This Preliminary Official Statement and the information contained herein are subject to change, completion and amendment without notice. The Bonds may not be sold nor may an offer 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 the solicitation of an offer to buy, nor shall there be any sale of the Bonds, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED MAY 19, 2026

NEW ISSUE

Moody's: 2026 Subseries C-1/C-2 "___"
2026 Subseries C-3 "___/__"
S&P: 2026 Subseries C-1/C-2 "___"
2026 Subseries C-3 "__/__"
(See "Ratings" herein)

This Official Statement has been prepared on behalf of the Connecticut Housing Finance Authority (the "Authority") to provide information with respect to the initial issuance of its Housing Mortgage Finance Program Bonds, 2026 Series C, consisting of 2026 Subseries C-1, 2026 Subseries C-2 and 2026 Subseries C-3 (collectively, the "Offered Bonds"). Certain information is presented on this cover page for the convenience of the user. To make an informed decision regarding the purchase of the Offered Bonds, a prospective investor should read this Official Statement in its entirety. Unless otherwise indicated, capitalized terms used on this cover page have the meanings given in this Official Statement.

CONNECTICUT HOUSING FINANCE AUTHORITY
HOUSING MORTGAGE FINANCE PROGRAM BONDS

$381,045,000* 2026 Series C
consisting of
$20,000,000* 2026 Subseries C-1 (Social Bonds)
$268,420,000* 2026 Subseries C-2 (Federally Taxable) (Social Bonds)
$92,625,000* 2026 Subseries C-3 (Variable Rate) (Social Bonds)

Purpose: The proceeds of the Offered Bonds, along with other available monies under the Resolution, are expected to be used to (i) within 90 days of the date of issuance of the Offered Bonds, refund and/or replace and refund certain current and/or future maturities of outstanding bonds to be paid at maturity or to be redeemed by special and/or optional redemption, which bonds were initially issued in part to finance certain Home Mortgage Loans and Agency Securities, (ii) provide new monies for the financing of Home Mortgage Loans and Agency Securities, (iii) provide new monies for the financing of Mobile Manufactured Home Loans, (iv) make a deposit to the Housing Mortgage Capital Reserve Fund, and (v) pay certain costs of issuance. See "SOURCES and USES."

Social Bonds: The Offered Bonds have been designated as "Social Bonds." (See "INTRODUCTION – Designation of the Offered Bonds as Social Bonds" and "APPENDIX E – S&P SECOND-PARTY OPINION" for a discussion of the designation of the Offered Bonds as "Social Bonds".)

Tax Exemption: In the opinions of Co-Bond Counsel to the Authority, (i) under existing statutes and court decisions, and assuming continuing compliance with certain tax covenants described herein, (a) interest on the 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and (b) interest on the 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code; however, interest on the 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code; (ii) interest on the 2026 Subseries C-2 Bonds is included in gross income for federal income tax purposes under the Code; and (iii) under existing statutes, interest on the Offered Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and such interest is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the alternative minimum tax imposed under the Code with respect to individuals, trusts and estates. (See "TAX MATTERS" herein.)

Security: Bonds issued under the Resolution are general obligations of the Authority, a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut. The Bonds are payable from revenues derived by the Authority from the operations of its Housing Mortgage Finance Program together with all other monies legally available therefor including the amounts, if any, certified by the Chairperson of the Authority as necessary to restore the Housing Mortgage Capital Reserve Fund to the required minimum capital reserve and deemed appropriated from the State's general fund and paid to the Authority pursuant to the Act, all as more fully described herein. In the opinions of Co-Bond Counsel, such appropriation and payment from the general fund of the State do not require further legislative approval. The Authority has no taxing power. The Bonds do not constitute a debt or liability of the State or a pledge of its faith and credit or taxing power.

Dated/Delivery Date: June __, 2026.

Due: May 15 and November 15, as shown on the inside cover.

Interest Payment Dates: May 15 and November 15, commencing November 15, 2026, as described herein.

Interest Rates, Maturity, Redemption and Tender: The Offered Bonds will bear interest at the rates, and mature on the dates, as more particularly described herein. The Offered Bonds are subject to redemption, including redemption at par, prior to maturity. The 2026 Subseries C-3 Bonds also are subject to mandatory and optional tender, all as more fully described herein.

Denominations: $5,000 or any integral multiple thereof for the 2026 Subseries C-1 Bonds and 2026 Subseries C-2 Bonds. $100,000 or integral multiples of $5,000 in excess thereof for the 2026 Subseries C-3 Bonds, except as otherwise provided as more fully described herein.

Book-Entry-Only System: The Depository Trust Company, New York, New York ("DTC"). (See "THE OFFERED BONDS – Book-Entry-Only System" herein).

Trustee/Tender Agent: U.S. Bank Trust Company, National Association.

Co-Bond Counsel: Hawkins Delafield & Wood LLP, Hartford, Connecticut and Troutman Pepper Locke LLP, Boston, Massachusetts.

Underwriters' Counsel: Tobin, Carberry, O'Malley, Riley & Selinger, P.C., New London, Connecticut.

Liquidity Facility: Subject to the terms and conditions thereof, the purchase price of the 2026 Subseries C-3 Bonds will be supported by a Standby Bond Purchase Agreement, dated as of June 1, 2026 (the "Standby Bond Purchase Agreement"), by and among the Authority, the Tender Agent, and TD Bank, N.A. (the "Bank"). The Standby Bond Purchase Agreement does not otherwise provide security or support for the payment of the principal of, premium, if any, or interest on the 2026 Subseries C-3 Bonds or provide for any payment whatsoever with respect to the other Offered Bonds. The Standby Bond Purchase Agreement will expire on June __, 2031 (or if such day is not a Business Day, the Business Day immediately preceding such day) unless extended or terminated earlier as set forth in the Standby Bond Purchase Agreement, and as more fully described herein. The obligation of the Bank to make payments under the Standby Bond Purchase Agreement is subject to immediate and automatic termination or suspension without notice upon the occurrence of certain events described herein.

Liquidity Provider: TD Bank, N.A.

Liquidity Provider U.S. Counsel: Pullman & Comley, LLC, Hartford, Connecticut.

Remarketing Agent: Raymond James & Associates, Inc.

Wells Fargo Securities†

BofA Securities | **Morgan Stanley** | **Bancroft Capital, Inc.**
Barclays | **Drexel Hamilton, LLC** | **RBC Capital Markets**
Jefferies | **J.P. Morgan** | **Huntington Capital Markets**
Ramirez & Co., Inc. | **Roosevelt & Cross Incorporated** | **Mischler Financial Group, Inc.**
Stern Brothers

May __, 2026

* Preliminary, subject to change.
† Sole Underwriter for the 2026 Subseries C-3 Bonds.

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MATURITY SCHEDULE*

CONNECTICUT HOUSING FINANCE AUTHORITY
HOUSING MORTGAGE FINANCE PROGRAM BONDS

$381,045,000 2026 SERIES C BONDS

$20,000,000 2026 Subseries C-1 Bonds (Social Bonds)

$20,000,000 2026 Subseries C-1 Serial Bonds

Due	Amount	Interest Rate	Price	CUSIP†	Due	Amount	Interest Rate	Price	CUSIP†
November 15, 2026	$4,565,000				May 15, 2031	$1,000,000			
November 15, 2027	3,705,000				November 15, 2031	1,410,000			
May 15, 2028	2,695,000				May 15, 2032	3,110,000			
November 15, 2028	1,110,000				November 15, 2032	1,385,000			
November 15, 2029	1,020,000								

$268,420,000 2026 Subseries C-2 Bonds (Federally Taxable) (Social Bonds)

$90,655,000 2026 Subseries C-2 Serial Bonds

Due	Amount	Interest Rate	Price	CUSIP†	Due	Amount	Interest Rate	Price	CUSIP†
May 15, 2028	$1,085,000				November 15, 2033	$4,820,000			
November 15, 2028	2,750,000				May 15, 2034	4,935,000			
May 15, 2029	3,945,000				November 15, 2034	5,050,000			
November 15, 2029	3,005,000				May 15, 2035	4,940,000			
May 15, 2030	4,110,000				November 15, 2035	4,805,000			
November 15, 2030	4,205,000				May 15, 2036	4,920,000			
May 15, 2031	3,295,000				November 15, 2036	5,045,000			
November 15, 2031	2,985,000				May 15, 2037	5,170,000			
May 15, 2032	1,380,000				November 15, 2037	5,300,000			
November 15, 2032	3,210,000				May 15, 2038	5,430,000			
May 15, 2033	4,705,000				November 15, 2038	5,565,000			

$36,670,000 ___% 2026 Subseries C-2 Term Bonds due November 15, 2041 – Price: _____% – CUSIP†: _____
$30,700,000 ___% 2026 Subseries C-2 Term Bonds due May 15, 2044 – Price: _____% – CUSIP†: _____
$110,395,000 ___% 2026 Subseries C-2 Term "PAC" Bonds due November 15, 2056 – Price: _____% – CUSIP†: _____

$92,625,000 2026 Subseries C-3 Bonds (Variable Rate) (Social Bonds)

$92,625,000 Subseries C-3 Term Bonds

$92,625,000 2026 Subseries C-3 Term Bonds due November 15, 2050 – Price: 100% – CUSIP†: _____

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* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2026 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Authority, the Underwriters, the Trustee or their agents or counsel assume responsibility for the accuracy of such numbers.

MODE CHART FOR 2026 SUBSERIES C-3 BONDS

The 2026 Subseries C-3 Bonds may bear interest in a Daily, Weekly, Monthly, Quarterly, Semiannual, Flexible, Term or Auction Mode Period, or be Converted to bear interest at Long-Term Fixed Interest Rates. This Official Statement is only intended to describe the 2026 Subseries C-3 Bonds while bearing interest in a Daily, Weekly, Monthly, Quarterly, Semiannual or Flexible Mode Period. The Standby Bond Purchase Agreement only provides liquidity support to the 2026 Subseries C-3 Bonds while such 2026 Subseries C-3 Bonds bear interest in a Weekly Mode Period or a Daily Mode Period. The 2026 Subseries C-3 Bonds shall initially bear interest in a Daily Mode Period. Purchasers of the 2026 Subseries C-3 Bonds will not receive a final Official Statement identifying the initial interest rate to be borne by the 2026 Subseries C-3 Bonds. For additional information on the 2026 Subseries C-3 Bonds, see Part 1 "THE OFFERED BONDS."

For each Mode Period following the date of delivery of the 2026 Subseries C-3 Bonds, the Interest Payment Date, the Rate Determination Date, Effective Rate Date, Statement of Effective Rate, the Notice of Tender by Holder to Remarketing Agent and/or Tender Agent and Tender and Purchase Date, and the Written Mode Change Notice shall be determined in accordance with the following schedule:

	DAILY MODE	WEEKLY MODE	MONTHLY MODE
Interest Payment Date	May 15 and November 15 of each year	May 15 and November 15 of each year	May 15 and November 15 of each year
Rate Determination Date	Each Business Day by 10:00 a.m.	First Business Day preceding Effective Rate Date	First Business Day preceding Effective Rate Date by 11:00 a.m.
Effective Rate Date	Daily	Thursday following the Rate Determination Date	First day of the calendar month
Statement of Effective Rate	Trustee to mail to Holder monthly statement of Daily Effective Rates for prior month within 7 Business Days of end of each Calendar month	Trustee to mail to Holder monthly statement of Weekly Effective Rates for prior month within 7 Business Days of end of each Calendar month	Trustee to mail to Holder notice of Effective Rate for prior month within 7 Business Days following each Rate Determination Date
Irrevocable Notice of Tender by Holder to Remarketing Agent and/or Tender Agent* and Tender and Purchase Date (Within Mode Period)	Notice by Holder to Remarketing Agent and Tender Agent prior to 11:00 a.m. on any Business Day, which Day shall also be the Tender and Purchase Date	Notice by Holder to Remarketing Agent and Tender Agent not later than 5:00 p.m. on the Business Day 7 days prior to the Business Day on which Holder will tender its Bonds, which Day is the Tender and Purchase Date and shall be set forth in the Tender Notice	Notice by Holder to Remarketing Agent and Tender Agent not later than 5:00 p.m. on the Business Day 7 days prior to next Effective Rate Date, which Date is the Tender and Purchase Date and shall be set forth in the Tender Notice
Written Mode Change Notice; Mandatory Tender	Authority to give notice to Notice Parties of Mode Change Date 21 days prior to Mode Change Date and Trustee to give notice to Holders 14 days prior to Mode Change Date	Authority to give notice to Notice Parties of Mode Change Date 21 days prior to Mode Change Date and Trustee to give notice to Holders 14 days prior to Mode Change Date	Authority to give notice to Notice Parties of Mode Change Date 21 days prior to Mode Change Date and Trustee to give notice to Holders 14 days prior to Mode Change Date

* Notice of Tender to the Tender Agent must be in writing and addressed to: U.S. Bank Trust Company, National Association, Corporate Trust Administration, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103, or emailed to TFMHartfordA@usbank.com and tender.notifications@usbank.com.

	QUARTERLY MODE	SEMIANNUAL MODE	FLEXIBLE MODE
Interest Payment Date	May 15 and November 15 of each year	May 15 and November 15 of each year	The Business Day next succeeding the last day of any Flexible Rate Segment
Rate Determination Date	First Business Day preceding Effective Rate Date by 11:00 a.m.	First Business Day preceding Effective Rate Date by 11:00 a.m.	Effective Rate determined by 1:00 p.m. on first day of each Flexible Rate Segment
Effective Rate Date	February 15, May 15, August 15 and November 15 of each year	May 15 and November 15 of each year	First Business Day of each Flexible Rate Segment
Statement of Effective Rate	Trustee to mail to Holder notice of Effective Rate and Minimum Rate on the respective Rate Determination Dates	Trustee to mail to Holder notice of Effective Rate on the respective Rate Determination Dates	Effective Rate available to Holders between 1:00 p.m. and 5:00 p.m. from Remarketing Agent or Trustee
Irrevocable Notice of Tender by Holder to Remarketing Agent and/or Tender Agent* and Tender and Purchase Date (Within Mode Period)	Notice by Holder to Tender Agent not later than 5:00 p.m. on the Business Day 13 days prior to next Effective Rate Date, which Date is the Tender and Purchase Date and shall be set forth in the Tender Notice	Notice by Holder to Tender Agent not later than 5:00 p.m. on the Business Day 15 days prior to next Effective Rate Date, which Date is the Tender and Purchase Date and shall be set forth in the Tender Notice	No optional tender of Bonds in Flexible Mode Period
Written Mode Change Notice; Mandatory Tender	Authority to give notice to Notice Parties of Mode Change Date 21 days prior to Mode Change Date and Trustee to give notice to Holders 14 days prior to Mode Change Date	Authority to give notice to Notice Parties of Mode Change Date 21 days prior to Mode Change Date and Trustee to give notice to Holders 14 days prior to Mode Change Date	Authority to give notice to Notice Parties of Mode Change Date 21 days prior to Mode Change Date and Trustee to give notice to Holders 14 days prior to Mode Change Date

* Notice of Tender to the Tender Agent must be in writing and addressed to: U.S. Bank Trust Company, National Association, Corporate Trust Administration, CityPlace I, 185 Asylum Street, 27th Floor, Hartford, Connecticut 06103, or emailed to TFMHartfordA@usbank.com and tender.notifications@usbank.com.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No dealer, broker, salesman, or other person has been authorized to give any information or to make any representations, other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon. 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 furnished by the Authority and includes information from other sources that the Authority believes to be reliable, but it is not guaranteed as to its accuracy or completeness. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date hereof. This Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose.

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

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

The Bank has provided the following two sentences for inclusion in this Official Statement: The Bank has not prepared or assisted in the preparation of this Official Statement, including any financial information included herein or attached hereto, and the Bank has no responsibility for the form and content of this Official Statement or any information omitted herefrom, other than solely with respect to the information describing the Bank under "APPENDIX C – CERTAIN INFORMATION RELATING TO TD BANK, N.A." to Part 1 of this Official Statement, and has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein or omitted herefrom, other than solely with respect to the information describing the Bank under "APPENDIX C – CERTAIN INFORMATION RELATING TO TD BANK, N.A." to Part 1 of this Official Statement. Accordingly, the Bank disclaims responsibility for the other information in this Official Statement or otherwise made in connection with the issuance of the Offered Bonds.

Part 1 and Part 2 of this Official Statement, including their respective appendices, are to be read together, and together Part 1 and Part 2 constitute this Official Statement.

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CONNECTICUT HOUSING FINANCE AUTHORITY
HOUSING MORTGAGE FINANCE PROGRAM BONDS

$381,045,000* 2026 Series C

consisting of

$20,000,000* 2026 Subseries C-1 (Social Bonds)
$268,420,000* 2026 Subseries C-2 (Federally Taxable) (Social Bonds)
$92,625,000* 2026 Subseries C-3 (Variable Rate) (Social Bonds)

This Official Statement Part 1 (sometimes referred to herein as "Part 1") provides information as of its date (except where otherwise expressly stated) concerning the Authority's Offered Bonds. It contains only a part of the information to be provided by the Authority in connection with the issuance and sale of the Offered Bonds. Additional information concerning bonds previously issued and Outstanding under the Resolution (as defined herein), the Authority, and the Housing Mortgage Finance Program (as defined in Appendix D to Part 2 of this Official Statement) is contained in the Official Statement Part 2 (sometimes referred to herein as "Part 2") and is subject in all respects to the information contained herein.

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CONNECTICUT HOUSING FINANCE AUTHORITY

OFFICIAL STATEMENT PART 1
relating to
HOUSING MORTGAGE FINANCE PROGRAM BONDS

$381,045,000* 2026 Series C

consisting of

$20,000,000* 2026 Subseries C-1 (Social Bonds)
$268,420,000* 2026 Subseries C-2 (Federally Taxable) (Social Bonds)
$92,625,000* 2026 Subseries C-3 (Variable Rate) (Social Bonds)

This Official Statement consists of Part 1 and Part 2. This Part 1, including the cover page to this Part 1, the cover page and inside cover page to the Official Statement, and the appendices hereto, provides certain information concerning the Connecticut Housing Finance Authority (the "Authority") in connection with the issuance of (i) its Housing Mortgage Finance Program Bonds, 2026 Series C, Subseries C-1 (the "2026 Subseries C-1 Bonds"), (ii) its Housing Mortgage Finance Program Bonds, 2026 Series C, Subseries C-2 (the "2026 Subseries C-2 Bonds"), and (iii) its Housing Mortgage Finance Program Bonds, 2026 Series C, Subseries C-3 (the "2026 Subseries C-3 Bonds" and, together with the 2026 Subseries C-1 Bonds and the 2026 Subseries C-2 Bonds, the "Offered Bonds"). The 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds are sometimes referred to herein as the "Tax-Exempt Bonds." The 2026 Subseries C-2 Bonds are sometimes referred to herein as the "Taxable Bonds." The 2026 Subseries C-1 Bonds and the 2026 Subseries C-2 Bonds are sometimes referred to herein as the "Fixed Rate Bonds." Each subseries of the Offered Bonds is sometimes referred to herein as a "Subseries." The Offered Bonds are being issued pursuant to Chapter 134 of the General Statutes of Connecticut, as amended (the "Act"), the General Housing Mortgage Finance Program Bond Resolution of the Authority, adopted September 27, 1972, as amended and supplemented (the "Resolution"), and a series resolution entitled "A Series Resolution Authorizing the Issuance of Housing Mortgage Finance Program Bonds, 2026 Series C," adopted by the Authority on November 20, 2025 and April 23, 2026 (the "2026 Series C Resolution" and, together with the Resolution, the "Resolutions").

Pursuant to the Resolution, bonds issued thereunder are equally and ratably secured by the pledges and covenants contained therein, and all such bonds, heretofore and hereafter issued thereunder, including the Offered Bonds, are herein collectively referred to as the "Bonds." The Official Statement Part 2 sets forth additional information concerning the Authority, the Act, the Housing Mortgage Finance Program, other activities of the Authority, and the Outstanding Bonds. Certain terms used in this Official Statement and the Resolution are defined in Appendix D to Part 2.

The issuance of the Fixed Rate Bonds is contingent upon the sale and delivery of the 2026 Subseries C-3 Bonds to Wells Fargo Bank, National Association, the sole Underwriter of the 2026 Subseries C-3 Bonds, and the issuance of the 2026 Subseries C-3 Bonds is contingent upon the sale and delivery of the Fixed Rate Bonds to the Underwriters thereof listed on the cover page hereof. See "INTRODUCTION – Additional Issuances" and "UNDERWRITING" herein.

INTRODUCTION

General

The Authority was created in 1969, pursuant to the Act, as a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut (the "State") to meet the housing needs of low

* Preliminary, subject to change.

and moderate income families and persons, with the objectives of reducing the cost of mortgage financing for, increasing the supply of, and encouraging and assisting the development and construction of, well-planned and well-designed single family and multifamily housing for low and moderate income families and persons throughout the State. To accomplish such purposes, the Authority has implemented its Housing Mortgage Finance Program pursuant to the Resolution for the issuance of Bonds to finance the purchase and/or origination of mortgage loans to persons of low and moderate income for owner–occupied housing ("Home Mortgage Loans"), to finance multifamily rental housing for low and moderate income persons and families ("Multifamily Mortgage Loans"), and to finance the origination of mortgage loans to persons of low and moderate income for mobile manufactured homes located in manufactured housing communities ("Mobile Manufactured Home Loans" and together with Home Mortgage Loans and Multifamily Mortgage Loans, "Mortgage Loans"). As of December 31, 2025, the Authority has issued approximately $25.8 billion aggregate principal amount of Bonds pursuant to the Resolution to finance the purchase of Home Mortgage Loans and Multifamily Mortgage Loans (collectively, the "Housing Mortgage Finance Program Bonds"), the funding of certain reserves and the refunding of prior Bonds. As of December 31, 2025, approximately $6.2 billion aggregate principal amount of Bonds was Outstanding, consisting of approximately $1.35 billion (approximately 22%) of variable rate bonds and approximately $4.8 billion (approximately 78%) of fixed rate bonds. The variable rate bonds are hedged by Swaps with a notional amount outstanding of approximately $973.7 million (approximately 72% hedged) as of December 31, 2025. See Part 2 "THE HOUSING MORTGAGE FINANCE PROGRAM – Housing Mortgage Finance Program Bonds."

The Resolution permits the financing of (i) Home Mortgage Loans, (ii) Agency Securities (as defined below) with underlying Home Mortgage Loans, (iii) Multifamily Mortgage Loans, and (iv) Mobile Manufactured Home Loans. The proceeds of the Offered Bonds, along with other available monies under the Resolution, are expected to be used to (i) within 90 days of the date of issuance of the Offered Bonds, refund and/or replace and refund certain current and/or future maturities of outstanding bonds to be paid at maturity or to be redeemed by special and/or optional redemption, which bonds were initially issued in part to finance certain Home Mortgage Loans and Agency Securities, (ii) provide new monies for the financing of Home Mortgage Loans and Agency Securities, (iii) provide new monies for the financing of Mobile Manufactured Home Loans, (iv) make a deposit to the Housing Mortgage Capital Reserve Fund, and (v) pay certain costs of issuance. It is expected that a portion of the proceeds of the 2026 Subseries C-3 Bonds will be applied to refund certain Outstanding Bonds. See "SOURCES AND USES."

Generally, Home Mortgage Loans financed from the proceeds of Bonds are purchased from participating financial institutions and may be guaranteed or insured by the Federal Housing Administration ("FHA"), the Department of Veterans Affairs ("VA"), the United States Department of Agriculture Rural Development ("RD"), private mortgage insurance companies ("PMI") or the Authority itself. In addition, certain Home Mortgage Loans may be pooled into GNMA Securities, FNMA Securities or FHLMC Securities (collectively, "Agency Securities") and held as investments under the Resolution. The Act provides that the aggregate outstanding amount of Home Mortgage Loans, permanent Multifamily Mortgage Loans and Mobile Manufactured Home Loans that are not guaranteed or insured not be greater than $2,250,000,000 at any one time. See Part 2 "THE HOUSING MORTGAGE FINANCE PROGRAM – Home Mortgage Loans – Home Mortgage Loan Portfolio" and "– Agency Securities." See also "APPENDIX C – SUMMARY OF CERTAIN FEDERAL HOUSING AND MORTGAGE PROGRAMS" in Part 2.

As of December 31, 2025, the Authority had purchased Home Mortgage Loans having an outstanding principal balance of $1.02 billion (19%) in the Home Mortgage Loan Portfolio and an outstanding principal balance of $4.26 billion (81%) in the Agency Security Portfolio[†]. In addition, as of March 31, 2026, the Authority had outstanding applications in the amount of approximately $262 million for the financing of Home Mortgage Loans (of which approximately $162 million had been firmly committed for purchase by the Authority). As of March 31, 2026, the Authority had approximately $528 million available in Bond proceeds, of which approximately $186 million was available for the financing of such Home Mortgage Loans. See Part 2 "THE HOUSING MORTGAGE FINANCE PROGRAM – Home Mortgage Loans – Home Mortgage Loan Portfolio."

[†] Excludes certain reverse annuity mortgage loans, certain second mortgages and down payment assistance mortgages that were transferred to the Housing Mortgage General Fund from the Investment Trust Fund in November 2000, certain housing assets that were acquired from the State in April 2003, and loans funded with the proceeds of special obligation bonds issued under the Single Family Special Obligation Bond Resolution (See Part 2 "THE HOUSING MORTGAGE FINANCE PROGRAM ─ Other Portfolios within the Investment Trust Subaccount").

The Authority originates uninsured and privately insured or guaranteed loans for multifamily developments throughout the State. See Schedule A in Part 2 "Multifamily Mortgage Loan Portfolio, DECD and DOH Development Portfolio." The Authority, as of December 31, 2025, had made Multifamily Mortgage Loans financed with Bond proceeds having an outstanding balance of approximately $1.04 billion. In addition, as of March 31, 2026, the Authority had approximately $342 million of Bond proceeds available to provide for the completion of multifamily developments under construction. See Part 2 "THE HOUSING MORTGAGE FINANCE PROGRAM – Multifamily Mortgage Loan Portfolio."

Pursuant to the Act, the Authority finances Mobile Manufactured Home Loans for certain eligible borrowers, which do not require private mortgage insurance. In 2020, the Authority funded Mobile Manufactured Home Loans using proceeds from the Investment Trust Subaccount. Beginning in 2026, the Authority will fund Mobile Manufactured Home Loans using taxable bond proceeds and recoveries of principal from such portfolio. See Part 2 "THE HOUSING MORTGAGE FINANCE PROGRAM – Other Portfolio Financed by the Housing Mortgage Finance Program Bonds – Mobile Manufactured Home Loan Portfolio."

The Internal Revenue Code of 1986, as amended, and Treasury regulations promulgated thereunder or applicable thereto (collectively, the "Code"), impose substantial requirements and restrictions on an "issue" of obligations for the financing of Home Mortgage Loans and Multifamily Mortgage Loans or to refund such obligations, the interest on which is not included in gross income for federal income tax purposes. See "TAX MATTERS – Requirements of the Code Relating to Home Mortgage Loans" and "– Requirements of the Code Relating to Multifamily Mortgage Loans." For purposes of arbitrage and certain other federal tax matters, the Tax-Exempt Bonds are expected to be treated as a composite issue, in which case certain requirements must be satisfied with respect to all the Tax-Exempt Bonds in order that interest on each individual Subseries of the Tax-Exempt Bonds be excluded from gross income for federal income tax purposes retroactive to the date of issuance thereof. The Authority reserves the right to issue Bonds in the future that could be treated as a composite issue with the Tax-Exempt Bonds for federal income tax purposes.

U.S. Bank Trust Company, National Association, Hartford, Connecticut, as successor to U.S. Bank National Association and Fleet National Bank, is serving as trustee (the "Trustee"), paying agent (the "Paying Agent") and tender agent (the "Tender Agent") under the Resolution.

All references herein to the Act and the Resolutions are qualified in their entirety by reference to each such document, copies of which are available from the Authority. All references to the Bonds, including the Offered Bonds, are qualified in their entirety by reference to the definitive forms thereof and the information with respect thereto contained in the Resolution and the 2026 Series C Resolution.

Designation of the Offered Bonds as Social Bonds

General

The Offered Bonds have been designated as Social Bonds pursuant to a Second-Party Opinion provided by S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P"), included as "APPENDIX E – S&P SECOND-PARTY OPINION" to this Part 1 (the "S&P Second-Party Opinion"), in which S&P assesses the Authority's Sustainability Framework (as described therein) and its alignment with the Social Bond Principles and mapping to UNSDGs, each as described below.

None of the Authority, the Underwriters, the Trustee, the Bank, the Remarketing Agent, or any of their counsels, has independently confirmed or verified the information below or assumed any obligation to ensure that the Offered Bonds comply with any legal or other standards or principles that may be related to Social Bonds. The Offered Bonds have been designated as Social Bonds based solely on S&P's views regarding the Authority's Sustainability Framework and its alignment with Social Bond Principles and mapping to UNSDGs as set forth in the S&P Second-Party Opinion. The designation of the Offered Bonds as Social Bonds does not entitle the Holder of any Offered Bond to any benefit under the Code. The term "Social Bonds" is neither defined in nor related to provisions of the Resolution. Holders of the Offered Bonds do not have any security other than as provided in the Resolution as described below under "Security for the Bonds."

Social Bonds Designation

The International Capital Market Association, in its publication, *Social Bond Principles*: *Voluntary Process Guidelines for Issuing Social Bonds*, defines Social Bonds as "any type of bond instrument where the proceeds, or an equivalent amount, will be exclusively applied to finance or re-finance in part or in full new and/or existing eligible Social Projects and which are aligned with the four core components of the Social Bond Principles" and in addition states that "Social Project categories include … providing … affordable housing."

The S&P Second-Party Opinion finds that the Authority "commits to allocate the net proceeds issued under the framework exclusively to eligible green and social projects" and that the Authority's Sustainability Framework is aligned with each of the four core components of the Social Bond Principles. The S&P Second-Party Opinion also finds that the Authority's Sustainability Framework maps to, and intends to contribute to, certain of the United Nations Sustainable Development Goals ("UNSDGs") adopted by the United Nations General Assembly in 2015 as part of its 2030 Agenda for Sustainable Development. See the S&P Second-Party Opinion included as "APPENDIX E – S&P SECOND-PARTY OPINION" to this Part 1.

Post-Issuance Reporting

The Authority expects to provide annual updates, as of the last day of each fiscal year commencing with calendar year 2026, regarding the disbursement of the lendable proceeds of the Offered Bonds for the financing of Home Mortgage Loans. The Authority expects that such annual updates will consist of the information outlined in "APPENDIX F – FORM OF SOCIAL BONDS ANNUAL REPORT"; the specific form and content of such updates are in the absolute discretion of the Authority. The Authority will cease to update such information when the applicable lendable proceeds have been fully expended. This reporting is separate from the Authority's obligations described under "CONTINUING DISCLOSURE UNDERTAKING." Failure by the Authority to provide such updates is not a default or an event of default under the Resolutions or the Continuing Disclosure Undertaking.

Independent Second-Party Opinion on Social Bond Designation and Disclaimer

The S&P Second-Party Opinion assesses the Authority's Sustainability Framework and its alignment with Social Bond Principles and mapping to UNSDGs.

The S&P Second-Party Opinion does not and is not intended to make any representation or give any assurance with respect to any other matter relating to the Offered Bonds. The S&P Second-Party Opinion is not a recommendation to any person to purchase, hold or sell the Offered Bonds, does not address the market price or suitability of the Offered Bonds for a particular investor and does not and is not in any way intended to address the likelihood of timely payment of interest or principal when due.

In issuing the Second-Party Opinion, S&P has assumed and relied upon the accuracy and completeness of the information made publicly available by the Authority or that was otherwise made available to S&P.

Additional Issuances

In addition to those Bonds Outstanding as of December 31, 2025, as reflected in Part 2 of this Official Statement under the heading "THE HOUSING MORTGAGE FINANCE PROGRAM – Housing Mortgage Finance Program Bonds," the Authority issued the additional series of Bonds set forth in the following table in fiscal year 2026:

Series	Date of Issuance	Par Amount	Purpose
2026 Series A Bonds	February 12, 2026	$369,760,000	To finance Home Mortgage Loans and Agency Securities and to make a deposit to the Housing Mortgage Capital Reserve Fund
2026 Series B Bonds	March 26, 2026	$149,685,000	To finance Multifamily Mortgage Loans

From time to time, the Authority issues Bonds that are sold directly to institutional investors. Those issued as of December 31, 2025 are included in the Bonds Outstanding information reflected in Part 2 of this Official Statement under the heading "THE HOUSING MORTGAGE FINANCE PROGRAM – Housing Mortgage Finance Program Bonds." More information regarding all such Bonds (including those issued since December 31, 2025) can be found on the MSRB's EMMA website and information regarding the various liquidity facilities that support the Authority's Outstanding variable rate demand obligations can be found in Part 2 of this Official Statement under the caption "THE HOUSING MORTGAGE FINANCE PROGRAM – Housing Mortgage Finance Program Bonds – Variable Rate Demand Bonds and Liquidity Facilities" and on the MSRB's EMMA website.

Security for the Bonds

The Offered Bonds and all other Bonds issued pursuant to the Resolution are general obligations of the Authority for the payment of which the full faith and credit of the Authority are pledged, and are payable from revenues derived from Home Mortgage Loans, Multifamily Mortgage Loans and Mobile Manufactured Home Loans financed by the Authority together with other monies legally available therefor, including amounts in the Housing Mortgage Capital Reserve Fund. The Authority has no taxing power. The Bonds do not constitute a debt or liability of the State or a pledge of its faith and credit or taxing power. The Bonds are secured equally and ratably by the pledges and covenants contained in the Resolution, including the pledge of (i) the proceeds of sale of the Bonds, (ii) the Pledged Receipts (which include scheduled amortization payments and certain other charges on Home Mortgage Loans, Multifamily Mortgage Loans and Mobile Manufactured Home Loans acquired with Bond proceeds) and Recoveries of Principal (which include amounts received as prepayments, condemnation, or insurance proceeds, and proceeds of sale or other disposition of the acquired mortgages), and (iii) monies and securities in the funds and accounts established by the Resolution. See "SOURCES OF PAYMENT."

The Act provides for the creation of the "Housing Mortgage Capital Reserve Fund" and the "Housing Mortgage General Fund." Proceeds of the Bonds are to be deposited in such funds and held for the payment of the Bonds or used to finance Mortgage Loans in accordance with the Resolutions, the Act, and the Authority's Housing Mortgage Finance Program. Upon the issuance of any Series of Bonds, the Authority is required to deposit from the proceeds thereof at least the amount required to cause the amount in the Housing Mortgage Capital Reserve Fund to equal the maximum annual debt service in any succeeding calendar year on all Outstanding Bonds, including the Bonds then being issued. In the event the Authority should be required to withdraw monies from the Housing Mortgage Capital Reserve Fund for the payment of the Bonds, the Act provides that the amount certified as necessary to restore that fund to an amount equal to the next year's debt service on all Outstanding Bonds shall be deemed to be appropriated from the general fund of the State and requires such amounts to be allotted and paid to the Authority. In the opinions of Co-Bond Counsel to the Authority (as described on the cover page hereof), such appropriation and payment from the general fund of the State do not require further legislative approval. In addition, pursuant to Section 1-124 of the Connecticut General Statutes, the approval of the State Treasurer is required prior to the issuance of bonds and notes or the borrowing of money for which there is a capital reserve fund of any kind that is in any way contributed to or guaranteed by the State.

Prior to the date of issuance of the Offered Bonds, a certificate of an Authorized Officer (as defined in the Resolution) will be delivered to the Trustee to the effect that the estimated amount of net receipts expected to be received from all mortgages (including Home Mortgage Loans, Multifamily Mortgage Loans and Mobile Manufactured Home Loans) financed or deemed to be financed with the proceeds of Outstanding Bonds, including the Offered Bonds, shall be sufficient to pay, as the same become due, the reasonable and necessary Operating Costs of the Authority and the Principal Installments of and interest on the Outstanding Bonds, including the Offered Bonds,

and all payments due to providers of Swaps. See Part 2 "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION – Issuance of Additional Obligations."

Liquidity Facility

In connection with the issuance of the 2026 Subseries C-3 Bonds, the Authority will provide or cause to be provided a Liquidity Facility which, subject to certain terms and conditions set forth therein, will provide liquidity support for the purchase price of the 2026 Subseries C-3 Bonds while in the Weekly Mode or Daily Mode, as hereinafter described. The Liquidity Facility for the 2026 Subseries C-3 Bonds is a Standby Bond Purchase Agreement dated as of June 1, 2026 (the "Standby Bond Purchase Agreement"), by and among the Authority, the Tender Agent, and TD Bank, N.A. (the "Bank"). The Standby Bond Purchase Agreement does not otherwise provide security or support for the payment of the principal of, premium, if any, or interest on the 2026 Subseries C-3 Bonds or provide for any payment whatsoever with respect to the other Offered Bonds.

The Standby Bond Purchase Agreement will, subject to certain terms and conditions set forth therein, provide for the purchase by the Bank on the terms and conditions specified therein of tendered 2026 Subseries C-3 Bonds, while in the Weekly Mode or the Daily Mode, that cannot be remarketed as provided for in the Resolutions. 2026 Subseries C-3 Bonds purchased and held by the Bank ("Bank Bonds") will bear interest at the Bank Interest Rate (as defined below) in accordance with the Standby Bond Purchase Agreement. The payments of maturing principal and interest on Bank Bonds will be entitled to the lien created by the pledge under the Resolution on a parity with the Bonds. The occurrence of certain events under the Standby Bond Purchase Agreement will result in the immediate termination or suspension (without notice) of the Bank's obligation thereunder to purchase the 2026 Subseries C-3 Bonds tendered or deemed tendered and not remarketed. Under such circumstances, Bondholders may be required to retain such 2026 Subseries C-3 Bonds at the rates set by the Remarketing Agent to their maturity or prior redemption, as more fully described herein. The Standby Bond Purchase Agreement expires on June __, 2031 (or if such day is not a Business Day, the Business Day immediately preceding such day), unless extended or earlier terminated pursuant to its terms. In the event that a Liquidity Facility, including the Standby Bond Purchase Agreement, is replaced or expires and is not renewed or replaced with an Alternate Liquidity Facility, the 2026 Subseries C-3 Bonds covered by such Liquidity Facility are subject to mandatory tender. See "THE OFFERED BONDS – Description of the 2026 Subseries C-3 Bonds – Standby Bond Purchase Agreement for 2026 Subseries C-3 Bonds" and "– Tender Provisions – Authority Not Responsible for Bank's Failure to Purchase 2026 Subseries C-3 Bonds upon Occurrence of Certain Events of Default," and Part 2 "THE HOUSING MORTGAGE FINANCE PROGRAM – Housing Mortgage Finance Program Bonds – Variable Rate Demand Bonds and Liquidity Facilities."

Interest Rate Swap Agreements

The Act was amended in 1993 by Public Act No. 93-33, and the Resolution supplemented in accordance therewith, to provide for agreements to moderate interest rate fluctuations ("Swaps"). See Part 2 "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION – Issuance of Additional Obligations." Pursuant to such authorization, the Authority has entered into a number of Swaps in connection with Bonds issued under the Resolution. See the table entitled "Connecticut Housing Finance Authority Swap Exposure" in Part 2 "THE HOUSING MORTGAGE FINANCE PROGRAM – Housing Mortgage Finance Program Bonds – Interest Rate Swap Agreements." Generally, scheduled payments made by the Authority to the provider under a Swap are on a parity with the payment of interest on the Bonds and payments made by such provider to the Authority under its Swap constitute Pledged Receipts under the Resolution. The Authority may from time to time enter into additional Swaps in the future to the extent such action is deemed economically prudent and consistent with the Authority's objectives.

Under certain circumstances (including certain events of default with respect to the Authority or the provider), a swap agreement executed by the Authority under the Resolution may be terminated in whole or in part prior to its stated expiration date. Following any termination of a swap agreement, either the Authority or the swap provider may owe a Termination Payment to the other, depending upon market conditions and the events that caused such swap agreement to terminate. Under certain circumstances, the Authority could owe a Termination Payment to the related Swap Provider which could be substantial. The obligation of the Authority to make regularly scheduled Swap Payments are on a parity with the related Bonds, while Termination Payments are required to be and are due and payable at the end of the year of termination and subsequent to the payment of debt service on Bonds and Swap

Payments in that year. Such Termination Payments, to the extent not paid in such year, will become included in the calculation of "Operating Cost" in the subsequent year and paid in the priority set forth for Operating Costs.

As described above, the Authority has previously entered into various Swaps relating to Outstanding Bonds. In connection with the issuance of the 2026 Subseries C-3 Bonds, it is expected that the Authority will enter into a new Swap agreement that will be allocated to the 2026 Subseries C-3 Bonds (the "New Swap Agreement"). The New Swap Agreement will provide that the Authority will pay a fixed rate of interest to the Swap provider on the notional amount of the New Swap Agreement and that the Swap provider will pay interest to the Authority based on a variable rate on such notional amount on a net basis. The scheduled termination date of the New Swap Agreement may or may not coincide with the maturity date of the 2026 Subseries C-3 Bonds. Arrangements made in respect of the New Swap Agreement will not alter the Authority's obligation to pay the principal of, premium, if any, and interest on the Offered Bonds (including the 2026 Subseries C-3 Bonds). Payments made to the Authority by the Swap provider under the New Swap Agreement will constitute Pledged Receipts under the Resolution. The requirement to make scheduled payments to the Swap provider by the Authority under the New Swap Agreement will be entitled to the lien created by the pledge under the Resolution and is on a parity with the payment of interest on the Bonds issued under the Resolution (including the Offered Bonds).

THE OFFERED BONDS

General

Fixed Rate Bonds

Interest on the Fixed Rate Bonds will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. Each Fixed Rate Bond will be dated the date of delivery thereof and will bear interest from such date payable semiannually on May 15 and November 15 in each year, commencing November 15, 2026, at the rates and will mature on the dates and in the amounts as set forth on the inside cover page.

The Fixed Rate Bonds are issuable only as fully-registered bonds in denominations of $5,000 or any integral multiple thereof. The Fixed Rate Bonds, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Fixed Rate Bonds. Individual purchases of the Fixed Rate Bonds will be made in book-entry-only form and purchasers of Fixed Rate Bonds will not receive physical delivery of certificates representing their interest in such Fixed Rate Bonds. So long as Cede & Co. is the sole registered owner of the Fixed Rate Bonds, references herein to the registered owners of the Fixed Rate Bonds (*except* under "TAX MATTERS") shall mean Cede & Co., as nominee of DTC, and shall not mean the beneficial owners of the Fixed Rate Bonds. See "THE OFFERED BONDS – Book-Entry-Only System."

So long as the Fixed Rate Bonds are registered in book-entry-only form, principal or redemption price, if any, and interest on the Fixed Rate Bonds will be payable to Cede & Co., as aforesaid. If the Fixed Rate Bonds are issued in certificated form, interest on the Fixed Rate Bonds will be thereafter payable by wire, check or draft transmitted or mailed, as appropriate, from the corporate trust office of U.S. Bank Trust Company, National Association, Hartford, Connecticut, as Trustee, to the registered owner thereof as shown in the registration books of the Authority held by the Trustee at the close of business on the first day of the month in which the interest payment date occurs (or if such day is not a Business Day, the first Business Day following such day) (the "Record Date").

2026 Subseries C-3 Bonds

The 2026 Subseries C-3 Bonds shall be dated the date of the first delivery of fully executed and authenticated 2026 Subseries C-3 Bonds and shall bear interest from such date at the Effective Rate (from and including June __, 2026 to but not including June __, 2026) initially determined by Wells Fargo Bank, National Association, as sole underwriter of the 2026 Subseries C-3 Bonds, and thereafter determined by Raymond James & Associates, Inc. (the "Remarketing Agent"), unless another remarketing agent or agents shall have been duly appointed in accordance with the 2026 Series C Resolution. The 2026 Subseries C-3 Bonds shall initially bear interest in a Daily Mode Period.

The 2026 Subseries C-3 Bonds may bear interest based on a Daily, Weekly, Monthly, Quarterly, Semiannual, Flexible, Term or Auction Mode Period, unless the 2026 Subseries C-3 Bonds are Converted, in which case such Converted 2026 Subseries C-3 Bonds shall bear interest at Long-Term Fixed Interest Rates until their maturity or prior redemption. **This Official Statement is only intended to describe the 2026 Subseries C-3 Bonds while bearing interest in the Daily, Weekly, Monthly, Quarterly, Semiannual or Flexible Mode Periods (each, a "Mode Period").**

During a Daily Mode Period, a Weekly Mode Period, a Monthly Mode Period, a Quarterly Mode Period or a Flexible Mode Period, interest accrued on the 2026 Subseries C-3 Bonds shall be computed on the basis of a 365- or 366-day year, as applicable, for the number of days actually elapsed. During a Semiannual Mode Period, interest accrued on the 2026 Subseries C-3 Bonds shall be computed upon the basis of a 360-day year, consisting of twelve 30-day months.

The 2026 Subseries C-3 Bonds are issuable only as fully-registered bonds in authorized denominations of (i) during any Mode Period other than a Flexible Mode Period or a Semiannual Mode Period, $100,000 or integral multiples of $5,000 in excess of $100,000, (ii) during a Flexible Mode Period, $100,000 and any integral multiple of $1,000 in excess of $100,000, and (iii) during a Semiannual Mode Period or on and after the Conversion Date, $5,000 or integral multiples thereof; provided, however, that any 2026 Subseries C-3 Bonds Converted to floating Long-Term Fixed Interest Rates shall be in authorized denominations of $100,000 or integral multiples of $5,000 in excess thereof. The 2026 Subseries C-3 Bonds, when issued, will be registered in the name of Cede & Co., as nominee for DTC, which will act as securities depository for the 2026 Subseries C-3 Bonds. Individual purchases of the 2026 Subseries C-3 Bonds will be made in book-entry-only form and purchasers of 2026 Subseries C-3 Bonds will not receive physical delivery of certificates representing their interest in such 2026 Subseries C-3 Bonds. So long as Cede & Co. is the sole registered owner of the 2026 Subseries C-3 Bonds, references herein to the registered owners of the 2026 Subseries C-3 Bonds shall mean Cede & Co., as nominee of DTC, and shall not mean the beneficial owners of the 2026 Subseries C-3 Bonds. See "THE OFFERED BONDS – Book-Entry-Only System."

So long as the 2026 Subseries C-3 Bonds are registered in book-entry-only form, principal or redemption price, if any, purchase price and interest on the 2026 Subseries C-3 Bonds will be payable to Cede & Co., as aforesaid. If 2026 Subseries C-3 Bonds are issued in certificated form, interest on the 2026 Subseries C-3 Bonds will be thereafter payable by wire, check or draft transmitted or mailed, as appropriate, from the corporate trust office of U.S. Bank Trust Company, National Association, Hartford, Connecticut, as Trustee, to the registered owner thereof as shown in the registration books of the Authority held by the Trustee at the close of business on the Record Date for payment. The Record Date for the 2026 Subseries C-3 Bonds in the Daily, Weekly, Monthly, Quarterly, Semiannual or Flexible Mode Period shall be the Business Day immediately preceding each interest payment date.

Any Holder of the 2026 Subseries C-3 Bonds, other than 2026 Subseries C-3 Bonds in a Flexible Mode Period, has the option of tendering the Bonds to the Remarketing Agent or the Tender Agent in accordance with the provisions of the Resolutions as set forth under "Description of the 2026 Subseries C-3 Bonds" below. Pursuant to the Standby Bond Purchase Agreement, the Bank has an obligation to purchase, under certain conditions and from time to time, the 2026 Subseries C-3 Bonds while in the Weekly Mode or the Daily Mode, tendered or deemed tendered to the Remarketing Agent or the Tender Agent, as described in the "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof, which tendered 2026 Subseries C-3 Bonds are not remarketed. See "Description of the 2026 Subseries C-3 Bonds – Standby Bond Purchase Agreement for 2026 Subseries C-3 Bonds" below.

The 2026 Subseries C-3 Bonds shall bear interest from and including the date of delivery thereof as described herein, payable, while the 2026 Subseries C-3 Bonds bear interest in the Daily, Weekly, Monthly, Quarterly or Semiannual Mode Period, on May 15 and November 15 of each year, commencing November 15, 2026.

While 2026 Subseries C-3 Bonds are in the Flexible Mode Period, interest is payable on the Business Day next succeeding the last day of any Flexible Rate Segment. The Flexible Rate and the duration of any Flexible Rate Segment for each 2026 Subseries C-3 Bond during a Flexible Mode Period will be set by the Remarketing Agent. Different Flexible Rate Segments and Flexible Rates may apply to different 2026 Subseries C-3 Bonds at any time and from time to time. Each Flexible Rate Segment for any 2026 Subseries C-3 Bond will be the period, determined by the Remarketing Agent, which shall have a duration of at least one day and not more than the earlier of 270 days

or the number of days remaining to the maturity of such Bond, ending on a day that immediately precedes a Business Day, and which, together with all other Flexible Rate Segments for all other 2026 Subseries C-3 Bonds then Outstanding, is expected to result in the lowest overall interest expense on such Bonds for so long as the 2026 Subseries C-3 Bonds bear interest at Flexible Rates. The Flexible Rate for each such Flexible Rate Segment will be the rate determined by the Remarketing Agent to be the lowest interest rate that would enable the Remarketing Agent to sell the 2026 Subseries C-3 Bond having such Flexible Rate Segment on the effective date of such rate at a price equal to 100% of the principal amount thereof. If a Flexible Rate Segment for any 2026 Subseries C-3 Bond or a Flexible Rate for a Flexible Rate Segment with respect to any 2026 Subseries C-3 Bond is not determined or effective, the Flexible Rate Segment for such Bond will be a Flexible Rate Segment of one day, or if the last day of such Flexible Rate Segment of one day shall not immediately precede a Business Day, then the Flexible Rate Segment shall be a period that ends on the next succeeding day that immediately precedes a Business Day, and the Flexible Rate for such Flexible Rate Segment shall be 100% of the 15-day Federal Reserve Composite rate until a new Flexible Rate and a new Flexible Rate Segment are established for any such Bond. The determination by the Remarketing Agent of the Flexible Rates and Flexible Rate Segments shall be conclusive and binding upon the Remarketing Agent, the Trustee, the Authority and the Holders of the 2026 Subseries C-3 Bonds.

Reference is hereby made to the "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof for a summary of certain provisions relating to the 2026 Subseries C-3 Bonds, with such provisions more fully described herein. For additional information with respect to the 2026 Subseries C-3 Bonds, see also "Description of the 2026 Subseries C-3 Bonds" herein.

Redemption of the Offered Bonds[*]

Ten Year Rule Redemptions

Applicable current federal tax law requires redemption of the Tax-Exempt Bonds beginning ten years from the date of issuance and delivery of such Bonds (or such earlier date based on the date of issuance of original bonds in a series of refundings), as shown in the following table, from a percentage of the Recoveries of Principal and scheduled principal repayments from Mortgage Loans and all principal repayments from mortgage loans pooled into Agency Securities made or purchased or deemed to have been made or purchased with proceeds of the Tax-Exempt Bonds and not otherwise allocated to payment of principal on the Tax-Exempt Bonds.

Pursuant to the Code, the following approximate percentages of Recoveries of Principal and scheduled principal repayments of Mortgage Loans (and principal repayments of mortgage loans pooled into Agency Securities) made or purchased or deemed to have been made or purchased with proceeds of the Tax-Exempt Bonds received on or after the following dates are required to be applied no later than the close of the first semi-annual period beginning after the date of receipt to the retirement of the Tax-Exempt Bonds. This information is based on the current expected use of proceeds of the Tax-Exempt Bonds and on current tax law. The Authority cannot predict the actual Recoveries of Principal and scheduled principal repayments it will receive or whether such Code provisions may be repealed, and no assurance can be given that such actual redemptions will occur. Further, the Authority reserves the right to modify the use of proceeds of the Tax-Exempt Bonds, which could affect such percentages.

[*] Preliminary, subject to change.

From Date	To Date	Ten Year Rule Percentage
June 11, 2026	March 1, 2027	26%
March 2, 2027	August 8, 2027	28
August 9, 2027	July 24, 2028	30
July 25, 2028	March 4, 2029	31
March 5, 2029	August 7, 2029	34
August 8, 2029	November 9, 2030	36
November 10, 2030	October 4, 2031	37
October 5, 2031	March 23, 2032	39
March 24, 2032	July 20, 2032	40
July 21, 2032	November 9, 2032	41
November 10, 2032	August 2, 2033	43
August 3, 2033	November 13, 2033	46
November 14, 2033	May 22, 2034	47
May 23, 2034	June 29, 2035	48
June 30, 2035	June 10, 2036	49
June 11, 2036	Final Maturity of Tax-Exempt Bonds	100%

Mandatory Redemption from 2026 Series C PAC Related Bonds Restricted Principal

The 2026 Subseries C-2 Bonds due November 15, 2056 (the "2026 Series C PAC Bonds") shall be subject to mandatory redemption from 100% of the Recoveries of Principal and scheduled principal repayments from the Mortgage Loans (and the principal repayments of mortgage loans pooled into Agency Securities), or allocable portions thereof, which will be (i) purchased with or, upon reimbursement of other funds of the Authority initially used for the purchase thereof, allocated to the proceeds of the 2026 Series C PAC Related Bonds (as defined below) (the "2026 Series C PAC Related Bonds New Portfolio") or (ii) transferred for federal tax purposes to the 2026 Subseries C-1 Bonds or the 2026 Subseries C-3 Bonds upon discharge of prior refunded Bonds (the "2026 Series C PAC Related Bonds Transferred Portfolio," and together with the 2026 Series C PAC Related Bonds New Portfolio, the "2026 Series C PAC Related Bonds Portfolio"); provided, however, that such amounts are (a) not otherwise allocated to payment of principal of the 2026 Series C PAC Related Bonds (including as may be required by the Code (see "Ten Year Rule Redemptions" above)) and (b) actually received and available for transfer to the applicable Redemption Account after satisfying the requirements of the Resolution with respect to priority transfers to the Operating Account, Interest Account and Principal Installment Account and with respect to maintenance of the Housing Mortgage Capital Reserve Fund at its minimum requirement (the "2026 Series C PAC Related Bonds Restricted Principal").

The Offered Bonds are sometimes referred to herein as the "2026 Series C PAC Related Bonds."

The 2026 Series C PAC Bonds redeemed in accordance with the provisions of this section shall be redeemed at a redemption price of 100% of the principal amount thereof, plus accrued interest to the date of redemption. Such mandatory redemption of the 2026 Series C PAC Bonds shall occur on any date after November 15, 2026, but at least once during each semiannual period set forth below, in whole or in part, upon notice as provided in the Resolution, from and to the extent of 2026 Series C PAC Related Bonds Restricted Principal; provided, however, that no such redemption shall cause the aggregate Outstanding principal amount of the 2026 Series C PAC Bonds to be less than the applicable 2026 Series C PAC Outstanding Amount, as such amount may have been adjusted due to a redemption of 2026 Series C PAC Bonds from excess monies transferred from the 2026 Series C Bond Proceeds Sub-Account of the Bond Proceeds Account, as described in clause (i) of the first paragraph under "Special Redemption" below.

The 2026 Series C PAC Outstanding Amount for each relevant period is as follows:

Period Ending	2026 Series C PAC Outstanding Amount
May 15, 2027	$104,105,000
November 15, 2027	99,905,000
May 15, 2028	94,230,000
November 15, 2028	87,165,000
May 15, 2029	79,040,000
November 15, 2029	71,045,000
May 15, 2030	63,400,000
November 15, 2030	56,100,000
May 15, 2031	49,140,000
November 15, 2031	42,525,000
May 15, 2032	36,240,000
November 15, 2032	30,930,000
May 15, 2033	25,320,000
November 15, 2033	20,495,000
May 15, 2034	16,385,000
November 15, 2034	11,955,000
May 15, 2035	7,600,000
November 15, 2035	3,480,000
May 15, 2036 and thereafter	0

If a redemption of the 2026 Series C PAC Bonds is effected from unexpended monies transferred from the 2026 Series C Bond Proceeds Sub-Account of the Bond Proceeds Account as described in clause (i) of the first paragraph under "Special Redemption" below, then each 2026 Series C PAC Outstanding Amount will be recalculated upon such redemption to be the amount, calculated by the Authority, equal to the product of (a) the original 2026 Series C PAC Outstanding Amount, and (b) the fraction whose numerator is the current principal amount of the 2026 Series C PAC Bonds Outstanding and whose denominator is the original principal amount of the 2026 Series C PAC Bonds.

The 2026 Series C PAC Outstanding Amounts were calculated based on the assumption, among others, that the receipt of prepayments with respect to the 2026 Series C PAC Related Bonds Portfolio will occur at a rate equal to 75% of the Securities Industry and Financial Markets Association (formerly The Bond Market Association and the Public Securities Association) standard prepayment model for 30-year mortgage loans (the "SIFMA Prepayment Model"). In the event that the 2026 Series C PAC Bonds are actually redeemed so that the aggregate principal amount of such 2026 Series C PAC Bonds Outstanding equals the 2026 Series C PAC Outstanding Amount on each date shown above, the Weighted Average Life of the 2026 Series C PAC Bonds will be approximately 5.0 years. In the event that the 2026 Series C PAC Bonds are not redeemed (other than from mandatory sinking fund installments), the Weighted Average Life of the 2026 Series C PAC Bonds will be approximately 27.6 years. See "Projections of Weighted Average Lives of the 2026 Series C PAC Bonds under Certain Hypothetical Scenarios" below for descriptions of the 2026 Series C PAC Related Bonds Portfolio, the SIFMA Prepayment Model and the computation of the Weighted Average Life for the 2026 Series C PAC Bonds, and see "APPENDIX D – PROJECTED PERCENTAGES OF INITIAL PRINCIPAL BALANCE OUTSTANDING AND PROJECTED WEIGHTED AVERAGE LIVES" to this Part 1 for additional information concerning the 2026 Series C PAC Bonds.

Special Redemption

The Offered Bonds are subject to redemption at the option of the Authority by operation of the Redemption Account, in whole or in part, at any time, from (i) unexpended monies transferred from the 2026 Series C Bond Proceeds Sub-Account of the Bond Proceeds Account, (ii) Recoveries of Principal from Mortgage Loans made or purchased or deemed to be made or purchased with proceeds of any Series of Bonds under the Resolution, and (iii) monies in the Surplus Account of the Housing Mortgage General Fund under the Resolution, including amounts transferred from the Housing Mortgage Capital Reserve Fund to the extent not otherwise required to maintain the Housing Mortgage Capital Reserve Fund Minimum Requirement; *provided*, however, that no such redemption under (ii) or (iii) above shall cause the Outstanding principal amount of the 2026 Series C PAC Bonds to be less than the

applicable 2026 Series C PAC Outstanding Amount unless no other 2026 Series C PAC Related Bonds remain Outstanding. The Offered Bonds redeemed in accordance with the provisions of this paragraph shall be redeemed at the redemption price (except with respect to the 2026 Series C PAC Bonds under the circumstances set forth in the next sentence) of 100% of the principal amount thereof, plus accrued interest to the date of redemption. With respect to the 2026 Series C PAC Bonds, to the extent that any redemptions in accordance with clause (i) of this paragraph reduce the Outstanding principal amount of the 2026 Series C PAC Bonds below the applicable 2026 Series C PAC Outstanding Amount, the redemption price of the 2026 Series C PAC Bonds representing such reduction shall be 100% of the principal amount thereof, plus accrued interest to the date of redemption, plus the unamortized premium thereon to the date of redemption as determined by the Authority by an actuarial amortization of the original issue premium for the 2026 Series C PAC Bonds set forth on the inside cover page of this Official Statement between the date of issue and May 15, 2036.

Applicable federal tax law requires redemption of the Tax-Exempt Bonds from the unexpended proceeds attributable to the non-refunding portion of the Tax-Exempt Bonds required to be used to finance Home Mortgage Loans which have not been so used within 42 months from the date of issuance of such Tax-Exempt Bonds.

The Authority covenants in the 2026 Series C Resolution not to redeem the Offered Bonds from the proceeds of a voluntary sale of non-defaulted Mortgage Loans deemed to be made or purchased with proceeds of any Bonds except in accordance with the optional redemption provisions described below; voluntary sale shall be deemed to include any sale of a project owned by a subsidiary of the Authority to which the Authority has made a Mortgage Loan with the proceeds of any Bonds. The 2026 Series C Resolution provides that such covenant shall not apply to (i) the sale of such a Mortgage Loan required pursuant to the Authority's tax covenants as to tax exemption or (ii) the sale of such a Mortgage Loan that did not comply with the Authority's Program requirements. Such covenant, further, will not prevent the special redemption of the Offered Bonds from a prepayment of a Multifamily Mortgage Loan constituting a Recovery of Principal received as a result of the sale of a project consented to by the Authority or refinancing of a project by its owner, if approved by the Authority; however, prepayment, for purposes of such special redemption, shall be deemed to exclude any prepayment of a Multifamily Mortgage Loan constituting a Recovery of Principal received as a result of the sale of a project or refinancing of a project owned by a subsidiary of the Authority.

Optional Redemption

The Fixed Rate Bonds are subject to redemption at the option of the Authority, at any time on or after May 15, 2034, either as a whole or in part (and by lot if less than all of a maturity within a Subseries is to be redeemed), from any moneys made available for such purpose, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption; *provided* that, to the extent that any redemptions in accordance with this paragraph reduce the Outstanding principal amount of the 2026 Series C PAC Bonds below the applicable 2026 Series C PAC Outstanding Amount, the redemption price of the 2026 Series C PAC Bonds representing such reduction shall be 100% of the principal amount thereof, plus accrued interest to the date of redemption, plus the unamortized premium thereon to the date of redemption as determined by the Authority by an actuarial amortization of the original issue premium for the 2026 Series C PAC Bonds set forth on the inside cover page of this Official Statement between the date of issue and May 15, 2036.

Prior to Conversion, the 2026 Subseries C-3 Bonds are subject to redemption, at the option of the Authority, either as a whole or in part, on any Business Day (with respect to the 2026 Subseries C-3 Bonds in the Flexible Mode Period, only at the end of the applicable Flexible Rate Segment) upon the Trustee's delivering at least 30 days' notice to the Holders thereof, from any monies made available for such purpose, at a redemption price of 100% of the principal amount thereof, together with interest accrued to the date of such redemption.

Sinking Fund Redemption

The 2026 Subseries C-2 Bonds due November 15, 2041 are subject to redemption in part by lot on the respective dates and in the respective amounts set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory sinking fund installments which are required to be made in amounts sufficient to provide for the retirement on the semiannual dates shown below of the principal amount specified opposite such respective semiannual dates:

Date	Amount	Date	Amount
May 15, 2039	$5,710,000	November 15, 2040	$6,190,000
November 15, 2039	5,865,000	May 15, 2041	6,370,000
May 15, 2040	6,020,000	November 15, 2041†	6,515,000

† Stated Maturity.

The 2026 Subseries C-2 Bonds due May 15, 2044 are subject to redemption in part by lot on the respective dates and in the respective amounts set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory sinking fund installments which are required to be made in amounts sufficient to provide for the retirement on the semiannual dates shown below of the principal amount specified opposite such respective semiannual dates:

Date	Amount	Date	Amount
May 15, 2042	$6,685,000	November 15, 2043	$7,020,000
November 15, 2042	6,650,000	May 15, 2044†	3,500,000
May 15, 2043	6,845,000		

† Stated Maturity.

The 2026 Series C PAC Bonds due November 15, 2056 are subject to redemption in part by lot on the respective dates and in the respective amounts set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory sinking fund installments which are required to be made in amounts sufficient to provide for the retirement on the semiannual dates shown below of the principal amount specified opposite such respective semiannual dates:

Date	Amount	Date	Amount
November 15, 2050	$2,595,000	May 15, 2054	$9,515,000
May 15, 2051	8,010,000	November 15, 2054	9,785,000
November 15, 2051	8,260,000	May 15, 2055	10,105,000
May 15, 2052	8,495,000	November 15, 2055	10,430,000
November 15, 2052	8,745,000	May 15, 2056	10,755,000
May 15, 2053	8,995,000	November 15, 2056†	5,425,000
November 15, 2053	9,280,000		

† Stated Maturity.

The 2026 Subseries C-3 Bonds are subject to redemption in part by lot on the respective dates and in the respective amounts set forth below, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory sinking fund installments which are required to be made in amounts sufficient to provide for the retirement on the semiannual dates shown below of the principal amount specified opposite such respective semiannual dates:

Date	Amount	Date	Amount
November 15, 2032	$640,000	May 15, 2045	$6,475,000
November 15, 2033	450,000	November 15, 2045	6,585,000
May 15, 2034	835,000	May 15, 2046	6,680,000
November 15, 2034	185,000	November 15, 2046	6,810,000
May 15, 2040	110,000	May 15, 2047	6,930,000
November 15, 2040	280,000	November 15, 2047	7,055,000
May 15, 2041	415,000	May 15, 2048	7,190,000
May 15, 2042	250,000	November 15, 2048	7,325,000
May 15, 2043	185,000	May 15, 2049	7,440,000
November 15, 2043	200,000	November 15, 2049	7,575,000
May 15, 2044	15,000	May 15, 2050	7,700,000
November 15, 2044	6,040,000	November 15, 2050†	5,255,000

† Stated Maturity.

The amounts accumulated in the respective Principal Installment Accounts for each sinking fund installment of the Offered Bonds may be applied by the Trustee at the direction of the Authority, prior to the forty-fifth (45th) day preceding the due date of such sinking fund installment, to the purchase of the stated maturity of such Subseries subject to such sinking fund installment at prices (including any brokerage and other charges) not exceeding the applicable redemption price, plus accrued interest to the date of purchase. See Part 2 "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION – Principal Installment Account."

Except as stated below with respect to the 2026 Series C PAC Bonds, upon any purchase or redemption of the Offered Bonds of any Subseries and maturity or maturities thereof for which sinking fund installments shall have been established other than by application of sinking fund installments, an amount equal to the applicable redemption prices thereof shall be credited toward a part or all of any one or more of such sinking fund installments, as reflected in schedules provided to the Trustee by the Authority, or, failing such direction by the 15th day of the second month preceding the date of the applicable sinking fund installment, toward such sinking fund installments in inverse order of their due dates. See Part 2 "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION – Redemption Account."

Upon redemption of the 2026 Series C PAC Bonds from any source (other than from mandatory sinking fund installments), each sinking fund installment for such 2026 Series C PAC Bonds shall be reduced on a pro rata basis based on the ratio of the amount of the 2026 Series C PAC Bonds so redeemed to the total amount of the 2026 Series C PAC Bonds Outstanding prior to such redemption, as reflected in schedules provided to the Trustee by the Authority.

Selection of Bonds for Redemption

Subject to the foregoing provisions, in the event of any partial redemption of Bonds of a Series or Subseries, the Authority may direct the maturity or maturities and interest rate or interest rates, as the case may be, and the amount or amounts thereof to be so redeemed; provided that, unless otherwise required to preserve the tax-exempt status of the Tax-Exempt Bonds, whenever 2026 Subseries C-3 Bonds are to be redeemed or purchased in part, whether through the application of sinking fund installments or otherwise, 2026 Subseries C-3 Bonds which (a) have been tendered for purchase and have not been remarketed or (b) are then held by the Bank pursuant to the Standby Bond Purchase Agreement, shall be selected for redemption or purchase in the foregoing order of priority prior to the selection of any other 2026 Subseries C-3 Bonds.

Bonds purchased by the Authority as Investment Obligations pursuant to its Bond Purchase Program as generally described in Part 2 "THE HOUSING MORTGAGE FINANCE PROGRAM – Housing Mortgage Finance Program Bonds – Variable Rate Demand Bonds and Liquidity Facilities" shall not receive a preference in selection for redemption.

In the event that less than all of the Bonds of a like Series or Subseries, maturity and interest rate are to be redeemed, and so long as the book-entry-only system remains in effect for such Series or Subseries of Bonds, the particular Bonds of such Series or Subseries, maturity and interest rate, or portion thereof, to be redeemed will be

selected by DTC by lot, or in such other manner as DTC shall determine. If the book-entry-only system no longer remains in effect for the Bonds of a particular Series or Subseries, selection for redemption of less than all of the Bonds of a particular Series or Subseries, maturity and interest rate will be made by the Trustee by lot as provided in the Resolution.

Notice of Redemption

Unless otherwise provided in the applicable series resolution or waived by the registered owner, notice of any redemption will be mailed no more than 60 days but not less than 30 days prior to the date set for redemption to the registered owners of Bonds to be redeemed at their addresses as they appear in the registration books kept by the Trustee. In the case of redemption that is conditioned on the occurrence of certain events, the notice of redemption will set forth, among other things, the conditions precedent to the redemption. So long as the Bonds of the applicable Series or Subseries are immobilized in the custody of DTC, such notice will be delivered by the Trustee to DTC or its nominee as the registered owner of such Bonds. *DTC is responsible for notifying Participants, and Participants and Indirect Participants are responsible for notifying Beneficial Owners. Neither the Trustee nor the Authority is responsible for sending notices to Beneficial Owners or for the consequences of any action or inaction by the Authority as a result of the response or failure to respond by DTC or its nominee as Bondholder.* If, on the redemption date, monies for the redemption of all of a Series or Subseries of Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be held so as to be available therefor on said date and if notice of redemption shall have been published as aforesaid, then, from and after the redemption date interest on such Bonds of such Series or Subseries or portions thereof so called for redemption shall cease to accrue and become payable. If said monies shall not be so available on the redemption date, such Bonds of such Series or Subseries or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Projections of Weighted Average Lives of the 2026 Series C PAC Bonds Under Certain Hypothetical Scenarios[*]

General

Projected weighted average life refers to the average amount of time that is projected to elapse from the date of delivery of a security to the date of projected payment to the investor of each dollar paid in net reduction of principal of such security (assuming no losses). The projected weighted average life of a security is determined by (a) multiplying each projected reduction, if any, of the outstanding amount of such security by the number of years from the date of delivery of such security to the related redemption date or maturity date, (b) adding the results and (c) dividing the sum by the initial outstanding amount of such security.

The calculation of weighted average life of the 2026 Series C PAC Bonds under certain hypothetical scenarios requires the making of certain assumptions (collectively, the "Portfolio Assumptions") with respect to the 2026 Series C PAC Related Bonds Portfolio, including assumptions including, but not limited to: (a) the characteristics and prepayment of Mortgage Loans held in the Housing Mortgage General Fund, and (b) the characteristics and prepayment of mortgage loans pooled into Agency Securities held in the Housing Mortgage Capital Reserve Fund.

The calculation of the weighted average life of the 2026 Series C PAC Bonds also requires the making of certain assumptions (collectively, the "Authority Option Assumptions"), including assumptions including, but not limited to, the future use by the Authority of its options under the Resolution related to: (a) the application of Recoveries of Principal, amounts in the Surplus Account, and amounts in the Housing Mortgage Capital Reserve Fund related to the 2026 Series C PAC Related Bonds to: (i) the redemption of the 2026 Series C PAC Related Bonds, (ii) the financing of additions to the 2026 Series C PAC Related Bonds Portfolio, or (iii) the redemption of other Bonds; (b) the application of Recoveries of Principal, amounts in the Surplus Account, and amounts in the Housing Mortgage Capital Reserve Fund related to other Series to the redemption of 2026 Series C PAC Related Bonds; and (c) the optional redemption of all or a portion of the 2026 Series C PAC Related Bonds (as described under the heading "Optional Redemption" above).

[*] Preliminary, subject to change.

Set forth in Table 1 below and in Table 2 in Appendix D hereto are projected weighted average lives of the 2026 Series C PAC Bonds under a number of different scenarios, each such scenario representing a combination of Portfolio Assumptions and Authority Option Assumptions, as described below. **The actual characteristics and the performance of the Mortgage Loans and the mortgage loans pooled into Agency Securities will differ from the Portfolio Assumptions utilized in constructing Table 1 and Table 2, and the actual use of options under the Resolution by the Authority will differ from the Authority Option Assumptions utilized in constructing Table 1 and Table 2. The Authority Option Assumptions are not necessarily consistent with the current or historical approach of the Authority to recycling, selecting Bonds to be redeemed or managing interest rate risk, and they are not binding upon or necessarily indicative of future actions of the Authority. Both the Portfolio Assumptions and the Authority Option Assumptions are hypothetical in nature and are provided only to give a general sense of how the weighted average lives of the 2026 Series C PAC Bonds might behave as such assumptions are varied. Accordingly, the Authority makes no representation as to the reasonableness of either the Portfolio Assumptions or the Authority Option Assumptions and makes no representation that the projected percentages of initial principal balance outstanding or projected average lives set forth in Table 1 and Table 2 will reflect the actual course of events. The Authority is under no obligation and does not intend to update Table 1 or Table 2 to reflect actual experience.**

Table 1

2026 Series C PAC Bonds Projected
Weighted Average Life (In Years)

Prepayment Speed (expressed as a percentage of SIFMA)	**Optional Call Not Exercised**	**Optional Call Exercised at May 15, 2034**
0	27.6	7.7
25	16.1	6.7
50	8.5	5.7
75	5.0	4.8
100	5.0	4.8
200	5.0	4.8
300	5.0	4.8
400	5.0	4.8
500	5.0	4.8

For additional information, see Table 2 in "APPENDIX D – "PROJECTED PERCENTAGES OF INITIAL PRINCIPAL BALANCE OUTSTANDING AND PROJECTED WEIGHTED AVERAGE LIVES" to this Part 1.

Portfolio Assumptions

All of the scenarios represented in Table 1 above and Table 2 in Appendix D are based on the assumption that (i) the 2026 Series C PAC Related Bonds New Portfolio will consist of approximately $366.5 million of Mortgage Loans and mortgage loans to be pooled into Agency Securities to be purchased with proceeds of or allocated to the 2026 Series C PAC Related Bonds on or prior to September 30, 2026, bearing interest at a weighted average rate of 6.087%, and (ii) the 2026 Series C PAC Related Bonds Transferred Portfolio will consist of approximately $55.0 million of Mortgage Loans and mortgage loans pooled into Agency Securities to be allocated to the 2026 Series C PAC Related Bonds on June 11, 2026, bearing interest at a weighted average rate of 3.808%.

Prepayments on mortgage loans are commonly projected by reference to a prepayment standard or model. The SIFMA Prepayment Model, which is utilized here, is based on an assumed rate of prepayment each month of the then unpaid principal balance of a mortgage loan. The SIFMA Prepayment Model assumes that an increasingly large percentage of the mortgage loans prepay each month for the first thirty (30) months of the life of the mortgage loan and then assumes a constant prepayment rate of six percent (6%) per annum of the unpaid principal balance for the remaining life of the mortgage loans.

Each of the scenarios represented in Table 1 above and in Table 2 in Appendix D is based on an indicated prepayment assumption with respect to the 2026 Series C PAC Related Bonds Portfolio, in each case expressed as a percentage of the SIFMA Prepayment Model. As used in Table 1 and Table 2, for example, (a) "0% SIFMA" assumes no prepayments of the principal of the 2026 Series C PAC Related Bonds Portfolio, (b) "50% SIFMA" assumes the principal of the 2026 Series C PAC Related Bonds Portfolio will prepay at a rate one-half times as fast as the prepayment rates for one hundred percent (100%) of the SIFMA Prepayment Model, (c) "200% SIFMA" assumes the principal of the 2026 Series C PAC Related Bonds Portfolio will prepay at a rate twice as fast as the prepayment rates for one hundred percent (100%) of the SIFMA Prepayment Model, and so on.

Authority Option Assumptions

The computation of the weighted average life of the 2026 Series C PAC Bonds under each of the scenarios represented in Table 1 above and Table 2 in Appendix D is based on the assumption that, with respect to the fulfillment by the Authority of its obligations pursuant to the redemption provisions described above under "Mandatory Redemption from 2026 Series C PAC Related Bonds Restricted Principal," the Authority will redeem the 2026 Series C PAC Bonds on each interest payment date commencing May 15, 2027.

The computation of the weighted average life of the 2026 Series C PAC Bonds under each of the scenarios represented in Table 1 above and Table 2 in Appendix D is based on the assumption that, with respect to the use by the Authority of its rights pursuant to the redemption provisions described under "Special Redemption" above, the Authority will redeem 2026 Series C PAC Related Bonds or other Bonds to the extent permitted by the Resolution and the related series resolution on each interest payment date commencing May 15, 2027 in the amount of any 2026 Series C PAC Related Bonds Restricted Principal for such redemption date not applied to the 2026 Series C PAC Bonds. Furthermore, Table 1 and Table 2 are based on the assumption that the Authority will not redeem any 2026 Series C PAC Related Bonds pursuant to the redemption provisions described under "Special Redemption" above from any source other than 2026 Series C PAC Related Bonds Restricted Principal; however, portions of the scheduled principal repayments of 2026 Series C PAC Related Bonds (other than the 2026 Series C PAC Bonds) will be paid from Recoveries of Principal, amounts in the Surplus Account, and amounts in the Housing Mortgage Capital Reserve Fund related to other Series of Bonds.

The computation of the weighted average life of the 2026 Series C PAC Bonds under each of the scenarios represented in Table 1 above and Table 2 in Appendix D are based on the assumptions indicated below with respect to the use by the Authority of its ability to optionally redeem the 2026 Series C PAC Bonds:

In the case of scenarios labeled "Optional Call Not Exercised," it is assumed that the Authority will not exercise its right to optionally redeem the 2026 Series C PAC Related Bonds pursuant to the redemption provisions described above under the heading "Optional Redemption"; and

In the case of scenarios labeled "Optional Call Exercised," it is assumed that the Authority will exercise its right to optionally redeem all then-eligible Outstanding 2026 Series C PAC Related Bonds pursuant to the redemption provisions described under the heading "Optional Redemption" on May 15, 2034.

Under the Resolution, collections of prepayments of Mortgage Loans will constitute Recoveries of Principal and will be immediately available for transfer to the Redemption Account for certain mandatory redemptions and special redemptions. Collections of scheduled principal on Mortgage Loans will constitute Pledged Receipts, which will be transferred to the Surplus Account, to the extent not otherwise required to provide for payment of Operating Costs or debt service requirements on the Bonds. Amounts of such scheduled principal receipts so transferred to the Surplus Account may be transferred between November 12 and December 1 of each year to the Redemption Account for certain mandatory redemptions and special redemptions. All collections of principal on mortgage loans pooled in Agency Securities will constitute maturities of Investment Obligations in the Housing Mortgage Capital Reserve Fund, which may be reinvested (either in additional Agency Securities or other Investment Obligations) or, to the extent not otherwise required to maintain the Housing Mortgage Capital Reserve Fund Minimum Requirement, may be transferred to the Redemption Account for certain mandatory redemptions and special redemptions, or may be transferred to the Principal Account or the Surplus Account. Each of the scenarios represented in Table 1 above and Table 2 in Appendix D assumes that the Authority will either: (a) make the appropriate transfers of 100% of the principal receipts on the 2026 Series C PAC Related Bonds Portfolio to the applicable series Redemption Account so

that such amount is available for the projected redemption of 2026 Series C PAC Bonds, or (b) transfer Recoveries of Principal from other series of Bonds, such that, on each redemption date, an amount equal to the 2026 Series C PAC Related Bonds Restricted Principal will be on deposit in the Redemption Account to provide for the projected redemption of the 2026 Series C PAC Bonds.

In addition to the matters described in bold above Table 1 above, notwithstanding the foregoing assumptions, the Authority can give no assurance that there will not be circumstances under which the requirements of the Resolution will prevent amounts that would otherwise constitute 2026 Series C PAC Related Bonds Restricted Principal from being transferred to the applicable series Redemption Account to provide for redemption of the 2026 Series C PAC Bonds.

Description of the 2026 Subseries C-3 Bonds

Definitions

All capitalized terms not defined herein shall have the respective meanings assigned to them in the Resolution, the 2026 Series C Resolution, or as set forth above in this Part 1 of the Official Statement. Reference is also made to the "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof for a description of certain of the terms defined below.

