sinking Fund Installments have been established as provided in the Related Series Indenture.

“*Trustee*” means the bank, trust company or national banking association, appointed as trustee under the General Indenture and having the duties, responsibilities and rights provided for in the Indenture and its successor or successors, and any other corporation or association at any time substituted in its place as Trustee pursuant to the Indenture.

“*Unrelated*” (whether capitalized or not) means not “Related,” within the meaning of that term.

“*VA*” means the Department of Veterans Affairs and any agency or instrumentality of the United States of America succeeding to the mortgage guaranty functions thereof.

“*Variable Rate Bonds*” means Bonds the interest rate on which is not fixed to maturity.

Funds and Accounts Established by the Indenture

The Indenture establishes the following Funds and Accounts to be held by the Trustee for application in accordance with the Indenture:

- (a) the Program Fund, consisting of:
 - (i) the Acquisition Account
 - (ii) the Short Term Bond Account;
 - (iii) the Cost of Issuance Account; and
 - (iv) the Rental Development Mortgage Loan Account.
- (b) the Revenue Fund, consisting of:

- (i) the Revenue Account;
 - (ii) the Rebate Account; and
 - (iii) the Additional Security Account.
- (c) the Debt Service Reserve Fund;
 - (d) the Debt Service Fund which may include an Issuer Payment Account; and
 - (e) the Redemption Fund.

As set forth in the Related Series Indenture, subaccounts may be created in all funds and accounts described in the General Indenture (other than the Additional Security Account) for each Series of Bonds. Except as otherwise provided in the General Indenture or in a Series Indenture, bond proceeds and other moneys relating to a Series of Bonds shall be deposited in the Related subaccounts created with respect to such Series of Bonds.

UHC may reallocate moneys, investments, MBS and Mortgage Loans among Series under any of the following circumstances:

- (a) if and to the extent required by the General Indenture;
- (b) if and to the extent necessary to enable UHC to deliver a Cash Flow Statement with respect to one or more Series;
- (c) in connection with an Issuer Request filed pursuant to the Indenture; and
- (d) if and to the extent that the aggregate amount of moneys, investments, MBS and Mortgage Loans allocated to any particular Series exceeds the aggregate amount of Outstanding Bonds of such Series.

If UHC determines to make such a reallocation of moneys, investments, MBS and Mortgage Loans among Series, UHC shall deliver to the Trustee an Issuer Request specifying such reallocations. Upon receipt of such request, the Trustee shall transfer moneys, investments, MBS and/or Mortgage Loans (or portions thereof or interests therein) among subaccounts Related to each Series as requested. MBS and Mortgage Loans reallocated among Series are not required to meet the requirements of the Series Indenture Related to the Series to which such MBS and Mortgage Loans are being reallocated, if such MBS and Mortgage Loans at the time of their original acquisition by UHC met the requirements of the General Indenture and the applicable requirements of the Series Indenture Related to such MBS and Mortgage Loans at the time of their purchase.

Special temporary accounts in the Program Fund and the Debt Service Reserve Fund may be created and established to facilitate the refunding of UHC's bonds and any exchange of funds related thereto.

UHC may create additional Funds and Accounts pursuant to the terms of each Serie Indenture.

Program Fund; Acquisition Account

There shall be paid into the Related subaccount of the Acquisition Account established within the Program Fund the respective amount of the proceeds of the Bonds and other moneys specified in each Series Indenture and any amounts transferred pursuant to the General Indenture. There may also be paid into the Program Fund, at the option of UHC, any moneys received by UHC from any other source, unless required to be otherwise applied as provided by the Indenture. Except as otherwise required or permitted by the General Indenture, MBS and Mortgage Loans made or purchased, and DPA funded, in connection with a Series of Bonds shall be allocated to such Series. MBS, Mortgage Loans and DPA allocated to a Series of Bonds shall be held in the subaccount of the Acquisition Account which was created in connection with such Series of Bonds.

Proceeds of the Bonds and other moneys deposited in the Acquisition Account shall be applied to make or purchase Mortgage Loans, acquire MBS, or fund DPA in accordance with the provisions of the Indenture; provided, however, that such Mortgage Loans or MBS must satisfy the terms and conditions set forth in the General Indenture and applicable provisions of the Related Series Indenture.

Any Bond proceeds deposited in the Acquisition Account that UHC certifies from time to time will not be used to acquire MBS to make or purchase Mortgage Loans or to fund DPA in accordance with this General Indenture and the Related Series Indenture shall be withdrawn by the Trustee on the date specified in the Related Series Indenture or such other date or dates on or after such date as may be specified by the Issuer, and transferred to the Related subaccount of the Redemption Fund for application in accordance with the Related Series Indenture; provided, however, that such transfer or transfers may be made on a later date as to all or any part of such moneys, if the Issuer shall have filed with the Trustee an Issuer Request specifying a later date or dates for such withdrawal, and certifying that such Issuer Request is consistent with the most recently filed Cash Flow Statement and the Related Series Indenture.