"Alternate Liquidity Facility" means any Liquidity Facility subsequent to the Initial Liquidity Facility that the Authority may provide pursuant to the 2026 Series C Resolution; provided, however, that (i) any such Liquidity Facility in any event must comply with the requirements of and constitute a "Bond Facility" under the Resolution and (ii) the delivery of each Liquidity Facility shall result in a short-term rating of the applicable 2026 Subseries C-3 Bonds of not less than "A-1" (in the case of S&P) or "P-1" ("VMIG 1") (in the case of Moody's) as evidenced by rating letters delivered when such Liquidity Facility is delivered. An "Alternate Liquidity Facility" does not include a Liquidity Facility upon the extension of the period during which the Bank shall, subject to the conditions contained therein, be obligated to purchase Bonds.

"Bank" means (i) TD Bank, N.A., as the provider of a Liquidity Facility in the form of the Standby Bond Purchase Agreement, and its successors and assigns, or (ii) the provider of any Alternate Liquidity Facility and its successors.

"Bank Bonds" means 2026 Subseries C-3 Bonds purchased with funds provided by the Bank pursuant to a Liquidity Facility.

"Bank Interest Rate" means the rate of interest on all 2026 Subseries C-3 Bonds held by and payable to the Bank and any holder of Bank Bonds at any time as determined and calculated in accordance with the provisions of a Liquidity Facility.

"Bondholder" or "Holder" or "Owner" means, for purposes of this Official Statement, any registered owner of 2026 Subseries C-3 Bonds, provided that, except under "TAX MATTERS" herein, so long as the 2026 Subseries C-3 Bonds are immobilized in the custody of DTC, such terms shall mean DTC or its nominee. (See "THE OFFERED BONDS – Book-Entry-Only System" herein.)

"Conversion Date" means the date on which any of the 2026 Subseries C-3 Bonds are Converted to a Long-Term Fixed Interest Rate.

"Convert," "Converted" or "Conversion," as appropriate, means the conversion of the interest rate on the 2026 Subseries C-3 Bonds to Long-Term Fixed Interest Rates as herein described.

"Effective Rate" means the rate of interest, which rate shall be less than or equal to the Maximum Rate, payable on the 2026 Subseries C-3 Bonds prior to Conversion, determined for each Effective Rate Period as herein described.

"Effective Rate Date" means the date on which the 2026 Subseries C-3 Bonds begin to bear interest at the Effective Rate, including any Mode Change Date.

"Effective Rate Period" means the period during which interest accrues under a particular Mode from one Effective Rate Date to and including the day preceding the next Effective Rate Date, including any Mode Change Date.

"Initial Liquidity Facility" means the Standby Bond Purchase Agreement.

"Interest Payment Date" means, (i) while the 2026 Subseries C-3 Bonds initially bear interest in the Daily Mode Period, May 15 and November 15 of each year, commencing November 15, 2026, and as otherwise set forth in the "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof with respect to 2026 Subseries C-3 Bonds bearing interest in other Mode Periods, and (ii) with respect to 2026 Subseries C-3 Bonds which have been Converted to bear interest at Long-Term Fixed Interest Rates, May 15 and November 15 in each year.

"Liquidity Expiration Event" means either (i) the Authority or the Bank has determined to terminate a Liquidity Facility in accordance with its terms, including in connection with a substitution of an Alternate Liquidity Facility, or (ii) the Trustee has not received notice from either the Authority or the Bank on or prior to thirty (30) days prior to the scheduled expiration of a Liquidity Facility that such Liquidity Facility will be extended, renewed or replaced.

"Liquidity Facility" means, for purposes of the 2026 Subseries C-3 Bonds, any Liquidity Facility provided pursuant to the 2026 Series C Resolution by the Authority, including the Standby Bond Purchase Agreement (which covers only the Weekly Rate and the Daily Rate); provided, however, that any such Liquidity Facility must comply with the requirements of and constitute a "Bond Facility" under the Resolution.

"Long-Term Fixed Interest Rate" means a long-term interest rate fixed to maturity following Conversion of a 2026 Subseries C-3 Bond, which may include a floating interest rate to maturity that is a function of an established market index selected by the Authority in accordance with the 2026 Series C Resolution.

"Mandatory Tender Date" means each date on which 2026 Subseries C-3 Bonds are subject to mandatory tender pursuant to the 2026 Series C Resolution. (See "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof.)

"Maximum Rate" means the lesser of (i) 12% per annum and (ii) the maximum rate permitted by applicable law.

"Mode" means the manner in which the interest rate is adjusted on each Rate Determination Date, consisting of a Daily, Weekly, Monthly, Quarterly, Semiannual and Flexible Mode Period.

"Mode Change" means a change in Mode Period.

"Mode Period" means each period beginning on the first Effective Rate Date for the 2026 Subseries C-3 Bonds, or the first Effective Rate Date following a change from one Mode to another, and ending on the date immediately preceding the first Effective Rate Date following the next such change in Mode. (See "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof.)

"Notice Parties" means the Authority, the Remarketing Agent, the Tender Agent, the Bank and the Trustee.

"Purchase Date" means any date that 2026 Subseries C-3 Bonds are to be purchased pursuant to the 2026 Series C Resolution.

"Purchase Price" means an amount equal to the principal amount of any 2026 Subseries C-3 Bond tendered or deemed tendered for purchase as provided in the 2026 Series C Resolution, plus accrued interest from the previous Interest Payment Date to the day preceding the next Effective Rate Date, which shall be the date of purchase, but not

including the Purchase Date; provided that, no accrued interest shall be included in the Purchase Price for any Purchase Date that is an Interest Payment Date (accrued interest shall be paid in the normal manner).

"Rate Determination Date" means the date on which the Effective Rate for the Effective Rate Period following each such Rate Determination Date is determined, as described in the "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof and herein.

"Record Date" means (a) with respect to any Interest Payment Date in respect of a 2026 Subseries C-3 Bond during a Daily Mode Period, a Weekly Mode Period, a Monthly Mode Period, a Quarterly Mode Period, a Semiannual Mode Period or a Flexible Mode Period, the Business Day immediately preceding such Interest Payment Date, (b) with respect to any Interest Payment Date in respect of a 2026 Subseries C-3 Bond Converted to bear interest at a Long-Term Fixed Interest Rate, the day preceding such Interest Payment Date, and (c) with respect to any Interest Payment Date in respect of a Fixed Rate Bond or a Bond bearing interest at a Long-Term Fixed Interest Rate, the first day of the month in which the Interest Payment Date occurs; provided, however, that, with respect to a 2026 Subseries C-3 Bond bearing interest at a floating Long-Term Fixed Interest Rate, the Record Date shall be the Business Day preceding such Interest Payment Date, and, provided further, that if the Record Date is not a Business Day, then such Record Date shall be deemed to be the first Business Day following such Record Date.

"Remarketing Agent" means Raymond James & Associates, Inc., and its successors and assigns, unless another remarketing agent shall be duly appointed in accordance with the Resolutions.

"Remarketing Alternate Rate Determination Period" means any period during which the position of Remarketing Agent is vacant or the Remarketing Agent fails to act, or the Effective Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law or would have an adverse effect upon the exclusion of interest on the 2026 Subseries C-3 Bonds from gross income for federal income tax purposes as evidenced by a Counsel's Opinion.

"SIFMA Municipal Swap Index" means the index comprised of seven-day variable rate demand notes published by Municipal Market Data.

"Standby Bond Purchase Agreement" means the Liquidity Facility consisting of the Standby Bond Purchase Agreement dated as of June 1, 2026, entered into by and among the Authority, the Tender Agent and the Bank, as amended and supplemented, providing for the obligation of the Bank to purchase tendered eligible 2026 Subseries C-3 Bonds in a Weekly Mode Period or a Daily Mode Period, upon certain conditions as therein described.

"Tender Agent" means U.S. Bank Trust Company, National Association, a national banking association organized and existing under the laws of the United States of America, and its successors and assigns.

"Trustee" means U.S. Bank Trust Company, National Association, a national banking association organized and existing under the laws of the United States of America, and its successors and assigns.

Interest Rate Provisions

Prior to Conversion. The interest on the 2026 Subseries C-3 Bonds shall be payable on the applicable Interest Payment Date as described in the "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof and herein. From the date of initial authentication and delivery of the 2026 Subseries C-3 Bonds to and including the day preceding the next Effective Rate Date, the 2026 Subseries C-3 Bonds shall bear interest at the rate determined in advance by Wells Fargo Bank, National Association. Thereafter, the 2026 Subseries C-3 Bonds shall bear interest, commencing on the Effective Rate Date based on the current Mode Period, at the rate determined by the Remarketing Agent for the new Effective Rate Period (except for any 2026 Subseries C-3 Bonds that are held by the Bank which, in accordance with the Standby Bond Purchase Agreement, shall bear interest at the Bank Interest Rate). In no event shall the interest rates borne by such 2026 Subseries C-3 Bonds exceed the Maximum Rate. From time to time, by notice to the Notice Parties and as required under the Resolution, the Authority may designate a new Mode Period.

During each Mode Period, the Effective Rate shall be that rate which is less than or equal to the Maximum Rate and which, in the determination of the Remarketing Agent, would enable the Remarketing Agent to sell such 2026 Subseries C-3 Bonds on the Effective Rate Date at the Purchase Price.

The Remarketing Agent, in determining the Effective Rate, must take into account factors described herein. The Authority does not require an indexing agent with respect to the determination of the Effective Rate on the 2026 Subseries C-3 Bonds.

In determining the Effective Rate for the 2026 Subseries C-3 Bonds, the Remarketing Agent shall take into account to the extent applicable (1) market interest rates for comparable securities held by tax-exempt open-end municipal bond funds or other institutional or private investors with substantial portfolios (a) with interest rate adjustment periods and demand purchase options substantially identical to such 2026 Subseries C-3 Bonds, (b) bearing interest at a variable rate intended to maintain par value, and (c) rated by a national credit rating agency in the same category as such 2026 Subseries C-3 Bonds; (2) other financial market rates and indices which may have a bearing on the Effective Rate (including, but not limited to, rates borne by commercial paper, Treasury Bills, commercial bank prime rates, certificate of deposit rates, federal fund rates, indices maintained by The Bond Buyer, and other publicly available tax-exempt interest rate indices); (3) general financial market conditions (including current forward supply); and (4) factors particular to the Authority and such 2026 Subseries C-3 Bonds.

The determination by the Remarketing Agent of the Effective Rate to be borne by the 2026 Subseries C-3 Bonds shall be conclusive and binding on the Holders of such 2026 Subseries C-3 Bonds and the other Notice Parties except as provided in the Resolutions. Failure by the Trustee to give any notice required under the 2026 Series C Resolution, or any defect therein, shall not affect the interest rate borne by the 2026 Subseries C-3 Bonds or the rights of the Holders thereof.

Upon the occurrence of a Remarketing Alternate Rate Determination Period, the Effective Rate for the 2026 Subseries C-3 Bonds in the Daily Mode or the Weekly Mode shall be deemed to be the Effective Rate for the prior Effective Rate Period (to be effective for the subsequent seven (7) Effective Rate Periods for such 2026 Subseries C-3 Bonds in the Daily Mode or for the immediately subsequent Effective Rate Period for such 2026 Subseries C-3 Bonds in the Weekly Mode), and thereafter, and in any event with respect to all other Modes, until the termination of the conditions causing such Remarketing Alternate Rate Determination Period, shall be equal to 110% of the SIFMA Municipal Swap Index or, in the event that such index is not available, a comparable index or publication of national recognition, as selected by the Remarketing Agent or, in the absence of a Remarketing Agent, the Authority.

After Conversion. Any 2026 Subseries C-3 Bonds that are Converted will bear interest at Long-Term Fixed Interest Rates determined upon such Conversion until the maturity or prior redemption thereof. The Remarketing Agent shall determine the Long-Term Fixed Interest Rates as those rates which, in the determination of the Remarketing Agent, would enable the Remarketing Agent to sell such Converted 2026 Subseries C-3 Bonds on the Conversion Date at the Purchase Price or at such other price as to which the Trustee shall have received a Counsel's Opinion to the effect that sale at such price shall not adversely affect the exclusion of interest on such Converted 2026 Subseries C-3 Bonds from federal income taxation.

Conversion Provisions

Conversion to Long-Term Fixed Interest Rates. The 2026 Series C Resolution provides that the Authority has the option to Convert all or a portion of the 2026 Subseries C-3 Bonds on any Effective Rate Date to Long-Term Fixed Interest Rates, in accordance with the Resolutions and as described herein. Prior and as a condition to the Conversion of any of the 2026 Subseries C-3 Bonds, the Trustee must deliver a notice to the Holders thereof specifying the Conversion Date, which date shall be not less than 14 days following the receipt of such notice. No Long-Term Fixed Interest Rate shall be established unless, on or before the Rate Determination Date for such Long-Term Fixed Interest Rate Period, a Counsel's Opinion has been delivered to the Trustee to the effect that the Conversion to a Long-Term Fixed Interest Rate in accordance with the provisions of the 2026 Series C Resolution (1) is lawful under the Act and is permitted by the Resolution and (2) will not adversely affect the exemption of interest on such 2026 Subseries C-3 Bonds from federal income taxation. Unless and until such conditions for Conversion are satisfied, such 2026 Subseries C-3 Bonds shall continue to bear interest at the Effective Rate.

Designation of Subseries Upon Conversion. With respect to the 2026 Subseries C-3 Bonds, all of such 2026 Subseries C-3 Bonds subject to such Conversion on a Conversion Date shall automatically, upon such Conversion, bear a subseries designation determined in the following manner. The first such 2026 Subseries C-3 Bonds so Converted shall be redesignated "2026 Subseries C-3-1" and the second such 2026 Subseries C-3 Bonds so Converted shall be redesignated "2026 Subseries C-3-2." Such redesignations shall continue in like manner until all Outstanding 2026 Subseries C-3 Bonds shall have been Converted to Long-Term Fixed Interest Rates.

Tender Provisions

Holders' Election to Tender. Prior to Conversion, while the 2026 Subseries C-3 Bonds, other than 2026 Subseries C-3 Bonds in a Flexible Mode Period, remain within the same Mode Period, Holders of 2026 Subseries C-3 Bonds may elect to tender their 2026 Subseries C-3 Bonds which, if so tendered upon proper notice at the times and in the manner set forth in the "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof, will be purchased on the date of tender at a price equal to the Purchase Price. Such notice of elective tender for purchase of 2026 Subseries C-3 Bonds by the Holders thereof will be irrevocable once such notice is given to the Remarketing Agent and the Tender Agent, while in a Daily, Weekly or Monthly Mode Period, or the Tender Agent, while in a Quarterly or Semiannual Mode Period, as directed in the 2026 Series C Resolution and set forth in the "Mode Chart for 2026 Subseries C-3 Bonds" appearing on pages (ii) and (iii) hereof.

If the 2026 Subseries C-3 Bonds are held in registered form with DTC, they shall be tendered in accordance with the rules and procedures established by DTC (see "THE OFFERED BONDS – Book-Entry-Only System" herein).

Mandatory Tender. The 2026 Subseries C-3 Bonds are subject to mandatory tender for purchase (i) with respect to a change from one Mode Period to any other Mode Period, on such Mode Change Date, (ii) in connection with a substitution of an Alternate Liquidity Facility or any other Liquidity Expiration Event (except as caused by an Immediate Termination Event or Suspension Event, as such terms are defined under the heading "*Standby Bond Purchase Agreement for 2026 Subseries C-3 Bonds* – Events of Default," below), on the Business Day immediately preceding the last day the Bank is obligated to purchase 2026 Subseries C-3 Bonds under the Liquidity Facility, (iii) with respect to a Flexible Mode Period, on the day next succeeding the last day of each Flexible Rate Segment, (iv) at the election of the Authority, on any Business Day not later than one Business Day before the Liquidity Facility terminates by its terms (with respect to 2026 Subseries C-3 Bonds in the Flexible Rate Mode, only at the end of an applicable Flexible Mode Segment) and (v) in all events, on any Conversion Date, in each case, at a purchase price equal to 100% of the principal amount thereof plus accrued interest; provided, that if any such day shall not be a Business Day, such mandatory tender shall occur on the immediately preceding Business Day. Upon any such event, other than an event described in clause (iii) above, the Trustee shall deliver a notice of mandatory tender to Holders at least fifteen (15) days prior to the mandatory tender date stating the reason for the mandatory tender, the date of mandatory tender, and that all Holders of 2026 Subseries C-3 Bonds subject to such mandatory tender shall be deemed to have tendered their 2026 Subseries C-3 Bonds upon such date.

On each date on which 2026 Subseries C-3 Bonds are required to be purchased (each, a "Purchase Date"), and upon written direction of the Authority in any case when there is to be no Liquidity Facility effective with respect to such 2026 Subseries C-3 Bonds for the ensuing Effective Rate Period, the Remarketing Agent shall (i) determine the interest rate to be in effect commencing on each Purchase Date as though such Purchase Date were an Effective Rate Date and (ii) use its best efforts to remarket such 2026 Subseries C-3 Bonds on such Purchase Date. In the event the Remarketing Agent is unable to remarket the 2026 Subseries C-3 Bonds so tendered, the Bank will, subject to the terms and conditions of the Standby Bond Purchase Agreement, purchase such 2026 Subseries C-3 Bonds in accordance with the terms of the Standby Bond Purchase Agreement. Upon the occurrence of certain events of termination or suspension under the Standby Bond Purchase Agreement, the Bank's obligation to purchase the 2026 Subseries C-3 Bonds may be immediately terminated or suspended without notice. See "THE OFFERED BONDS – Description of the 2026 Subseries C-3 Bonds – *Standby Bond Purchase Agreement for 2026 Subseries C-3 Bonds*." Under such circumstances, Bondholders may be required to retain such 2026 Subseries C-3 Bonds at the rates set by the Remarketing Agent to their respective maturities or prior redemptions, as more fully described below under the heading "*Authority Not Responsible For Bank's Failure to Purchase 2026 Subseries C-3 Bonds upon Occurrence of Certain Events of Default*."

The following paragraph is applicable only if Replacement Bonds (as defined under "Discontinuance of Book-Entry System") have been issued or if DTC has exercised its option to surrender and exchange its 2026 Subseries C-3 Bond certificates. Any 2026 Subseries C-3 Bond not tendered and delivered to the Tender Agent on or prior to its Mandatory Tender Date ("Untendered Bonds"), for which there have been irrevocably deposited in trust with the Trustee the purchase price equal to the principal amount of such 2026 Subseries C-3 Bonds shall be deemed to have been tendered and purchased on such Mandatory Tender Date. Holders of Untendered Bonds shall not be entitled to any payment (including any interest to accrue on or after the Mandatory Tender Date) other than the principal amount of such Untendered Bonds, and said Holders shall no longer be entitled to the benefits of the Resolutions, except for the purpose of payment of the purchase price. Bond certificates will be issued in place of Untendered Bonds pursuant to the Resolutions and, after the issuance of the replacement 2026 Subseries C-3 Bond certificates, such Untendered Bonds will be deemed purchased, canceled, and no longer Outstanding under the Resolutions.

Authority Not Responsible For Bank's Failure to Purchase 2026 Subseries C-3 Bonds upon Occurrence of Certain Events. The Authority is not responsible for any wrongful failure by a Bank to purchase 2026 Subseries C-3 Bonds tendered at the option of the Holder or subject to mandatory tender for purchase pursuant to the 2026 Series C Resolution, nor is the Authority responsible for any failure by a Bank to purchase 2026 Subseries C-3 Bonds tendered at the option of the Holder or subject to mandatory tender for purchase pursuant to the 2026 Series C Resolution due to an immediate termination or suspension of a Liquidity Facility in accordance with the terms thereof. The Trustee shall cause notice to be promptly given to Holders of the 2026 Subseries C-3 Bonds following the occurrence of any event that shall entitle the Bank to immediately terminate or to suspend its obligations to purchase 2026 Subseries C-3 Bonds under the Standby Bond Purchase Agreement.

In the event of a wrongful failure by a Bank to purchase 2026 Subseries C-3 Bonds tendered or deemed tendered for purchase by the Holders thereof, or a failure by a Bank to purchase 2026 Subseries C-3 Bonds tendered or deemed tendered for purchase by the Holders resulting from an Immediate Termination Event or Suspension Event, such Bonds shall automatically bear interest in the same Mode Period with the interest rate reset on a weekly basis (for 2026 Subseries C-3 Bonds bearing interest in a Weekly Mode Period) or daily basis (for 2026 Subseries C-3 Bonds bearing interest in a Daily Mode Period) at the minimum rate for such Bonds to trade at par up to the Maximum Rate. Bondholders will not have the right to tender such 2026 Subseries C-3 Bonds during such Mode Period and may be required to hold such 2026 Subseries C-3 Bonds to their maturity or prior redemption.

Disclosure Concerning Sales of 2026 Subseries C-3 Bonds by Remarketing Agent

The Remarketing Agent is Paid by the Authority. The Remarketing Agent's responsibilities include determining the interest rate from time to time and remarketing 2026 Subseries C-3 Bonds that are tendered by the owners thereof, all as further described in this Official Statement. The Remarketing Agent is appointed by the Authority and is paid by the Authority for its services. As a result, the interests of the Remarketing Agent may differ from those of existing holders and potential purchasers of 2026 Subseries C-3 Bonds.

General Duties of Remarketing Agent. With respect to the 2026 Subseries C-3 Bonds, the Remarketing Agent is required to determine on the Rate Determination Date the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of the 2026 Subseries C-3 Bonds at a price equal to 100% of the principal amount thereof plus accrued interest, if any, on the date the rate becomes effective (the "Effective Rate Date"). The Remarketing Agreement requires that the Remarketing Agent use its best efforts to sell tendered 2026 Subseries C-3 Bonds at a price equal to 100% of the principal amount thereof plus accrued interest. The Remarketing Agent is permitted, but not obligated, to purchase tendered 2026 Subseries C-3 Bonds for its own account.

The Remarketing Agent May Purchase 2026 Subseries C-3 Bonds for its Own Account. The Remarketing Agent, in its sole discretion, may acquire tendered 2026 Subseries C-3 Bonds for its own inventory in order to achieve a successful remarketing of the 2026 Subseries C-3 Bonds (i.e., because there otherwise are not enough buyers to purchase the 2026 Subseries C-3 Bonds) or for other reasons. However, the Remarketing Agent is not obligated to purchase 2026 Subseries C-3 Bonds, and may cease doing so at any time without notice. The Remarketing Agent may also make a market in the 2026 Subseries C-3 Bonds by purchasing and selling 2026 Subseries C-3 Bonds other than in connection with an optional tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agent is not required to make a market in the 2026 Subseries C-3 Bonds. If the Remarketing Agent purchases 2026 Subseries C-3 Bonds for its own account, it may offer those 2026 Subseries C-3 Bonds at a discount

to par to some investors. The Remarketing Agent may also sell any 2026 Subseries C-3 Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the 2026 Subseries C-3 Bonds. The purchase of 2026 Subseries C-3 Bonds by the Remarketing Agent may create the appearance that there is greater third party demand for the 2026 Subseries C-3 Bonds in the market than is actually the case. The practices described above also may reduce the supply of 2026 Subseries C-3 Bonds that may be tendered in a remarketing.

The 2026 Subseries C-3 Bonds May be Offered at Different Prices on any Date. The interest rate on the 2026 Subseries C-3 Bonds will reflect, among other factors, the level of market demand for the 2026 Subseries C-3 Bonds (including whether the Remarketing Agent is willing to purchase 2026 Subseries C-3 Bonds for its own account). There may or may not be 2026 Subseries C-3 Bonds tendered and remarketed on a Rate Determination Date or an Effective Rate Date. When the 2026 Subseries C-3 Bonds are tendered, the Remarketing Agent may or may not be able to remarket all or any of such 2026 Subseries C-3 Bonds tendered for purchase on such date at par. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the 2026 Subseries C-3 Bonds at the remarketing price. If not all of the tendered 2026 Subseries C-3 Bonds are remarketed and the Remarketing Agent purchases such tendered 2026 Subseries C-3 Bonds at par for its own account or otherwise holds such 2026 Subseries C-3 Bonds that it purchased in the course of market making activities, the Remarketing Agent may sell these 2026 Subseries C-3 Bonds in secondary transactions at varying prices to different investors on such date or any other date.

The Ability to Sell the 2026 Subseries C-3 Bonds other than through Tender Process May Be Limited. While the Remarketing Agent may buy and sell 2026 Subseries C-3 Bonds, it is not obligated to do so and may cease doing so at any time without notice. Thus, investors who purchase the 2026 Subseries C-3 Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their 2026 Subseries C-3 Bonds other than by tendering the 2026 Subseries C-3 Bonds in accordance with the tender process.

Under Certain Circumstances, the Remarketing Agent May be Removed, Resign or Cease Remarketing of the 2026 Subseries C-3 Bonds, Without a Successor Being Named. Under certain circumstances the Remarketing Agent may be removed or have the ability to resign or cease its remarketing efforts, without a successor having been named, subject to the terms of the Remarketing Agreement. In the event there is no Remarketing Agent, the Trustee may assume such duties as described in the Resolutions.

Standby Bond Purchase Agreement for 2026 Subseries C-3 Bonds*

The Standby Bond Purchase Agreement contains various provisions, covenants and conditions, certain of which are summarized below. This summary does not purport to be comprehensive or definitive and is subject to all of the terms and provisions of the Standby Bond Purchase Agreement to which reference is made hereby. Investors are urged to obtain and review a copy of the Standby Bond Purchase Agreement in order to understand all of the terms of that document. A copy of the Standby Bond Purchase Agreement may be obtained from the Trustee upon request. Certain words or terms used in the following summary are defined hereinbelow and other words or terms not defined hereinbelow are defined elsewhere in this Official Statement, the Standby Bond Purchase Agreement or the 2026 Series C Resolution, as applicable, and reference thereto is made for such definitions. In the event of any conflict between a definition set forth herein and the corresponding definition set forth in the Standby Bond Purchase Agreement, the definition set forth in the Standby Bond Purchase Agreement shall control for purposes of this section "*Standby Bond Purchase Agreement for 2026 Subseries C-3 Bonds*."

The Standby Bond Purchase Agreement neither guarantees nor otherwise supports the payment of principal of or interest or redemption premium, if any, on any 2026 Subseries C-3 Bonds in the event of non-payment of such interest, principal or redemption premium, if any, by the Authority. The Standby Bond Purchase Agreement will not provide any payment whatsoever for any of the Offered Bonds, other than the 2026 Subseries C-3 Bonds which are Eligible Bonds as described in this section "*Standby Bond Purchase Agreement for 2026 Subseries C-3 Bonds*." The Standby Bond Purchase Agreement is available to provide funds only for the purchase of the tendered 2026 Subseries C-3 Bonds described in the Standby Bond Purchase Agreement and none of the funds available pursuant to the Standby

* Preliminary, subject to change.

Bond Purchase Agreement may be used to pay the Purchase Price of any 2026 Subseries C-3 Bonds other than the Eligible Bonds of such Subseries (which are 2026 Subseries C-3 Bonds which bear interest in a Covered Mode (the Daily Rate or the Weekly Rate) and which are not Bank Bonds or 2026 Subseries C-3 Bonds owned by, for the account of, or on behalf of, the Authority; each, an "Eligible Bond" and collectively, "Eligible Bonds.").

The sole payment obligation of the Bank pursuant to the Standby Bond Purchase Agreement is to provide funds, subject to the satisfaction of certain terms and conditions, for the purchase of the Eligible Bonds that have been tendered and not remarketed. This obligation under the Standby Bond Purchase Agreement will end on the earliest of (a) the Expiration Date (initially, June __, 2031); (b) the close of business on the Business Day immediately following the Conversion Date with respect to all outstanding 2026 Subseries C-3 Bonds; (c) the date on which no Eligible Bonds are outstanding; (d) the Substitution Date; or (e) the date on which the Available Commitment has been terminated in its entirety pursuant to the Standby Bond Purchase Agreement (the "Purchase Period").

Subject to the terms and conditions of the Standby Bond Purchase Agreement, the Bank agrees from time to time during the Purchase Period to purchase, with its own funds, tendered Eligible Bonds subject to purchase on a Mandatory Purchase Date, which have not been remarketed, for the Bank's own account, from time to time during the Purchase Period at the Purchase Price. The aggregate principal amount (or portion thereof) of any Eligible Bond purchased by the Bank on any Purchase Date shall be an Authorized Denomination applicable to the 2026 Subseries C-3 Bonds, and in any case the aggregate principal amount of all 2026 Subseries C-3 Bonds purchased on any Purchase Date shall not exceed the Available Principal Commitment under the Standby Bond Purchase Agreement on such date. The aggregate amount of the Purchase Price comprising interest on the Eligible Bonds (the *"Interest Component"*) purchased on any Purchase Date shall not exceed the lesser of (i) the Available Interest Commitment under the Standby Bond Purchase Agreement on such date and (ii) the actual aggregate amount of interest accrued on each such Eligible Bond, other than Defaulted Interest, to but excluding such Purchase Date; *provided* that if the applicable Purchase Date is an Interest Payment Date, the amount described in this clause (ii) shall be reduced by the amount of interest payable on each such 2026 Subseries C-3 Bond on such Interest Payment Date. Any 2026 Subseries C-3 Bonds so purchased shall thereupon constitute Bank Bonds and shall, from the date of such purchase and for so long as such 2026 Subseries C-3 Bonds constitute Bank Bonds, bear interest at the Bank Interest Rate (subject to the terms of the Standby Bond Purchase Agreement) and have other characteristics of Bank Bonds as set forth in the Standby Bond Purchase Agreement and the Resolutions.

If, on any Purchase Date during the Purchase Period, by the time specified in the Standby Bond Purchase Agreement on the applicable Purchase Date the Bank receives from the Tender Agent a Notice of Bank Purchase, the Bank will, during the Purchase Period, unless the Bank is no longer obligated to purchase such 2026 Subseries C-3 Bonds pursuant to the Standby Bond Purchase Agreement, transfer not later than (i) 2:00 p.m. (New York City time) while 2026 Subseries C-3 Bonds are in the Weekly Mode and (ii) 2:15 p.m. (New York City time) while 2026 Subseries C-3 Bonds are in the Daily Mode, in each case, on such Purchase Date to the Tender Agent, in funds to be available as specified in such Notice of Bank Purchase, an amount equal to the aggregate Purchase Price of such 2026 Subseries C-3 Bonds as set forth in the applicable Notice of Bank Purchase.

The obligation of the Bank to purchase 2026 Subseries C-3 Bonds on any date is subject to the satisfaction of the following conditions: (i) timely receipt of a Notice of Bank Purchase as set forth in the Standby Bond Purchase Agreement; (ii) no Immediate Termination Event shall have occurred and no Suspension Event (each as described under the sub-heading "Events of Default" below) shall have occurred and be continuing under the Standby Bond Purchase Agreement on such Purchase Date and (iii) the obligations of the Bank to purchase 2026 Subseries C-3 Bonds shall not have theretofore terminated pursuant to the Standby Bond Purchase Agreement.

The Standby Bond Purchase Agreement provided by the Bank will only support the payment of the Purchase Price of 2026 Subseries C-3 Bonds constituting Eligible Bonds tendered for purchase as provided in the Resolutions. The Bank is obligated only for the amount payable under the Standby Bond Purchase Agreement for 2026 Subseries C-3 Bonds and is not obligated to pay any amount payable for any Subseries of Bonds not supported by the Standby Bond Purchase Agreement.

Events of Default and Remedies

***Events of Default Constituting Immediate Termination Events*.** Each of the following constitutes both an "Event of Default" and an "Immediate Termination Event" under the Standby Bond Purchase Agreement:

(a) *Payments*. The Authority shall have failed to pay when due the scheduled payment of maturing principal or sinking fund requirements of or interest on the 2026 Subseries C-3 Bonds, including Bank Bonds; *provided* that the foregoing shall not include the failure to pay the purchase price of any Bank Bond pursuant to the terms of the Standby Bond Purchase Agreement or as a result of the acceleration of the payment of any Bank Bond due to the occurrence of an Event of Default under the Standby Bond Purchase Agreement; or

(b) *Insolvency*. The Authority shall have commenced (i)(A) a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or in effect after the effective date of the Standby Bond Purchase Agreement or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of its or any substantial part of its property, (B) the Authority shall have consented to any relief described in the immediately preceding clause (A) or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, (C) the Authority shall have filed a petition seeking a composition of indebtedness or other protection as a debtor under the federal bankruptcy laws or under any other similar applicable law or statute of the United States of America or the State of Connecticut, (D) the Authority shall have made a general assignment for the benefit of creditors, (E) the Authority shall have admitted in writing its inability generally to pay its debts as they become due or (F) the Authority shall have taken any action to authorize any of the foregoing, or (ii)(A) an involuntary case or other proceeding shall have been commenced against the Authority seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or in effect after the effective date of the Standby Bond Purchase Agreement or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of its or any substantial part of its property, and such involuntary case shall remain undismissed for a period of sixty (60) days, or (B) an order for relief shall have been entered against the Authority under the federal bankruptcy laws as now or in effect after the effective date of the Standby Bond Purchase Agreement or (iii)(A) a moratorium shall have been declared (whether or not in writing) with respect to any 2026 Subseries C-3 Bonds (including Bank Bonds) or all debt of the Authority by the Authority or the State of Connecticut (including, without limitation, any of the executive, legislative or judicial branches of government thereof) or (B) a moratorium (whether or not in writing) with respect, to any of the 2026 Subseries C-3 Bonds (including Bank Bonds) or all debt of the Authority is declared by the Authority or imposed as a result of any finding or ruling by any Governmental Authority having jurisdiction over the Authority; or

(c) *Cross Default.* The Authority shall default in (x) any payment of principal of, premium, if any, or interest on any Parity Indebtedness (other than Swap Contracts), other than Indebtedness owed pursuant to the Standby Bond Purchase Agreement (whether by scheduled maturity, required prepayment or purchase, acceleration, demand or otherwise) or (y) any regularly scheduled payments on or with respect to any Swap Contract that constitutes Parity Indebtedness; or

(d) *Invalidity.* The Standby Bond Purchase Agreement, the Resolution, the 2026 Series C Resolution or the 2026 Subseries C-3 Bonds or any provision thereof with respect to the payment of principal or interest on such 2026 Subseries C-3 Bonds (including Bank Bonds) or with respect to the Pledged Receipts, Recoveries of Principal and other monies and securities held or set aside or to be set aside and held in the Housing Mortgage General Fund and the Housing Mortgage Capital Reserve Fund, shall for any reason cease to be valid and binding on the Authority as a result of a finding or ruling by a Governmental Authority having jurisdiction, or an Authorized Officer of the Authority shall deny or repudiate or publicly contest or otherwise contest in writing that the Authority has any or further liability under the Standby Bond Purchase Agreement, the Resolution, the 2026 Series C Resolution or the 2026 Subseries C-3 Bonds or any provision thereof with respect to the payment of principal or interest on such 2026 Subseries C-3 Bonds (including Bank Bonds) or with respect to the Pledged Receipts, Recoveries of Principal and other monies and securities held or set aside or to be set aside and held in the Housing Mortgage General Fund and the Housing Mortgage Capital Reserve

Fund, or any Governmental Authority having jurisdiction shall find or rule that the Standby Bond Purchase Agreement, the Resolution, the 2026 Series C Resolution or the 2026 Subseries C-3 Bonds or any material provision thereof with respect to the payment of principal or interest on such 2026 Subseries C-3 Bonds (including Bank Bonds) or with respect to the Pledged Receipts, Recoveries of Principal and other monies and securities held or set aside or to be set aside and held in the Housing Mortgage General Fund and the Housing Mortgage Capital Reserve Fund therefor is not valid or binding on the Authority; or

(e) *Judgments.* Any final, non-appealable judgment or judgments in an aggregate amount in excess of $10,000,000 shall be rendered against the Authority payable from the Pledged Receipts, Recoveries of Principal and other monies and securities held or set aside or to be set aside and held in the Housing Mortgage General Fund and the Housing Mortgage Capital Reserve Fund, and remain unvacated, unbonded, uninsured, or unstayed for a period of sixty (60) days; or

(f) *Ratings Downgrade Below Investment Grade.* (i) The long-term rating assigned to the 2026 Subseries C-3 Bonds or any Parity Indebtedness by Moody's (to the extent then providing such a rating and without regard to bond insurance or other credit enhancement) shall be suspended or withdrawn for credit related reasons or reduced below Investment Grade and (ii) the long-term rating assigned to the 2026 Subseries C-3 Bonds or any Parity Indebtedness by S&P (to the extent then providing such a rating and without regard to bond insurance or other credit enhancement) shall be suspended or withdrawn for credit related reasons or reduced below Investment Grade.

Remedies for Events of Default Constituting Immediate Termination Events. If any Immediate Termination Event shall have occurred:

(a) The Available Commitment and the obligation of the Bank to purchase the 2026 Subseries C-3 Bonds shall immediately terminate without prior notice or demand, and thereafter the Bank shall be under no obligation to purchase 2026 Subseries C-3 Bonds. Promptly after the Bank receives notice or otherwise becomes aware of the occurrence of an Immediate Termination Event, the Bank shall give written notice of the same to the Authority, the Tender Agent, the Trustee and the Remarketing Agent; *provided*, that the Bank shall incur no liability or responsibility whatsoever by reason of its failure to receive or give such notice and such failure shall in no way affect the termination of the Bank's Available Commitment and of its obligation to purchase the 2026 Subseries C-3 Bonds pursuant to the Standby Bond Purchase Agreement.

(b) In addition to any rights set forth in paragraph (a) above under this sub-heading, "*Remedies for Events of Default Constituting Immediate Termination Events*," upon the election of the Bank, the Bank shall have all the rights and remedies available to it under the Standby Bond Purchase Agreement, the Related Documents, or otherwise pursuant to law or equity.

Potential Event of Default Constituting a Suspension Event. Any Potential Event of Default with respect to the following event shall constitute a "Suspension Event" under the Standby Bond Purchase Agreement:

(a) *Involuntary Bankruptcy Proceeding*. An involuntary case or other proceeding shall have been commenced against the Authority seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or in effect after the effective date of the Standby Bond Purchase Agreement or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of its or any substantial part of its property, and such involuntary case shall remain undismissed for a period of sixty (60) days.

Remedies for a Suspension Event. Upon the occurrence and during the continuance of a Suspension Event under the Standby Bond Purchase Agreement, the obligation of the Bank to purchase 2026 Subseries C-3 Bonds under the Standby Bond Purchase Agreement shall be immediately and automatically suspended, without notice, and the Bank shall be under no further obligation under the Standby Bond Purchase Agreement to purchase 2026 Subseries C-3 Bonds, until the bankruptcy, insolvency or similar proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, then the obligations of the Bank under the Standby Bond Purchase Agreement shall be automatically reinstated and the terms of the Standby Bond Purchase Agreement shall continue in full force and effect (unless the obligation of the Bank to

purchase 2026 Subseries C-3 Bonds under the Standby Bond Purchase Agreement shall otherwise have terminated as provided in the Standby Bond Purchase Agreement) as if there had been no such suspension. Promptly after the Bank receives notice or otherwise becomes aware of the occurrence of a Suspension Event, the Bank shall give written notice of the same to the Authority, the Tender Agent, the Trustee and the Remarketing Agent; *provided*, that the Bank shall incur no liability or responsibility whatsoever by reason of its failure to receive or give such notice and such failure shall in no way affect the suspension of the Bank's Available Commitment and of its obligation to purchase 2026 Subseries C-3 Bonds pursuant to the Standby Bond Purchase Agreement. In addition to any rights described in this paragraph, upon the election of the Bank, the Bank shall have all the rights and remedies available to it under the Standby Bond Purchase Agreement, the Related Documents, or otherwise pursuant to law or equity.

Events of Default Not Constituting an Immediate Termination Event. In addition to the Events of Default set forth under the sub-headings "*Events of Default Constituting Immediate Termination Events*" and "*Potential Event of Default Constituting a Suspension Event"* above, the occurrence of any of the following events shall also constitute an "Event of Default" under the Standby Bond Purchase Agreement but shall not constitute an "Immediate Termination Event" or a "Suspension Event" thereunder:

(a) *Nonpayment of Bank Bonds.* The Authority shall have failed to pay when due (i) the payment of the purchase price of Bank Bonds pursuant to the Standby Bond Purchase Agreement, or (ii) any other amounts not referred to in paragraph (a) under the sub-heading "*Events of Default Constituting Immediate Termination Events*" above with respect to the 2026 Subseries C-3 Bonds (including Bank Bonds); or

(b) *Nonpayment of Bank Fees.* Nonpayment of any fees or other amounts payable under the Standby Bond Purchase Agreement or under the Fee Letter (other than amounts referred to in paragraph (a) under the sub-heading "*Events of Default Constituting Immediate Termination Events*" above and paragraph (a) under this sub-heading "*Events of Default Not Constituting an Immediate Termination Event*" above) as and when due and such failure shall continue for three (3) Business Days after the Bank has provided the Authority with notice that any such fees or other amounts were not paid when due; or

(c) *Representations.* Any representation or warranty made by the Authority in the Standby Bond Purchase Agreement (or incorporated therein by reference) or in any of the other Related Documents or in any certificate, document, instrument, opinion or financial or other statement contemplated by or made or delivered pursuant to or in connection with the Standby Bond Purchase Agreement or with any of the other Related Documents, shall prove to have been incorrect, incomplete or misleading in any material respect when made; or

(d) *Cross Default.* The Authority shall (i) default in the observance or performance of any other agreement or condition relating to any such Parity Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Parity Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Parity Indebtedness to become due and payable; or (ii) default in any payment other than payments described in paragraph (a) under the sub-heading "*Events of Default Constituting Immediate Termination Events*" above and paragraph (a) under this sub-heading "*Events of Default Not Constituting an Immediate Termination Event*" above on or with respect to any Parity Indebtedness other than Indebtedness owed pursuant to the Standby Bond Purchase Agreement; or

(e) *State Funding of Capital Reserve Fund.* The State of Connecticut shall have defaulted in its obligation to make payments to the Authority with respect to the 2026 Subseries C-3 Bonds pursuant to subdivision (a) of Section 8-258 of the Act (as defined in the Resolution) for the purpose of restoring the Housing Mortgage Capital Reserve Fund to the amount of the Housing Mortgage Capital Reserve Fund Minimum Requirement as described in Section 513 of the Resolution; or

(f) *Invalidity of Bank Documents.* Any material provision of the Standby Bond Purchase Agreement or any Related Document (other than those provisions referred to in paragraph (d) under the sub-heading "*Events of Default Constituting Immediate Termination Events*" above) shall cease to be valid and

binding on the Authority or the Authority shall publicly contest or otherwise contest in writing its obligations with respect to any material provision under the Standby Bond Purchase Agreement or any Related Document (other than those provisions referred to in paragraph (d) under the sub-heading "*Events of Default Constituting Immediate Termination Events*" above); or

(g) *Writs.* Any writ or writs or warrant or warrants of attachment or any similar process or processes in an aggregate amount in excess of $10,000,000 shall be rendered against the Authority payable from the Pledged Receipts, Recoveries of Principal or other monies and securities held or set aside or to be set aside and held in the Housing Mortgage General Fund and the Housing Mortgage Capital Reserve Fund, and remain unvacated, unbonded, uninsured, or unstayed for a period of sixty (60) days; or

(h) *Ratings Downgrade Below "A3" or "A-"*. The long-term rating assigned to the 2026 Subseries C-3 Bonds or any Parity Indebtedness by Moody's (without regard to bond insurance or other credit enhancement) shall be suspended, withdrawn or reduced below "A3" (or its equivalent) or the long-term rating assigned to the 2026 Subseries C-3 Bonds or any Parity Indebtedness by S&P (without regard to bond insurance or other credit enhancement) shall be suspended, withdrawn or reduced below "A-" (or its equivalent); or

(i) *Certain Defaults*. The occurrence of any "Event of Default" under any of the Related Documents; or

(j) *Certain Covenants*. The Authority shall default in the (i) due performance or observance of any of the certain specified covenants set forth in the Standby Bond Purchase Agreement; or (ii) due performance or observance of any other material term, covenant or agreement contained in the Standby Bond Purchase Agreement and such default shall remain unremedied for a period of forty-five (45) days after the occurrence of such default.

Remedies for Events of Default Not Constituting an Immediate Termination Event. If any Event of Default shall have occurred and be continuing under the Standby Bond Purchase Agreement:

(a) In the case of an Event of Default set forth under the sub-heading "*Events of Default Not Constituting an Immediate Termination Event*" above, the Bank may terminate the Available Commitment by giving written notice (a *"Notice of Termination"*) to the Authority, the Remarketing Agent, the Tender Agent and the Trustee, specifying the date on which the Available Commitment shall terminate (the *"Termination Date"*), which shall be not less than thirty (30) days from the date of receipt of such notice by the Tender Agent (or, if such day is not a Business Day, the Business Day immediately succeeding such day), and on and after the Termination Date the Bank shall be under no further obligation to purchase 2026 Subseries C-3 Bonds under the Standby Bond Purchase Agreement.

(b) In addition to the rights and remedies set forth in paragraph (a) under this sub-heading *"Remedies for Events of Default Not Constituting an Immediate Termination Event,"* in the case of any Event of Default specified under the sub-heading "*Events of Default Not Constituting an Immediate Termination Event*" above, upon the election of the Bank, the Bank shall have all the rights and remedies available to it under the Standby Bond Purchase Agreement, the Related Documents, or otherwise pursuant to law or equity.

Remedies for All Events of Default. Upon the occurrence of any Event of Default under the Standby Bond Purchase Agreement, all Obligations due and payable under the Standby Bond Purchase Agreement shall bear interest at the Default Rate.

Defined Terms

As used under the heading "Standby Bond Purchase Agreement for 2026 Subseries C-3 Bonds," the following terms have the meanings indicated below for the Standby Bond Purchase Agreement:

"*Available Commitment*" means on any day the sum of the Available Principal Commitment and the Available Interest Commitment, in each case, as of such day.

"Available Interest Commitment" initially means $_____ constituting interest for 186 days at 12% per annum calculated on the basis of a year of 365 days, and thereafter means such amount adjusted from time to time as follows: (a) downward by an amount that bears the same proportion to such amount as the amount of any reduction in the Available Principal Commitment pursuant to the definition of "Available Principal Commitment" bears to the Available Principal Commitment prior to such reduction; and (b) upward by an amount that bears the same proportion to such amount as the amount of any increase in the Available Principal Commitment pursuant to clause (c) of the definition of "Available Principal Commitment" below bears to the Available Principal Commitment prior to such increase; provided that after giving effect to such adjustment, the Available Interest Commitment shall never exceed $_____. Any adjustments pursuant to clause (a) or (b) above shall occur simultaneously with the event requiring such adjustment.

"*Available Principal Commitment"* initially means $_____, and thereafter means such amount adjusted from time to time as follows: (a) downward by the amount of any reduction of the Available Principal Commitment pursuant to the Standby Bond Purchase Agreement; (b) downward by the principal amount of any 2026 Subseries C-3 Bonds purchased by the Bank pursuant to the Standby Bond Purchase Agreement; and (c) upward by the principal amount of any 2026 Subseries C-3 Bonds theretofore purchased by the Bank pursuant to the Standby Bond Purchase Agreement which are remarketed and for which the Bank has received immediately available funds in Dollars equal to the principal amount thereof and accrued interest thereon or which cease to bear interest at the Bank Interest Rate pursuant to the Standby Bond Purchase Agreement; *provided*, that at no time shall the sum of (i) the Available Principal Commitment plus (ii) the aggregate principal amount of Bank Bonds outstanding ever exceed $_____. Any adjustments to the Available Principal Commitment pursuant to clause (a), (b) or (c) hereof shall occur simultaneously with the occurrence of the event requiring such adjustment.

"*Bank Bonds*" means each 2026 Subseries C-3 Bond purchased and held by or for the account of the Bank in accordance with the provisions of the Standby Bond Purchase Agreement; *provided, however*, that if the Bank elects to retain ownership of any Bank Bonds for which the Remarketing Agent has found a purchaser, as permitted by the Standby Bond Purchase Agreement, then such 2026 Subseries C-3 Bonds shall thereafter cease to be Bank Bonds as and to the extent provided in the Standby Bond Purchase Agreement.

"*Conversion Date*" means the date the interest rate on all of the 2026 Subseries C-3 Bonds has been converted to bear interest at an interest rate other than the Daily Rate or the Weekly Rate.

"*Defaulted Interest*" means accrued interest payable on 2026 Subseries C-3 Bonds that was not paid by the Authority when due under the terms of the Resolutions.

"*Expiration Date*" means the later of (a) 5:00 p.m. (New York City time), on June __, 2031, or, if such day is not a Business Day, the Business Day immediately preceding such day and (b) the last day of any extension of such date pursuant to the Standby Bond Purchase Agreement and a Notice of Extension or, if such day is not a Business Day, the Business Day immediately preceding such day.

"*Fee Letter*" means the Fee Letter dated June __, 2026, relating to the Standby Bond Purchase Agreement, between the Bank and the Authority, which sets forth the Commitment Fee (as defined in the Fee Letter) and certain other fees payable by the Authority to the Bank, as the same may be amended and supplemented from time to time.

"*Governmental Authority*" means the government of the United States of America or any other nation or any political subdivision thereof or any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or European Central Bank), or any arbitrator, mediator or other Person with authority to bind a party at law.

"*Guarantee*" means the legal obligation to pay the Indebtedness or satisfy the liabilities of another Person, whether such guarantee is of payment or of performance.

"Indebtedness" of any Person means and includes (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to reimburse or repay any bank or other Person in respect of amounts paid or advances under a letter of credit, credit agreement, standby bond purchase agreement or any other similar instrument, (d) all obligations with respect to any conditional sale agreement or title retention agreement, (e) all Guarantees by such Person of Indebtedness of other Persons, (f) all obligations under leases which are required to be capitalized by GAAP, (g) all indebtedness of others secured by a Lien on any asset of such Person, whether or not such indebtedness is assumed by such Person, and (h) all obligations of such Person under any Swap Contract.

"*Investment Grade*" means a rating of "Baa3" (or its equivalent) or better by Moody's and "BBB-" (or its equivalent) or better by S&P or Fitch, as applicable.

"*Obligations*" means all amounts payable by the Authority, and all other obligations to be performed by the Authority, pursuant to the Standby Bond Purchase Agreement and the other Related Documents (including any amounts to reimburse the Bank for any advances or expenditures by it under any of such documents).

"Parity Indebtedness" means any Indebtedness described in clauses (b), (c) (other than a failure to pay the principal or interest on any advance, loan or drawing accelerated pursuant to the terms of a letter of credit, credit agreement, standby bond purchase agreement or similar instrument described in clause (c) of the definition of "*Indebtedness*"), (f) and (h) (*provided, however,* that with respect to Swap Contracts described in clause (h) of the definition of *"Indebtedness"* herein, *"Parity Indebtedness"* shall only include regularly scheduled payments under Swap Contracts that relate to obligations or indebtedness evidenced by bonds, debentures, notes or other similar instruments, the payment of which is secured on a basis that is senior to or on parity with the 2026 Subseries C-3 Bonds and the Bank Bonds) of that definition which is secured by a pledge of the Pledged Receipts and Recoveries of Principal on a parity basis with, or is senior to, the 2026 Subseries C-3 Bonds.

"*Purchase Date*" means a Business Day during the Purchase Period on which the Bank purchases 2026 Subseries C-3 Bonds pursuant to the Standby Bond Purchase Agreement.

"*Purchase Price*" means, with respect to any 2026 Subseries C-3 Bond to be purchased on a Purchase Date therefor, the unpaid principal amount thereof plus accrued interest thereon, other than Defaulted Interest, to but excluding such Purchase Date; *provided* that if the applicable Purchase Date is an Interest Payment Date, interest payable on such 2026 Subseries C-3 Bond on such Interest Payment Date shall be excluded from the computation of the Purchase Price payable by the Bank.

"*Related Documents*" means the Standby Bond Purchase Agreement, the Fee Letter, the 2026 Subseries C-3 Bonds, the Resolutions, the Remarketing Agreement and any other agreement or instrument relating to such documents and to the transactions contemplated thereby.

"*Substitution Date*" means the date on which a Substitute Liquidity Facility is accepted by the Trustee and becomes effective.

"*Suspension Event*" means the Potential Event of Default described under the sub-heading "Potential Event of Default Constituting a Suspension Event."

Mandatory Tender Under Standby Bond Purchase Agreement (with No Right to Retain). In accordance with the 2026 Series C Resolution, under the Standby Bond Purchase Agreement, if a termination event other than an Immediate Termination Event or Suspension Event shall occur, the Bank may give written notice of termination of the Standby Bond Purchase Agreement to the Trustee, and the obligation of the Bank to purchase 2026 Subseries C-3 Bonds shall end 30 days after such notice is received by the Trustee. Immediately upon the receipt of such notice of termination, the Trustee shall give notice to the Holders of 2026 Subseries C-3 Bonds that such Bonds will be subject to mandatory tender for purchase no less than 15 days from the date of such notice to such Bondholders, at a purchase

price equal to 100% of the principal amount thereof, plus accrued interest to the date of purchase on the date set forth for purchase in such notice.

In the event that (a) the Authority terminates the Standby Bond Purchase Agreement or any Alternate Liquidity Facility for cause, including that the short-term rating on the 2026 Subseries C-3 Bonds is downgraded as the result of the withdrawal, suspension or reduction of the rating of the provider of the Standby Bond Purchase Agreement or Alternate Liquidity Facility, or (b) the Bank elects not to extend the Standby Bond Purchase Agreement or any Alternate Liquidity Facility, and the Authority determines not to provide or cause to be provided an Alternate Liquidity Facility, the Trustee shall give notice to the Holders of the 2026 Subseries C-3 Bonds that such 2026 Subseries C-3 Bonds will be subject to mandatory tender for purchase not less than 15 days from the date of such notice to such Bondholders, at a price equal to 100% of the principal amount thereof, plus accrued interest to the date of purchase on the date set forth for purchase in such notice.

Extension of Standby Bond Purchase Agreement. The Expiration Date of the Standby Bond Purchase Agreement may be extended from time to time, at the written request of the Authority made no earlier than 180 days, and no later than 90 days, prior to the Expiration Date then in effect, or such later date to which the Authority and the Bank may mutually agree in writing, by agreement in writing between the Authority and the Bank (the period from the preceding Expiration Date to such new Expiration Date being herein sometimes called the "Extended Bank Purchase Period"). The Extended Bank Purchase Period may itself be extended under the Standby Bond Purchase Agreement in a like manner for additional periods. The Bank has no obligation to agree to any Extended Bank Purchase Period for the Standby Bond Purchase Agreement. If the Bank, in its sole and absolute discretion, determines to extend any such period, the Bank shall give written notice of such election to extend to the Authority prior to the 60th day following its receipt of such request. Notwithstanding anything in this paragraph to the contrary, if the Bank fails to give notice of an election to extend, the Standby Bond Purchase Agreement shall expire on the Expiration Date or the end of the Extended Bank Purchase Period then in effect, as applicable.

Requirements for Delivery of an Alternate Liquidity Facility

The 2026 Series C Resolution provides that at least 30 days (or 20 days with respect to expiration due to the withdrawal, suspension or reduction of the rating by any rating agency of the senior, unsecured short-term or long-term rating of the Bank) prior to the date of expiration of a Liquidity Facility (as the same may be extended in accordance therewith) or, as the case may be, the expiration date of any Alternate Liquidity Facility then in effect or at least 30 days (or 20 days, as applicable) prior to any date upon which the Authority intends to deliver an Alternate Liquidity Facility to the Trustee, the Authority shall notify the Trustee, the Tender Agent, the Bank and the Remarketing Agent, and the Trustee shall promptly notify the Owners of the 2026 Subseries C-3 Bonds, that the Authority shall provide for delivery to the Trustee of an Alternate Liquidity Facility as permitted by the 2026 Series C Resolution and shall deliver such Alternate Liquidity Facility to the Trustee concurrently with the giving of such notice. In the event that the Authority shall give notice to the effect provided above, such notice shall specify the name of the entity providing the Alternate Liquidity Facility and shall advise that the existing Liquidity Facility will terminate on the date stated in such notice and that the 2026 Subseries C-3 Bonds shall be subject to mandatory tender (with no right to retain) on the Business Day immediately preceding the last day on which the Bank is obligated under the existing Liquidity Facility to purchase the 2026 Subseries C-3 Bonds at a purchase price equal to 100% of the principal amount thereof, plus accrued interest to the date of purchase (payable by the Bank) on such date.

Book-Entry-Only System

The Fixed Rate Bonds will be available in book-entry form only, in the principal amount of $5,000 or integral multiples thereof. The 2026 Subseries C-3 Bonds will be available in book-entry form only, in the principal amount of (i) during any Mode Period other than a Flexible Mode Period or a Semiannual Mode Period, $100,000 or integral multiples of $5,000 in excess of $100,000, (ii) during a Flexible Mode Period, $100,000 or integral multiples of $1,000 in excess of $100,000, and (iii) during a Semiannual Mode Period or on and after the Conversion Date, $5,000 or integral multiples thereof; provided, however, that any 2026 Subseries C-3 Bonds Converted to floating Long-Term Fixed Interest Rates shall be in authorized denominations of $100,000 or integral multiples of $5,000 in excess thereof. For purposes of this Official Statement, so long as the Offered Bonds are immobilized in the custody of DTC, references to Bondholders or registered owners of such Bonds (except under "TAX MATTERS") mean DTC or its nominee.

The information in this section concerning DTC and the DTC book-entry system has been obtained from DTC, and the Authority takes no responsibility for the accuracy or completeness thereof.

DTC will act as securities depository for the Offered Bonds. The Offered Bonds will be issued as fully-registered securities in the name of Cede & Co. One fully-registered Offered Bond will be issued for each maturity within a Subseries of the Offered Bonds, as set forth on the inside cover page, in the aggregate principal amount of each such maturity, and will be deposited with DTC.

DTC 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 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. securities brokers and dealers, banks, and trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Offered Bonds under the DTC system must be made by or through Direct Participants, who will receive a credit for such purchased 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, but Beneficial Owners are 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 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 Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. ("Cede"). The deposit of the Offered Bonds with DTC and their registration in the name of Cede effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 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 Participants will remain responsible for keeping account of their holdings on behalf of their customers.

A Beneficial Owner will give notice to elect to have its 2026 Subseries C-3 Bonds tendered, through its Participant, to the Tender Agent, and will effect delivery of such 2026 Subseries C-3 Bonds by causing the Direct Participant to transfer the Participant's interest in the 2026 Subseries C-3 Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of 2026 Subseries C-3 Bonds in connection with a demand for tender or a mandatory tender will be deemed satisfied when the ownership rights in the 2026 Subseries C-3 Bonds are transferred by Direct Participants on DTC's records. No charge will be imposed upon registered owners in connection with the transfer or exchange, except as described in "Discontinuance of Book-Entry System" herein.

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 Offered Bonds may wish to take certain steps to augment the transmission to them of notices

and significant events with respect to the Offered Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Resolution. For example, Beneficial Owners of 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 Cede. If less than all of a Subseries of the Offered Bonds within a particular maturity and interest rate are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant therein to be redeemed.

Neither DTC nor Cede will consent or vote with respect to the Offered Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede'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 principal and purchase price of and interest payments on the Offered Bonds will be made to Cede or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee on a payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, and principal and purchase price of and interest to Cede (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee or the Authority, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants. NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS, OR TO THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE OFFERED BONDS, OR TO ANY BENEFICIAL OWNER IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT, THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OR PURCHASE PRICE OF OR INTEREST ON THE OFFERED BONDS, ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS UNDER THE RESOLUTIONS, THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OR PARTIAL TENDER AND PURCHASE OF THE OFFERED BONDS, OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

DTC may discontinue providing its services as securities depository with respect to the Offered Bonds at any time by giving reasonable notice to the Authority and the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered as described in the Resolutions.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be required to be printed and delivered as described in the Resolutions.

Discontinuance of Book-Entry System

The Resolution provides for issuance of bond certificates ("Replacement Bonds") directly to Beneficial Owners of the Offered Bonds, but only in the event that (a) DTC determines not to act as securities depository for the Offered Bonds; or (b) the Authority has advised DTC of its determination that DTC is incapable of discharging its duties; or (c) the Authority has determined that it is in the best interests of the Beneficial Owners of the Offered Bonds that they be able to obtain bond certificates. Upon the occurrence of an event described in (a) or (b) above, the Authority shall attempt to locate another qualified securities depository. If the Authority fails to locate another

securities depository to replace DTC, the Trustee shall authenticate and deliver Replacement Bonds, in certificated form. In the event the Authority makes the determination noted in (b) or (c) above (the Authority undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Authority to make any such determination), and has made provisions to notify the Beneficial Owners of the Offered Bonds by mailing an appropriate notice to DTC, it shall cause to be authenticated and delivered Replacement Bonds in certificated form to any DTC Participant making such a request. Principal or redemption price or purchase price of and interest, if any, on the Replacement Bonds shall be payable by check or draft mailed to each holder of such Replacement Bond at the address of such holder as it appears in the bond register maintained by or on behalf of the Authority. Replacement Bonds will be transferable only by presentation and surrender to the Authority, or an agent of the Authority to be designated in the Replacement Bonds, together with an assignment duly executed by the holder of the Replacement Bond or by such holder's representative in form satisfactory to the Authority, or an agent of the Authority, and containing information required by the Authority in order to effect such a transfer.

For every exchange or transfer of the Offered Bonds, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, and, except for the first exchange or transfer of a bond, may charge a sum sufficient to pay the cost of preparing each new Bond issued upon such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

SOURCES AND USES*

The proceeds of the Offered Bonds, along with other available monies under the Resolution, are expected to be used to (i) within 90 days of the date of issuance of the Offered Bonds, refund and/or replace and refund certain current and/or future maturities of outstanding bonds to be paid at maturity or to be redeemed by special and/or optional redemption, a portion of which bonds were initially issued in part to finance certain Home Mortgage Loans and Agency Securities, (ii) provide new monies for the financing of Home Mortgage Loans and Agency Securities, (iii) provide new monies for the financing of Mobile Manufactured Home Loans, (iv) make a deposit to the Housing Mortgage Capital Reserve Fund, and (v) pay certain costs of issuance. It is expected that a portion of the proceeds of the 2026 Subseries C-3 Bonds will be applied to refund certain Outstanding Bonds. The sources of funds with respect to the Offered Bonds and the uses thereof, following certain replacements and refundings described above, are expected to be approximately as set forth below:

Sources

Principal Amount of Offered Bonds	$
Original Issue Premium on the Offered Bonds	
Available monies under the Resolutions	
Total Sources	$

Uses

Redemption or Payment of Outstanding Bonds	$
Bond Proceeds Account for Financing Home Mortgage Loans and Agency Securities	
Bond Proceeds Account for Financing Mobile Manufactured Home Loans	
Housing Mortgage Capital Reserve Fund	
Costs of Issuance	
Underwriters' Compensation and Expenses	
Total Uses	$

* Preliminary, subject to change.

SOURCES OF PAYMENT

The Bonds are general obligations of the Authority, and the full faith and credit of the Authority are pledged for the payment, when due, of the principal or redemption price, if any, of and interest on the Bonds. Subject only to the provisions of the Resolution permitting the application of certain monies for the purposes and on the terms set forth in the Resolution, including payment of Operating Costs, the Bonds are entitled to the lien created by the pledge under the Resolution of:

(a) the proceeds derived from the sale of Bonds;

(b) all monies received as "Pledged Receipts," including (i) the scheduled payments (monthly or otherwise) of principal and interest paid to the Authority from any source on any Mortgage Loan financed under the Housing Mortgage Finance Program and (ii) all fees and charges imposed by the Authority with respect to its Mortgage Loans;

(c) all monies received as "Recoveries of Principal," including (i) prepayments of any Mortgage Loan, (ii) proceeds of condemnation or foreclosure of mortgaged premises, (iii) mortgage insurance proceeds, and (iv) monies received from the sale or other disposition of any mortgage;

(d) all monies or securities in the Housing Mortgage General Fund and Housing Mortgage Capital Reserve Fund; and

(e) any monies received from the State for the Housing Mortgage Finance Program, including any funds appropriated from the general fund of the State to the Housing Mortgage Capital Reserve Fund in accordance with the Resolution and the Act.

Acquired Program Mortgages financed by the Authority are not themselves subject to the lien of the Resolution but are to be assigned to the Trustee on its request upon the occurrence of an event of default under the Resolution.

Upon certain terms and conditions provided in the Resolution, amounts in the Surplus Account may be released annually between November 12 and December 1 free and clear of the lien of the Resolution. See Part 2 "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION – Surplus Account."

As of December 31, 2025, the Authority had net assets in Other Funds of approximately $62,456,000, including $53,947,000 held pursuant to the Special Needs Housing Mortgage Finance Program Indenture. The remaining net assets in Other Funds was comprised of (i) $4,357,000 in the Housing Mortgage Insurance Fund, which was funded primarily from amounts transferred from the Surplus Account to the Authority free and clear of the lien of the Resolution, (ii) $4,452,000 held pursuant to the Multifamily Special Obligation Bond Resolution and the Multifamily Other Bond Resolution, (iii) $875,000 held pursuant to the Qualified Energy Conservation Bond Resolution, and (iv) ($1,175) held pursuant to the Housing Revenue Bond General Trust Indenture.

For further information concerning the financial position of the Authority, see the financial statements included in Appendix B to Part 2.

HOUSING MORTGAGE CAPITAL RESERVE FUND

Pursuant to Section 8-258(a) of the Act, the Housing Mortgage Capital Reserve Fund must be maintained in an amount equal to the principal, sinking fund installments, and interest becoming due on the Bonds of the Authority in the next succeeding calendar year (the "Housing Mortgage Capital Reserve Fund Minimum Requirement" or the "Required Minimum Capital Reserve"). The Resolution specifies that no Bonds or Other Bonds issued for Housing Mortgage Finance Program purposes and secured by the Housing Mortgage Capital Reserve Fund shall be issued by the Authority unless the amount in the Housing Mortgage Capital Reserve Fund is at least equal to the maximum amount of principal, sinking fund installments, and interest becoming due on the Outstanding Bonds and Outstanding

Other Bonds in any succeeding calendar year (the "Housing Mortgage Capital Reserve Fund Maximum Requirement").

In the event that the monies available to the Authority under the Resolution for the payment of principal, sinking fund installments, and interest on the Bonds in any year are not sufficient, an amount equal to such insufficiency is required to be withdrawn from the Housing Mortgage Capital Reserve Fund to provide for such payments. Under the Resolution, the Chairperson of the Authority is required to certify to the Secretary of the Office of Policy and Management of the State, on or prior to December 1 of such year, the amount necessary to restore such fund to the Required Minimum Capital Reserve. The Act provides as follows:

> On or before December first of each year, there is deemed to be appropriated from the state general fund such sums, if any, as shall be certified by the chairman of the authority, to the secretary of the office of policy and management, as necessary to restore said fund to an amount equal to the required minimum capital reserve, and such amounts shall be allotted and paid to the authority. . . . For purposes of valuation of the housing mortgage capital reserve fund, securities acquired as an investment for said fund shall be valued at par, actual cost to the authority or market value, whichever value is less.

In the opinions of Co-Bond Counsel to the Authority, such appropriation and payment from the general fund of the State do not require further legislative approval.

In addition to the Authority, the Connecticut Development Authority, the Connecticut Higher Education Supplemental Loan Authority, the Connecticut Resources Recovery Authority, and, under limited circumstances, the Connecticut Health and Educational Facilities Authority are authorized to issue and have issued bonds secured by special capital reserve funds for which amounts are deemed appropriated from the State's general fund under similar circumstances.

Amounts paid by the State to restore the Housing Mortgage Capital Reserve Fund to the Housing Mortgage Capital Reserve Fund Minimum Requirement are required by the Act to be repaid to the State by the Authority and credited to the State's general fund, as soon as possible, from any monies available therefor in excess of the amounts that the Authority determines will keep it self-supporting. The Resolution provides that such amounts may be paid from the Surplus Account.

On the date of issuance of the Offered Bonds, the amount of securities on deposit in the Housing Mortgage Capital Reserve Fund, valued in accordance with the Resolution, will be at least equal to the Housing Mortgage Capital Reserve Fund Maximum Requirement.

The Authority is authorized to issue additional Bonds under the Resolution and to issue Other Bonds under one or more general resolutions secured by the Housing Mortgage Capital Reserve Fund. See Part 2 under the headings "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION – Issuance of Additional Obligations" and "– Housing Mortgage Capital Reserve Fund."

TAX MATTERS

Interest on the Taxable Bonds is included in gross income for federal income tax purposes, and, therefore, the following information under this heading "TAX MATTERS" does not apply to proceeds of or Mortgage Loans attributable to the Taxable Bonds, except for the information under the subheading "Taxable Bonds and Opinions of Co-Bond Counsel to the Authority."

The requirements of applicable federal tax law must be satisfied with respect to an "issue" of tax-exempt bonds. For purposes of arbitrage and certain other federal tax matters, the Tax-Exempt Bonds will be treated as a composite issue, in which case certain requirements must be satisfied with respect to all of the Tax-Exempt Bonds in order that interest on such Bonds be excluded from gross income for federal income tax purposes retroactive to the date of issuance thereof. The Authority reserves the right to issue Bonds in the future that could be treated as a composite issue with the Tax-Exempt Bonds for federal income tax purposes.

Requirements of the Code Relating to Home Mortgage Loans

Interest on bonds that are issued to finance or to refund bonds issued to finance single family residences, such as the Tax-Exempt Bonds, is not included in gross income for federal income tax purposes only if certain requirements are met, including (i) eligibility requirements for Home Mortgage Loans and borrowers (see "Mortgage Eligibility Requirements Under the Code" below), (ii) yield and investment requirements (see "Requirements Related to Arbitrage" below), and (iii) certain other requirements related to the issue (see "Other Requirements" below).

Mortgage Eligibility Requirements Under the Code

The Authority must reasonably expect at the time the Home Mortgage Loan is executed that the borrower will make the residence financed by the Home Mortgage Loan the borrower's principal residence within a reasonable time after the financing is provided. Under the procedures that the Authority has established as described herein, the borrower is required to certify at the closing of the Home Mortgage Loan that the borrower intends to make the financed residence the borrower's principal residence within 60 days. In addition, the Authority requires the participating lender to inspect and verify that the borrower has occupied the residence as the borrower's principal residence within 60 days after the closing of the Home Mortgage Loan.

At least 95% of the net proceeds of an issue, including towards such 95% proceeds used to make mortgage loans in targeted areas or to veterans and proceeds used for qualified rehabilitation and qualified home improvement, must be used to finance residences of 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. If applicable, the Authority requires the borrower to provide the borrower's federal income tax returns for the preceding three years for review for evidence of prior ownership of a principal residence, and to certify at the closing of the Home Mortgage Loan that the borrower has not had a present ownership interest in the borrower's principal residence within the preceding three years. The first-time homebuyer requirement does not apply to certain veterans receiving financing for residences financed from the proceeds of qualified mortgage bonds.

Under the Code, the maximum purchase prices for existing and new single-family residences (except in Targeted Areas) are 90% of the average area purchase prices applicable to such residences. In Targeted Areas the maximum purchase prices may be up to 110% of such limits. The Authority may rely upon the average area safe harbor limitations provided by the United States Internal Revenue Service or limitations different from such safe harbors based on more accurate and comprehensive data. The Authority's purchase price limits do not exceed those permitted under the Code.

Additionally, mortgagors purchasing a home with a Home Mortgage Loan may not have incomes that exceed limits established by the Code. Except in Targeted Areas and certain high housing cost areas, the Code establishes maximum income limits for families of three or more persons at no greater than 115% (100% for families of fewer than three persons) of the higher of the area or the statewide median income. In Targeted Areas, one third of the financing may be provided to borrowers without regard to the Code's income limitation, and the balance of the financing must be provided to borrowers whose income does not exceed 140% (120% for families of fewer than three persons) of the higher of the area or the statewide median income.

An existing mortgage loan may not be acquired or replaced with proceeds of a Home Mortgage Loan except for certain first mortgage loans for qualified rehabilitation, as described below. The Authority requires a borrower to certify at the closing of a Home Mortgage Loan that the borrower is not using the proceeds of the Home Mortgage Loan to acquire or replace an existing loan. In addition, the participating lender is required to examine the borrower's federal income tax returns for the preceding three years and a credit report prior to closing to determine if the borrower has any outstanding loans that could be acquired or replaced with proceeds of the Home Mortgage Loan.

The Code requires that Home Mortgage Loans not be assumed unless the principal residence, no prior home ownership interest, income limitations, and purchase price requirements are met at the time of assumption. The Authority requires that each of its Home Mortgage Loans have a "due on sale" clause so that the Authority may accelerate the Home Mortgage Loan if the mortgage is assumed and all such requirements are not met. FHA and VA allow a "due on sale" clause provided that the borrower is fully informed and consents in writing to such requirements.

The Code also permits proceeds of an issue to be made available for financing of mortgage loans for qualified rehabilitation and qualified home improvement (as more particularly described in the Code). The Code requirements are generally applicable to both qualified rehabilitation and home improvement loans except that the borrower is permitted to have had an ownership interest in a principal residence during the prior three-year period. In addition, the borrower can use the proceeds of the qualified rehabilitation loan to refinance an existing mortgage, and the purchase price requirement does not apply with respect to a qualified home improvement loan.

An issue of qualified mortgage bonds is treated as meeting certain mortgage eligibility requirements of the Code only if (i) the issuer in good faith attempted to meet all of the mortgage eligibility requirements before the mortgage deed was executed, (ii) any failure to comply with the mortgage eligibility requirements is corrected within a reasonable period after such failure is first discovered, and (iii) 95% or more of the lendable proceeds of the issue of qualified mortgage bonds used to make Home Mortgage Loans was devoted to financing residences that met all such mortgage eligibility requirements at the time the loans were executed or assumed. In determining whether 95% of the proceeds have been so used, the Code permits the Authority to rely on a certificate of the borrower (the "Borrower Certificate") and on examination of copies of the borrower's federal income tax returns for the three years preceding the date the mortgage is executed, even though the relevant information in such affidavits and returns should ultimately prove to be untrue, unless the Authority or the participating lender knows or has reason to believe that such information is false.

Requirements Related to Arbitrage

The Code requires that the yield on Home Mortgage Loans financed with the proceeds of qualified mortgage bonds issued subsequent to December 31, 1980 may not exceed the yield on the issue of such bonds by more than 1.125%. The Code provides rules for determining the yield on Home Mortgage Loans financed from such bonds and requires that the funds held in certain investment accounts for the bonds invested at a yield materially higher than the yield on the bonds meet the temporary periods or other arbitrage provisions applicable to non-mortgage investments. For bonds issued prior to 1981, and for certain bonds issued to refund such bonds the Code permits the yield on Home Mortgage Loans financed with the proceeds of such bonds to exceed the yield on such bonds by up to 1.50%, or more if cost justified.

With respect to qualified mortgage bonds issued after December 31, 1980, the Code also requires the Authority to pay to the United States certain investment earnings (for bonds issued prior to 1989, the Code required the Authority on the issuance of such bonds to elect to pay said investment earnings to the United States or to rebate said investment earnings to mortgagors) on non-mortgage investments to the extent such investment earnings exceed the amount that would have been earned on such investments if the investments were earning a return equal to the yield on the bonds together with any income attributable to such excess. The Authority has established accounting procedures to determine the amount of such excess investment earnings.

An issue of bonds is treated as meeting certain arbitrage restrictions on mortgage loans and other requirements of the Code if (i) the issuer in good faith attempted to meet such requirements and (ii) any failure to meet such requirements is due to inadvertent error after taking reasonable steps to comply with these requirements.

Other Requirements

The Code imposes an annual volume limitation on the amount of private activity bonds (except qualified 501(c)(3) bonds and certain other bonds) that may be issued in each state. The Tax-Exempt Bonds will meet the requirements of the Code with respect to annual volume limitation.

The Code requires that a specified portion of the net proceeds of an issue of qualified mortgage bonds be made available for owner financing of residences in Targeted Areas for at least one year after the date on which owner financing is first made available and that the Authority attempt with reasonable diligence to place such proceeds in qualified Home Mortgage Loans. Targeted Areas are 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 areas of chronic economic distress that have been designated by the State and approved by the Secretaries of Housing and Urban Development and the Treasury under criteria specified in the Code.

The Code contains a qualified mortgage bond provision that requires a payment to the United States from certain mortgagors with respect to mortgage loans originated after December 31, 1990 upon disposition of an interest in their homes financed by a mortgage loan without regard to the date on which the applicable bonds were issued (the "Recapture Provision"). The Recapture Provision requires that an amount determined to be the subsidy provided by qualified mortgage bond financing (but not in excess of 50% of the gain) be recaptured on disposition of the residence. The recapture amount increases over the period of ownership, with full recapture occurring if the residence is sold at the end of the fifth year. The recapture amount declines ratably to zero with respect to sales occurring in years six through nine. An exception excludes from recapture part or all of the subsidy in the case of assisted individuals whose incomes are less than prescribed amounts at the time of the disposition. The Code requires an issuer to inform mortgagors of certain information with respect to the Recapture Provision. The Authority has established procedures to meet such recapture information requirements. The Authority is unable to predict what effect, if any, such recapture requirement will have on the origination or prepayment of Home Mortgage Loans to which such provision will apply. For Home Mortgage Loans closed on or after March 18, 2013, the Authority has agreed to reimburse mortgagors for any recapture tax actually paid by the mortgagor.

The Code requires redemption of qualified mortgage bonds issued after 1988 from unexpended proceeds required to be used to make mortgage loans that have not been so used within 42 months from the date of issuance (or the date of issuance of the original bonds in the case of a refunding or a series of refundings), except for a $250,000 de minimis amount. Additionally, for qualified mortgage bonds issued after 1988, the Code permits repayments (including prepayments) of mortgage loans financed with the proceeds of a qualified mortgage bond issue to be used to make additional mortgage loans only for ten years from the date of issuance of the bonds (or the date of issuance of the original bonds in the case of a refunding or a series of refundings). Thereafter, such repayments must be used to redeem bonds of the "issue" not later than the close of the first semiannual period after the date the repayment is received, subject to the $250,000 de minimis exception (the "Ten-Year Rule").

Monitoring for Compliance with the Code

Compliance standards and procedures have been modified to comply with the Code. Participating lenders are responsible for reviewing each Home Mortgage Loan application with the accompanying documentation, including the Borrower Certificate, for compliance with the requirements of the Code. Normal and appropriate measures are required to be undertaken to verify the information given, either independently or concurrently with credit reviews, when applicable. All documentation is cross-checked to assure that the information presented is complete and consistent. Based on its experience with processing Home Mortgage Loans under the Code, the Authority believes that its procedures have been adequate to ensure compliance with the Code.

Participating lenders are required to warrant as to each Home Mortgage Loan sold to the Authority that, among other things, (1) the Home Mortgage Loan is in compliance with the Operating Manual, (2) the lender has reviewed the borrower's application, the Borrower Certificate, and the borrower's federal income tax returns for compliance with the provisions of the Code, and (3) the Home Mortgage Loan has been closed in accordance with the Operating Manual.

Prior to issuing a commitment to purchase any Home Mortgage Loan, the Authority reviews documents submitted to the Authority, including the borrower's application, the Borrower Certificate, and the borrower's federal income tax returns, for compliance with the requirements of the Code. To the extent that these provisions are not complied with, the participating lender will be contacted to provide sufficient additional explanation or documentation to enable the Authority to make a determination regarding the status of the loan application. Upon a participating lender's failure to comply with reasonable requests from the Authority to correct or complete documentation for any Home Mortgage Loans or upon any other breach of the terms of the Commitment Agreement, or any failure to comply with the requirements for eligibility set forth in the Operating Manual (which failure is to be determined in the sole discretion of the Authority) without regard as to whether the participating lender may be at fault, the Home Mortgage Loan will be reassigned to and repurchased by the participating lender in accordance with the provisions of the Operating Manual, or otherwise reassigned in compliance with the Code.

Requirements of the Code Relating to Multifamily Mortgage Loans

Interest on bonds that are issued to finance multifamily housing mortgage loans or to refund bonds issued to finance multifamily housing mortgage loans is not included in gross income for federal income tax purposes only if certain requirements are met including (i) use of proceeds and requirements with respect to developments and tenants, (ii) yield and investment requirements, and (iii) certain other requirements related to such bonds.

For bonds issued to finance multifamily housing mortgage loans originated with the proceeds of obligations issued after April 24, 1979 and prior to September 4, 1982, or bonds issued to refund such obligations, interest on the obligations will be exempt from federal income taxation if substantially all of the proceeds of such obligations are used for "residential rental property" (as such term is defined by the Code) and at least 20% of the units in each development, or 15% in certain Targeted Areas (see "Requirements of the Code Relating to Home Mortgage Loans" above for a description of Targeted Areas), are to be occupied by individuals of low or moderate income within the meaning of Section 167(k)(3)(B) of the Code (the "low income set aside"). This requirement need only be met for a period of twenty years. Treasury regulations provide that in order to prevent the retroactive federal income taxation of interest on the tax-exempt bonds used to finance multifamily developments, among other things, (i) the low income set aside test must be satisfied on a continuous basis with respect to each development for twenty years from the date such development is available for occupancy and (ii) all of the units of each development must be continued as rental units for the longer of the remaining term of the obligations or twenty years. The Treasury regulations further provide that the low income set aside requirement shall be met if the owner of the project contracts with a federal or State agency to maintain at least 20% (or 15% in the case of Targeted Areas) of the units for low or moderate income individuals or families for twenty years in consideration for rent subsidies for such individuals or families for such period. The regulations provide, however, that such retroactive taxation will not occur if the Authority corrects any non-compliance with the above requirements occurring after the issuance of such bonds within a reasonable period after such non-compliance is first discovered or should have been discovered by the Authority or if any non-compliance is caused by an involuntary event such as fire, seizure, or foreclosure. Such requirements are not applicable to obligations issued prior to April 25, 1979, the proceeds of which were used to finance multifamily housing Mortgage Loans, or to bonds issued to refund such obligations.

For multifamily housing mortgage loans originated with the proceeds of obligations issued after September 3, 1982 and before August 16, 1986, or bonds issued to refund such obligations, the Tax Equity and Fiscal Responsibility Act of 1982 made two changes to the foregoing requirements. First, the definition of individuals of low and moderate income was changed to be individuals whose incomes are 80% or less of area median gross income as determined under Section 8 of the United States Housing Act of 1937. Second, 20% of the housing units in a project (15% in Targeted Areas) were to be occupied by individuals of low or moderate income until the later of (i) 10 years after more than one half of the project was first occupied, (ii) a date ending on a date that is 50% of the period to maturity of the longest maturity of the bonds after the project is first occupied, or (iii) the date on which any Section 8 (or comparable) assistance terminates. All of the rental units must remain as rental units for the longer of the remaining term of the obligation or the above noted time period.

For multifamily housing mortgage loans originated with the proceeds of obligations issued after August 15, 1986, or bonds issued to refund such obligations, the Code imposes numerous new requirements. The Code requires that at least 95% of the net proceeds of the issue be used to provide residential rental property and at all times during the qualified project period either (a) at least 20% of the units in each development be occupied by individuals whose incomes are 50% or less of area median gross income, as adjusted for family size, or (b) at least 40% of the units in each such development be occupied by individuals whose incomes are 60% or less of area median gross income, as adjusted for family size. (The foregoing requirement is hereinafter referred to as the "20/50 or 40/60 Requirement.") For each such development, the term "qualified project period" is defined in the Code such that its ending date is the latest of (i) the date that is at least 15 years after the date on which 50% of the units in such development are first occupied, (ii) the first day on which no tax exempt private activity bond issued with respect to such development is outstanding, or (iii) the date on which any assistance provided with respect to such development under Section 8 terminates. Finally, all of each such development's units must remain residential rental property throughout the applicable qualified project period.

Developments, if any, that are eligible for federal low-income housing tax credits are also subject to income limitations and rent restrictions under the Code. See Appendix C to Part 2.

The Code imposes an annual volume limitation on the amount of private activity bonds (except qualified 501(c)(3) bonds and certain other bonds) that may be issued in each state.

Requirements Related to Arbitrage

The Code requires that the yield on multifamily mortgage loans financed with the proceeds of residential rental bonds may not exceed the yield on such bonds by more than 1.50%. The Code provides rules for determining the yield on multifamily mortgage loans financed from such bonds and requires that the funds held in certain investment accounts for the bonds invested at a yield materially higher than the yield on the bonds meet the temporary periods or other arbitrage provisions applicable to non-mortgage investments.

With respect to multifamily mortgage bonds issued after August 15, 1986, the Code also requires the Authority to pay to the United States certain investment earnings on non-mortgage investments to the extent such investments earnings exceed the amount that would have been earned on such investments if the investments were earning a return equal to the yield on the bonds together with any income attributable to such excess. The Authority has established accounting procedures to determine the amount of such excess investment earnings.

Certain Tax Covenants and Tax Certification

The Authority has included provisions in the 2026 Series C Resolution, the Operating Manual and other relevant documents and has established procedures (including receipt of certain affidavits and warranties from borrowers and, with respect to Home Mortgage Loans, from participating lenders respecting the mortgage eligibility requirements) in order to assure compliance with the applicable mortgage eligibility requirements and other requirements that must be met subsequent to the date of issuance of the Tax-Exempt Bonds. See "Requirements of the Code Relating to Home Mortgage Loans" and "Requirements of the Code Relating to Multifamily Mortgage Loans" above. The Authority has covenanted in the 2026 Series C Resolution to do and perform all acts and things permitted by law and necessary or desirable to comply with the Code and, for such purpose, to adopt and maintain appropriate procedures. The Authority believes that the procedures and documentation requirements established for the purpose of fulfilling these covenants are sufficient to assure that the proceeds of the Tax-Exempt Bonds will be applied in accordance with the requirements of the Code so as to assure that interest on such Tax-Exempt Bonds will be excluded from gross income for federal income tax purposes.

The Authority's tax certification, which will be delivered concurrently with the delivery of the Tax-Exempt Bonds, will contain provisions and procedures relating to compliance with the requirements of the Code. The Authority, in executing its tax certification, will certify with respect to the Tax-Exempt Bonds to the effect that it expects to be able to and will comply with the provisions and procedures set forth therein. In furtherance thereof, the Authority has required and will require each mortgagor to make certain covenants in the Home Mortgage Loan documents (the forms of which were and are, respectively, subject to the review of Co-Bond Counsel to the Authority) in order to satisfy the above-described requirements of applicable federal tax law. However, no assurance can be given that in the event of a breach of any such covenants, the remedies available to the Authority and/or owners of the Tax-Exempt Bonds can be judicially enforced in such manner as to assure compliance with the requirements of applicable federal law and therefore to prevent the loss of the exclusion of interest on the Tax-Exempt Bonds from gross income under applicable federal tax law.

Opinions of Co-Bond Counsel to the Authority with Respect to the Tax-Exempt Bonds

In the opinions of Co-Bond Counsel to the Authority, under existing statutes and court decisions, and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code and (ii) interest on the Tax-Exempt Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code; *however*, interest on the Tax-Exempt Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In rendering such opinions, Co-Bond Counsel to the Authority have assumed compliance by the Authority with and enforcement by the Authority of the Resolution and the 2026 Series C Resolution. In the opinions of Co-Bond Counsel to the Authority, under existing statutes, interest on the Tax-Exempt Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and such interest is excluded from amounts on which the

net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the alternative minimum tax imposed under the Code with respect to individuals, trusts and estates.

Co-Bond Counsel to the Authority express no opinion as to any other federal, state or local tax consequences arising with respect to the Tax-Exempt Bonds, or the ownership or disposition thereof, except as stated above. Co-Bond Counsel to the Authority render their respective opinions under existing statutes and court decisions as of the issue date thereof, and assume no obligation to update, revise or supplement such opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to the attention of Co-Bond Counsel to the Authority, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Co-Bond Counsel to the Authority express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Co-Bond Counsel to the Authority express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel (other than Co-Bond Counsel, to the extent that both Co-Bond Counsel render such opinion) regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds.

Certain Collateral Federal Tax Consequences

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

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

Bond Premium

In general, if an owner acquires a Tax-Exempt Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the Tax-Exempt Bond after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "bond premium" on that Tax-Exempt Bond (a "Premium Bond"). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner's yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Information Reporting and Backup Withholding

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

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

Miscellaneous

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

Prospective purchasers of the Tax-Exempt Bonds should consult their own tax advisors regarding the foregoing matters.

Taxable Bonds and Opinions of Co-Bond Counsel to the Authority

Certain Federal Income Tax Consequences

The following discussion is a brief summary of certain United States federal income tax consequences of the acquisition, ownership and disposition of Taxable Bonds by original purchasers of the Taxable Bonds who are "U.S. Holders," as defined herein. This summary does not discuss all of the United States federal income tax consequences that may be relevant to a U.S. Holder in light of its particular circumstances or to U.S. Holders subject to special rules. Owners of Taxable Bonds should consult with their own tax advisors concerning the United States federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Taxable Bonds as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Certain taxpayers that are required to prepare certified financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Taxable Bonds at the time that such income, gain or loss is taken into account on such financial statements instead of under the rules described below.

Generally, upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of a Taxable Bond, a U.S. Holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such U.S. Holder's adjusted tax basis in the Taxable Bond. The Authority may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Taxable Bonds to be deemed to be no longer Outstanding under the Resolution (a "defeasance"). (See Part 2 "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION"). For federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such U.S. Holder of taxable income or loss, without any

corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Taxable Bonds subsequent to any such defeasance could also be affected.

In general, information reporting requirements will apply to non-corporate U.S. Holders with respect to payments of principal, payments of interest and the proceeds of the sale of a Taxable Bond before maturity within the United States. Backup withholding may apply to U.S. Holders of Taxable Bonds under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a U.S. Holder, and which constitutes over-withholding, would be allowed as a refund or a credit against such U.S. Holder's United States federal income tax provided the required information is furnished to the Internal Revenue Service.

The term "U.S. Holder" means a beneficial owner of a Taxable Bond that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Opinions of Co-Bond Counsel to the Authority with respect to the Taxable Bonds

In the opinions of Co-Bond Counsel to the Authority, interest on the Taxable Bonds is included in gross income for federal income tax purposes pursuant to the Code.

In the opinions of Co-Bond Counsel to the Authority, under existing statutes, interest on the Taxable Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and such interest is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the alternative minimum tax imposed under the Code with respect to individuals, trusts and estates.

Miscellaneous

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

Prospective purchasers of the Taxable Bonds should consult their own tax advisors regarding the foregoing matters.

LITIGATION

At the time of the delivery of and payment for the Offered Bonds, a certificate of the Authority and the opinion of the General Counsel of the Authority will be furnished for the Offered Bonds, dated the date of delivery thereof, to the effect that there is no controversy or litigation of any nature at such time pending or threatened to restrain or enjoin the issuance, sale, execution, or delivery of such Bonds, or the making or purchasing of Home Mortgage Loans, Agency Securities and Mobile Manufactured Home Loans from the proceeds of or amounts deemed to be proceeds of the Offered Bonds, or in any way contesting or affecting the validity of the Offered Bonds, or any proceedings of the Authority taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security provided for the payment of the Offered Bonds, or the existence or powers of the Authority.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance, and sale of the Offered Bonds are subject to the approving opinions of Hawkins Delafield & Wood LLP, Hartford, Connecticut and Troutman Pepper Locke LLP, Boston, Massachusetts, Co-Bond Counsel to the Authority in connection with the issuance of the Offered Bonds. A

copy of each such approving opinion, each in substantially the form attached as Appendix A to this Part 1, will be available at the time of delivery of the Offered Bonds. Certain legal matters in connection with the issuance and sale of the Offered Bonds will be passed upon for the Underwriters by their counsel, Tobin, Carberry, O'Malley, Riley & Selinger, P.C., New London, Connecticut and for the Bank by its special counsel, Pullman & Comley, LLC, Hartford, Connecticut.

MUNICIPAL ADVISOR

Caine Mitter & Associates Incorporated has provided municipal advisory services to the Authority with respect to the sale of the Offered Bonds and has assisted in various matters relating to the planning, structuring and issuance of the Offered Bonds. Preparation of cash flows and other quantitative municipal advisory services were provided by cfX Incorporated.

UNDERWRITING

The Underwriters have jointly and severally agreed, subject to certain conditions, to purchase all but not less than all of the Fixed Rate Bonds at a price of $_____ (representing the par amount of the Fixed Rate Bonds, plus original issue premium in the amount of $_____). The Underwriters will receive $_____, which represents their fees and expenses for underwriting the Fixed Rate Bonds.

Wells Fargo Bank, National Association, as sole Underwriter of the 2026 Subseries C-3 Bonds, has agreed, subject to certain conditions, to purchase all but not less than all of the 2026 Subseries C-3 Bonds at a price equal to par. Wells Fargo Bank, National Association will receive $_____, which represents their fee and expenses for underwriting the 2026 Subseries C-3 Bonds.

The issuance of the Fixed Rate Bonds is contingent upon the sale and delivery of the 2026 Subseries C-3 Bonds, and the issuance of the 2026 Subseries C-3 Bonds is contingent upon the sale and delivery of the Fixed Rate Bonds.

Certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by the Authority as Underwriters) for the distribution of the Offered Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

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

One or more of the Underwriters may hold a portion of the outstanding bonds that may be repaid or redeemed by special and/or optional redemption with the proceeds of the Offered Bonds and, as such, may receive a portion of the net proceeds from this offering. One or more of the Underwriters and/or their affiliates may also serve as counterparty to certain derivative and hedging arrangements of the Authority.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered

with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

LEGAL INVESTMENT

The Act provides that the Bonds are securities in which all Connecticut trust companies, banks, investment companies, savings banks, building and loan associations, executors, administrators, guardians, conservators, trustees and other fiduciaries, and pension, profit sharing and retirement funds, may properly invest funds.

RATINGS

The Fixed Rate Bonds have been assigned ratings of "___" by S&P and "___" by Moody's Ratings ("Moody's"), and the 2026 Subseries C-3 Bonds have been assigned ratings of "__/__" by S&P and "__/__" by Moody's.

Any explanation of the significance of any such rating may only be obtained from S&P or Moody's, as appropriate. The ratings are not a recommendation to buy, sell or hold any of the Offered Bonds. There is no assurance that any such rating will remain for any given period of time or that it may not be lowered or withdrawn entirely either by S&P or Moody's if, in its independent judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating on the Offered Bonds may have an adverse effect on the current market price and marketability of such Bonds.

CONTINUING DISCLOSURE UNDERTAKING

The Securities and Exchange Commission has adopted subsection (b)(5) (the "Amendment") to Rule 15c2-12 (as amended, the "Rule") requiring a participating underwriter not to purchase or sell municipal securities in connection with an offering unless the participating underwriter has reasonably determined that the issuer or other obligated person has undertaken certain continuing disclosure obligations. The Amendment applies to those offerings of municipal securities (i) that are not subject to an exemption from the Rule, as expressly provided therein, or (ii) with respect to which a Participating Underwriter (as defined in the Rule) has not contractually committed to act as an underwriter prior to July 3, 1995. Pursuant to Public Act No. 95-270 of the Connecticut General Statutes, the Authority, constituting a quasi-public agency of the State as defined in Section 1-120 of the General Statutes, is specifically empowered to make representations or agreements for the benefit of the holders of its bonds, notes or other obligations to provide secondary market disclosure information. This Statute provides that any such agreement may include (1) covenants to provide secondary market disclosure information, (2) arrangements for such information to be provided with the assistance of a paying agent, trustee or other agent, and (3) remedies for breach of such agreement, which remedies may be limited to specific performance. All such agreements entered into and all such actions taken prior to the effective date of such Public Act are therein and thereby validated.

Accordingly, in the 2026 Series C Resolution the Authority has included an article (the "Continuing Disclosure Undertaking," a summary of which is attached as Appendix B to this Part 1), which article shall constitute the Authority's written undertaking for the benefit of Bondholders and which shall apply to all Bonds of the Authority under the Resolution.

The intent of the Authority's undertaking is to provide on a continuing basis the information described in the Rule. Accordingly, the Authority reserves the right to modify the disclosure thereunder or format thereof so long as any such modification is made in a manner consistent with the Rule. Furthermore, to the extent that the Rule no longer requires the issuers of municipal securities to provide all or any portion of the information the Authority has agreed to provide, the obligation of the Authority pursuant to the Rule to provide such information also shall cease immediately.

The purpose of the Authority's undertaking is to conform to the requirements of the Rule and not to create new contractual or other rights other than the remedy of specific performance in the event of any actual or alleged failure by the Authority to comply with its written undertaking, in accordance with the Rule and Section 3-20e of the Connecticut General Statutes. Furthermore, the Continuing Disclosure Undertaking shall provide that any failure by

the Authority to comply with any provision of such undertaking shall not constitute an Event of Default with respect to the Bonds under the Resolution.

It is noted that the Authority (or the Dissemination Agent) from time to time may be required pursuant to applicable law or the Resolution to provide, or may choose to provide, notice of the occurrence of certain other events, in addition to those defined as "Listed Events" in the Continuing Disclosure Undertaking if, in the judgment of the Authority (or the Dissemination Agent under the Resolution), such other event is material with respect to any Bonds under the Resolution.

ADDITIONAL INFORMATION

Certain provisions of the Act and the Resolution are summarized in this Official Statement. Such summaries do not purport to be comprehensive or definitive and reference is made to such documents, copies of which are available upon request, for a full and complete statement of their respective provisions.

The information contained herein is subject to change without notice, and no implication shall be derived therefrom or from the sale of the Offered Bonds that there has been no change in the affairs of the Authority from the date hereof. Pursuant to the Resolution, the Authority has covenanted to keep proper books of record and account in which full, true, and correct entries will be made of all its dealings and transactions under the Resolution and to cause such books to be audited for each fiscal year. The Resolution requires that such books be open to inspection by the holder of any Bond during regular business hours of the Authority and that the Authority furnish a copy of the auditor's report, when available, upon the request of the holder of any Outstanding Bond.

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

CONNECTICUT HOUSING FINANCE AUTHORITY

By: _____
Chief Financial Officer

APPENDIX A

FORM OF PROPOSED APPROVING OPINIONS OF CO-BOND COUNSEL TO THE AUTHORITY FOR THE OFFERED BONDS

Upon the delivery of the 2026 Series C Bonds, Co-Bond Counsel to the Authority, Hawkins Delafield & Wood LLP and Troutman Pepper Locke LLP, Boston, Massachusetts, each proposes to deliver a final approving opinion in substantially the following form:

CONNECTICUT HOUSING FINANCE AUTHORITY
999 West Street
Rocky Hill, Connecticut 06067

Ladies and Gentlemen:

As Co-Bond Counsel to the Connecticut Housing Finance Authority (the "Authority"), a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut (the "State") organized and existing under the Connecticut Housing Finance Authority Act, constituting Chapter 134 of the General Statutes of Connecticut, as amended (the "Act"), and other laws of the State, we have examined a record of proceedings relating to the issuance of $_____ Housing Mortgage Finance Program Bonds, 2026 Series C, consisting of 2026 Subseries C-1 (the "2026 Subseries C-1 Bonds"), 2026 Subseries C-2 (the "2026 Subseries C-2 Bonds") and 2026 Subseries C-3 (the "2026 Subseries C-3 Bonds"; together with the 2026 Subseries C-1 Bonds and the 2026 Subseries C-2 Bonds, the "2026 Series C Bonds").

The 2026 Series C Bonds are authorized to be issued pursuant to the Act, the General Housing Mortgage Finance Program Bond Resolution of the Authority adopted September 27, 1972, as amended and supplemented (the "General Resolution"), and a series resolution adopted by the Authority on November 20, 2025 and April 23, 2026 (together with the General Resolution, the "Resolutions"). Housing Mortgage Finance Program Bonds, including the 2026 Series C Bonds, are authorized to be issued pursuant to the General Resolution for the purpose of providing sufficient funds to carry out the Authority's Housing Mortgage Finance Program as described in the General Resolution, which includes, among other things, the purchase of mortgages or the making of construction and permanent loans secured by mortgages to primarily finance or refinance the construction, rehabilitation and purchase or leasing of housing in the State.

The 2026 Series C Bonds are dated, will mature on the dates, will bear interest at the rates and are subject to redemption prior to maturity, all as set forth in or determined pursuant to the Resolutions.

The Authority is authorized to issue Housing Mortgage Finance Program Bonds, in addition to the 2026 Series C Bonds, upon the terms and conditions set forth in the General Resolution and such Bonds, when issued, shall, with the 2026 Series C Bonds and with all other such Bonds theretofore issued, be entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the General Resolution. In addition, under certain conditions as set forth under the General Resolution, the Authority may issue other bonds secured by an equal pledge or lien on the Housing Mortgage General Fund (other than the Acquired Program Mortgages, Pledged Receipts or Recoveries of Principal) or the Housing Mortgage Capital Reserve Fund.

The 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds, for purposes of arbitrage and certain other federal tax law requirements, will be treated as a composite issue. Applicable federal tax law establishes certain requirements that must be met subsequent to the issuance of the 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds in order that interest on the 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds be and remain excluded from gross income under the Internal Revenue Code of 1986, as amended (the "Code"). The Authority has adopted the Resolutions and procedural documents, including the operating manual, to carry out the Housing Mortgage Finance Program (herein called the "Program Documents"), which Program Documents establish procedures under which such requirements can be met. The Authority has covenanted in the Resolutions to comply with the requirements of applicable federal tax law and, for such purpose, to adopt and maintain appropriate

procedures. In rendering this opinion, we have relied on such covenant and have assumed the Authority's compliance with and enforcement of provisions of the Resolutions and the Program Documents.

We are of the opinion that:

1. Under the Constitution and laws of the State, the Authority has been duly created and validly exists as a body politic and corporate, performing an essential public function with good right and lawful authority, among other things, to carry out the Housing Mortgage Finance Program, including purchasing mortgages thereunder and the making of construction and permanent mortgage loans secured by mortgages to primarily finance or refinance the construction, rehabilitation and purchase or leasing of housing in the State, and to provide sufficient funds therefor by the adoption of the Resolutions and the issuance and sale of Housing Mortgage Finance Program Bonds, including the 2026 Series C Bonds, and to perform its obligations under the terms and conditions of the Resolutions, including refunding of bonds, purchasing of the mortgages or making mortgage loans and collecting and enforcing the collection of Pledged Receipts and Recoveries of Principal as covenanted in the General Resolution.

2. The Resolutions have been duly adopted by the Authority and are valid and binding upon the Authority and enforceable against the Authority in accordance with their terms.

3. The 2026 Series C Bonds are valid and legally binding general obligations of the Authority for the payment of which, in accordance with their terms, the full faith and credit of the Authority have been legally and validly pledged and are entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the General Resolution.

4. The Housing Mortgage Finance Program Bonds, including the 2026 Series C Bonds, are secured by a pledge in the manner and to the extent set forth in the General Resolution. The General Resolution creates the valid pledge of and the valid lien upon the Pledged Receipts, Recoveries of Principal and monies and securities held or set aside or to be set aside and held in the Housing Mortgage General Fund and the Housing Mortgage Capital Reserve Fund, established or confirmed thereunder, which the General Resolution purports to create, subject only to the provisions of the General Resolution.

5. Pursuant to the Resolutions, the Authority has validly covenanted in the manner and to the extent provided in the General Resolution, among other things, to make or purchase mortgage loans under the Housing Mortgage Finance Program with the proceeds of Bonds (as defined in the General Resolution) and other available monies, to do all acts and things necessary to receive and collect the Pledged Receipts and Recoveries of Principal and to cause its Chairperson on or before December 1 of each year to make and deliver to the Secretary of the Office of Policy and Management of the State the certificate of the Chairperson stating such sums, if any, as necessary to restore the Housing Mortgage Capital Reserve Fund to an amount equal to the Housing Mortgage Capital Reserve Fund Minimum Requirement provided for by the Resolutions pursuant to the Act. Such sums stated in such certificate of its Chairperson are validly deemed to be appropriated by the Act from the general fund of the State and such amounts shall be allotted and paid from such general fund to the Authority. Pursuant to the General Resolution, the Authority has validly covenanted to cause such amounts to be paid to the Trustee for deposit in the Housing Mortgage Capital Reserve Fund. Such appropriation and payment do not require further legislative approval.

6. The 2026 Series C Bonds do not constitute a debt or liability of the State or bonds issued or guaranteed by the State within the meaning of Section 3-21 of the General Statutes of Connecticut or a pledge of its faith and credit or of its taxing power and are payable solely from the funds provided therefor pursuant to the Resolutions and the Act.

7. Under existing statutes and court decisions, and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code and (ii) interest on the 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code; *however*, interest on the 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

8. Interest on the 2026 Subseries C-2 Bonds is included in gross income for federal income tax purposes pursuant to the Code.

9. Under existing statutes, interest on the 2026 Series C Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and such interest is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the alternative minimum tax imposed under the Code with respect to individuals, trusts and estates.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the 2026 Series C Bonds, or the ownership or disposition thereof, except as stated in paragraphs 7, 8 and 9 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel (other than Co-Bond Counsel, to the extent that we both render such opinion) regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the 2026 Subseries C-1 Bonds and the 2026 Subseries C-3 Bonds.

In rendering this opinion, we are advising you that the enforceability of rights and remedies with respect to the 2026 Series C Bonds may be limited by bankruptcy, insolvency and other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

We have examined an executed 2026 Subseries C-1 Bond, 2026 Subseries C-2 Bond and 2026 Subseries C-3 Bond numbered C1R-1, C2R-1 and C3R-1, respectively, and the forms of said Bonds and their execution are regular and proper.

Very truly yours,

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APPENDIX B

SUMMARY OF CONTINUING DISCLOSURE UNDERTAKING

The following is a summary of the Authority's written undertaking for the benefit of the Holders of the Offered Bonds (the "Subject Bonds") pursuant to Rule 15c2-12(b)(5) and authorized by Public Act No. 95-270, set forth in Article VI of the 2026 Series C Resolution. Various words or terms used in the following summary are defined in the Resolution and reference thereto is made for full understanding of their import. See also Appendix D to Part 2. Reference is also made to Rule 15c2-12 (defined herein as the "Rule") and to Public Act No. 95-270 for full understanding of their import.

Definitions and Interpretation [Section 102]

Generally, all defined terms contained in the Resolution shall have the same meanings in the 2026 Series C Resolution as such terms are given in Section 101 of the Resolution unless the context otherwise requires. The following definitions relate specifically to the Authority's written undertaking pursuant to and in accordance with the Rule and authorized by Public Act No. 95-270, which undertaking is set forth in Article VI of the 2026 Series C Resolution for the benefit of the Subject Bondholders:

"Annual Financial Information" means, with respect to the Housing Mortgage Finance Program, collectively,

(A) (i) the Audited Financial Statements of the Authority for the preceding Fiscal Year (commencing with the Fiscal Year beginning on or after January 1, 2026) or Unaudited Financial Statements for such Fiscal Year if such Audited Financial Statements are unavailable, pursuant to Sections 602 and 603 of the 2026 Series C Resolution;

(ii) investments in the Housing Mortgage Capital Reserve Fund and in the various accounts in the Housing Mortgage General Fund;

(iii) identification of all Outstanding Bonds issued by the Authority including a table summarizing certain Bond information, such as coupon rates and call features; and

(iv) data reflecting the Housing Mortgage Finance Program consisting of (a) the Authority's Home Mortgage Loan Portfolio and Agency Security Portfolio, including tables describing outstanding Mortgage Loans, Commitments and Reservations, delinquencies and experience with Recoveries of Principal; and (b) the Authority's Multifamily Mortgage Loan Portfolio, including tables describing multifamily developments financed with Bond proceeds; and delinquencies, foreclosures and multifamily real estate owned.

(B) such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of such financial and operating data listed in (A) above.

Any or all of the items listed above may be included by specific reference to other documents which (i) are available on the MSRB's Internet website or (ii) have been filed with the SEC.

In the event that any of the financial information or operating data constituting Annual Financial Information can no longer be generated because the operations to which such information or data relate have been materially changed or discontinued, a statement to that effect shall be provided in lieu of such information.

"Audited Financial Statements" means, with respect to the Housing Mortgage Finance Program, the annual financial statements, if any, of the Authority, audited by such auditor as shall then be required or permitted by State law or the Resolution. Audited Financial Statements shall be prepared in accordance with GAAP; provided, however, that the Authority may from time to time, if required by federal or State legal requirements, modify the basis upon which its financial statements are prepared. Notice of any such modification shall include a reference to the specific

federal or State law or regulation describing such accounting basis and shall be provided by the Authority to the Dissemination Agent, who shall promptly deliver such notice to the MSRB.

"Dissemination Agent" means the dissemination agent appointed pursuant to the Resolution, which initially shall be U.S. Bank Trust Company, National Association.

"GAAP" means generally accepted accounting principles as prescribed from time to time for governmental units by the Governmental Accounting Standards Board ("GASB").

"Listed Event" means any of the following events with respect to any Bonds under the Resolution (the "securities" under the Rule) and the Authority (the "obligated person" under the Rule):

(i) Principal and interest payment delinquencies;

(ii) Non-payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;

(xiii) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

Listed Event (xii) includes the note related thereto contained in the Rule. For the purposes of Listed Events (xv) and (xvi), the term "financial obligation" means "financial obligation" as such term is defined in the Rule.

"Listed Event Notice" means notice of a Listed Event required to be provided pursuant to Section 604 of the 2026 Series C Resolution.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Rule" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of the 2026 Series C Resolution, including any amendments thereto or official interpretations thereof issued either before or after such date which are applicable to Article VI of the 2026 Series C Resolution.

"SEC" means the United States Securities and Exchange Commission.

"Unaudited Financial Statements" means the same as Audited Financial Statements, except that they shall not have been audited.

Purpose [Section 601]

Article VI of the 2026 Series C Resolution shall constitute the written undertaking for the benefit of the Holders of the Subject Bonds required by Section (b)(5)(i) of the Rule and authorized by Public Act No. 95-270, and shall apply to all Bonds of the Authority under the Resolution.

Submission of Annual Financial Information Statements [Section 602]

(A) The Authority shall, while any Subject Bonds are Outstanding, provide to the Dissemination Agent, when completed, Annual Financial Information, in an electronic format as prescribed by the MSRB, with respect to each Fiscal Year of the Authority beginning on or after January 1, 2026, which Annual Financial Information is expected to be completed within 180 days of the end of such Fiscal Year (the "Submission Date"). Annual Financial Information may be provided in one document or multiple documents, and at one time or in part from time to time. The Authority shall include with each such submission of Annual Financial Information a written representation addressed to the Dissemination Agent to the effect that the Annual Financial Information so submitted is the Annual Financial Information required pursuant to Section 602 of the 2026 Series C Resolution, and that such Annual Financial Information complies with the applicable requirements of Article VI of the 2026 Series C Resolution. The Dissemination Agent shall provide to the MSRB such Annual Financial Information on or before four (4) Business Days following the Submission Date (the "Report Date") while any Subject Bonds are Outstanding or, if not received by the Dissemination Agent by the Submission Date, then within three (3) Business Days of its receipt by the Dissemination Agent.

(B) It shall be sufficient if the Authority provides to the Dissemination Agent and the Dissemination Agent provides to the MSRB the Annual Financial Information by specific reference to documents available to the public on the MSRB's Internet web site or previously filed with the Securities and Exchange Commission.

Submission of Audited Financial Statements [Section 603]

The Authority shall submit to the Dissemination Agent by the Submission Date Audited Financial Statements for each Fiscal Year beginning on or after January 1, 2026, when and if available while any Subject Bonds are Outstanding, whether as part of the Annual Financial Information or separately, which Audited Financial Statements the Dissemination Agent shall then provide to the MSRB by the Report Date. If Audited Financial Statements for any Fiscal Year are not so provided to the Dissemination Agent by the Submission Date, the Authority shall provide to the Dissemination Agent (i) by the Submission Date, Unaudited Financial Statements for such Fiscal Year as part of the Annual Financial Information required to be delivered pursuant to Section 602 of the 2026 Series C Resolution, and

(ii) when available, Audited Financial Statements for such Fiscal Year, which Audited Financial Statements the Dissemination Agent shall provide to the MSRB within three (3) Business Days of its receipt thereof.

Listed Event Notices [Section 604]

(A) If a Listed Event occurs while any Subject Bonds are Outstanding, the Authority shall provide in a timely manner not in excess of ten (10) business days after the occurrence of such Listed Event, the MSRB and the Dissemination Agent, in an electronic format as prescribed by the MSRB, a Listed Event Notice. Each Listed Event Notice shall be so captioned and shall prominently state the date, title and CUSIP numbers of the applicable Subject Bonds.

(B) The Trustee shall promptly advise the Authority and the Dissemination Agent whenever, in the course of performing its duties as Trustee under the Resolution, the Trustee identifies an occurrence which, if material, would require the Authority to provide a Listed Event Notice under Section 604 of the 2026 Series C Resolution; provided, however, that the failure of the Trustee so to advise the Authority and the Dissemination Agent shall not constitute a breach by the Trustee of any of its duties and responsibilities under the 2026 Series C Resolution or the Resolution.

Notification by Dissemination Agent of Failure by the Authority to File Annual Financial Information [Section 605]

(A) The Authority shall, while any Subject Bonds are Outstanding, provide, in a timely manner not in excess of five (5) business days after the occurrence thereof, notice of any failure of the Authority to provide the Annual Financial Information by the date specified in paragraph (A) of Section 602 of the 2026 Series C Resolution to the MSRB and the Dissemination Agent. Upon receipt of such notice, the Dissemination Agent shall provide, in a timely manner not in excess of five (5) business days after receipt of notice thereof from the Authority, notice of such failure of the Authority to provide the Annual Financial Information by such date to the MSRB.

(B) The Dissemination Agent shall, while any Subject Bonds are Outstanding and without further direction or instruction from the Authority, provide in a timely manner to the MSRB notice of any failure to provide to the MSRB Annual Financial Information on or before the Report Date (whether caused by failure of the Authority to provide such information to the Dissemination Agent by the Submission Date or for any other reason). For the purposes of determining whether information received from the Authority is Annual Financial Information, the Dissemination Agent shall be entitled conclusively to rely on the Authority's written representation made pursuant to paragraph (A) of Section 602 of the 2026 Series C Resolution.

Additional Information [Section 606]

(A) Nothing in Article VI of the 2026 Series C Resolution shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in Article VI of the 2026 Series C Resolution or any other means of communication, or including any such other information in any Annual Financial Information or Listed Event Notice, in addition to that required hereby. If the Authority should so disseminate or include any such additional information, the Authority shall have no obligation under Article VI of the 2026 Series C Resolution to update, provide or include such additional information in any future materials disseminated pursuant to Article VI of the 2026 Series C Resolution or otherwise.

(B) If the Authority provides to the Dissemination Agent additional information as described in paragraph (A) above, and such additional information is not included in any Annual Financial Information or Listed Event Notice, the Authority may direct the Dissemination Agent to provide such additional information to information repositories, upon which direction the Dissemination Agent shall provide such additional information in a timely manner to the MSRB.

Reference to Other Documents [Section 607]

It shall be sufficient for purposes of Section 602 of the 2026 Series C Resolution if the Authority provides Annual Financial Information by specific reference to documents (i) available to the public on the MSRB's Internet web site or (ii) previously filed with the SEC.

Transmission of Information and Notices [Section 608]

Unless otherwise required by law and, in the Authority's sole determination, subject to technical and economic feasibility, the Authority and the Dissemination Agent shall employ such methods of information and notice transmission as shall be requested or recommended by the herein-designated recipients of the information and notices required to be delivered pursuant to the provisions of Article VI of the 2026 Series C Resolution. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Change in Fiscal Year, Submission Date and Report Date [Section 609]

The Authority may adjust the Submission Date and the Report Date if the Authority changes its Fiscal Year by providing written notice of such change in Fiscal Year and the new Submission Date and Report Date to the Dissemination Agent, which written notice the Dissemination Agent shall then promptly deliver to the MSRB; provided, however, that the new Submission Date shall be no more than 180 days after the end of such new Fiscal Year and the new Report Date shall be no more than four (4) Business Days following the new Submission Date, and provided further that the period between the final Report Date relating to the former Fiscal Year and the initial Report Date relating to the new Fiscal Year shall not exceed one year in duration.

Termination [Section 610]

(A) The Authority's and the Dissemination Agent's obligations under Article VI of the 2026 Series C Resolution shall terminate immediately once the Subject Bonds are no longer Outstanding.

(B) Article VI of the 2026 Series C Resolution, or any provision thereof, shall be null and void in the event that the Authority delivers to the Dissemination Agent and the Trustee a Counsel's Opinion, addressed to the Authority, the Trustee and the Dissemination Agent, to the effect that those portions of the Rule which require the provisions of Article VI of the 2026 Series C Resolution, or any of such provisions, do not or no longer apply to the Subject Bonds, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion. The Dissemination Agent shall, upon receipt of such opinion, promptly provide copies thereof to the MSRB.

Amendment [Section 611]

(A) Article VI of the 2026 Series C Resolution may be amended, by written agreement of the parties, without the consent of the Holders of the Subject Bonds (except to the extent required under clause (3)(ii) below), if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the Authority or the type of business conducted thereby; (2) Article VI of the 2026 Series C Resolution, as so amended would have complied with the requirements of the Rule as of the date of the 2026 Series C Resolution, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (3) either (i) the Authority shall have delivered to the Dissemination Agent and the Trustee a Counsel's Opinion, addressed to the Authority, the Trustee and the Dissemination Agent, which opinion states that the amendment does not materially impair the interests of the Holders of the Subject Bonds, or (ii) the Holders of the Subject Bonds consent to the amendment to Article VI of the 2026 Series C Resolution pursuant to the same procedures as are required for amendments to the Resolution with consent of Holders of Bonds pursuant to Section 901 of the Resolution as in effect on the date of the 2026 Series C Resolution. In the event the Authority delivers to the Dissemination Agent a Counsel's Opinion pursuant to clause (3)(i) of subsection 611(A) of the 2026 Series C Resolution, the Dissemination Agent shall promptly deliver copies of such opinion and amendment to the MSRB.

(B) In addition to subsection (A) above, Article VI of the 2026 Series C Resolution may be amended and any provision of Article VI of the 2026 Series C Resolution may be waived, by written agreement of the parties, without the consent of the Holders of the Subject Bonds, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the date of the 2026 Series C Resolution, which is applicable to Article VI of the 2026 Series C Resolution and (2) the Authority shall have delivered to the Dissemination Agent and the Trustee a Counsel's Opinion, addressed to the Authority, the Trustee and the Dissemination Agent, to the effect that performance by the Authority and Dissemination Agent under Article VI of the 2026 Series C Resolution as so amended or giving effect to such waiver, as the case may be, will not result in a violation of the Rule. Upon receipt by the Dissemination Agent of such Opinion, the Dissemination Agent shall promptly deliver copies of such Opinion and amendment to the MSRB.

(C) In the event of any amendment respecting the type of operating data or financial information contained in the Authority's Annual Financial Information, the Authority shall, in accordance with the Rule or any interpretation thereof by the SEC, provide in the first Annual Financial Information provided thereafter a narrative explanation of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(D) In the event of any amendment specifying the accounting principles to be followed in preparing financial statements, the Annual Financial Information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative and, to the extent reasonably feasible, quantitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information. In the event of any such change in accounting principles, the Authority shall deliver notice of such change in a timely manner to the Dissemination Agent, upon receipt of which the Dissemination Agent shall promptly deliver such notice to the MSRB.

Benefit; Third-Party Beneficiaries; Enforcement [Section 612]

(A) The provisions of Article VI of the 2026 Series C Resolution shall inure solely to the benefit of the Holders from time to time of the Subject Bonds, except that Beneficial Owners of Subject Bonds shall be third-party beneficiaries of Article VI of the 2026 Series C Resolution.

(B) Except as provided in subsection (B) of Section 612 of the 2026 Series C Resolution, the provisions of Article VI of the 2026 Series C Resolution shall create no rights in any person or entity. The obligations of the Authority to comply with the provisions of Article VI of the 2026 Series C Resolution shall be enforceable (i) in the case of enforcement of obligations to provide Audited Financial Statements, Annual Financial Information, operating data and notices, by any Holder of Outstanding Subject Bonds, or by the Trustee on behalf of the Holders of Outstanding Subject Bonds, or (ii), in the case of challenges to the adequacy of the financial statements, financial information and operating data so provided, by the Trustee on behalf of the Holders of Outstanding Subject Bonds; provided, however, that the Trustee shall not be required to take any enforcement action except at the direction of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding who shall have provided the Trustee with adequate security and indemnity. The Holders' and Trustee's rights to enforce the provisions of Article VI of the 2026 Series C Resolution shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the Authority's obligations under Article VI of the 2026 Series C Resolution. In consideration of the third-party beneficiary status of Beneficial Owners of Subject Bonds pursuant to subsection (A) of Section 612 of the 2026 Series C Resolution, Beneficial Owners shall be deemed to be Holders of Subject Bonds for purposes of this subsection (B). Without limiting the generality of the foregoing and except as otherwise provided in the Resolution with respect to the Trustee, neither the commencement nor the successful completion of an action to compel performance under Article VI of the 2026 Series C Resolution shall entitle the Trustee or any other person to attorney's fees, financial damages of any sort or any other relief other than an order or injunction compelling performance.

(C) Any failure by the Authority, the Dissemination Agent or the Trustee to perform in accordance with Article VI of the 2026 Series C Resolution shall not constitute a default or an Event of Default under the Resolution or any series resolution, and the rights and remedies provided by the Resolution or any series resolution upon the occurrence of a default or an Event of Default shall not apply to any such failure.

(D) Article VI of the 2026 Series C Resolution shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of Article VI shall be instituted in a court of competent jurisdiction in the State; provided, however, that to the extent Article VI of the 2026 Series C Resolution addresses matters of federal securities laws, including the Rule, Article VI of the 2026 Series C Resolution shall be construed in accordance with such federal securities laws and official interpretations thereof.

Duties, Immunities and Liabilities of Dissemination Agent [Section 613]

The Dissemination Agent shall have only such duties under Article VI of the 2026 Series C Resolution as are specifically set forth in the 2026 Series C Resolution. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report provided by the Authority. The Dissemination Agent has no power to enforce the performance on the part of the Authority of its obligations under Article VI of the 2026 Series C Resolution. The Authority 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 under Section 613 of the 2026 Series C Resolution, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct in the performance of its duties under Section 613 of the 2026 Series C Resolution. Such indemnity shall be separate from and in addition to that provided to the Trustee under the Resolution. The obligations of the Authority under Section 613 of the 2026 Series C Resolution shall survive resignation or removal of the Trustee and payment of the Subject Bonds.

Duties, Immunities and Liabilities of Officials [Section 614]

Pursuant to Public Act No. 95-270, the Authority shall protect and save harmless any official or former official of the Authority from financial loss and expense, including legal fees and costs, if any, arising out of any claim, demand, suit or judgment by reason of alleged negligence on the part of such official, while acting in the discharge of his official duties, in providing secondary market disclosure information pursuant to Article VI of the 2026 Series C Resolution or performing any other duties set forth in the 2026 Series C Resolution. Nothing in Article VI of the 2026 Series C Resolution shall be construed to preclude the defense of governmental immunity to any such claim, demand or suit. For purposes of Section 614 of the 2026 Series C Resolution, "official" means any person elected or appointed to office or employed by the Authority. The Authority may insure against liability imposed by Section 614 of the 2026 Series C Resolution in any insurance company organized in the State or in any insurance company of another state authorized to write such insurance in the State or may elect to act as self-insurer of such liability. Section 614 of the 2026 Series C Resolution shall not apply to cases of willful and wanton fraud.

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APPENDIX C

CERTAIN INFORMATION RELATING TO
TD BANK, N.A.

The following information has been obtained from TD Bank, N.A. for inclusion herein. Such information is not guaranteed as to accuracy or completeness by the Authority and the Underwriters and is not to be construed as a representation by the Authority or the Underwriters. Neither the Authority nor the Underwriters have verified this information, and no representation is made by them as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to its date or the date hereof.

TD Bank, N.A. (the "Bank") is a national banking association organized under the laws of the United States, with its main office located in Wilmington, Delaware. The Bank is an indirect, wholly owned subsidiary of The Toronto-Dominion Bank ("TD") and offers a full range of banking services and products to individuals, businesses and governments throughout its market areas, including commercial, consumer and trust services and indirect automobile dealer financing. The Bank operates banking offices in Connecticut, Delaware, the District of Columbia, Florida, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, North Carolina, New York, Pennsylvania, Rhode Island, South Carolina, Vermont and Virginia. As of March 31, 2026, the Bank had consolidated assets of $345.6 billion, consolidated deposits of $282.5 billion and stockholder's equity of $50 billion, based on regulatory accounting principles.

Additional information regarding the foregoing, and the Bank and TD, is available from the filings made by TD with the U.S. Securities and Exchange Commission (the "SEC"), which filings can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. In addition, the SEC maintains a website at http://www.sec.gov, which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC.

The information concerning TD and the Bank contained herein is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced herein.

The Standby Bond Purchase Agreement has been issued by the Bank and is the obligation of the Bank and not TD.

The Bank will provide copies of the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

TD Bank, N.A.
4140 Church Road
Mount Laurel, New Jersey 08054
Attn: Corporate and Public Affairs

Information regarding the financial condition and results of operations of the Bank is contained in the quarterly Call Reports of the Bank delivered to the Comptroller of the Currency and available online at https://cdr.ffiec.gov/public. General information regarding the Bank may be found in periodic filings made by TD with the SEC. TD is a foreign issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare certain filings with the SEC in accordance with the disclosure requirements of Canada, its home country. Canadian disclosure requirements are different from those of the United States. TD's financial statements are prepared in accordance with International Financial Reporting Standards, and may be subject to Canadian auditing and auditor independence standards, and thus may not be comparable to financial statements of United States companies prepared in accordance with United States generally accepted accounting principles.

The delivery hereof shall not create any implication that there has been no change in the affairs of TD or the Bank since the date hereof, or that the information contained or referred to in this Appendix A is correct as of any time subsequent to its date.

NEITHER TD NOR ANY OTHER SUBSIDIARY OF TD OTHER THAN THE BANK IS OBLIGATED TO MAKE PAYMENTS ON THE 2026 SUBSERIES C-3 BONDS.

The Bank is responsible only for the information contained in this section of the Official Statement and did not participate in the preparation of, or in any way verify the information contained in, any other part of the Official Statement. Accordingly, the Bank assumes no responsibility for and makes no representation or warranty as to the accuracy or completeness of information contained in any other part of the Official Statement.

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APPENDIX D

PROJECTED PERCENTAGES OF INITIAL PRINCIPAL BALANCE OUTSTANDING AND PROJECTED WEIGHTED AVERAGE LIVES

Set forth in the table below are projected percentages of initial principal balance outstanding and projected weighted average lives for the 2026 Series C PAC Bonds under various prepayment speeds. "Projected percentages of initial principal balance outstanding" refers to the principal balance of a security that will be outstanding on a specified date expressed as a percentage of the initial principal amount of such security. The "projected weighted average life" of a security refers to the average amount of time, measured here in years, that is projected to elapse from the date of delivery of such security to the date of projected payment to the investor of each dollar paid to reduce the principal of such security (assuming no losses). The projected weighted average life of a security is determined by (a) multiplying each projected reduction, if any, of the outstanding amount of such security by the number of years from the date of delivery of such security to the related redemption date or maturity date, (b) adding the results and (c) dividing the sum by the initial outstanding amount of such security. The calculation of the projected weighted average life of the 2026 Series C PAC Bonds set forth below is hypothetical based on the making of certain assumptions, which are the same as those made under the caption "THE OFFERED BONDS – Projections of Weighted Average Lives of the 2026 Series C PAC Bonds Under Certain Hypothetical Scenarios" in Part 1 of the Official Statement.

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APPENDIX D

Table 2*
Projected Percentages of Initial Principal Balance Outstanding† and Weighted Average Lives of $110,395,000 2026 Series C PAC Bonds Due November 15, 2056

Prepayment Assumption (expressed as a Percentage of SIFMA)

	Prepayment Assumption								
Payment Date	**0 PSA**	**25 PSA**	**50 PSA**	**75 PSA**	**100 PSA**	**200 PSA**	**300 PSA**	**400 PSA**	**500 PSA**
Initial Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
November 15, 2026	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
November 15, 2027	100.0%	94.8%	92.6%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%
November 15, 2028	100.0%	91.0%	85.0%	79.0%	79.0%	79.0%	79.0%	79.0%	79.0%
November 15, 2029	100.0%	86.0%	75.1%	64.4%	64.4%	64.4%	64.4%	64.4%	64.4%
November 15, 2030	100.0%	81.2%	65.8%	50.8%	50.8%	50.8%	50.8%	50.8%	50.8%
November 15, 2031	100.0%	76.7%	57.1%	38.5%	38.5%	38.5%	38.5%	38.5%	38.5%
November 15, 2032	100.0%	73.0%	49.8%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
November 15, 2033	100.0%	69.3%	42.9%	18.6%	18.6%	18.6%	18.6%	18.6%	18.6%
November 15, 2034	100.0%	66.6%	37.4%	10.9%	10.8%	10.8%	10.8%	10.8%	10.8%
November 15, 2035	100.0%	63.1%	31.5%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
November 15, 2036	100.0%	59.9%	26.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2037	100.0%	57.1%	21.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2038	100.0%	54.6%	18.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2039	100.0%	52.5%	15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2040	100.0%	51.2%	13.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2041	100.0%	50.4%	12.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2042	100.0%	49.6%	11.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2043	100.0%	49.3%	11.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2044	100.0%	45.6%	8.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2045	100.0%	45.4%	8.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2046	100.0%	45.4%	8.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2047	100.0%	45.4%	8.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2048	100.0%	45.4%	8.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2049	100.0%	45.4%	8.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2050	97.6%	43.4%	8.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2051	82.9%	29.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2052	67.3%	15.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2053	50.7%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2054	33.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2055	14.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
November 15, 2056	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
First Payment or Redemption Date	11/15/2050	5/15/2027	5/15/2027	5/15/2027	5/15/2027	5/15/2027	5/15/2027	5/15/2027	5/15/2027
Last Payment or Redemption Date	11/15/2056	5/15/2054	11/15/2051	5/15/2036	5/15/2036	5/15/2036	5/15/2036	5/15/2036	5/15/2036
Weighted Average Life Optional Call Not Exercised	27.6	16.1	8.5	5.0	5.0	5.0	5.0	5.0	5.0
Optional Call on 5/15/2034 Exercised	7.7	6.7	5.7	4.8	4.8	4.8	4.8	4.8	4.8

* Preliminary, subject to change.
† Projected percentages of initial principal balance outstanding assuming optional call not exercised.

APPENDIX E

S&P SECOND-PARTY OPINION

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S&P Global
Ratings

Powered by Shades of Green

An S&P Global Second Party Opinion (SPO) includes S&P Global Ratings' opinion on whether the documentation of a sustainable finance instrument, framework, or program, or a financing transaction aligns with certain third-party published sustainable finance principles. Certain SPOs may also provide our opinion on how the issuer's most material sustainability factors are addressed by the financing. An SPO provides a point-in-time opinion, reflecting the information provided to us at the time the SPO was created and published, and is not surveilled. We assume no obligation to update or supplement the SPO to reflect any facts or circumstances that may come to our attention in the future. An SPO is not a credit rating, and does not consider credit quality or factor into our credit ratings. See Analytical Approach: Second Party Opinions.

Second Party Opinion

Connecticut Housing Finance Agency's Sustainability Framework

Jan. 8, 2026

Primary contact

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Location: U.S. **Sector:** Real estate

Alignment Summary

Aligned = ✓ Conceptually aligned = o Not aligned = ×

- ✓ Social Bond Principles, ICMA, 2025
- ✓ Green Bond Principles, ICMA, 2025
- ✓ Sustainability Bond Guidelines ICMA, 2021

See Alignment Assessment for more detail.

Strengths

Connecticut Housing Finance Agency (CHFA) has a strong social license to operate in the communities it serves. Since its inception in 1969, the agency has played a central role in preserving and creating affordable housing in Connecticut. Over the last two years, CHFA has lent about $1 billion annually for affordable housing through single-family loans, down payment assistance, and loans for the construction and rehabilitation of affordable and mixed-income multifamily rental units. The agency's education and counseling services, which aim to promote financial literacy and upward mobility among the populations it serves, underpin its efforts.

A stringent regulatory framework underscores the agency's compliance with social objectives. CHFA's single-family mortgage loans and multifamily rental projects are governed by various federal and state laws with specific requirements to lend to, and set aside housing for, low- to moderate-income residents and maintain affordable rent levels for all residents.

Weaknesses

CHFA's construction guidelines do not explicitly require new builds to outperform the regional building stock's energy efficiency. The guidelines strongly recommend these builds meet the ENERGY STAR Multifamily New Construction (MNC) program's guidelines, but stop short of an explicit requirement. However, according to CHFA, its financed buildings exceed Connecticut's energy code, which has a strong track record. In our view, this offsets the comparatively weaker language.

CHFA finances fossil fuel-based heating systems, increasing emissions lock-in risk. Some of the refurbishments the agency finances entail upgrading the efficiency of boilers and furnaces. There is also a risk it will finance new buildings with fossil-fuel heating. New multifamily homes should be built to the highest energy efficiency standards to offset the significant embodied emissions associated with upfront construction. New construction projects represent a minority of CHFA's portfolio, and its recent new construction projects demonstrate a high degree of projected energy performance.

Areas to watch

CHFA's disclosures for assessing and managing physical climate risks are limited. While it completes environmental impact assessments prior to developing multifamily projects, the issuer's transparency in quantifying its climate risks—which we believe can be material for affordable housing projects in Connecticut —is nascent.

CHFA provides estimates for projected energy savings and energy efficiency gains, though its actual performance reporting is limited. The issuer commits to report on the environmental attributes of its financed multifamily properties, which may include the expected impact metrics at the time of financing. While CHFA receives post-construction reports from energy consultants, it may not include those results in its bond reporting.

It is unclear how CHFA's construction guidelines for energy conservation and sustainability will evolve. All the projects the agency finances must abide by these guidelines. CHFA refreshes its construction guidelines annually, though we are unsure how the stringency of its guidelines will vary.

Shades of Green Projects Assessment Summary

The issuer expects to allocate 100% of proceeds to financing new and refinancing projects.

Based on the project category's Shades of Green detailed below, the expected allocation of proceeds, and consideration of environmental ambitions reflected in CHFA's Sustainability Framework, we assess the framework Light green.

Green buildings	**Light green**
Financing of multifamily rental housing developments that provide affordable housing with significant energy savings	

Issuer Sustainability Context

This section provides an analysis of the issuer's sustainability management and the embeddedness of the financing framework within its overall strategy.

Issuer Description

CHFA is a quasi-public organization created by the state of Connecticut in 1969. Its mission is to alleviate the shortage of housing for low- to moderate-income families and individuals in the state. Through the General Statutes of Connecticut, CHFA is authorized to make or purchase construction and mortgage loans to finance the development, rehabilitation, purchase, or leasing of single-family and multifamily housing. The agency uses its U.S. federal tax-exempt bonding authority to access the lowest-cost capital for these purposes. To date, CHFA's investments have led to the construction or renovation of more than 60,000 affordable multifamily units. In addition, more than 150,000 Connecticut residents have purchased their first homes with a CHFA below-market interest rate mortgage.

Material Sustainability Factors

Access and affordability

Low housing stock and lack of affordable options can severely influence people's livelihoods, especially vulnerable, low-income populations who face the threat of homelessness. Access and affordability is especially important for residential tenants in areas where rents can account for a large percentage their incomes. The lack of accessibility and affordability of commercial properties can also hinder the sustainable growth of local communities.

Impact on communities

Properties, and by extension their owners, are inherently part of the communities in which they operate because they provide an essential service and can shape the area both economically and socially. The residential sector is particularly meaningful for communities because a lack of affordable housing and gentrification pressures can alter their social fabric and be challenging to remediate.

Not-for-profit housing operators, as providers of safety-net accommodation, are not significantly exposed to consumer preferences. Rather, we see more localized risks related to residents opposing the development of public housing or negative externalities (concerns about high crime, for example). Similarly, if a public housing association fails to keep its residents safe with proper housing standards, it could damage its reputation and relations with various stakeholders, which would increase the risks related to social cohesion and community unrest.

Physical climate risk

The geographically fixed nature of real estate assets exposes them to physical climate risks. While varying by location, these can include acute risks (such as wildfires, floods, and storms), which are becoming more frequent and severe, as well as chronic risks (such as long-term changes in temperature and precipitation patterns and rising sea levels). Acute and chronic risks could damage properties or place the health and safety of tenants at risk.

These challenges can also require investments to manage their potential impact and, in severe cases, to relocate the tenants. While the aggregate impact is moderate--the type, number, and magnitude of these risks varies by region--highly exposed regions may be subject to material physical climate risks. Most participants have some insurance coverage, though it could become more difficult to secure insurance for the most exposed assets absent adaptation.

Climate transition risk

Energy use in buildings has been a major contributor to climate change, representing about a third of global greenhouse gas emissions on a final-energy-use basis according to the International Energy Agency (IEA). Embedded emissions from building materials and new construction may also adversely affect the state's progress toward its future low-carbon climate resiliency goals. This leaves the sector highly susceptible to the growing public, political, legal, and regulatory pressure to accelerate the achievement of climate goals.

Building occupiers and operators may face higher energy bills as power prices rise and greater capital expenditure needs as they undertake upgrades necessary to accommodate the energy transition and meet more-stringent efficiency standards. Incremental climate-related investments can entail significant capital outlays but will potentially reduce the risk of obsolescence due to changes in regulation or climate goals. In addition, low-carbon properties may achieve higher cost efficiencies or attract premium rents over the longer term, thereby enhancing their value.

Issuer And Context Analysis

Through its social project categories, CHFA addresses access and affordability and impact on communities, while its green project category addresses climate transition risk. Due to financed projects' geographic location, they have some exposure to physical climate risk.

CHFA directly addresses housing access and affordability. The agency is a nonprofit, pure-play entity with a mission to help low- to moderate-income residents secure safe, quality housing. The CHFA provides single-family mortgage loans for first-time homebuyers (homeownership financing) and financing the construction and rehabilitation of multifamily rental homes (multifamily financing). Due to the declining stock of affordable housing in the U.S., the importance of housing finance agencies is rising.

Preserving and creating affordable housing are integral in maintaining social fabric. From 2023-2024, CHFA provided 70% of its homeownership mortgage loans to families with incomes below 70% of the area median income (AMI). The agency's multifamily properties are also AMI-restricted because they receive low-income housing tax credits (LIHTC). Therefore, projects select, or set aside, either 40% of units at 60% AMI or 20% of units at 50% AMI. In our view, these lending practices simultaneously mitigate both gentrification and income segregation risk. Additionally, from 2023-2024, 20% of the agency's total first loans went to federally targeted areas, defined by the Internal Revenue Service (IRS) as an area of chronic distress that could benefit from increased homeownership. In addition, 46% of CHFA's total first loans went to households with a female head and 38% went to minority homebuyers. By targeting its investments to in-need populations, CHFA aims to spur economic growth among historically underinvested communities and borrowers.

CHFA addresses climate transition risk through its multifamily program, which has a track record of funding new construction and rehabilitation that possess significant energy efficiency features. The agency's construction guidelines strongly incentivize energy conservation and sustainability, and its development teams are required to submit an energy conservation plan as part of the application. The construction guidelines state that rehabilitations should aim to reduce energy usage between 10% and 20%, depending on the nature of the improvements. Additionally, the projects are expected to meet or exceed the prescriptive requirements for ENERGY STAR's Multifamily New Construction (MFNC) program. Rehabilitations accounted for most of the projects CHFA financed in 2020-2025. For new construction, the agency's guidelines recommend its developments meet or exceed ENERGY STAR's MFNC or Single Family New Homes (SFNH) program certification requirements. Although not required by its guidelines, most new construction projects CHFA financed in 2025 were projected to achieve energy savings exceeding state code and the ENERGY STAR targets.

CHFA expects its new projects to look materially similar to those in its current portfolio. Connecticut is among the most ambitious states in the U.S. building sector in terms of energy

code. However, the overall sector requires even more ambition to fulfill the country's net zero and Paris-aligned goals. Additionally, CHFA does not integrate its efforts to improve its environmental performance in its single-family programs the same way it does in its multifamily programs.

We view physical climate risks as a key sustainability issue, but the framework does not directly address such risks. The Northeast is facing intensifying flooding and storm events and when these physical risks materialize, the low- and moderate-income populations housed in the assets CHFA has financed may have less financial capacity to rebuild their homes and communities. The agency's construction guidelines state it may consider funding the development of properties where a portion lies in a flood zone if there is a state-deemed adequate flood management plan. For adaptive re-use/gut rehab developments, CHFA will not fund the development of critical activities (elderly housing and other residential units) at or below the 500-year flood elevation.

Alignment Assessment

This section provides an analysis of the framework's alignment to Sustainability Bond Guidelines.

Alignment Summary

Aligned = ✓ Conceptually aligned = ○ Not aligned = ✕

- ✓ Social Bond Principles, ICMA, 2025
- ✓ Green Bond Principles, ICMA, 2025
- ✓ Sustainability Bond Guidelines ICMA, 2021

✓ Use of proceeds

We assess all the framework's green project categories as having a green shade and consider all social project categories to be aligned. The issuer commits to allocate the net proceeds issued under the framework exclusively to eligible green and social projects. Please refer to the Analysis of Eligible Projects section for more information on our analysis of the environmental and social benefits of the expected use of proceeds.

✓ Process for project evaluation and selection

The framework clearly communicates the process by which CHFA determines how bond-funded multifamily and homeownership projects fit within its eligible project categories. The agency bases its process for project evaluation and selection on the adherence to tightly restrictive eligibility criteria mandated by state code and the bond resolution. The framework references CHFA's procedures regarding its staff's review of proposals for each category of project to ensure they meet the appropriate standards. The framework also provides information on the processes by which the agency identifies and manages social and environmental risks, which include project site and environmental evaluations, meetings with participating lenders, and mandatory homebuyer education classes. Additionally, for multifamily projects, all proposals for mortgage financing approved by CHFA staff must be approved by the Mortgage Committee of its board of directors before receiving final approval. For homeownership loans, participating lenders must submit all mortgage loan applications to CHFA for review and final approval.

✓ Management of proceeds

CHFA's framework stipulates that the bond proceeds will be deposited in segregated accounts and held by the resolution's trustee. The framework also specifies that unallocated bond proceeds will be temporarily invested in permitted investments, which include the direct obligations of, or obligations guaranteed by, the U.S. and cash and cash equivalents. For multifamily projects, CHFA will observe construction progress on a continuing basis and make loan advances based on the percentage of work completed. For homeownership loans, CHFA will purchase loans from participating lenders only after reviewing and ensuring the applications are compliant with its loan guidelines and state code.

✓ Reporting

CHFA commits to provide annual updates on the Electronic Municipal Market Access (EMMA) website regarding the allocation of proceeds until full allocation. This information will follow the Sustainability Bonds Annual Reporting form listed in the agency's framework. CHFA also commits to report annually, on the EMMA's website, the environmental and social qualitative attributes of its bond-funded projects and, whenever possible and available, quantitative performance indicators. For multifamily projects, its reporting will include LIHTC allocation amounts, tenant AMI, the environmental attributes of the projects, population profiles, and the total amount of bond proceeds disbursed. For homeownership projects, its annual reports will include the number and amount of loans to various targeted AMI bands and the total amount of bond proceeds disbursed. CHFA is also legally mandated to conduct annual financial audits, which include a review of the allocation of the proceeds for each of its series of bonds.

Analysis Of Eligible Projects

This section provides details of our analysis of eligible projects, based on their environmental benefits and risks, using the "Analytical Approach: Shades Of Green Assessments," as well as our analysis of eligible projects considered to have clear social benefits and to address or mitigate a key social issue.

Green project categories

Green buildings

Assessment	Description
Light green	Multifamily rental housing program: fund and refund (refinance) the construction, acquisition, and rehabilitation or preservation and redevelopment of multifamily projects that provide affordable housing and include several energy efficiency features.

Social analytical considerations

- The construction and preservation of affordable mixed-income housing will improve living conditions for low- and moderate-income residents in Connecticut by maintaining and expanding access to safe, affordable housing.
- The target population is well defined and the groups selected represent the underserved residents who earn up to 80% or less of the state's AMI. For multifamily homes, under the provisions outlined in the Qualified Allocation Plan (QAP) that governs the LIHTC program in Connecticut, CHFA requires projects to allocate at least 40% of the units at 60% AMI or 20% of the units at 50% AMI. In some instances, CHFA's affordable housing projects may exceed the underwritten AMI levels, if necessary. We believe the broad range of AMI brackets adequately minimizes the risk of income segregation, which is a common social risk associated with affordable housing.
- CHFA's multifamily rental units also include energy efficient features, which provide residual savings to the residents in the form of reduced monthly energy bills.
- We believe CHFA's established track record in providing affordable multifamily rental housing--combined with its comprehensive policies, procedures, and programs--ensure that it appropriately identifies, manages, and mitigates both the perceived and realized social risks associated with the eligible projects.

Green analytical considerations

- For multifamily projects, the bond proceeds will go toward the construction, rehabilitation, or preservation of energy efficient housing projects that meet the income restrictions specified in the social analytical considerations section. Multifamily projects must meet CHFA's multifamily design, construction, and sustainability standards and guidelines. Under these guidelines, the rehabilitations must lead to quantified improvements relative to the pre-investment situation, while new constructions are expected to exceed the state's energy code. Improving energy efficiency and increasing energy conservation are crucial demand-side solutions to mitigating greenhouse gas emissions from the real estate sector.
- The issuer states in its framework that its multifamily design, construction, and sustainability standards and guidelines exceed state code regulations. We interpret this as a commitment by the issuer to ensure its financed projects provide a marginal energy efficiency benefit relative to the state's overall housing stock.
- CHFA's 2025 construction guidelines on energy conservation and sustainability do not explicitly require applicants to achieve the energy performance thresholds and green building certification standards set forth in the guidelines; rather, it is strongly recommended. We consider this to be a weakness, especially regarding new construction projects, due to their high embodied greenhouse gas emissions. Despite this, the projects CHFA financed in 2025 have largely met the recommended energy conservation thresholds and criteria in its construction guidelines. We assess the eligible project category as Light green under

the assumption that its future projects will perform similarly. If the agency's future projects do not follow the construction guidelines' recommended energy conservation thresholds, then we would not consider them green.

- The CHFA's construction guidelines stipulate all proposed energy performance-related improvements should aim to meet or exceed the prescriptive requirements of ENERGY STAR's MFNC certification program (latest version). Additionally, the projected reductions in annual energy use should aim to be 10% or greater for minor rehabilitations, 15% or greater for moderate rehabilitations, and 20% or more for substantial rehabilitations. CHFA provided the projected energy savings and energy efficiency gains for its current portfolio, which are generally in line with the recommendations in the construction guidelines, when it submitted the financing application. While we consider the rehabilitation measures themselves to be green, the result of some of its rehabilitation projects will be to bring underperforming buildings into compliance with the state's energy code. However, CHFA generally strives for its projects to exceed the state's energy code.
- CHFA financed over a dozen new construction projects in 2025. The projected energy performances of these projects, for the most part, significantly exceed the state code. For most new construction projects, CHFA benchmarked their energy performance design against ENERGY STAR's Certified Homes requirements, Department of Energy (DOE) Zero Energy Ready Home, and other similarly ambitious green building certification schemes. ENERGY STAR Certified Homes utilize the Home Energy Rating System (HERS) scoring index, under which lower scores are considered more energy efficient. According to the information provided by the issuer, the new constructions financed by CHFA attained lower HERS scores than the ENERGY STAR version 3.1 target indexes.
- The issuer expects the projects it finances under the framework will be materially similar to the projects it has financed historically, based on its track record. The rehabilitated properties it financed in the three-year period incorporated technologies and improvements known to result in significant energy savings (e.g. heat pumps, high efficiency boilers, high insulation materials).
- Fossil fuel heating systems are not prohibited under CHFA's construction guidelines and some rehabilitation projects involve upgrading fossil fuel-based heating systems (e.g. boilers). Therefore, there is risk of emissions lock-in, whereby an activity delays or prevents the transition to low-carbon alternatives by perpetuating assets or processes and their corresponding greenhouse gas emissions. However, energy efficiency gains will marginally reduce their emissions in the near term. Additionally, the construction of new multifamily homes contributes to greenhouse gas emissions as well, with most of a building's lifecycle emissions relating to the construction phase.
- The construction of new multifamily homes exposes them to physical climate risk in a region that is facing intensifying flooding and storm events, which disproportionately affect vulnerable populations. CHFA's construction guidelines state it may consider funding the development of properties where a portion lies in a flood zone if there is a flood management plan deemed adequate by Connecticut's Department of Energy and Environmental Protection (DEEP). For adaptive re-use/gut rehab developments, CHFA will not fund the development of critical activities (elderly housing and other residential units) at or below the 500-year flood elevation.

S&P Global Ratings' Shades of Green

Assessments	Dark green	Medium green	Light green	Yellow	Orange	Red
Description	Activities that correspond to the long-term vision of an LCCR future.	Activities that represent significant steps toward an LCCR future but will require further improvements to be long-term LCCR solutions.	Activities representing transition steps in the near-term that avoid emissions lock-in but do not represent long-term LCCR solutions.	Activities that do not have a material impact on the transition to an LCCR future, or, Activities that have some potential inconsistency with the transition to an LCCR future, albeit tempered by existing transition measures.	Activities that are not currently consistent with the transition to an LCCR future. These include activities with moderate potential for emissions lock-in and risk of stranded assets.	Activities that are inconsistent with, and likely to impede, the transition required to achieve the long-term LCCR future. These activities have the highest emissions intensity, with the most potential for emissions lock-in and risk of stranded assets.
Example projects	Solar power plants	Energy efficient buildings	Hybrid road vehicles	Health care services	Conventional steel production	New oil exploration

Note: For us to consider use of proceeds aligned with ICMA Principles for a green project, we require project categories directly funded by the financing to be assigned one of the three green Shades.

LCCR--Low-carbon climate resilient. An LCCR future is a future aligned with the Paris Agreement; where the global average temperature increase is held below 2 degrees Celsius (2 C), with efforts to limit it to 1.5 C, above pre-industrial levels, while building resilience to the adverse impact of climate change and achieving sustainable outcomes across both climate and non-climate environmental objectives. Long term and near term--For the purpose of this analysis, we consider the long term to be beyond the middle of the 21st century and the near term to be within the next decade. Emissions lock-in--Where an activity delays or prevents the transition to low-carbon alternatives by perpetuating assets or processes (often fossil fuel use and its corresponding greenhouse gas emissions) that are not aligned with, or cannot adapt to, an LCCR future. Stranded assets--Assets that have suffered from unanticipated or premature write-downs, devaluations, or conversion to liabilities (as defined by the University of Oxford).

Social project categories

Affordable housing

Provision of affordable housing under homeownership financing program: Finance single-family loans for low- to moderate-income first-time homebuyers, including providing down payment assistance loans.

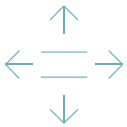
Analytical considerations

- We believe providing single-family mortgage loans for qualifying low- and moderate-income, first-time homebuyers will significantly improve access to affordable housing and encourage investment in sustainable communities. Single-family homes receive 30-year below-market fixed-rate mortgages. Additionally, CHFA requires homebuyers to attend homebuyer education classes prior to loan closing to promote financial literacy and preparedness, which we believe is important for borrower protection.
- We believe CHFA's use of AMI, a metric used by the U.S. Department of Housing and Urban Development (HUD), is a best practice when defining low-income target populations. For single-family homes, the agency's income limit is 100% of AMI for homes with fewer than three people and 115% of AMI for homes with three people or more. In identified targeted areas(IRS defines these as areas of chronic distress that could benefit from increased homeownership) the income limit is 120% of AMI for homes with fewer than three people and 140% for homes with three people or more. The program incorporates purchase price restrictions on residential dwellings, with the maximum purchase price for CHFA loan-financed homes set at 90% of the average purchase price in nontarget areas and 110% in target areas.
- In connection with any eligible mortgage loan, CHFA may also pair bond proceeds to support savings-constrained homebuyers with Downpayment Assistance Program (DAP) amortizing loans and savings- and income-constrained homebuyers with "Time to Own" forgivable loans. CHFA also offers additional interest-rate discounts for home purchases in target areas or for certain targeted populations, including disabled residents, teachers, military service members and veterans, and other underserved groups.
- We believe CHFA's established track record in providing affordable single-family housing—combined with its comprehensive policies, procedures, and programs—ensures the perceived and realized social risks associated with its eligible projects are appropriately identified, managed, and mitigated.
- The framework stipulates that at least 95% of the net proceeds issued under the homeownership program will go toward affordable housing, while 5% will be set aside for costs of issuance and nonprogram-related activities. Because we consider CHFA to be a pure-play entity, we believe its non-homeownership program-related expenses will still serve a social purpose due to the agency's mission.

Mapping To The U.N.'s Sustainable Development Goals

Where the financing documentation references the Sustainable Development Goals (SDGs), we consider which SDGs it contributes to. We compare the activities funded by the financing to the International Capital Markets Association (ICMA) SDG mapping and outline the intended linkages within our SPO analysis. Our assessment of SDG mapping does not affect our alignment opinion.

This framework intends to contribute to the following SDGs:

Use of proceeds	SDGs
Affordable Housing	**1. No poverty**  **10. Reduced inequalities** **11. Sustainable cities and communities**
Green Buildings	**11. Sustainable cities and communities** **11. Sustainable cities and communities**

*The eligible project categories link to these SDGs in the ICMA mapping.

Related Research

- Analytical Approach: Second Party Opinions, March 6, 2025
- FAQ: Applying Our Integrated Analytical Approach For Second Party Opinions, March 6, 2025

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APPENDIX F

FORM OF SOCIAL BONDS ANNUAL REPORT

Form of 2026 Series C Social Bonds Annual Report
as of [DATE]

2026 Series C Bonds Lendable Proceeds Summary	
Total Original Lendable Proceeds	$[ ]
Amount of Proceeds Spent to Acquire Home Mortgage Loans as of [date]	
Lendable Proceeds Remaining as of [date]	

Purchased 2026 Series C Bonds Newly-Originated Home Mortgage Loans as of [date] by Borrower Income as a Percentage of Area Median Income (AMI)[1]		
AMI Band	# of Loans[2]	$ of Loans ($000s)
50% and below		
50.1% - 80%		
Greater than 80%		
Totals		

[1] Based on household qualifying income and area median income as defined and determined by FNMA.
[2] Loans may be funded by more than one series of Bonds.

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CONNECTICUT HOUSING FINANCE AUTHORITY

OFFICIAL STATEMENT PART 2

relating to
Housing Mortgage Finance Program Bonds

This Part 2 of this Official Statement provides certain information concerning prior Series of Bonds, certain sources of payment and security for the Bonds, the Authority and the Housing Mortgage Finance Program. It contains only a part of the information to be provided by the Authority in connection with the issuance or remarketing of certain Series of its Bonds. The terms of the Series of Bonds being issued or remarketed, including the designation, principal amount, authorized denominations, price, maturity, interest rate and time of payment of interest, redemption provisions and any other terms or information relating thereto are set forth in Part 1 of this Official Statement with respect to such Series. Additional information concerning certain sources of payment and security for the Bonds, the Authority and the Housing Mortgage Finance Program is contained in Part 1 of this Official Statement. The information contained herein may be supplemented or otherwise modified by Part 1 of this Official Statement and is subject in all respects to the information contained therein.

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CONNECTICUT HOUSING FINANCE AUTHORITY

OFFICIAL STATEMENT PART 2
relating to
Housing Mortgage Finance Program Bonds

INTRODUCTION

The purpose of this Part 2 of this Official Statement, which includes the cover page and the appendices hereto, is to set forth certain information concerning the Authority, a public instrumentality and a political subdivision of the State, created by the Act, its Housing Mortgage Finance Program, and its Bonds, in connection with the issuance or remarketing of certain Series of the Bonds by the Authority. Each Series of Bonds is issued pursuant to the Act, the Resolution, and a related series resolution. All defined terms used in this Part 2 and not otherwise defined shall have the meanings ascribed thereto in Part 1 of this Official Statement.

All references in this Official Statement to the Act and the Resolutions are qualified in their entirety by reference to each such document, copies of which are available from the Authority, and all references to the Bonds are qualified in their entirety by reference to the definitive forms thereof and the information with respect thereto contained in the Resolutions and this Official Statement.

THE AUTHORITY

Purpose and Organization

The Authority was created in 1969, pursuant to the Act, as a body politic and corporate, constituting a public instrumentality and political subdivision of the State to meet the housing needs and demands of low and moderate income families and persons, with the objectives of reducing the cost of mortgage financing for, increasing the supply of, and encouraging and assisting the development and construction of, well-planned and well-designed single family and multifamily housing throughout the State. The Act authorizes the Authority to make or purchase, and to enter into commitments to make or purchase, construction and permanent mortgage loans to finance or refinance the construction, rehabilitation, purchase, or leasing of single family and multifamily housing for low and moderate income families and persons throughout the State or for families and persons of all income levels in eligible urban areas. Each loan can be uninsured or directly or indirectly insured or guaranteed by any department, agency, or instrumentality of the United States or of the State, including the Authority itself, or by a public corporation chartered by the Congress of the United States, including but not limited to the Federal Home Loan Mortgage Corporation, or a private mortgage insurance company, however the outstanding uninsured permanent mortgage loans at any one time shall not to exceed $2,250,000,000. Although the Act provides that mortgage loans may be secured by, under certain conditions, a second mortgage lien, such loans may not be financed with Bonds issued under the Resolution.

Board of Directors

The powers of the Authority are vested in and exercised by a Board of Directors (the "Board of Directors"). The Act requires that the Board of Directors consist of five State officials, serving ex officio, and eleven directors, seven of whom shall be appointed by the Governor, one by the President Pro Tempore of the Senate, one by the Speaker of the House of Representatives, one by the Minority Leader of the Senate and one by the Minority Leader of the House of Representatives. One such member of the Board of Directors must be an officer or employee of the State, appointed by the Governor or such member of the General Assembly. The Chairperson of the Board of Directors shall be appointed by the Governor. The Board of Directors annually elects one of its appointed members as Vice-Chairperson. Directors serve for terms of five years and until such member's successor has been appointed except for ex officio directors, who serve for the terms of their respective offices. The present directors of the Authority and their state offices or private affiliations are as follows:

Name	Appointed by	Position	Occupation
Seila Mosquera-Bruno	Governor	Chairperson / Ex officio Director	Commissioner, State Department of Housing
Catherine MacKinnon	Governor	Vice-Chairperson / Director	Executive Director, Mutual Housing Association of Greater Hartford, Inc.
Jerry Abrahams	Governor	Director	Head of Corporate Strategy, Legacy Bank and Trust
Lisa Tepper Bates	Governor	Director	President and CEO, United Way of Connecticut
Wendy Clarke	Senate President Pro Tempore	Director	Partner, Kelley Drye & Warren LLP
Philip F. DeFronzo	Minority Leader of the House	Director	President, TPO GO
Heidi DeWyngaert	Governor	Director	Executive Vice President and Chief Lending Officer, Retired, Bankwell
Timothy B. Hodges	Governor	Director	Area Lead – New England, Community Banking Division, M&T Bank
Daniel H. O'Keefe	Governor	Ex officio Director	Commissioner, State Department of Economic and Community Development
Jorge Perez	Governor	Ex officio Director	Commissioner, State Department of Banking
Franklin E. Perry II	Governor	Director	Chief of Staff, State House Democrats
Chelsea Ross	Governor	Director	Executive Director, Partnership for Strong Communities
Erick Russell	Statute	Ex officio Director	Treasurer, State of Connecticut
Gregory F. Ugalde	Minority Leader of the Senate	Director	President and Chief Legal Officer, T&M Building Co., Inc.
Sean Williams	Speaker of the House	Director	Senior Vice President of State Affairs, Pharmaceutical Care Management Association
Joshua Wojcik	Governor	Ex officio Director	Secretary, Office of Policy and Management

Each ex officio director may designate a deputy or any staff member to represent him or her at meetings of the Authority with full power to act on his or her behalf.