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

Program Fund; Cost of Issuance Account

Upon the issuance, sale and delivery of Bonds, certain moneys as specified in the Related Series Indenture shall be deposited in the Cost of Issuance Account by the Trustee. Moneys in such Account shall be used to pay Costs of Issuance and for no other purpose. The Trustee shall issue its checks for each disbursement from the Cost of Issuance Account (including to reimburse the UHC for its payment of Cost of Issuance) upon being furnished with an UHC Request setting forth: the Person to whom payment is made, the amount of payment, that the disbursement is for a proper Cost of Issuance, and that none of the items for which payment is to be made has been the basis for any prior disbursement from such Account. Any excess remaining upon payment of all Costs of Issuance shall be transferred by the Trustee to UHC or to the Related subaccount in the Acquisition Account or the Rental Development Mortgage Loan Account, as applicable, upon receipt by the Trustee of an UHC certificate stating that such moneys are no longer needed for the payment of Cost of Issuance, whereupon the Cost of Issuance Account shall be closed; provided, however, no excess moneys constituting proceeds of any Tax-exempt Bonds shall be transferred to UHC.

In the event that the moneys deposited in the Cost of Issuance Account are not sufficient to pay all Costs of Issuance, Costs of Issuance may be paid from any available moneys of UHC or, upon delivery of an UHC Certificate, from amounts in the Additional Security Account.

Program Fund; Rental Development Mortgage Loan Account; Rental Development Capitalized Interest Account

There shall be paid into the Related subaccount of the Rental Development Mortgage Loan Account established within the Program Fund the respective amount of the proceeds of the Bonds and other moneys specified in each Series Indenture. Moneys deposited in the Rental Development Mortgage Loan Account shall be applied to make or purchase Related Rental Development Mortgage Loans in accordance with the provisions of the Indenture.

Upon the issuance, sale and delivery of a Series of Bonds, the Related Series Indenture may establish a Related Rental Development Capitalized Interest Account, and may provide for the payment into such Rental Development Capitalized Interest Account of the amount of the proceeds of such Bonds, if any, to be used for the purpose of paying interest on such Bonds prior to or during the Period of Construction of the Related Rental Development, to the extent available. At the time of each deposit into a Related Rental Development Capitalized Interest Account, UHC shall advise the Trustee in writing as to the Series of Bonds with respect to which such deposit

is made and shall furnish the Trustee with a schedule of dates on which it is required that the moneys in said Account be transferred by the Trustee for deposit in the Related subaccount of the Debt Service Fund. Any moneys on deposit in a Related Rental Development Capitalized Interest Account not used to pay interest during the Period of Construction shall upon written direction of the Issuer be transferred to the Related subaccount of the Debt Service Fund.

Revenue Fund

UHC shall pay all Revenues or cause all Revenues to be paid to the Trustee promptly upon their receipt and, in any event, at least once each month. Except as otherwise provided in the General Indenture or in a Series Indenture, all Revenues and the Rebate Requirement shall be deposited by the Trustee in the Related subaccounts of the Revenue Fund therein as follows:

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

(b) for credit to the Related subaccount of the Rebate Account, at the times directed by UHC, the Rebate Requirement Related to the Tax-exempt Bonds of each Series.

There may also be deposited in the Revenue Fund, at the option of UHC, any other moneys of UHC, or upon delivery of an UHC Certificate, amounts in the Additional Security Account, unless required to be otherwise applied as provided by the Indenture.

Promptly upon receipt of interest on a Mortgage Loan with respect to which moneys were withdrawn from the Acquisition Account to pay for interest accrued on such Mortgage Loan at the time of funding or purchase, the Trustee shall withdraw from the Related subaccount of the Revenue Account and transfer to the Related subaccount of the Acquisition Account an amount equal to such accrued interest paid. Alternatively, accrued interest on Mortgage Loans at the time of funding or purchase may be paid from the Related subaccount of the Revenue Account as UHC shall direct in an Issuer Request.

The Trustee shall pay or transfer from the Related subaccount of the Revenue Fund and as needed the Additional Security Account (i) directly to the Fiduciaries, all Fiduciary Expenses, when and as payable and (ii) to UHC or to its order reasonable and necessary Program Expenses, respectively, only to the extent, if any, provided in the following paragraphs.

On the last Business Day prior to each Payment Date or more frequently if required by a Series Indenture or by Issuer Request, the Trustee shall withdraw from each subaccount of the Revenue Fund and as needed the Additional Security Account and deposit into the Related subaccounts of the following Funds or Accounts and shall pay to the following parties the following amounts, in the following order of priority, the requirements of each such Fund, Account or party (including the making up of any deficiencies in any such Fund or Account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied, and the results of such satisfaction being taken into account, before any payment or transfer is made subsequent in priority:

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

(b) Into each Unrelated subaccount of the Debt Service Fund, after making any transfer into such subaccount required by the General Indenture, on a proportionate basis with all other Unrelated such

subaccounts or as otherwise directed by Issuer Request, any deficiency in such subaccount resulting from the lack of moneys sufficient to make the deposit required by subsection (a) as of such date;

(c) Into the Related subaccount of the Special Redemption Account, the amount, if any, directed by an Issuer Request;

(d) Into each Unrelated subaccount of the Special Redemption Account, the amount, if any, directed by an Issuer Request;

(e) Into the Related subaccount of the Debt Service Reserve Fund, the amount, if any, needed to increase the amount in such subaccount to the Debt Service Reserve Fund Requirement of the Related Series of Bonds;