Principal Staff

The Authority employs a staff that includes professionals in various fields relating to housing and mortgage lending, including the following officers:

Name	Position	Prior Background
Nandini Natarajan	Chief Executive Officer – Executive Director	2014-2019, Chief Financial Officer, Illinois Housing Development Authority, Chicago, Illinois; 2002-2014, Financial Advisor, 1993-2002, Team Leader/Software Developer, Caine Mitter & Associates, New York, New York; M.S. Computer Science, University of Massachusetts, AB Computer Science and Mathematics, Smith College.
Hazim Taib	Chief Financial Officer	2011-2013, Chief Financial Officer, 2009-2011, Deputy Chief Financial Officer, 2006-2009, Director Structured Finance, 1998-2006, Financial Analyst, Illinois Housing Development Authority, Chicago, Illinois; MBA (Finance & Statistics), Indiana State University, B.S. Finance, Indiana State University, Graduate Certificate – Accounting (External Auditing), Keller Graduate School of Management, Diploma – Public Administration, Universiti Teknologi MARA, Malaysia.
Pasquale Guliano	Managing Director of Multifamily	2021-2022, Project Manager, AMAC Holdings, LLC; 2014- 2021, Managing Director, Belfonti Companies; 2010-2014, Administrator, Multifamily Asset Management, Connecticut Housing Finance Authority; 2006-2010, Managing Partner, New Energy, LLC; 1998-2006, Vice President of Operations, The Clayton Companies; 1987-1998, Assistant Vice President, People's Bank; B.A., Wesleyan University; J.D., University of Bridgeport School of Law; Admitted to the practice of law in Connecticut.
Lisa Hensley	Managing Director, Homeownership Programs	2015-2021, Senior Vice President, Single Family Programs, District of Columbia Housing Finance Agency, Washington, DC; 2011-2015, Assistant Vice President, FitzGerald Financial Group, Rockville, Maryland; 2003-2011, Assistant Vice President, M&T Bank, Mortgage Division, Fredericksburg, Virginia; 1994-2003, Loan Officer, BB&T Mortgage, Manassas, Virginia.

Maura Martin	Managing Director of Administration	2019-2020, Interim Managing Director of Administration, 2013-2019, Federal Legislative Program Officer, Connecticut Housing Finance Authority; 2010-2013, Communications Consultant, 2005-2009, First Selectman, Town of Thomaston, CT; 2002-2005, Executive Producer of Local Programming, 1996 – 2002, Producer, 1995-1996, Associate Producer, Connecticut Public Television and Radio, Hartford; 1986 – 1995, Legislative Liaison, Department of Consumer Protection; B.A. in English, Middlebury College, J.D., University of Connecticut School of Law; Admitted to the practice of law in Connecticut.
Robert Hicks	General Counsel	2020-2025, Deputy General Counsel; 2019-2020, Interim General Counsel; 2018-2019, Assistant Director-Legal of the Authority; 2012-2018, Assistant Counsel of the Authority; 2001-2012, private practice of law; J.D., University of Connecticut School of Law; B.A., Connecticut College; Admitted to practice of law in Connecticut.
Suresh Menon	Chief Information Officer	2005-2023, Director of Information Technology, Connecticut Housing Finance Authority; 2002-2005, Director - Information Systems and Network Operations, NXEGEN Inc. Middletown, CT; 1995-2002, Applications and Business Manager, Shared Technologies Cellular, Inc. Hartford, CT; 1993-1994, Team Leader – Software Division, Matrix Computers Private Limited, Cochin, India; 1987-1992, Software Engineer, PSI-Bull India Limited, Bangalore, India; Diploma in Computer Software and Applications, National Institute of Information Technology, India; BS Chemistry, University of Kerala, India

The Authority has a permanent staff of approximately 136 persons including the officers listed above. The supporting staff includes Deputy Managing Director of Multifamily, Controller, Directors of: Human Resources, Research, Marketing and Outreach, Internal Audit, Portfolio Management and Government Relations; and also finance managers, program officers, underwriters, asset managers, architects, attorneys and those providing accounting, data and word processing, administrative, technical, legal, secretarial, and clerical support services. The Authority's address is 999 West Street, Rocky Hill, Connecticut 06067, telephone (860) 721-9501.

Cybersecurity

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

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

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

THE HOUSING MORTGAGE FINANCE PROGRAM

The Authority's activities under the Housing Mortgage Finance Program include providing construction and permanent financing for housing and related facilities, the primary purpose of which is to provide safe and adequate housing for low and moderate income families and persons throughout the State and to provide financing for mortgage loans in the eligible areas for persons of all income levels. Such housing and related facilities may include certain commercial, office, health, welfare, administrative, recreational, community, and service facilities incidental and pertinent to such housing and dwelling accommodations for persons other than those of low and moderate income. The Housing Mortgage Finance Program has been implemented in order that the Authority's purpose to assist in providing such housing may be accomplished either by the purchase of mortgages or by the making of loans secured by mortgages. The Authority has to date both purchased and made construction and permanent Multifamily Mortgage Loans and has purchased Home Mortgage Loans pursuant to a Master Commitment Agreement for Mortgage Purchases (the "Commitment Agreement"). For general information concerning provisions of the Act relating to mortgage loans of the Authority, see APPENDIX A – "CERTAIN PRESENT PROVISIONS OF THE ACT RELATING TO MORTGAGE LOANS OF THE AUTHORITY" in this Part 2.

Home Mortgage Loans

Home Mortgage Loan Origination Policies and Programs

The Authority purchases Home Mortgage Loans for owner occupied dwellings having up to four units (except for newly constructed housing, which is limited to one unit, or, in the case of borrowers in Targeted Areas whose family income does not exceed 140% of applicable family median income, two units) from participating lenders meeting requirements of the Authority, which are comprised of commercial banks, savings banks, savings and loan associations, credit unions and mortgage bankers throughout Connecticut ("Participating Lenders") that have entered into the Commitment Agreement with the Authority. Pursuant to the Commitment Agreement, the Participating Lenders originate and close loans at a rate of interest established by the Authority. Applications for such loans are processed by the Participating Lenders of the applicants' choice. The Authority has reserved, and may continue to reserve, some of its home mortgage funds for certain geographical areas and for financing newly constructed homes.

Section 8-265d(a) of the Connecticut General Statutes mandated that the Authority, together with the Commissioner of Housing, develop a pilot program to provide mortgages at reduced interest rates. This initiative which for several years has provided low interest rate mortgage loans for families and individuals moving from public housing tenancy into homeownership, was made a permanent program of the Authority in 1994.

The Authority has established, and from time to time amends, income and sales price limits based upon location and family size for purchasers of homes throughout the State. The Authority establishes income limits that are no greater than the limits permitted under the Code. Under the Code, except as set forth in the next sentence, the income limits throughout the State for families of three or more range from $143,290 to $197,225. A portion of mortgage loans in certain eligible urban areas and Targeted Areas may be made to mortgagors with greater income, in accordance with requirements of the Code. The Authority's purchase price limits for existing and newly constructed housing range from $561,885 to $750,000, subject to modifications permissible under the Code.

The Authority currently finances the purchase of individual condominium units throughout the State. Prior to financing any such unit in a condominium complex, the Authority ensures that the condominium complex is approved by the FHA or meets VA, USDA, FNMA or FHLMC eligibility criteria. Generally, the Authority will not finance more than 50% of the units in any one complex. Purchase price and income limits are the same as those above noted.

The Authority requires Home Mortgage Loans in federally targeted urban areas and non-targeted areas to be insured or guaranteed by FHA, VA, RD, the Authority or PMI, unless the mortgagor's down payment is equal to 20% or more of the purchase price; provided, that the PMI requirement for a conventional loan will end once the borrower reaches 22 percent equity in the property, either through paying down the loan and/or an increase in the property's value, as mentioned above. Rating agencies' reviews of private mortgage insurers may be indicative of some future inability of these insurers generally to fulfill in full their obligations, if and when required upon a mortgage default, to make timely payments on policies. Some Home Mortgage Loans may be additionally guaranteed by securitizing such loans into Agency Securities.

For a discussion of FHA, VA, RD and PMI mortgage insurance and guaranty programs and certain percentage limitations on the amount of the mortgage loans insured or guaranteed, see APPENDIX C – "SUMMARY OF CERTAIN FEDERAL HOUSING AND MORTGAGE PROGRAMS" in this Part 2.

Each Home Mortgage Loan application submitted to the Authority by a Participating Lender is generally accompanied by a mortgage insurance or guaranty commitment. The Authority independently reviews each application to verify, to its satisfaction, compliance with the Code and the loan standards described above if such loan is not securitized into Agency Securities, and in appropriate instances declines to finance Home Mortgage Loans despite earlier review and approval for insurance or guaranty by FHA, VA, RD, the Authority or PMI. The Authority will make a firm commitment or provide an instruction to its Master Servicer (as defined below) to purchase only those Home Mortgage Loans that satisfy its criteria. The commitment obligates the Authority or its Master Servicer for a specified period to purchase the loan, subject to the closing conditions contained in the commitment or instruction.

Each Participating Lender must warrant that all Home Mortgage Loans offered for sale to the Authority or its Master Servicer meet certain conditions, among which are the following: (i) the mortgage was duly executed, (ii) the mortgage is a valid first lien on the premises and the note is a valid and binding obligation of the mortgagor, (iii) neither the mortgage nor the note was in default on the date of such offer or on the date of the Authority's acceptance thereof, (iv) the full principal balance of the loan has been advanced to the mortgagor and is fully secured by the mortgage, (v) all requirements of applicable Federal and state laws have been fully complied with, (vi) the premises are covered by a hazard insurance policy in an amount at least equal to the outstanding principal balance of the loan, and (vii) the mortgage is covered by a title insurance policy that meets the Authority's requirements. In the event a loan is unable to meet any of the conditions set forth above, the Authority or its Master Servicer may at its discretion not purchase the Home Mortgage Loan.

The Authority performs a final review of the documents for Home Mortgage Loans it purchased to ensure that Participating Lenders have complied with the Authority's guidelines. As such, Participating Lenders are required to deliver certain documents including but not limited to, (i) a copy of the mortgage note, (ii) a copy of the mortgage insurance or guaranty certificate, and (iii) a copy of the participating lender certification to the Authority after the Home Mortgage Loans were sold to the Authority. Any irregularities discovered during the review process are further reviewed by counsel to the Authority, and if the documentation does not satisfy the Authority's requirements, the

Participating Lender is requested to supply the proper documentation. Thereafter, if it is determined that the Home Mortgage Loan or the documentation relating thereto does not comply with the Act or the Authority's current guidelines, the Authority, pursuant to its Commitment Agreement, may require the repurchase of any such loan and hold the Authority harmless from any loss or other expenses associated with such repurchase by the Participating Lender if such lender does not cure the deficiency within a reasonable period of time. All original mortgage loan documentation is retained by the servicer on behalf of the Authority. To date, the Authority has not requested a significant number of repurchases.

In addition to its general home purchase program for first time homebuyers and home purchase program in a Targeted Area, the Authority has developed a few home purchase assistance programs to achieve its policy objective. This includes but is not limited to (i) the military homeownership program, (ii) the teachers' mortgage assistance program, and (iii) the police homeowner program. Please refer to the Authority's website for more program information.

Servicing Arrangements for Home Mortgage Loans

The Authority has entered into agreements with bank servicers, non-bank or independent mortgage servicers and subservicers for the servicing of its Home Mortgage Loans for a servicing fee. The Authority's annual servicing fee with respect to Home Mortgage Loans (excluding loans that were securitized) at the present time is up to three eighths of one percent (.00375) per annum, computed on the unpaid principal balance prior to the monthly payment.

Accepted industry standards for servicing institutions have been adopted by the Authority. Among other things, the servicer of a Home Mortgage Loan is required to inspect the mortgaged property, maintain required records, and render to the Authority an accounting of funds collected. The servicer is expected to attempt to cure any delinquency or default on the mortgage loan and, in case of default, to institute foreclosure proceedings, but all foreclosure expenses not covered by insurance are borne by the Authority.

Upon receipt of scheduled mortgage payments from Home Mortgage Loans, the servicer deposits, at least semi-monthly, a portion of the principal and interest payments (net of servicing fees), with a depository bank or banks, to be held in escrow for the Trustee. The balance of the payments, including for property taxes and mortgage insurance, is retained by the servicer and applied as necessary. Once transferred to the Trustee, it shall hold such receipts in a common fund created under the Resolution and known as the Pledged Account. Monies within the Pledged Account are distributed on a monthly basis in accordance with the Resolution.

Loan Modifications

In the case of delinquencies of mortgage loans insured or guaranteed by FHA, VA or RD or PMI, the Authority may modify the terms of such mortgage loans in accordance with the requirements of the mortgage insurer or guarantor. Such modifications may include the deferral of monthly payments of principal and interest, the adjustment to the interest rates, the capitalization of unpaid expenses, the extension of the maturity dates and re-amortization of the outstanding principal balances of the mortgage loans, and, in the case of FHA-insured mortgage loans, the payment by FHA of partial insurance claims. From time to time, FHA may issue a Mortgagee Letter that amends its previously issued guidance on loan modification and loss mitigation.

Home Mortgage Loan Portfolio

General. The Authority holds five separate portfolios of mortgage loans on homes under the Resolution: (i) the "Home Mortgage Loan Portfolio," representing mortgage loans originally financed with the proceeds of Housing Mortgage Finance Program Bonds, amounts transferred to the Investment Trust Subaccount, or Recoveries of Principal with respect to the Home Mortgage Loan Portfolio, (ii) the "Mobile Manufactured Home Loan Portfolio," consisting of home mortgage loans that do not meet the requirements of the Home Mortgage Loan Portfolio originally funded by the Investment Trust Subaccount and financed with the taxable proceeds of Housing Mortgage Finance Program Bonds, (iii) the "RAM Portfolio," consisting of reverse annuity mortgage loans originally funded by the State and the Investment Trust Subaccount with respect to the RAM Portfolio, (iv) the "DECD Portfolio," consisting of

mortgage loans originally financed by the State and subsequently transferred to the Authority, and (v) the other home mortgage loan portfolios established under the various Board of Directors' approved programs and financed with the Investment Trust Subaccount. This section provides information only with respect to the Home Mortgage Loan Portfolio. For a description of the Mobile Manufactured Home Loan Portfolio, the RAM Portfolio, the DECD Portfolio (of which the DECD Consumer Portfolio is a part) and the other home mortgage portfolios, see "THE HOUSING MORTGAGE FINANCE PROGRAM – Other Portfolio Financed by the Housing Mortgage Finance Program Bonds", "– Other Portfolios within the Investment Trust Subaccount" and "– Other Portfolios Managed by the Authority" in this Part 2. Revenues from the Home Mortgage Loan Portfolio constitute Pledged Receipts under the Resolution.

Agency Securities

In furtherance of its Home Mortgage Loan Program, the Authority directs its Participating Lenders to assign certain Home Mortgage Loans to a designated servicer (the "Master Servicer") for assembly and delivery of pools or securities guaranteed by the Government National Mortgage Association ("GNMA"), the Federal National Mortgage Association ("FNMA") or the Federal Home Loan Mortgage Corporation ("FHLMC" and together with GNMA and FNMA, "Agency Securities"). Agency Securities are sometimes referred to as the "Agency Security Portfolio." The Authority then purchases the resulting Agency Securities as investments under the Resolution. The Authority's Master Servicer has been pooling and securitizing certain Home Mortgage Loans in FNMA and FHLMC since 2013 and 2017, respectively. In 2015, Idaho Housing and Finance Association ("IHFA"), an independent public body corporate and politic of the State of Idaho, was selected to act as the Authority's primary Master Servicer. In 2024, the Authority designated U.S. Bank National Association and Lakeview Loan Servicing as additional Master Servicers. In the case of the GNMA program, the Home Mortgage Loans must be government insured, and in the case of the FHLMC or FNMA program, the Home Mortgage Loans must be insured by private mortgage insurance companies or meet agency guidelines for not requiring private mortgage insurance. For federal income tax purposes, Agency Securities with the underlying Home Mortgage Loans are subject to all rules relating to Acquired Program Mortgages, including the Ten-Year Rule described in Part 1 under the caption "TAX MATTERS – Requirements of the Code Relating to Home Mortgage Loans – Other Requirements," a rule which has an impact on the frequency and amount of prior par redemptions of the Bonds. See Schedule B to this Part 2 and APPENDIX C – "SUMMARY OF CERTAIN FEDERAL HOUSING AND MORTGAGE PROGRAMS" in this Part 2.

Effective November 15, 2000, the Authority was permitted to invest amounts held in the Housing Mortgage General Fund, including, but not limited to, amounts on deposit in the Principal Installment Account and Interest Account, in Agency Securities. In order to assure sufficient resources for the timely payment of Principal Installments and interest due on each Interest Payment Date notwithstanding the investment in Agency Securities, the Authority amended the Resolution to create the Investment Trust Subaccount within the Surplus Account and transferred approximately $331,081,000 of net assets to the credit of the Housing Mortgage General Fund, which assets were previously attributable to the Investment Trust Fund maintained outside the lien of the Resolution.

Prior to December 2015, the Authority credited substantially all new Agency Securities to the Housing Mortgage Capital Reserve Fund. Since then, most new Agency Securities are credited to the Housing Mortgage General Fund. Revenues from the Agency Security Portfolio constitute Pledged Receipts under the Resolution.

As of December 31, 2025, the aggregate principal balance of the Agency Securities held under the Resolution was $4.26 billion. As of December 31, 2025, the market value of the Agency Securities held in the Housing Mortgage Capital Reserve Fund was approximately $484 million and the market value of the Agency Securities held in the Housing Mortgage General Fund was approximately $3.6 billion.

The following tables set forth certain information regarding the Home Mortgage Loan Portfolio and the Agency Security Portfolio.

[TABLES APPEAR ON NEXT PAGE]

Housing Mortgage Finance Program
Home Mortgage Loan and Agency Security Portfolio
Distribution by Year of Origination with Weighted Average Coupon
as of December 31, 2025

Year of Origination	Original Number of Loans	Original Balance	Outstanding Balance Home Mortgage Loans	Outstanding Balance Agency Securities	Current Weighted Average Coupon
Before 2015	92,140	$10,032,849,522	$562,047,602	$109,719,147	4.31%
2015	2,742	460,604,445	60,626,475	105,127,615	3.25%
2016	3,670	620,594,034	43,609,170	214,146,265	3.10%
2017	2,963	511,404,366	35,647,353	202,435,867	3.29%
2018	3,200	574,004,518	26,862,562	232,367,565	3.75%
2019	2,893	526,967,234	18,827,409	265,511,652	3.65%
2020	1,600	294,258,471	25,923,980	181,098,219	2.97%
2021	1,173	238,622,035	30,703,080	160,368,061	2.68%
2022	1,610	356,929,235	60,217,985	252,260,685	4.37%
2023	3,147	736,820,659	88,935,465	591,378,969	6.27%
2024	3,855	1,000,109,032	27,503,483	932,020,288	6.51%
2025	3,811	1,064,595,009	40,292,274	1,013,371,819	6.33%
	122,804	**$16,417,758,559**	**$1,021,196,837**	**$4,259,806,153**	

Note: Values in the "Before 2015" cohort are based on loans that were outstanding on 12/31/2015.

Housing Mortgage Finance Program
Home Mortgage Loan Portfolio
Distribution by Amortized LTV Ratio and Insurance Coverage
as of December 31, 2025

Current Amortized LTV Ratio:	< 80.00		(1)	80.00 - 94.99		(1)	>= 95.00		(1)	TOTAL	
	$ Balance	% Del.		$ Balance	% Del.		$ Balance	% Del.		$ Balance	% Del.
Governmental Insurance											
FHA	507,952,504	6.2%		137,681,684	17.3%		41,612,585	21.7%		**687,246,773**	9.4%
VA	15,838,934	2.5%		5,483,664	12.1%		2,117,458	0.0%		**23,440,056**	4.5%
RD	30,561,684	3.6%		4,455,266	6.8%		481,992	37.6%		**35,498,942**	4.5%
Subtotal	554,353,121			147,620,614			44,212,035			**746,185,771**	
Private Mortgage Insurance											
PMI Mortgage Insurance Co.	-			100,045,468	3.5%		559,313	37.4%		**100,604,780**	3.7%
Subtotal	-			100,045,468			559,313			**100,604,780**	
No Insurance											
Never Insured/Self Insured	134,192,899	4.0%		3,168,624	21.0%		2,918,329	4.1%		**140,279,851**	4.4%
Prior PMI subject to cancellation	34,126,434	4.1%		-			-			**34,126,434**	4.1%
Subtotal	168,319,333			3,168,624			2,918,329			**174,406,286**	
Total	**722,672,454**	5.5%		**250,834,706**	11.5%		**47,689,677**	20.0%		**1,021,196,837**	7.7%

(1) Represents percentage, by principal balance, of Mortgage Loans 60 days or more delinquent, including those Mortgage Loans in foreclosure.

As reflected above, as of December 31, 2025, the Home Mortgage Loan Portfolio had an outstanding principal balance of $1.02 billion (19%) and the Agency Security Portfolio had an outstanding principal balance of $4.26 billion (81%).

Home Mortgage Loan Delinquencies and Foreclosures

The majority of Home Mortgage Loans that were either delinquent or in foreclosure were either FHA, RD- or PMI-insured or VA-guaranteed. In general, the FHA mortgage insurance program for Home Mortgage Loans provides coverage for the principal amount of insured mortgages. The insurance proceeds are generally paid in cash, but under certain programs, payments may be in the form of twenty year debentures, which, in certain circumstances, may have an interest rate less than that of the insured mortgage. In most cases, the insurance payment does not cover all accrued but unpaid interest. The VA program generally provides limited guarantees subject to the amount of the entitlement that is available to the veteran. For loans under $144,000, the VA guarantee amount is up to $36,000. For loans that are more than $144,000, the VA guarantee amount is up to 25% of the original principal amount of the loan. Each VA guarantee amount may be subject to certain exceptions. The VA may, at its option, and without regard to the guaranty, make full payment to a mortgage lender of the unsatisfied indebtedness on a mortgage loan upon its assignment to the VA. A mortgage lender will ordinarily suffer a monetary loss on a VA guaranteed loan only where the difference between the unsatisfied indebtedness and the proceeds of a foreclosure sale of a mortgaged premises is greater than the original guaranty, adjusted for payments. Any foreclosed single family properties that the Authority does not convey after receipt of payment pursuant to mortgage insurance or a guaranty, are sold by the Authority in accordance with customary practice. For a discussion of the FHA, VA, RD and PMI mortgage insurance and guaranty programs, see APPENDIX C – "SUMMARY OF CERTAIN FEDERAL HOUSING AND MORTGAGE PROGRAMS" in this Part 2.

The Authority generally considers a mortgage loan in default and initiates default proceedings after such loan has been delinquent for 90 days, unless a forbearance agreement has been entered into with respect to such loan and such default proceedings may lead to a judicial foreclosure. While motions in Connecticut foreclosure actions are considered privileged matters and are heard on an expedited basis, judges' ability to render judgments is hampered by their growing case load. The action commences as any other civil action and, after service of process, the action may proceed to judgment within a short period of time relative to other types of civil actions, providing there are no defenses to the action. At the hearing for judgment, the court determines the mortgagor's equity in the property and sets a redemption or sale date accordingly. An unemployed or underemployed person who has had a mortgage on a dwelling that has served as his principal residence for not less than two years may, under certain circumstances, apply to the court for protection from foreclosure in the form of restructuring of the mortgage debt so as to provide for the payment of any arrearage in payments over a period of not more than six months. Section 49-31l of the Connecticut General Statutes established a court supervised foreclosure mediation program in actions to foreclose mortgages on residential property filed from July 1, 2008 to June 30, 2029. The program requires foreclosing mortgagees to notify mortgagors of its availability and provides for a stay of action for up to eight months. In addition, the rights of eligible property owners are protected in Connecticut foreclosure actions by Sections 8-265cc through 8-265kk of the Connecticut General Statutes known as the Emergency Mortgage Assistance Program. See "THE HOUSING MORTGAGE FINANCE PROGRAM – Other Portfolios Managed by the Authority" in this Part 2.

In 2025, the Authority completed foreclosure on 14 insured and/or uninsured conventional mortgages and recovered a substantial portion of principal and expenses. As of December 31, 2025, $11.7 million or 1.14% of outstanding principal balances of Home Mortgage Loans in the Home Mortgage Loan Portfolio were in various stages of foreclosure proceedings. The table below reflects delinquency information for the Home Mortgage Loan Portfolio.

Home Mortgage Loan Portfolio as of December 31, 2025

	Performing Loans	Non-Performing Loans			
Purchase Year	**(including 30-59 Days)**	**60-89 Days**	**90+ Days**	**In Foreclosure**	**Total**
2025	181	6	2	1	190
2024	107	8	6	0	121
2023	322	15	15	1	353
2022	250	9	8	2	269
2021	157	2	9	1	169
2020	142	4	4	2	152
2019	112	7	4	5	128
2018	174	3	8	4	189
2017	253	5	4	3	265
2016	327	8	17	3	355
2015 and Earlier	6,899	146	157	77	7,279
Total	8,924	213	234	99	9,470

	Performing Loans	Non-Performing Loans			
Insurance Type	**(including 30-59 Days)**	**60-89 Days**	**90+ Days**	**In Foreclosure**	**Total**
CHFA	42	1	0	0	43
FHA – VA – RDA	6,607	176	198	87	7,068
PMI	483	8	10	2	503
UNINSURED	1,792	28	26	10	1,856
Total	8,924	213	234	99	9,470

Multifamily Mortgage Loans

The Authority originates uninsured and privately insured or guaranteed loans for multifamily developments in accordance with its own guidelines, standards, and procedures, which may be modified from time to time, consistent with the Authority's experience and judgment. In the case of insured developments, both the Authority's and the insurers' processing procedures are applicable. In addition, the Authority has processed developments in conjunction with Federal mortgage insurance programs. The Authority participates in the HUD Risk Sharing Program and has the ability to process all developments through the Program to determine eligibility therein.

Pursuant to the Act, construction Multifamily Mortgage Loans made by the Authority may be advanced in installments as the work progresses, but the total of all advances made is not to exceed 90% of the project cost if the development is owned by a for profit mortgagor and 100% of the project cost if the development is owned by a non-profit mortgagor. The final installment of a construction mortgage loan may be either advanced to the mortgagor or retained in the discretion of the Authority until after the Authority inspects the development and determines that the mortgagor has complied with its requirements. The mortgagor or its contractor is also required to post 100% payment and performance surety bonds or to provide letters of credit or other assurances and guarantees as the Authority may deem necessary in amounts that are based upon the size and nature of the development. Permanent Multifamily Loans made by the Authority: (i) must not exceed 90% of the estimated cost of housing owned or to be owned by a profit making organization; (ii) must have a maturity no longer than fifty years from the date of the loan; (iii) must contain amortization provisions requiring periodic payment by the mortgagor not in excess of the mortgagor's ability to pay; and (iv) must be in such form and contain such terms and provisions with respect to property insurance, repairs, payment of taxes and assessments, defaults, delinquency charges, additional and secondary liens, equitable and legal redemption rights, and other matters as the Authority may prescribe.

Multifamily Mortgage Loan Processing and Servicing Procedures

The process described below generally is used by the Authority in evaluating, processing, financing and servicing multifamily residential housing.

Preliminary Evaluation. The Authority initially considers several aspects relating to each development. The Authority evaluates the proposed site to determine if it is physically suitable for the development. The sponsor must provide the Authority with evidence that the proposed development satisfies or will satisfy all local zoning requirements and proof of site control. The site is evaluated to determine its appropriateness for the housing to be provided based on location, accessibility to local services and facilities, available utilities, and density requirements. In the case of housing for the elderly, particular emphasis is placed upon proximity to such services and facilities, including medical care and senior citizen centers. An attempt is made to assure adequate site conditions compatible with the proposed housing through sound site engineering review.

The Authority generally arranges a meeting to discuss the proposal with the sponsor and evaluates the ability of a sponsor to complete and manage the proposed development and program requirements. The experience of the sponsor is reviewed and an evaluation is made of the proposed development team including architects, management agent, and general contractor.

Development Feasibility. After the preliminary evaluation of a development has been completed, the Authority proceeds to determine acceptable design criteria, construction plans and specifications, acceptability of the management program, and overall financing feasibility over the life of the mortgage loan. The Authority's staff reviews and analyzes the development for proper site utilization, compatibility of design with the neighborhood and design of the units, and other amenities. The construction feasibility is concerned with, among other items, environmental review, site conditions, construction type, the construction budget, compliance with equal opportunity requirements, the Americans with Disabilities Act requirements and other Federal and State requirements. The Authority accepts the design and construction proposal for the development, which includes site and landscaping plans. A cost analysis is conducted at this stage based on comparable data to determine development feasibility, and an evaluation is made as to whether the mortgage can support the construction costs.

In addition, the Authority continues its review of the qualifications of the proposed mortgagor, general contractor, architect, and managing agent of the development, as well as the budget for the development's operation. Consideration is given to whether the developer can meet the Authority's requirements for the maintenance and administration of the development and services to tenants of the development. The review includes acceptance of a marketing plan, if applicable.

The financial feasibility of the development is established by a review of operating expenses which meet the Authority's operational requirements. The Authority reviews estimated taxes, utility and heating costs, insurance, maintenance allowances, reserves for replacements and repairs, and general operating costs. After such review, the Authority determines if the proposed rental income and resultant net operating income is sufficient to cover debt service on the mortgage loan and operating costs (including reserves and escrow accounts and return on equity for limited dividend sponsors). In determining financial feasibility, the Authority reviews construction time and cost requirements and other aspects of the development that could affect feasibility.

Market Analysis. Developments expected to be financed by the Authority are analyzed and reviewed to determine marketability and market acceptance of the proposal. In addition, usually the Authority, at the applicant's expense, contracts with a third party professional for a market study and appraisal in form and content acceptable to the Authority, when required by the Authority.

Commitment to Finance. Upon approval of the feasibility of the development by the Authority's staff and an issuance of a firm commitment from HUD if such development is FHA insured, the proposal is either submitted for consideration by the Mortgage Committee and then to the Board of Directors for approval or submitted directly to the Board of Directors for approval, provided that certain small loans as determined by the Authority may be submitted

to a committee of senior staff for approval. This approval establishes the financial parameters of the mortgage loan(s), which includes loan terms and the proposed mortgage interest rate.

Construction Loan Closing. Prior to the loan closing, the Authority generally requires the submission of final plans and specifications, the contractor's trade payment breakdown of materials and labor, the construction contract, and other documents and exhibits acceptable to the Authority. The initial closing takes place before the disbursement of any loan proceeds and involves the execution of the mortgage loan documents, including, among other documents, the construction contract, and certification of environmental conditions acceptable to the Authority.

The Authority requires certain fees to be paid by the mortgagor at or prior to the closing of the mortgage loan. These and other fees may be eligible for reimbursement from loan proceeds following the execution of the mortgage.

The Authority observes construction progress on a continuing basis throughout the construction period. Construction advances are generally made monthly based on the percentage of work completed as determined by the contractor and verified by the Authority. Up to 10% of the amount due the contractor is retained by the Authority pending the completion of construction. The retainage may be reduced to a lesser amount between the time the development is substantially completed and the final mortgage closing by the Authority.

Assurance of Completion. The general contractor is required to execute a contract agreeing to complete construction in conformity with the plans and specifications for not more than the accepted contract amount. The contract typically provides that the contractor is liable for liquidated damages in the event that all construction is not completed on or before the required contract completion date. In order to assure completion of construction, the Authority currently requires 100% payment and performance bonds or, in lieu thereof, letters of credit or other assurances or guarantees as the Authority may deem necessary, in amounts that are based upon the size and nature of the development.

Development Cost Certification and Final Closing. When all units in a development are completed and ready for occupancy, a cut-off date is established for cost certification of the development and a certificate of substantial completion is issued. Final closing consists of a review and approval by the Authority of cost certifications by the mortgagor and the general contractor. In the case of an insured development, a review and approval by HUD of a certification by an independent certified public accountant of the total cost of the development and of operating income and expenses of the development through the cut-off date is required. Based upon such review, the mortgage loan amount for any development may be decreased or increased with the approval of the Authority. In the case of developments with FHA-insured mortgage loans, the approval of HUD is also required. For such developments, both HUD and the Authority's counsel review and approve the final title insurance policy and other closing documents, and the mortgage note receives final endorsement for insurance by FHA before the final construction disbursement is made. The Authority also reviews the mortgagor's insurance policies prior to closing to assure that sufficient amounts and kinds of insurance are in force as of final closing.

Tenant Selection, Marketing, and Management. The Authority requires that the mortgagor of each development be subject to a regulatory agreement between the Authority and the mortgagor. In addition, the mortgagor of an FHA-insured development is subject to a regulatory agreement between HUD and the mortgagor. Such regulatory agreements regulate the rents, occupancy, management and operations of the development and the profits of the mortgagor.

The Authority requires a management plan for each development covering all pertinent development operations. The management plan includes a tenant lease in a form accepted by the Authority, a statement of occupancy and eligibility requirements, affirmative marketing and tenant selection standards, required accounting and reporting procedures, and tenant relations policies. The Authority requires a management agreement prepared by the Authority to be executed between the mortgagor and the management agent. This agreement is reviewed and approved by the Authority (and HUD in the case of an insured development), and may be terminated by the Authority, or by HUD in the case of a development subsidized under Section 8 of the U.S. Housing Act of 1937, as amended ("Section 8") or an insured development, with or without cause by giving thirty days' notice to the mortgagor and agent.

Each development receiving Section 8 rent subsidies has a housing assistance payments contract ("HAPC"), which provides for subsidy payments through the Authority, a local housing authority, or directly from HUD to the mortgagor on behalf of eligible tenants. For such developments, the Authority requires the mortgagor to assign to the Authority all its right, title, and interest, including its right to renew the HAPC for successive periods and to receive subsidy payments in amounts sufficient to make payments of principal and interest on the mortgage loan when due.

From time to time, proposals have been discussed (and, in some instances, legislation has been introduced) by HUD and by members of Congress which, if enacted into law, promulgated as HUD regulations or adopted as official enforceable policies of HUD, would affect many HUD programs, including the Section 8 Program. Among the effects could be a reduction in the contract rents or in the annual adjustments thereof for Section 8 assisted multifamily developments. Any such reduction in such rents or such adjustments could adversely affect the financial feasibility of certain of these developments and the adequacy of rental income to pay principal and interest on the mortgage loans financing such developments. There can be no assurance that these proposals or legislation will or will not be enacted into law, promulgated as HUD regulations or adopted as official enforceable policies of HUD. See APPENDIX C – "SUMMARY OF CERTAIN FEDERAL HOUSING AND MORTGAGE PROGRAMS" in this Part 2.

The Authority monitors the operation of the development for compliance by the mortgagor with the provisions of each regulatory agreement and for compliance by the management agent with the terms of the management agreement and management plan. Each regulatory agreement requires an annual operating budget, annual audited financial statements or reviews, if applicable, and periodic reports for the development to be submitted. Except for uninsured unsubsidized units, changes in rents must be within HUD guidelines and, except for annual adjustments in Section 8 rents, must be approved by HUD if such development is insured or subsidized. Any such changes are reviewed by the Authority, and appropriate comments are transmitted to HUD for consideration. Market rate increases are initiated by the owner/developer and are reviewed for acceptability by the Authority.

Depending on the performance rating of a development, the Authority may require a periodic report on each of its multifamily developments that indicates occupancy rate, income received, expenses paid, accounts payable, accounts receivable, and cash on hand at the end of the period. Observations are performed based on performance rating. The Authority regularly monitors the status of escrow accounts and requires most mortgagors to submit audited annual financial statements prepared by a third party certified public accountant.

In addition to these financial checks, each development is visited for a physical observation based on its performance rating but at a minimum at least once every three years. A physical observation is performed to evaluate the physical condition of buildings, grounds, equipment, and the adequacy of preventive and corrective maintenance operation. Mortgagors and managing agents receive a written report of the physical observation findings. Management evaluations are performed during regular visits to each development by the staff member assigned to that development. An attempt is made to ensure that any defects noted in the physical observation have been corrected, and that the managing agent's record keeping, tenant selection, marketing, leasing, staffing, and servicing policies conform to those required in the regulatory and management agreements.

If the Authority has responsibility for administering the Section 8 contract for a particular development, it also reviews the mortgagor's compliance with initial tenant eligibility certification and recertification procedures and other requirements of the HAPC, including calculation of the tenant's income and rental contribution.

Reserve for Replacements, Escrow for Real Estate Taxes and Insurance Premiums, and Security Against Operating Deficits. The Authority requires each mortgagor to pay monthly amounts to fund escrow accounts for estimated real estate taxes, a reserve for replacement accounts and, if applicable, for a reserve for FHA insurance premiums, and fire and casualty insurance premiums for each development. The mortgagor may request the Authority to disburse funds from the reserve for replacements account from time to time for payment of the cost of replacement items. The Authority considers such reserves to be generally adequate for their purpose based on its experience to date, but there can be no assurance that the reserves so established will be large enough to pay all of the replacement costs which may be required in the circumstances of any particular case. Real estate taxes and insurance premiums are paid by the Authority for each development from amounts on deposit in the respective escrow accounts. In some

cases, the Authority may require the mortgagor to provide additional funding to mitigate potential operating deficits through letters of credit and/or cash escrows.

Servicing. The Authority performs the servicing functions on the Multifamily Mortgage Loan Portfolio.

Multifamily Mortgage Loan Portfolio

General. The Authority holds four separate portfolios of mortgage loans on multifamily properties or multi-unit developments under the Resolution: (i) the "Multifamily Mortgage Loan Portfolio," representing mortgage loans originally financed with the proceeds of Housing Mortgage Finance Program Bonds or amounts from the Investment Trust Subaccount (or its predecessor, the Authority's Investment Trust Fund), (ii) the "DECD and DOH Development Portfolio," also known as the State Sponsored Housing Portfolio (SSHP), consisting of Multifamily Mortgage Loans originally financed by the State and subsequently transferred to the Authority, (iii) the "Federal Grant Portfolio," consisting of amortizing and forgivable mortgage loans funded by the U.S. Treasury under its Tax Credit Assistance Program and the Tax Credit Exchange Program, respectively, and (iv) the other multifamily mortgage loan portfolios established under the various Board of Directors' approved programs and financed by the Investment Trust Subaccount. This section provides information only with respect to the Multifamily Mortgage Loan Portfolio and the DECD and DOH Development Portfolio. For a description of the Federal Grant Portfolio and the DECD Portfolio (of which the DECD and DOH Development Portfolio is a part), see "THE HOUSING MORTGAGE FINANCE PROGRAM – Other Portfolios within the Investment Trust Subaccount" and "– Other Portfolios Managed by the Authority" in this Part 2. Revenues from the Multifamily Mortgage Loan Portfolio constitute Pledged Receipts under the Resolution.

As of December 31, 2025, the aggregate outstanding principal balance of the Multifamily Mortgage Loan Portfolio and the DECD and DOH Development Portfolio (without regard to allowance for loan losses) was $1.56 billion consisting of $145 million of Construction Loans and $1.41 billion of Permanent Loans. The Multifamily Mortgage Loan Portfolio and DECD and DOH Development Portfolio are secured by 330 multifamily properties or development programs throughout the State, containing approximately 25,000 dwelling units. For a listing of each such property, the related mortgage loans, certain characteristics of each development, outstanding loan balances and loan rates, see Schedule A attached to this Part 2.

Developments Financed with the Proceeds of Bonds. As of December 31, 2025, the Multifamily Mortgage Loans within the portfolio that were originally financed with proceeds of Housing Mortgage Finance Program Bonds had an outstanding principal balance of $1.04 billion. In addition, as of March 31, 2026, the Authority had approximately $342 million of bond proceeds available to provide for the completion of multifamily developments under construction. The Multifamily Mortgage Loans financed with the proceeds of Housing Mortgage Finance Program Bonds were secured by 163 housing developments. As reflected in Schedule A, many of these developments also have: (i) mortgage loans that were not financed with proceeds of Housing Mortgage Finance Program Bonds and (ii) mortgage loans that were part of the DECD and DOH Development Portfolio.

Of these 163 developments, 54 are exclusively for the elderly. These mortgage loans have been sponsored by non-profit housing corporations or limited dividend housing organizations (including corporations, partnerships and individuals). Fifty-nine (59) of the 163 multifamily housing developments receive subsidies from HUD pursuant to the Section 8 program. Two (2) of the total number of developments are insured or partially insured under various FHA programs. Certain information with respect to the Section 8 housing assistance payments program and the various FHA insurance programs is contained in APPENDIX C – "SUMMARY OF CERTAIN FEDERAL HOUSING AND MORTGAGE PROGRAMS" in this Part 2. See "THE HOUSING MORTGAGE FINANCE PROGRAM – Housing Mortgage Finance Program Bonds" in this Part 2 for more information on the outstanding Bonds of the Authority.

Multifamily Mortgage Loan Portfolio Delinquencies and Foreclosures. As of December 31, 2025, the Authority had nine (9) Multifamily Mortgage Loans on its watch list of potentially problem loans with an aggregate outstanding principal balance of $12,142,558. The Authority actively engaged the mortgagors of such delinquent and other potentially delinquent loans in order to discuss the various alternatives available to resolve the default or avert any possible delinquencies. Additionally, the Authority has adopted a Multifamily Troubled Debt Restructuring

("TDR") program to evaluate and resolve multifamily mortgages which have either defaulted or have the potential of default on their mortgage obligations. Authority staff review all proposals for mortgage restructuring submitted under the TDR program. Proposals for mortgage restructuring are submitted to the Mortgage Committee and the Board of Directors for consideration, provided certain small loans, as determined by the Authority, may be submitted to a committee of senior staff for approval.

In an event where a resolution is not possible, the Authority would pursue other remedies including foreclosure. Prior to pursuing such proceedings, the Authority may obtain an environmental assessment. As of December 31, 2025, the Authority or its subsidiaries owned one project ("Real Estate Owned" or "REO"), which is currently valued on the Authority's books at the lowest of appraised value, the project's net operating income at the Authority's cost of funds at the time title transferred or the most recent real estate tax value. See table below entitled "Multifamily Real Estate Owned as of December 31, 2025." The Authority has the ability to create subsidiaries to own, operate and manage REO projects. Depending on market conditions and policy considerations, the Authority may hold or divest existing and/or add new REO project(s).

Multifamily Real Estate Owned as of December 31, 2025

Name	Location	Units	Type	Occupancy Rate %	Outstanding Mortgage Balance[1]	Current Carrying Value[2]
Eno Farms	Simsbury	50	Family	100	$1,300,000	$2,300,000
		50			$1,300,000	$2,300,000

(1) As of the date the Authority took title.
(2) Current carrying value is based on the appraised value at title date.

Preservation of Housing Affordability Program

The Authority has developed a Preservation of Housing Affordability Program to provide funding to assist in the preservation of affordable permanent rental housing where the affordability and/or subsidies are at risk of being lost. Financing solutions may include the sale, transfer, acquisition, rehabilitation and/or new permanent debt, with or without moratorium, debt restructuring and/or equity take out of existing housing properties subject to statutory limitations and the Authority's guidelines.

Housing Mortgage Finance Program Bonds

General. As of December 31, 2025, the Authority had issued $25.8 billion aggregate principal amount of Bonds pursuant to the Resolution, of which $6.2 billion aggregate principal amount was outstanding.

The following table presents certain information regarding the Authority's outstanding Bonds as of December 31, 2025, including the original principal amount issued and the range of interest rates for the Outstanding Bonds.

[TABLE APPEARS ON NEXT PAGE]

The following table presents certain information regarding the Authority's Outstanding Bonds as of December 31, 2025, including the original principal amount issued and the range of interest rates for the Outstanding Bonds.

BONDS ISSUED BY THE AUTHORITY, OUTSTANDING BONDS
(as of December 31, 2025)
(in 000's)

				Outstanding Principal Amounts by Coupon							
				Variable	Fixed						
Bond Issue	Dated Date	Amount Issued	Amount Outstanding*	Tender / Variable Rate Bonds	Call Priority Bonds	<2.00%	> or = 2.00% & < 3.25%	> or = 3.25% & < 3.75%	> or = 3.75% & < 4.50%	> or = 4.50% & < 4.75%	> or = 4.75% & < 5.00%	> or = 5.00%
Tax Exempt - Single Family Qualified Mortgage Bonds												
2014C	8/21/2014	141,230	34,195	17,750 (1)	-	-	2,250	4,515	9,680	-	-	-
2014D	11/13/2014	179,665	72,835	20,405 (1)	-	-	25,270	27,160	-	-	-	-
2015A	2/25/2015	150,000	63,730	-	-	-	4,235	24,800	34,695	-	-	-
2015C	8/6/2015	160,800	55,940	45,000 (1)	-	-	2,335	8,605	-	-	-	-
2016A	3/3/2016	185,000	104,910	40,000 (1)	-	-	46,785	18,125	-	-	-	-
2016B	5/12/2016	189,000	107,350	40,000 (2)	-	-	33,310	34,040	-	-	-	-
2016E	8/25/2016	185,000	99,050	40,000 (1)	-	-	59,050	-	-	-	-	-
2016F-1/2/3/5	11/15/2016	184,945	88,165	50,000 (1)	875 (5)	-	30,805	6,485	-	-	-	-
2017A-1/2/3	3/2/2017	163,000	48,070	38,000 (1)	2,425 (5)	-	-	5,855	1,790	-	-	-
2017C	5/11/2017	175,000	67,935	50,000 (2)	2,520 (5)	-	2,855	12,560	-	-	-	-
2017D	8/9/2017	175,000	97,745	50,000 (1)	2,585 (5)	-	19,580	25,580	-	-	-	-
2017F-1/2/3/4/5	11/14/2017	221,735	80,140	44,810 (1)	5,805 (5)	-	29,525	-	-	-	-	-
2018A-1/2/3	3/1/2018	165,560	60,390	47,465 (1)	4,125 (5)	-	-	8,800	-	-	-	-
2018B-1/2/3	5/10/2018	164,995	50,855	46,160 (1)	4,695 (5)	-	-	-	-	-	-	-
2018C-1/2/3/4	7/25/2018	163,025	62,350	45,185 (1)	7,775 (5)	-	-	9,390	-	-	-	-
2018E-1/2/3/4	11/6/2018	137,620	45,625	40,000 (1)	5,625 (5)	-	-	-	-	-	-	-
2019A-1/2/3	3/5/2019	107,980	46,250	34,130 (1)	6,880 (5)	-	1,415	1,865	1,960	-	-	-
2019B-1/2/3	5/9/2019	106,995	75,630	33,500 (1)	13,590 (5)	-	16,720	11,820	-	-	-	-
2019D-1/2/3	8/8/2019	105,985	71,935	35,000 (1)	14,070 (5)	4,430	18,435	-	-	-	-	-
2019F-1/2/4/5	10/29/2019	133,735	82,100	35,000 (1)	8,495 (5)	6,175	32,430	-	-	-	-	-
2020A-1/2/3	2/20/2020	132,850	99,770	31,250 (1)	15,800 (5)	1,005	44,010	-	-	-	-	7,705
2020C-1/2/3	8/13/2020	158,195	115,215	40,000 (1)	14,630 (5)	29,015	24,840	-	-	-	-	6,730
2020E-1/2/3/4	11/10/2020	224,475	104,710	15,000 (1)	11,125 (5)	18,910	59,675	-	-	-	-	-
2021D-1/2	10/5/2021	161,390	118,495	-	23,295 (5)	24,790	48,580	-	-	-	-	21,830
2022A-1/2/3	3/24/2022	103,900	83,245	20,000 (1)	23,940 (5)	-	25,625	-	-	-	-	13,680
2022C-1/2/3	7/21/2022	100,000	88,260	43,640 (1)	-	-	3,095	4,395	28,930	8,200	-	-
2022E-1/2	11/10/2022	147,815	131,575	30,000 (1)	34,485 (5)	-	-	4,500	20,535	11,680	30,375	-
2023A	3/23/2023	171,715	154,765	-	45,095 (5)	-	2,255	19,435	31,190	27,875	28,915	-
2023B	8/3/2023	146,830	135,435	-	37,335 (5)	-	2,545	11,210	29,125	55,220	-	-
2023D	11/14/2023	190,125	182,125	-	27,910 (5)	-	-	-	22,425	10,620	20,065	101,105
2024A	3/12/2024	197,195	190,850	-	28,520 (5)	-	6,905	24,265	65,535	65,625	-	-
2024C-1	5/23/2024	96,625	93,670	-	25,125 (5)	-	-	8,900	20,990	38,655	-	-
2024F-1	11/14/2024	206,410	206,410	-	-	-	-	-	49,800	51,310	105,300	-
2025A-1	2/6/2025	100,000	97,190	-	-	-	14,655	2,630	-	79,905	-	-
2025C-1/3	6/12/2025	100,000	99,990	80,000 (1)	-	-	-	9,200	2,625	2,845	5,320	-
2025E-1/3	11/13/2025	100,000	100,000	80,000 (1)	-	-	8,515	1,150	-	10,335	-	-
Sub-Total		$ 5,533,795	$ 3,416,905	$ 1,092,295	$ 366,725	$ 84,325	$ 565,700	$ 285,285	$ 319,280	$ 362,270	$ 189,975	$ 151,050
Federally Taxable - Single Family Mortgage Bonds												
2001D-4/5	12/20/2001	25,855	4,560	4,560 (3)	-	-	-	-	-	-	-	-
2019B-4	5/9/2019	15,000	3,275	-	-	-	-	3,275	-	-	-	-
2019D-4	8/8/2019	15,000	10,745	-	-	-	9,340	1,405	-	-	-	-
2019F-3/6	10/29/2019	24,600	1,340	-	-	-	1,340	-	-	-	-	-
2020A-4	2/20/2020	12,500	1,685	-	-	-	1,685	-	-	-	-	-
2024C-2	5/23/2024	150,000	147,690	-	-	-	-	-	-	-	2,645	145,045
2024E-1	9/24/2024	173,540	169,765	-	38,055 (5)	-	-	-	18,235	9,135	24,545	79,795
2024F-2	11/14/2024	92,235	88,040	-	40,930 (5)	-	-	-	15,965	11,895	13,070	6,180
2025A-2	2/6/2025	199,995	199,535	-	64,815 (5)	-	-	-	-	-	11,065	123,655
2025C-2	6/12/2025	250,000	248,930	-	80,800 (5)	-	-	-	2,475	8,910	5,800	150,945
2025E-2	11/13/2025	269,975	269,975	-	86,140 (5)	-	-	11,315	29,470	8,035	17,290	117,725
Sub-Total		$ 1,228,700	$ 1,145,540	$ 4,560	$ 310,740	$ -	$ 12,365	$ 15,995	$ 66,145	$ 37,975	$ 74,415	$ 623,345
Tax-Exempt - Mixed Single Family and Multifamily Pre-Ullman Bonds												
2013B-6	11/14/2013	30,080	15,775	15,775 (1)	-	-	-	-	-	-	-	-
2015E-2	12/16/2015	10,295	2,915	-	-	-	2,915	-	-	-	-	-
2016F-4	11/15/2016	8,410	5,510	-	-	-	3,935	1,575	-	-	-	-
2017A-4	3/2/2017	87,735	5,350	-	-	-	-	5,350	-	-	-	-
2019E-2	10/29/2019	50,015	19,045	-	-	12,515	6,530	-	-	-	-	-
2021A-1/2/3	2/24/2021	193,040	155,770	-	-	155,770	-	-	-	-	-	-
2021B-1/2/3/5	2/24/2021	150,115	104,655	-	11,365 (5)	36,330	56,960	-	-	-	-	-
2021E-1/2/4/5	10/27/2021	126,515	86,645	-	-	12,880	60,095	-	-	-	-	13,670
Sub-Total		$ 656,205	$ 395,665	$ 15,775	$ 11,365	$ 217,495	$ 130,435	$ 6,925	$ -	$ -	$ -	$ 13,670
Federally Taxable - Mixed Single Family and Multifamily Bonds												
2013A	2/28/2013	310,835	88,130	88,130 (3)	-	-	-	-	-	-	-	-
Sub-Total		$ 310,835	$ 88,130	$ 88,130	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

The following table presents certain information regarding the Authority's Outstanding Bonds as of December 31, 2025, including the original principal amount issued and the range of interest rates for the Outstanding Bonds.

BONDS ISSUED BY THE AUTHORITY, OUTSTANDING BONDS
(as of December 31, 2025)
(in 000's)

				Outstanding Principal Amounts by Coupon								
				Variable		Fixed						
Bond Issue	Dated Date	Amount Issued	Amount Outstanding*	Tender / Variable Rate Bonds	Call Priority Bonds	<2.00%	> or = 2.00% & < 3.25%	> or = 3.25% & < 3.75%	> or = 3.75% & < 4.50%	> or = 4.50% & < 4.75%	> or = 4.75% & < 5.00%	> or = 5.00%
Tax Exempt - Multifamily												
2014B	5/29/2014	62,005	44,305	-	-	-	-	3,110	41,195	-	-	-
2014F-1/3	12/4/2014	63,875	34,775	-	-	-	-	6,725	28,050	-	-	-
2015E-1/3	12/16/2015	50,040	18,260	-	-	-	1,275	1,670	15,315	-	-	-
2016C	7/14/2016	85,970	39,510	-	-	-	16,470	23,040	-	-	-	-
2016G	11/15/2016	36,590	16,795	-	-	-	1,600	6,825	8,370	-	-	-
2016D-1	11/30/2016	12,500	11,335	-	-	-	-	11,335	-	-	-	-
2017A-5	3/2/2017	15,495	5,045	-	-	-	1,600	780	2,665	-	-	-
2017E-1/3	10/25/2017	41,315	11,230	-	-	-	1,335	4,985	4,910	-	-	-
2018D-1/2	10/24/2018	70,645	30,395	-	-	-	795	890	28,710	-	-	-
2019E-1/3	10/29/2019	78,060	46,410	-	-	1,165	25,960	19,285	-	-	-	-
2020D-1/2/3	11/5/2020	119,685	45,045	-	-	1,765	43,280	-	-	-	-	-
2022B-1/2	5/10/2022	84,390	75,930	-	-	-	-	1,690	68,010	-	-	6,230
2022D-1/2	11/2/2022	55,200	24,700	-	-	-	-	645	2,125	1,260	10,440	10,230
2023C-1/2	10/31/2023	52,180	15,725	-	-	-	-	-	980	660	2,020	12,065
2024D-1/2	6/18/2024	122,915	116,165	-	-	-	-	3,060	66,315	5,555	41,235	-
2024E-2/3	9/24/2024	15,260	15,250	-	-	-	75	12,245	890	2,040	-	-
2025B-1/2	2/25/2025	47,105	46,930	-	-	-	1,910	15,560	6,330	23,130	-	-
2025D-1/2	10/28/2025	74,485	74,485	-	-	-	57,070	735	1,370	1,575	13,735	-
Sub-Total		$ 1,087,715	$ 672,290	$ -	$ -	$ 2,930	$ 151,370	$ 112,580	$ 275,235	$ 34,220	$ 67,430	$ 28,525
Federally Taxable - Multifamily Bonds												
2009D	12/22/2009	60,700	52,175	-	-	-	-	-	-	-	-	52,175
2013C	12/10/2013	40,000	30,320	30,320 (3)	-	-	-	-	-	-	-	-
2014F-2	12/4/2014	18,650	825	-	-	-	-	-	825	-	-	-
2021B-4	2/24/2021	47,455	32,250	-	-	6,410	25,840	-	-	-	-	-
2021C	9/15/2021	217,590	148,137	148,137 (3)	-	-	-	-	-	-	-	-
2021E-3	10/27/2021	20,000	10,425	-	-	1,920	8,505	-	-	-	-	-
2024B	3/14/2024	50,000	50,000	-	-	-	-	-	-	-	-	50,000
2025B-3/4	2/25/2025	73,880	73,845	-	-	-	-	-	270	1,120	32,625	39,830
2025D-3	10/28/2025	46,305	46,305	-	-	-	-	2,785	3,575	995	2,140	36,810
Sub-Total		$ 574,580	$ 444,282	$ 178,457	$ -	$ 8,330	$ 34,345	$ 2,785	$ 4,670	$ 2,115	$ 34,765	$ 178,815
Series No Longer Outstanding		$ 16,433,309	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total		**$ 25,825,139**	**$ 6,162,812**	**$ 1,379,217**	**$ 688,830**	**$ 313,080**	**$ 894,215**	**$ 423,570**	**$ 665,330**	**$ 436,580**	**$ 366,585**	**$ 995,405**

* As of December 31, 2025

(1) Variable Rate Bonds supported by Bank Liquidity Facility subject to tender

(2) Floating Rate Index Bonds subject to tender

(3) Floating Rate Index Bonds not subject to tender

(4) Term Rate Bonds subject to tender

(5) Planned Amortization Class Bonds

Subsequent Debt Service Payments and Redemptions. Subsequent to December 31, 2025, the Authority had the following principal debt service and redemption activity with respect to outstanding Bonds under the Resolution:

- On February 16, 2026, the Authority redeemed $25,965,000 of various Bonds issued under the Resolution;
- On May 5, 2026, the Authority redeemed $39,830,000 of 2009 Series D Bonds issued under the Resolution;
- On May 15, 2026, the Authority redeemed $41,240,000 of various Bonds issued under the Resolution and paid scheduled debt service of $92,415,000 on various Bonds issued under the Resolution; and
- On June 11, 2026, the Authority will redeem $15,245,000 of 2013 Series B Subseries B-6 Bonds issued under the Resolution.

Variable Rate Demand Bonds and Liquidity Facilities. The table below sets forth, as of December 31, 2025, the Authority's outstanding tax-exempt variable rate demand Bonds along with the corresponding liquidity support.

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Variable Rate Bonds Outstanding and Liquidity Providers

Bond Series	Bonds Outstanding 12/31/25	Bond Maturity	Liquidity Provider	Liquidity Facility Expiration Date
2013B-6	$15,775,000	05/15/34	Sumitomo Mitsui Banking Corporation	06/25/29
2014C-2	17,750,000	11/15/34	Sumitomo Mitsui Banking Corporation	06/25/29
2014D-3	20,405,000	11/15/34	Sumitomo Mitsui Banking Corporation	06/25/29
2015C-3	45,000,000	11/15/45	Royal Bank of Canada	08/04/27
2016A-3	40,000,000	11/15/45	Royal Bank of Canada	03/02/26†
2016B-4	40,000,000	11/15/46	JPMorgan Chase Bank, N.A.	02/12/27
2016E-3	40,000,000	11/15/46	State Street Bank and Trust Company	05/19/28
2016F-5	50,000,000	11/15/46	U.S. Bank National Association	05/14/27
2017A-3	38,000,000	11/15/47	State Street Bank and Trust Company	05/19/28
2017C-3	50,000,000	11/15/35	TD Bank, N.A.	05/13/27
2017D-3	50,000,000	05/15/39	TD Bank, N.A.	08/06/27
2017F-3	44,810,000	05/15/40	JPMorgan Chase Bank, N.A.	12/07/28
2018A-3	47,465,000	05/15/48	Bank of America, N.A.	03/01/27
2018B-3	46,160,000	11/15/48	Royal Bank of Canada	05/04/28
2018C-3	23,235,000	11/15/48	TD Bank, N.A.	07/20/28
2018C-4	21,950,000	05/15/39	TD Bank, N.A.	07/20/28
2018E-2	40,000,000	11/15/48	Bank of America, N.A.	11/06/26
2019A-2	10,800,000	11/15/41	U.S. Bank National Association	01/31/28
2019A-3	23,330,000	05/15/49	U.S. Bank National Association	01/31/28
2019B-2	13,630,000	11/15/39	Bank of America, N.A.	05/05/26††
2019B-3	19,870,000	11/15/43	Bank of America, N.A.	05/05/26††
2019D-3	35,000,000	11/15/43	State Street Bank and Trust Company	08/07/26
2019F-2	35,000,000	11/15/49	State Street Bank and Trust Company	10/28/26
2020A-3	31,250,000	05/15/50	Sumitomo Mitsui Banking Corporation	06/12/29
2020C-3	40,000,000	11/15/50	TD Bank, N.A.	08/08/28
2020E-3	15,000,000	11/15/50	State Street Bank and Trust Company	11/09/28
2022A-3	20,000,000	11/15/51	TD Bank, N.A.	03/24/27
2022C-2	20,000,000	11/15/52	JPMorgan Chase Bank, N.A.	07/20/28
2022E-2	30,000,000	11/15/52	Sumitomo Mitsui Banking Corporation	11/09/27
2025C-3	80,000,000	11/15/51	Royal Bank of Canada	06/11/30
2025E-3	80,000,000	11/15/51	JPMorgan Chase Bank, N.A.	11/09/29

† Subsequently extended to 02/25/31.
†† Subsequently extended to 05/04/29.

Liquidity contract entered after December 31, 2025:

2026A-3	$80,000,000	05/15/52	Bank of America, N.A.	02/12/30

Each liquidity agreement requires the related liquidity provider to purchase related variable rate demand Bonds that are tendered for purchase but not remarketed. Until remarketed, such Bonds purchased by the liquidity provider ("Bank Bonds") will bear interest and be subject to repurchase by the Authority in accordance with the related liquidity agreement. Payments of Sinking Fund Installments and payment at maturity of and interest on Bank Bonds are on a parity with such payments on all Bonds under the Resolution, payments by the Authority to repurchase Bank Bonds under the related liquidity agreement are not. If a liquidity agreement expires or is not replaced with an alternate liquidity agreement prior to the maturity of the variable rate demand Bonds, the applicable Bonds will be subject to mandatory tender for purchase. As of December 31, 2025, no Bank Bonds were Outstanding.

Interest Rate Swap Agreements. The Act was amended in 1993 by Public Act No. 93-33, and the Resolution supplemented in accordance therewith, to provide for agreements to moderate interest rate fluctuations ("Swaps"). See "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION – Issuance of Additional Obligations" in this Part 2. Pursuant to such authorization, the Authority has entered into a number of Swaps in connection with Bonds issued under the Resolution. Generally, scheduled payments made by the Authority to the Swap provider under the Swaps are on a parity with the Bonds and payments made by the Swap provider to the Authority under the Swaps constitute Pledged Receipts under the Resolution. The Authority may from time to time enter into additional Swaps in the future to the extent such action is deemed economically prudent and consistent with the Authority's objectives.

Under certain circumstances (including certain events of default with respect to the Authority or the provider), a swap agreement executed by the Authority under the Resolution may be terminated in whole or in part prior to its stated expiration date. Following any termination of a swap agreement, either the Authority or the swap provider may owe a termination payment to the other, depending upon market conditions and the events that caused such swap agreement to terminate. Under certain circumstances, the Authority could owe a Termination Payment to the related Swap Provider which could be substantial. The obligation of the Authority to make regularly scheduled Swap Payments are on a parity with the related Bonds, while Termination Payments are required to be and are due and payable at the end of the year of termination and subsequent to the payment of debt service on Bonds and Swap Payments in that year. Such Termination Payments, to the extent not paid in such year, will become included in the calculation of "Operating Cost" in the subsequent year and paid in the priority set forth for Operating Costs.

As reflected in the following table, certain Authority Swaps (the "LIBOR Swaps") provided for payment of a variable rate based on United States dollar-denominated LIBOR with a one-month or three-month tenor through June 30, 2023. Since July 1, 2023, the counterparties to the LIBOR Swaps have substituted one-month and three-month LIBOR with compounded overnight SOFR over one month period plus 11.448 basis points and compounded overnight SOFR over three months period plus 26.161 basis points, respectively (collectively "Libor Fallback Rate").

The following table presents a summary of the Authority's swap exposure as of December 31, 2025.

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Connecticut Housing Finance Authority
Swap Exposure

Counterparty	Bond Series	Notional Amount Outstanding	Effective/ Amendment Date	Termination Date	Index Rate	Fixed Rate	Optional Early Termination Date
Bank of America, N.A.	2018E-2, 2018C-3, 2018C-4 & 2017C-3	$25,162,000	11/15/2018	11/15/2048	67% 3M LIBOR Fallback Rate	2.4710%	11/15/2038 and each 5/15 and 11/15 thereafter
	2016B-4	9,855,000	8/4/2009	11/15/2038	67% 3M LIBOR Fallback Rate	3.8490%	
	2016F-5	27,550,000	8/4/2009	11/15/2033	67% 3M LIBOR Fallback Rate	3.8450%	
	2016B-4	8,925,000	8/4/2009	11/15/2033	67% 3M LIBOR Fallback Rate	3.8550%	
	2016F-5	6,700,000	7/27/2022	11/15/2028	100% 1W SIFMA	4.8700%	
	2017C-3 & 2018C-3	11,935,000	7/27/2022	5/15/2032	67% 1M LIBOR Fallback Rate	4.3100%	
	2021C	4,560,000	7/27/2022	11/15/2027	167% 1M LIBOR Fallback Rate - SIFMA	5.8200%	
	Total	**$94,687,000**					
Bank of New York Mellon	2021C	$28,790,000	12/20/2001	5/15/2033	67% 1M LIBOR Fallback Rate	4.0900%	
	2001D-5	4,560,000	12/20/2001	11/15/2027	167% 3M LIBOR Fallback Rate - SIFMA	5.3600%	
	Total	**$33,350,000**					
Bank of New York Mellon	2017D-3, 2017F-3, & 2018A-3	$53,205,000	5/15/2018	5/15/2048	70% 3M LIBOR Fallback Rate	2.2475%	5/15/2038 and each 2/15, 5/15, 8/15 and 11/15 thereafter
	2018B-3	10,105,000	4/4/2018	11/15/2048	70% 3M LIBOR Fallback Rate	2.5000%	5/15/2038 and each 2/15, 5/15, 8/15 and 11/15 thereafter
	2017D-3, 2018A-3, & 2018B-3	49,630,000	8/4/2009	11/15/2038	67% 3M LIBOR Fallback Rate	3.4300%	
	2021C	8,005,000	8/4/2009	11/15/2028	67% 3M LIBOR Fallback Rate	3.8520%	
	2014D-3	20,405,000	8/4/2009	11/15/2034	67% 3M LIBOR Fallback Rate	3.4330%	
	2022A-3	15,000,000	3/24/2022	5/15/2031	100% 1W SIFMA	2.1725%	
	Total	**$156,350,000**					
Citibank, N.A.	2018C-3 & 2018C-4	$11,105,000	11/30/2009	5/15/2033	67% 1M LIBOR Fallback Rate	4.3520%	
	2021C	19,245,000	11/30/2009	5/15/2033	167% 1M LIBOR Fallback Rate - SIFMA	5.7400%	
	2019F-2	26,250,000	10/29/2019	11/15/2049	100% 1W SIFMA	1.7080%	
	2025E-3	$64,000,000	11/13/2025	11/15/2051	67% USD-SOFR	2.986%	11/15/2035 and each 5/15 and 11/15 thereafter
	Total	**$120,600,000**					

Counterparty	Bond Series	Notional Amount Outstanding	Effective/ Amendment Date	Termination Date	Index Rate	Fixed Rate	Optional Early Termination Date
Goldman Sachs Mitsui Marine Derivatives Products, L.P.	2018C-3 & 2018C-4	$8,115,000	3/7/2001	5/15/2032	67% 1M LIBOR Fallback Rate	4.1200%	
	2017C-3 & 2017F-3	25,470,000	8/1/2002	5/15/2033	67% 1M LIBOR Fallback Rate	3.9810%	
	2021C	13,980,000	3/7/2001	5/15/2032	167% 1M LIBOR Fallback Rate - SIFMA	5.4750%	
	Total	**$47,565,000**					
JPMorgan Chase Bank, N.A.	2025C-3	$64,000,000	6/12/2025	11/15/2051	67% USD-SOFR	3.2410%	11/15/2035 and each 5/15 and 11/15 thereafter
	Total	**$64,000,000**					
Royal Bank of Canada	2013B-6 & 2016E-3	$26,195,000	6/15/2015	11/15/2035	67% 3M LIBOR Fallback Rate	2.0515%	5/15/2025 and each 11/15 and 5/15 thereafter
	2016A-3	40,000,000	11/16/2015	11/15/2045	67% 3M LIBOR Fallback Rate	2.1325%	11/15/2025 and each 5/15 and 11/15 thereafter
	2015C-3	45,000,000	8/6/2015	11/15/2045	70% 1M LIBOR Fallback Rate	2.3625%	11/15/2025 and each 5/15 and 11/15 thereafter
	2016B-4	21,220,000	11/15/2018	11/15/2046	70% 1M LIBOR Fallback Rate	2.1400%	11/15/2028 and each 5/15 and 11/15 thereafter
	2016E-3	27,555,000	8/25/2016	11/15/2046	67% 3M LIBOR Fallback Rate	1.7970%	11/15/2026 and each 5/15 and 11/15 thereafter
	2017A-3	38,000,000	3/2/2017	11/15/2047	67% 3M LIBOR Fallback Rate	2.3350%	11/15/2026 and each 5/15 and 11/15 thereafter
	2019A-2	5,000,000	3/5/2019	5/15/2029	67% 3M LIBOR Fallback Rate	1.8600%	
	2019B-2 & 2019B-3	25,125,000	5/9/2019	11/15/2043	67% 3M LIBOR Fallback Rate	1.9990%	11/15/2033 and each 5/15 and 11/15 thereafter
	2020C-3	30,000,000	8/13/2020	11/15/2050	100% 1W SIFMA	1.2660%	11/15/2040 and each 5/15 and 11/15 thereafter
	2022C-2	15,000,000	7/21/2022	11/15/2037	100% 1W SIFMA	2.9980%	11/15/2031 and each 5/15 and 11/15 thereafter
	Total	**$273,095,000**					
Toronto-Dominion Bank	2018B-3	$10,105,000	6/4/2018	5/15/2028	70% 3M LIBOR Fallback Rate	2.0710%	
	2018E-2 & 2018C-3, 2018C-4 & 2017C-3	25,168,000	11/15/2018	11/15/2028	67% 3M LIBOR Fallback Rate	2.2420%	

Counterparty	Bond Series	Notional Amount Outstanding	Effective/ Amendment Date	Termination Date	Index Rate	Fixed Rate	Optional Early Termination Date
	2014C-2 & 2020E-3	26,200,000	12/17/2020	11/15/2030	100% 1W SIFMA	0.7231%	
	Total	**$61,473,000**					
U.S. Bank National Association	2019A-2 & 2019A-3	$18,500,000	3/5/2019	5/15/2049	67% 3M LIBOR Fallback Rate	2.2900%	5/15/2034 and each 5/15 and 11/15 thereafter
	2019D-3	26,230,000	8/8/2019	11/15/2043	67% 3M LIBOR Fallback Rate	1.4725%	11/15/2032 and each 2/15, 5/15, 8/15 and 11/15 thereafter
	Total	**$44,730,000**					
Wells Fargo Bank N.A.	2017F-3	$13,140,000	10/4/2000	11/15/2031	100% 1W SIFMA	5.3970%	
	Total	**$13,140,000**					
Wells Fargo Bank N.A.	2020A-3 & 2021C	$27,920,000	8/4/2009	5/15/2036	67% 3M LIBOR Fallback Rate	3.4175%	
	2016F-5	14,250,000	11/15/2016	11/15/2046	67% 3M LIBOR Fallback Rate	1.8200%	
	2022E-2	22,500,000	11/10/2022	11/15/2037	100% 1W SIFMA	3.8480%	11/15/2031 and each 5/15 and 11/15 thereafter
	Total	**$64,670,000**					

Swap agreement entered after December 31, 2025:

JPMorgan Chase Bank, N.A.	2026A-3	$64,000,000	2/12/2026	5/15/2052	63% USD-SOFR plus 0.14%	3.1620%	5/15/2034 and each 5/15 and 11/15 thereafter

Application of Recoveries of Principal from Home Mortgage Loans. The principal payments for each additional Series of Bonds issued to finance Home Mortgage Loans are scheduled in amounts that, together with the remaining principal and interest payments on outstanding Bonds, reflect the scheduled principal payments of the mortgage loans expected to be financed with the proceeds of such Bonds, together with the remaining scheduled principal and interest payments on previously financed mortgage loans, without taking into account expected receipt of Recoveries of Principal.

Home Mortgage Loans financed by the Authority permit partial or complete prepayment without penalty and may also be terminated prior to final maturity as a result of such events as default, sale, condemnation, or casualty loss. Amounts received as a result of prepayment or termination of Home Mortgage Loans and similar amounts received with respect to Multifamily Mortgage Loans and Mobile Manufactured Home Loans constitute Recoveries of Principal. Under the Resolution, such amounts are segregated and may be used to finance new mortgage loans (to the extent permitted by the Code) or redeem Bonds. Pending such use, amounts may be invested in Investment Obligations.

To the extent that Recoveries of Principal are actually received, the payment of principal of and interest on Bonds will depend, in part, upon the ability of the Authority (i) to use the resulting Recoveries of Principal to purchase or make mortgage loans on which the scheduled amortization payments will be in such amounts and available at such times that scheduled payments of principal of and sinking fund installments and interest on the Bonds can be made or (ii) to use such Recoveries of Principal to redeem or purchase Bonds. If reinvestment of Recoveries of Principal in

Home Mortgage Loans is not feasible or permitted by the Code, the Authority would expect to use those Recoveries of Principal in excess of amounts necessary to make payments of principal of the applicable Series of Bonds to purchase or redeem Outstanding Bonds. Time periods for which Bonds may be called for redemption from Recoveries of Principal vary among each Series of Bonds. Since Home Mortgage Loans financed by the Authority do not provide for a prepayment penalty upon termination, any cost of carrying such Recoveries of Principal until applied to the payment of Bonds or any such termination payment would have to be provided from Pledged Receipts.

The Authority considers numerous factors when determining which particular Bonds are to be selected for redemption from time to time. Such factors include, but are not limited to, (i) constraints imposed by federal tax law, (ii) Resolution or particular series resolution redemption provisions regarding within series bond redemptions and cross series bond redemptions, (iii) economic considerations as to interest costs on Outstanding Bonds compared to estimated interest costs on anticipated future Bond issues to refund or replace such Outstanding Bonds, (iv) annual cashflow balances between Bond debt service requirements and the scheduled Pledged Receipts or projected Recoveries of Principal on its Home Mortgage Loans, and (v) financing plans for issuing additional bonds to finance Home Mortgage Loans. These factors are reviewed regularly, together with the record of the actual Pledged Receipts and Recoveries of Principal, and, accordingly, no assumptions or representations can be made as to how or which of these or other factors will affect the determination, from time to time, of the Authority as to which particular Bonds the Authority will select for redemption.

The table attached hereto as Schedule B sets forth, as of December 31, 2025, the historical rate of prepayment (expressed as a percentage of SIFMA) in prior calendar years with respect to the Home Mortgage Loan Portfolio and the Agency Security Portfolio. The table attached hereto as Schedule C sets forth, for each Series of Outstanding Bonds that are qualified mortgage bonds and for other types of Outstanding Bonds, collectively, the total aggregated principal amount of the Home Mortgage Loan Portfolio and the Agency Security Portfolio that are allocated to such Series for federal tax law purposes. Also presented is the current principal balance and weighted average coupon of such combined allocated Portfolio that was originated in each calendar year.

Currently, under the Internal Revenue Code of 1986, as amended (the "Code"), subject to a $250,000 per issue de minimis exception, repayments and prepayments of principal received more than ten years after the date of issuance of certain qualified mortgage bonds (or, to the extent bonds are treated as refunding bonds, directly or through a series of refundings, the respective dates of issuance of the original bonds) may not be used to make additional mortgage loans but must be used to retire or redeem bonds (the "Ten-Year Rule"). Portions of the loan principal payments and loan prepayments received with respect to each issue of Bonds issued under the Resolution to finance Home Mortgage Loans will be subject to the limitations of the Ten-Year Rule. The portions of the loan principal payments and loan prepayments subject to the Ten-Year Rule increase in percentage over time until they reach 100%. The dates as of which portions or all of the loan principal payments and loan prepayments received with respect to each series of Outstanding Bonds issued under the Resolution to finance Home Mortgage Loans (expressed in percentages of the total of loan principal payments and loan prepayments received as of each date) become subject to the Ten-Year Rule are listed in Schedule D attached hereto. The dates are for general reference only and may be modified upon review by the Authority and to the extent permitted or required by the Code. See the description of the redemption provisions applicable to the offered Series of Bonds described in Part 1 for the effect of the Ten-Year Rule on redemption of such Series of Bonds.

Other Portfolio Financed by the Housing Mortgage Finance Program Bonds

General. The Act authorizes the Authority to make or purchase, and to enter into commitments to make or purchase, construction and permanent mortgage loans to finance or refinance the construction, rehabilitation, purchase, or leasing of single family and multifamily housing for low and moderate income families and persons throughout the State or for families and persons of all income levels in eligible urban areas. In accordance with the Act, the Authority has utilized or financed other housing-related portfolios with bond proceeds that satisfy the requirements of the Resolution. The following paragraph describes the portfolio financed with bond proceeds.

Mobile Manufactured Home Loan Portfolio. For the purpose of assisting State residents to purchase mobile manufactured homes to be located in manufactured housing communities, Section 8-251(c) of the Connecticut General

Statutes provides for the Authority to set aside not less than $2 million to be used to provide loans directly to such residents and further provides that such loans shall not require the purchase of private mortgage insurance and shall accept an annual renewable lease for the lot on which such home is located. The Authority requires that mobile manufactured homes financed with Mobile Manufactured Home Loans must be primary residences. Between 2006 and 2019, the Authority purchased 23 of such loans using approximately $1 million of bond proceeds. Since 2020, the Authority has funded the portfolio using proceeds from the Investment Trust Subaccount. In 2024, the Authority made significant changes to the program parameters including but not limited to: increasing the loan-to-value ratio to 100% and allowing both first-time and non-first-time buyers including existing owners to apply for such a loan. In 2025, the Authority recapitalized the program by adding $10 million from the Investment Trust Subaccount. In 2026 and moving forward, the Authority will fund such loans using taxable bond proceeds and recoveries of principal from the portfolio. As of December 31, 2025, the outstanding loan balance of this portfolio was $8.3 million.

Other Portfolios within the Investment Trust Subaccount

General. The Authority has previously deposited and from time to time continues to deposit assets and monies in the Investment Trust Subaccount of the Surplus Account maintained under the Resolution in accordance with its terms. See "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION – Surplus Account" herein. In accordance with the provisions of the Resolution, these amounts and earnings thereon may be expended for "mortgages, mortgage loans, assistance payments or otherwise as may be consistent with and pursuant to any authorized program or purpose of the Authority," including for loans that would otherwise not qualify as Home Mortgage Loans, Multifamily Mortgage Loans or Mobile Manufactured Home Loans under the Resolution. The following paragraphs describe the principal asset portfolios held in the Investment Trust Subaccount.

The DECD Portfolio. On April 9, 2003, the Authority acquired various housing assets from the State Department of Economic and Community Development ("DECD") (including various home acquisition, rehabilitation, repair and homeowner assistance loans), which assets were previously owned and serviced by the State, known as the DECD Portfolio or State Sponsored Housing Portfolio ("SSHP"). Pursuant to the provisions of Section 506(4) of the General Resolution, in fiscal year 2003, the Authority reallocated $45 million of its current budgeted expenditure of cash resources in the Investment Trust Subaccount of the Surplus Account in order to facilitate this authorized purpose of the Authority. Total expenditure of funds for this purpose was $85 million. In 2016 and pursuant to Public Act No. 16-1, the Authority acquired additional multifamily assets valued $16.1 million from the Department of Housing ("DOH") for $15 million. The outstanding loan balance of this portfolio as of December 31, 2025 was $153.8 million (comprised of $153.56 million in the DECD and DOH Development Portfolio (multifamily) and $0.27 million in the DECD Consumer Portfolio (single family)). The Authority expects to hold and service these assets so that net earnings will be available for future housing programs, but the Authority can give no assurance as to the future performance of the portfolio.

Reverse Annuity Mortgage Portfolio. Section 8-265i of the Connecticut General Statutes requires the Authority to implement and administer Reverse Annuity Mortgage ("RAM") program. RAM is available to homeowners seventy years of age or older in need of long-term care to remain in their homes and to avoid entering a nursing home. Qualified homeowners would be able to borrow up to 70% of the home value and receive monthly payments for in-home or out-of-home care. As of December 31, 2025, there were no active RAM loans in this portfolio The outstanding loan balance of this portfolio as of December 31, 2025 was $1.05 million.

The Small Loan Pool Portfolio. In 2014, the Authority established a pilot revolving loan pool to help finance small, 3- to 20-unit multifamily properties through qualified Community Development Financial Institutions ("CDFIs") by earmarking $5 million from the Investment Trust Subaccount. The program allows CDFIs to access low cost of capital to finance the acquisition and rehabilitation of vacant or blighted multifamily properties. In 2017, the program was extended and the funding was increased by $2 million. In 2018, the State of Connecticut Office of Policy and Management ("OPM") desired to participate in the program if the properties met certain financing parameters. OPM subsequently agreed to allocate $5 million to the program and the Authority agreed to match OPM's allocation and increased its funding by an additional $5 million. In 2023, the program was amended to include 2-unit multifamily properties. In 2025, the program was further amended to include single-family homeownership properties and the

Authority funding increased by $8 million. The outstanding loan balance of this portfolio as of December 31, 2025 was $19.1 million.