(f) Into each Unrelated subaccount of the Debt Service Reserve Fund, on a proportionate basis with all other Unrelated such subaccounts or as otherwise directed by Issuer Request, the amount, if any, needed to increase the amount in such subaccount to the Debt Service Reserve Fund Requirement;

(g) To UHC, the amount of any reasonable and necessary Fiduciary Expenses with respect to the Related Series of Bonds previously incurred but not reimbursed to UHC or reasonably anticipated to be payable in the following six months; provided, however, that in no event shall the aggregate of all Fiduciary Expenses with respect to the Related Series of Bonds paid directly to Fiduciaries or to UHC under this subsection in any Bond Year exceed any limitation set forth in the Related Series Indenture;

(h) To UHC, the amount of any reasonable and necessary Fiduciary Expenses with respect to Unrelated Series of Bonds, on a proportionate basis with all other Unrelated Series of Bonds or as otherwise directed by Issuer Request, any deficiency resulting from the lack of moneys sufficient to make the deposit required by subsection (g) as of such date;

(i) To UHC, the amount of any reasonable and necessary Program Expenses with respect to the Related Series of Bonds previously incurred but not reimbursed to UHC or reasonably anticipated to be payable in the following six months; provided, however, that in no event shall the aggregate of such amounts paid to UHC, plus amounts paid to UHC with respect to such Series of Bonds pursuant to subsections (G) and (H) herein and plus all Fiduciary Expenses with respect to the Related Series of Bonds paid directly to Fiduciaries exceed any limitations set forth in the Related Series Indenture;

(j) To UHC, the amount of any reasonable and necessary Program Expenses with respect to Unrelated Series of Bonds, on a proportionate basis with all other Unrelated Series of Bonds or as otherwise directed by Issuer Request, any deficiency resulting from the lack of moneys sufficient to make the deposit required by subsection (i) as of such date;

UHC may direct the Trustee to make any of the above transfers more frequently than on Payment Dates, in amounts proportionate to the frequency of transfers so directed.

Following such transfers, the balance, if any, in each subaccount of the Revenue Account or such lesser amount thereof as shall be requested by UHC shall, subject to the satisfaction of the Asset Requirement, be paid to UHC for the payment of Program Expenses or for any other purpose free and clear of the lien and pledge of the Indenture upon receipt of an Issuer Request made within 30 days of such Payment Date. Any amount in each subaccount of the Revenue Account not so paid to UHC shall be transferred to the Related subaccounts of the Redemption Fund and allocated among the Related subaccounts of the Special Redemption Account above or shall be transferred and allocated to the Additional Security Account or allocated otherwise as set forth in an Issuer Request, subject in each case to any limitations or requirements specified in the Related Series Indenture.

Prior to, but as close as practicable to, the latest date on which the Trustee would be permitted to give notice of a redemption to occur on a Payment Date from amounts deposited in the Redemption Fund, the Trustee shall calculate the amounts then on deposit in each subaccount of the Revenue Account which would be transferred to the Related subaccounts of the Debt Service Fund, and the Related subaccounts of the Redemption Fund, in accordance

with the priorities and provisions of such subsection. Such amounts may be withdrawn from such subaccount of the Revenue Account for application on or prior to the next succeeding Payment Date (A) upon receipt of an Issuer Request, to the purchase in lieu of redemption of the Related Bonds, (B) to the payment of accrued interest on Bonds being purchased pursuant to or redeemed pursuant to the Indenture, or (C) to the redemption of Related Bonds on such Payment Date.

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

Amounts remaining in a subaccount of the Revenue Fund after all Related Bonds and any Related Auxiliary Obligations have been paid or funds have been set aside and held in trust shall be transferred to the Additional Security Account.

Application of Debt Service Fund

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

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

Debt Service Reserve Fund

Upon the issuance, sale and delivery of a Series of Bonds pursuant to the Indenture, the Trustee shall deposit in the Related subaccount of the Debt Service Reserve Fund therein such amounts, if any, or a Debt Service Reserve Fund Credit Facility, as shall be at least sufficient to equal the Debt Service Reserve Fund Requirement, calculated after giving effect to the issuance of such Bonds. Additional moneys may be deposited in the Related subaccount of the Debt Service Reserve Fund in accordance with the provision relating to the allocation of moneys in the Revenue Account described under “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Revenue Fund.” In lieu of making the foregoing deposit, UHC may deposit in a Debt Service Reserve Fund Credit Facility in a stated amount equal to the amounts required to be so deposited.

On or prior to each Payment Date, the Trustee shall calculate the amount of the Debt Service Reserve Fund Requirement for each Series of Bonds as of the next succeeding Payment Date and shall determine the amount, if any, in the Related subaccount of the Debt Service Reserve Fund (other than amounts attributable to accrued, but unrealized interest purchased on Investment Obligations) which is in excess of such Requirement, shall notify UHC of such excess amount and shall, unless otherwise instructed by an Issuer Request, transfer such excess amount from the Related subaccount of the Debt Service Reserve Fund to the Related subaccount of the Revenue Account.

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

- (i) In the event that the amount transferred to any subaccount of the Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related

Obligations on the next succeeding Payment Date, the Trustee shall transfer from the Related subaccount of the Debt Service Reserve Fund, to such subaccount of the Debt Service Fund the amount of such insufficiency.