Other Portfolios Managed by the Authority

General. The Authority, as required or permitted by the Act, has entered into various agreements with the State, been appointed to act as administrator for various federal programs and established a new fund held outside of the Investment Trust Subaccount. Unless described otherwise, assets within the mentioned portfolios are reflected in the Authority's financial statements. The following paragraphs describe in summary other portfolios managed by the Authority.

The DAP Portfolio. In 1995, Public Act No. 95-250 transferred the Downpayment Assistance Program ("DAP") from the Department of Housing to the Authority. DAP provides second mortgages to eligible first-time home buyers to assist in the purchase of eligible one to four family dwellings. On July 23, 1999, DECD transferred all performing loan assets and equity interests related to DAP, in an approximate par amount of $72.0 million, to the Authority. Since the transfer, the Authority has received additional capital infusion from the State, made additional loans under DAP and paired such loans with Home Mortgage Loans. The outstanding loan balance of this portfolio as of December 31, 2025 was $133 million.

The EMAP Portfolio. The Act, specifically Sections 8-265cc through 8-265kk of the Connecticut General Statutes, requires the Authority to administer the Emergency Mortgage Assistance Program ("EMAP"). EMAP affords homeowners the opportunity to avoid foreclosure by enabling them to obtain financial assistance from the State, acting through the Authority. Under these provisions, a qualified homeowner may obtain a loan from the Authority to bring a delinquent mortgage or delinquent lien current, and may also obtain assistance with respect to subsequent mortgage or lien payments, to a maximum period of 60 months. If the homeowner defaults at any time during the period of assistance, the lender or lienholder is then permitted to continue prosecution of the foreclosure action. The outstanding loan balance of this portfolio as of December 31, 2025 was $43 million.

The Federal Grant Portfolio. The Federal Grant Portfolio consists of mortgage loans made through the Tax Credit Assistance Program ("TCAP") and the Tax Credit Exchange Program ("TCEP"). TCAP provided direct funding to the Authority through HUD. The Authority received an allocation of $26.2 million from HUD for investment in projects awarded Low Income Housing Tax Credits ("LIHTCs"). In 2009, the Authority was provided authorization to allocate the TCAP funds to several developments in Connecticut. TCEP provided the Authority with the ability to exchange returned or unused federal LIHTCs with the U.S. Treasury for a grant at a fixed price. All unused or returned credit allocation from 2007 and 2008 were eligible to be exchanged, as was part of the Authority's 2009 credit allocation. The Authority has provided assistance of TCEP funds to several developments across the State. These programs were part of the American Recovery and Reinvestment Act of 2009. TCAP loans are all non-interest bearing notes with varying loan terms with principal due at maturity. All recovered principal from TCAP loans may be reinvested at the Authority's discretion. TCEP loans are also non-interest bearing notes in which 6.67% of principal is forgiven each year over 15 years so long as there is no event of default. The outstanding loan balance of this portfolio as of December 31, 2025 was $31 million.

The Opportunity Fund. In 2020 and in conjunction with the Authority's Strategic Capital Analysis, the Board of Directors approved the establishment of the Opportunity Fund (the "OF"). Proceeds from the OF would be utilized for mission driven initiatives including but not limited to, making homeownership or multifamily loans or buying down interest rates. Beginning with the 2021 Annual Budget and for each Annual Budget thereafter, the Authority transferred a portion of proceeds in the Investment Trust Subaccount to the OF. Through December 31, 2025, the Authority has transferred $64 million to the OF.

The TTO Portfolio. At the December 2021 State Bond Commission ("SBC") meeting, SBC approved a request totaling $20 million from the DOH to fund a first-time homebuyer assistance program ("Time-to-Own" or "TTO") where such program provides loans to eligible buyers to fund up to twenty-five percent of the home or as determined by DOH. The loan terms will be not less than zero percent interest per year and for a term of not more than ten years. Additionally, the loans may be forgiven on a pro-rata basis over the term of the loan. DOH requested

the Authority to administer TTO and in June 2022, the Authority launched TTO and paired TTO loans with Home Mortgage Loans. Since June 2022, SBC has approved multiple requests from DOH to recapitalize TTO and as of December 2025, SBC has approved $255 million in total. The outstanding loan balance of this portfolio as of December 31, 2025 was $199 million.

The B4CT Portfolio. In June 2023 and as part of the 2024-2025 biennium budget, the State approved an allocation totaling $200 million from DOH to the Authority to finance workforce housing projects. Subsequently, after and through collaboration with DOH, the Authority launched the Build for CT ("B4CT") program to address housing needs of middle-income renters. B4CT provides subordinate below market interest rate financing to developers in partnership with approved senior lenders to facilitate the creation of middle-income units. Each project must restrict 20% of the total units to middle-income renters earning between 60% and 120% of area median income. SBC approved the first draw totaling $50 million at an October 2023 meeting. As of December 2025, SBC has approved $200 million in total. The outstanding loan balance of this portfolio as of December 31, 2025 was $106 million.

Future Plans

The Authority expects to finance Home Mortgage Loans including Agency Securities with monies derived from any of the following five available sources: (i) the sale of additional Bonds or notes issued in anticipation of Bonds, as provided in the Resolution, (ii) Recoveries of Principal on Home Mortgage Loans previously financed by the Authority under the Resolution, (iii) funds in the Surplus Account under the Resolution, (iv) amounts on deposit in the Housing Mortgage Capital Reserve Fund and the Housing Mortgage General Fund under the Resolution, and (v) the issuance of bonds or notes outside of the Resolution.

The Authority expects to continue making Multifamily Mortgage Loans with or without federal subsidy or insurance by utilizing proceeds derived from the sale of additional Bonds or notes issued in anticipation of Bonds, as provided in the Resolution, funds in the Surplus Account under the Resolution, proceeds derived from the Housing Revenue Bond Indenture (as defined below) and proceeds derived from the FHLBB Credit Agreement (as defined below). However, actual funding of any development will depend upon various factors, including feasibility, market conditions, and applicable legislation, including the Act. See "THE AUTHORITY – Purpose and Organization" and "THE HOUSING MORTGAGE FINANCE PROGRAM – Multifamily Mortgage Loans" in this Part 2.

The Authority is authorized to incorporate one or more subsidiaries, and to transfer to any such subsidiary any monies, real or personal property, or any housing financed by an Authority mortgage and acquired by foreclosure or otherwise. Each subsidiary will have all the privileges, immunities, tax exemptions and other exemptions of the Authority, except the privileges, immunities, tax exemptions and other exemptions provided under the Connecticut General Statutes for Special Capital Reserve Funds. Each such subsidiary is authorized to assume or take title to such housing subject to any existing mortgage and to mortgage, convey, or dispose of its assets and pledge its revenues to secure any borrowing for the purpose of refinancing, rehabilitating, or improving its assets. Each such borrowing or mortgage will be a special obligation of the subsidiary, which obligation may be in the form of bonds, bond anticipation notes and other obligations to the extent permitted under the Act, payable solely from the assets, revenues, and other resources of the subsidiary, and no such mortgage, borrowing, or pledge of security may eliminate requirements relating to housing that preserve housing for persons and families of low and moderate income without the express written consent of the Authority. The Authority is permitted to make housing mortgage loans to each such subsidiary, following standard Authority procedures, from the proceeds of its bonds, notes, and other obligations, provided the source and security for the repayment of such mortgage loans is derived from the assets, revenues, and resources of the subsidiary and without recourse to the general funds, revenues, and resources of the Authority pledged under the Resolution. Each subsidiary will be subject to suit and liability solely from its own assets, revenues, and other resources and without recourse to the general funds, revenues, resources, or other assets of the Authority. The Authority has created and is creating subsidiaries to own, operate and manage certain multifamily projects. See "THE HOUSING MORTGAGE FINANCE PROGRAM – Multifamily Mortgage Loans" in this Part 2.

Current Markets

As a result of low inventory, elevated interest rates and high costs, the Authority experienced higher demand for subordinate financing including down payment loans and opportunity fund loans under its Home Mortgage Loan Portfolio and Multifamily Mortgage Loan Portfolio, respectively. In response to the market dynamics, the Authority modified its existing subordinate financing programs and launched new products to address the needs of Connecticut residents and multifamily developers. As a result of higher demand, the Authority has issued more taxable bonds and will continue to use taxable proceeds to supplement its tax-exempt bonds to fund Home Mortgage Loans and Multifamily Mortgage Loans.

Changes in Federal or State Law

Legislation affecting the Bonds and the Authority's Mortgage Loans may be considered and enacted by the United States Congress or the Connecticut General Assembly. No assurance can be given that the consideration or enactment of any such legislation will not have an adverse effect on the value of, the timing or amount of payments of, or the security for the Bonds or other risks.

The United States Congress may pass consumer protection and bankruptcy legislation (including legislation that would allow bankruptcy courts to reduce or "cram down" the principal amounts and/or interest rates on mortgage loans on principal residences) as a result of the adverse effects of the mortgage situation on individuals and families in the United States. Likewise, the Connecticut General Assembly may enact consumer protection legislation relating to mortgage loan origination and servicing. Such legislation, if enacted, could have an adverse effect on the Authority's Housing Mortgage Finance Program, including its ability to originate new Mortgage Loans, to collect payments under Mortgage Loans and to foreclose on property securing Mortgage Loans.

In years past, a number of state regulatory authorities took action against certain loan originators and servicers for alleged violations of state laws. Certain of those actions prohibit those servicers from pursuing foreclosure actions. In response to alleged abusive lending and servicing practices, the State could enact legislation or implement regulatory requirements that impose limitations on the ability of mortgage loan originators and servicers to take actions (such as pursuing foreclosures) that may be essential to service and preserve the value of the Mortgage Loans. Any such limitations that applied to the Authority's Mortgage Loans could adversely affect the Authority's ability to collect amounts due on such loans and could impair the value of such loans.

Geographic Concentration in Connecticut

Different geographic regions of the United States from time to time will experience weaker regional economic conditions and housing markets, and, consequently, may experience higher rates of loss and delinquency on mortgage loans generally. Any concentration of the mortgage loans in a region may present risk considerations in addition to those generally present for similar securities without that concentration. If the mortgage loans are concentrated in one or more regions, a downturn in the economy in these regions of the country would more greatly affect the mortgage portfolio than if the mortgage portfolio were more diversified. All of the Authority's Mortgage Loans are secured by mortgaged properties in the State, which may be affected by a national economic downturn. Because of the geographic concentration of the mortgaged properties within the State, losses on the Mortgage Loans may be higher than would be the case if the mortgaged properties were more geographically diversified. If the residential real estate markets in an area of concentration experience an overall decline in property values after the dates of origination of the respective mortgage loans, then the rates of delinquencies, foreclosures and losses on the mortgage loans may increase and the increase may be substantial, which could have a material adverse effect on the Authority's financial condition.

Management Discussion of Revenues and Debt Service

The Authority has projected an approximation of its operating results during the period the Bonds are outstanding under the Resolution on the basis of specific assumptions. Such assumptions include regularly scheduled payments of principal and interest on Home Mortgage Loans and Multifamily Mortgage Loans, receipt of Recoveries

of Principal on Home Mortgage Loans based on various prepayment assumptions, earnings on various accounts and the payment of bond interest based on various rates for variable rate bonds. Mortgage and investment data reflect all material transactions, and expectations of subsequent activity concerning each particular mortgage loan and investment held by the Authority, including an analysis of delinquencies, foreclosures, and other aspects of several mortgage loans for multifamily housing. As a result of such projections, the Authority expects that Pledged Receipts, including earnings on various accounts and Recoveries of Principal under the Resolution, will be sufficient to pay, as the same become due, the reasonable and necessary Operating Costs of the Authority and the Principal Installments and interest on the Bonds.

THE ACTUAL OPERATIONS OF THE HOUSING MORTGAGE FINANCE PROGRAM MAY VARY FROM THE PROJECTIONS AS PRESENTLY PREPARED. Among other things, this variance may be due to the extent that (i) the Authority suffers losses as a result of defaults and assumptions on mortgage loans that are not fully covered by insurance, (ii) the Authority is not able to invest in mortgage loans in accordance with its present commitments or reservations or plans with respect to the proceeds of Bonds (see "THE HOUSING MORTGAGE FINANCE PROGRAM" in this Part 2), (iii) prepayments of the Home Mortgage Loans financed or to be financed are either greater or smaller than the amount estimated in establishing the assumptions, (iv) actual investment income varies from the estimated amount due to changes in interest rates and the length of time such investments are held, and (v) withdrawals from the Housing Mortgage Capital Reserve Fund differ from those projected.

The Code requires, in general, that any amount the Authority earns on its investments with respect to tax exempt mortgage revenue bonds issued after 1980 for the purpose of financing Home Mortgage Loans, in excess of the amount that would have been earned on such investments, except for investments in mortgage loans, had such investments provided a return equal to the yield on their respective issues, must be paid or credited to the mortgagors or the United States. For such Bonds issued after 1988, any such amount must be paid to the United States. The Code also requires, in general, that certain amounts the Authority earns on investments with regard to tax exempt bonds issued for multifamily mortgage loans after August 15, 1986, except for investments in mortgage loans, must be paid to the United States. Investment earnings have been assumed at a rate below the yields on those issues, and therefore no such payment or credit is reflected.

Should interest rates on mortgage loans on Connecticut residential property (or on the types of other obligations in which monies in the funds and accounts under the Resolution may be invested) decline substantially from the rates now prevailing and remain at such lower rate for a significant period of time there is a possibility that the Authority might not be able to continue to make permanent and temporary investments generating a sufficient yield to pay operating costs and debt service on its Bonds without recourse to monies available for this purpose in the Housing Mortgage Capital Reserve Fund. Should this contingency occur, the Authority, to the extent practicable, expects to purchase or redeem Bonds so as to minimize or to eliminate any possible need to resort to the Housing Mortgage Capital Reserve Fund for this purpose.

As described under "SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION," Pledged Receipts are applied under the Resolution first for operating costs, second for debt service and third for transfer to the Investment Trust Subaccount of the Surplus Account. During 2025, operating costs (exclusive of servicing fees) were approximately $39.6 million, and the Authority's budget for such costs for 2025 was approximately $45.5 million. For purposes of the preceding discussion, the following assumptions have been made:

(a) the Authority's estimate of annual Pledged Receipts (net of servicing fees retained by servicers) from Home Mortgage Loans and Multifamily Mortgage Loans that it has financed or committed to finance, or for which it has reserved funds, assumes the unexpended proceeds of other Series of Bonds and Recoveries of Principal on hand will be disbursed in a manner consistent with their respective series resolutions. The Authority projected Recoveries of Principal on all Home Mortgage Loans based on various prepayment assumptions for 30 year fixed rate level payment loans, incorporating a loss factor based on current experience, and otherwise assumed that all other mortgage loans, except certain mortgage loans pertaining to multifamily projects that have been or are in the process of being restructured, would be paid as scheduled and would not be prepaid or otherwise terminate prior to maturity;

(b) the Authority's estimate of certain investment income includes (i) earnings on actual investments current in the Housing Mortgage Capital Reserve Fund and reinvestment of existing principal upon maturity and computed on the basis that the amounts in such fund would exceed the Housing Mortgage Capital Reserve Fund Maximum Requirement, so that investment earnings on such amounts would not be required to be retained in such fund, (ii) earnings on unexpended proceeds of Outstanding Bonds and unexpended Recoveries of Principal, and (iii) earnings on amounts that the Authority expects to be in the Principal Installment Account and Interest Account of the Housing Mortgage General Fund;

(c) the Authority's estimate of the amounts of principal to be withdrawn from the Housing Mortgage Capital Reserve Fund is computed on the basis that after each withdrawal the balance remaining in the Housing Mortgage Capital Reserve Fund would at least equal the Housing Mortgage Capital Reserve Fund Maximum Requirement at the time of such withdrawal;

(d) the estimated total funds available for operating costs and debt service is the sum of the Authority's estimates contained in paragraphs (a), (b), and (c) above;

(e) the Authority's estimate of debt service payable in each year with respect to all Outstanding Bonds is being estimated as the amount of principal installments (including mandatory sinking fund installments) and interest payable each year with respect to such Bonds, based on various interest rate assumptions for variable rate bonds, making the further assumption that certain Bonds would be redeemed prior to maturity in a manner consistent with their respective series resolutions and in accordance with mandatory sinking fund requirements and as may be required due to restructuring of certain multifamily projects; and

(f) the Authority's estimate of amounts that may be utilized for operating costs and other purposes, as permitted under the Resolution and the Act, is the difference between paragraphs (d) and (e).

OTHER ACTIVITIES

Activities other than the Housing Mortgage Finance Program permitted by the present provisions of the Act include the following.

Federal New Issue Bond Program

In October 2009, the U.S. Department of Treasury (the "Treasury"), the Federal Housing Finance Agency and Fannie Mae and Freddie Mac (the "GSEs"), announced the Federal New Issue Bond Program (the "Federal NIBP"), under authority of the Housing Economic Recovery Act of 2008. Pursuant to the Federal NIBP, the GSEs purchase bonds from housing finance agencies created by any of the states or any possession, territory or commonwealth of the United States or any political subdivision thereof ("HFAs") and package them into GSE guaranteed securities for delivery to and purchase by Treasury. The HFA bonds consist of bonds issued to finance single family mortgage loans or multifamily mortgage loans; provided, that if issued to finance single family mortgage loans, these HFA bonds may not consist of more than 60% of a bond issue. The GSE purchased HFA bonds were required to bear interest rates that at the time of issuance of the bonds were either fixed to maturity or were monthly reset bonds that would convert in calendar year 2010 or 2011 to rates fixed to maturity. The fixed interest rates were expected to be lower than prevailing interest rates available through a public bond offering.

The Authority received from Treasury an allocation for GSE purchase of approximately $27 million of multifamily bonds and $191 million of single family bonds, and accordingly, in December 2009, the Authority issued $191,720,000 Single Family Special Obligation Bonds, Series 2009 (Program Bonds) (the "SF NIBP Bonds") and $27,610,000 Multifamily Special Obligation Bonds, Series 2009 (Program Bonds) (the "MF NIBP Bonds" and together with the SF NIBP Bonds, the "NIBP Escrow Bonds"), the proceeds of which were required to be held in escrow pending satisfaction of certain conditions, including the issuance by the Authority of additional taxable or tax exempt single family bonds (the "NIBP Market Bonds," and together with the NIBP Escrow Bonds, the "NIBP Bonds") to be sold to the general public in up to six tranches before the end of calendar year 2011.

The NIBP Bonds were issued as special obligation bonds under two new separate bond resolutions for single family (the "Single Family Special Obligation Bond Resolution") and multifamily (the "Multifamily Special Obligation Bond Resolution"). Accordingly, the NIBP Bonds issued pursuant to such resolutions, and any additional bonds authorized to be issued thereunder (including bonds not issued under the Federal NIBP), are not and will not be secured by a pledge of Pledged Receipts or Recoveries of Principal under the Resolution and any mortgage loans or participations in mortgage loans financed by such bond issues will have been transferred to the respective special obligation resolution and will not be assets that are subject to the lien of the Resolution. By 2012, the Authority had issued $128,000,000 principal amount of NIBP Market Bonds and converted all $191,720,000 of the SF NIBP Bonds to long term fixed rates of interest and released the proceeds thereof for purchase of Home Mortgage Loans or participations in Home Mortgage Loans. The Authority had also converted all $27,610,000 of MF NIBP Bonds to long term fixed rates of interest and released the proceeds thereof for funding of Multifamily Mortgage Loans. On July 1, 2021, the Authority refunded and redeemed all remaining SF NIBP Bonds and NIBP Market Bonds in full. As of December 31, 2025, $20,890,000 of MF NIBP Bonds were outstanding.

Special Needs Housing Projects

The Authority has adopted an indenture of trust (the "Special Needs Housing Indenture of Trust") (previously known as the "Group Home Indenture of Trust") pursuant to the Act for purposes of funding special needs housing projects, which to date have consisted of (i) group homes for housing persons who are intellectually or developmentally disabled, (ii) assisted living demonstration projects which provide affordable housing for residents with special housing needs and (iii) supportive housing facilities which provide housing for one or more persons or families that are homeless or at risk of homelessness and meet the requirements of subsection (d) of Section 17a-485c of the Connecticut General Statutes, as amended. In addition to the group homes, assisted living facilities and supportive housing projects, the Authority has issued bonds under the Special Needs Housing Indenture of Trust to provide financing for EMAP.

Bonds issued under the Special Needs Housing Indenture of Trust shall be limited obligations of the Authority, the principal of, redemption price, if any, and interest on which shall be payable solely from the revenues, receipts, funds or monies pledged therefor as provided thereunder. The revenues are derived principally from the property cost allowance of the room and board portion of payments made to group home residents by the Department of Social Services ("DSS") from State and Federal aid and from rental subsidy payments made with respect to assisted living facilities from DECD to the Authority. The revenues do not include (i) amounts received from the State on account of debt service for bonds issued for supportive housing facilities pursuant to a contract (the "State Assistance Agreement"), among the State Treasurer, the Secretary of the Office of Policy and Management ("OPM") and the Authority, which payments are pledged solely to the payment of the principal of, redemption price, if any, and interest on supportive housing bonds, or (ii) amounts received from the State on account of debt service for bonds issued to provide financing for EMAP pursuant to a contract (the "EMAP State Assistance Agreement"), between the Authority and the State, acting by and through the Secretary of OPM and the State Treasurer, which payments are pledged solely to the payment of the principal of, redemption price, if any, and interest on EMAP bonds.

Pursuant to Section 17a-485(e) of the Connecticut General Statutes, the State authorized up to $105 million of the State Assistance Agreement to support the financing of supportive housing bonds. As of December 31, 2025, $19,400,000 of supportive housing bonds were outstanding. Pursuant to Section 8-265bb of the Connecticut General Statutes, the State authorized up to $50 million of the EMAP State Assistance Agreement to support EMAP bonds. As of December 31, 2025, $18,280,000 of EMAP bonds were outstanding.

In addition, except for (i) bonds issued to finance supportive housing facilities, which are supported by payments made pursuant to the State Assistance Agreement for which the State has pledged its full faith and credit, and (ii) bonds issued to fund EMAP, which are supported by payments made pursuant to the EMAP State Assistance Agreement for which the State has pledged its full faith and credit, all bonds issued to date under the Special Needs Housing Indenture of Trust are also secured by a special capital reserve fund established therefor, for which amounts are deemed appropriated from the State's general fund under circumstances similar to those under which amounts in the Housing Mortgage Capital Reserve Fund are deemed appropriated. As of December 31, 2025, $167,565,000 of

bonds have been issued under the Special Needs Housing Indenture of Trust that are also secured by a special capital reserve fund, of which $51,940,000 were outstanding.

Housing Revenue Bonds

The Authority has adopted its Housing Revenue Bond General Trust Indenture dated as of September 1, 2023 ("Housing Revenue Bond Indenture") to permit the Authority to issue limited revenue obligation bonds which finance the loan of bond proceeds from the Authority to the respective borrowers for the acquisition, construction, rehabilitation, and equipping of approved affordable housing developments. Each series of bonds issued under the Housing Revenue Bond Indenture shall be issued pursuant to a separate supplemental indenture and, in some cases, separate financing or loan agreements. Such bonds, separately issued, were outstanding as of December 31, 2025 in the aggregate principal amount of $64,370,000. These limited revenue obligation bonds are each separately secured by, among other things, revenues and assets pledged under the supplemental indenture for such series of bonds. None of the Authority's other assets or revenues, including amounts held in any fund or account established pursuant to the Resolution, are pledged to the payment of these limited revenue obligation bonds. The bonds issued under the Housing Revenue Bond Indenture are not supported by the Housing Mortgage Capital Reserve Fund.

HUD Related Activities

Performance Based Contract Administration. The Authority had been selected by HUD to act as a Performance Based Contract Administrator (PBCA) effective January 2014; however, subsequent legislation requires HUD to report to Congress on a state by state contracting methodology.

Multifamily Accelerated Processing. The Authority has received conditional approval from HUD to become a Multifamily Accelerated Processing (MAP) lender.

Revolving Credit Facilities

The Authority has entered into a Revolving Credit Agreement, dated November 4, 2021, as amended (the "Revolving Credit Agreement I"), between the Authority and Wells Fargo Bank, National Association, pursuant to which the Authority may issue Notes (the "Notes I") thereunder from time to time on a revolving basis in a principal amount not to exceed $75 million. Proceeds thereof will be used to redeem Bonds in exchange for an equal amount available therefor released from the lien and pledge of the Resolution and thereupon held by the Custodian under the Revolving Credit Agreement I. Payment of principal of Notes I and interest thereon are general obligations of the Authority, for which its full faith and credit are pledged, and are additionally secured by such exchanged amounts held by the Custodian. The Notes I are *not* secured by the lien and pledge of the Resolution or by the Housing Mortgage Capital Reserve Fund or any other capital reserve fund. Principal of Notes I is expected to be paid with proceeds of future Bond issuances. Interest on Notes I will be payable on the first business day of each month (i) prior to the occurrence of an Event of Default under the Revolving Credit Agreement I, at a rate reset daily, equal to the sum of a spread based on the ratings of the Bonds and Daily Simple SOFR (or if Daily Simple SOFR is no longer available or determinable, at a fluctuating rate per annum determined to be equal to the Prime Rate in effect at such time until an alternate rate of interest and spread adjustment have been selected) and (ii) upon the occurrence of an Event of Default under the Revolving Credit Agreement I, at the Default Rate, which will be equal to not less than 10% per annum. The Expiration Date of the Revolving Credit Agreement I is July 29, 2026 (unless otherwise extended or terminated).

The Authority has entered into a Revolving Credit Agreement, dated April 27, 2022, as amended (the "Revolving Credit Agreement II"), between the Authority and Bank of America, N.A., pursuant to which the Authority may issue Notes (the "Notes II") thereunder from time to time on a revolving basis in a principal amount not to exceed $75 million. Proceeds thereof will be used for the purchase and warehousing of single family mortgage loans. Payment of principal of Notes II and interest thereon are general obligations of the Authority, for which its full faith and credit are pledged. The Notes II are *not* secured by the lien and pledge of the Resolution or by the Housing Mortgage Capital Reserve Fund or any other capital reserve fund. Principal of Notes II is expected to be paid with proceeds of future Bond issuances. Interest on Notes II will be payable on the last day of each monthly loan interest period, (i) prior to the occurrence of an Event of Default under the Revolving Credit Agreement II, at a rate equal to the sum of a spread

based on the ratings of the Bonds and Term SOFR (or if Term SOFR is no longer available or determinable, at a Successor Rate based on Daily SOFR; *provided* that if both Term SOFR and Daily SOFR are no longer available or determinable, interest will be payable at the Base Rate, which will be equal to not less than 7% per annum) and (ii) upon the occurrence of an Event of Default under the Revolving Credit Agreement II, at the Default Rate, which will be equal to not less than 11% per annum. The Revolving Credit Agreement II was terminated on February 27, 2026.

The Authority has entered into an Agreement for Advances, Collateral Pledge and Security Agreement, dated May 9, 2023 (the "FHLBB Credit Agreement"), with the Federal Home Loan Bank of Boston (the "FHLBB"), pursuant to which the Authority may borrow funds ("Advances") from time to time on a revolving basis in a principal amount not to exceed $100 million. Proceeds thereof will be used to make or purchase multifamily loans or federally guaranteed mortgage-backed securities ("MBS") consisting of multifamily or single family loans. On November 25, 2024, the Authority executed its first Advance to make a multifamily loan. Payment of principal and interest on Advances are general obligations of the Authority, for which its full faith and credit are pledged, and are additionally secured by loans or MBS financed by Advances and collateral pledged by the Authority. The Advances are not secured by the lien and pledge of the Resolution or by the Housing Mortgage Capital Reserve Fund or any other capital reserve fund. Principal of Advances is expected to be paid from principal receipts of loans or MBS financed by Advances or with proceeds of future Bond issuances. Interest on Advances shall be as set forth in the applicable Confirmation for the terms of each Advance; pursuant to the Resolution, Advances shall bear interest at a rate not to exceed (i) the rate of the multifamily loan such Advance is directly financing or (ii) in the event such Advance is used to finance the purchase of MBS or make single family mortgage loans, 8% per annum. The Expiration Date of the Resolution authority to obtain Advances is February 28, 2029 (unless otherwise extended), and any Advance shall mature no later than 45 years from the date of the related Advance. The aggregate outstanding Advances under this agreement as of December 31, 2025 was $14 million.

The Authority has entered into a Revolving Credit Agreement, dated as of November 1, 2023, as amended (the "Revolving Credit Agreement III"), between the Authority and U.S. Bank National Association, pursuant to which the Authority may issue Notes (the "Notes III") thereunder from time to time on a revolving basis in a principal amount not to exceed $75 million. Proceeds thereof will be used to purchase loans to be pooled to underlie mortgage-backed securities, which mortgage-backed securities will be thereupon deposited to the credit of the Resolution. Payment of principal of Notes III and interest thereon are general obligations of the Authority, for which its full faith and credit are pledged. The Notes III are *not* secured by the lien and pledge of the Resolution or by the Housing Mortgage Capital Reserve Fund or any other capital reserve fund. Principal of Notes III is expected to be paid with proceeds of future Bond issuances. Interest on Notes III will be payable on the first business day of each month, at a rate reset daily (other than on Saturdays, Sundays and days on which commercial banks are not open for business in New York), equal to the sum of a spread based on the ratings of the Bonds and one-month Term SOFR in effect on such day; *provided* that upon the occurrence and continuation of an Event of Default under the Revolving Credit Agreement III, interest will be payable at the Default Rate, which will be equal to not less than 12% per annum. The Expiration Date of the Revolving Credit Agreement III is November 19, 2026 (unless otherwise extended or terminated).

The Authority has entered into a Revolving Credit Agreement, dated as of April 1, 2025 (the "Revolving Credit Agreement IV"), between the Authority and PNC Bank, National Association ("PNC"), pursuant to which the Authority may issue Notes (the "Notes IV") thereunder from time to time on a revolving basis in a principal amount not to exceed $75 million. Proceeds thereof will be used to purchase loans to be pooled to underlie mortgage-backed securities, which mortgage-backed securities will be thereupon deposited to the credit of the Resolution. Payment of principal of Notes IV and interest thereon are general obligations of the Authority, for which its full faith and credit are pledged. The Notes IV are *not* secured by the lien and pledge of the Resolution or by the Housing Mortgage Capital Reserve Fund or any other capital reserve fund. Principal of Notes IV is expected to be paid with proceeds of future Bond issuances. Interest on Notes IV will be payable on the first business day of each month, and on the date on which the principal of any revolving loan is repaid, on the principal amount repaid, at a rate reset daily (other than on Saturdays, Sundays and days on which commercial banks are not open for business in Pittsburgh, Pennsylvania), equal to the sum of a spread and the Term SOFR Reference Rate in effect on such day for a one-month period (provided that, if the Authority has requested or received a revolving loan based on such Term SOFR Reference Rate, and such Term SOFR Reference Rate is no longer available or determinable, interest will be payable at the Base Rate, which will be equal to a fluctuating rate per annum equal to the higher of (i) the Overnight Bank Funding Rate, plus a spread,

and (ii) the Prime Rate in effect at such time; provided further that, if the Authority has not requested or received a revolving loan based on such Term SOFR Reference Rate, and it has been determined that such Term SOFR Reference Rate will no longer be available or determinable, interest will be payable at a fluctuating rate per annum equal to (i) SOFR for the date that is two business days prior to (x) the determination date, if such determination date is a business day or (y) the immediately preceding business day, if such determination date is not a business day, or (ii) if SOFR is no longer available or determinable, an alternate rate of interest selected by PNC; and provided further that, upon the occurrence and continuation of an Event of Default under the Revolving Credit Agreement IV, interest will be payable at the Default Rate, which will be equal to not less than 9% per annum). The Expiration Date of the Revolving Credit Agreement IV is April 9, 2027 (unless otherwise extended or terminated).

The Authority may enter into other revolving credit facilities in the future with terms that may or may not be similar to those of the existing Revolving Credit Agreements.

SUMMARY OF CERTAIN OF THE PROVISIONS OF THE RESOLUTION

The Resolution contains various covenants and security provisions, certain of which are summarized below. Various words or terms used in the following summary are defined in the Resolution and reference thereto is made for full understanding of their import. See also APPENDIX D – "DEFINITIONS OF CERTAIN TERMS" in this Part 2. The Resolution defines "Housing Mortgage Finance Program" to mean and include any act or thing done by the Authority for the purpose of alleviating the shortage of Housing through providing additional construction and permanent financing for Housing, by the making of commitments to purchase, and the purchase, servicing, and selling of Mortgage Loans, or the making of Mortgage Loans directly upon the security of any Mortgage, provided the underlying Mortgage Loans shall have been made and shall be continued to be used solely to finance or refinance the construction, rehabilitation, purchase, or leasing of Housing under the Act.

Resolution Constitutes Contract (Section 202)

The provisions of the Resolution shall constitute a contract between the Authority, the Trustee and the Holders from time to time of the Bonds and coupons, and the provisions, covenants and agreements to be performed on behalf of the Authority shall be for the equal benefit, protection and security of the Holders of any and all of the Bonds and coupons.

Pledge Effected by the Resolution (Section 501)

For the payment of principal and Redemption Price of, and interest on the Bonds, and the Sinking Fund Installments for the retirement thereof, there are pledged, subject to the provisions of the Resolution permitting the application thereof, for or to the purposes and on the terms and conditions set forth in the Resolution, the proceeds of sale of the Bonds, the Pledged Receipts and Recoveries of Principal, and all Funds established or confirmed by the Resolution, including Accounts thereof and monies and securities therein. See also information under the caption "Issuance of Additional Obligations" below.

Establishment of Funds and Accounts Therein (Section 502)

The Authority by the Resolution has established the following Funds and Accounts which are to be held as follows:

Fund		Held by
Housing Mortgage Capital Reserve Fund		Trustee
Housing Mortgage General Fund		Trustee
1)	Cost of Issuance Account	Trustee
2)	Bond Proceeds Account	Trustee
3)	Pledged Account	Trustee
4)	Recoveries of Principal Account	Trustee
5)	Operating Account	Authority
6)	Interest Account	Trustee
7)	Principal Installment Account	Trustee
8)	Surplus Account	Trustee
9)	Redemption Account	Trustee

Cost of Issuance Account (Section 503)

There shall be deposited in the applicable Series sub account of the Cost of Issuance Account the amount of monies necessary to pay the Cost of Issuance of each Series of Bonds from the proceeds of the Bonds of such Series, other monies received from time to time by the Authority or monies deposited therein from the Operating Account. The Trustee shall pay the Cost of Issuance of such Series of Bonds therefrom, and any excess in said sub account after the payment of the Cost of Issuance shall be transferred to the applicable Series sub account of the Bond Proceeds Account.

Bond Proceeds Account (Section 504)

There shall be deposited into the applicable Series sub account of the Bond Proceeds Account, the amount of proceeds of Bonds of any Series required to be deposited therein by the Series Resolution with respect to such Series. Monies in the Bond Proceeds Account may be expended only for the Financing of Mortgages under the Housing Mortgage Finance Program, payments of Notes of the Authority, repayment of monies advanced by the State to the Authority other than through operation of the Housing Mortgage Capital Reserve Fund, and to the extent other monies are not available, payment of Principal Installments of and interest on Bonds when due. A separate sub account has been established within the Bond Proceeds Account and additional temporary sub accounts may be established therein for deposits of proceeds of Notes.

Unless the Authority in any year shall Finance Mortgages from monies in each Series sub account of the Bond Proceeds Account, which require all Pledged Receipts to be paid prior to the final Principal Installment on the Outstanding Bonds of such Series and which Pledged Receipts are so scheduled as to approximate the Principal Installments and interest due in such year and all subsequent years on such Outstanding Bonds, to be determined by the Authority by considering the Pledged Receipts of other Mortgages Financed or to be Financed with monies in such Series sub account and reasonable factors that may result in a Recovery of Principal on such Mortgage and Recoveries of Principal on such other Mortgages, the Authority shall file with the Trustee a certificate, which is to be made available to any Bondholder upon request stating either that a Mortgage and the amount thereof has been Financed which calls for Pledged Receipts to be received after the final Principal Installment on the Outstanding Bonds of such Series, or that such a Mortgage and amount has been Financed without regard to the scheduling as permitted above, or, if applicable, making both such statements. At the direction of the Authority, monies unexpended in a Series sub

account of the Bond Proceeds Account shall be transferred to the applicable Series sub account of the Redemption Account.

Pledged Account (Section 505)

The Authority shall cause all monies (a) received by the Servicer, if there be one, or by the Authority, as Pledged Receipts and Recoveries of Principal, to be deposited promptly or at least once every two weeks with a Depository to be designated for each Acquired Program Mortgage by the Authority with the approval of the Trustee and subject to the control and direction of the Trustee, to the credit of the Pledged Account, (b) received as Swap Receipts to be deposited promptly in the Interest Account and (c) received as Termination Receipts to be deposited promptly in the Operating Account.

Upon receipt each month of a statement of account from the Authority, the Trustee from the Pledged Account shall deposit the amount of monies received as Pledged Receipts as set forth in the statement of account into the following Accounts and Fund, but as to each such Account and Fund only within the limitations herein below indicated with respect thereto and only after maximum payment within such limitation has been made into each such Account or Fund previously mentioned in the following tabulation:

FIRST: Into the Operating Account, the Monthly Requirement, to pay the reasonable and necessary monthly Operating Costs in accordance with the Annual Budget.

SECOND: Into the Interest Account, the amount necessary to increase the amount in such Account so that it equals the Interest Account Requirement on the Outstanding Bonds accrued and unpaid and to accrue to the fifteenth day of the then current month.

THIRD: Into the Principal Installment Account, assuming the accrual of Principal Installments on the same basis as interest accrues commencing one year prior to the next Principal Installment Date, and with respect only to the Principal Installments on Outstanding Bonds due and payable on the next succeeding November 15th or at any time within one year prior to such date, the amount necessary to increase the amount in such Account so that it equals such Principal Installments accrued and to accrue to the fifteenth day of the then current month.

FOURTH: Into the Housing Mortgage Capital Reserve Fund, the amount, if any, necessary to increase the amount in such Fund so that it equals the Housing Mortgage Capital Reserve Fund Maximum Requirement.

FIFTH: Into the Surplus Account, the amount remaining.

The Trustee shall deposit Recoveries of Principal into the sub account of the Recoveries of Principal Account of the Series of Bonds, the proceeds of which were used to Finance the Mortgage for which the Recovery of Principal has been received, as set forth on the statement of account; except that the Authority may direct the Trustee to deposit from any Recoveries of Principal in the Pledged Account into the Operating Account the amount, if any, necessary to increase the amount in the Operating Account so that it equals the Monthly Requirement.

Surplus Account (Section 506)

Monies in the Surplus Account are required, if needed, to be timely transferred to the Interest Account, the Principal Installment Account and the Housing Mortgage Capital Reserve Fund, and, if not so needed, such monies may be paid upon the direction of the Authority, on any date after November 11 and before December 2 of each year, first to the payment of any Termination Payment, any Subordinated Swap Payments or any termination payment on Swaps (other than Termination Payments) and then to the Redemption Account, to the surplus sub account of the Bond Proceeds Account or to the Investment Trust Subaccount in such amounts as the Authority shall determine, or to the Authority, free and clear of the lien and pledge of the Resolution, for any corporate purpose of the Authority, including the payment of Notes and the interest thereon, and, in the event the Authority determines it does not need such amounts

to keep it self-supporting, to repay the State such amounts paid to the Authority by operation of the Housing Mortgage Capital Reserve Fund. Failing exercise of such direction by the Authority, such monies shall be transferred by the Trustee to the Redemption Account.

There is established a separate sub account within the Surplus Account designated "Investment Trust Subaccount." There shall be transferred to the Housing Mortgage General Fund (i) any mortgages, mortgages loans or other assets previously made, financed or otherwise attributed to or accounted for by the Authority under its Investment Trust Fund, as approved by resolution on November 11, 1999 and (ii) any other mortgage, loan or other asset of the Authority which, from time to time, by resolution of the Authority is approved for deposit or transfer from the Investment Trust Fund to the Housing Mortgage General Fund. Upon such deposit or transfer, the related mortgage, mortgage loan or other asset will be deemed to have been credited to or shall be deposited in the Investment Trust Subaccount.

Monies in the Investment Trust Subaccount of the Surplus Account may be expended for either the Financing of Mortgages or, notwithstanding other provisions of the Resolution but under the Resolution, the making of mortgages, mortgage loans, assistance payments or otherwise as may be consistent with and pursuant to any authorized program or purpose of the Authority. Any money received on account of any Investment Trust Subaccount asset shall be treated as and deemed a Pledged Receipt under the Resolution unless there is a legal restriction on the use of such money by the Authority, provided, however, that, pending disbursement as an expenditure as set forth in the immediately preceding sentence hereof, and upon instruction from an Authorized Officer, the Trustee shall invest monies earned on such assets in such Subaccount in Investment Obligations so as to have monies, not otherwise restricted, available therefrom on each Interest Payment Date to pay any interest, Principal Installment or Swap Payment not then paid from the other amounts in the Interest Account or Principal Installment Account, as applicable.

Operating Account (Section 507)

There shall be paid into the Operating Account the Monthly Requirement, and there may be paid into the Operating Account any monies received by the Authority from any source, unless required to be otherwise applied as provided by the Resolution. Amounts in the Operating Account shall be paid out from time to time by the Authority for reasonable or necessary Operating Costs provided, however, the Authority may at any time deposit monies in the Operating Account into any other accounts of the Housing Mortgage General Fund or into the Housing Mortgage Capital Reserve Fund. To the extent that other monies are not available therefor, amounts in the Operating Account shall be applied to the payments of Principal Installments of and interest on Bonds or Swap Payments when due.

Interest Account (Section 508)

The Trustee shall pay out of the Interest Account to the respective Paying Agents for any of the Bonds, on the day preceding each interest payment date, the amount required for the payment of interest on the Bonds and Swap Payments due on such date and on the day preceding the Redemption Date or date of purchase, the amount required for the payment of accrued interest on Bonds redeemed or purchased for retirement unless the payment of such accrued interest shall be otherwise provided for, and such amounts shall be applied by the Paying Agents to such payment.

Principal Installment Account (Section 509)

The Trustee shall pay out of the Principal Installment Account to the respective Paying Agents, on the day preceding each Principal Installment date for any of the Bonds, the amounts required for the payment of principal due on such date and such amounts shall be applied by the Paying Agents to such payments.

The amount accumulated in the Principal Installment Account for each Sinking Fund Installment may and, if so directed by the Authority, shall be applied (together with amounts accumulated in the Interest Account with respect to interest on the Bonds for which such Sinking Fund Installment was established) by the Trustee prior to the forty fifth day preceding the due date of such Sinking Fund Installment to:

(a) The purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, at prices (including any brokerage and other charges) not exceeding the applicable Redemption Price, plus unpaid interest accrued to the date of purchase, such purchases to be made in such manner as the Trustee shall determine; or

(b) The redemption of such Bonds, pursuant to the Resolution, if then redeemable by their terms. As soon as practicable after the forty fifth day preceding the due date of any such Sinking Fund Installment, the Trustee, whether or not it then has monies in the Principal Installment and Interest Accounts sufficient to pay the applicable Redemption Price and interest thereon, shall proceed to call for redemption, pursuant to the Resolution, on such due date Bonds of the Series and maturity for which such Sinking Fund Installment was established in such amount as shall be necessary to complete the retirement of the principal amount, specified for such Sinking Fund Installment, of the Bonds of such Series and maturity.

Recoveries of Principal Account (Section 510)

Recoveries of Principal include monies received from any prepayment of principal on Acquired Program Mortgages, condemnation or foreclosure payments received by the Authority with respect to mortgaged premises, mortgage insurance proceeds, and amounts received from the sale of or other disposition by the Authority of any such Mortgage.

Amounts in the Recoveries of Principal Account shall be expended and applied by the Authority from time to time only to payments:

(a) For the Financing of Mortgages under the Housing Finance Program; and

(b) To the extent that other monies are not available, of Principal Installments of and interest on Bonds when due.

The Authority shall Finance Mortgages, from monies in each Series sub account of the Recoveries of Principal Account, which Pledged Receipts shall be so scheduled as to approximate the aggregate debt service requirement on the Outstanding Bonds of said Series, to be determined by the Authority by considering only the Pledged Receipts of other Acquired Program Mortgages applicable to such Series, provided, however, that the Authority shall not Finance at any one time Mortgages as aforesaid if the yield thereon would be less than the remaining interest cost of the Authority on the then Outstanding Bonds of such Series.

At any time, the Authority, by delivery to the Trustee of an Authorized Officer's certificate, is permitted and may direct the Trustee to transfer any monies in a Series sub account of the Recoveries of Principal Account to the sub account of such Series in the Redemption Account.

In addition, in lieu of transferring any monies in the Series sub account of the Recoveries of Principal Account to the sub account of such Series in the Redemption Account for the redemption of Bonds of such Series, the Authority, by delivery to the Trustee of an Authorized Officer's Certificate, is permitted and may direct the Trustee to transfer any monies in such Series sub account of the Recoveries of Principal Account to (a) any Series sub account of the Redemption Account for any other Series of Bonds or (b) the General Redemption sub account in the Redemption Account, for, in each case, the redemption of Bonds of any other Series at the Redemption Price and subject to the redemption provisions applicable in accordance with the Series Resolution authorizing the issuance of such other Series of Bonds; as a condition precedent to any such transfer, the Authorized Officer's Certificate shall identify the other Bonds to be redeemed and the applicable Redemption Price thereof, and shall demonstrate that the redemption of such other Bonds upon such transfer shall produce a cash flow, net present value, or other economic savings to the Authority, consistent with Section 707 and Section 713 of the Resolution, greater than would otherwise obtain from the redemption of Bonds of such Series.

Redemption Account (Section 512)

The Trustee shall establish in the Redemption Account a separate sub account for the Bonds of each Series, and has established a single separate sub account designated the General Redemption sub account. Any monies which are required or authorized to be transferred into a Series sub account of the Redemption Account from the Bond Proceeds Account or Recoveries of Principal Account shall be set aside in such Series sub account. Upon deposit of such monies in any such Series sub account, or within thirty days thereafter, the Authority may give written direction, signed by an Authorized Officer, of the Redemption Date, the maturity or maturities of the Bonds of such Series and the amounts thereof to be purchased or redeemed, subject to any limitations with respect thereto contained in the Resolution and the Series Resolution of such Series.

Amounts otherwise in the Redemption Account shall be applied by the Trustee to the purchase or redemption of Bonds (accrued interest on such Bonds to be provided out of the Interest Account), provided, however, subject to the provisions of any Series Resolution directing or permitting the application of any part of the monies in the Redemption Account to the purchase or redemption of Bonds of any particular Series, and subject to the redemption provisions of the Bonds, the Authority shall direct the selection of the Bonds to be purchased so as to apply amounts in said Account to such purposes as rapidly as in its judgment is reasonably practicable.

The Authority may, from time to time, by written instruction direct the Trustee to make purchases only after receipt of tenders after published notice.

Upon any purchase or redemption of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established other than by application of Sinking Fund Installments, an amount equal to the applicable Redemption Prices thereof shall be credited toward a part of all or any one or more of such Sinking Fund Installments, as directed by the Authority, or, failing such direction by the fifteenth day of the second month preceding the date of the applicable Sinking Fund Installment, toward such Sinking Fund Installments in inverse order of their due dates. Such applicable Redemption Prices shall be the respective Redemption Prices which would be applicable upon the redemption of such Bonds from the respective Sinking Fund Installments on the due dates thereof. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of the calculation of Principal Installments due on a future date.

Housing Mortgage Capital Reserve Fund (Section 513 and Section 713)

Upon the delivery of any Bonds pursuant to the Resolution, the Authority shall pay to the Trustee from the proceeds of such Bonds or otherwise, the sum of money, if any, necessary to increase the amount in the Housing Mortgage Capital Reserve Fund to the Housing Mortgage Capital Reserve Fund Maximum Requirement, which shall be an amount equal to the greatest amount of Principal Installments and Interest Account Requirement maturing and becoming due in the year in which such computation is made or in any succeeding calendar year on Outstanding Bonds. In addition to the amounts required to be deposited in the Housing Mortgage Capital Reserve Fund by the Resolution, in each year prior to the making and delivery of the certificate referred to below, and in any event before December 1 of such year, the Authority shall pay to the Trustee the sum of money, if any, necessary to increase the amount in the Housing Mortgage Capital Reserve Fund to the Housing Mortgage Capital Reserve Fund Maximum Requirement, from any monies available to the Authority and determined by the Authority to be utilized therefor.

The Authority covenants that it shall at all times maintain the Housing Mortgage Capital Reserve Fund and do and perform or cause to be done and performed each and every act and thing with respect to the Housing Mortgage Capital Reserve Fund provided to be done or performed by or on behalf of the Authority or the Trustee or the Paying Agents under the present terms and provisions of the Act and under the Resolution.

In order better to secure the Bonds and to make such Bonds marketable and to maintain in the Housing Mortgage Capital Reserve Fund an amount equal to the Housing Mortgage Capital Reserve Fund Minimum Requirement, which shall be an amount equal to the amount of Principal Installments and Interest Account

Requirement maturing and becoming due in the next succeeding calendar year on Outstanding Bonds, the Authority shall cause the Chairman annually, on or before December 1 of each year, to make and deliver to the Secretary of the Office of Policy and Management of the State his certificate stating the amount, if any, required to restore the Housing Mortgage Capital Reserve Fund to an amount equal to the amount of the Housing Mortgage Capital Reserve Fund Minimum Requirement. The Authority shall cause all monies due the Authority from the State in accordance with the provisions of the Act pursuant to any such certification to be paid by the State directly to the Trustee for deposit and credit to the Housing Mortgage Capital Reserve Fund in accordance with the Resolution.

If at any time any interest on Bonds or principal or Redemption Price of Bonds or any Sinking Fund Installment or any Swap Payment has become due and payment thereof in full has not been made or provided for, the Trustee shall forthwith withdraw from the Housing Mortgage Capital Reserve Fund an amount not exceeding the amount required to provide for such payment in full and subject to the terms and provisions of the Resolution apply the amount so withdrawn to such payment.

See also the information under the caption "Issuance of Additional Obligations."

Notes and State Monies (Section 514)

The Authority may, at any time or from time to time, issue Notes payable out of and which may be secured by a pledge of, such amounts as may be payable from time to time to the Pledged Account; provided, however, that the Notes shall be issued only for a purpose for which amounts in the Bond Proceeds Account could be applied and such pledge shall be, and shall be expressed to be, subordinate (except as to certain Bond proceeds pledged to pay Notes) to the pledge of the Pledged Receipts and Recoveries of Principal, monies, securities and Funds and Accounts thereof created by the Resolution. The proceeds of any Notes, except for amounts reasonable and necessary to pay expenses of the Authority in connection with the sale and issuance thereof, and any monies received from the State for the Financing of Mortgages under the Housing Mortgage Finance Program, except those received as a result of the operation of the Housing Mortgage Capital Reserve Fund, shall be deposited into a temporary sub account of the Bond Proceeds Account and shall be transferred or deemed transferred (i) to the Series sub account of the Series of Bonds, in the event the proceeds of such Series are applied for payments of such Notes or for payments to the State, or (ii) to the Surplus sub account of the Bond Proceeds Account in the event that the Authority applies monies in such Surplus sub account for the payments of such Notes or for payments to the State. Any Recoveries of Principal on a Mortgage Financed with proceeds of Notes may be used to pay outstanding Notes. The Authority is permitted to issue Notes in anticipation of Bonds and pledge the proceeds of such Bonds in priority to any other pledge, to the repayment of the Notes.

Payment of Bonds (Section 702)

The Authority covenants that it shall duly and punctually pay or cause to be paid the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner mentioned in the Bonds and in the coupons thereto appertaining, according to the true intent and meaning thereof, and shall duly and punctually pay or cause to be paid all Sinking Fund Installments, if any, becoming payable with respect to any Series of Bonds.

Powers as to Bonds and Pledge (Section 705)

The Authority covenants that it is duly authorized pursuant to law to authorize and issue the Bonds and to adopt the Resolution and to pledge the Pledged Receipts, Recoveries of Principal and other monies, securities and funds purported to be pledged by the Resolution in the manner and to the extent provided in the Resolution. The Authority further covenants to preserve the pledge of the Pledged Receipts, Recoveries of Principal and other funds, and all the rights of Bondholders under the Resolution, against all claims and demands by all persons.

Agreement of the State (Section 706)

In accordance with the provisions of the Act, the Authority as agent for the State does pledge to and agree with the Bondholders that the State will not limit or alter the rights vested by the Act in the Authority to fulfill the

terms of any agreements made with Bondholders or in any way impair the rights and remedies of the Bondholders until the Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the Bondholders, are fully met and discharged, provided nothing contained in the Resolution shall preclude such limitation or alteration if and when adequate provision shall be made by law for the protection of the Bondholders.

Tax Covenant (Section 707)

The Authority covenants to do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Authority on the Bonds shall, for the purposes of the Federal income tax, be exempt from all income taxation under any valid provision of law, except for any period that any Bond is held by a person referred to in Section 103(b)(13) [now Section 147(a) of the Internal Revenue Code of 1986, as amended] (a substantial user of the facilities or a related person) of the Internal Revenue Code of 1954, as amended.

The Authority covenants not to permit at any time or times any of the proceeds of the Bonds or other funds of the Authority to be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in subsection (c)(2) of Section 103 [now Section 143(g) and Section 148 of the Internal Revenue Code of 1986, as amended] of the Code unless the interest on the Bonds shall be excludable from the gross income of a recipient thereof for Federal income tax purposes without regard to compliance with the provisions of subsection (c) of Section 103 [now Section 143(g) and Section 148 of the Internal Revenue Code of 1986, as amended] of the Code.

In order to assure compliance with such covenants, thereby better securing and protecting the Bonds and making the Bonds more marketable, the Authority from the date of adoption of the Resolution covenants not to:

(a) Finance any Mortgage from the proceeds or Recoveries of Principal of each such Series of Bonds or from monies in the Surplus sub account in the Bond Proceeds Account that produces a yield in excess of the applicable maximum yield permitted by the Code.

(b) Invest or direct the Trustee to, and the Trustee shall not, invest any monies in any such Fund or Account or sub account in Investment Obligations that produce a yield in excess of such maximum applicable yield.

The tax covenant set forth herein shall only be applicable to Bonds of the Authority which are issued with the express provision to exclude the interest paid thereon by the Authority from all income taxation under any statutory provision of Federal law. The Authority may issue Bonds the interest on which may be includible under the Code, in accordance with the Act, and in such event, any Resolution provision designed to ensure such exemption from Federal income taxation shall be inapplicable to such taxable Bonds of the Authority.

Accounts and Reports (Section 708)

The Authority covenants that it shall keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all its transactions relating to the Housing Mortgage Finance Program and all funds and accounts established by the Resolution, which shall at all reasonable times be subject to the inspection of the Trustee and the Holders of an aggregate of not less than 5% in principal amount of Bonds then Outstanding or their representatives duly authorized in writing.

The Authority shall annually, within ninety days after the close of each Calendar Year, file with the Trustee a copy of an annual report for such Calendar Year, accompanied by an Accountant's Certificate setting forth in reasonable detail:

(a) Its operations and accomplishments;

(b) Its receipts and expenditures in accordance with the categories or classifications established by the Authority for its operating and Housing Mortgage Finance Program purposes; and

(c) Its assets and liabilities at the end of such Year, including all funds and accounts established by the Resolution, and a schedule of its Bonds Outstanding and Notes and other obligations outstanding at the end of such Calendar Year.

A copy of each such annual report and Accountant's Certificate shall be mailed promptly thereafter by the Authority to each Bondholder who shall have filed his name and address with the Authority for such purpose.

Budgets (Section 709)

The Authority shall prepare a preliminary budget covering its fiscal operations for the succeeding year at least sixty days prior to December 1 of each year and shall prepare a summary of such budget which summary shall be mailed to each Bondholder who shall have filed his name and address with the Authority for such purpose. In the event requested by the Holders of 10% or more in principal amount of Outstanding Bonds, the Authority shall hold a public hearing on the budget in the manner provided by the terms of the Resolution.

The Authority shall adopt an annual budget covering its fiscal operations for the succeeding calendar year not later than December 1 of each year, and file the same with the Trustee and with such officials of the State as may be required by the Act, as then amended. The annual budget shall at least set forth for such calendar year the estimated Pledged Receipts, Principal Installments and interest due and payable or estimated to become due and payable during such calendar year and estimated Operating Costs. The Authority may at any time adopt and file with the Trustee an amended annual budget for the remainder of the then current calendar year in the manner provided in the Resolution for the adoption of the annual budget. Copies of the annual budget and any amended annual budget shall be made available by the Trustee for inspection by any Bondholder.

Covenant with Respect to Housing Mortgage Finance Program (Section 714)

Except as otherwise authorized by the State Bond Commission, in order to provide sufficient monies with which to pay its Operating Costs and the principal, Sinking Fund Installments and interest when due and payable on its Bonds and Notes, the Authority shall from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act as then amended and in effect and with the provisions of the Resolution, use and apply the proceeds of the Bonds and Notes, to the extent not reasonably or otherwise required for other Housing Mortgage Finance Program purposes of the Authority, to Finance Mortgages pursuant to such Act as so amended and the Resolution, and shall do all such acts and things necessary to receive and collect Pledged Receipts and, when applicable, Recoveries of Principal, and shall diligently enforce, and take all steps, actions and proceedings for the enforcement of all terms, covenants and conditions of Acquired Program Mortgages.

Issuance of Additional Obligations (Section 717 and Section 207)

The Authority shall not hereafter create or permit the creation of or issue any obligations or create any additional indebtedness which will be secured by a charge and lien on the Housing Mortgage General Fund or Housing Mortgage Capital Reserve Fund, except that (a) additional Series of Bonds may be issued from time to time on a parity with the Bonds of the initial Series of Bonds and secured by an equal charge and lien on the Pledged Receipts or Recoveries of Principal and payable equally from the Housing Mortgage General Fund and Housing Mortgage Capital Reserve Fund, (b) the Authority expressly reserves the right to adopt one or more general bond resolutions for the purposes of the Housing Mortgage Finance Program and to issue bonds thereunder secured by an equal pledge or lien on the Housing Mortgage General Fund or the Housing Mortgage Capital Reserve Fund, provided the same does not create a charge or lien on the Acquired Program Mortgages, Pledged Receipts or Recoveries of Principal or any account or sub account of the Housing Mortgage General Fund established and maintained pursuant to and under the Resolution and (1) the authorization or issuance of such Bonds, if the same had been issued under the Resolution,

would meet the requirements under the Resolution for the issuance of additional Series of Bonds as set forth in (a), (b), (c) and (d) below, and (2) unless the authorization of such bonds has been approved by the State Bond Commission, a certificate of the Chairman of the Authority is filed with the Trustee under the Resolution dated as of the date of the resolution authorizing such Bonds, stating that the monies and revenues expected to be available as a result of the issuance of such Bonds and the use of the proceeds thereof will be sufficient to pay the applicable operating expenses of the Authority and to pay as the same become due all installments of principal (whether upon maturity or by operation or Sinking Fund Installments) of and interest on such Bonds, and (c) the Authority expressly reserves the right to refund one or more Series or part of one or more Series of Outstanding Bonds, which Refunding Bonds shall be issued in a principal amount sufficient, together with other monies therefor, to accomplish said refunding and to make all required deposits pursuant thereto.

No additional Series of Bonds may be authorized and issued under the Resolution and no Swap shall be entered into by the Authority unless:

(a) The principal amount thereof, together with the principal amount of the bonds, notes and other obligations of the Authority theretofore authorized and unissued and theretofore authorized, issued and outstanding, will not exceed in aggregate principal amount any limitation thereon imposed by law;

(b) There is at the time of authorization thereof, no deficiency in the Housing Mortgage Capital Reserve Fund;

(c) The amount of the Housing Mortgage Capital Reserve Fund, upon the issuance and delivery of such additional Bonds and the placing in the Housing Mortgage Capital Reserve Fund of any amount provided therefor in the Series Resolution authorizing the issuance of such additional Bonds shall not be less than the Housing Mortgage Capital Reserve Fund Maximum Requirement;

(d) At the time of authorization and issuance thereof, the provisions of the Act providing for the restoration of the Housing Mortgage Capital Reserve Fund to an amount equal to the Housing Mortgage Capital Reserve Fund Minimum Requirement shall not have been validly repealed or amended to the detriment of Bondholders;

(e) A certificate signed by an Authorized Officer dated as of the date of authorization of the Series of Bonds or the Swap shall have been delivered to the Trustee stating that (i) the Pledged Receipts and Recoveries of Principal estimated to be received from Mortgages Financed or to be Financed with the proceeds of the additional Series of Bonds, and amounts in Funds or Accounts or payable thereto as a result of the issuance of such additional Series of Bonds during the period such additional Series of Bonds are Outstanding including Swap Receipts, shall be sufficient to pay as the same become due the reasonable and necessary Operating Costs of the Authority which are estimated will be incurred as a result of the issuance of such additional Series of Bonds and the use of the proceeds thereof and the estimated Principal Installments of, Swap Payments, if any, and interest on such additional Bonds; (ii) the Pledged Receipts and Recoveries of Principal estimated to be received from Mortgages including Mortgages Financed or to be Financed with the proceeds of Bonds and the additional Series of Bonds, and amounts in Funds or Accounts or payable thereto including Swap Receipts:

(A) Shall be sufficient to pay the reasonable and necessary Operating Costs which are estimated will be incurred during the period such Bonds and such additional Series of Bonds are Outstanding and all estimated Principal Installments of and the Interest Account Requirement on such Bonds and such additional Series of Bonds; or

(B) Together with other monies received or estimated to be received by the Authority from, and available or to be made available to the Authority for the Housing Mortgage Program by the State, the United States or some other source, shall be sufficient to pay the reasonable and necessary Operating Costs which are estimated will be incurred during the period such Bonds and such additional Series of Bonds are Outstanding and all estimated Principal Installments of and the Interest Account Requirement on such Bonds and such additional Series of Bonds; in the event that a certificate is filed with the Trustee in

accordance with sub paragraph (ii)(B), it shall be accompanied by a certificate to evidence that such other monies are or will be made available to the Authority for Housing Mortgage Finance Program; or (iii) the authorization of the additional Series of Bonds has been approved by the State Bond Commission; and

(f) With respect to any Swap, written confirmation filed with the Trustee affirming any existing rating of the Authority's long term debt.

The Authority expressly reserves the right to adopt one or more other general bond resolutions and reserves the right to issue other obligations so long as same are not a charge or lien on the Acquired Program Mortgages, Pledged Receipts and Recoveries of Principal or payable from the Accounts of the Housing Mortgage General Fund or Housing Mortgage Capital Reserve Fund.

Events of Default (Section 1002)

Each of the following events is declared an "event of default":

(a) If the Authority shall default in the payment of the principal or Redemption Price of any Bond when and as the same shall become due, whether at maturity or upon call for redemption or otherwise;

(b) If payment of any installment of interest on any of the Bonds shall not be made within thirty days after the same shall become due;

(c) If the Authority shall fail or refuse to comply with the provisions of subdivision (a) Section 8-258 of the Act, or such amounts as shall be certified by the Chairman of the Authority to the Secretary of the Office of Policy and Management of the State pursuant to such provisions of the Act shall not be allotted and paid, from the state general fund, to the Authority and such allotment and payment is not made prior to the second day succeeding the final adjournment of (a) the session of the General Assembly of the State convening when such certification shall have been made, or (b) if the General Assembly is not then in session, the first session of the General Assembly of the State convening after such certification shall have been made; or

(d) If the Authority shall fail or refuse to comply with the provisions of the Act, other than as provided in (c) above, or shall default in the performance or observance of any other of the covenants, agreements or conditions on its part in the Resolution, any Series Resolution, a Supplemental Resolution, or in the Bonds contained, and such failure, refusal or default shall continue for a period of forty five days after written notice thereof by the Holders of not less than 5% in principal amount of the Outstanding Bonds.

Remedies (Section 1003 and Section 1007)

Upon the happening and continuance of any event of default specified in paragraphs (a) and (b) above, the Trustee shall proceed, or upon the happening and continuance of any event of default specified in paragraphs (c) and (d) above, the Trustee may proceed, and upon the written request of the Holders of not less than 25% in principal amount of the Outstanding Bonds, shall proceed, in its own name, to protect and enforce its rights and the rights of the Bondholders by such of the following remedies, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

(a) By mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Authority to receive and collect Pledged Receipts and Recoveries of Principal adequate to carry out the covenants and agreements as to, and pledge of, such Pledged Receipts and Recoveries of Principal, and to require the Authority to carry out any other covenant or agreement with Bondholders and to perform its duties under the Act;

(b) By bringing suit upon the Bonds;

(c) By action or suit in equity, require the Authority to account as if it were the trustee of an express trust for the Holders of the Bonds;

(d) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Bonds;

(e) In accordance with the provisions of the Act, by declaring all Bonds due and payable, and if all defaults shall be made good, then, with written consent of the Holders of not less than 25% in principal amount of the Outstanding Bonds, to annul such declaration and its consequences.

All remedies conferred upon or reserved to the Holders of Bonds may also be conferred upon and reserved to the provider of a related Bond Facility, a Swap Provider or the provider of a Swap Facility authorized by a Series Resolution. Nothing in the Resolution shall preclude the Authority from providing in an applicable Series Resolution or in any Bond Facility, any Swap or any related Swap Facility authorized thereby, that the exercise of any remedy under the Resolution or the waiver of any event of default under the Resolution by the Trustee or the Holder of any such Bond shall be subject to the prior written consent of the provider of any related Bond Facility, any Swap Provider or the provider of a related Swap Facility.

No Holder of any Bond shall have any right to institute any suit unless the Holders of 25% in principal amount of the Bonds then Outstanding shall have made written request to, and offered to indemnify the Trustee and the Trustee shall not have complied with such request within a reasonable time.

Compensation of Trustee (Section 1105)

The Authority shall pay to the Trustee and to each Paying Agent from time to time reasonable compensation for all services rendered under the Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorney, agents and employees, incurred in and about the performance of their powers and duties under the Resolution, and the Trustee and each Paying Agent shall have a lien therefor on any and all funds at any time held by it under the Resolution.

Defeasance (Section 1201)

If the Authority shall pay or cause to be paid to the Holders of the Bonds and coupons, the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the Resolution, then the pledge of any Pledged Receipts and Recoveries of Principal or other monies and securities thereby pledged and all other rights granted thereby shall be discharged and satisfied.

Bonds or coupons or interest installments for the payment or redemption of which monies shall have been set aside and shall be held in trust by Fiduciaries (through deposit by the Authority of funds 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 above paragraph. Any Outstanding Bonds and all coupons appertaining to such Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect so expressed if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to publish, as provided in the Resolution, notice of redemption on said date of such Bonds, (b) there shall have been deposited with the Trustee either monies in an amount which shall be sufficient, or Investment Obligations the principal of and the interest on which when due will provide monies which, together with the monies, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty days, the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to publish, as soon as practicable, at least twice, at an interval of not less than seven days between publications, in Authorized Newspapers a notice to the Holders of such Bonds and coupons that the deposit required by (b) above has been made with the Trustee and that said Bonds and coupons are deemed to have been paid and stating such maturity or redemption date upon which monies are to be

available for the payment of the principal or Redemption Price, if applicable, on said Bonds. Neither Investment Obligations or monies so deposited with the Trustee nor principal or interest payments on any such Investment Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; but any cash received from such principal or interest payments on such Investment Obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Investment Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the Authority, as received by the Trustee, free and clear of any trust, lien or pledge.

Investment obligations deposited with the Trustee pursuant to Section 1201 of the Resolution shall only include: direct obligations of or obligations guaranteed by the United States of America; Public Housing Bonds issued by Public Housing Authorities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an Annual Contributions Contract or Contracts with the United States of America, or Project Notes issued by Local Public Agencies and Public Housing Authorities, in each case, fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America; direct and general obligations of or obligations guaranteed by the State of Connecticut, to the payment of the principal of and interest on which the full faith and credit of the State is pledged; or deposits in interest bearing time or demand deposits or certificates of deposit secured by any of the foregoing obligations.

FINANCIAL STATEMENTS

The financial statements of Connecticut Housing Finance Authority appearing in Appendix B to this Part 2 as of and for the years ended December 31, 2025 and 2024, have been audited by Whittlesey PC, independent auditors, as set forth in their report included therein.