(ii) In the event that the amount transferred to a subaccount of the Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related Obligations on the next succeeding Payment Date, the Trustee shall transfer from Unrelated subaccounts in the Debt Service Reserve Fund on a proportionate basis or as otherwise directed by Issuer Request, from subaccounts of the Debt Service Reserve Fund, to such subaccount of the Debt Service Fund the amount of such insufficiency.

Application of Issuer Payment Accounts

If, following transfers made from the Revenue Fund and the Debt Service Reserve Fund, there are not sufficient moneys, or any moneys allocated, to pay all interest or any other required payment due and payable on any General Obligations or to pay any Principal Installment on any General Obligations at maturity, the Trustee shall immediately notify UHC in writing of the amount of such insufficiency and shall request from UHC an immediate deposit of legally available funds equal to such insufficiency. UHC shall pay to the Trustee (from UHC's other general revenues or moneys legally available therefor, subject only to agreements made or to be made with holders of notes, bonds or other obligations pledging particular revenues or moneys for the payment thereof) for deposit in the Related subaccounts of the Issuer Payment Account the amount of such insufficiency. If the amount provided by UHC is less than the amount of such insufficiency, any shortfall shall be allocated pro rata among the holders of the Related General Obligations in proportion to the amounts then due and payable on such Auxiliary Obligations.

Amounts deposited with the Trustee by UHC as described herein shall be deposited into the respective subaccounts of the Issuer Payment Accounts for the General Obligations for which such amounts are provided. Amounts in such subaccounts shall only be used to pay interest or Principal Installments or other amounts due and payable on the Related General Obligations and may not be transferred to any Debt Service Fund for Auxiliary Obligations which are not General Obligations or to any other Fund or Account for any reason.

Redemption Fund; Cross-Call and Recycling

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

Except as set forth in the General Indenture or in the Related Series Indenture, moneys deposited in a subaccount of the Special Redemption Account pursuant to the General Indenture or pursuant to the Related Series Indenture, shall be applied to the extent practicable by the Paying Agent to redeem Related Bonds as directed by Issuer Request. Any amounts remaining in such Special Redemption Account after all Bonds of the Related Series have been paid shall be transferred to the Related subaccount of the Revenue Account.

UHC may by the delivery of an Issuer Request to the Trustee at any time prior to the delivery of notices of redemption, instruct the Trustee to transfer moneys on deposit in a subaccount of an Account in the Redemption Fund to another subaccount of the same Account in the Redemption Fund to be applied to the redemption of the Bonds of a different Series. Each such Issuer Request (i) shall certify that it is not prohibited by the Related Series Indenture and (ii) shall be accompanied by evidence of the satisfaction of the Asset Requirement.

UHC may by the delivery of an Issuer Request to the Trustee at any time prior to the giving of notice of redemption, instruct the Trustee to transfer moneys on deposit in a subaccount of an Account in the Redemption Fund to a Related or an Unrelated subaccount of the Acquisition Account to be applied to make or purchase Mortgage Loans. Each such Issuer Request (i) shall certify that it is not prohibited by the Related Series Indenture and (ii) shall be accompanied by evidence of the satisfaction of the Asset Requirement.

Investment of Moneys Held by the Trustee

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

Amounts credited to any Fund or Account may be invested, together with amounts credited to one or more other Funds or Accounts, in the same Investment Obligation or Investment Obligations, provided that each such investment complies in all respects with the provisions of the General Indenture as they apply to each Fund or Account for which the joint investment is made, the Trustee maintains separate records for each Fund and Account and such investments are accurately reflected therein and amounts credited to the Rebate Account may be invested together with amounts credited to any other Fund or Account. The maturity date or the date on which Investment Obligations may be redeemed at the option of holder thereof shall coincide as nearly as practicable with (but in no event shall be later than) the date or dates on which moneys in the Funds or Accounts for which the investments were made will be required for the purposes provided in the Indenture.

The Trustee may make any investment permitted by the Indenture with or through its own bond department, commercial banking department or commercial paper department or with investment companies for which the Trustee or its affiliates may provide advisory, administrative, custodial or other services for compensation.

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

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

The Trustee shall sell at the best price obtainable, or present for redemption, any Investment Obligation whenever it shall be necessary in order to provide moneys to meet any payment or transfer from the Fund or Account for which such investment was made.

Notwithstanding the maturity limitations contained above, amounts in the Debt Service Reserve Fund may be invested in any Investment Obligations.

Payment of Bonds

UHC has covenanted in the General Indenture to duly and punctually pay or cause to be paid, but in strict conformity with the terms of the Bonds and the Indenture, the principal or Redemption Price of every Bond and the interest thereon at the dates and places and in the manner mentioned in the Bonds according to the true intent and meaning thereof.

Assignment or Disposition of Mortgage Loans

Following the acquisition of a Mortgage Loan or MBS by the Trustee, UHC shall not sell, assign, transfer, pledge or otherwise dispose of or encumber any Mortgage Loan or MBS or any of the rights of UHC with respect to any Mortgage Loan or MBS, or arising out of the Mortgage, MBS, or the other obligations evidencing or securing any Mortgage Loan or MBS except a Mortgage Loan in default, unless UHC determines that such sale, assignment,

transfer or other disposition would not have a material adverse effect on the ability of UHC to pay the principal of and interest on the Outstanding Bonds.