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SCHEDULES

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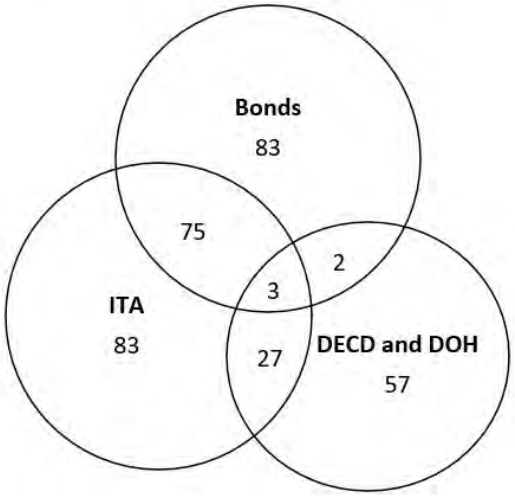
Schedule A

Multifamily Mortgage Loan Portfolio, DECD and DOH Development Portfolio

12/31/2025

	Outstanding Balance	% of Total
Multifamily Mortgage Loan Portfolio		
Mortgage Balance Related to Bonds	$1,038,050,646	66.6%
Mortgage Balance Related to ITA	391,920,155	25.2%
DECD and DOH Development Portfolio		
Mortgage Balance Related to DECD and DOH	125,684,215	8.1%
Other Sources	1,983,504	0.1%
Total Outstanding Mortgage Balance	$1,557,638,519	100.0%

Number of Projects Financed by Bonds, ITA and DECD and DOH



SCHEDULE A

The following tables present certain information regarding the Authority's Multifamily Mortgage Loan Portfolio, DECD and DOH Development Portfolio held under the Resolution

as of December 31, 2025

Multifamily Mortgage Loan Portfolio

Project ID	Project Name	Location	Occupancy Type	Number of Units	Occupancy Level	Subsidy/ Insurance	Total Outstanding Balance	Outstanding Balance related to Bonds	Outstanding Balance related to ITA	Bond Series
00001M	Orchard Ridge Apartments	Berlin	Elderly	120	99%		$3,662,172		$3,662,172	
00002M	Full Circle Coop	Glastonbury	Family	20	100%		196,532		196,532	
00004D	Mystic River Homes Congregate	Groton	Elderly	51	N/A		334,187		334,187	
00006M	River Ridge Apartments	Hamden	Family	62	97%		1,654,403		1,654,403	
01002M	Sterling Market Lofts	Bridgeport	Family	61	98%		2,272,242		2,272,242	
01003M	Southwood Square Phase II	Stamford	Family	110	99%		8,594,886		4,221,986	
01007M	Watson Farm	South Windsor	Elderly	72	97%		1,368,381	947,330	421,051	2021C
01008M	Birch Meadow Apartments	Manchester	Elderly	100	96%		2,912,862		2,912,862	
01012M	Cityscape Apartments	Hartford	Family	74	95%		2,534,032	2,534,032		2021E1, 2021E1
02001M	Wauregan Hotel	Norwich	Family	70	96%		4,311,678		661,678	
02003M	Laurel Commons	Winsted	Elderly	44	100%		461,009		461,009	
02004M	Casa Familia	New Haven	Family	30	93%		881,668		881,668	
02006M	Artspace Windham	Windham	Family	48	N/A		2,218,754		2,218,754	
02007M	Boulder Ridge	Canton	Elderly	98	100%		2,254,420	1,560,735	693,685	2021C
02014M	Smithfield Gardens	Seymour	Elderly	56	96%		3,258,240		58,240	
03004M	Southwood Square Phase III	Stamford	Family	56	100%		5,450,555		728,703	
03007M	Carmen Romano Apartments	North Haven	Elderly	103	96%		4,377,326		4,377,326	
03008M	Berry Patch I	South Windsor	Elderly	102	100%		3,036,036		3,036,036	
03013M	Sage Pond Place	Berlin	Elderly	84	99%		3,289,087		3,289,087	
03023M	Fitch Court Apartments	Windsor	Elderly	40	88%		942,735		942,735	
03028S	Valley Park Apt	Torrington	Supportive	13	92%		577,403	239,303	338,100	2021E2
03033S	Samuels Court	Danbury	Supportive	28	100%		776,629		776,629	
04005M	Berry Patch II	South Windsor	Elderly	94	99%		3,129,400		3,129,400	
04006M	Huntington Place	Trumbull	Elderly	40	98%		759,207		759,207	
04016M	Indian Field Apartments	New Milford	Family	40	98%		1,173,715		1,173,715	
04018M	Stonebridge Apartments	Berlin	Elderly	110	100%		3,929,958		3,929,958	
05003M	Amston Village	Colchester	Elderly	32	97%		759,206		759,206	
05004M	Park Ridge Towers II	New Haven	Elderly	88	100%		2,538,695		2,538,695	
05005M	Village at Killingly	Dayville	Family	116	89%	Section 8	2,768,036		2,047,107	
05011M	Stonebridge II	Berlin	Elderly	84	100%		2,769,801		2,769,801	
05012M	North End Gateway	Hartford	Family	57	95%		1,416,511		1,416,511	
05013M	Hollander Building	Hartford	Family	70	96%		3,400,095	3,400,095		2018D
06052M	Fairgate	Stamford	Family	90	97%		4,449,209		4,449,209	
06059M	Yorkshire Village	Farmington	Elderly	92	99%		4,195,168		4,195,168	
07006M	Friendship House	Stamford	Family	121	98%	Section 8	6,875,579	6,875,579		2018D
07020M	Bridgeport Elderly	Bridgeport	Elderly	85	99%	Section 8	3,479,280	3,078,265	401,015	2018D
08003M	Village At Hales Court	Westport	Family	78	97%		5,677,390		5,677,390	
08004M	Hillcrest	South Windsor	Elderly	88	98%		3,912,931		3,912,931	
08010M	Dye House Apartments	Manchester	Family	57	96%		1,174,327		1,174,327	
09001M	St. Mary's Residence	New Britain	Family	52	94%		635,353		635,353	
09003M	Homes at Progress Point	New London	Family	106	96%		3,579,885		3,579,885	
09004M	Homes at Pride Point	New London	Family	126	91%		4,516,289		4,516,289	
09006M	Peachtree Village	Avon	Elderly	104	100%		6,488,118		6,488,118	
09009M	Chamberlain Heights	Meriden	Family	124	99%		7,154,302		7,154,302	
09011M	Alfred E Plant Elderly Apartments	West Hartford	Elderly	137	93%		6,604,555		6,604,555	
09019M	Brookside Phase I	New Haven	Family	101	90%		5,377,707	1,490,163	3,887,545	2020D123
09028M	Trinity Rowe Apartments	New Haven	Family	104	96%		3,627,602	3,627,602		2020D123
09030M	Fair Street Apartments	Norwalk	Family	57	96%		3,268,058	3,268,058		2019E13
09037M	Quinnipiac Terrace Phase 3	New Haven	Family	33	97%		1,700,202	1,700,202		2020D123
09039M	Wilton Commons	Wilton	Elderly	51	100%		1,831,085	1,831,085		2021B-4, 2021E1
09900M	Avery Heights	Groton	Elderly	105	100%	Section 8	6,001,705	3,563,069	2,438,637	2009D, 2021B-4

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09901M	Burritt House	New Britain	Elderly	66	97%	Section 8	3,755,444	2,789,988	965,456	2009D
09902M	Danbury Tower	Danbury	Elderly	81	100%	Section 8	3,852,107	2,231,810	1,620,297	2009D, 2021A-3
09903M	Executive Square House	Wethersfield	Elderly	240	N/A	Section 8	16,336,591	16,336,591		2009D, PU 2017A-4
09904M	Freshwater Pond	Enfield	Family	75	96%	Section 8	3,207,035	2,564,611	642,423	2009D, 2021B-4
09905M	Josephine Towers	Waterbury	Elderly	125	100%	Section 8	6,509,755	4,124,252	2,385,503	2009D, 2021A-3
09906M	Plaza on the Green	Waterbury	Elderly	157	98%	Section 8	6,287,765	5,889,858	397,907	2009D, 2021B-4, PU 2015E-2
09907M	Poquonnock Village	Groton	Elderly	114	98%	Section 8	6,674,895	6,674,895		2009D, 2017A-5
09908M	South Green	Middletown	Elderly	125	98%	Section 8	5,073,873	2,397,646	2,676,227	2009D
09909M	Village Court	Norwich	Elderly	75	100%	Section 8	3,057,961	2,074,550	983,410	2009D, 2021A-3
09910M	Wequonnoc Village	Norwich	Elderly	98	99%	Section 8	6,234,753	4,708,104	1,526,648	2009D
09911M	Willow Arms	East Hartford	Elderly	96	100%	Section 8	4,432,466	4,046,099	386,367	2009D, PU 2017A-4
09912M	Woodside Village	Bloomfield	Elderly	177	97%	Section 8	9,782,176	5,316,694	4,465,483	2009D, 2021B-4
09913M	Woodview Apartments	Watertown	Elderly	80	98%	Section 8	3,472,403	3,472,403		2009D, 2017A-5
10001GE	Clinton Commons	Bridgeport	Family	33	100%		5,960,581	1,685,764	4,274,816	2021C
10005M	Industria Commons	New Britain	Family	235	98%		15,180,828		15,180,828	
10006M	Brytania Square	New Britain	Family	66	100%		4,543,974		4,543,974	
10008M	Marshall Commons	Stamford	Family	50	98%		4,070,986	1,572,176	2,498,810	2013A, 2021C
11004M	Bayview Towers	Stamford	Family	200	87%	Section 8	14,170,305	13,570,901	599,404	2021E1, 2021E3
11008M	Foote Commons	Cheshire	Family	20	100%		1,193,640	595,938	597,702	2013A, 2021C
11009M	Capitol Towers Apartments	Hartford	Elderly	144	99%	Section 8	5,302,043	5,302,043		2021E3
11026M	Country Village Apartments	Waterbury	Family	232	100%	Section 8	15,345,945	13,432,916		2021E1, 2021E1
12053M	Trinity Park Apartments	Stamford	Family	48	100%		596,862		596,862	
12057M	Ojakian Commons	Simsbury	Family	48	98%		2,327,966		2,327,966	
12072M	Threadmill Apartments	Stonington	Family	58	N/A		7,403,964	7,045,179	358,785	2014F-1/3
12073M	Loom City Lofts Apt	Vernon	Family	68	93%		3,668,241	3,668,241		2014F-1/3
1301AM	Groton Estates	Groton	Family	340	96%		17,909,215	17,460,968	448,247	2025D3
13034M	School Apartments	New Britain	Elderly	226	98%	Section 8	15,689,206	15,689,206		2014B
13038M	Old Middletown High School Apartments	Middletown	Elderly	65	98%	Section 8	2,348,751	2,348,751		2014B
13041M	Park West Apartments	Vernon	Family	189	98%	Section 8	14,046,931	14,046,931		2014F-1/3
13060M	Quintard Manor	Stamford	Elderly	60	98%		3,430,085	3,430,085		2014B
13063M	24 Colony Street	Meriden	Family	63	100%		3,245,247		3,245,247	
1315AM	Deerfield Windsor Apartments	Windsor	Family	176	98%		11,496,218	11,496,218		2013C, 2021C
1316AM	Brookside Commons Apartments	East Hartford	Family	258	90%		11,054,056	11,054,056		2013C, 2021C
1317AM	Oaks at Manchester Apartments	Manchester	Family	200	98%		12,380,543	12,380,543		2013C, 2021C
1318AM	Artloft West	New Haven	Family	18	N/A		753,881		753,881	
14050M	Billings Forge Apartments	Hartford	Family	114	96%	Section 8	2,987,153	2,987,153		2015E13
14064M	Laurelwood Place Apartments	Bridgeport	Elderly	102	95%	Section 8	9,046,259	9,046,259		2015E13
14088M	Cherry Street Lofts	Bridgeport	Family	157	89%		16,101,460	11,682,228	4,419,232	2016D-1
1408AM	Greenbriar Hills Apartments	Watertown	Family	182	99%		12,205,872	6,463,766	5,742,105	2013A, 2021C
14090M	Brookfield Village	Brookfield	Family	48	100%		5,315,827	5,315,827		2016G1
14100M	Lofts At Ponemah Mills	Norwich	Family	116	97%		7,785,983	7,785,983		2016C14
14101M	Schoolhouse Apartments	Waterbury	Elderly	213	97%	Section 8	6,555,293	6,555,293		2016G1
15002M	Old Talcot Mill	Vernon	Family	83	89%		4,767,448	4,767,448		2015E13
15079M	Fairfield HA/Pine Tree Apartments	Fairfield	Family	50	98%		5,768,728	2,583,860	3,184,868	2016C14
15082M	Armstrong Court Ph I	Greenwich	Family	18	100%		2,437,334	2,437,334		2019E13
15084M	Hamden Specialty Housing	Hamden	Family	77	100%		2,853,260	2,353,245	500,015	2017 E-1
16007M	Victoria Gardens Apartments	Waterford	Elderly	90	100%		4,010,391		4,010,391	
16022M	Mill At Killingly	Killingly	Family	32	94%		600,000		600,000	
16420M	Liberty Place	Clinton	Family	21	95%		833,169	833,169		2017 E-1
17003M	Courtland Arms	New Britain	Family	24	100%		234,854	234,854		2019E13
17009M	Lofts At Ponemah Mills Ph 2	Norwich	Family	121	98%		7,577,623	6,498,531	1,079,092	2018D
17029M	St. Pauls Flax Hill Coop Inc.	Norwalk	Family	86	97%		4,768,623		4,768,623	
17411M	Bloomfield Specialty Housing	Bloomfield	Family	38	95%		1,701,848	1,701,848		2019E13
17412M	Canton Specialty Housing	Canton	Family	40	95%		2,349,877	2,349,877		2018D
17417M	Hanh Rad	New Haven	Elderly	144	97%		4,621,430	4,621,430		2018D
17418M	Hanh Rad Group 2	New Haven	Family	70	99%		6,845,121	6,845,121		2019E13
18008M	Enterprise and Abbot Tower Apartments	Waterbury	Elderly	187	95%	Section 8	9,154,752	9,154,752		2020D123

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18013M	Hill to Downtown	New Haven	Family	30	100%		1,435,944	1,435,944		2020D123
18301M	Armstrong Court Ph II	Greenwich	Family	42	100%		6,329,245	6,329,245		2021B35, 2023C
18316M	Spencer Village & Spencer Village Ext	Manchester	Elderly	80	88%		1,747,232	1,747,232		2020D123
18406M	Ninth Square	New Haven	Family	335	91%		84,277,080	51,898,714	32,378,366	2019E13, 2021B-3, 2020D123
18413M	Washington Village Ph II - 4%	Norwalk	Family	42	95%		3,596,380	3,596,380		2018D
18502M	54 Grand St	Middletown	Family	3	100%		211,648		211,648	
18913M	Washington Village Ph II - 9%	Norwalk	Family	43	95%		3,522,146		3,522,146	
19404M	Lofts At Ponemah Mills Ph 3	Norwich	Family	64	100%		8,155,324	8,155,324		2020D123
19415M	Washington Village Ph III - 4%	Norwalk	Family	58	97%		6,517,254	6,517,254		2020D123
19911M	Rocky Neck Village	East Lyme	Family	56	98%		1,999,649		1,999,649	
19920M	Willow Creek Apartments Phase III	Hartford	Family	30	93%		2,678,318		2,451,771	
20402M	Antillean Manor	New Haven	Family	31	87%	Section 8	8,812,663	5,921,233	2,891,430	2022D1
20403M	Hartford Preservation	Hartford	Family	206	98%	Section 8	20,461,541	17,725,177	2,736,364	2021E1
20413M	Deming Ridge	Berlin	Family	88	100%		14,399,818	11,603,546	1,545,827	2022B1
20901M	540 New Park	West Hartford	Family	52	92%		4,344,859		4,344,859	
20910M	Brookside Commons Apts. (fka Pequot Apts)	Waterford	Family	40	100%		1,908,539		1,851,460	
21402M	Coleman Towers Apartments	Stamford	Family	132	94%		22,347,161	22,347,161		2022B1
21403M	Clay Arsenal	Hartford	Family	150	100%		21,246,197	21,246,197		2022B1
21409M	Northside Terraces	Torrington	Family	92	N/A		12,885,000	12,885,000		2024D2, 2025D2, 2024D1
21410M	McConaughy Terrace	New Haven	Family	93	N/A		19,027,800	19,027,800		2024D2, 2024D1
21412M	New Kensington Square II	New Haven	Family	96	N/A	Section 8	14,750,000	4,734,000	10,016,000	2024D2, 2022D1, 2024D1
22410M	Eagleville Green	Storrs	Family	42	100%		7,007,205	7,007,205		2024D2, 2024D1, 2024D1
23401M	MLK Apartments	Hartford	Family	155	N/A		32,391,144	32,391,144		2024D2, 2024D1
23402M	The Camelot	West Hartford	Family	44	N/A		7,770,000	7,770,000		2024D1, 2024D1
23403M	85 Tremont Street	Meriden	Family	27	N/A		11,186,542	11,186,542		2024D2, 2024D1, 2024D1
23405M	The Monarch	New Haven	Family	64	N/A		14,470,498	14,470,498		2024D2, 2024D1, 2024D1
23408M	Bedford Gardens	Hartford	Family	84	N/A		15,004,414	15,004,414		2024E2, 2024E2, 2024E3
23411M	Northeast Hartford Affordable Housing (NHAH)	Hartford	Family	78	N/A		6,831,943	6,831,943		2025D2, 2025D1
23413M	Shippan Place Apartments	Stamford	Elderly	148	98%	Section 8	33,354,566	33,354,566		2025B1
23902M	80 South Road	Farmington	Family	65	N/A		5,136,788	5,136,788		2025B3
23924M	West Hartford Fellowship I	West Hartford	Elderly	65	N/A		13,535,391	1,900,000	11,635,391	2025B3
85224Z	Terry Court	Windham	Family	68	60%		284,080	284,080		2025D3
24401M	Rotary Commons	Stamford	Supportive	39	N/A		4,507,539	4,507,539		2025D2, 2025D1
24901M	West Ridge	New Haven	Elderly	65	N/A		3,842,951	3,842,951		2024B, 2025D3
24902M	1600 New Britain Avenue	Farmington	Family	90	N/A		9,946,318	9,946,318		2025B4, 2025B3
24903M	Cheshire Highland	Cheshire	Family	71	N/A		7,495,464	7,495,464		2025B4, 2025B3
24907M	The Elle At North Main	West Hartford	Family	49	N/A		971,920	971,920		2024B, 2025B3
24915M	Armstrong Court Phase 4	Greenwich	Family	48	N/A		13,750,678	13,750,678		2025B4, 2025B3
24919M	Veterans Terrace III	East Hartford	Family	51	N/A		13,363,217	13,363,217		2024B, 2025B3
73003M	Cheshire Hillside Village I	Cheshire	Elderly	50	100%	Section 8	1,369,780		1,369,780	
73063M	First Church Village	Wethersfield	Elderly	75	99%	Section 8	1,724,157	576,223	1,147,933	PU 2017A-4
73067M	Parish Court	Fairfield	Elderly	100	97%	Section 8	3,535,168	1,574,452	1,960,716	2021B-4
74014M	Frost Homestead	Waterbury	Family	63	98%		486,658	486,658		2015E13
75064M	Market Square	Newington	Elderly	76	95%	Section 8	7,576,794	5,373,056	2,203,738	2021B35
75079M	Clifford House	Bridgeport	Elderly	101	95%	Section 8	12,567,650	12,567,650		2022D1
76032M	Cheshire Hillside Village II	Cheshire	Elderly	50	98%	Section 8	1,356,275		1,356,275	
76039M	MapleView Towers	Stamford	Elderly	101	99%	Section 8	20,751,168	16,242,674	4,508,494	2021B35
77008M	Huntington Towers	New London	Elderly	121	98%	Section 8	13,628,464	10,513,386	3,115,077	2021E1
77016M	Naubuc Green	Glastonbury	Elderly	110	97%	Section 8	6,330,494	5,326,756	1,003,738	2013A, 2021C
77039M	Shepherd Park	Hartford	Elderly	373	97%	Section 8	21,140,215	21,012,376	127,839	2021B-4, PU 2017A-4
78008M	Steele Berger Apartments	New Haven	Elderly	144	100%	Section 8	14,134,660	14,134,660		2014B
78024M	Countrywood at Vernon	Vernon	Family	148	95%		6,677,960	6,677,960		2021B-4, 2013A, 2021C
78053M	Barnum House	Bridgeport	Elderly	83	100%	Section 8	8,198,143	8,198,143		2021B35
78055M	John B Sliney Apartments	Branford	Elderly	38	100%	Section 8	1,768,909		1,768,909	
79055M	M.D. Fox School	Hartford	Elderly	90	99%	Section 8	5,121,984	5,121,984		2014B
80001M	Hamilton Park Apartments	Norwich	Elderly	120	97%	Section 8	7,159,865	6,574,867	584,998	2013A, 2021C
80005M	Torringford West Apartments	Torrington	Elderly	79	99%	Section 8	6,016,123	3,193,437	2,822,686	2014B

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80028M	Ella Grasso Gardens	Putnam	Elderly	72	N/A	Section 8	2,051,693	1,420,387	631,306	2021C
80053M	River Run	New Haven	Elderly	141	92%	Section 8	10,471,424	8,142,375	2,329,049	2021B-3, 2021E1
80065M	Tower II	Bridgeport	Elderly	137	99%	Section 8	1,247,208		1,247,208	
81001D	Forest Court	Farmington	Family	36	100%	Section 8	3,450,821	2,644,009	806,812	2022B1
82015M	New Algiers	Stamford	Family	12	100%	Section 8	1,066,744		1,066,744	
84004M	Chestnut Grove	New Milford	Elderly	40	95%		364,672		364,672	
84022M	Cornfield Apartments	Ellington	Family	216	97%		12,549,076	11,566,597	982,478	2016C-2, 2016C-2, 2021E1
85008D	Dutton Heights	Bristol	Family	84	98%		10,317,533	7,061,333	3,256,200	2021E1, 2018D
85008Z	Bristol H.A. - Zbikowski Park	Bristol	Family	90	98%		2,842,348	2,842,348		2016C14
85009D	Bristol H.A. - Zbikowski Park Section 8	Bristol	Family	32	97%	Section 8	994,413		994,413	
85025D	Fairfield Ridge Apartments	Danbury	Family	58	100%		2,443,014	1,395,337	1,047,677	2017 E-1
85032D	Bellwood Court	East Hampton	Elderly	30	93%		554,916		554,916	
85043M	Heritage Commons	Middletown	Elderly	89	99%		8,101,040	8,101,040		2017A-5, 2013A, 2021C
85055D	Maple Village	Farmington	Elderly	40	N/A		114,155		114,155	
85057D	Center Village	Glastonbury	Elderly	72	100%		2,882,173	2,882,173		2017 E-1
85070D	Hamden Village	Hamden	Elderly	110	98%		2,140,659		2,140,659	
85075D	Casa Nueva	Hartford	Family	79	100%	Section 8	7,020,252	5,096,004	1,924,248	2016G1
85085D, 85086D	Maple Court	Killingly	Elderly	80	96%		45,782		45,782	
85120D	Beechwood Gardens	New Haven	Family	82	99%	Section 8	10,241,407	3,728,946	2,999,979	2017 E-1
85125D	Keleher, Cedar & New Meadow Village	Newington	Elderly	40	95%		603,245		603,245	
85183D	Shiloh Gardens	Stratford	Elderly	60	98%		1,830,190		1,830,190	
85226D	Father Honan Terrace	Windham	Elderly	50	92%		100,159		100,159	
86010M	Green Court/ Nehemiah	Middletown	Family	14	100%		138,239		50,368	
86013D	Willimantic H.A. - Hervin Terrace	Windham	Family	90	99%	Section 8	1,696,503		1,696,503	
86503M	Saye Brooke Village West	Old Saybrook	Elderly	14	100%		441,070		441,070	
86504M	213 Buckingham Street	Hartford	Family	24	54%		714,930		714,930	
87026D	Sasco Creek Village	Westport	Family	54	96%		6,050,936	6,050,936		2014F-1/3
87028D	Southwest Terrace Apartments	Windsor Locks	Elderly	40	88%		63,977		63,977	
87504M	St Stephen's Townhouses	Branford	Family	7	100%		170,426		170,426	
88016P	Huntington Woods	Bristol	Family	280	96%		13,046,070		4,462,460	
88504M	Putnam Park	Hartford	Family	18	67%		1,574,070		1,574,070	
88600M	Bethel Ame Norwalk Housing	Norwalk	Family	10	N/A		349,682		349,682	
89005M	Deerfield Village	East Lyme	Family	100	100%		9,412,062		4,812,062	
89010M	William H. Warner Village	Woodbridge	Elderly	30	100%		1,646,817		1,646,817	
89503M	Taftville	Norwich	Family	17	100%		341,993	341,993		2021E2
90012P	Renaissance Plaza	Bridgeport	Family	81	95%		7,607,668	1,044,941	2,730,000	2017A-5
90022P	Deer Meadow	Bloomfield	Family	48	96%		4,399,312		2,084,332	
90138D	Union St. Cooperative, Inc	Windham	Family	7	N/A		74,943		17,285	
91007M	Country Place	Colchester	Family	112	98%		6,758,974		333,974	
91239D	Riverside School Coop	Torrington	Family	12	100%		186,630		112,252	
92077D	Parkside Gables	Stamford	Family	69	81%		9,952,263	9,952,263		2025B2
93002P	Heritage Glen Apartments	Farmington	Family	68	100%		4,761,245	61,297		2014F-2
93003P	River Commons Apartments	Norwalk	Family	34	97%		6,362,962	3,856,961	402,778	2021E2, 2025B1, 2025D1, 2014F-2
94001S	Liberty Commons	Middletown	Supportive	40	85%		500,000		500,000	
94003S	Crescent Building	Bridgeport	Supportive	38	97%		475,000		475,000	
94004M	Watertown Crossing	Waterbury	Family	108	97%		10,239,033	7,393,428	2,845,606	2014F-1/3, 2024D1
94004S	Brick Row	Windham	Supportive	30	97%		2,250,000		375,000	
94005S	Atlantic Park Apartments	Stamford	Supportive	27	100%		2,025,000		337,500	
94006M	Country Place II	Colchester	Family	82	93%		3,899,098	36,998	3,862,100	2014F-2
94007S	Hudson View Commons	Hartford	Supportive	28	86%		2,100,000		350,000	
94009S	Fairfield Avenue	Bridgeport	Supportive	34	100%		2,550,000		425,000	
94010C	Maplewood Court	Bridgeport	Family	32	94%		757,798		757,798	
94010S	Colony Apartments	Stamford	Supportive	29	100%		2,175,000		362,500	
94011S	Mary Seymour Place Apartments	Hartford	Supportive	30	90%		2,250,000		375,000	
94012S	Cedar Hill Apartments	New Haven	Supportive	25	92%		1,875,000		312,500	
94022D	Rose Garden Cooperative	Hartford	Family	8	100%		92,160		22,986	
95004C	Charles Street Place	Meriden	Family	80	95%		1,976,122	934,321	1,041,801	2015E13

Project ID	Project Name	Location	Occupancy Type	Number of Units	Occupancy Level	Subsidy/ Insurance	Total Outstanding Balance	Outstanding Balance related to Bonds	Outstanding Balance related to ITA	Bond Series
95007C	Hart Street Gardens	New Britain	Family	20	100%		518,313	16,613	501,700	2014F-2
95010C	Union Street Cooperative	Manchester	Family	25	100%		510,397		110,397	
95012C	King George Apartments	New Haven	Family	58	55%		193,262	133,795	59,467	2021C
95015C	Westwoods Apartments	Farmington	Family	34	100%	FHA Risk Share	222,281	153,885	68,396	2021C
95016C	Harrison Apartments	Bridgeport	Supportive	102	97%		2,607,291	1,339,395	1,267,896	2021E2
95067E	St Mary's Residence II	New Britain	Family	20	100%		453,523		187,494	
96002M	The Glen	Winsted	Elderly	49	94%		2,396,433	1,356,478	1,039,956	2020D123
96006M	Griswold Hills	Newington	Family	128	98%		4,786,345		4,786,345	
96011M	Sunset Ridge	New Haven	Family	312	N/A		12,226,953	12,226,953		2016C-3, 2013A, 2021C
96026D	Rehoboth Place Cooperative	Hartford	Family	15	100%		138,629		102,980	
96027D	Historic Townley St Apartments	Hartford	Family	28	100%		1,062,499		140,994	
97001M	Old Farms Crossing	Avon	Family	46	93%		486,604	336,876	149,728	2021C
97003M	Theresa A. Rook Retirement Community	Cromwell	Elderly	64	98%		2,901,425		2,901,425	
97005M	Florence Virtue Homes	New Haven	Family	129	N/A	FHA Risk Share	3,476,880		976,880	
97008M	Bradley Estates I	Meriden	Family	74	100%	Section 8	3,453,594	3,129,510	324,084	2013A, 2021C, 2016C-3
97009M	Bradley Estates II	Meriden	Family	42	100%	Section 8	2,332,100	2,170,086	162,014	2013A, 2021C, 2016C-3
97010M	Byam Village	Waterbury	Family	46	93%	Section 8	2,041,194	1,958,096	83,098	2013A, 2021C, 2016C-3
97011M	Hanover Towers	Meriden	Elderly	100	97%	Section 8	7,052,800	5,835,939	1,216,861	2013A, 2021C, 2016C-3
97012M	Harbor Towers	Meriden	Elderly	202	97%	Section 8	14,393,753	13,289,074	1,104,679	2013A, 2021C, 2016C-3, 2017A-5, 2016C-3
97013M	Maple Hill Apartments	Meriden	Family	32	94%	Section 8	1,369,505	1,060,077	309,428	2013A, 2021C, 2016C-3
98002M	Elizabeth Street Apartments	Norwich	Family	29	97%		92,138	92,138		2017A-5
98010M	Saranor Apartments	Milford	Elderly	120	97%	Section 8	3,792,200	1,114,037	2,678,162	2021B-4
98012M	Science Park	New Haven	Not Applicable	0			9,383,533		9,383,533	
98014M	Artspace Norwich	Norwich	Family	58	N/A		1,244,067		1,244,067	
98017M	Easton Place	East Hartford	Family	50	98%		1,912,996	559,557	1,353,439	2023C, 2023C
98019M	Whispering Pines Phase II	Avon	Elderly	53	100%		1,403,818		1,403,818	
98020M	Southwood Square Phase I	Stamford	Family	149	99%		7,556,180		4,895,917	
98021M	Dillon Place	Hartford	Family	65	86%		2,386,085	2,082,198	303,887	2021C, 2023C, 2023C
98022M	Hunter's Ridge	Farmington	Elderly	51	100%		1,331,793		1,331,793	
98025M	Webster Street Mutual Hsg	Hartford	Family	30	87%		111,897	77,466	34,431	2021C
98077D	Lawrence Crest Co-operative	Waterbury	Family	13	77%		314,875		116,981	
99002M	Yale Street Commons	Bridgeport	Family	44	80%		846,394		846,394	
99005M	Redstone Gardens	Bristol	Family	132	97%		3,848,687	2,634,242	1,214,446	2020D123
99007M	Silver Pond Apartments	Wallingford	Elderly	160	96%	Section 8	1,988,184	925,543	1,062,642	2020D123
99009M	Hedgewood Apartments	Norwich	Family	100	97%		2,090,634	1,415,573	675,061	2020D123
99010M	Rolling Ridge Apartments	West Haven	Family	180	N/A		7,038,960	4,309,687	2,729,272	2020D123
99011M	Summer Brook Apartments	Southington	Family	180	97%	Section 8	6,168,289	4,309,763	1,858,525	2021B-4
99012M	Woodland Hills Apartments	Torrington	Family	176	99%	Section 8	23,113,947	18,796,065	4,317,882	2022B1
SHA002	Kensington Square I Apartments	New Haven	Family	120	98%	Section 8	3,550,445	3,550,445		2016C14
1302AM	River Hollow	East Windsor	Family	120	98%		5,238,290	5,238,290		2025D3
20414M	Woodland Springs II	Stafford Springs	Elderly	79	99%		4,037,894	3,588,463		2022D1
22405M	Ellis Street Commons	New Britain	Family	154	100%		14,130,000	14,130,000		2023C, 2023C
22916M	Valley Townhouses	New Haven	Family	40	N/A		6,192,357	6,192,357		2025D3
23410M	Waltersville Commons	Bridgeport	Family	70			1,982,346	1,982,346		2025D2, 2025D1
24414M	Enfield Manor and Enfield Manor Ext	Enfield	Elderly	99	N/A		7,297,177	7,297,177		2025D2, 2025D1
25403M	2980 State Street	Hamden	Family	64	N/A		2,359,719	2,231,808	127,911	2025D2, 2025D1
25405M	The Homes at Avon Park Phase 1B	Avon	Family	27			2,051,410		2,051,410	
25903M	240 Deming	South Windsor	Family	55			126,533	126,533		2024B, 2025D3
25917M	West Hartford Fellowship Housing Redv. Phase II	West Hartford	Elderly	77	N/A		2,135,820	2,135,820		2024B, 2025D3
H10001	Fair Haven Homes	New Haven	Family	0			744,028		744,028	
21513M	North Village Apartments	Middletown	Family	2			194,000		194,000	
	Total						**$1,506,562,903**	**$1,038,050,646**	**$391,920,155**	

DECD and DOH Development Portfolio

Project ID	Project Name	Location	Occupancy Type	Number of Units	Occupancy Level	Subsidy/ Insurance	Total Outstanding Balance	Outstanding Balance related to DECD and DOH	
11026M	Country Village Apartments	Waterbury	Family	232	100%	Section 8	$15,345,945	$1,913,030	†
93003P	River Commons Apartments	Norwalk	Family	34	97%		6,362,962	2,103,224	†
93002P	Heritage Glen Apartments	Farmington	Family	68	100%		4,761,245	4,699,948	†
85120D	Beechwood Gardens	New Haven	Family	82	99%	Section 8	10,241,407	3,512,481	†
90012P	Renaissance Plaza	Bridgeport	Family	81	95%		7,607,668	3,832,728	†
95056D	River Mill Village	Thompson	Family	53	92%		9,345,465	9,345,465	
77027D	Rippowam Park	Stamford	Unknown	430			5,216,243	5,216,243	
97054D	The Marvin	Norwalk	Elderly	50	N/A		4,858,725	4,858,725	
03004M	Southwood Square Phase III	Stamford	Family	56	100%		5,450,555	4,721,852	†
18101M	Willow Creek Apartments Phase I	Hartford	Family	62	97%		3,092,942	3,092,942	
98064D	Atlantic, The	Stamford	Elderly	28	100%		3,029,167	3,029,167	
87024D	Londonberry Gardens	New London	Family	86	N/A		2,689,813	2,689,813	
94011S	Mary Seymour Place Apartments	Hartford	Supportive	30	90%		2,250,000	1,875,000	†
94007S	Hudson View Commons	Hartford	Supportive	28	86%		2,100,000	1,750,000	†
91161D	Washington Street School	New Britain	Family	50	100%		1,770,755	1,770,755	
17513M	Village at Park River I (fka Westbrook V	Hartford	Family	75	100%		1,374,425	1,374,425	
96027D	Historic Townley St Apartments	Hartford	Family	28	100%		1,062,499	921,505	†
05005M	Village at Killingly	Dayville	Family	116	89%	Section 8	2,768,036	720,929	†
89007D	Mckinney Terrace I	Greenwich	Family	21	100%		545,293	545,293	
99021D	Horace Bushnell Apartments	Hartford	Unknown	74			500,000	500,000	
85037D	Faylor Apts.	East Lyme	Family	36	100%		823,465	823,465	
92051D	Holinko Estates	Mansfield	Family	35	100%		387,500	387,500	
85014D	Twenty One	Canton	Elderly	40	N/A	Section 8	340,304	340,304	
95135D	Patchogue Place Cooperative	Westbrook	Family	12	100%		294,210	294,210	
85177D	Oak Park	Stamford	Family	168	N/A		300,000	300,000	
85002D	Marjorie Moore Village	Berlin	Elderly	40	100%	Section 8	273,827	273,827	
95067E	St Mary's Residence II	New Britain	Family	20	100%		453,523	266,028	†
95136D	Flagg Road	West Hartford	Family	10	100%		216,715	216,715	
92073D	Sharon Ridge	Sharon	Family	20	95%		200,000	200,000	
93041D	Tannery Brook Cooperative	Litchfield	Family	16	100%		182,397	182,397	
85207D	South Side Terrace	Wallingford	Elderly	40	88%		210,000	210,000	
98077D	Lawrence Crest Co-operative	Waterbury	Family	13	77%		314,875	197,893	†
85152D	Lincoln Park	Preston	Elderly	40	100%		200,000	200,000	
85078D	Wolcott Place	Hartford	Family	18	89%	Section 8	151,479	151,479	
92070D	Prospect Ridge Congregate	Ridgefield	Unknown	132	98%		157,958	157,958	

Project ID	Project Name	Location	Occupancy Type	Number of Units	Occupancy Level	Subsidy/ Insurance	Total Outstanding Balance	Outstanding Balance related to DECD and DOH	
98019D	Pleasant Street Co-op	Enfield	Family	12	N/A		175,485	175,485	
85158Z	Smith Acres	Seymour	Family	45	93%		182,535	182,535	
85202D	Greenwood Manor	Voluntown	Elderly	20	100%		179,810	179,810	
95124D	Dodge Farms	Washington	Family	14	100%		150,560	150,560	
85074D	Mount Carmel	Hamden	Elderly	30	N/A		161,000	161,000	
85133D	Wangum Village	North Canaan	Elderly	40	100%		156,989	156,989	
92068D	Crestview Ridge	Oxford	Elderly	34	100%		153,200	153,200	
85006D	Bethel Congregate	Bethel	Elderly	44	N/A		148,559	148,559	
85203D	Ulbrich Heights	Wallingford	Family	132	82%		249,195	249,195	
85040D, 8504	Snipsic Village I	Ellington	Elderly	42	95%		143,010	143,010	
85130D	G. Washington Carver Housing	New London	Elderly	130	N/A		455,535	455,535	
77015D	Harrington Place Cooperative	Hartford	Family	18	100%		90,852	90,852	
85129D	Gordon/Riozzi Courts	New London	Elderly	42	N/A		110,759	110,759	
85011D	Brooks Quarry	Brookfield	Elderly	35	97%		92,200	92,200	
86010M	Green Court/ Nehemiah	Middletown	Family	14	100%		138,239	87,871	†
91239D	Riverside School Coop	Torrington	Family	12	100%		186,630	74,378	†
92050D	Common Thread Cooperative	Manchester	Family	16	94%		69,247	69,247	
94022D	Rose Garden Cooperative	Hartford	Family	8	100%		92,160	69,174	†
90138D	Union St. Cooperative, Inc	Windham	Family	7	N/A		74,943	57,657	†
92090D	Unity Square	Waterbury	Family	18	100%		50,432	50,432	
92092D	Sunset Ridge	Waterbury	Family	18	100%		50,432	50,432	
92091D	Windy Lane	Waterbury	Family	18	89%		50,406	50,406	
92087D	Hillside View	Waterbury	Family	18	100%		49,698	49,698	
92088D	Nilsa Marrero	Waterbury	Family	18	94%		48,114	48,114	
99056D	Sojourner House	Torrington	Family	14	N/A		58,697	58,697	
92029D	Pine Grove Manor, Inc.	Enfield	Family	8	N/A		41,643	41,643	
85094D, 8702	Wright'S Village	Mansfield	Elderly	40	100%		48,000	48,000	
99048D	Hoffman Heights	Seymour	Family	5	100%		34,960	34,960	
92089D	Dottie Dewar Cooperative	Waterbury	Family	12	N/A		32,587	32,587	
85228D	Shad Run Terrace	Windsor	Elderly	52	81%		38,179	38,179	
85140D	Harry Schwartz Manor	Norwich	Elderly	48	96%		37,000	37,000	
96026D	Rehoboth Place Cooperative	Hartford	Family	15	100%		138,629	35,648	†
94081D	Kugeman Village	Cornwall	Family	18	100%		14,970	14,970	
95126D	Cherry St Cooperative	Waterbury	Family	6	N/A		24,326	24,326	
96049D	New Horizons	Middlebury	Family	5	100%		16,554	16,554	
98020M	Southwood Square Phase I	Stamford	Family	149	99%		7,556,180	2,660,263	†

Project ID	Project Name	Location	Occupancy Type	Number of Units	Occupancy Level	Subsidy/ Insurance	Total Outstanding Balance	Outstanding Balance related to DECD and DOH	
89005M	Deerfield Village	East Lyme	Family	100	100%		9,412,062	4,600,000	†
88016P	Huntington Woods	Bristol	Family	280	96%		13,046,070	8,583,610	†
01003M	Southwood Square Phase II	Stamford	Family	110	99%		8,594,886	4,372,900	†
90022P	Deer Meadow	Bloomfield	Family	48	96%		4,399,312	2,314,980	†
97005M	Florence Virtue Homes	New Haven	Family	129	N/A	FHA Risk Share	3,476,880	2,500,000	†
02001M	Wauregan Hotel	Norwich	Family	70	96%		4,311,678	3,650,000	†
94009S	Fairfield Avenue	Bridgeport	Supportive	34	100%		2,550,000	2,125,000	†
94004S	Brick Row	Windham	Supportive	30	97%		2,250,000	1,875,000	†
94010S	Colony Apartments	Stamford	Supportive	29	100%		2,175,000	1,812,500	†
91007M	Country Place	Colchester	Family	112	98%		6,758,974	6,425,000	†
94005S	Atlantic Park Apartments	Stamford	Supportive	27	100%		2,025,000	1,687,500	†
94012S	Cedar Hill Apartments	New Haven	Supportive	25	92%		1,875,000	1,562,500	†
95010C	Union Street Cooperative	Manchester	Family	25	100%		510,397	400,000	†
02014M	Smithfield Gardens	Seymour	Elderly	56	96%		3,258,240	3,200,000	†
01001M	Retreat, The	Hartford	Elderly	100	89%		5,000,000	5,000,000	
02017S	Soromundi Commons	Hartford	Supportive	48	100%		3,000,000	3,000,000	
01013M	Luther Ridge	Middletown	Elderly	45	80%		2,810,000	2,810,000	
01010M	Herbert T. Clark	Glastonbury	Elderly	25	96%		990,000	990,000	
Total							**$182,624,609**	**$125,684,215**	

† Projects with loans in both Multifamily Mortgage Loan Portfolio and DECD and DOH Development Portfolio.

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SCHEDULE B
HISTORICAL MORTGAGE PREPAYMENT REPORT

(*SEE NEXT PAGE*)

SCHEDULE B

The following table sets forth, as of December 31, 2025, the historical rate of prepayment (expressed as a percentage of SIFMA) in prior calendar years with respect to (i) the Home Mortgage Loan Portfolio and (ii) the Agency Security Portfolio

Connecticut Housing Finance Authority
Historical Mortgage Prepayment Report - As of December 31, 2025
Single Family Home Mortgage Loans and Agency Security Portfolio

					1 Year SIFMA												
Year of Origin	**Original Balance**	**Current Balance**	**Current WAC**	**No. of Loan**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**Lifetime**
Before 1995	1,713,244,929	1,214,693	8.11%	24,864	130	116	93	167	151	196	176	142	111	146	77	100	192
1995-2004	4,253,796,128	89,110,130	5.42%	42,630	147	152	125	154	131	156	151	186	153	106	127	113	251
2005-2014	4,065,808,465	581,441,925	4.13%	24,646	139	155	163	153	135	145	226	318	202	106	101	96	176
2015	460,604,445	165,754,090	3.25%	2,742			44	50	64	112	198	310	186	102	61	73	126
2016	620,594,034	257,755,435	3.10%	3,670				52	64	88	150	251	163	97	68	81	116
2017	511,404,366	238,083,219	3.29%	2,963					38	42	139	245	181	95	85	73	113
2018	574,004,518	259,230,126	3.75%	3,200						38	180	311	203	89	90	94	142
2019	526,967,234	284,339,061	3.65%	2,893							171	237	165	92	74	84	123
2020	294,258,471	207,022,199	2.97%	1,600								102	83	58	55	85	65
2021	238,622,035	191,071,142	2.68%	1,173									35	41	53	71	43
2022	356,929,235	312,478,670	4.37%	1,610										37	43	48	33
2023	736,820,659	680,314,435	6.27%	3,147											55	48	33
2024	1,000,109,032	959,523,771	6.51%	3,855												61	46
2025	1,064,595,009	1,053,664,093	6.33%	3,811													*
Sub-Total	16,417,758,559	5,281,002,990	5.05%	122,804													
Grand Total	**16,417,758,559**	**5,281,002,990**	**5.05%**	**122,804**	**130**	**126**	**120**	**105**	**94**	**99**	**174**	**259**	**160**	**82**	**66**	**92**	

Notes:
The figures above are based on information currently available and are not guaranteed.
Annual amounts are not reported for the Year of Origin due to diversity of origination month, however all data is included in Lifetime figures.
Values in the "Before 1995" cohort are based on loans that were outstanding on 12/31/1994.
* indicates that the prepayment speed is not meaningful since the size of the cohort is less than 1 loans or the origination period is incomplete.

SCHEDULE C
HOME MORTGAGE LOAN AND AGENCY SECURITY PORTFOLIO FINANCED WITH HOUSING MORTGAGE FINANCE PROGRAM BOND PROCEEDS

(SEE NEXT PAGE)

SCHEDULE C

The following table sets forth, for each Series of Outstanding Bonds that are Qualified Mortgage Bonds, and for other types of Outstanding Bonds collectively, the total aggregate principal amount of the Home Mortgage Loan Portfolio and the Agency Security Portfolio that are allocated to each such Series for federal tax law purposes.

Home Mortgage Loan and Agency Security Portfolio
Distribution by Issue and Year of Origination - Outstanding Balances as of December 31,2025
(All Amounts in $ 000's)

	Before 2015		2015		2016		2017		2018		2019		2020		2021		2022		2023		2024		2025		Total	
	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC	Balance	WAC
													Allocated to Tax Exempt - Single Family Qualified Mortgage Bonds														
2013B-1/2/3/5	37,252	3.7%	968	3.3%	6,683	3.3%	471	2.9%	1,002	3.9%	746	3.4%	677	2.8%	1,982	2.6%	2,265	4.3%	1,229	6.7%	1,559	7.0%	283	6.0%	55,117	3.8%
2014C	33,998	3.8%	1,474	3.2%	10,548	3.4%	325	2.9%	893	4.1%	312	3.4%	395	2.8%	1,583	2.7%	3,442	4.2%	985	6.5%	914	7.0%	144	6.0%	55,013	3.8%
2014D	37,093	4.1%	15,311	3.2%	6,429	3.2%	947	2.9%	1,802	4.2%	1,022	3.4%	2,075	2.8%	5,774	2.7%	3,554	4.4%	2,240	6.7%	9,239	6.8%	589	6.0%	86,076	4.1%
2015A	-	0.0%	52,745	3.2%	2,124	3.3%	634	2.9%	2,685	4.0%	250	3.4%	3,471	2.8%	1,687	2.7%	4,684	4.1%	5,887	6.0%	957	7.0%	173	6.0%	75,295	3.5%
2015C	3,711	4.5%	50,930	3.3%	162	2.8%	705	2.9%	3,256	3.9%	2,821	3.5%	4,720	2.8%	2,277	2.6%	3,401	4.4%	8,712	5.7%	2,863	7.0%	635	6.0%	84,195	3.8%
2015E-2	151	5.6%	635	3.2%	-	0.0%	-	0.0%	6	3.9%	9	3.4%	6	2.8%	5	2.8%	-	0.0%	-	0.0%	-	0.0%	1,667	6.4%	2,478	5.5%
2016A	13,324	4.4%	13,936	3.4%	37,979	3.2%	149	2.9%	227	3.9%	284	3.8%	199	2.8%	222	2.8%	163	2.9%	9,138	5.9%	718	7.0%	70	6.0%	76,409	3.8%
2016B	10,203	5.1%	81	3.3%	51,657	3.2%	53	2.9%	249	3.9%	636	4.0%	47	2.8%	43	2.8%	-	0.0%	6,779	5.9%	245	7.0%	19	6.0%	70,012	3.8%
2016E	14,724	4.2%	290	3.3%	57,941	3.0%	153	2.9%	383	3.9%	506	3.8%	207	2.8%	199	2.8%	186	2.9%	8,860	5.9%	871	7.0%	81	6.0%	84,400	3.6%
2016F-1/2/3/5	15,086	5.0%	436	3.3%	53,532	2.9%	7,188	3.1%	519	3.9%	809	3.8%	1,489	2.7%	759	2.6%	977	4.7%	6,974	5.9%	6,213	6.8%	213	6.0%	94,195	3.8%
2017A-1/2/3	9,584	4.8%	262	3.3%	7,973	2.9%	51,554	3.1%	229	3.9%	275	3.7%	173	2.8%	167	2.8%	167	2.9%	8,942	6.2%	823	7.0%	87	6.0%	80,236	3.7%
2017C	14,417	4.2%	499	3.3%	400	3.4%	56,158	3.4%	426	3.9%	247	3.4%	6,451	2.8%	26	2.8%	172	2.9%	11,427	6.3%	958	7.0%	143	6.0%	91,324	3.9%
2017D	8,050	5.1%	64	3.3%	35	4.6%	60,717	3.3%	145	3.9%	338	3.9%	37	2.8%	34	2.8%	-	0.0%	10,358	6.2%	193	7.0%	15	6.0%	79,986	3.9%
2017F-1/2/3/4/5	18,646	3.9%	295	3.3%	245	4.1%	52,640	3.3%	8,790	3.4%	845	3.8%	1,348	2.9%	809	2.6%	822	4.6%	11,375	6.5%	656	7.0%	143	6.0%	96,615	3.8%
2018A-1/2/3	7,412	4.9%	190	3.3%	-	0.0%	86	2.9%	57,489	3.4%	305	3.9%	4,956	2.8%	112	2.8%	228	2.9%	10,349	6.3%	511	7.0%	56	6.0%	81,695	3.9%
2018B-1/2/3	7,413	4.9%	190	3.3%	-	0.0%	86	2.9%	55,420	3.8%	320	3.9%	4,680	2.8%	106	2.8%	-	0.0%	9,093	6.4%	570	7.0%	53	6.0%	77,931	4.1%
2018C-1/2/3/4	13,757	4.2%	476	3.3%	381	3.4%	425	2.9%	50,460	3.9%	838	3.8%	242	2.8%	436	2.8%	200	2.9%	10,400	6.1%	1,017	7.0%	123	6.0%	78,754	4.2%
2018E-1/2/3/4	-	0.0%	-	0.0%	-	0.0%	-	0.0%	52,126	4.0%	3,705	4.0%	-	0.0%	-	0.0%	-	0.0%	7,777	6.8%	-	0.0%	-	0.0%	63,608	4.3%
2019A-1/2/3	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	51,264	4.2%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	5,755	6.5%	-	0.0%	57,018	4.4%
2019A-4	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	6,656	4.2%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	6,656	4.2%
2019B-1/2/3	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	55,180	3.8%	22	2.8%	18	2.8%	-	0.0%	75	6.7%	6,774	7.1%	7	6.0%	62,076	4.1%
2019B-4	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	7,995	3.7%	22	2.8%	18	2.8%	-	0.0%	75	6.7%	89	7.0%	7	6.0%	8,206	3.8%
2019D-1/2/3	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	65,514	3.5%	13	2.8%	12	2.8%	-	0.0%	123	6.7%	5,857	6.4%	40	6.0%	71,559	3.8%
2019F-1/2/4/5	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	47,868	3.2%	20,134	3.1%	18	2.8%	-	0.0%	22	6.7%	5,774	6.6%	1	6.0%	73,818	3.4%
2020A-1/2/3	9,944	4.2%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	75,449	3.1%	81	2.8%	162	2.9%	864	6.7%	1,043	7.0%	207	6.0%	87,749	3.3%
2020C-1/2/3	18,357	4.3%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	54,559	2.8%	32,648	2.8%	-	0.0%	-	0.0%	4,670	6.9%	-	0.0%	110,233	3.2%
2020E-1/2/3/4	36,013	3.9%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	62,936	2.7%	-	0.0%	-	0.0%	5,928	6.9%	-	0.0%	104,877	3.3%
2021A-1/2	44,933	3.7%	686	3.3%	2,534	3.0%	449	2.9%	982	3.6%	402	3.6%	1,853	2.9%	26,068	2.7%	12,283	5.2%	8,478	6.5%	7,525	6.8%	594	6.0%	106,786	4.0%
2021B-1	8,343	3.6%	17	3.3%	2,424	3.9%	11	2.9%	24	3.6%	10	3.6%	45	2.9%	30,438	2.6%	18,289	2.7%	37	6.7%	45	7.0%	5	6.0%	59,689	2.9%
2021D-1/2	34,160	3.2%	916	3.3%	3,508	2.8%	532	2.9%	1,407	3.8%	233	3.4%	362	2.8%	13,875	2.6%	69,296	3.4%	1,320	6.3%	5,353	6.7%	167	6.0%	131,130	3.4%
2021E-4/5	29,915	3.7%	457	3.3%	1,687	3.0%	299	2.9%	654	3.6%	267	3.6%	1,234	2.9%	28	2.8%	17,996	4.7%	862	6.7%	1,060	7.0%	147	6.0%	54,605	4.1%
2022A-1/2/3	6,221	2.7%	-	0.0%	433	2.7%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	87,148	4.7%	154	5.4%	-	0.0%	-	0.0%	93,955	4.5%
2022C-1/2/3	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	70,882	5.2%	16,439	5.7%	-	0.0%	-	0.0%	87,321	5.3%
2022E-1/2	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	7,202	5.6%	125,028	6.2%	276	6.1%	-	0.0%	132,506	6.2%
2023A	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	153,755	6.1%	-	0.0%	-	0.0%	153,755	6.1%
2023B	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	137,981	6.4%	147	6.6%	-	0.0%	138,128	6.4%
2023D	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	97,457	6.6%	82,030	6.7%	-	0.0%	179,487	6.7%
2024A	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	185,763	6.6%	222	6.0%	185,986	6.6%
2024C-1	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	93,967	6.6%	263	6.0%	94,230	6.6%
2024F-1	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	149,091	5.9%	50,049	6.0%	199,140	5.9%
2025A-1	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	98,802	5.9%	98,802	5.9%
2025C-1/3	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	96,294	6.3%	96,294	6.3%
2025E-1/3	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	79,217	6.3%	79,217	6.3%
Total Mortgage Loans & Agency Securities	**432,708**	**4.0%**	**140,858**	**3.2%**	**246,675**	**3.1%**	**233,581**	**3.3%**	**239,173**	**3.7%**	**249,654**	**3.7%**	**184,867**	**3.0%**	**182,361**	**2.7%**	**303,519**	**4.4%**	**673,194**	**6.3%**	**589,457**	**6.5%**	**330,515**	**6.1%**	**3,806,562**	**4.7%**
Taxable Series (1)	16,209	5.4%	1,211	3.3%	155	4.8%	209	2.9%	674	3.9%	18,707	3.4%	8,868	3.1%	2,134	2.6%	1,699	4.0%	2,185	6.1%	346,714	6.6%	708,685	6.4%	1,107,450	6.3%
Pre-Ullman Series (2)	20,155	4.1%	14,175	3.2%	3,293	3.1%	-	0.0%	4,569	3.3%	4,264	2.6%	7,787	2.8%	226	2.8%	218	2.9%	2,014	6.7%	20,907	6.8%	13,091	6.6%	90,700	4.7%
Taxable Mixed Series (3)	6,918	5.5%	744	3.3%	-	0.0%	128	2.9%	362	3.9%	692	3.9%	189	2.8%	168	2.8%	141	2.9%	611	6.7%	733	7.0%	73	6.0%	10,760	5.2%
ITA and Retired Series	195,777	4.9%	8,766	3.3%	7,632	3.5%	4,165	2.9%	14,452	3.9%	11,023	3.7%	5,310	2.8%	6,183	2.7%	6,901	3.3%	2,310	6.7%	1,712	7.0%	1,299	6.1%	265,531	4.5%
Total Mortgage Loans & Agency Securities	**239,058**	**4.9%**	**24,896**	**3.2%**	**11,081**	**3.4%**	**4,502**	**2.9%**	**20,057**	**3.8%**	**34,685**	**3.4%**	**22,155**	**3.0%**	**8,710**	**2.7%**	**8,960**	**3.4%**	**7,120**	**6.5%**	**370,067**	**6.6%**	**723,149**	**6.4%**	**1,474,441**	**5.9%**
Total Mortgage Loans & Agency Securities	**671,767**	**4.3%**	**165,754**	**3.2%**	**257,755**	**3.1%**	**238,083**	**3.3%**	**259,230**	**3.7%**	**284,339**	**3.6%**	**207,022**	**3.0%**	**191,071**	**2.7%**	**312,479**	**4.4%**	**680,314**	**6.3%**	**959,524**	**6.5%**	**1,053,664**	**6.3%**	**5,281,003**	**5.1%**

(1) Federally Taxable - Single Family Mortgage Bonds
(2) Tax-Exempt - Mixed Single Family and Multifamily Pre-Ullman Bonds
(3) Federally Taxable - Mixed Single Family and Multifamily Bonds

SCHEDULE D
TEN YEAR RULE RESTRICTION PERCENTAGES

(SEE NEXT PAGE)

Schedule D

The following table sets forth the dates on which portions or all of the loan principal payments and loan prepayments received by the Authority with respect to each series of Outstanding Bonds as of December 31, 2025 issued under the Resolution to finance home mortgage loans (expressed in percentages of the total of loan principal payments and loan prepayments received as of each date) become subject to the Ten-Year Rule. See "THE HOUSING MORTGAGE FINANCE PROGRAM - Housing Mortgage Finance Program Bonds - *Application of Recoveries of Principal from Home Mortgage Loans*."

Single Family Qualified Mortgage Bond Issue
Ten Year Rule Restriction Percentages as of Selected Dates

Issue	As of: 12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030	12/31/2031	12/31/2032	12/31/2033	12/31/2034	12/31/2035
2013B-1/2/3/5	100										
2014C	100										
2014D	100										
2015A	100										
2015C	100										
2016A	45	100									
2016B	57	100									
2016E	50	100									
2016F-1/2/3/5	62	100									
2017A-1/2/3	51	52	100								
2017C	51	52	100								
2017D	44	45	100								
2017F-1/2/3	32	32	100								
2018A-1/2/3	70	72	74	100							
2018B-1/2/3	49	50	51	100							
2018C-1/2/3/4	38	39	42	100							
2018E-1/2	12	12	13	100							
2019A-1/2/3	25	28	31	31	100						
2019B-1/2/3	54	57	62	63	100						
2019D-1/2/3	34	37	41	41	100						
2019F-1/2/4/5	18	18	19	19	100						
2020A-1/2/3	55	59	67	69	69	100					
2020C-1/2/3	69	71	74	81	82	100					
2020E-1/2/3/4	50	50	50	50	50	100					
2021A-1/2	96	97	99	100	0	0					
2021B-1	62	64	78	88	94	94	100				
2021D-1/2	42	42	42	42	42	42	100				
2021E-4/5	87	87	93	98	100	0	0				
2022A-1/2/3	9	9	9	9	9	9	9	100			
2022C-1/2/3	0	0	0	0	0	0	0	100			
2022E-1/2	13	15	21	22	23	23	24	100			
2023A	36	40	52	62	68	69	69	69	100		
2023B	23	26	32	43	46	46	46	46	100		
2023D	15	16	20	24	27	29	30	31	100		
2024A	30	33	49	68	75	75	75	75	75	100	
2024F-1	0	0	0	0	0	0	0	0	0	100	
2025A-1	40	45	59	69	78	82	84	91	96	97	100
2025C-1/3	20	21	26	29	31	33	34	40	43	44	100
2025E-1/3	15	16	20	22	25	26	26	30	35	36	100

Note: The above percentages are based upon information currently available and are not guaranteed.

There can be no assurance that federal tax law, rules or regulations enacted or proposed and the interpretation thereof will not alter the above percentages.

APPENDIX A

CERTAIN PRESENT PROVISIONS OF THE ACT RELATING TO MORTGAGE LOANS OF THE AUTHORITY

The Authority may make or insure mortgage loans for housing upon such terms and conditions as the Authority may prescribe. Mortgage loans made may be for construction financing as well as permanent financing, and shall be secured by a first or (unless financed from proceeds of Bonds) second mortgage.

Permanent mortgage loans made or insured by the Authority under the provisions of the Act shall:

(1) Not exceed (i) ninety percent of the estimated cost of the proposed housing if owned or to be owned by a profit making mortgagor or (ii) one hundred percent of the estimated cost of the proposed housing if owned or to be owned by a housing authority, a municipal developer, a non-profit corporation, or cooperative or by a resident owner of a structure containing not more than three dwelling units, or of a condominium;

(2) Have a maturity satisfactory to the Authority but in no case longer than fifty years from the date of the issuance of the loan or insurance;

(3) Contain amortization provisions satisfactory to the Authority requiring periodic payments by the mortgagor not in excess of the mortgagor's reasonable ability to pay as determined by the Authority; and

(4) Be in such form and contain such terms and provisions with respect to maturity, property insurance, repairs, alterations, payment of taxes and assessments, default reserves, delinquency charges, default remedies, anticipation of maturity, additional and secondary liens, equitable and legal redemption rights, and other matters as the Authority may prescribe.

Construction mortgage loans made by the Authority under the provisions of the Act may be advanced at the discretion of the Authority in installments as the work progresses, provided that the total of all advances equals but does not exceed ninety percent of the project cost if owned or to be owned by a profit making mortgagor, or one hundred percent of the project cost if owned by a housing authority, a municipal developer, a non-profit corporation, or a cooperative. The final advance shall not be made until the completed construction or rehabilitation has been inspected and approved by the Authority.

Construction loans made by the Authority shall also be subject to the following terms and conditions:

(1) A loan may be prepaid after a period of twenty years or sooner with the permission of the Authority, provided that non-profit mortgagors may prepay their loans prior to maturity only with the consent of the Authority. The Authority shall grant such consent if it finds (A) that it may reasonably be expected that the prepayment of the loan will not result in a material escalation of rents charged to occupants of the project and (B) that the need for low and moderate income housing in the area concerned is no longer acute.

(2) The interest rate on the loan shall be established by the Authority at the lowest level consistent with the Authority's cost of operation and its responsibilities to the holders of its bonds, bond anticipation notes, and other obligations.

(3) The Authority shall require the mortgagor or its contractor to post labor and materials and construction performance surety bonds or enter into an escrow arrangement acceptable to the Authority, in amounts related to the project cost as established by regulation, and to execute such other assurances and guarantees as the Authority may deem necessary.

(4) The loan shall be subject to an agreement between the Authority and the mortgagor that will subject said mortgagor and its principals or stockholders to limitations established by the Authority as to rentals, carrying charges, and other charges, profits, and fees, and the disposition of its property and franchises to the extent more restrictive limitations are not provided in the law under which the mortgagor is incorporated or organized.

(5) A loan to a mortgagor, other than a municipal developer, a non-profit corporation having as one of its purposes the construction or rehabilitation of housing, shall be subject to an agreement between the Authority and the mortgagor limiting the mortgagor, and its principals or stockholders, to such a return on the mortgagor's equity in any project assisted with a loan from the Authority as may be established or permitted by the Authority. The mortgagor's equity in a project shall consist of the difference between the amount of the loan and the total project cost, whether or not such costs have been paid in cash or in a form other than cash. With respect to every project, the Authority shall, pursuant to rules and regulations adopted by it, establish the mortgagor's equity, based upon certification or other assurances of project cost by the mortgagor.

(6) No loan shall be executed, except a loan made to a non-profit corporation having as one of its purposes the construction or rehabilitation of housing, unless the mortgagor agrees (A) to certify upon completion of project construction or rehabilitation, subject to audit by the Authority, either that the actual project cost as defined in the Act exceeded the amount of the loan proceeds by ten percent or more, or the amount by which the loan proceeds exceed ninety percent of total project cost, and (B) to pay forthwith to the Authority, for application to reduction of principal of the loan, the amount, if any, of such excess loan proceeds, subject to audit and determination by the Authority. No loan shall be made to a municipal developer, a non-profit corporation unless such mortgagor agrees to certify the actual project cost upon completion of the project, and further agrees to pay forthwith to the Authority, for application to reduction of the principal of the loan, the amount, if any, by which the proceeds of the loan exceed the certified project cost, subject to audit and determination by the Authority. Notwithstanding the provisions of this subsection of the Act, the Authority may accept, in lieu of any certification of project cost as provided in the Act, such other assurance of the said project cost, in any form or manner whatsoever, as will enable the Authority to determine with reasonable accuracy the amount of said project cost.

(7) As a condition of the loan, the Authority shall have the power at all times during the construction and rehabilitation of a housing project and the operation thereof (A) to enter upon and inspect without prior notice any project, including all parts thereof, for the purpose of investigating the physical and financial condition thereof, and its construction, rehabilitation, operation, management, and maintenance, and to examine all books and records with respect to capitalization, income, and other matters relating thereto and to make such charges as may be required to cover the cost of such inspections and examinations; (B) to order such alterations, changes, or repairs as may be necessary to protect the security of its investment in a housing project or for the health, safety, and welfare of the occupants thereof; (C) to order any managing agent, project manager, or owner of a housing project to do such acts as may be necessary to comply with the provisions of all applicable laws and ordinances or any rule or regulation of the Authority or the terms of any agreement concerning the said project or to refrain from doing any act in violation thereof and in this regard the Authority shall be a proper party to file a complaint and to prosecute thereon for any violation of laws or ordinances as set forth herein; (D) to require the adoption and continuous use of uniform systems of accounts and records for a project and to require all owners or managers of same to file annual reports containing such information and verified in such manner as the Authority shall require and to file at such times and on such forms as the Authority may prescribe reports and answers to specific inquiries of the Authority to determine the extent of compliance with any agreement, the terms of the loan, the provisions of the Act and any other applicable law; and (E) to enforce, by court action if necessary, the terms and provisions of any agreement between the Authority and the mortgagor as to schedules of rentals or carrying charges, aggregate family income limits as applied to applicants for housing or the occupants thereof, or any other limitation imposed upon the mortgagor as to financial structure, construction, operation, or disposition of the housing.

(8) If (A) the Authority determines that the loan or advance made is in jeopardy of not being repaid; (B) the Authority determines that the proposed housing project for which the loan or advance made is in jeopardy of not being constructed; (C) the recipient is a non-profit corporation, and the Authority determines that some part of the net income or earnings of the corporation is inuring to the benefit of any private individual, firm, partnership, corporation, or association, or that the corporation is in some manner controlled by or under the direction of or acting in the substantial interest of any private individual, firm, corporation, partnership, or association seeking to derive benefit or gain therefrom or seeking to eliminate or minimize losses in any dealings or transactions therewith; (D) the recipient is a for profit corporation or unincorporated association, and the Authority determines that some part of the net income or earnings of the recipient, in excess of that permitted by other provisions of the Act, shall inure to the benefit of any private individual, firm, corporation, partnership, or association; (E) the Authority determines that the recipient is in violation of any rules or regulations promulgated by the Authority under the provisions of the Act; or (F) the Authority determines that the recipient is in violation of any agreements entered into with the Authority

providing for regulation by the Authority of the planning, development, and management of any housing undertaken by the recipient or the disposition of the property and franchises of such recipient; then the Authority may appoint a majority of new directors to the board of directors of a mortgagor corporation, or appoint a new managing agent for an unincorporated association. The persons so appointed need not be stockholders or partners or meet other qualifications which may be prescribed by the articles of incorporation or other basic documents of organization or the bylaws of such mortgagor. In the absence of fraud or bad faith, the persons so appointed shall not be personally liable for the debts, obligations, or liabilities of such mortgagor; and shall serve only for a period co existent with the duration of the reasons for their appointment or until the Authority is assured, in a manner satisfactory to it, that the need for such services no longer exists; and they shall serve as directors or managing agents for such compensation as the Authority may determine and shall be entitled to be reimbursed for all necessary expenses incurred in the discharge of their duties as directors or managing agents of such mortgagor.

All land and improvements owned by the Authority or in which the Authority has an interest through a mortgage held or insured by it shall be subject to the planning, zoning, health and building laws, ordinances, and regulations applicable to the town in which such land and improvements are situated, provided, as to land owned by the Authority, the Authority shall have the same rights of appeal and review from an adverse decision or order based on such laws, ordinances, and regulations as are granted by such laws, ordinances, and regulations to other owners.

If a loan made by the Authority is insured or if the project or any units therein are assisted by any department, agency, or instrumentality of the United States Government or the State, and the terms of the mortgage insurance commitment or regulatory agreement covering such insurance or other assistance are inconsistent with the terms and conditions required by or established by the Authority under the Act, the terms of such mortgage insurance commitment or regulatory agreement shall prevail, to the extent of such inconsistency.

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APPENDIX B

AUDITED FINANCIAL STATEMENTS

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CONNECTICUT HOUSING FINANCE AUTHORITY

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

DECEMBER 31, 2025 AND 2024

Whittlesey
Forward Advising™

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CONNECTICUT HOUSING FINANCE AUTHORITY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Connecticut Housing Finance Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Connecticut Housing Finance Authority (the Authority), a component unit of the state of Connecticut, as of and for the year ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2025 and 2024, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards,* we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the pension and OPEB schedules, as presented in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-14 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a

part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standar*ds in considering the Authority's internal control over financial reporting and compliance.

Hartford, Connecticut
April 6, 2026

This section of the Connecticut Housing Finance Authority's (the "Authority") financial statements, Management's Discussion and Analysis, presents an overview of the Authority's financial performance as of and for the years ended December 31, 2025 and 2024. It provides an assessment of the Authority's financial position and identifies the factors that, in management's view, significantly affected the Authority's overall financial position. It may contain assumptions or conclusions by the Authority's management that should not be considered a replacement for, and must be read in conjunction with, the financial statements described below.

Overview of the Financial Statements

This annual financial report consists of four parts: Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information and Supplementary Information. The Authority is a self-supporting quasi-public agency established for the purpose of alleviating the shortage of affordable housing for low and moderate income households in the State of Connecticut and, when appropriate, to promote or maintain the economic development of Connecticut through employer-assisted housing efforts. The financial statements are presented using the accrual basis of accounting. The Authority operates in a manner similar to a private business that includes activities such as the financing of home mortgage loans and multifamily and special needs housing real estate development.

The Basic Financial Statements

The Statement of Net Position provides information about the Authority's financial condition at the end of the year by indicating the nature and amounts of its investments in resources (assets), its deferred outflows of resources, its obligations (liabilities), its deferred inflows of resources and its resulting net position. Net position represents total assets, plus total deferred outflows of resources, less total liabilities, less deferred inflows of resources. The organization of the statement of net position separates assets and liabilities into their current and non-current components.

The Statement of Revenues, Expenses and Changes in Net Position accounts for all of the current year's revenues and expenses, measures the success of the Authority's operations over the past year and can be used to determine how the Authority has funded its costs.

The Statement of Cash Flows provides information about the Authority's cash receipts, cash payments and net changes in cash resulting from operations, financing, capital and investing activities.

The Notes to the Financial Statements

The Notes to Financial Statements provide:

- Information that is essential to understanding the basic financial statements, such as the Authority's accounting methods and policies.
- Details of contractual obligations, future commitments and contingencies of the Authority.
- Other events or developing situations that could materially affect the Authority's financial position.

Required Supplementary Information and Supplementary Information

Required Supplementary Information represents information required by GASB, which supplements the basic financials statements and notes. These schedules provide additional information about the Authority's proportionate share of the Net OPEB Liability, Net Pension Liability and schedules of the Authority's contributions to the State Employees' Retirement System (SERS).

The Supplementary Information includes individual program schedules that present the Authority's financial statements in more detail

Financial Highlights – Year Ended December 31, 2025

During 2025, the Authority closed $1.0 billion in single family loans bringing homeownership to 3,788 homebuyers. The need for multifamily financing remained strong. During the year, the Authority financed 1,168 affordable multifamily units for a total investment commitment of $196.4 million.

The Time-To-Own (TTO) forgivable loan program continued to be highly utilized by homebuyers as a tool to enhance homeownership affordability. During the year, 2,718 or 72% of the Authority's borrowers received TTO loans. TTO along with the Downpayment Assistance Program (DAP) helped make purchasing a home a reality for CHFA borrowers. TTO and DAP are described in further detail in Note 16.

The Authority issued five series of Housing Mortgage Finance Program Bonds generating $1.27 billion in proceeds to provide financing for its home mortgage and multifamily mortgage housing programs, in addition to refunding approximately $22.8 million in outstanding bonds. As demand remained high during 2025, the Authority issued a strategic mix of tax-exempt and taxable debt in response to volume cap constraints.

The Authority issued its first three series of bonds under the Housing Revenue Bond General Trust Indenture. The proceeds were used to finance the acquisition and rehabilitation of three multifamily properties. The bonds are backed by Fannie Mae MBS and as a result, are not carried under the Authority's general obligation.

The Authority's investment earnings were propelled by an increase in investments, specifically program assets, as the majority of single-family loans purchased during the year were securitized into mortgage-backed securities. Short-term interest rates, although lower than 2024, remained elevated during 2025. The State Treasurer's Short-Term Investment Fund averaged 4.32% for the year, starting the year at a high of 4.58%.

Financial Highlights – Year Ended December 31, 2024

During 2024, the Authority closed $1.1 billion in single family loans bringing homeownership to 3,873 homebuyers. The need for multifamily financing remained strong as the high interest rate environment influenced the demand for 9% LIHTC taxable financings. During the year, the Authority financed 1,201 affordable multifamily units for a total investment commitment of $234.9 million.

The Authority launched the Smart Rate Pilot Program during the year. Under Smart Rate, eligible borrowers receive a 1.125% interest rate reduction on their CHFA first mortgage. The goal of the Program's interest rate reduction is to help offset a borrower's student loan debt burden. During the year, the Authority funded 163 Smart Rate loans for $49.4 million.

The TTO forgivable loan program was highly utilized by homebuyers as a tool to enhance homeownership affordability. During the year, 2,697 or 70% of the Authority's borrowers applied for and received TTO loans. TTO along with DAP helped propel single family production to near record levels.

The Authority issued six series of Housing Mortgage Finance Program Bonds generating $1.1 billion in proceeds to provide financing for its home mortgage and multifamily mortgage housing programs in addition to refunding approximately $163.8 million in outstanding bonds. The Authority had originally projected to issue $650 million in bonds, however, the large increase in homeownership purchase activity, substantially driven by the Authority's TTO forgivable loan program, drove the need to generate additional funding. This included the need to issue taxable bonds, as the remaining Private Activity Bond Volume Cap was exhausted during the year.

The Authority's investment earnings were propelled by an increase in investments, specifically program assets, as the majority of single-family loans purchased during the year were securitized into mortgage-backed

securities. Short-term interest rates remained elevated during 2024. The State Treasurer's Short-Term Investment Fund averaged 5.26% for the year, starting the year at a high of 5.49%.

Financial Analysis of the Authority

The following table summarizes the changes in Net Position between December 31, 2025, 2024 and 2023:

	(in millions)			% Change	
	2025	2024	2023	2025/2024	2024/2023
Assets					
Current assets	$ 1,455.8	$ 1,394.1	$ 1,416.3	4.4 %	(1.6) %
Capital assets	3.3	3.6	4.2	(9.2)	(13.0)
Noncurrent assets	6,663.2	5,645.7	4,860.6	18.0	16.2
Total assets	**8,122.3**	**7,043.4**	**6,281.1**	**15.3**	**12.1**
Deferred outflows of resources					
Unamortized deferred bonds refunding costs	40.2	46.7	53.9	(14.0)	(13.3)
Deferred amounts for OPEB	9.0	15.3	15.5	(41.1)	(1.6)
Deferred amounts for pensions	10.8	14.7	9.5	(26.7)	55.1
Total deferred outflows of resources	**60.0**	**76.7**	**78.9**	**(21.8)**	**(2.8)**
Liabilities					
Long-term bonds payable	6,005.8	5,129.7	4,464.8	17.1	14.9
Net OPEB liability	39.5	56.3	52.1	(29.9)	8.0
Net pension liability	32.2	48.2	42.0	(33.1)	14.8
Other liabilities	908.5	881.5	808.1	3.1	9.1
Total liabilities	**6,986.0**	**6,115.7**	**5,367.0**	**14.2**	**13.9**
Deferred inflow of resources					
Deferred amount for OPEB	28.2	24.9	32.9	13.3	(24.6)
Deferred amount for pensions	16.4	11.7	16.1	40.7	(27.4)
Derivative Financial Instruments	194.7	203.3	171.3	(4.2)	18.7
Total deferred inflows of resources	**239.3**	**239.9**	**220.3**	**(0.3)**	**8.9**
Net position					
Net investment in capital assets	3.3	3.6	4.2	(9.2)	(13.0)
Restricted	953.7	760.9	768.5	25.3	(1.0)
Total Net Position	$ **957.0**	$ **764.5**	$ **772.7**	**25.2** %	**(1.1)** %

Change 2025/2024

- Cash and investments in securities increased $981.5 million or 22.7% primarily resulting from:
  - A net increase of $34.6 million in bond proceeds and other funds held to be used for the financing of mortgage loans, the retirement of bond debt and the payment of administrative costs.
  - The majority of the single family loans purchased during the year were securitized into mortgage-backed securities resulting in an increase in Program Assets of $1.053 billion. Program Assets and other investments were reduced by maturities of $236.9 million.
  - A $130.8 million increase attributable to the increase in investment fair values specifically related to GNMA, FNMA and FHLMC Program Assets (see Note 4 of the financial statements). There is an inverse relationship between the market value of MBS's and changes in interest rates.

- Mortgage loan receivable increased by $84.3 million or 3.3%. This increase was substantially attributed to the increase in the multifamily construction and permanent loan portfolios.

- Accrued interest receivable on securities increased $3.6 million or 21.5%. This increase is due to the increase in the Authority's investment portfolio, as the majority of single-family loans purchased were securitized.

- Accounts receivable and other assets increased $17.5 million or 18.9%. This increase is substantially attributed to:
  - The Authority has an arrangement with a GNMA/FNMA/FHLMC seller/servicer. The terms of the agreement provide for immediate reimbursement of single-family loans that have been originated, however are waiting to be pooled and securitized. The time lag between reimbursement and securitization varies but is generally 45 days. The Authority earns interest at the note rate during this time. The Authority entered into seller/servicer agreements with two other providers during 2025. Those new arrangements did not require immediate reimbursement for loans awaiting securitization. This reduced the volume of loans that were required to be immediately reimbursed, and as a result reduced the corresponding receivable by $20 million over prior year. However, multifamily funding provided under the new Housing Revenue Bond Indenture during the year in the amount of $37.5 million will not convert to a mortgage-backed security until the end of the two-year construction period.

- Deferred outflows of resources decreased $16.7 million or 21.8%. This decrease is substantially attributed to:
  - A $3.9 million decrease in deferred amount for pensions and $6.3 million decrease in deferred amount for OPEB. The deferred amounts are allocated to the Authority from an actuarial analysis prepared by the State of Connecticut. It is comprised of the difference between expected and actual experience, changes in actuarial assumptions, changes in proportion and differences between employer contributions and proportionate share of employer contributions and lastly, the employer contributions made between the measurement date of June 30, 2025 and the Authority's year-end of December 31, 2025.
  - A net decrease of $6.5 million or 14% in unamortized deferral on bond refundings. The Authority has refunded certain variable rate bonds that were being hedged by interest rate swaps. The fair value of the swaps at the time of the refundings was reclassified from derivative financial instruments-deferred outflows to unamortized deferral on bond refundings. The amounts reclassed are then amortized over the shorter of the life of the refunded or new debt. The $6.5 million decrease is a result of the current year amortization of these deferrals.

- Escrow deposits and unearned revenue increased by $66 million or 22.3%. This is substantially attributed to:
  - A $38.9 million increase to collateral held in the Housing Revenue Bond Fund, to be released upon the completion of the project construction period and subsequent securitization of the corresponding Fund assets.
  - An $11.8 million increase in Build-for-CT funds on hand. The Authority received additional funding from the State during the year and is in the process of spending down those funds on program activities.
  - An increase in escrows pertaining to the multifamily housing portfolio, the majority of the increase pertains to capital contributions received from developers and escrows required to be funded at initial closings.

- Line of credit payable decreased by $71.4 million or 32.0%. This change is largely due to the fact that the Bank of America line was paid down by $75 million during 2025. All line of credit agreements are further described in Note 8 of the financial statements.

- Bonds payable increased by $890.7 million or 13.3%. The increase is attributed to:
  - An increase of $1.33 billion as a result of new bonds issued including original issue premium.
  - A decrease of $430.0 million as a result of redemptions.
  - A decrease of $10.3 million as a result of the amortization of bond premiums.

Change 2024/2023

- Cash and investments in securities increased $698.6 million or 19.3% primarily resulting from:
  - A net increase of $39.3 million in short-term investments (STIF and Money Market).
  - The majority of the single family loans purchased during the year were securitized into mortgaged-backed-securities resulting in an increase in Program Assets of $986.5 million. Program Assets and other investments were reduced by maturities of $264.9 million.
  - A $62.2 million decrease attributable to the decrease in investment fair values specifically related to GNMA, FNMA and FHLMC Program Assets (see Note 4 of the financial statements). There is an inverse relationship between the market value of MBS's and changes in interest rates.

- Accrued interest receivable on securities increased $3.4 million or 25.9%. This increase is due to the increase in the Authority's investment portfolio, as the majority of single family loans purchased were securitized.

- Accounts receivable and other assets decreased $7.4 million or 7.4%. This decrease is substantially attributed to:
  - The Authority has an arrangement with a GNMA/FNMA/FHLMC seller/servicer. The terms of the agreement provide for immediate reimbursement of single-family loans that have been originated, however are waiting to be pooled and securitized. The time lag between reimbursement and securitization varies but is generally 45 days. The Authority earns interest at the note rate during this time. Although single family loan production increased 23% year-over-year, the timing of the last security settlement of the year resulted in the majority of this reduction.

- Deferred outflows of resources decreased $2.2 million or 2.8%. This decrease is substantially attributed to:
  - A $5.2 million increase in deferred amount for pensions. The deferred amounts are allocated to the Authority from an actuarial analysis prepared by the State of Connecticut. It is comprised of the difference between expected and actual experience, changes in actuarial assumptions, changes in proportion and differences between employer contributions and proportionate share of employer

contributions and lastly, the employer contributions made between the measurement date of June 30, 2024 and the Authority's year-end of December 31, 2024.

- A net decrease of $7.2 million or 13.3% in unamortized deferral on bond refundings. The Authority has refunded certain variable rate bonds that were being hedged by interest rate swaps. The fair value of the swaps at the time of the refundings was reclassified from derivative financial instruments-deferred outflows to unamortized deferral on bond refundings. The amounts reclassed are then amortized over the shorter of the life of the refunded or new debt. The $7.2 million decrease is a result of the current year amortization of these deferrals.

- Line of credit payable increased by $100 million or 80.0%. During 2024, the Authority drew down on the Wells Fargo line of credit and remainder of US Bank's available line to meet liquidity needs. All line of credit agreements are further described in Note 8 of the financial statements.

- Bonds payable increased by $631.4 million or 16.3%. The increase is attributed to:
  - An increase of $1.112 billion as a result of new bonds issued including original issue premium.
  - An increase of $60 thousand due to capital appreciation bond accretions.
  - A decrease of $469.4 million as a result of redemptions.
  - A decrease of $11.3 million due to the amortization of original issue premiums.

- Net OPEB liability increased by $4.2 million or 8.0%. Net pension liability increased by $6.2 million or 14.8%. The Authority is a component unit of the State of Connecticut and participates in the State's OPEB and pension plan. Liabilities are allocated based on the Authority's proportionate share of the State of Connecticut's net OPEB and pension liability. Both liabilities are adjusted annually based on an actuarial valuation prepared by the State (see Note 13 and Note 14 of the financial statements).

- Deferred inflows of resources increased $19.7 million or 8.9%. This includes:
  - A $8.1 million decrease in deferred amount for OPEB and a $4.3 million decrease in deferred amount for pensions. The deferral changes are explained in further detail in Note 13 and Note 14 of the financial statements.
  - A $32.1 million increase in derivative financial instruments due to fluctuations in the fair market value of the Authority's interest rate swap contracts.

The home mortgage, rental housing and special needs housing loan and investment portfolios are one of the Authority's primary assets.

New loans financed under the Authority's home mortgage and special needs housing programs (including GNMA, FNMA & FHLMC Program Assets, excluding the acquired portfolio from the State) exceeded payoffs for the three years ended December 31, 2025, 2024 and 2023 as follows:

	(in millions)		
	New Loans Financed	Payoffs	Net
2025	$ 1,138.8	$ 163.7	$ 975.1
2024	1,115.9	145.0	970.9
2023	847.0	142.8	704.2

The change in the multifamily rental housing and special needs housing portfolios (excluding the acquired portfolio from the State) is summarized as follows:

	(in millions)			% Change	
	2025	2024	2023	2025/2024	2024/2023
Construction loan balances	$ 164.7	$ 107.2	$ 92.2	53.6 %	16.3 %
Permanent loan balances	1,423.9	1,338.9	1,253.5	6.3	6.8
Special needs housing permanent loan balances	57.6	57.6	60.5	0.0	(4.7)
Total Multifamily Mortgage Loans	$ 1,646.2	$ 1,503.7	$ 1,406.2	9.5 %	6.9 %

As a result of legislation that was passed during calendar year 2002, on April 9, 2003 the Authority acquired housing assets from the Connecticut Department of Economic and Community Development from a reallocation of $85 million of its available cash resources. The par value of this acquired portfolio at December 31, 2003 was $213.3 million. After evaluation of the underlying loans by the Authority, the carrying value of this portfolio was written down to $65.0 million.

During calendar year 2016, further legislation was passed which resulted in the Authority acquiring multifamily housing assets from the Connecticut Department of Housing from a reallocation of $15 million of the Authority's available cash resources. The par value of this acquired portfolio at December 31, 2016 was $16.1 million. After evaluation of the underlying loans by the Authority, the carrying value of this portfolio was written down to zero.

The status of these acquired portfolios combined, as of December 31, 2025, 2024 and 2023, is summarized as follows (in millions):

	December 31, 2025		
	Par Value	Allowance for Losses	Carrying Amount
Home mortgage loans	$ 0.3	$ (0.3)	$ 0.0
Multifamily mortgage loans	153.6	(135.0)	18.6
Total acquired portfolio	$ 153.9	$ (135.3)	$ 18.6
Allowance for losses % to par value		87.9%	

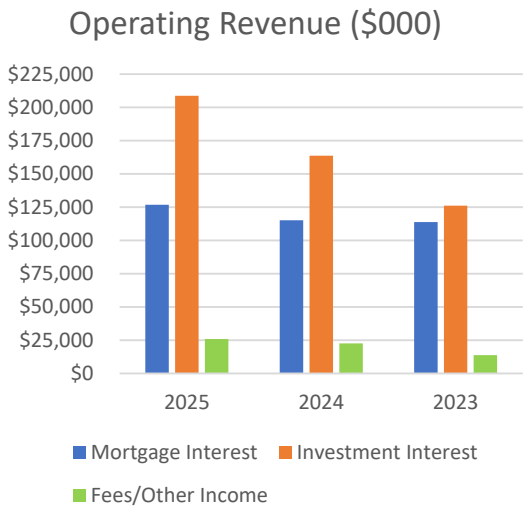
	December 31, 2024		
	Par Value	Allowance for Losses	Carrying Amount
Home mortgage loans	$ 0.3	$ (0.3)	$ 0.0
Multifamily mortgage loans	154.7	(135.6)	19.1
Total acquired portfolio	$ 155.0	$ (135.9)	$ 19.1
Allowance for losses % to par value		87.6%	

	December 31, 2023		
	Par Value	Allowance for Losses	Carrying Amount
Home mortgage loans	$ 0.6	$ (0.5)	$ 0.1
Multifamily mortgage loans	156.0	(136.5)	19.5
Total acquired portfolio	$ 156.6	$ (137.0)	$ 19.6
Allowance for losses % to par value		87.5%	

Mortgage loan earnings, including earnings on GNMA, FNMA and FHLMC Program Assets, which are included in "interest on investments," represent the Authority's major source of operating revenue. The Authority also charges various program fees that include but are not limited to application fees, commitment fees, extension fees and financing fees.

The following table summarizes the changes in operating income between December 31, 2025, 2024 and 2023.

	(in millions)			$ Change	
	2025	2024	2023	2025/2024	2024/2023
Operating Revenues:					
Interest on mortgage loans	$ 126.7	$ 115.1	$ 113.8	$ 11.6	$ 1.3
Interest on investments	208.8	163.7	126.2	45.1	37.5
Fees and other income	25.8	22.6	13.7	3.2	8.9
Total operating revenues	**361.3**	**301.4**	**253.7**	**59.9**	**47.7**
Operating Expenses:					
Interest	227.9	184.1	150.4	43.8	33.7
Bond issuance costs	10.3	10.1	5.5	0.2	4.6
Servicer fees	29.0	27.8	20.9	1.2	6.9
Administrative	40.3	38.4	38.7	1.9	(0.3)
Provision for loan loss reserve	8.1	4.5	19.9	3.6	(15.4)
Total operating expenses	**315.6**	**264.9**	**235.4**	**50.7**	**29.5**
Operating income	45.7	36.5	18.3	9.2	18.2
Nonoperating Revenues (Expenses):					
Actuarial assumption changes pension & OPEB	14.6	7.0	9.6	7.6	(2.6)
Net increase (decrease) in the fair value of investments	130.8	(62.2)	33.1	193.0	(95.3)
Other	1.4	10.5	1.4	(9.1)	9.1
Total nonoperating income (loss)	**146.8**	**(44.7)**	**44.1**	**191.5**	**(88.8)**
Change in Net Position	$ 192.5	$ (8.2)	$ 62.4	$ 200.7	$ (70.6)



Change 2025/2024

- Net position increased $192.5 million in 2025. Operating income was $45.7 million, an increase of $9.2 million from the prior year.

  - Operating revenues increased $59.9 million or 19.9%. This increase is primarily due to an increase in interest earned from investments. This increase was driven by a 22.8% increase in the Authority's investment portfolio as the majority of single-family loans purchased during the year were securitized into mortgage-backed securities, coupled with an elevated short-term interest rate environment. In addition, there was an $11.6 million increase in interest on mortgage loans, largely as a result of the increase in the multifamily loan portfolio.

  - Operating expenses increased $50.7 million or 19.1%. This increase is substantially attributable to:
    - A $43.8 million increase in interest costs. Outstanding bonds payable were $896 million higher than prior year, contributing to the majority of the increase in interest costs.
    - A $3.5 million increase in provision for loss reserves. The Authority reevaluated the adequacy of loss reserves for certain multifamily loans currently receiving federal subsidies due to recent changes at the federal level.

- Nonoperating gain was $146.8 million in 2025 compared to a nonoperating loss of $44.7 million in 2024, a year-over-year increase of $191.5 million. The difference is substantially attributable to:
  - A $7.6 million increase resulting from pension and OPEB actuarial assumption changes. Pension and OPEB liabilities and expenses are allocated to the Authority per an actuarial analysis prepared by the State of Connecticut. See Notes 13 and 14 for further detail.
  - During 2025, there was a $130.8 million increase in the fair value of the Authority's investment portfolio, specifically the Authority's GNMA, FNMA and FHLMC Program Assets discussed in Note 4 of the financial statements. When compared to the fair value decrease of $62.2 million during 2024, the result is a year-over-year increase of $193.0 million. The change in market interest rates has an inverse relationship to the fair value of mortgage-backed securities. Interest rates at the end of 2025 were lower than at the end of 2024.
    - Grant funding exceeded grant expenditures by $1.4 million during 2025, however grant funding exceeded grant expenditures by $10.5 million in 2024, resulting in a year-over-year change of $9.1

million. This change was substantially attributed to the $9 million in additional DAP program funding received from the State during 2024. No DAP funds were received in 2025.

Change 2024/2023

- Net position decreased $8.2 million in 2024. Operating income was $36.5 million, an increase of $18.2 million from the prior year.

  - Operating revenues increased $47.7 million or 18.9%. This increase is primarily due to an increase in interest earned from investments. This increase was driven by a 19.3% increase in the Authority's investment portfolio as the majority of single family loans purchased during the year were securitized into mortgage-backed securities, coupled with an elevated short-term interest rate environment. In addition, there was an increase in fees and other income. The substantial increase in single family production during 2024 has resulted in an increase in fee income associated with the single family program.

  - Operating expenses increased $29.5 million or 12.5%. This increase is substantially attributable to:
    - A $33.7 million increase in interest costs. Outstanding bonds payable were $635 million higher than prior year, substantially contributing to the increase in interest costs.
    - A $4.6 million increase in bond issuance costs. The debt issued during the year was approximately double that of the prior year due to the considerable increase in demand for homeownership financing.
    - A $6.9 million increase in servicer fees. The Authority experienced a substantial increase in single family loan production during 2024 as borrowers took advantage of lower than market interest rates and its generous down payment assistance programs.
    - A $15.4 million decrease in provision for loss reserves. A component of the loss reserve analysis is to conduct a loan specific review of projects' recent annual financial statements with a focus towards debt service coverage ratio (DSCR). Reserves are generally increased for projects that have a DSCR of less than 1.0. According to their 2023 audited financial statements, the number of new projects that fell into this category was substantially less than prior year, as the financial impact due to the lingering effects from the pandemic had diminished.

- Nonoperating loss was $44.7 million in 2024 compared to $44.1 million in nonoperating income in 2023, a year-over-year decrease of $88.8 million. The difference is substantially attributable to:
  - A $2.6 million decrease resulting from pension and OPEB actuarial assumption changes. Pension and OPEB liabilities and expenses are allocated to the Authority per an actuarial analysis prepared by the State of Connecticut. See Notes 13 and 14 for further detail.
  - During 2024, there was a $62.2 million decrease in the fair value of the Authority's investment portfolio, specifically the Authority's GNMA, FNMA and FHLMC Program Assets discussed in Note 4 of the financial statements. When compared to the fair value increase of $33.1 million during 2023, the result is a year-over-year decrease of $95.3 million. The change in market interest rates has an inverse relationship to the fair value of mortgage-backed securities. Interest rates at the end of 2024 were higher than at the end of 2023.
  - Grant funding exceeded grant expenditures by $10.5 million during 2024, however grant funding only exceeded grant expenditures by $1.4 million in 2023, resulting in a year-over-year change of $9.1 million. This change was substantially attributed to:
    - The $9 million in additional DAP program funding received from the State during 2024. No DAP funds were received in 2023.

Debt Administration

The following table summarizes the changes in bonds payable between December 31, 2025, 2024 and 2023. More detailed information related to the Authority's outstanding bond debt obligations is presented in Note 8 of the financial statements.

	(in millions)			% Change	
	2025	2024	2023	2025/2024	2024/2023
Bonds payable	$ 6,344.1	$ 5,453.3	$ 4,821.9	16.3%	13.1%

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances. If you have questions about this report or need additional information, contact the Finance Department of the Connecticut Housing Finance Authority at 999 West Street, Rocky Hill, CT 06067.

CONNECTICUT HOUSING FINANCE AUTHORITY
STATEMENTS OF NET POSITION
(in 000's)

	December 31, 2025	December 31, 2024
Assets		
Restricted current assets:		
Cash and cash equivalents	$ 1,102	$ 1,293
Mortgage loans receivable	203,178	158,057
Investments in securities	1,108,289	1,114,323
Real estate owned - multifamily	2,300	2,300
Accrued interest receivable on:		
Mortgage loans	10,665	8,884
Securities	20,179	16,610
Accounts receivable and other assets	110,127	92,657
Total current assets	1,455,840	1,394,124
Restricted noncurrent assets:		
Mortgage loans receivable, net of current portion	2,426,500	2,387,323
Investments in securities, net of current portion	4,187,349	3,199,654
Derivative instruments - interest rate swaps	48,906	57,536
Capital assets, net of depreciation	3,289	3,621
Real estate owned - single family	471	1,235
Total noncurrent assets	6,666,515	5,649,369
Total assets	8,122,355	7,043,493
Deferred Outflows of Resources		
Unamortized deferral on bond refundings	40,175	46,700
Deferred amount for OPEB	8,990	15,251
Deferred amount for pensions	10,795	14,718
Total deferred outflows of resources	59,960	76,669
Liabilities		
Current liabilities:		
Escrow deposits and unearned revenue	136,074	120,548
Accrued interest payable	32,102	25,379
Accounts payable and accrued liabilities	4,687	4,420
Compensated absences	2,275	2,167
Line of credit payable	153,594	224,999
Notes payable	438	118
Bonds payable	338,189	323,609
Total current liabilities	667,359	701,240
Noncurrent liabilities		
Escrow deposits and unearned revenue, net of current portion	225,998	175,501
Compensated absences	1,291	931
Notes payable, net of current portion	13,806	3,858
Bonds payable, net of current portion	6,005,877	5,129,737
Net OPEB liability	39,462	56,303
Net pension liability	32,220	48,150
Total noncurrent liabilities	6,318,654	5,414,480
Total liabilities	6,986,013	6,115,720
Deferred Inflows of Resources		
Deferred amount for OPEB	28,165	24,856
Deferred amount for pensions	16,405	11,758
Derivative financial Instruments	194,693	203,322
Total deferred inflows of resources	239,263	239,936
Net Position		
Net investment in capital assets	3,289	3,621
Restricted by contractual agreements	72,910	78,995
Restricted by bond indentures and/or enabling legislation	880,840	681,890
Total Net Position	$ 957,039	$ 764,506

The accompanying notes are an integral part of the financial statements

CONNECTICUT HOUSING FINANCE AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
(in 000's)

	Year Ended December 31, 2025	2024
Operating Revenues		
Interest on mortgage loans	$ 126,744	$ 115,093
Interest on investments	208,753	163,723
Fees and other income	25,828	22,635
Total operating revenues	361,325	301,451
Operating Expenses		
Interest	227,929	184,114
Bond issuance costs	10,264	10,113
Servicer fees	29,003	27,809
Administrative	40,387	38,404
Provision for loan loss reserves	8,067	4,540
Total operating expenses	315,650	264,980
Operating Income	45,675	36,471
Nonoperating Revenues (Expenses)		
Actuarial assumption changes for pension and OPEB	14,630	7,001
Net increase (decrease) in the fair value of investments	130,838	(62,213)
Grant program funding	69,851	101,199
Grant program expenses	(68,461)	(90,699)
Nonoperating gain (loss)	146,858	(44,712)
Change in Net Position	192,533	(8,241)
Net Position - Beginning of Year	764,506	772,747
Net Position - End of Year	$ 957,039	$ 764,506

The accompanying notes are an integral part of the financial statements

CONNECTICUT HOUSING FINANCE AUTHORITY
STATEMENTS OF CASH FLOWS
(in 000's)

	Year Ended December 31, 2025	2024
Cash Flows from Operating Activities		
Cash received from interest on mortgage loans	$ 124,962	$ 115,803
Cash received from scheduled mortgage principal payments	80,173	80,297
Cash received from mortgage principal prepayments	134,845	88,949
Cash received from fees and other income	25,571	22,465
Cash payments to purchase mortgage loans	(309,518)	(212,890)
Cash payments to employees	(25,329)	(24,740)
Cash payments to suppliers	(43,024)	(41,003)
Net cash (used in)/provided by operating activities	(12,320)	28,881
Cash Flows from Noncapital Financing Activities		
Proceeds from/(release of) escrow deposits	66,023	(2,787)
Retirement of bonds payable	(430,002)	(469,443)
Proceeds from sales of bonds	1,330,874	1,112,225
Proceeds from notes payable	10,267	3,976
(Reductions to)/proceeds from line of credit	(71,406)	99,999
Interest paid	(224,862)	(182,549)
Bond issuance costs	(10,319)	(10,080)
Proceeds from grant program funding	69,851	101,199
Grant program costs	(68,444)	(90,674)
Net cash provided by noncapital financing activities	671,982	561,866
Cash Flows from Investing Activities		
Proceeds from sales of and maturities of investment securities	239,812	264,868
Purchase of investment securities	(1,089,689)	(1,025,851)
(Increase) decrease of warehoused loans awaiting securitization	(17,471)	7,383
Sales of real estate owned	755	418
Interest received from investments	206,740	162,997
Net cash used in investing activities	(659,853)	(590,185)
(Decrease) Increase in Cash and Cash Equivalents	(191)	562
Cash and Cash Equivalents - Beginning of Year	1,293	731
Cash and Cash Equivalents - End of Year	$ 1,102	$ 1,293
Reconciliation of Operating Income to Net Cash (Used in)/Provided by Operating Activities		
Operating income	$ 45,675	$ 36,471
Adjustments to reconcile operating income to net cash (used in)/provided by operating activities:		
Depreciation	332	540
Provision for loan loss reserves	8,067	4,540
Bond issuance costs	10,264	10,113
Interest on investments	(208,753)	(163,723)
Interest expense	227,929	184,114
Change in assets and liabilities:		
(Increase) decrease in accrued interest receivable on mortgage loans	(1,781)	710
(Increase) decrease in accounts receivable and other assets	(17,471)	7,383
Increase in accounts payable and other accrued liabilities and compensated absences	736	99
Increase in mortgage loan and other receivables, net	(77,318)	(51,366)
Net Cash (Used in)/Provided by Operating Activities	$ (12,320)	$ 28,881
Noncash Investing Activities		
Net increase (decrease) in the fair value of investments	$ 130,838	$ (62,213)

The accompanying notes are an integral part of the financial statements

NOTE 1 - AUTHORIZING LEGISLATION

Connecticut Housing Finance Authority (the "Authority") is a public instrumentality and political subdivision of the State of Connecticut. It was created in 1969 for the purpose of increasing the housing supply and encouraging and assisting in the purchase, development and construction of housing for low and moderate-income families and persons throughout Connecticut. The Authority operates pursuant to Chapter 134 of the Connecticut General Statutes, as amended (the "Act"). As required by the Act, the Authority's powers are exercised by a Board of Directors consisting of fifteen members, four of whom are State officials, seven of whom are appointed by the Governor and four of whom are appointed by leaders of the General Assembly.

The Authority is authorized to issue bonds, notes and other obligations to fund loans to qualified borrowers for single family homes and multifamily developments. Funding of loan programs on an on-going basis is derived principally from bond proceeds and interest earned on loans and investments.

The Authority is a component unit of the State of Connecticut, based on the criteria for defining the reporting entity as identified and described in the Government Accounting Standards Board's *Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Authority is a self-supported entity and the accompanying financial statements are presented using the economic resources measurement focus and accrual basis of accounting wherein revenues are recognized when earned, and expenses are recognized when the liability is incurred. The financial statements are prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB"). While detail sub-fund information is not presented, separate accounts are maintained for each program and include certain funds that are legally designated as to use. The funds of the Authority and similar component units are proprietary fund types.

Reporting Entity

Connecticut Housing Finance Authority Funds

Under the Act and the General Housing Mortgage Finance Program Bond Resolution of September 27, 1972 (the "Bond Resolution"), the Authority is authorized to maintain Housing Mortgage General and Capital Reserve Funds. In addition to the aforementioned funds, the Authority, as permitted by the Act, has established other funds. Included in other funds are the Investment Trust Fund, which may be used to account for assets which are determined to be "surplus funds" under the terms of the Bond Resolution, and the Housing Mortgage Insurance Fund, which provides mortgage insurance.

Also included in other funds are:

a. the Special Needs Housing Fund, the Special Needs Housing Capital Reserve Fund, the State Assistance Agreement Fund, and, as to the Authority's Emergency Mortgage Assistance Payment (EMAP) Program: the EMAP State Assistance Agreement Fund and the EMAP Revolving Loan Fund (collectively, the "Special Needs Housing Program Funds"), the Group Home Renewal and Replacement Fund, the Assisted Living Facilities Renewal and Replacement Fund and the Supportive Housing Renewal and Replacement Fund (collectively the "Special Needs Housing Renewal and Replacement Funds"). The Authority is authorized to maintain the Special Needs Housing Program Funds and the Special Needs Housing Renewal and Replacement Funds (collectively the "Special Needs Housing Funds") under the Act and the Special Needs Housing Mortgage Finance Program Indenture (formerly known as the Group Home Mortgage Finance Program Indenture of Trust) (the "Special Needs Indenture"),
b. the Multifamily Special Obligation Bond and Other Bond Funds which the Authority is authorized to maintain under the Act, the Multifamily Bond Resolution Providing for the Issuance of Multifamily Mortgage Revenue Bonds (the "MFSOB Resolution") of November 19, 2009, and the Bond Resolution Providing for the Issuance of Other Bonds for the Housing Mortgage Finance Program (Multifamily) (the "Multifamily Other Bond Resolution") of October 27, 2011, and
c. the Qualified Energy Conservation Bond Fund which the Authority is authorized to maintain under the Act, the Qualified Energy Conservation Bond Resolution providing for the Issuance of Qualified Energy Conservation Revenue Bonds (the "QECB Resolution") of February 26, 2015.
d. the Housing Revenue Bond Fund which the Authority is authorized to maintain under the Act, the Housing Revenue Bond General Trust Indenture (the "HRB Resolution") of September 1, 2023, which was created to allow the Authority to structure the issuance of debt based on market demand and collateral. Bonds issued under this resolution rely on federal insurance or guaranty for security and will not be carried under the Authority's general obligation.

Blended Component Units

The Authority's operations include blended component units which are included in the Authority's basic financial statements in accordance with GASB Statement No. 61. These are legally separate entities for which the Authority is considered financially accountable. The Authority is financially accountable for those units that make up its legal entity, as well as certain legally separate organizations because they have essentially the same board of directors and management personnel. Blended component units are, in substance, part of the Authority's operations; therefore, data from these units are combined with data of the primary Authority. Interfund activity has been eliminated. Additional information relating to these blended component units can be found in the supplementary information section of this report.

State Housing Authority

The State Housing Authority (the "Corporation") is a quasi-public agency of the State of Connecticut and a subsidiary of the Authority. It was created as the successor to the Connecticut Housing Authority ("CHA") under Public Act No. 95-250, which transferred $1,282,000 to establish the Corporation. The Corporation operates pursuant to Chapter 129 of the Connecticut General Statutes, as amended (the "CHA Act"). This entity is currently inactive.

Cash and Cash Equivalents

Cash is comprised of accounts on deposit with financial institutions. For purposes of reporting cash flows, highly liquid instruments with an original maturity of less than 90 days are generally considered to be cash equivalents, exclusive of the State of Connecticut Short Term Investment Fund and overnight sweeps which are considered to be investments in securities.

Mortgage Loans Receivable

Mortgage loans are carried at their principal balance net of allowance for losses and are generally secured by first liens on real property. Interest on loans is accrued and credited to operations based on the principal amount outstanding. The accrual of interest income is discontinued when a loan becomes 90 days past due or in management's opinion is deemed uncollectible as to principal or interest. When interest accruals are discontinued, unpaid interest previously recorded as income is reversed and subsequently recognized only when received.

Investments in Securities

The Authority is limited under the Act to (i) investment obligations issued or guaranteed by the United States Government or the State of Connecticut, (ii) participation certificates for the State of Connecticut Short Term Investment Fund ("STIF") which is an investment pool administered by the State Treasurer, and (iii) other obligations which are legal investments for savings banks in Connecticut and to time deposits or certificates of deposit or other similar arrangements secured in such a manner as the Authority determines.

Investments are carried at net asset value or at fair value with the exception of those investments maturing within one year, which are carried at amortized cost, excluding accrued interest.

Real Estate Owned - Multifamily

CHFA - Small Properties, Inc., was established as a tax-exempt organization and subsidiary of the Authority. This organization operates pursuant to Section 8-244(c)(1) of the Connecticut General Statutes and was created to provide distinct accountability for multifamily real estate awaiting sale. As of December 31, 2025, total assets, total liabilities, and net position were $4,650,190, $2,470,050 and $2,180,140, respectively.

Real Estate Owned – Single Family

Real estate acquired in satisfaction of a loan are reported separately in real estate owned. Properties acquired by foreclosure or deed in lieu of foreclosure are transferred to real estate owned and recorded at the lower of cost or fair value less estimated selling costs at the date of foreclosure and are adjusted, if necessary, at year end. An allowance for losses on real estate owned is maintained for subsequent valuation adjustments on a specific property basis.

Capital Assets

Land, building, building improvements and computer software exceeding $100,000 are capitalized at cost. Maintenance and repair expenses are charged to operations when incurred. Depreciation is computed using the straight-line method over the estimated useful life; 32 years for building and building improvements and 7 to 10 years for computer software.

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time.

The Authority reports deferred outflows and inflows related to pension and OPEB in the statement of net position which result from differences between expected and actual experience, changes in assumptions,

net difference between projected and actual earnings on pension plan investments, changes in proportion and differences between employer contributions and proportionate share of contributions and lastly, contributions made after the measurement date. These amounts are deferred and included in pension expense and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits, the one exception being contributions made after the measurement date which are recognized as pension expense in the following year.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments,* defines derivative instruments and requires that they be reported at fair value in the statements of net position. The swap agreements the Authority has entered into are characterized as derivatives. Offsetting changes in fair value are carried on the statements of net position as either deferred inflows or outflows for swaps classified as effective hedges. As of December 31, 2025 and 2024 the Authority's swaps were considered effective hedges.

Gains and losses in connection with advanced refundings of debt are recorded as either a deferred outflow or deferred inflow of resources and are amortized as a component of interest expense over the shorter of the remaining life of the old or the new debt.

Compensated Absences

Full-time employees accrue vacation or annual leave at the rate of fifteen to twenty-five days per year, depending on length of service. Employees may accumulate leave time, subject to certain limitations, and upon retirement, termination or death may be compensated for certain accumulated amounts at their then current rates of pay.

Net OPEB Liability

The Authority's proportionate share of the net OPEB liability and expense associated with the Authority's requirement to contribute to the State of Connecticut Other Post-Employment Benefits Program have been determined by an actuarial valuation prepared and reported by the State of Connecticut's Other Post-Employment Benefits Program. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year-end. The measurement date relating to the Authority's net OPEB liability is June 30th of the current reporting year.

Net Pension Liability

Net pension liability is measured as the portion of the actuarial present value of projected pension benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for the purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year-end. The measurement date relating to the Authority's net pension liability is June 30th of the current reporting year.

Derivative Financial Instruments

The Authority's derivative financial instruments consist of interest rate swaps, all of which have been determined by the Authority to represent effective cash flow hedges. Accordingly, changes in the fair value of the swaps are reported as either deferred outflows or inflows of resources on the statement of net position.

The interest differentials to be paid or received under interest rate swaps are recognized as increases or decreases in interest expense of the related bond liability. The fair value of the Authority's position at year end in swap agreements is disclosed in Note 8. No gains or losses will result under the agreements unless an agreement is terminated prior to maturity or the counterparty defaults.

Net Position

Net position is classified in the following three categories:

Net Investment in Capital Assets
This component of net position consists of capital assets, net of accumulated depreciation. There is no outstanding debt related to the Authority's capital assets.

Restricted by Contractual Agreements
This component of net position represents assets pledged as collateral for certain debt instruments further described in Note 12.

Restricted by Bond Indentures and/or Enabling Legislation
All funds and component units of the Authority that are not related to capital assets or are restricted by contractual agreements are restricted by the Bond Resolution, Special Needs Indenture, MFSOB Resolution, QECB Resolution, Housing Revenue Bond Indenture and Multifamily Other Bond Resolution and/or the Act.

Bond Premiums and Discounts

Discount and premium on bonds issued are deferred and amortized as a component of interest expense using a method approximating the effective interest method.

Bond Issuance Costs

Bond issuance costs are expensed when incurred and are classified as an operating expense in the statements of revenues, expenses and changes in net position.

Provision for Loan Loss Reserves

The allowance for losses on the loan and real estate owned portfolios is provided through charges against current operations based on management's periodic review of the loan and real estate owned portfolios. This review considers such factors as the payment history of the loans, the current and projected cash flows of the borrowers, estimated value of the collateral, subsidies, historical loss experience for each type of insurance or guarantee and economic conditions.

Operating and Nonoperating Revenues and Expenses

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues consist primarily of interest income on mortgage loans, fees and other charges related to mortgage loans and interest on investments, including fees and interest on GNMA, FNMA & FHLMC Program Asset investments more fully described in Note 4. The Authority also recognizes revenues from other administrative fees as operating revenues. Operating expenses include interest expense, general and administrative expenses, costs and expenses incurred in connection with the amortization, issuance and sale of bonds; and other costs related to various loan programs. Revenues or expenses not meeting this definition are generally reported as nonoperating revenues and expenses.

Actuarial Assumption Changes for Pension and OPEB

Non-cash changes to pension and OPEB expenses that result from changes in actuarial assumptions are recorded as nonoperating income or expenses.

Grants (Private, State and Federal Grant Programs)

Grants received from private entities and federal and state governments are recognized as nonoperating revenue as the related expenditures are incurred in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Accounting Pronouncements

Recently Adopted Accounting Pronouncements

Effective January 1, 2025, the Authority adopted GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

Upcoming Accounting Pronouncements

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. Governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows. Additionally, this Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. The requirements related to GASB 103 are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

In September 2024, the GASB issued Statement No.104, *Disclosure of Certain Capital Assets.* The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets, such as Lease assets, Right to use assets, Subscriptions assets and Intangible

assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements related to GASB 104 are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

In December 2025, the Governmental Accounting Standards Board (GASB) issued Statement No. 105, *Subsequent Events*, which provides updated guidance for identifying, evaluating, recognizing, and disclosing subsequent events. GASB 105 replaces and supersedes the previous guidance incorporated from GASB Statement No. 56. The Statement clarifies that governments must evaluate subsequent events through the date the financial statements are "available to be issued," defined as the point when the financial statements are complete in a GAAP-compliant form and all approvals necessary for issuance have been obtained. This Statement requires governments to distinguish between recognized subsequent events, which provide evidence of conditions existing as of the financial statement date and must be reflected in the financial statements, and non-recognized subsequent events, which relate to conditions arising after the financial statement date. Significant non-recognized subsequent events must be disclosed, including a description of the event, its financial effect, or a statement that such an estimate cannot be made. The requirements related to GASB 105 are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter.

NOTE 3 - FAIR VALUE

Fair Value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market, or if none exists, the most advantageous market, for the specific asset or liability at the measurement date ("exit price"). The fair value hierarchy established by generally accepted accounting principles prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1
Quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2
Inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3
Prices or valuation techniques that require inputs that are both significant to the fair value measurement and are unobservable.

The Authority has the following investment and derivative instruments measured at fair value which are included in the statements of net position as of December 31, 2025, and December 31, 2024. It should be noted that the STIF investment is not included in these schedules since it is valued at net asset value.

Investments and Derivative Instruments Measured at Fair Value
(in 000's)
December 31, 2025

	Fair Value 12/31/25	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
CMO's	$ 394	$	$ 394	$
GNMA, FNMA & FHLMC Program Assets	4,123,273		4,123,273	
MBS's	25,657		25,657	
Money Market Funds	8,695	8,695		
US Treasury Notes	38,975	38,975		
Structured Securities	212		212	
US Government Agency Securities	686	686		
Total	$ 4,197,892	$ 48,356	$ 4,149,536	$
Derivative Instruments measured at fair value:				
Interest rate swaps	$ 48,906	$	$ 48,906	$

Investments and Derivative Instruments Measured at Fair Value
(in 000's)
December 31, 2024

	Fair Value 12/31/24	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
CMO's	$ 504	$	$ 504	$
GNMA, FNMA & FHLMC Program Assets	3,173,712		3,173,712	
MBS's	50		50	
Money Market Funds	8,645	8,645		
Municipal Bonds	29,272		29,272	
Structured Securities	385		385	
US Government Agency Securities	677	677		
Total	$ 3,213,245	$ 9,322	$ 3,203,923	$
Derivative Instruments measured at fair value:				
Interest rate swaps	$ 57,536	$	$ 57,536	$

NOTE 4 - CASH AND CASH EQUIVALENTS AND INVESTMENTS IN SECURITIES

Deposits (in 000's)

At December 31, 2025, and 2024, the carrying amount reported as cash and cash equivalents on the statements of net position of the Authority represents deposits (including checking accounts and escrow accounts) of $1,102 and $1,293, respectively. This entire amount is on deposit in independent financial institutions with a balance of $1,924 and $2,405 at December 31, 2025, and 2024, respectively. Included in the carrying amount reported as cash and cash equivalents, are deposits held in escrow by the Authority at December 31, 2025, and 2024, of $862 and $1,052, respectively.

Custodial Credit Risk (in 000's)

Of the $1,924 and $2,405 financial institution balance at December 31, 2025, and 2024, $241 and $242, respectively, were held in the Authority's name in the corporate trust division of one financial institution. These amounts were collateralized with a market value of underlying collateral equal to at least 100% of the amount on deposit with acceptable collateral compliant with 12 CFR § 9.10(b). In addition, in compliance with 12 CFR § 9.13 these amounts were protected from any potential creditors of the financial institution. The balances of $1,924 and $2,405, respectively, were held in demand deposit accounts at FDIC-insured institutions. As of December 31, 2025, $1,433 was uninsured, $168 of which was collateralized with securities by the financial institution, but not in the Authority's name. As of December 31, 2024, $1,914 was uninsured, $216 of which was collateralized with securities by the financial institution, but not in the Authority's name.

Investments in Securities (in 000's)

At December 31, 2025, and 2024, the Authority held the following investments with the listed maturities bearing interest at annual rates ranging from 0% to 7.65%. All Authority investments are direct obligations issued by the United States Government or its agencies or are fully collateralized by such obligations. Ratings are displayed with the S&P Global Ratings listed first (if available), the Moody's Investors Service second (if available) and the Fitch Rating last (if available) or NR for not-rated.

As of December 31, 2025:

		Investment Maturities (in Years)			
	Amortized Cost, Net Asset Value or Fair Value	Less Than 1	1 - 5	6 -10	More Than 10
CMO	$ 394	$	$	$	$ 394
GNMA, FNMA & FHLMC Program Assets	4,123,273	4	2,746	33,996	4,086,527
MBS's	25,657		34		25,623
Money Market Funds	8,695	8,695			
U.S. Treasury Notes	38,975	1,844	37,131		
STIF	1,097,746	1,097,746			
Structured Securities	212		212		
U.S. Government Agency Securities	686		686		
Total Investments Held by All Funds and Component Units	$ 5,295,638	$ 1,108,289	$ 40,809	$ 33,996	$ 4,112,544
Restricted current assets:					
Capital Reserve Funds	$ 59,435				
Renewal and Replacement Funds	15,601				
All other funds and component units	1,033,253				
Total restricted current assets	1,108,289				
Restricted noncurrent assets:					
Capital Reserve Funds	484,585				
All other funds and component units	3,702,764				
Total restricted noncurrent assets	4,187,349				
Total Investments Held by All Funds and Component Units	$ 5,295,638				

Presented below is the rating for each investment type as of December 31, 2025:

Ratings *	CMO	Program Assets	MBS's	Money Market	U.S. Treasury Notes	STIF	Structured Securities	U.S. Government Agency Securities
AAAm/NR/NR	$	$	$	$	$	$ 1,097,746	$	$
AA+/Aa1/AA+		4,123,273	25,657		38,975			686
AA-/Aa3/AA-								
NR/Aaa/NR	394			7,331				
NR/C/NR							211	
NR/NR/NR				1,364			1	
Total	$ 394	$ 4,123,273	$ 25,657	$ 8,695	$ 38,975	$ 1,097,746	$ 212	$ 686

* S&P/Moodys/Fitch

Presented below is the rating for each investment type as of December 31, 2024:

Ratings *	CMO	Program Assets	MBS's	Money Market	Municipal Bonds	STIF	Structured Securities	U.S. Government Agency Securities
AAAm/NR/NR	$	$	$	$	$	$ 1,100,732	$	$
AA+/Aaa/AA+		3,173,712	50					677
AA-/Aa3/AA-					4,590			
NR/Aaa/NR	499			7,372				
NR/C/NR							385	
NR/NR/NR	6			1,273	24,682			
Total	$ 504	$ 3,173,712	$ 50	$ 8,645	$ 29,272	$ 1,100,732	$ 385	$ 677

* S&P/Moodys/Fitch

Interest Rate Risk

Exposure to declines in fair value is substantially limited to the Authority's investment in the GNMA, FNMA and FHLMC Program Assets and U.S. Treasury Notes. The Authority's investment policy requires diversification of its investment portfolio to eliminate the risk of loss resulting from, among other things, an over-concentration of assets in a specific maturity. This policy also requires the Authority to attempt to match its investments with anticipated cash flow requirements and to seek diversification by staggering maturities in such a way that avoids undue concentration of assets in a specific maturity sector.

Credit Risk (in 000's)

The Authority's investments are limited under the Act to (i) United States Government obligations, including its agencies or instrumentalities, (ii) investments guaranteed by the State of Connecticut, (iii) participation certificates for the investment pool administered by the State Treasurer or (iv) other obligations which are legal investments for savings banks in the State of Connecticut. The Money Market Funds are fully collateralized by obligations issued by the United States Government or its agencies. Mortgage Backed Securities ("MBSs") are fully collateralized by the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC") or the Government National Mortgage Association ("GNMA"), and Collateralized Mortgage Obligations ("CMOs") are fully collateralized by the United States Department of Housing and Urban Development ("HUD") mortgage pools. Structured Securities are fully collateralized by Manufactured Housing Sales Contracts and Installment Loan Agreements. At December 31, 2025, two Structured Securities (fair value $212) were below Investment Grade rating standards. At December 31, 2024, one CMO (fair value $6) and one Structured Security (fair value $385) were below Investment Grade rating standards. At the time of their initial purchase, these two investments were classified as Investment Grade.

Concentration of Credit Risk (in 000's)

The Authority's investment policy requires diversification of its investment portfolio to reduce the risk of loss resulting from, among other things, an over-concentration of assets with a specific issuer. As of December 31, 2025 and 2024, the Authority had no investments in any one issuer that represents 5% or more of total investments, other than investments guaranteed by the U.S. Government (GNMA, FNMA and FHLMC Program Assets - fair value - $4,123,273 or 78% in 2025 and $3,173,712 or 74% in 2024 or the State of Connecticut (STIF – net asset value - $1,097,746 or 26% in 2025 and $1,100,732 or 26% in 2024).

Custodial Credit Risk (in 000's)

All investments exist in book entry form and are held by the Trustee or other financial institution in the Authority's name or insured (fair value - $4,197,892 in 2025 and $3,213,245 in 2024) with the exception of the STIF (net asset value - $1,097,746 in 2025 and $1,100,732 in 2024). The underlying value of the investment in the STIF's pool is the same as the value of the pool's shares. The pool is managed by the Cash Management Division of the State of Connecticut's Treasurer's Office. The State Treasurer set up a cash management advisory board tasked with reviewing the pool's portfolio, performance investment policies and procedures.

GNMA, FNMA & FHLMC Program Assets (in 000's)

Since 1999, the Authority directed certain of its participating lenders to assign government insured Authority qualified home mortgage loans and sold a portion of its existing home mortgage loan portfolio for assembly into pools guaranteed by the Government National Mortgage Association ("GNMA"). GNMA securities were issued backed by these home mortgage loans, and the Authority purchased the securities ("GNMA Program Assets") with funds held in the Housing Mortgage Capital Reserve Fund. In 2000, the Authority expanded this program to allow the purchase of GNMA Program Assets with funds held in the Housing Mortgage General Fund. As a result of this program expansion and in order to assure compliance with Bond Resolution requirements, the Authority transferred the $331,081 net position held in the Investment Trust Fund to the Housing Mortgage General Fund in 2001. Since 2001, GNMA Program Assets have also been purchased with funds held in the Special Needs Housing Fund and the Special Needs Housing Capital Reserve Fund. In 2013, the Authority directed certain of its participating lenders to assign privately insured Authority qualified conventional home mortgage loans for assembly into pools guaranteed by the Federal National Mortgage Association ("FNMA").

These pools were securitized and are backed by these home mortgage loans. In 2016, the Authority further expanded the program to securitize pools of home mortgage loans guaranteed by the Federal Home Loan Mortgage Corporation ("FHLMC"). GNMA, FNMA & FHLMC Program Assets are carried at fair value. As of December 31, 2025 and 2024, the fair value of GNMA, FNMA & FHLMC Program Asset investments was $4,123,273 and $3,173,712, respectively.

Bond Resolution Capital Reserve Fund (in 000's)

The Bond Resolution Capital Reserve Fund is established pursuant to the Act and the Bond Resolution and is required to be maintained at an amount at least equal to the amount of principal, sinking fund installments and interest maturing and becoming due in the next succeeding calendar year ($452,273 at December 31, 2025 and $387,387 at December 31, 2024) on all bonds of the Authority then outstanding under the Bond Resolution. Further, the Authority may not issue additional bonds under the Bond Resolution unless the amount in the Bond Resolution Capital Reserve Fund is at least equal to the maximum amount of principal, sinking fund installments and interest maturing and becoming due in any succeeding calendar year ($471,933 at December 31, 2025 and $399,461 at December 31, 2024) on all bonds of the Authority then outstanding under the Bond Resolution. For purposes of satisfying these

requirements, the Act and the Bond Resolution require that investments of the Bond Resolution Capital Reserve Fund be valued at the lowest of par, actual cost or market value. To satisfy this calculation, all variable rate interest payments and receipts are assumed to be based on the average interest rates for the prior twelve months plus 200 basis points, interest payments on swapped bonds are included at the fixed rate on the swaps, and retirement of principal on bonds with mandatory tender dates are assumed in accordance with the sinking fund schedule of each respective bond series resolution.

Special Needs Indenture Capital Reserve Fund (in 000's)

The Special Needs Indenture Capital Reserve Fund is established pursuant to the Act and the Special Needs Indenture and is required to be maintained at an amount at least equal to the amount of principal, sinking fund installments and interest maturing and becoming due in the next succeeding calendar year ($5,058 at December 31, 2025 and $5,079 at December 31, 2024) on all bonds of the Authority then outstanding under the Special Needs Indenture. Further, the Authority may not issue additional bonds under the Special Needs Indenture unless the amount in the Special Needs Indenture Capital Reserve Fund is at least equal to the maximum amount of principal, sinking fund installments and interest maturing and becoming due in any succeeding calendar year ($5,058 at December 31, 2025 and $5,136 at December 31, 2024) on all bonds of the Authority then outstanding under the Special Needs Indenture. For purposes of satisfying these requirements, the Act and the Special Needs Indenture require that investments of the Special Needs Indenture Capital Reserve Fund be valued at amortized cost or such other method as determined by the Authority to be reasonable and in the best interest of the bondholders, provided such other method is approved by the trustee and any applicable bond insurer.

Restricted funds of the Bond Resolution and Special Needs Indenture Capital Reserve Funds consisted of the following (in 000's):

	December 31,					
	2025			2024		
	Bond Resolution	Special Needs Indenture	Total	Bond Resolution	Special Needs Indenture	Total
Investment in securities	$ 538,804	$ 5,216	$ 544,020	$ 447,643	$ 5,205	$ 452,848
Accrued interest receivable	1,989	20	2,009	1,584	23	1,607
Total Capital Reserve Funds	$ 540,793	$ 5,236	$ 546,029	$ 449,227	$ 5,228	$ 454,455
Restricted current assets:						
Investments in securities	$ 54,878	$ 4,557	$ 59,435	$ 28,860	$ 4,518	$ 33,378
Accrued interest receivable	1,989	20	2,009	1,584	23	1,607
Total restricted current assets	56,867	4,577	61,444	30,444	4,541	34,985
Restricted noncurrent assets:						
Investments in securities	483,926	659	484,585	418,783	687	419,470
Total Capital Reserve Funds	$ 540,793	$ 5,236	$ 546,029	$ 449,227	$ 5,228	$ 454,455

Special Needs Housing Renewal and Replacement Funds

The Special Needs Housing Renewal and Replacement Funds are established pursuant to the Act and the Special Needs Indenture to provide funding for capital repairs and replacements exceeding $2,500 for group homes, assisted living facilities and supportive housing facilities financed with the proceeds of bonds issued under the Special Needs Indenture. At December 31, 2025 and 2024, the carrying amount of restricted funds of the Special Needs Housing Renewal and Replacement Funds consisted of the following (in 000's):

	2025	2024
Investments in securities	$ 15,601	$ 14,783
Accrued interest receivable	51	58
Total Special Needs Housing Renewal and Replacement Funds	$ 15,652	$ 14,841

NOTE 5 - MORTGAGE LOANS RECEIVABLE

The Authority makes single family and multifamily loans to residents and properties domiciled in the State of Connecticut. All such loans are collateralized by real estate located in the State of Connecticut. The majority of the Authority's loan portfolio is comprised of residential mortgages made to low and moderate income borrowers.

The Authority has entered into agreements with various banks and other financial institutions for the servicing of the majority of its home mortgage loan portfolio. As of December 31, 2025 and 2024, 47% of this portfolio were serviced by two financial institutions.

Mortgage loans consisted of the following (in 000's):

	December 31,	
	2025	2024
Home mortgage loans		
Insured by the Federal Housing Administration or guaranteed by the Veterans Administration	$ 741,188	$ 776,801
Insured by private mortgage insurance companies	121,667	129,793
Uninsured reverse annuity mortgage loans	1,055	1,154
Uninsured, State of Connecticut supported EMAP loans	42,616	45,850
Uninsured, State of Connecticut supported TTO loans	198,789	151,726
Uninsured, not guaranteed	289,144	298,750
Total home mortgage loans	1,394,460	1,404,074

Multifamily mortgage loans		
Completed developments:		
Insured by the Federal Housing Administration or guaranteed by private insurer	23,404	24,074
Uninsured, federally subsidized	308,635	314,949
Uninsured, State of Connecticut subsidized special needs housing mortgage loans	57,633	57,501
Uninsured, unsubsidized, not guaranteed	1,245,366	1,154,613
Total completed developments	1,635,038	1,551,137
Construction mortgage loans:		
Uninsured, unsubsidized	164,700	107,228
Total construction mortgage loans	164,700	107,228
Total multifamily mortgage loans	1,799,738	1,658,365
Total home and multifamily mortgage loans	3,194,198	3,062,438
Less allowance for losses	(564,520)	(517,059)
Total investments in mortgage loans	$ 2,629,678	$ 2,545,380
Restricted current assets	$ 203,178	$ 158,057
Restricted noncurrent assets	2,426,500	2,387,323
Total mortgage loans receivable	$ 2,629,678	$ 2,545,380

Single Family

The Federal Housing Administration ("FHA") home mortgage program insures the repayment of the unpaid principal amount of the mortgages. HUD will pay debenture interest on the unpaid principal balance from the date of default to the date of initial claim settlement. Debenture interest is determined by the monthly average yield for the month in which the default on the mortgage occurred, on United States Treasury Securities, adjusted to a constant maturity of 10 years. The debenture rate may be less than that of the insured mortgage.

The Veterans Administration ("VA") mortgage program provides limited guarantees subject to the amount of the entitlement a veteran has available. For loans between $45,000 and $144,000, the minimum VA guarantee amount is $22,500, with a maximum guarantee of up to 40% of the loan up to $36,000. For loans of more than $144,000, the maximum VA guarantee is 25% of the loan amount.

EMAP Loan repayments are made by the homeowner in accordance with the provisions of Connecticut General Statutes § 8-265bb through 8-265kk. These repayments are to be used solely for the benefit of the EMAP program. Debt service on bonds issued under the Special Needs Indenture for the purpose of financing EMAP Loans is paid by the State of Connecticut.

The current average interest rate of the Authority's outstanding single-family portfolio is 4.10% with an original 30 year payment term.

Multifamily

Through the issuance of bonds under the Special Needs Indenture and/or amounts received from the State of Connecticut, the Authority has made special needs housing mortgage loans to (i) finance community based residential facilities for persons with intellectual disabilities ("Group Home"), (ii) finance projects for assisted living communities for residents who need help with one or more activities of daily living ("Assisted Living Facility"), (iii) finance residential facility housing for up to one or more persons or families that are homeless or at risk of homelessness ("Supportive Housing Facility") and (iv) provide financial assistance to homeowners at risk of foreclosure ("EMAP Loan"). Mortgage loan repayments for the Group Home, Assisted Living Facility and Supportive Housing Facility (collectively the "Special Needs Housing Loans") which require regularly scheduled payments are made through subsidies received from

the State of Connecticut. For Special Needs Housing Loans that do not require regularly scheduled payments, the debt service on the bonds is paid by the State of Connecticut.

The Authority has entered into a risk-sharing agreement with the U.S. Department of Housing and Urban Development ("HUD") whereby HUD will provide partial mortgage insurance on affordable multifamily housing projects processed by the Authority. The risk of loss to the Authority varies from 10% to 50% or more depending on the level of participation by HUD.

Construction loans earn interest at rates ranging from 0% to 7.32% as of December 31, 2025 and 0% to 7.32% as of December 31, 2024, and will generally be payable over 2 years. The related permanent mortgage loan will typically be provided by the Authority. Permanent loans earn interest at rates ranging from 0% to 10.5% at December 31, 2025 and December 31, 2024, and will generally be payable over 40 years.

NOTE 6 - REAL ESTATE OWNED

Real Estate Owned (in 000's)

	December 31,					
	2025			2024		
	Single Family	Multifamily	Total	Single Family	Multifamily	Total
Real estate owned	$ 497	$ 2,300	$ 2,797	$ 1,252	$ 2,300	$ 3,552
Allowance for losses	(26)		(26)	(17)		(17)
Real Estate Owned-Carrying Amount	$ 471	$ 2,300	$ 2,771	$ 1,235	$ 2,300	$ 3,535

With respect to single family real estate owned, the majority of such assets are at least partially insured or guaranteed by outside parties. It is anticipated that the Authority will recover substantially all of the balance of these assets through such insurance and from proceeds from the sale of the underlying properties.

With respect to multifamily real estate owned, the Authority is holding such assets for subsequent sale in a manner that will allow the maximization of value. As of December 31, 2025, and 2024, one property remained in the multifamily real estate owned portfolio.

Note 7 - Capital Assets

Capital asset activity for the years ended December 31, 2025 and 2024 is as follows (in 000's):

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025
Capital Assets:				
Land	$ 851	$	$	851
Building	2,851			2,851
Improvements	2,085			2,085
Computer software	4,261			4,261
	10,048			10,048
Less accumulated depreciation	(6,427)	(332)		(6,759)
Capital Assets, Net	$ 3,621	$ (332)	$	3,289

	Balance January 1, 2024	Additions	Deletions	Balance December 31, 2024
Capital Assets:				
Land	$ 851	$	$	851
Building	2,851			2,851
Improvements	2,085			2,085
Computer software	4,261			4,261
	10,048			10,048
Less accumulated depreciation	(5,887)	(540)		(6,427)
Capital Assets, Net	$ 4,161	$ (540)	$	3,621

NOTE 8 - DEBT

The Act authorizes the Authority to issue its own bonds and other obligations in such principal amounts as, in the opinion of the Authority, will be necessary to provide sufficient funds for carrying out its purposes. The State legislature enacted legislation that provides the authority to enter into agreements to reduce the rate of borrowing and moderate the effect of bond interest rate fluctuations through the use of contracts commonly known as interest rate swap agreements and similar type contracts. The Authority's obligations are not debt of the State of Connecticut, and the State is not liable thereon.

Included in the Authority's bond portfolio are variable rate demand bonds. The Authority has two mechanisms to ensure the purchase of variable rate demand bonds in the event that the bonds cannot be remarketed.

1) The Authority has entered into Standby Bond Purchase Agreements with various providers to purchase the bonds.
2) The Authority has entered into a Standby Letter of Credit and Reimbursement Agreement (SBLOC) which provides for the Authority to withdraw funds to directly purchase its own bonds. Upon the successful remarketing of the bonds, the funds are to be reimbursed back to the SBLOC provider. As of December 31, 2025, the amount available under the SBLOC is $123,529,762. No drawings have been made as of December 31, 2025.

Bond Resolution

Housing Mortgage Finance Program Bonds issued under the Bond Resolution bear fixed interest at rates ranging from 0.55% to 6.274% as of December 31, 2025 and 0.4% to 6.274% as of December 31, 2024, and are subject to certain redemption provisions and mature in years through 2068 as of December 31, 2025 and in years through 2066 as of December 31, 2024.

The following assets of the Authority are pledged for the payment of bond principal and interest under the Bond Resolution: (1) the proceeds derived from the sale of bonds issued under the Bond Resolution, (2) all mortgage repayments with respect to long-term mortgage and construction loans financed, or deemed to have been financed from the Housing Mortgage General Fund, and (3) all monies and securities of the Housing Mortgage General Fund and the Bond Resolution Capital Reserve Fund.

Special Needs Indenture

Special Needs Housing Mortgage Finance Program Bonds issued under the Special Needs Indenture bear fixed interest at rates ranging from 0.95% to 4.70% as of December 31, 2025 and 0.75% to 4.70% as of December 31, 2024, are subject to certain redemption provisions and mature in years through 2051 as of December 31, 2025 and December 31, 2024.

The following assets of the Authority are pledged for the payment of bond principal and interest under the Special Needs Indenture: (1) the proceeds derived from the sale of bonds issued under the Special Needs Indenture, (2) all mortgage repayments with respect to Special Needs Housing mortgages financed from the Special Needs Housing Fund, and (3) all monies and securities of the Special Needs Housing Fund, the State Assistance Agreement Fund, the EMAP State Assistance Agreement Fund and the Special Needs Housing Capital Reserve Fund.

MFSOB Resolution and Multifamily Other Bond Resolution

In October 2009, the U.S. Department of Treasury (the “Treasury”), the Federal Housing Finance Agency and Fannie Mae and Freddie Mac (the “GSEs”) announced the Federal New Issue Bond Program (the “Federal NIBP”) authorized by the Housing Economic Recovery Act of 2008. The Federal NIBP allowed the GSEs to purchase bonds from housing finance agencies (the “HFAs”) and package them into GSE-guaranteed securities for delivery to and purchase by the Treasury. These HFA bonds were to be issued to finance single family or multifamily mortgage loans. If issued to finance single family loans, the HFA bonds were not to exceed 60% of the bond issue. The HFA bonds were required to be issued at fixed rates to maturity or monthly rate reset bonds that were to convert to rates fixed to maturity in calendar year 2010. In September 2010, the Treasury announced an extension to the end of this conversion period to December 31, 2011. The fixed interest rates were expected to be lower than prevailing interest rates available through a public bond offering. Pursuant to this program and based on an allocation for GSE purchase received from the Treasury, the Authority issued $27,610,000 in Multifamily Special Obligation Bonds under the MFSOB Resolution (collectively, the “NIBP Escrow Bonds”) on December 30, 2009, that settled on January 12, 2010. The proceeds of the NIBP Escrow Bonds were held in escrow pending the issuance by the Authority of additional taxable or tax-exempt bonds (the “NIBP Market Bonds”). As of December 31, 2011, all NIBP Escrow Bonds had been converted to long-term fixed rates of interest.

Bonds issued under the MFSOB Resolution are special obligations of the Authority payable solely from and secured by assets pledged under the MFSOB Resolution for Multifamily Special Obligation Bonds.

In connection with the Federal NIBP, the Authority has also authorized the Multifamily Other Bond Resolution to issue Other Bonds secured by the Bond Resolution Capital Reserve Fund under the Bond

Resolution. Proceeds of the Other Bonds, the NIBP Escrow Bonds and the NIBP Market Bonds are intended to be used to (i) participate in the purchase or making of single-family or multifamily mortgage loans under the Authority's Housing Mortgage Finance Program, (ii) fund reserves and (iii) pay related bond costs. Bonds issued under the Other Bond Resolutions are general obligations of the Authority.

QECB Resolution

The Authority adopted the Qualified Energy Conservation Bond Resolution ("QECB Resolution") on February 26, 2015. The bond proceeds are intended to be used for energy conservation improvements and replacements for multifamily housing developments owned or managed by participating public housing authorities. Bonds issued under the QECB Resolution are secured by, among others, the loan repayments from the QECB funded loans, the QECB federal tax credit subsidy and are general obligations of the Authority. The Authority will no longer issue bonds under the QECB Resolution due to the Tax Cuts and Jobs Act of 2017.

Housing Revenue Bond Indenture

The Authority adopted the Housing Revenue Bond General Trust Indenture ("HRB Indenture") on September 1, 2023. This vehicle was created to provide an alternative method of financing the purchase or making of federally insured construction or permanent multifamily loans or federally guaranteed mortgage-backed securities consisting of multifamily or single family loans, without the general obligation of the Authority or the use of a debt service reserve fund supported by the State of Connecticut.

Bonds payable as of December 31, 2025 and 2024 were as follows (in 000's):

Housing Mortgage Finance Program Bonds			**Outstanding Balance December 31,**		
Publicly Offered	**Final Maturity Date**	**Interest Rate Range %**	**2025**	**2024**	**Amount Due Within 1 Year**
1998 Series D	2025	Index		5,200	
2001 Series D	2027	Index	4,560	6,645	2,210
2004 Series A	2025	Index		4,000	
2009 Series D	2039	6.274	52,175	53,015	900
2013 Series B	2034	Variable	15,775	16,845	1,105
2014 Series B	2044	3.60 - 4.15	44,305	45,000	730
2014 Series C	2038	3.20 - 3.95/Variable	34,195	38,025	2,250
2014 Series D	2036	2.85 - 3.40/Variable	72,835	80,175	6,870
2014 Series F	2054	3.25 - 4.05	35,600	36,650	990
2015 Series A	2045	2.80 - 3.85	63,730	68,185	4,235
2015 Series C	2045	3.20 - 3.60/Variable	55,940	58,860	4,710
2015 Series E	2055	2.75 - 4.00	21,175	24,590	2,545
2016 Series A	2045	2.40 - 3.50/Variable	104,910	109,955	5,240
2016 Series B	2046	2.40 - 3.55/Variable	107,350	113,420	4,990
2016 Series C	2051	2.15 - 3.50	39,510	40,770	1,355
2016 Series E	2046	2.50 - 3.00/Variable	99,050	107,130	5,705
2016 Series F	2046	2.40 - 3.50/Variable	93,675	102,785	5,555
2016 Series G	2056	2.40 - 3.90	16,795	17,020	235
2017 Series A	2047	2.875- 4.00/Variable	58,465	67,450	535
2017 Series C	2047	2.90 - 4.00/Variable	67,935	74,305	
2017 Series D	2047	2.35 - 4.00/Variable	97,745	105,170	4,475
2017 Series E	2057	2.35 - 3.90	11,230	12,740	165
2017 Series F	2047	2.45 - 4.00/Variable	80,140	88,740	2,565
2018 Series A	2048	3.50 - 4.00/Variable	60,390	64,690	
2018 Series B	2048	4.00/Variable	50,855	54,800	
2018 Series C	2048	3.625 - 4.00/Variable	62,350	66,950	
2018 Series D	2058	3.00 - 4.40	30,395	30,760	385
2018 Series E	2048	4.25/Variable	45,625	50,180	40,000
2019 Series A	2049	2.45 - 4.00/Variable	46,250	52,485	1,755
2019 Series B	2049	2.15 - 4.00/Variable	78,905	85,175	36,300
2019 Series D	2049	1.85 - 4.00/Variable	82,680	89,140	37,930
2019 Series E	2059	1.80 - 3.35	65,455	71,985	6,740
2019 Series F	2049	1.75 - 3.50/Variable	83,440	89,885	37,935
2020 Series A	2050	1.65- 3.50/Variable	101,455	109,460	3,830
2020 Series C	2050	0.90 - 5.00/Variable	115,215	124,215	4,625
2020 Series D	2060	0.90 - 2.85	45,045	56,250	405
2020 Series E	2050	1.15 - 3.00/Variable	104,710	113,725	5,175
2021 Series A	2038	0.55 - 1.85	155,770	163,665	10,755
2021 Series B	2065	0.65 - 3.00	136,905	149,500	9,280
2021 Series D	2051	1.55 - 5.00	118,495	130,320	5,195
2021 Series E	2061	0.75 - 5.00	97,070	109,130	7,215
2022 Series A	2051	2.15 - 5.00/Variable	83,245	91,075	2,570
2022 Series B	2052	3.60 - 5.00	75,930	77,310	850
2022 Series C	2052	2.80 - 4.50/Variable	64,620	66,040	1,505
2022 Series D	2052	3.30 - 5.00	24,700	54,955	250
2022 Series E	2052	3.35 - 5.50/Variable	131,575	140,380	2,185
2023 Series A	2053	3.20 - 5.25	154,765	164,540	4,545
2023 Series B	2053	3.15 - 5.75	135,435	142,750	2,545
2023 Series C	2066	3.80 - 5.25	15,725	52,180	125
2023 Series D	2054	3.95 - 6.25	182,125	187,545	3,045
2024 Series A	2054	3.05 - 6.00	190,850	195,760	3,390

Housing Mortgage Finance Program Bonds (continued)

Publicly Offered	Final Maturity Date	Interest Rate Range %	Outstanding Balance December 31, 2025	Outstanding Balance December 31, 2024	Amount Due Within 1 Year
2024 Series C	2054	3.35 - 6.143	241,360	246,210	4,135
2024 Series D	2064	3.35 - 4.90	116,165	122,915	470
2024 Series E	2066	3.00 - 5.75	185,015	188,715	2,745
2024 Series F	2055	3.85 - 6.00	294,450	298,645	5,085
2025 Series A	2055	3.00 - 5.953	296,725		4,680
2025 Series B	2060	2.90 - 5.968	120,775		485
2025 Series C	2055	3.30 - 6.158/Variable	348,920		4,785
2025 Series D	2068	2.70 - 4.95	120,790		650
2025 Series E	2055	2.75 - 6.00/Variable	369,975		3,365
Subtotal			$ 5,811,250	$ 4,918,010	$ 312,300

Direct Placements	Final Maturity Date	Interest Rate Range %	Outstanding Balance December 31, 2025	Outstanding Balance December 31, 2024	Amount Due Within 1 Year
2013 Series A	2041	Index	88,130	88,130	
2013 Series C	2046	Index	30,320	30,320	
2016 Series D	2050	3.25	11,335	11,595	270
2021 Series C	2033	Index	148,137	174,840	20,917
2022 Series C	2055	3.31	23,640	28,495	
2024 Series B	2033	5.17	50,000	50,000	
Subtotal			351,562	383,380	21,187
Plus unamortized bond premium			38,414	43,814	
Total Housing Mortgage Finance Bonds			$ 6,201,226	$ 5,345,204	$ 333,487

The amounts due within one year in the previous table include the total outstanding balance of variable rate demand bond obligations where the standby bond purchase agreements expire within one year of the balance sheet date, although the maturities extend well beyond. The value of these obligations as of December 31, 2025 is $143,500. It is the intention of the Authority to renew these agreements prior to expiration.

Special Needs Housing Mortgage Finance Program Special Obligation Bonds

Publicly Offered	Final Maturity Date	Interest Rate Range %	Outstanding Balance December 31, 2025	Outstanding Balance December 31, 2024	Amount Due Within 1 Year
Series 18	2046	3.50 - 4.45	8,095	8,340	255
Series 19	2035	3.50 - 4.25	5,565	6,160	615
Series 20	2045	3.50 - 4.40	3,040	3,140	100
Series 21	2045	3.60 - 4.70	9,995	10,390	405
Series 23	2048	3.40 - 4.30	3,180	3,265	90
Series 24	2037	3.40 - 4.10	4,265	4,870	270
Series 27	2051	0.95 - 2.65	7,335	7,385	50
Series 28	2040	0.95 - 2.375	10,465	12,325	1,535
Total Special Needs Housing Mortgage Finance Program Special Obligation Bonds			$ 51,940	$ 55,875	$ 3,320

Multifamily Special Obligation Bonds

Direct Placements	Final Maturity Date	Interest Rate Range %	Outstanding Balance December 31, 2025	Outstanding Balance December 31, 2024	Amount Due Within 1 Year
Series 2009-1	2051	2.32	20,890	21,470	600
Total Multifamily Special Obligation Bonds			$ 20,890	$ 21,470	$ 600

Housing Mortgage Finance Program Bonds (Multifamily) Other Bonds

Direct Placements	Final Maturity Date	Interest Rate Range %	Outstanding Balance December 31, 2025	Outstanding Balance December 31, 2024	Amount Due Within 1 Year
2011 Series A	2055	4.75		1,286	
2013 Series A	2053	5.50/Variable		23,348	
Total Housing Mortgage Finance Program Bonds (Multifamily) Other Bonds			$	$ 24,634	$

Qualified Energy Conservation Bonds

Direct Placements	Final Maturity Date	Interest Rate Range %	Outstanding Balance December 31, 2025	Outstanding Balance December 31, 2024	Amount Due Within 1 Year
2015 Series A (1,2)	2034	4.35	3,239	3,515	291
2016 Series B	2035	3.94	1,381	1,510	131
2016 Series C	2036	3.94	1,043	1,137	95
Total Qualified Energy Conservation Bonds			5,663	6,163	517

Housing Revenue Bonds

Publicly Offered	Final Maturity Date	Interest Rate Range %	Outstanding Balance December 31, 2025	Outstanding Balance December 31, 2024	Amount Due Within 1 Year
2025 Series A	2043	2.70 - 4.80	24,667		
2025 Series B	2043	2.70 - 4.80	12,920		
2025 Series C	2041	2.75 - 4.80	26,760		265
Total Housing Revenue Bonds			64,347		265
Total Bonds Payable, Net			$ 6,344,066	$ 5,453,346	$ 338,189

Line of Credit

On November 4, 2021, CHFA entered into a revolving line of credit agreement with Wells Fargo Bank National Association, proceeds of which were used to acquire single family loan prepayments and redeem the corresponding bonds. The acquired single family loan prepayments were subsequently pledged as collateral pursuant to the agreement. The original revolving agreement has been extended twice with the current term expiring on July 29, 2026. The current maximum line of credit available is $75 million. The outstanding line of credit balance incurs interest based on daily SOFR plus 63 basis points. As of December 31, 2025, the outstanding balance was $58.6 million.

On April 27, 2022, CHFA entered into a revolving line of credit agreement with Bank of America, N.A., proceeds of which were used as a single-family loan warehouse facility. The agreement originally had a maximum line of credit of $75 million and had an original expiration date of April 26, 2024. On March 28, 2024 the agreement was modified and extended to April 30, 2026. The amount available under the line was reduced by $25 million to $50 million on August, 27, 2025. The outstanding line of credit balance bears interest at an index rate which resets monthly and is one-month Term SOFR plus 65 basis points. As of December 31, 2025, the outstanding balance was zero.

On November 1, 2023, CHFA entered into a line of credit agreement with U.S. Bank National Association, proceeds of which were used as a single-family loan warehouse facility. The agreement had a maximum line of credit of $75 million and bore interest at an index rate which reset daily at one-month Term SOFR plus a spread of 128 basis points. On May 22, 2025, the agreement was extended to November 16, 2026. The extension reduced the spread to 44 basis points. As of December 31, 2025, $75 million of the line of credit was outstanding.

On April 1, 2025, CHFA entered into a revolving line of credit agreement with PNC Bank, National Association, proceeds of which were used as a single-family loan warehouse facility. The agreement has a maximum line of credit of $75 million and bears interest at an index rate which resets daily at one-month Term SOFR plus a spread of 48 basis points. The agreement expires on April 9, 2027. As of December 31, 2025, $20 million of the line of credit was outstanding.

Note Payable (in 000's)

The Authority has executed Fixed Rate Amortizing Advances (Advances) pursuant to the Agreement for Advances, Collateral Pledge and Security Agreement (Agreement) with the Federal Home Loan Bank of Boston. The purpose of the Advances was to provide long-term financing for multifamily properties. The Authority pledged a security interest in the first mortgage on the corresponding multifamily loan as collateral, as required under the terms of the Agreement. The Agreements contains several provisions which would result in default, including, but not limited to, failure to pay the debt and a material breach of any representations or warranty. A summary of the Advances is below.

		Outstanding Balance December 31,		
Maturity Date	Interest Rate	2025	2024	Due Within One Year
12/1/2044	5.01%	3,858	3,976	124
8/1/2045	5.10%	2,573		78
12/1/2045	4.82%	7,813		236
Total Notes Payable		**$ 14,244**	**$ 3,976**	**$ 438**

Conduit Debt

In furtherance of the Authority's mission, the Authority has issued conduit debt obligations. The outstanding principal balances of conduit debt obligations as of December 31, 2025 include four Multifamily Housing Revenue Bonds totaling $20,726,410, one series totaling $2,697,422 of Multifamily Housing Revenue Notes, and four series totaling $37,680,000 of State-Supported Special Obligation Bonds. The outstanding principal balances of conduit debt obligations as of December 31, 2024 include four Multifamily Housing Revenue Bonds totaling $22,630,930, one series totaling $2,742,666 of Multifamily Housing Revenue Notes, and four series totaling $45,755,000 of State-Supported Special Obligation Bonds. The issuance of these obligations does not create or imply any indebtedness on the part of the Authority. Each issue requires that the funds related to such issue be held by a trustee for the bondholders; therefore, such funds are not under the control of the Authority, and, accordingly, the Authority's financial statements do not reflect the balances or operating results of the various trust accounts.

Debt Service Requirements

The following tables provide a summary of debt service requirements and net swap payments for the next five years and in five-year increments thereafter (in 000's). The interest calculations are based on the variable rates in effect on December 31, 2025, and may not be indicative of the actual interest expense that will be incurred.

	Bond Resolution						
	Fixed-Publicly Offered		Variable-Publicly Offered			Fixed - Direct Placements	
Year Ending December 31,	Principal	Interest	Principal	Interest	Interest Rate Swaps, Net	Principal	Interest
2026	$ 163,970	$ 195,215	$ 4,830	$ 36,025	$ (302)	$ 270	$ 3,734
2027	157,965	190,458	4,845	35,837	(646)	285	3,725
2028	194,230	185,204	8,970	35,526	(998)	295	3,715
2029	161,555	179,569	12,600	35,143	(1,147)	5,305	3,706
2030	170,740	174,317	12,960	34,721	(1,525)	10,320	3,179
2031-2035	860,310	785,279	174,955	157,487	(9,824)	36,830	8,488
2036-2040	783,360	628,887	200,910	126,112	(10,145)	2,255	5,059
2041-2045	741,170	464,674	234,260	92,202	(5,427)	2,790	4,655
2046-2050	660,790	295,157	387,680	35,494	268	14,420	3,730
2051-2055	662,980	123,888	46,980	753	100	12,205	787
2056-2060	113,995	25,341	-				
2061-2065	48,610	5,199					
2065-2070	2,585	131					
Total	$ 4,722,260	$ 3,253,319	$ 1,088,990	$ 589,300	$ (29,646)	$ 84,975	$ 40,778

	Bond Resolution					
	Variable - Direct Placements			Total Bond Resolution		
Year Ending December 31,	Principal	Interest	Interest Rate Swaps, Net	Principal	Interest	Total
2026	$ 20,917	$ 11,161	$ 993	$ 189,987	$ 246,826	$ 436,813
2027	20,762	10,681	821	183,857	240,876	424,733
2028	20,219	9,789	650	223,714	233,886	457,600
2029	20,936	8,881	518	200,396	226,670	427,066
2030	20,936	7,962	399	214,956	219,053	434,009
2031-2035	70,327	29,127	446	1,142,422	971,003	2,113,425
2036-2040	47,705	14,454		1,034,230	764,367	1,798,597
2041-2045	28,100	5,135		1,006,320	561,239	1,567,559
2046-2050	16,685	737		1,079,575	335,386	1,414,961
2051-2055	-			722,165	125,528	847,693
2056-2060				113,995	25,341	139,336
2061-2065				48,610	5,199	53,809
2065-2070				2,585	131	2,716
Total	$ 266,587	$ 97,927	$ 3,827	$ 6,162,812	$ 3,955,505	$ 10,118,317

	Special Needs Indenture Fixed-Publicly Offered		MFSOB Resolution Fixed-Publicly Offered	
Year Ending December 31,	Principal	Interest	Principal	Interest
2026	$ 3,320	$ 1,738	$ 600	$ 482
2027	3,130	1,660	610	467
2028	2,870	1,578	650	453
2029	2,870	1,492	660	438
2030	2,990	1,401	690	422
2031-2035	13,230	5,561	3,810	1,860
2036-2040	11,970	3,266	4,510	1,382
2041-2045	7,995	1,304	5,390	814
2046-2050	3,235	236	3,900	180
2051-2055	330	4	70	1
Total	$ 51,940	$ 18,240	$ 20,890	$ 6,499

Year Ending December 31,	QECB Resolution Fixed - Direct Placement Principal	QECB Resolution Fixed - Direct Placement Interest	HRB Resolution Fixed - Publicly Offered Principal	HRB Resolution Fixed - Publicly Offered Interest	Grand Total
2026	$ 517	$ 231	$ 265	3,318	448,433
2027	533	209	280	2,990	435,751
2028	552	187	415	2,981	468,425
2029	570	164	560	2,968	437,927
2030	590	139	575	2,951	444,906
2031-2035	2,806	311	3,265	14,444	2,164,406
2036-2040	95	3	4,167	13,705	1,843,389
2041-2045			54,820	4,982	1,648,173
2046-2050					1,422,512
2051-2055					848,098
2056-2060					139,336
2061-2065					53,809
2065-2070					2,716
Total	$ 5,663	$ 1,244	$ 64,347	48,339	10,357,881

Year Ending December 31,	Notes Payable Principal	Notes Payable Interest	Notes Payable Total
2026	$ 438	$ 711	$ 1,149
2027	460	679	1,139
2028	482	657	1,139
2029	505	634	1,139
2030	536	603	1,139
2031-2035	3,108	2,586	5,694
2036-2040	3,989	1,705	5,694
2041-2045	4,726	583	5,309
Total	$ 14,244	$ 8,158	$ 22,402

Objective of the Interest Rate Swaps

The Authority employs swaps to establish synthetic fixed rates for a portion of its variable rate bond obligations. The Authority's interest rate swap transactions are structured for the Authority to pay a fixed interest rate while receiving variable interest rates from the counterparties which are comparable to the rates required by the variable rate bonds. These synthetic fixed rates were lower than those available to the Authority from fixed rate obligations of comparable maturity. The proceeds of these transactions are generally used to make fixed rate mortgage loans. As the objective of the derivative instruments entered into was to hedge changes in cash flows for each bond series, they are classified as cash flow hedges.

Terms

The Authority has entered into amortizing interest rate swap agreements under the Bond Resolution in which the Authority owes a fixed payment to the counterparties of the swaps. In return, the counterparties owe the Authority a payment based on common indices such as the Securities Industry and Financial

Markets Association Municipal Swap Index ("SIFMA") or the New York Federal Reserve Secured Overnight Financing Rate ("SOFR") that is comparable to the rates required by the Authority's bonds. Only the net difference in interest payments is actually exchanged between the Authority and the counterparties. The Authority's amortizing interest rate swap agreements contain scheduled reductions to outstanding notional amounts that are projected to follow scheduled or anticipated reductions in bonds payable. The Authority did not pay or receive any cash when the swap transactions were initiated.

On October 23, 2020, the International Swaps and Derivatives Association (ISDA) published its LIBOR Fallbacks Protocol and Supplement to the 2006 ISDA Definitions in anticipation of the expected discontinuation of the London Interbank Offered Rate (LIBOR) at the end of 2021. While the use of the Protocol and the Supplement is voluntary, the Authority agreed and adhered to the Protocol on January 19, 2021 to avoid any market disruption. On November 30, 2020, the ICE Benchmark Administration and the Financial Conduct Authority announced that most tenors of US Dollar LIBOR including the 1 month and the 3 month, would continue to be published through June 30, 2023. Recognizing the need to for a uniform, nationwide solution on LIBOR, on March 15, 2022, Congress enacted the Adjustable Interest Rate Act ("AIRA") which lays out a set of default rules that apply to legacy contracts subject to U.S. law. Beginning July 1, 2023, all tenors of US Dollar LIBOR were replaced by Fallback Rate as determined by AIRA. Fallback Rate means the term adjusted SOFR plus the spread relating to the US Dollar LIBOR.

The terms, fair values and credit ratings of outstanding swaps as of December 31, 2025, were as follows (in 000's):

Associated Bond Issue	Effective Date	Notional Amount	Fixed Rate Paid	Variable Rate Received **	Fair Value	Termination Date	Counterparty Credit Rating *	Counterparty % of Total Outstanding
2016 Series B-4	8/15/08	9,855	3.849%	67% 3M LIBOR	(959)	11/15/38		
2016 Series B-4	8/15/08	8,925	3.855%	67% 3M LIBOR	(627)	11/15/33		
2016 Series F-5	7/1/98	6,700	4.870%	100% 1W SIFMA	(783)	11/15/28		
2016 Series F-5	8/15/08	27,550	3.845%	67% 3M LIBOR	(1,921)	11/15/33		
2017 Series C-3 & 2018 Series C-3	7/11/01	11,935	4.310%	67% 1M LIBOR	(486)	5/15/32		
2018 Series C-3, 2018 Series C-4, 2018 Series E-2, 2017 Series C-3	11/15/18	25,162	2.471%	67% 3M LIBOR	4,540	11/15/48		
2021 Series C	7/11/01	4,560	5.820%	167% 1M LIBOR-SIFMA	(123)	11/15/27		
Total Bank of America, N.A.		94,687			(359)		A+/Aa2/AA	9.72%
2001 Series D-5	12/20/01	4,560	5.360%	167% 3M LIBOR-SIFMA	(84)	11/15/27		
2021 Series C	12/20/01	28,790	4.090%	67% 1M LIBOR	(968)	5/15/33		
2021 Series C	8/15/08	8,005	3.852%	67% 3M LIBOR	(200)	11/15/28		
2014 Series D-3	2/18/09	20,405	3.433%	67% 3M LIBOR	(986)	11/15/34		
2017 Series D-3, 2017 Series F-3, 2018 Series A-3	5/15/18	53,205	2.248%	70% 3M LIBOR	7,116	5/15/48		
2017 Series D-3, 2018 Series A-3, 2018 Series B-3	2/18/09	49,630	3.430%	67% 3M LIBOR	(2,341)	11/15/38		
2018 Series B-3	6/4/18	10,105	2.500%	70% 3M LIBOR	3,557	11/15/48		
2022 Series A-3	3/24/22	15,000	2.173%	100% 1W SIFMA	339	5/15/31		
Total Bank of New York Mellon		189,700			6,433		AA-/Aa2/AA	19.48%
2021 Series C	6/5/02	19,245	5.740%	167% 1M LIBOR- SIFMA	(1,787)	5/15/33		
2018 Series C-3 & 2018 Series C-4	6/5/02	11,105	4.352%	67% 1M LIBOR	(640)	5/15/33		
2019 Series F-2	10/29/19	26,250	1.708%	100% 1W SIFMA	6,316	11/15/49		
2025 Series E-3	11/13/25	64,000	2.986%	67% 1D SOFR	1,424	11/15/51		
Total Citibank, NA		120,600			5,313		A+/Aa3/A+	12.39%
2017 Series C-3 & 2017 Series F-3	8/1/02	25,470	3.981%	67% 1M LIBOR	(1,512)	5/15/33		
2018 Series C-3 & 2018 Series C-4	3/7/01	8,115	4.120%	67% 1M LIBOR	(320)	5/15/32		
2021 Series C	3/7/01	13,980	5.475%	167% 1M LIBOR-SIFMA	(1,023)	5/15/32		
Total Goldman Sachs Mitsui Marine		47,565			(2,855)		AA-/Aa2/NR	4.89%
2025 Series C-3	6/12/25	64,000	3.241%	67% 1D SOFR	(488)	11/15/51		
Total J.P Morgan Chase Bank, N.A.		64,000			(488)		AA-/Aa2/AA	6.57%
2013 Series B-6 & 2016 Series E	6/15/15	26,195	2.0515%	67% 3M LIBOR	518	11/15/35		
2015 Series C	8/6/15	45,000	2.3625%	70% 1M LIBOR	3,043	11/15/45		
2016 Series A	11/16/15	40,000	2.1325%	67% 3M LIBOR	3,327	11/15/45		
2016 Series B-4	11/15/18	21,220	2.1400%	70% 1M LIBOR	2,741	11/15/46		
2016 Series E-3	8/25/16	27,555	1.7970%	67% 3M LIBOR	4,246	11/15/46		
2017 Series A-3	3/2/17	38,000	2.3350%	67% 3M LIBOR	3,384	11/15/47		
2019 Series A-2	3/5/19	5,000	1.8600%	67% 3M LIBOR	97	5/15/29		
2019 Series B-2 & 2019 Series B-3	5/9/19	25,125	1.9990%	67% 3M LIBOR	2,415	11/15/43		
2020 Series C-3	8/13/20	30,000	1.2660%	100% 1W SIFMA	10,705	11/15/50		
2022 Series C-2	7/21/22	15,000	2.9980%	100% 1W SIFMA	546	11/15/37		
Total Royal Bank of Canada		273,095			31,022		AA-/Aa1/AA-	28.06%
2014 Series C & 2020 Series E	12/17/20	26,200	0.723%	100% 1W SIFMA	2,102	11/15/30		
2018 Series E-2, 2017 Series C-3, 2018 Series C-3 & 2018 Series C-4	11/15/18	25,168	2.242%	67% 3M LIBOR	159	11/15/28		
2018 Series B-3	6/4/18	10,105	2.071%	70% 3M LIBOR	118	5/15/28		
Total Toronto-Dominion Bank, New York Branch		61,473			2,379		A+/Aa2/AA-u	6.31%
2019 Series A-2 & 2019 Series A-3	3/5/19	18,500	2.290%	67% 3M LIBOR	2,305	5/15/49		
2019 Series D-3	8/8/19	26,230	1.4725%	67% 3M LIBOR	4,045	11/15/43		
Total U.S. Bank National Association		44,730			6,350		A+/A1/A+	4.59%
2016 Series F-5	11/15/16	14,250	1.820%	67% 3M LIBOR	4,141	11/15/46		
2017 Series F-3	10/4/00	13,140	5.397%	100% 1W SIFMA	(1,174)	11/15/31		
2021 Series C & 2020 Series A-3	3/2/06	27,920	3.4175%	67% 3M LIBOR	(1,198)	5/15/36		
2022 Series E-2	11/10/22	22,500	3.848%	100% 1W SIFMA	(658)	11/15/37		
Total Wells Fargo Bank, NA		77,810			1,111		A+/Aa2/AA-	7.99%
Portfolio Total		$ 973,660			$ 48,906			100.00%

* S&P/Moody's/Fitch

** As a result of the cessation of LIBOR on 6/30/23, all reference to LIBOR in this chart refers to the corresponding LIBOR Fallback Rate (SOFR).

The changes in fair value of outstanding swaps from December 31, 2024 to December 31, 2025 as follows (in 000's):

Associated Bond Issue	Fair Value 12/31/2025	Fair Value 12/31/2024	Change in Fair Value
1998 Series D-4	$	$ (69)	$ 69
2016 Series B-4	(959)	(843)	(116)
2016 Series B-4	(627)	(528)	(99)
2016 Series F-5	(783)	(771)	(12)
2016 Series F-5	(1,921)	(1,614)	(307)
2017 Series C-3 & 2018 Series C-3	(486)	(330)	(156)
2018 Series C-3, 2018 Series C-4, 2018 Series E-2	4,540	4,377	163
2021 Series C	(123)	(187)	64
Total Bank of America, N.A.	(359)	35	(394)
2001 Series D-5	(84)	(106)	22
2021 Series C	(968)	(1,015)	47
2021 Series C	(200)	(223)	23
2014 Series D-3	(986)	(710)	(276)
2017 Series D-3, 2017 Series F-3, 2018 Series A-3	7,116	7,469	(353)
2017 Series D-3, 2018 Series A-3, 2018 Series B-3	(2,341)	(1,838)	(503)
2018 Series B-3	3,557	3,177	380
2022 Series A-3	339	816	(477)
Total Bank of New York Mellon	6,433	7,570	(1,137)
2021 Series C	(1,787)	(1,786)	(1)
2018 Series C-3 & 2018 Series C-4	(640)	(630)	(10)
2019 Series F-2	6,316	6,463	(147)
2025 Series E-3	1,424		1,424
Total Citibank, NA	5,313	4,047	1,266
2017 Series C-3 & 2017 Series F-3	(1,512)	(1,354)	(158)
2018 Series C-3 & 2018 Series C-4	(320)	(269)	(51)
2021 Series C	(1,023)	(1,008)	(15)
Total Goldman Sachs Mitsui Marine	(2,855)	(2,631)	(224)
2025 Series C-3	(488)		(488)
Total J.P Morgan Chase Bank, N.A.	(488)		(488)
2013 Series B-6 & 2016 Series E	518	1,210	(692)
2015 Series C	3,043	4,100	(1,057)
2016 Series A	3,327	4,207	(880)
2016 Series B-4	2,741	3,064	(323)
2016 Series E-3	4,246	4,773	(527)
2017 Series A-3	3,384	4,111	(727)
2019 Series A-2	97	214	(117)
2019 Series B-2 & 2019 Series B-3	2,415	2,848	(433)
2020 Series C-3	10,705	10,250	455
2022 Series C-2	546	949	(403)
Total Royal Bank of Canada	31,022	35,726	(4,704)
2014 Series C & 2020 Series E	2,102	3,173	(1,071)
2018 Series E-2, 2017 Series C-3, 2018 Series C-3 & 2018 Series C-4	159	659	(500)
2018 Series B-3	118	327	(209)
Total Toronto-Dominion Bank, New York Branch	2,379	4,159	(1,780)
2019 Series A-2 & 2019 Series A-3	2,305	2,450	(145)
2019 Series D-3	4,045	4,589	(544)
Total U.S. Bank National Association	6,350	7,039	(689)
2016 Series F-5	4,141	3,761	380
2017 Series F-3	(1,174)	(1,142)	(32)
2021 Series C & 2020 Series A-3	(1,198)	(896)	(302)
2022 Series E-2	(658)	(132)	(526)
Total Wells Fargo Bank, NA	1,111	1,591	(480)
Portfolio Total	$ 48,906	$ 57,536	$ (8,630)

Fair Value

There is a multi-step process in determining the fair value of the Authority's swap portfolio. The first step is to determine the settlement price utilizing the Income Approach from "mid market" pricing data. Such data consists primarily of observable quotes from the over-the-counter swap markets that fall into Level 2 of the fair value hierarchy. The second step is to determine the credit valuation adjustment ("CVA"). The purpose of the CVA is to quantify the nonperformance risk of the reporting entity as well as the nonperformance risk of the counterparty. Default probabilities are derived from credit default swap quotes or generic ratings based on borrowing curves that fall into Level 2 of the fair value hierarchy. In the final step, to determine fair value, the settlement price is adjusted by the CVAs of both the reporting entity's and counterparty's payment obligations. The aggregate fair value of the Authority's swap agreements was $48,906,143 as of December 31, 2025.

Credit Risk

Credit exposure arises when the fair value of a swap is positive due to the obligation of the counterparty to make payment to the Authority in the event of termination. Counterparty credit risk is lessened due to the Authority's broad diversification approach and collateral posting rating requirement. For any new swap contract, the Authority's derivative transaction policy requires a counterparty to have credit ratings no lower than Aa3 by Moody's, AA- by S&P or AA- by Fitch. As of December 31, 2025, the fair value of approximately 52% of the agreements in the portfolio were positive. The Authority's existing counterparties have credit ratings ranging from A1 to Aa2 by Moody's, A+ to AA- by S&P and A+ to AA by Fitch.

Basis Risk

Basis risk is the risk that there may be a difference between the floating rate component of the swap, which is based on indices that consist of taxable or tax-exempt market-wide averages, and the rate on the Authority's variable rate bonds, which is based on that specific bond issue. CHFA's basis risk is within the Authority's acceptable tolerance levels.

Termination Risk

Counterparties to the Authority's interest rate swap agreements have default termination rights that may require settlement payments by the Authority or by the counterparty based on the fair value of the swap at the date of termination. As of December 31, 2025, no termination events requiring settlement payments have occurred.