Amendment of Mortgage Loan; Modification of Rental Development Mortgage Loan Terms

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

UHC shall not consent to the modification of, or modify, the rate or rates of interest of, or the amount or time of payment of any installment of principal or interest of any Rental Development Mortgage Loan without delivery to the Trustee of a Cash Flow Statement.

Creation of Liens

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

UHC expressly reserves the right to adopt one or more additional bond or note indentures, including a Series Indenture, and to issue bonds, notes or other obligations, including Subordinate Bonds, so long as they are not a charge or lien prohibited by the General Indenture as described in the foregoing paragraph.

Events of Default

Each of the following constitutes an “Event of Default” under the Indenture:

- (a) UHC shall fail to pay any Principal Installment of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption or otherwise;
- (b) UHC shall fail to pay any installment of interest on any Bond when and as the same shall become due and payable, or any interest payment on an Auxiliary Obligation which is secured on a parity lien with the Bonds, and such failure shall continue for a period of 5 days;
- (c) UHC shall fail to perform or observe any other covenant, agreement or condition on its part contained in the Indenture (except the requirement that a Cash Flow Statement satisfy the requirements of clause (b) of the definition thereof and the requirement that UHC pay amounts to the Trustee from its other revenues, moneys or assets in connection with General Obligations), or in the Bonds and such failure shall continue for a period of 60 days after written notice thereof to UHC by the Trustee or to UHC and to the Trustee by the Holders of not less than 10% in Aggregate Principal Amount of the Bonds Outstanding; or
- (d) UHC shall file a petition seeking a composition of indebtedness under the federal bankruptcy laws, or under any other applicable law or statute of the United States of America or of the State.

Remedies

Upon the occurrence of an Event of Default, the Trustee may, and upon the written request of the Holders of not less than 25% in Aggregate Principal Amount of Outstanding Bonds following an Event of Default described in subsections (a), (b) and (d) of the section entitled “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Events of Default” and not less than 50% in Aggregate Principal Amount of Outstanding Bonds following an Event of Default described in subsection (c) of such section shall, give 30 days notice in writing to UHC

of its intention to declare the Aggregate Principal Amount of all Bonds Outstanding immediately due and payable. At the end of such 30-day period the Trustee may, and upon such written request of Holders of not less than 25% in Aggregate Principal Amount of Outstanding Bonds shall, by notice in writing to UHC, declare the Aggregate Principal Amount of all Bonds Outstanding immediately due and payable; and the Aggregate Principal Amount of such Bonds shall become and be immediately due and payable, anything in the Bonds or in the Indenture to the contrary notwithstanding. In such event, there shall be due and payable on the Bonds an amount equal to the total principal amount of all such Bonds, plus all interest which will accrue thereon to the date of payment.

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

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

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

- (a) Enforcement of the right of the Bondholders to collect and enforce the payment of principal of and interest due or becoming due on MBS, Mortgage Loans and Rental Development Mortgage Loans and collect and enforce any rights in respect to the MBS, Mortgage Loans and Rental Development Mortgage Loans or other security or mortgages securing such MBS, Mortgage Loans and Rental Development Mortgage Loans and to require the Issuer to carry out its duties and obligations under the terms of the Indenture, and to require the Issuer to perform its duties under the Act;
- (b) Suit upon all or any part of the Bonds;
- (c) Civil action to require the Issuer to account as if it were the trustee of an express trust for the Holders of Bonds;
- (d) Civil action to enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of Bonds; and
- (e) Enforcement of any other right of the Bondholders conferred by law or by the Indenture.

Regardless of the happening of an Event of Default, the Trustee, if requested in writing by the Holders of not less than 25% in Aggregate Principal Amount of the Bonds then Outstanding, shall, upon being indemnified to its satisfaction therefor, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security under the Indenture by any acts which may be unlawful or in violation of the Indenture; or (ii) to preserve or protect the interests of the Bondholders and Auxiliary Agreement

Providers, provided that such request is in accordance with law and the provisions of the Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Holders of Bonds not making such request or the interests of the Auxiliary Agreement Providers.

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

Application of Revenues and Other Moneys after Default

UHC covenants that if an Event of Default shall happen and shall not have been remedied, UHC, upon demand of the Trustee, shall pay or cause to be paid over to the Trustee as promptly as practicable after receipt thereof, all Revenues and other payments or receipts pledged under the Indenture.

During the continuance of an Event of Default, the Trustee shall apply, or cause the Paying Agent to apply, all moneys and securities held in any Fund or Account (except the Rebate Account, the Bond Purchase Fund, the Short Term Bond Account and, any Issuer Payment Account) (moneys and securities in the Short Term Bond Account and Issuer Payment Account are to be applied only to the payment of interest and Principal Installments on Bonds and payments on Auxiliary Obligations with respect to which such moneys and securities have been pledged), Revenues, payments and receipts and the income therefrom as follows and in the following order:

- (a) To the payment of the reasonable and proper Fiduciary Expenses;
- (b) To the payment of the interest, Principal Installments and other amounts then due and payable on the Bonds and Auxiliary Obligations secured on a parity lien basis with the Bonds, subject to the provisions of the General Indenture; as follows:
 - (i) Unless the Aggregate Principal Amount of all of the Bonds shall have become or have been declared due and payable.

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

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

- (ii) If the Aggregate Principal Amount of all of the Bonds shall have become or have been declared due and payments on, to the payment of the principal, interest and other amounts then due and unpaid upon the Bonds or Auxiliary Obligations secured on a parity lien basis with the Bonds without preference or priority of principal over interest or other amounts or of interest over principal or other amounts, or of other amounts over principal or interest, or of any installment of interest over any other installment of interest, or of any Bonds or such Auxiliary Obligations over any other Bonds or such Auxiliary Obligations, ratably, according to the amounts due respectively for principal and interest or other amounts, to the persons entitled thereto without any discrimination or preference;

- (c) To the payment of the amounts required for reasonable and necessary Program Expenses.

Majority Bondholders Control Proceedings

If an Event of Default shall have occurred and be continuing, notwithstanding anything in the Indenture to the contrary, the Holders of at least a majority in Aggregate Principal Amount of Bonds then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions of the Indenture or for the appointment of a receiver or to take any other proceedings under the Indenture, provided that such direction is in accordance with law and the provisions of the Indenture (including indemnity to the Trustee as provided in the General Indenture) and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of Bondholders not joining in such direction and provided further that nothing shall impair the right of the Trustee in its discretion to take any other action under the Indenture which it may deem proper and which is not inconsistent with such direction by Bondholders.

Modification of Indenture and Outstanding Bonds

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

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

Any modification or amendment of the Indenture and of the rights and obligations of UHC and of the Bondholders, in any particular, may be made by a Supplemental Indenture, with the written consent given as provided in the General Indenture of the Holders of at least a majority in Aggregate Principal Amount of the Bonds Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bonds or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holders of all such Bonds, or shall reduce the percentages of Bonds the consent of the Holders of which is required to effect any such modification or amendment without the consent of the Holders of all Bonds then Outstanding or shall change the provisions of the Indenture relating to the ability to declare the Aggregate Principal Amount of Bonds to be due and payable; or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. If any such modification or amendment will, by its terms not take effect so long as any Bonds of any particular maturity 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 Section. The Trustee, relying upon a Counsel's Opinion, may determine whether or not in accordance with the foregoing powers of

amendment Bonds of any particular maturity would be affected by any modification or amendment of the Indenture, and any such determination shall be binding and conclusive on UHC and the Bondholders.

Defeasance

If UHC shall pay or cause to be paid, or there shall otherwise be paid, to the Bondholders of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture and if UHC shall pay or cause to be paid to all Auxiliary Agreement Providers all amounts due and payable under all Auxiliary Agreements, then the pledge of any Revenues, and other moneys and securities pledged under the Indenture and all covenants, agreements and other obligations of UHC to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by UHC to be prepared and filed with UHC and, upon the request of UHC, shall execute and deliver to UHC all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to or upon the order of UHC all moneys or securities held by them pursuant to the Indenture that are not required for the payment of principal, or Redemption Price, if applicable, of or interest on Bonds not theretofore surrendered to them for such payment or redemption.

Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee or the Paying Agent (through deposit by UHC of moneys for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the General Indenture. Outstanding Bonds shall be deemed, prior to the maturity or redemption date thereof, to have been paid within the meaning and with the effect expressed in the General Indenture if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, UHC shall have given to the Bond Registrar in form satisfactory to it irrevocable instructions to mail a notice of redemption of such Bonds on said date; (ii) there shall have been deposited with the Trustee either moneys in an amount sufficient, or Defeasance Obligations the principal of and the interest on which when due (whether at maturity or the prior redemption thereof at the option of the holder thereof) will provide moneys in an amount that, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price of and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, UHC shall have given to the Bond Registrar in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to the Bondholders of such Bonds that the deposit required by (ii) above has been made with the Trustee and that said Bonds are deemed to have been paid and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price of and interest on said Bonds, and (iv) such Bonds are not Variable Rate Bonds.

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “**Disclosure Certificate**”) is executed and delivered by Utah Housing Corporation (“**UHC**”) in connection with the issuance of \$206,540,000* in aggregate principal amount of Single Family Mortgage Bonds, 2024 Series E (Non-AMT) and Single Family Mortgage Bonds, 2024 Series F (Federally Taxable) (collectively, the “**2024 Series E/F Bonds**”). The 2024 Series E/F Bonds are being issued and delivered pursuant to an Amended and Restated General Indenture of Trust (the “**General Indenture**”) dated as of September 1, 2023 and pursuant to a 2024 Series E/F Indenture (the “**Series Indenture**” and together with the General Indenture, the “**Indenture**”) dated as of June 1, 2024, each between UHC and Zions Bancorporation, National Association (the “**Trustee**”). UHC may issue additional series of bonds under the General Indenture upon satisfaction of the conditions set forth in the General Indenture. All bonds issued under the General Indenture, including the 2024 Series E/F Bonds, are referred to herein as the “**Bonds**.” Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Indenture. UHC covenants and agrees as follows:

1. **Purpose of the Disclosure Certificate.** This Disclosure Certificate is being executed and delivered by UHC for the benefit of the Holders and Beneficial Owners of the 2024 Series E/F Bonds.

2. **Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Bond Disclosure Report” shall mean any Annual Bond Disclosure Report provided by UHC pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or dispose of ownership of, any 2024 Series E/F Bonds (including persons holding 2024 Series E/F Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean UHC, or any successor Dissemination Agent designated in writing by UHC.

“Financial Obligation” shall mean, for purposes of the Listed Events, the following: (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” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the Securities and Exchange Commission and any other successor agency thereto.

* Preliminary; subject to change.

3. **Provision of Annual Bond Disclosure Reports.**

(a) UHC shall, or shall cause the Dissemination Agent to, not later than six months after the end of UHC's fiscal year, commencing with a report for the fiscal year ending June 30, 2024, provide to the MSRB an Annual Bond Disclosure Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Bond Disclosure Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of UHC may be submitted separately from the balance of the Annual Bond Disclosure Report and later than the date required above for the filing of the Annual Bond Disclosure Report if they are not available by that date. If UHC's fiscal year changes, it shall give notice of such change in a filing with the MSRB.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Bond Disclosure Report to the MSRB, UHC shall provide the Annual Bond Disclosure Report to the Dissemination Agent (if UHC is **not** the Dissemination Agent). If UHC is unable to provide to the MSRB an Annual Bond Disclosure Report by the date required in subsection (a), UHC shall in a timely manner, send, or cause to be sent, a notice in electronic format unless otherwise designated by the SEC to the MSRB, in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Bond Disclosure Report the name and address of the MSRB; and

(ii) if the Dissemination Agent is other than UHC, file a report with UHC certifying that the Annual Bond Disclosure Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB.

4. **Content of Annual Bond Disclosure Reports.** UHC's Annual Bond Disclosure Report shall contain or include by reference the following:

(a) The audited financial statements for UHC for the most recently ended fiscal year, currently prepared in accordance with generally accepted accounting principles.

(b) Tables setting forth the following information, as of the end of such fiscal year:

(i) For each maturity of the 2024 Series E/F Bonds: the interest rate on such Bonds, original aggregate principal amount of such Bonds and the principal amount of such Bonds remaining Outstanding.

(ii) For each Series of Bonds, the original aggregate principal amount of Bonds and the aggregate principal amount of Bonds remaining Outstanding.

(iii) The amounts credited to the Acquisition Account, the Revenue Account, the Debt Service Reserve Fund, the Additional Security Account and the Redemption Fund.

(iv) With respect to each Series of Bonds, the aggregate principal amount of MBS financed, the aggregate principal amount of MBS remaining outstanding and the range of pass-through rates on such MBS.

(v) The aggregate principal amount of MBS remaining outstanding and percentages of MBS remaining outstanding by MBS type.

(vi) With respect to each Series of Bonds, the number and aggregate principal amount of Mortgage Loans and Rental Development Mortgage Loans made or purchased and the number

and aggregate principal balance of Mortgage Loans and Rental Development Mortgage Loans remaining outstanding.

(vii) The delinquency rates for Mortgage Loans and Rental Development Mortgage Loans securing each Series of Bonds and the number of foreclosures on Mortgage Loans and Rental Development Mortgage Loans securing the Bonds for the preceding 12 months and on a cumulative basis.

(viii) The number and aggregate principal amount of Mortgage Loans insured or guaranteed governmental insurers and guarantors and uninsured Mortgage Loans held under the Indenture.

For purposes of this Section 4, the term “Mortgage Loans” shall not include DPA loans or Mortgage Loans backing MBS.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of UHC or related public entities, which have been submitted to the MSRB or the SEC. UHC shall clearly identify each such other document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, UHC shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the 2024 Series E/F Bonds in a timely manner but in no event more than ten (10) Business Days after the occurrence of the Listed Event:

(i) principal and interest payment delinquencies with respect to the 2024 Series E/F Bonds,

(ii) non-payment related defaults with respect to the 2024 Series E/F Bonds, if material,

(iii) unscheduled draws on any debt service reserve reflecting financial difficulties,

(iv) unscheduled draws on any credit enhancement reflecting financial difficulties,

(v) substitution of any credit or liquidity providers, or their failure to perform,

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2024 Series E/F Bonds or other material events affecting the tax status of the 2024 Series E/F Bonds,

(vii) modifications to rights of holders of the 2024 Series E/F Bonds, if material,

(viii) (1) bond calls, if material, and (2) tender offers,

(ix) defeasances,

(x) release, substitution, or sale of property securing repayment of the 2024 Series E/F Bonds, if material,

(xi) rating changes,

(xii) bankruptcy, insolvency, receivership or similar event of UHC,

(xiii) the consummation of a merger, consolidation or acquisition involving UHC or the sale of all or substantially all of the assets of UHC, other than in the ordinary course of business, the entry into a definitive agreement relating to any such actions, other than pursuant to its terms, if material,

(xiv) appointment of a successor or additional trustee or the change in the name of the trustee, if material,

(xv) incurrence of a Financial Obligation of UHC, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of UHC, any of which affect security holders, if material, and

(xvi) default, event of acceleration, termination event, modification of terms, or other similar event under the terms of a Financial Obligation of UHC, any of which reflect financial difficulties.

(b) Whenever UHC obtains knowledge of the occurrence of a Listed Event, UHC shall as soon as possible determine if such event would be material under applicable federal securities laws; provided, however, that any listed event under subsections (a)(i), (iii), (iv), (v), (vi), (viii)(2), (ix), (xi), (xii), and (xvi) will always be deemed to be material.

(c) If UHC determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, UHC shall, in a timely manner but in no event more than ten (10) Business Days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, UHC may cause the Trustee to give the notice of Listed Events described in subsections (a)(viii) and (ix), and such notice need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Indenture.

6. **Electronic Filing; Termination of Reporting Obligation.** Unless otherwise designated by the MSRB and the SEC, any filing or reporting obligation to the MSRB hereunder shall be made solely by transmitting such filing or report to the MSRB pursuant to its Electronic Municipal Market Access (EMMA) system as provided at <http://www.emma.msrb.org>. UHC's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the 2024 Series E/F Bonds, UHC shall give notice of such termination in a filing with the MSRB.

7. **Dissemination Agent.** UHC may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. If UHC is not the Dissemination Agent, the Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by UHC pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be UHC.

8. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Certificate, UHC may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the 2024 Series E/F Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2024 Series E/F Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the 2024 Series E/F Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the 2024 Series E/F Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, UHC shall describe such amendment in the next Annual Bond Disclosure Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by UHC. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in a filing with the MSRB, and (ii) the Annual Bond Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

9. **Additional Information.** Nothing in this Disclosure Certificate shall be deemed to prevent UHC from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Bond Disclosure Report or notice required to be filed pursuant to this Disclosure Certificate, in addition to that which is required by this Disclosure Certificate. If UHC chooses to include any information in any Annual Bond Disclosure Report or any other notice required by this Disclosure Certificate in addition to that which is specifically required by this Disclosure Certificate, UHC shall have no obligation under this Certificate to update such information or include it in any future Annual Bond Disclosure Report or any other notice required to be filed.

10. **Default.** In the event of a failure of UHC to comply with any provision of this Disclosure Certificate, the Trustee may (and, at the request of the Holders of at least 25% aggregate principal amount of Outstanding 2024 Series E/F Bonds, shall), or any Holder or Beneficial Owner of the 2024 Series E/F Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause UHC to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of UHC to comply with this Disclosure Certificate shall be an action to compel performance.

11. **Duties, Immunities and Liabilities of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and UHC agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of UHC under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2024 Series E/F Bonds.

12. **Beneficiaries.** This Disclosure Certificate shall inure solely to the benefit of UHC, the Trustee, the Dissemination Agent and Holders and Beneficial Owners from time to time of the 2024 Series E/F Bonds, and shall create no rights in any other person or entity.

DATED: _____, 2024

UTAH HOUSING CORPORATION

By _____
David C. Damschen, President and CEO

EXHIBIT A

**NOTICE TO REPOSITORIES OF FAILURE TO
FILE ANNUAL BOND DISCLOSURE REPORT**

Name of Issuer: Utah Housing Corporation

Name of Bond Issue: Single Family Mortgage Bonds, 2024 Series E/F

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that Utah Housing Corporation has not provided an Annual Bond Disclosure Report with respect to the above-named Bonds as required by Section 6.4 of the 2024 Series E/F Indenture dated as of June 1, 2024, between UHC and Zions Bancorporation, National Association, as trustee. [UHC anticipates that the Annual Bond Disclosure Report will be filed by _____.]

DATED: _____

UTAH HOUSING CORPORATION

By _____

APPENDIX G

DTC AND BOOK-ENTRY SYSTEM

The Offered Bonds initially will be issued solely in book-entry form to be held in the book-entry-only system maintained by The Depository Trust Company (“DTC”), New York, New York. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of Offered Bonds and Beneficial Owners will not be or be considered to be, and will not have any rights as, owners or holders of the Offered Bonds under the Indenture.

The following information about the book-entry-only system applicable to the Offered Bonds has been supplied by DTC. Neither UHC nor the Trustee makes any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as securities depository for the Offered Bonds. The Offered Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each of the Offered Bonds, as set forth on the inside cover page hereof, each in the aggregate principal amount of each maturity of the Offered Bonds and deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company of DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

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

To facilitate subsequent transfers, all Offered 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 Offered Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Offered Bonds; DTC’s records reflect only the identity of the Direct Participants to whose

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

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

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

Redemption proceeds and distributions on the Offered 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 UHC or Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners are governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Paying Agent, or UHC, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of UHC or the Paying Agent, and disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

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

UHC may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Offered Bond certificates will be printed and delivered to DTC.

NEITHER UHC NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A HOLDER WITH RESPECT TO: (1) THE OFFERED BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE OFFERED BONDS; (4) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO HOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE OFFERED BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

Each Beneficial Owner for whom a Direct Participant or Indirect Participant acquires an interest in the Offered Bonds, as nominee, may desire to make arrangements with such Direct Participant or Indirect Participant to receive a credit balance in the records of such Direct Participant or Indirect Participant, to have all notices of redemption or other communications to or by DTC, which may affect such Beneficial Owner forwarded in writing by such Direct Participant or Indirect Participant, and to have notification made of all debt service payments.

Beneficial Owners may be charged a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation to any transfer or exchange of their interests in the Offered Bonds.

UHC cannot and does not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of debt service on the Offered Bonds made to DTC or its nominee as the registered owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement.

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

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