Rollover Risk

The Authority's interest rate swap agreements have limited rollover risk because the swap agreements contain scheduled reductions to outstanding notional amounts which are expected to follow scheduled and anticipated reductions in the associated bonds payable. As of December 31, 2025, sixteen of the Authority's outstanding interest rate swap agreements provided the Authority with full or partial termination rights requiring no settlement payments to accommodate unexpected faster paydowns of the associated bonds as a result of higher repayment of home mortgage loans.

Contingencies

Thirty-six of the Authority's forty-two interest rate swap agreements (outstanding notional amount $879,605,000, fair value $53,500,024) at December 31, 2025, require the Authority to post collateral in the event that the fair value of the interest rate swap falls below specific declining thresholds based on declines in the Authority's credit rating. As of December 31, 2025, the Authority's ratings remain at

AAA/Aaa (S&P/Moody's) and therefore, was not required to post collateral for any of its outstanding swaps.

Refunding Bonds

Due to the current elevated interest rate environment, it was not advantageous for the Authority to refund fixed rate bonds the past two years.

NOTE 9 - CHANGES IN LONG-TERM LIABILITIES

The changes in long-term liabilities for the years ended December 31, 2025, and 2024 were as follows (in 000's):

	Balance January 1, 2025	Increase	Decrease	Balance December 31, 2025
Escrow deposits	$ 175,501	$ 78,885	$ (28,388)	$ 225,998
Notes Payable	3,858	10,019	(71)	13,806
Bonds payable, publicly offered	4,712,689	1,316,675	(379,298)	5,650,066
Bonds payable, direct placement	417,048		(61,237)	355,811
Compensated Absences *	931	360		1,291
Net OPEB liability	56,303	18,556	(35,397)	39,462
Net pension liability	48,150		(15,930)	32,220
	$ 5,414,480	$ 1,424,495	$ (520,321)	$ 6,318,654

	Balance January 1, 2024	Increase	Decrease	Balance December 31, 2024
Escrow deposits	$ 163,810	$ 39,503	$ (27,812)	$ 175,501
Notes Payable		3,858		3,858
Bonds payable, publicly offered	4,076,217	999,687	(363,215)	4,712,689
Bonds payable, direct placement	388,593	50,000	(21,545)	417,048
Compensated Absences *	677	254		931
Net OPEB liability	52,123	33,077	(28,897)	56,303
Net pension liability	41,960	12,818	(6,628)	48,150
	$ 4,723,380	$ 1,139,197	$ (448,097)	$ 5,414,480

* The change in compensated absences liability is presented as a net change.

NOTE 10 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The Authority reports interfund balances among its funds which are reflected on the combining schedule of net position as "due from/due to other funds/component units". These balances generally consist of accruals of various revenues or expenses due to a fund, but received or paid to another, and transfers

between funds to meet liquidity requirements. These transactions and resulting year-end interfund balances have been eliminated in the accompanying combining financial statements.

The composition of interfund balances as of December 31, 2025 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Multifamily Real Estate Owned	2,300,000

During the year, operating transfers are used to reallocate or move resources from one fund to another and are reflected on the combining schedule of revenues, expenses and changes in net position.

NOTE 11 – ARBITRAGE REBATES

On certain bond issues, the Authority's earnings from the investment of bond proceeds are limited per Federal Income Tax rules. Yields in excess of Federal Limits are payable to the U.S. Treasury and are recorded as a liability. As of December 31, 2025 and December 31, 2024, the Authority had arbitrage rebate liabilities totaling $4,580,972 and $3,286,000, respectively, and are reported in the statements of net position as a component of "escrow deposits and unearned revenue". The net effect of changes in this liability are recorded as increases or reductions of "interest on investments" in the statements of revenues, expenses and changes in net position.

NOTE 12 - NET POSITION

Net position consisted of the following (in 000's):

	December 31, 2025	December 31, 2024
General and Capital Reserve Funds:		
Net investment in capital assets	$ 3,289	$ 3,621
Restricted by contractual agreements	72,910	78,995
Restricted by bond indentures and enabling legislation	816,204	622,529
Other Funds:		
Housing Mortgage Insurance Fund	4,357	4,169
Multifamily Special Obligation Bond and Other Bond Funds	4,452	4,188
Special Needs Housing Funds	53,947	48,218
Qualified Energy Conservation Bonds	875	792
Housing Revenue Bond Fund	(1,175)	
Component Units:		
CHFA-Small Properties, Inc.	2,180	1,994
	$ 957,039	$ 764,506
Restricted by Contractual Agreements		
FHLB of Boston Notes Payable collateral	14,316	3,996
Wells Fargo line of credit collateral	58,594	74,999
Total Restricted by Contractual Agreements	$ 72,910	$ 78,995

NOTE 13 - PENSION PLAN

Plan Description

Eligible employees of the Authority participate in the Connecticut State Employees' Retirement System ("SERS") which is administered by the State Employees' Retirement Commission. SERS is a cost-sharing multiple-employer defined benefit public employee retirement system ("PERS") established in 1939 and governed by Sections 5-152 to 5-192 of the Connecticut General Statutes. Detailed information about the total Plan's funding status and progress, contributions required and fiduciary net position can be found in the Connecticut State Employees' Retirement System GASB Statement 68 Report available at www.osc.ct.gov/rbsd/reports/index.html.

SERS provides retirement, disability and health benefits, and annual cost-of-living allowances to plan members and their beneficiaries. Employees are covered under one of five tiers. All Authority employees are classified as non-hazardous duty. A summary of plan benefits and required contributions for non-hazardous duty members is represented in the following table:

	Tier I	Tier II	Tier IIA	Tier III	Tier IV
Eligibility - hire date	Prior to July 1, 1984	On or after July 1, 1984	On or after July 1, 1997	On or after July 1, 2011	On or after July 1, 2017
Final Average Earnings (FAE)	Average Salary of 3 highest paid years of service	Average Salary of 3 highest paid years of service		Average Salary of 5 highest paid years of service	
Benefit	Plan B 2% of FAE x years of service up to age 65. Thereafter, 1% of FAE up to $4,800 plus 2% of FAE in excess of $4,800. At age 70, greater of 1.25% of FAE up to $4,800 plus 2.5% of FAE in excess of $4,800 x years of service or 1% of FAE up to $4,800 plus 2% of FAE in excess of $4,800 x years of service. Plan C 2% of FAE x years of service. At age 70, greater of 2.5% of FAE x years of service (max 20 years) or 2% of FAE x years of service.	1.4 % of FAE plus 0.433% of FAE in excess of breakpoint x years of service up to a max of 35 years plus 1.625% of FAE x years of service over 35 years			1.3% of FAE x years of service
Vesting	10 years of service	5 years of service	5 years of service	10 years of service	10 years of service
Normal Retirement	Age 55 with 25 years Age 60 with 10 years Age 70 with 5 years	If eligible for retirement prior to July 1, 2022 Age 62 with 10 years Age 60 with 25 years Age 70 with 5 years If NOT eligible for retirement prior to July 1, 2022 Age 65 with 10 year Age 63 with 25 years Age 70 with 5 years		Age 63 with 25 years Age 65 with 10 years	Age 63 with 25 years Age 65 with 10 years
Early Retirement	Age 55 with 10 years	Age 55 with 10 years	Age 55 with 10 years	Age 58 with 10 years	Age 58 with 10 years
Member Contributions (prior to 7/1/17)	Plan B 2% of earnings up to social security wage base plus 5% of earnings above that level Plan C 5% of earnings	None	2% of earnings	2% of earnings	n/a
Member Contributions (Effective 7/1/17 - 6/30/19)	Plan B 3.5% of earnings up to social security wage base plus 5% of earnings above that level Plan C 6.5% of earnings	1.5% of earnings	3.5% of earnings	3.5% of earnings	* 5% of earnings
Member Contributions (Effective 7/1/19)	Plan B 4.0% of earnings up to social security wage base plus 5% of earnings above that level Plan C 7.0% of earnings	2.0% of earnings	4.0% of earnings	4.0% of earnings	* 5% of earnings

** In years where plan asset losses require further increases in contributions, Tier IV employees' contributions may increase by half the necessary increase in rates (up to 2%). All Tier IV employees must contribute 1% to the Defined Contribution (DC) portion of the Hybrid Plan and may elect additional contributions of up to 3% of salary to the DC portion. Effective July 1, 2023, through June 30, 2024, retirement contributions for Tier IV members increased 2% (from 5% to 7%). This increase was temporary and was a result of lower-than-expected performance of plan assets during the prior plan year. The additional contribution requirement was suspended on July 1, 2024, as asset performance exceeded earnings targets during the plan year.*

The 2011 State Employees Bargaining Agent Coalition Agreement (Agreement) provides current Tier II and Tier IIA members who remain employed after July 1, 2022, the opportunity for a one-time irrevocable election to retain the normal retirement eligibility in place prior to the Agreement. The election would require an additional employee contribution based on their original eligible retirement date. Under the prior agreement, normal retirement eligibility was age 60 and 25 years of service or age 62 and 10 years of service. All plans provide for death and disability benefits.

The contribution requirements of plan members and the State are established and may be amended by the State legislature subject to the contractual rights established by collective bargaining. Individuals hired on or after July 1, 2011, otherwise eligible for the Alternative Retirement Plan (ARP) are eligible to become members of the Hybrid Plan in addition to their other existing choices. The Hybrid Plan has defined benefits identical to Tier II/IIA and Tier III for individuals hired on or after July 1, 2011, but requires employee contributions 3% higher than the contributions required from the applicable Tier II/IIA/III plan. The State is required to contribute at an actuarially determined rate.

The Authority's contractually required contribution rates for the years ended December 31, 2025 and 2024 were 34.20% and 41.86%, respectively, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were $5,649,161 and $6,628,002 for the years ended December 31, 2025, and 2024, respectively.

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

As of December 31, 2025, and 2024, the Authority reported a liability of $32,220,285 and $48,149,784 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the plan relative to the projected contributions of all participating governmental units. The Authority's proportion was 0.19205% as of June 30, 2025.

For the year ended December 31, 2025, the Authority recognized pension expense of ($1,348,584). At December 31, 2025 the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,814,610	$
Change of assumptions		5,734
Net difference between projected and actual earnings on pension plan investments		1,705,916
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,930,674	14,693,324
Contributions subsequent to the measurement date	3,049,645	
	$ 10,794,929	$ 16,404,974

Of the total amount reported as deferred outflows of resources related to pensions, $3,049,645 resulting from Authority contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	
2026	$ (3,027,629)
2027	(2,047,804)
2028	(991,732)
2029	(1,839,722)
2030	(752,803)
	$ (8,659,690)

Actuarial Assumptions

The total pension liability was determined based on the annual actuarial valuation report prepared as of June 30, 2025. The total pension liability was based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020. The key actuarial assumptions are summarized below:

Inflation	2.50%
Salary increases	3.00% - 11.50% including inflation
Cost of living	1.95% - 3.25%
Investment rate of return	6.9%, net of pension plan investment expense, including inflation

Assumed rates of mortality were obtained from the Pub-2010 Mortality Tables projected generationally with scale MP-2020. These assumptions are applied to all periods included in the measurement.

Investment Rate of Return

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis 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. 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 percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity Fund	20.0 %	5.4 %
Developed Markets International Stock Fund	11.0	6.4
Emerging Markets International Stock Fund	9.0	8.6
Core Fixed Income Fund	13.0	0.8
Emerging Market Debt Fund	5.0	3.8
High Yield Bond Fund	3.0	3.4
Real Estate Fund	19.0	5.2
Private Equity	10.0	9.4
Private Credit	5.0	6.5
Alternative Investments	3.0	3.1
Liquidity Fund	2.0	-0.4
	100.0	

Discount Rate

The discount rate used to measure the total pension liability at June 30, 2025 was 6.9%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. 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.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.9%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate.

	1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
Authority's proportionate share of net pension liability	$ 42,068,965	$ 32,220,285	$ 23,995,134

Fiduciary Plan Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report of the State of Connecticut.

NOTE 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

The State provides postemployment healthcare and life insurance benefits in accordance with State statutes, Section 5-257(d) and 5-259(a), to all eligible employees who retire from the State, including employees of the Authority. The benefits are provided through the State of Connecticut State Employee OPEB Plan (the Plan), a cost sharing single-employer defined benefit plan administered by the State of Connecticut. The Plan does not issue stand-alone financial statements, however, financial statements for the Plan are included as part of the State of Connecticut's Annual Comprehensive Financial Report that is publicly available online at https://www.osc.ct.gov/reports/.

Under a cost-sharing plan, OPEB obligations for employees of all employers are pooled, and plan assets are available to pay the benefits of the employees of any participating employer providing OPEB benefits through the plan, regardless of the status of the employers' payment of their OPEB obligation to the plan.

Benefits Provided

When employees retire, the State pays up to 100% of their healthcare insurance premium cost (including dependents' coverage), depending on the plan. The State currently pays up to 20% of the cost for retiree dental insurance (including dependents' coverage) depending on the plan. In addition, the State pays 100% of the premium cost for a portion of the employees' life insurance continued after retirement. The amount of life insurance, continued at no cost to the retiree, is determined based on the number of years of service that the retiree had with the State at the time of retirement as follows: (a) if the retiree had 25 years or more of service, the amount of insurance will be one-half of the amount of insurance for which the retiree was insured immediately prior to retirement, but the reduced amount cannot be less than $10,000; (b) if the retiree had less than 25 years of service, the amount of insurance will be the proportionate amount that such years of service is to 25, rounded to the nearest $100 of coverage. The State finances the cost of postemployment healthcare and life insurance benefits on a pay-as you-go basis through an appropriation in the State's General Fund.

Contributions

In accordance with the Revised State Employees Bargaining Agent Coalition (SEBAC) 2011 Agreement between the State of Connecticut and SEBAC, all employees shall pay a 3% retiree healthcare insurance contribution for a period of 10 years or retirement, whichever is sooner. Participants of Tier I, Tier II and Tier IIA shall be required to have 10 years of actual state service to be eligible for retirement health insurance. Participants of Tier III and Tier IV shall be required to have 15 years of actual state service to be eligible for retirement health insurance. Deferred vested retirees who are eligible for retiree health insurance shall be required to meet the rule of 75, which is the combination of age and actual state

service equaling 75 in order to begin receiving retiree health insurance based on applicable SEBAC agreement. Contributions made by the Authority in 2025 and 2024 totaled $2,088,286 and $2,683,715. Contributions made by employees in 2025 and 2024 totaled $284,405 and $396,390.

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

At December 31, 2025, and 2024, the Authority reported a liability of $39,461,947 and $56,302,927 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net OPEB liability was based on the Authority's actuarially required contribution for the year ended June 30, 2025, relative to all other contributing employers. The Authority's proportion was 0.248067% as of June 30, 2025.

For the year ended December 31, 2025, the Authority recognized OPEB expense of ($5,143,826). At December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	$ 4,046,941	$ 8,089,251
Net difference between projected and actual earnings on OPEB plan investments		198,010
Changes in proportionate share and difference between amount contributed and proportionate share of contributions	3,641,914	18,499,956
Employer contributions to the plan subsequent to the measurement date	1,127,341	
Difference between expected and actual experience in the total OPEB liability	173,390	1,377,608
	$ 8,989,586	$ 28,164,825

Of the total amount reported as deferred outflows of resources related to OPEB, $1,127,341 resulting from Authority contributions made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the Authority's OPEB expense as follows:

Year Ending December 31,	
2026	$ (7,269,573)
2027	(3,659,930)
2028	(3,624,444)
2029	(3,771,886)
2030	(1,976,747)
	$ (20,302,580)

Actuarial Assumptions

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using key actuarial assumptions summarized as follows:

Inflation	2.50%
Payroll growth rate	3.00%
Salary increases	3.00% to 11.50%, vary by service and retirement system
Discount rate*	5.20% for non-contributory members as of June 30, 2025 6.90% for contributory members as of June 30, 2025
Healthcare cost trend rates:	
Medical (Non-Medicare)	5.30%, 13.34% then 5.50% decreasing by 0.25% yearly to an ultimate level of 4.50% per year
Prescription drug (Non-Medicare)	5.85%, 2.41% then 6.25% decreasing by 0.25% yearly to an ultimate level of 4.50% per year
Medical and prescription drug (Medicare)	53.45%, 53.75%, 18.20% then 5.75% decreasing by 0.25% yearly to an ultimate level of 4.50% per year
Dental	2.65%, 2.70% then an ultimate level of 3.00% per year
Part B	4.50%
Administrative costs	1.85%, 3.30%, then 3.00%

* CHFA employees are non-contributory members

Assumed rates of mortality were obtained from the Pub-2010 General, Above-Median, Employee Headcount-weighted Mortality Table projected generationally using Scale MP-2020. These assumptions are applied to all periods included in the measurement.

Investment Rate of Return

The long-term expected rate of return on OPEB plan investments was determined by an actuarial analysis. The June 30, 2025, target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity Fund	20.0 %	5.4 %
Developed Market International Stock Fund	11.0	6.4
Emerging Market International Stock Fund	9.0	8.6
Core Fixed Income	13.0	0.8
Emerging Market Debt Fund	5.0	3.8
High Yield Bond Fund	3.0	3.4
Real Estate Fund	19.0	5.2
Private Equity	10.0	9.4
Private Credit	5.0	6.5
Alternative Investments	3.0	3.1
Liquidity Fund	2.0	-0.4
Total	100.0	

Discount Rate

The discount rate (non-contributory members) used to measure Total OPEB Liability (TOL) was 5.20% as of June 30, 2025. Since the State funds non-contributory members on a pay-as-you-go basis, the discount rate is based on the yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher as shown in the Bond Buyer 20-Bond General Obligation Index.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net OPEB liability calculated using the discount rate of 5.20%, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	1% Decrease 4.20%	Discount Rate 5.20%	1% Increase 6.20%
Authority's proportionate share of net OPEB liability	$ 45,733,455	$ 39,461,947	$ 34,291,152

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the Authority's proportionate share of the net OPEB liability calculated using the current healthcare cost trend rate as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1 percentage-point higher than the current rates:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Authority's proportionate share of net OPEB liability	$ 33,402,215	$ 39,461,947	$ 46,943,803

NOTE 15 - COMMITMENTS AND CONTINGENCIES

The Authority is a party to financial instruments with risk in connection with its commitments to provide financing that is not included in the statement of net position. These expose the Authority to credit risk in excess of the amount recognized on the statement of net position. The Authority's exposure to credit loss in the event of nonperformance by the borrowers is represented by the contractual amount of those instruments. The Authority uses the same credit policies in making commitments and conditional obligations as it does for instruments that are included in the statement of net position.

Total credit exposure is summarized below (in 000's):

	2025	2024
Home Mortgage Program Purchases	$ 234,845	$ 193,545
Multifamily Development Loans	171,918	161,310
Reverse Annuity Mortgage	-	3
Emergency Mortgage Assistance (EMAP)	2,170	1,588
Time to Own (TTO)	4,571	2,942
Zero-16 End Homelessness Initiative	1,250	1,750
	$ 414,754	$ 361,138

Commitments to extend credit are agreements to lend to a borrower as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. The Authority evaluates each borrower's credit worthiness on a case-by-case basis. The amount of collateral obtained if deemed necessary by the Authority upon extension of credit is based on management's credit evaluation of the counterparty. Collateral held is primarily residential and multifamily properties. Interest rates on approved mortgage loan commitments are fixed.

CHFA has funds committed for initiatives other than mortgage loans.

CHFA is involved in certain litigation and disputes incidental to its operations. Because it is generally difficult to predict the outcome of lawsuits, CHFA cannot give any assurance as to the outcome of such litigation. Based on the information it presently possesses, however, it is management's judgment that such litigation will not have a material adverse impact upon the financial condition of the Authority.

The Authority offers mortgage insurance through the CHFA Insurance Fund. CHFA mortgage insurance is permitted on a case-by-case basis when FHA insurance and VA guarantees are not available and PMI insurance is either not available for the home or has been declined for a reason that would not prevent CHFA from issuing an insurance commitment. The CHFA Insurance Fund receives annual premiums from participating borrowers. The accumulation of these premiums is used to fund any claims. Premiums are collected until the LTV reaches certain thresholds which at such time the insurance coverage is terminated. As of December 31, 2025 and December 31, 2024, the Authority had $5,245,000 and $5,839,000, respectively, of outstanding home mortgage loans that are insured under this program. For the years ended December 31, 2025 and 2024, there were no claims paid from the CHFA Insurance Fund.

NOTE 16 – GRANT PROGRAMS

Pursuant to Public Act No. 05-228 (CIA), the Authority was receiving a 25% distribution of funds held in the State of Connecticut's land protection, affordable housing and historic preservation account for the purpose of supplementing new or existing affordable housing programs. Effective May 28, 2014, and pursuant to Public Act No. 14-45 passed on said date, distribution of these funds was redirected to the State of Connecticut's Department of Housing. The Authority is currently spending down the funds received in prior years.

The rights of certain property owners are protected in Connecticut foreclosure actions by § 8-265cc through 8-265kk of the Connecticut General Statutes known as the Emergency Mortgage Assistance Payment ("EMAP") Program. These provisions allow homeowners the opportunity to avoid foreclosure

by enabling them to obtain financial assistance from the State, acting through the Authority. A qualified homeowner may obtain funds under this program to bring a delinquent mortgage current and may also obtain assistance with subsequent mortgage payments to a maximum period of 60 months. The program is governed by the relevant statutes and pursuant to a memorandum of understanding between the Authority and the State of Connecticut, Office of Policy and Management. Unspent funds are held by the Authority in escrow until expended on the program. Only when funds are spent are they recognized as program revenue and expenses. During 2011, the Authority issued $20,000,000 in conduit debt under its Special Needs Indenture in support of the EMAP Program. Debt service on these bonds is paid by the State of Connecticut.

In 2025 and 2024, the Authority received $337,000 and $222,000, respectively, in Comprehensive Counseling ("CC") grant funds from the U.S. Department of Housing and Urban Development; the purpose being to provide counseling and advice to tenants and homeowners to assist them in improving their housing conditions and fulfilling the responsibilities of tenancy or homeownership. The funds were made available through Section 106 of the Housing and Urban Development Act of 1968 and Section 4 of the Department of Housing and Urban Development Act as amended by Title XIV of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the use of which is subject to the terms and conditions of the grant agreement.

The Qualified Energy Conservation Bond ("QECB") program was established under the Economic Stabilization Act of 2008 ("Act") and is governed by certain provisions of the Internal Revenue Code of 1986, as amended ("Code"). Pursuant to the Act and Code, QECBs are qualified tax credit bonds where the U.S. Treasury subsidizes a portion of the bond interest payment equal to 70% of the tax credit bond rate, subject to sequestration. The interest subsidy due or received in 2025 and 2024 was $162,000 and $175,000, respectively.

The goal of ending chronic homelessness was set when the State of Connecticut's governor signed onto the "Zero:2016" initiative back in 2016. In furtherance of reaching this goal, the Authority committed to contributing $5,000,000 over ten years to fund supportive housing rental subsidies. The funding is to be made first from State funds on hand resulting from CHFA's administration of the State's supportive housing program. Once the designated State funds are exhausted, Financing Adjustment Factor (FAF) funds obtained from an agreement between the Authority and U.S. Department of Housing and Urban Development (HUD) will be used to fund the balance of the subsidy. In 2025 and 2024, the Authority funded $500,000 each year towards this commitment. $1.25 million remains committed to be spent on this program in future years.

The Authority maintains a Small Multifamily Lending Program (the SML Program) which provides loans through community development financial institutions for the acquisition, rehabilitation or long-term financing of small multifamily properties having 3 to 20 units. The State of Connecticut Office of Policy and Management (OPM) has partnered with CHFA to promote the SML Program, with a focus on providing loans in areas near transit stations and in neighborhoods served by public transportation. The program was recapitalized in 2025; providing for the Authority to fund up to $10 million from multiple funding sources, $2 million of which is matching funds contributed from OPM. The Authority and OPM each contributed $2,000,000 to recapitalize the program during 2025.

Section 3206 of the American Rescue Plan Act of 2021, authorized the U.S. Department of the Treasury to help mitigate financial hardships associated with the coronavirus pandemic by providing funds to eligible entities under the Homeowner Assistance Fund Program (HAF). Program funds were used to assist qualified applicants with payment of delinquent mortgage payments including principal, interest, taxes and other costs the loan servicers incurred to bring the loan current. The Authority received $12,314,000 in HAF funds during 2021. In 2022, $110,823,000 in additional grant funds were received. Under current guidelines, the program will run through September 30, 2026 or until funds are exhausted.

One of the significant obstacles to homeownership is a potential homebuyer's inability to cover the down payment and closing costs required to purchase a home. To address this obstacle, in December 2021, the Connecticut State Bond Commission allocated $20,000,000 to the Connecticut Department of Housing (DOH) to create a First Time Homebuyers Assistance Program ("Program"). DOH in turn requested the Authority to administer and implement the Program on their behalf. The Program was named "Time to Own (TTO)" and provides downpayment assistance to eligible applicants. The first $155,000,000 in Program funds provided assistance of up to 25% of the cost of a home, up to a maximum of $50,000. The Program was modified in 2024 to provide assistance of up to 25% of the cost of a home, up to a maximum of $25,000. Program loans are non-amortizing (deferred), with a 10-year term and a 0% interest rate. 10% of the loan balance is forgiven on each anniversary of the loan closing until fully forgiven. The program has received a total funding commitment of $280,000,000, all but $25,000,000 of which was received through December 31, 2025.

The Authority manages a Down Payment Assistance Program (DAP) that helps single family borrowers purchase their first home. The DAP allows first time homebuyers access to additional assistance in the form of a 2nd mortgage loan to help cover down payment and closing costs. During 2024, the Authority received $9,000,000 from the State of Connecticut to further capitalize the program. The Authority funded 818 DAP loans during 2025 with an average loan of approximately $12,000 per borrower.

The United States Treasury's Community Development Financial Institutions Fund created the Capital Magnet Fund Program (CMF Program) in order to spur investment in affordable housing and related economic development efforts to revitalize neighborhoods across the country by serving low-income families and communities. During 2024, the Authority was awarded a $2,000,000 grant from the CMF Program. CHFA committed to contribute $2,000,000 in matching funds. The $4,000,000 in total funds were used to capitalize the Affordable Housing Fund. Affordable Housing Program funds are to be used to support the creation of deeply affordable housing units in the Low-Income Housing Tax Credit Program.

Activity under these programs for the years ended December 31, 2025 and 2024 is summarized below (in 000's):

	2025 Program Funding	2025 Program Expenses	Net
PA 05-228	$	$ 110	$ (110)
EMAP	1,255	1,255	
CC	337	337	
QECB	162	162	
ZERO 16		500	(500)
SML PROGRAM	2,000		2,000
HAF	1,039	1,039	
TIME TO OWN	65,058	65,058	
	$ 69,851	$ 68,461	$ 1,390

	2024 Program Funding	2024 Program Expenses	Net
EMAP	$ 815	$ 815	$
CC	222	222	
QECB	175	175	
ZERO 16		500	(500)
HAF	11,303	11,303	
TIME TO OWN	77,684	77,684	
DAP	9,000		9,000
CAPITAL MAGNET	2,000		2,000
	$ 101,199	$ 90,699	$ 10,500

NOTE 17 - RISK MANAGEMENT

The Authority is subject to normal risks associated with its operations including property damage, personal injury and employee dishonesty. All risks are managed through the purchase of commercial insurance. There are no pending claims against the Authority as of December 31, 2025. There have been no losses exceeding insurance coverage, and there have been no decreases in insurance coverage over the last three years.

NOTE 18 - SUBSEQUENT EVENTS

On January 27, 2026, the Authority entered into a new swap agreement with JPMorgan Chase Bank, N.A. to partially hedge 2026 Series A, Subseries A-3 variable rate bonds. The terms include an effective date of February 12, 2026, with an initial notional balance of $64,000,000. The swap has a par termination option that can be exercised beginning 2034 through the 2052 termination date. The Authority pays 3.162% fixed and receives 63% of Daily SOFR plus a spread of 14 basis points.

On December 18, 2025, the State of Connecticut Bond Commission approved additional funding totaling $25,000,000 to recapitalize the Time to Own Program due to high demand. On January 29, 2026, the Authority received the allocation from the State.

On February 12, 2026, the Authority issued 2026 Series A fixed rate and variable rate bonds in the amount of $369,760,000 under the Bond Resolution. The bond proceeds were used to partially pay down the Wells Fargo line of credit and to fund the purchase of single-family whole loans and mortgage-backed securities. On the same date, CHFA entered into a Standby Bond Purchase Agreement with Bank of America, N.A., to secure the liquidity needs for 2026 Series A, Subseries A-3 in the principal balance of $80,000,000. Additionally, CHFA entered into a Remarketing Agreement with BofA Securities, Inc. to perform the remarketing of 2026 Series A, Subseries A-3.

On February 17, 2026, the Authority redeemed $25,965,000 of various series of outstanding bonds held under the Bond Resolution.

CONNECTICUT HOUSING FINANCE AUTHORITY
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
CONNECTICUT STATE EMPLOYEES' RETIREMENT SYSTEM (SERS)
LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability	0.19205%	0.25384%	0.20227%	0.22723%	0.30512%	0.29711%	0.33545%	0.31308%	0.31830%	0.30322%
Proportionate share of the net pension liability	$ 32,220,285	$ 48,149,784	$ 41,959,538	$ 50,110,693	$ 64,880,119	$ 70,480,100	$ 76,523,904	$ 67,896,479	$ 67,069,565	$ 69,628,178
Covered payroll	$ 16,515,801	$ 15,832,382	$ 14,597,232	$ 14,222,906	$ 12,950,455	$ 13,160,654	$ 13,226,621	$ 13,256,124	$ 13,305,309	$ 12,735,488
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	195.09%	304.12%	287.45%	352.32%	500.99%	535.54%	578.56%	512.19%	504.08%	546.73%
Plan fiduciary net position as of percentage of total pension liability	61.53%	55.75%	50.59%	45.76%	44.55%	35.84%	36.79%	36.62%	36.25%	31.69%

CONNECTICUT HOUSING FINANCE AUTHORITY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CONNECTICUT STATE EMPLOYEES' RETIREMENT SYSTEM (SERS)
LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 5,649,161	$ 6,628,002	$ 6,597,741	$ 6,474,089	$ 5,452,202	$ 4,802,267	$ 5,294,507	$ 4,517,904	$ 4,909,189	$ 4,553,783
Amount contributed in relation to contractually required contribution	5,649,161	6,628,002	6,597,741	6,474,089	5,452,202	4,802,267	5,294,507	4,517,904	4,909,189	4,553,783
Contribution deficiency	-	-	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 16,515,801	15,832,382	$ 14,597,232	$ 14,222,906	$ 12,950,455	$ 13,160,654	$ 13,226,621	$ 13,256,124	$ 13,305,309	$ 12,735,488
Contributions as a percentage of covered employee payroll	34.20%	41.86%	45.20%	45.52%	42.10%	36.49%	40.03%	34.08%	36.90%	35.76%

Notes to Schedule

Changes in assumptions:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Investment rate of return (net of pension plan investment expense, including inflation)	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
Salary increases	3.00% - 11.5%	3.00% - 11.5%	3.00% - 11.5%	3.00% - 11.5%	3.00% - 11.5%	3.50% - 19.5%	3.50% - 19.5%	3.50% - 19.5%	3.50% - 19.5%	3.50% - 19.5%
Cost of living adjustments	1.95% - 3.25%	1.95% - 3.25%	1.95% - 3.25%	1.95% - 3.25%	1.95% - 3.25%	1.95% - 3.25%	1.95% - 3.25%	1.95% - 3.25%	1.95% - 3.25%	2.25% - 3.25%
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

CONNECTICUT HOUSING FINANCE AUTHORITY
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY
LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net OPEB liability	0.248067%	0.348592%	0.366272%	0.330831%	0.320431%	0.349907%	0.418651%	0.365767%	0.390046%	0.380742%
Proportionate share of the net OPEB liability	$ 39,461,947	$ 56,302,927	$ 52,122,667	$ 51,272,846	$ 77,331,488	$ 82,371,279	$ 78,547,288	$ 63,147,471	$ 67,722,049	$ 65,649,161
Covered payroll	$ 16,515,801	$ 15,832,382	$ 14,597,232	$ 14,222,906	$ 12,950,455	$ 13,160,654	$ 13,226,621	$ 13,256,124	$ 13,305,309	$ 12,735,488
Proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	238.93%	355.62%	357.07%	360.49%	597.13%	625.89%	593.86%	476.36%	508.99%	515.48%
Plan fiduciary net position as of percentage of total OPEB liability	18.24%	16.22%	15.79%	12.63%	8.35%	6.13%	5.99%	4.69%	3.03%	1.94%

CONNECTICUT HOUSING FINANCE AUTHORITY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
EMPLOYEES' OTHER POST EMPLOYEMENT BENEFIT PLAN
LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 2,088,286	$ 2,683,715	$ 3,115,192	$ 2,805,206	$ 2,781,565	$ 3,034,471	$ 3,152,196	$ 2,933,060	$ 2,603,173	$ 2,317,169
Amount contributed in relation to contractually required contribution	2,088,286	2,683,715	3,115,192	2,805,206	2,781,565	3,034,471	3,152,196	2,933,060	2,603,173	2,317,169
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 16,515,801	$ 15,832,382	$ 14,597,232	$ 14,222,906	$ 12,950,455	$ 13,160,654	$ 13,226,621	$ 13,256,124	$ 13,305,309	$ 12,735,488
Contributions as a percentage of covered employee payroll	12.64%	16.95%	21.34%	19.72%	21.48%	23.06%	23.83%	22.13%	19.56%	18.19%

Notes to Schedule

Changes in assumptions:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Payroll growth rate	3.00%	3.00%	3.00%	3.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.75%
Salary increases	3.00% - 11.5%	3.00% - 11.5%	3.00% - 11.5%	3.00% - 11.5%	3.25% - 19.5%	3.25% - 19.5%	3.25% - 19.5%	3.25% - 19.5%	3.25% - 19.5%	3.25% - 19.5%
Discount rate	5.20%	3.93%	4.46%	3.90%	2.31%	2.38%	3.58%	3.95%	3.68%	3.74%
Health care cost trend rates:										
Medical			6.0% graded to 4.5% over 6 years	6.0% graded to 4.5% over 6 years	6.0% graded to 4.5% over 6 years	6.0% graded to 4.5% over 6 years	6.5% graded to 4.5% over 4 years	6.5% graded to 4.5% over 4 years	6.5% graded to 4.5% over 4 years	5.00%
Prescription drug			6.0% graded to 4.5% over 6 years	6.0% graded to 4.5% over 6 years	6.0% graded to 4.5% over 6 years	6.0% graded to 4.5% over 6 years	8.0% graded to 4.5% over 7 years	8.0% graded to 4.5% over 7 years	8.0% graded to 4.5% over 7 years	10.0% graded to 5.0% over 5 years
Dental	2.65%, 2.70% then an ultimate level of 3.0% per year									
Part B	4.50%									
Dental and Part B		2.6% to 3.0%/ 4.5%	3.0% / 4.5%	3.0% / 4.5%	3.0% / 4.5%	3.0% / 4.5%	4.50%	4.50%	4.50%	5.00%
Administrative expense	1.85%, 3.30% then 3.0%	1.85%, 3.30% then 3.0%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	$250 per participar
Medical (Non-Medicare)	5.30%, 13.34% then 5.50% decreasing by 0.25% yearly to 4.50%	-0.35%, then 5.75% decreasing by 0.25% yearly to 4.50%								
Prescription Drug (Non-Medicare)	5.85%, 2.41% then 6.25% decreasing by 0.25% yearly to 4.50%	2.35%, then 6.50% decreasing by 0.25% yearly to 4.50%								
Medical and Prescription Drug (Medicare)	53.45%, 53.75%, 18.20% then 5.75% decreasing by 0.25% yearly to 4.50%	43.03%, 60.47%, 24.36% then 5.75% decreasing by 0.25% yearly to 4.50%								

EXHIBIT I

CONNECTICUT HOUSING FINANCE AUTHORITY
COMBINING SCHEDULE OF NET POSITION
DECEMBER 31, 2025
(in 000's)

	Other Funds						Component Units		
	General & Capital Reserve Funds	Housing Mortgage Insurance Fund	Multifamily Special Obligation Bond and Other Bond Funds	Special Needs Housing Funds	Qualified Energy Conservation Bond Fund	Housing Revenue Bond Fund	Multifamily Real Estate Owned	Eliminations	Combined Total
Assets									
Restricted current assets:									
Cash and cash equivalents	$ 992	$	$	110	$	$	$	$	$ 1,102
Mortgage loans receivable	196,285		482	5,903	508				203,178
Investments in securities	1,004,816	4,342	4,582	89,020	1,363	2,525	1,641		1,108,289
Real estate owned - multifamily							2,300		2,300
Accrued interest receivable on:									
Mortgage loans	10,163		75	414	13				10,665
Securities	19,728	15	15	297		119	5		20,179
Due from other funds/component units	2,300							(2,300)	
Accounts receivable and other assets	71,011			825		37,587	704		110,127
Total current assets	1,305,295	4,357	5,154	96,569	1,884	40,231	4,650	(2,300)	1,455,840
Restricted noncurrent assets:									
Mortgage loans receivable, net of current portion	2,347,699		21,809	51,730	5,262				2,426,500
Investments in securities, net of current portion	4,123,781			814		62,754			4,187,349
Derivative instruments - interest rate swaps	48,906								48,906
Capital assets, net of depreciation	3,289								3,289
Real estate owned - single family	471								471
Total noncurrent assets	6,524,146		21,809	52,544	5,262	62,754			6,666,515
Total assets	7,829,441	4,357	26,963	149,113	7,146	102,985	4,650	(2,300)	8,122,355
Deferred Outflows of Resources									
Unamortized deferral on bond refundings	40,175								40,175
Deferred amount for OPEB	8,990								8,990
Deferred amount for pensions	10,795								10,795
Total deferred outflows of resources	59,960								59,960
Liabilities									
Current liabilities:									
Escrow deposits and unearned revenue	126,974		602	7,915	583				136,074
Due to other funds/component units							2,300	(2,300)	
Accrued interest payable	31,033		40	79	25	925			32,102
Accounts payable and accrued liabilities	3,618		3	896			170		4,687
Compensated absences	2,275								2,275
Line of credit payable	153,594								153,594
Notes payable	438								438
Bonds payable	333,487		600	3,320	517	265			338,189
Total current liabilities	651,419		1,245	12,210	1,125	1,190	2,470	(2,300)	667,359
Noncurrent liabilities									
Escrow deposits and unearned revenue, net of current portion	151,798		976	34,336		38,888			225,998
Compensated absences	1,291								1,291
Notes payable, net of current portion	13,806								13,806
Bonds payable, net of current portion	5,867,739		20,290	48,620	5,146	64,082			6,005,877
Net OPEB liability	39,462								39,462
Net pension liability	32,220								32,220
Total noncurrent liabilities	6,106,316		21,266	82,956	5,146	102,970			6,318,654
Total liabilities	6,757,735		22,511	95,166	6,271	104,160	2,470	(2,300)	6,986,013
Deferred Inflows of Resources									
Deferred amount for OPEB	28,165								28,165
Deferred amount for pensions	16,405								16,405
Derivative financial Instruments	194,693								194,693
Total deferred inflows of resources	239,263								239,263
Net Position									
Net investment in capital assets	3,289								3,289
Restricted by contractual agreements	72,910								72,910
Restricted by bond indentures and/or enabling legislation	816,204	4,357	4,452	53,947	875	(1,175)	2,180		880,840
Total Net Position	$ 892,403	$ 4,357	$ 4,452	$ 53,947	$ 875	$ (1,175)	$ 2,180	$	$ 957,039

EXHIBIT I

CONNECTICUT HOUSING FINANCE AUTHORITY
COMBINING SCHEDULE OF NET POSITION
DECEMBER 31, 2024
(in 000's)

	Other Funds					Component Units		
	General & Capital Reserve Funds	Housing Mortgage Insurance Fund	Multifamily Special Obligation Bond and Other Bond Funds	Special Needs Housing Funds	Qualified Energy Conservation Bond Fund	Multifamily Real Estate Owned	Eliminations	Combined Total
Assets								
Restricted current assets:								
Cash and cash equivalents	$ 1,258	$	$	$ 35	$	$	$	1,293
Mortgage loans receivable	150,942		813	5,815	487			158,057
Investments in securities	1,012,458	4,153	7,883	87,041	1,273	1,515		1,114,323
Real estate owned - multifamily						2,300		2,300
Accrued interest receivable on:								
Mortgage loans	8,332		183	350	19			8,884
Securities	16,206	16	31	351		6		16,610
Due from other funds/component units	2,419						(2,419)	
Accounts receivable and other assets	91,243			789		625		92,657
Total current assets	1,282,858	4,169	8,910	94,381	1,779	4,446	(2,419)	1,394,124
Restricted noncurrent assets:								
Mortgage loans receivable, net of current portion	2,284,860		44,991	51,686	5,786			2,387,323
Investments in securities, net of current portion	3,198,779			875				3,199,654
Derivative instruments - interest rate swaps	57,536							57,536
Capital assets, net of depreciation	3,621							3,621
Real estate owned - single family	1,235							1,235
Total noncurrent assets	5,546,031		44,991	52,561	5,786			5,649,369
Total assets	6,828,889	4,169	53,901	146,942	7,565	4,446	(2,419)	7,043,493
Deferred Outflows of Resources								
Unamortized deferral on bond refundings	46,700							46,700
Deferred amount for OPEB	15,251							15,251
Deferred amount for pensions	14,718							14,718
Total deferred outflows of resources	76,669							76,669
Liabilities								
Current liabilities:								
Escrow deposits and unearned revenue	111,612		1,222	7,131	583			120,548
Due to other funds/component units			119			2,300	(2,419)	
Accrued interest payable	25,227		42	83	27			25,379
Accounts payable and accrued liabilities	3,385		9	874		152		4,420
Compensated absences	2,167							2,167
Line of credit payable	224,999							224,999
Notes payable	118							118
Bonds payable	318,930		929	3,250	500			323,609
Total current liabilities	686,438		2,321	11,338	1,110	2,452	(2,419)	701,240
Noncurrent liabilities								
Escrow deposits and unearned revenue, net of current portion	138,523		2,217	34,761				175,501
Compensated absences	931							931
Notes payable, net of current portion	3,858							3,858
Bonds payable, net of current portion	5,026,274		45,175	52,625	5,663			5,129,737
Net OPEB liability	56,303							56,303
Net pension liability	48,150							48,150
Total noncurrent liabilities	5,274,039		47,392	87,386	5,663			5,414,480
Total liabilities	5,960,477		49,713	98,724	6,773	2,452	(2,419)	6,115,720
Deferred Inflows of Resources								
Deferred amount for OPEB	24,856							24,856
Deferred amount for pensions	11,758							11,758
Derivative financial Instruments	203,322							203,322
Total deferred inflows of resources	239,936							239,936
Net Position								
Net investment in capital assets	3,621							3,621
Restricted by contractual agreements	78,995							78,995
Restricted by bond indentures and/or enabling legislation	622,529	4,169	4,188	48,218	792	1,994		681,890
Total Net Position	$ 705,145	$ 4,169	$ 4,188	$ 48,218	$ 792	$ 1,994	$	$ 764,506

EXHIBIT II

CONNECTICUT HOUSING FINANCE AUTHORITY
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025
(in 000's)

	Other Funds						Component Units		
	General & Capital Reserve Funds	Housing Mortgage Insurance Fund	Multifamily Special Obligation Bond and Other Bond Funds	Special Needs Housing Funds	Qualified Energy Conservation Bond Fund	Housing Revenue Bond Fund	Multifamily Real Estate Owned	Eliminations	Combined Total
Operating Revenues									
Interest on mortgage loans	$ 121,414		1,803	3,356	171				$ 126,744
Interest on investments	206,321	184	253	2,113		935	66	(1,119)	208,753
Fees and other income	25,620	4		84			120		25,828
Total operating revenues	353,355	188	2,056	5,553	171	935	186	(1,119)	361,325
Operating Expenses									
Interest	224,601		1,613	1,821	88	925		(1,119)	227,929
Bond issuance costs	10,264								10,264
Servicer fees	29,003								29,003
Administrative	40,387								40,387
Provision for loss reserves	8,067								8,067
Total operating expenses	312,322		1,613	1,821	88	925		(1,119)	315,650
Operating Income	41,033	188	443	3,732	83	10	186		45,675
Nonoperating Revenues (Expenses)									
Actuarial assumption changes pension and OPEB	14,630								14,630
Net increase in the fair value of investments	132,009			14		(1,185)			130,838
State and federal program funding	68,434			1,255	162				69,851
State and federal program expenses	(67,044)			(1,255)	(162)				(68,461)
Nonoperating loss	148,029			14		(1,185)			146,858
Income (Loss) before Transfers	189,062	188	443	3,746	83	(1,175)	186		192,533
Operating Transfers In (Out)	(1,804)		(179)	1,983					
Change in Net Position	187,258	188	264	5,729	83	(1,175)	186		192,533
Net Position - Beginning of Year	705,145	4,169	4,188	48,218	792		1,994		764,506
Net Position - End of Year	$ 892,403	$ 4,357	$ 4,452	$ 53,947	$ 875	$ (1,175)	$ 2,180	$	$ 957,039

EXHIBIT II

CONNECTICUT HOUSING FINANCE AUTHORITY
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024
(in 000's)

		Other Funds				Component Units		
	General & Capital Reserve Funds	Housing Mortgage Insurance Fund	Multifamily Special Obligation Bond and Other Bond Funds	Special Needs Housing Funds	Qualified Energy Conservation Bond Fund	Multifamily Real Estate Owned	Eliminations	Combined Total
Operating Revenues								
Interest on mortgage loans	$ 109,343		2,152	3,416	182			$ 115,093
Interest on investments	162,121	213	291	2,377		72	(1,351)	163,723
Fees and other income	22,419	7				209		22,635
Total operating revenues	293,883	220	2,443	5,793	182	281	(1,351)	301,451
Operating Expenses								
Interest	181,621		1,858	1,891	95		(1,351)	184,114
Bond issuance costs	10,113							10,113
Servicer fees	27,809							27,809
Administrative	38,404							38,404
Provision for loss reserves	4,540							4,540
Total operating expenses	262,487		1,858	1,891	95		(1,351)	264,980
Operating Income	31,396	220	585	3,902	87	281		36,471
Nonoperating Revenues (Expenses)								
Actuarial assumption changes pension and OPEB	7,001							7,001
Net decrease in the fair value of investments	(62,186)			(27)				(62,213)
State and federal program funding	100,209			815	175			101,199
State and federal program expenses	(89,709)			(815)	(175)			(90,699)
Nonoperating loss	(44,685)			(27)				(44,712)
Income (Loss) before Transfers	(13,289)	220	585	3,875	87	281		(8,241)
Operating Transfers In (Out)	(1,934)		(183)	2,117				
Change in Net Position	(15,223)	220	402	5,992	87	281		(8,241)
Net Position - Beginning of Year	720,368	3,949	3,786	42,226	705	1,713		772,747
Net Position - End of Year	$ 705,145	$ 4,169	$ 4,188	$ 48,218	$ 792	$ 1,994	$	$ 764,506

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APPENDIX C

SUMMARY OF CERTAIN FEDERAL HOUSING AND MORTGAGE PROGRAMS

Introduction

The Federal Housing Administration ("FHA"), a part of the United States Department of Housing and Urban Development ("HUD"), administers the Section 203(b) Program (as defined below) pursuant to the National Housing Act of 1934, as amended (the "National Housing Act"). The Section 203(b) Program provides approved lenders with mortgage insurance for one- to four-unit residential properties purchased by qualified buyers.

Originally authorized under the Servicemen's Readjustment Act of 1944, as amended (the "Servicemen's Readjustment Act"), the United States Department of Veterans Affairs ("VA") Home Loan Guaranty Program guarantees a portion of mortgage loans originated by private lenders for veterans or other qualified individuals.

The United States Department of Agriculture Rural Development ("RD") assists low- to moderate-income homebuyers in designated rural areas with obtaining mortgage loans by guarantying a portion of each mortgage loan (the "Single Family Housing Guaranteed Loan Program").

Pursuant to the Act, the Authority permits the use of private mortgage insurance on certain mortgage loans, including those used to finance newly-constructed homes and new and existing condominium units. Private mortgage insurance terms are governed, in part, by the Homeowners Protection Act (as defined below).

In addition to the insurance and mortgage loan guarantee programs referenced above, certain mortgage loans financed under the Housing Mortgage Finance Program may be purchased by the Government National Mortgage Association ("GNMA"), the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("Freddie Mac") and assembled into pools which are sold to investors as GNMA Certificates, Fannie Mae Securities or Freddie Mac Securities (each such term as defined below), respectively.

In accordance with the United States Housing Act of 1937, as amended (the "United States Housing Act"), HUD oversees the Section 8 Housing Assistance Payments Program ("Section 8") which authorizes subsidies to the owners of qualified housing units for the benefit of low-income and very low-income families. Rental assistance provided through Section 8 is calculated as the difference between the contract rent and the eligible tenants' rental contribution.

The owners of certain developments financed under the Housing Mortgage Finance Program may also receive tax credits through the Low-Income Housing Tax Credit program (the "LIHTC Program") originally created under the Tax Reform Act of 1986.

Certain of 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 these programs as they affect mortgages that the Authority has financed or intends to finance under the Housing Mortgage Finance Program.

FHA Insurance Program

Mortgages may be insured by FHA pursuant to Section 203(b) of the National Housing Act, and the regulations promulgated thereunder at 24 C.F.R. Part 203 (the "Section 203(b) Program"). Such regulations provide that insurance benefits are payable only upon foreclosure (or other acquisition of possession and title) and conveyance of title to the mortgaged premises to the Secretary of HUD. Assignment of a defaulted loan to FHA is no longer permitted; however, loss mitigation options allow partial claim as a homeowner retention tool.

Currently, home buyers under the Section 203(b) Program are required to pay an up-front mortgage insurance premium of 1.75% of the base loan amount. In addition, an annual premium currently not exceeding 0.75% of the base loan amount is assessed over (a) the first 11 years of the mortgage term if the initial loan-to-value ("LTV") ratio is less than or equal to 90% and (b) the mortgage term if the initial LTV ratio is greater than 90%. The National Housing Act also requires that the principal amount of the mortgage loan not be in excess of 96.5% of the appraised value of the residence, plus the amount of the mortgage insurance premium paid at the time the mortgage is insured.

The National Housing Act regulations promulgated thereunder give discretionary authority to the Federal Housing Commissioner, or their authorized representative, to settle claims for insurance benefits in cash, in debentures or in a combination of both. The current FHA policy, subject to change at any time, is to make insurance payments in cash with respect to all programs covering such units as to which it has discretion to determine the form of insurance payment. Debentures issued in satisfaction of an insurance claim have a term of 20 years, and bear interest at the HUD debenture interest rate in effect under the regulations as of the date of issuance of the insurance commitment, or as of the date of the initial endorsement of the mortgage note for insurance, whichever rate is higher.

When entitlement to insurance benefits results from foreclosure or other acquisition of possession and conveyance of title to FHA, the insurance payment is computed as of the date of default by the mortgagor, and the mortgagee is compensated for the unpaid principal balance of the loan but generally not for mortgage interest accrued and unpaid prior to that date. The "date of default" is defined as 30 days after the first uncorrected failure to perform any obligation under the mortgage or the first failure to make a monthly payment which subsequent payments are insufficient to cover. Since monthly payments are regularly made 30 days in arrears, the mortgagee in collecting insurance benefits can expect to lose sixty days' interest at the mortgage rate. Insurance benefits include interest at the debenture interest rate then in effect covering the period from default to the date of payment; thus, assuming the mortgage interest rate is greater, the mortgagee can also expect to lose the difference between the mortgage interest rate and the debenture interest rate during such period. If insurance benefits are paid in debentures rather than cash, the mortgagee could expect to lose such interest differential over a longer period of time. In addition, in the event the debentures are sold prior to the maturity date thereof, it is likely that the mortgagee could expect to lose a substantial portion of the principal amount thereof. Finally, the mortgagee can expect to lose certain out-of-pocket expenses of securing the property and certain of its foreclosure expenses.

When any property to be conveyed to the Secretary of HUD has been damaged by fire, earthquake, flood or tornado, it is required, as a condition to payment of an insurance claim, that such property be repaired prior to such conveyance, except as otherwise provided in the applicable regulations.

Department of Veterans Affairs Home Loan Guaranty Program

The Servicemen's Readjustment Act, along with similar subsequent legislation, permits a veteran (or in certain instances the spouse and certain qualifying reservists) to obtain a mortgage loan guarantee from VA covering mortgage financing of the purchase of a one-to-four family dwelling unit at interest rates not in excess of the maximum rates established by VA. The program has no mortgage loan limits, requires no down payment from the purchaser (unless the sales price exceeds the home's appraised value) and permits the guarantee of mortgage loans of up to 30 years' duration. The maximum VA mortgage loan guaranty under this program is the lesser of the veteran's "maximum amount of guaranty entitlement" and (a) for home and condominium loans up to $45,000, 50% of the original principal amount of the loan; (b) for home and condominium loans over $45,000 but not more than $56,250, $22,500; (c) for home and condominium loans over $56,250 but not more than $144,000, the lesser of $36,000 or 40% of the original principal amount of the loan; (d) for home and condominium loans over $144,000, 25% of the original principal amount of the loan; or (e) for manufactured home loans, the lesser of 40% of the original principal amount of the loan or $20,000. The "maximum amount of guaranty entitlement" applies *only* to veterans who had previous VA-guaranteed loans with unreimbursed losses to VA and is (i) for loans described in clauses (a), (b) or (c) of the previous sentence, $36,000 reduced by the amount of such losses, (ii) for loans described in clause (d) of the previous sentence, 25% of the Freddie Mac conforming loan limit, as adjusted, reduced by the amount of such losses and (iii) for loans described in clause (e) of the previous sentence, $20,000 reduced by the amount of such losses. The liability on the guarantee is reduced or increased pro rata with any reduction or increase in the amount of indebtedness, but in no event will the amount payable on the guarantee exceed the amount of the original guarantee. Notwithstanding the dollar and percentage limitations of the guarantee, a mortgage holder will ordinarily suffer a monetary loss only when the difference between the unsatisfied indebtedness and the proceeds of a foreclosure sale of a mortgaged premises is

greater than the original guarantee as adjusted. VA may, at its option and without regard to the guarantee, make full payment to a mortgage holder of unsatisfied indebtedness on a mortgage upon its assignment to VA. Under the program, a VA-guaranteed Mortgage Loan must be guaranteed in an amount which, together with any down payment by the mortgagor, will at least equal 25% of the lesser of the sales price or the appraised value of the property. Regulations adopted by VA permit mortgage loans to be guaranteed by VA even though they contain due on sale clauses enforceable in the event that such mortgage loan is assumed by a person who is not an eligible borrower.

Rural Development Single Family Housing Guaranteed Loan Program

Under its Single Family Housing Guaranteed Loan Program, RD permits a low- to moderate-income purchaser of a home in a designated rural area to obtain a mortgage loan guarantee (the "RD Guaranteed Loan Program"). To qualify, a purchaser's income must not exceed 115% of the median income for the area in which the home is located. Unless the applicant has sufficient cash reserves or third-party funding, loans may not exceed the maximum loan amount determined based on their income and repayment ability or the fair market value of the property. Interest rates are set by the lenders, the loans have terms of thirty (30) years, and no down payment is required from the purchaser.

RD requires that, in the absence of the consent of the mortgagor, payment of the mortgage loan must be at least 90 days delinquent before the mortgagee may initiate foreclosure proceedings and the mortgagee must send the mortgagor a notice of the foreclosure in accordance with state law. The mortgagee must obtain prior RD approval for any liquidation of the property other than by foreclosure. RD also requires that the mortgagee arrange a meeting with the mortgagor before payment on the mortgage loan becomes 60 days delinquent.

Under the RD Guaranteed Loan Program, the mortgagee is entitled to payment of the guarantee only after the secured property has been sold at foreclosure or otherwise liquidated in conformity with RD requirements. RD does not accept conveyance of property, but rather pays the mortgagee's claim upon foreclosure. The RD Guaranteed Loan Program pays the mortgagee for a loss the lesser of (a) 90% of the original loan amount or (b) 100% of any loss equal to or less than 35% of the original loan amount plus 85% of any remaining loss up to 65% of the original loan amount. Loss is defined as (i) the outstanding principal balance and accrued interest of the mortgage loan as of the date of the liquidation sale or transfer of the secured property, plus reasonable liquidation costs and any additional interest or protective advances made on the mortgage loan, less (ii) the greater of the fair market value of such property or the amount obtained at any foreclosure sale.

Private Mortgage Insurance

The Act provides that in addition to having its loan insured or guaranteed by any department, agency, or instrumentality of the United States of America or public corporation chartered by the Congress of the United States, the Authority may have its loans insured by any insurance company licensed to do business in the State and authorized to underwrite mortgage insurance. The Authority presently allows the use of private mortgage insurance on newly-constructed homes, new and existing condominium units, and in certain other circumstances.

The maximum amount insurable by private mortgage insurance companies varies, but is generally 95% of the lesser of the appraised value or selling price of the owner-occupied residence. Requirements of borrower equity also vary according to the percentage of the mortgage to be insured. Although certain companies allow contributed labor or use of a percentage of the value of the land to be improved as equity, the Authority requires that the minimum equity must be in the form of cash or its equivalent.

Delinquencies must be reported to the insurer within four months of default and proceedings to recover title are required to commence within nine months of default. It is also required that prior to presenting a claim under the mortgage insurance, title to the property, free and clear of all liens and encumbrances, including any right of redemption by the mortgagor, must be acquired and tendered to the insurer. When such a claim is presented, the insurer will either pay the claim in full and take the title to the property or pay to the insured the percentage of the claim and allow the insured to retain title to the property. The percentage of the mortgage insurance varies based on the LTV ratio of the mortgage.

When any property conveyed to a private mortgage insurer or subject to a mortgage to be assigned to such insurer has been damaged by any cause, whether by accidental means or otherwise, it generally is required, as a condition to payment of an insurance claim, that such property be restored to its condition at the time such insurance was issued, excepting reasonable wear and tear, prior to such conveyance or assignment.

The amount of loss payable generally consists of the following: the unpaid principal balance plus accrued interest, usual and customary attorneys' fees, real estate taxes, hazard and private mortgage insurance premiums necessarily advanced by the insured, expenses incurred in preservation and maintenance of the property, and other costs and expenses incurred to acquire title to the property.

On July 29, 1998, Congress enacted the Homeowners Protection Act of 1998 (the "Homeowners Protection Act"). This legislation, which applies only to mortgage loans consummated on or after July 29, 1999, permits mortgagors to cancel private mortgage insurance once the principal balance of the mortgage loan reaches 80% of the original value of the mortgaged property and requires automatic termination of private mortgage insurance once the principal balance of the mortgage loan reaches 78% of the original value of the mortgaged property. Original value is defined as "the lesser of the sales price of the property securing the mortgage, as reflected in the contract, or the appraised value at the time at which the subject residential mortgage transaction was consummated." Cancellation of private mortgage insurance by the mortgagor may only occur if, in addition to the foregoing, the mortgagor has a good payment history and, if requested by the mortgagee, provides evidence that the value of the property securing the mortgage has not declined below its original value and certifies that the equity of the mortgagor in the residence securing the mortgage is unencumbered by a subordinate lien. Automatic termination of private mortgage insurance will only occur if, in addition to the 78% LTV ratio requirement described above, on the termination date the mortgagor is current with respect to its payments under the terms of the mortgage. Although the Homeowners Protection Act applies only to mortgage loans consummated on or after July 29, 1999, the Authority has determined to implement the provisions of such legislation, substantially in the form described above, on a retroactive, as well as prospective, basis.

The foregoing description of certain programs is only a brief outline and does not purport to summarize or describe all of the provisions of these programs. For a more complete description of the terms of these programs, reference is made to the provisions of the contracts embodied in the regulations of FHA, VA and RD, respectively, and of the regulations, master insurance contracts, and other information concerning various private mortgage insurers.

GNMA Certificates

GNMA. GNMA is a wholly owned corporate instrumentality of the United States within HUD. Section 306(g) of the National Housing Act authorizes GNMA to guarantee the timely payment of the principal of, and interest on, certificates that are based on and backed by a pool of mortgage loans insured by FHA, or guaranteed by RD or VA. Section 306(g) of the National Housing Act further provides that "[t]he full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection."

GNMA Certificates. This summary of the single family mortgage loans originated under the Housing Mortgage Finance Program and assembled into pools guaranteed by GNMA (the "GNMA Certificates") does not purport to be comprehensive and is qualified in its entirety to the GNMA I and II Mortgage-Backed Securities Guide and to the GNMA Certificates and other documents for full and complete statements of their provisions.

Each GNMA Certificate will be a "modified pass-through" mortgage-backed certificate issued and serviced by institutions approved by GNMA. Each GNMA Certificate will be backed by a pool of qualifying mortgage loans insured by FHA or guaranteed by VA or RD and will provide for the timely payment to the registered holder of monthly installments of principal and interest. All installments are required to be applied first to interest and then in reduction of the principal balance then outstanding. Interest shall be paid each month for the preceding month, at the specified rate on the unpaid portion of the principal of the GNMA Certificates at the end of the prior month. The amount of principal due on the GNMA Certificates each month shall be in an amount equal to the scheduled principal amortization due on the pooled mortgage loans at the beginning of the month in which the payment under the GNMA Certificates is due. However, payment of principal and interest shall be adjustable as set forth below.

Each of the monthly installments of principal shall be subject to adjustment by reason of any prepayments or other early or unscheduled recoveries of principal on the pooled mortgage loans during the preceding month. In any event, the monthly installments shall be not less than the interest due on the GNMA Certificates at the rate specified in the GNMA Certificates as described above, together with any scheduled installments of principal during such month, whether or not collected by the mortgage lenders, and any prepayments or early recovery of principal during the preceding month. Final payment shall be made only upon surrender of the outstanding GNMA Certificate.

Each GNMA Certificate will be issued under the GNMA I or GNMA II Mortgage-Backed Securities Programs (the "GNMA I Program" or "GNMA II Program," as applicable). Under the GNMA I Program, each GNMA originator makes separate monthly payments directly to each holder of GNMA Certificates for each GNMA Certificate held. All mortgages underlying a particular GNMA Certificate must have the same annual interest rate. The annual interest rate on each GNMA Certificate under the GNMA I Program is generally equal to the annual interest rate on the mortgage loans included in the pool of mortgages backing such GNMA Certificate. Payments are made directly by the issuer of a GNMA Certificate to the registered holder on the 15th day of each month.

Under the GNMA II Program, each GNMA originator makes monthly payments to a central paying and transfer agent which makes one consolidated payment each month to each holder of GNMA Certificates. Mortgages underlying a particular GNMA Certificate may have varying annual interest rates within a prescribed range. The annual interest rate on each GNMA Certificate under the GNMA II Program varies between .25% and .50% below the annual interest rate on the mortgage loans included in the pool of mortgages backing such GNMA Certificate. Payments are made by the paying and transfer agent to the registered holder by the 20th day of each month.

GNMA will have approved the issuance of each of the GNMA Certificates in accordance with a guaranty agreement (the "Guaranty Agreement") between GNMA and the mortgage lender originator of such GNMA Certificate. Pursuant to the Guaranty Agreement, the mortgage lender is required to advance its own funds in order to make timely payments of all amounts due on the GNMA Certificate even if the payments received by the mortgage lender on the FHA, RD and VA mortgage loans backing the GNMA Certificate are less than the amounts due on such GNMA Certificate. Pursuant to the Guaranty Agreement, GNMA guarantees the timely payment of principal of, and interest on, such GNMA Certificate.

If a mortgage lender is unable to make payments on a GNMA Certificate as they become due, it is required to promptly notify GNMA and request GNMA to make such payment. Upon such notification and request, GNMA will make such payments directly to the registered holder of the GNMA Certificate. In the event no payment is made by a mortgage lender and the mortgage lender fails to notify and request GNMA to make such payment, the holder of the GNMA Certificate has recourse only against GNMA to obtain such payment.

Fannie Mae Mortgage-Backed Securities Program

Fannie Mae. Fannie Mae is a federally chartered and stockholder owned corporation organized and existing under the Federal National Mortgage Association Charter Act. Fannie Mae was originally established in 1938 as a United States government agency to provide supplemental liquidity to the mortgage market, and was transformed into a stockholder owned and privately managed corporation by legislation enacted in 1968. Since September 6, 2008, Fannie Mae has been under conservatorship with the Federal Housing Finance Agency ("FHFA"). The Secretaries of HUD and Treasury exercise general regulatory power over Fannie Mae. Fannie Mae provides funds to the mortgage market primarily by purchasing mortgage loans from lenders, thereby replenishing their funds for additional lending. Fannie Mae acquires funds to purchase mortgage loans from many capital market investors that may not ordinarily invest in mortgage loans, thereby expanding the total amount of funds available for housing. In addition, Fannie Mae issues mortgage-backed securities primarily in exchange for pools or mortgage loans from lenders ("Fannie Mae Securities").

ALTHOUGH THE SECRETARY OF THE TREASURY OF THE UNITED STATES HAS DISCRETIONARY AUTHORITY TO ADVANCE FUNDS TO FANNIE MAE, NEITHER THE UNITED STATES NOR ANY AGENCY OR INSTRUMENTALITY 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 OR MORTGAGE LOANS (THE "FANNIE MAE MBS PROGRAM"). THE OBLIGATIONS OF FANNIE MAE, INCLUDING ITS OBLIGATIONS UNDER THE FANNIE MAE SECURITIES, 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 Single Family Selling and Servicing Guides (the "Fannie Mae Guides"), as modified by the Fannie Mae Pool Contract (as defined below), and, in the case of the single family mortgage loans described herein, a Second Amended and Restated 2016 Single-Family Master Trust Agreement dated January 1, 2021, as amended (the "Fannie Mae Trust Agreement"), and a supplement thereto to be issued by Fannie Mae in connection with each pool. The Fannie Mae MBS Program is further described in the prospectus issued by Fannie Mae (the "Fannie Mae Prospectus"). The most recent Fannie Mae Prospectus is dated May 1, 2023 and is supplemented from time to time. Copies of the Fannie Mae Prospectus and any supplements thereto are available free of charge through its website.

Information on Fannie Mae and its financial condition is contained in Fannie Mae's most current annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K that are filed with the United States Securities and Exchange Commission (the "SEC"). Fannie Mae files reports, proxy statements and other information with the SEC. Fannie Mae makes available free of charge through its website its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all other SEC reports and amendments to those reports as soon as reasonably practicable after Fannie Mae electronically files the material with, or furnishes it to, the SEC.

The summary of the Fannie Mae MBS Program set forth herein does not purport to be comprehensive and is qualified in its entirety by reference to the Fannie Mae Guides as presently in effect, the Fannie Mae Prospectus and the other documents referred to herein, all of which are subject to change at any time by Fannie Mae.

Pool Purchase Contract. It is expected that Fannie Mae and the servicer will enter into a Pool Purchase Contract (the "Fannie Mae Pool Contract"), pursuant to which the servicer will be permitted to deliver, and Fannie Mae will agree to purchase, pools of Mortgage Loans in exchange for Fannie Mae Securities. The purpose of the Fannie Mae Pool Contract is to provide for certain additions, deletions, and changes to the Fannie Mae Guides relating to the purchase of Mortgage Loans. In the event of a conflict between the Fannie Mae Pool Contract and the Fannie Mae Guides, the Fannie Mae Pool Contract will control. The description set forth below assumes that the Fannie Mae Pool Contract will be executed substantially in the form customarily negotiated by Fannie Mae in similar financings. There can be no assurance that a Fannie Mae Pool Contract can be successfully negotiated, and no representation is made as to the amount, if any, of Fannie Mae Securities which will secure the Bonds.

Under the Fannie Mae Pool Contract, Fannie Mae will purchase Mortgage Loans eligible under the guidelines set forth in the Fannie Mae Guides which conform to the conditions set forth in the Fannie Mae Pool Contract.

Pursuant to the Fannie Mae Guides, the original principal balance of conventional Mortgage Loans to be sold to Fannie Mae are subject to change annually and vary, depending on the property's location and number of units. The Mortgage Loans must be conventional Mortgage Loans with LTV ratios not in excess of 80% and must otherwise meet the requirements of Fannie Mae. Conventional Mortgage Loans with LTV ratios exceeding 80% must have the principal amount of the indebtedness in excess of 80% of the appraised value of the home insured by a policy of primary mortgage insurance acceptable to Fannie Mae.

Under the Fannie Mae Pool Contract, the 97% LTV limitation for Mortgage Loans will be based upon the lower of (1) the acquisition cost plus rehabilitation cost, if any, of a home, or (2) the appraised value of a home after completion of any rehabilitation. The maximum combined LTV ratio shall not exceed 105% where subordinate financing is used that complies with the terms of the Fannie Mae Guides. The Fannie Mae Pool Contract also provides that, in underwriting Mortgage Loans for the Fannie Mae Community Lending Products, certain exceptions will be made from the Fannie Mae Guides for down payment requirements and for determining whether a household's income satisfies the requirements for purchase by Fannie Mae.

The Fannie Mae Pool Contract obligates the servicer to service the Mortgage Loans in accordance with the requirements of the Fannie Mae Guides and the Fannie Mae Pool Contract.

Fannie Mae Securities. Each Fannie Mae Security will represent the entire interest in a specified pool of Mortgage Loans purchased by Fannie Mae from the servicer and identified in records maintained by Fannie Mae. The Fannie Mae Pool Contract requires that each Fannie Mae Security be in a minimum amount of $250,000, unless otherwise approved by Fannie Mae. The monthly remuneration of the servicer for its servicing and administrative functions, and the guaranty fee charged by Fannie Mae, are based on the unpaid principal amount of the Fannie Mae Securities outstanding. The Fannie Mae Securities normally carry an interest rate that is fixed in 50-basis-point increments below the interest rate on the underlying Mortgage Loans; the servicer's servicing fee (which ranges from .25% to .50% of the outstanding principal balance of the Mortgage Loans) is deducted from payments on the Mortgage Loans before payments are passed through to the holder of the Fannie Mae Securities. The servicer is required to pay the Fannie Mae guaranty fee out of the servicer's servicing fee it receives.

Fannie Mae will guarantee to the Trustee, as the registered holder of the Fannie Mae Securities, that it will distribute amounts representing scheduled principal and interest at the applicable pass-through rate on the Mortgage Loans in the pools represented by such Fannie Mae Securities, whether or not received, and the full principal balance of any foreclosed or other finally liquidated Mortgage Loan, whether or not such principal balance is actually received. **The obligations of Fannie Mae under such guarantees are obligations solely of Fannie Mae and are not backed by, nor entitled to, the faith and credit of the United States. If Fannie Mae were unable to satisfy such obligations, distributions to the Trustee, as the registered holder of Fannie Mae Securities, would consist solely of payments and other recoveries on the underlying Mortgage Loans and, accordingly, monthly distributions to the Trustee, as the registered holder of Fannie Mae Securities, would be affected by delinquent payments and defaults on such Mortgage Loans**.

Payments of Mortgage Loans; Distributions on Fannie Mae Securities. Payments on a Fannie Mae Security will be made to the Trustee on the 25th day of each month (beginning with the month following the month such Fannie Mae Security is issued), or if such 25th day is not a business day, on the first business day next succeeding such 25th day. With respect to each Fannie Mae Security, Fannie Mae will distribute to the Trustee an amount equal to the total of (i) the principal due on the Mortgage Loans in the related pool underlying such Fannie Mae Security 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 Loans 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 Agreement), (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 Security as reported to the Trustee, as registered holder, in connection with the previous distribution (or, respecting the first distribution, the principal balance of the Fannie Mae Security 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.

Fannie Mae Uniform Mortgage-Backed Securities. Since June 3, 2019, Fannie Mae has also issued new, common, single mortgage-backed securities, known as Uniform Mortgage-Backed Securities ("Fannie Mae UMBSs"). Similar to traditional Fannie Mae Securities, Fannie Mae UMBSs finance fixed-rate mortgage loans and are guaranteed by Fannie Mae. Fannie Mae UMBSs are sold into a single to-be-announced ("TBA") market along with Freddie Mac UMBSs (as defined below). As first-level securities, Fannie Mae UMBSs and Freddie Mac UMBSs (together, "UMBSs") are backed by fixed-rate mortgage loans purchased entirely by either Fannie Mae or Freddie Mac (as defined below), thereby preventing any commingling of collateral. UMBSs have the same structure regardless of the issuer, including the same interest accrual period and 55-day payment delay for investors. UMBSs resemble Fannie Mae Securities and Freddie Mac has altered its security structure to further align its UMBSs with Fannie Mae

Securities. Both Fannie Mae and Freddie Mac may be required to consult with each other to ensure that their UMBS programs or policies do not cause or have the potential to cause cash flows to investors of mortgage-backed securities to misalign. For additional information regarding UMBSs, see "Freddie Mac Mortgage-Backed Securities Program" below.

Freddie Mac Mortgage-Backed Securities Program

Freddie Mac. Freddie Mac is a shareholder-owned, government-sponsored enterprise created on July 24, 1970 pursuant to the Federal Home Loan Mortgage Corporation Act, Title III of the Emergency Home Finance Act of 1970, as amended. Since September 6, 2008, Freddie Mac has been under conservatorship with FHFA. Freddie Mac's statutory purpose 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 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 Securities"). Freddie Mac generally matches its purchases of mortgages with sales of Freddie Mac Securities. Mortgages retained by Freddie Mac are financed with short- and long-term debt and equity capital.

ALTHOUGH THE SECRETARY OF THE TREASURY OF THE UNITED STATES HAS DISCRETIONARY AUTHORITY TO ADVANCE FUNDS TO FREDDIE MAC, NEITHER THE UNITED STATES NOR ANY AGENCY OR INSTRUMENTALITY THEREOF IS OBLIGATED TO FINANCE FREDDIE MAC'S OBLIGATIONS OR TO ASSIST FREDDIE MAC IN ANY MANNER.

FREDDIE MAC HAS IMPLEMENTED A MORTGAGE-BACKED SECURITIES PROGRAM PURSUANT TO WHICH FREDDIE MAC ISSUES SECURITIES BACKED BY POOLS OR MORTGAGE LOANS (THE "FREDDIE MAC MBS PROGRAM"). THE OBLIGATIONS OF FREDDIE MAC, INCLUDING ITS OBLIGATIONS UNDER THE FREDDIE MAC SECURITIES, ARE OBLIGATIONS SOLELY OF FREDDIE MAC AND ARE NOT BACKED BY, NOR ENTITLED TO, THE FULL FAITH AND CREDIT OF THE UNITED STATES.

The terms of the Freddie Mac MBS Program are governed by the Freddie Mac Single-Family Seller/Servicer Guide (the "Freddie Mac Guide"), as modified by the Freddie Mac Pool Contract (as defined below), and, in the case of single family mortgage loans described herein, a Master Trust Agreement dated as of July 30, 2022, as amended, and any supplement thereto to be issued by Freddie Mac in connection with each pool.

Information on Freddie Mac and its financial condition is contained in Freddie Mac's most current annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K that are filed with the SEC. Freddie Mac files reports, proxy statements and other information with the SEC. Freddie Mac makes available free of charge through its website its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all other SEC reports and amendments to those reports as soon as reasonably practicable after Freddie Mac electronically files the material with, or furnishes it to, the SEC.

The summary of the Freddie Mac MBS Program set forth herein does not purport to be comprehensive and is qualified in its entirety by reference to the Freddie Mac Guide as presently in effect, and the other documents referred to herein, all of which are subject to change at any time by Freddie Mac.

Pool Purchase Contract. It is expected that Freddie Mac and the servicer will enter into a Pool Purchase Contract (the "Freddie Mac Pool Contract"), pursuant to which the servicer will be permitted to deliver, and Freddie Mac will agree to purchase, pools of Mortgage Loans in exchange for Freddie Mac Securities. The purpose of the Freddie Mac Pool Contract is to amend or supplement provisions of the Freddie Mac Guide relating to the purchase of Mortgage Loans. In the event of a conflict between the Freddie Mac Pool Contract and the Freddie Mac Guide, the Freddie Mac Pool Contract will control. The description set forth herein assumes that the Freddie Mac Pool Contract will be executed substantially in the form customarily negotiated by Freddie Mac in similar financings. There can be no assurance that a Freddie Mac Pool Contract can be successfully negotiated, and no representation is made as to the amount, if any, of Freddie Mac Securities which will secure the Bonds.

Under the Freddie Mac Pool Contract, Freddie Mac will purchase Mortgage Loans eligible under the guidelines set forth in the Freddie Mac Guide which conform to the conditions set forth in the Freddie Mac Pool Contract.

Pursuant to the Freddie Mac Guide, the original principal balance of conventional Mortgage Loans to be sold to Freddie Mac are subject to change annually and vary, depending on the property's location and number of units. The Mortgage Loans must be conventional Mortgage Loans with LTV ratios not in excess of 95%, 85% and 80% for 1-unit, 2-unit, and 3- and 4-unit primary residences, respectively, and must otherwise meet the requirements of Freddie Mac. Conventional Mortgage Loans with LTV ratios exceeding 80% must have a portion of the principal amount of the indebtedness of the appraised value of the home (such portion determined pursuant to the applicable LTV ratio) insured by a policy of primary mortgage insurance acceptable to Freddie Mac.

The Freddie Mac Pool Contract obligates the servicer to service the Mortgage Loans in accordance with the requirements of the Freddie Mac Guide and the Freddie Mac Pool Contract.

Freddie Mac Securities. Each Freddie Mac Security will represent an undivided beneficial ownership interest in a pool of fixed-rate, conventional mortgage loans or FHA and VA Loans, or participation interests therein. The monthly remuneration of the servicer for its servicing and administrative functions is determined based on the amount by which the interest rate under the applicable note exceeds the accounting net yield, with a minimum servicing spread of .25% of the underlying Mortgage Loans. The Freddie Mac Securities normally carry an interest rate that is below the interest rate on the underlying Mortgage Loans; the servicer's servicing fee is deducted from payments on the Mortgage Loans before payments are passed through to the holder of the Freddie Mac Securities.

Freddie Mac guarantees to each holder of a Freddie Mac Security the timely payment of scheduled principal and interest at the applicable pass-through rate, whether or not payments are actually received on the underlying mortgages. **The obligations of Freddie Mac under such guarantees are obligations solely of Freddie Mae and are not backed by, nor entitled to, the faith and credit of the United States. If Freddie Mac were unable to satisfy such obligations, distributions to holders of Freddie Mac Securities would consist solely of payments and other recoveries on the underlying Mortgage Loans and, accordingly, monthly distributions to holders of Freddie Mac Securities would be affected by delinquent payments and defaults on such Mortgage Loans**.

Payments of Mortgage Loans; Distributions on Freddie Mac Securities. Payments on a Freddie Mac Security will be made on the 25th day of each month (beginning with the month following the month such Freddie Mac Security is issued), or if such 25th day is not a business day, on the first business day next succeeding such 25th day. With respect to each Freddie Mac Security, Freddie Mac guarantees to the registered holder the timely payment of interest on such registered holder's pro rata share of the outstanding principal balance on the underlying Mortgage Loans, and guarantees the full and final payment of principal on such Freddie Mac Security. Freddie Mac will also indemnify the holder of Freddie Mac Securities against any diminution of principal resulting from property repairs, maintenance and foreclosure. The amount due pursuant to Freddie Mac's guarantee of the collection of principal may be remitted at any time after default on an underlying Mortgage Loan, 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 Uniform Mortgage-Backed Securities. Since June 3, 2019, Freddie Mac has also issued new, common, single mortgage-backed securities, known as Uniform Mortgage-Backed Securities ("Freddie Mac UMBSs"), which are sold in the TBA market along with Fannie Mae UMBSs. The UMBS program is designed to create a single, liquid market for both Fannie Mae and Freddie Mac mortgage-backed securities, thus increasing the liquidity for Freddie Mac Securities which have historically traded at lower prices than Fannie Mae Securities. Much like traditional Freddie Mac Securities, Freddie Mac UMBSs finance fixed-rate mortgage loans and are guaranteed by Freddie Mac. As fungible securities, Freddie Mac permits investors to exchange Freddie Mac Securities for "mirror" UMBSs backed by the same loans as the existing securities and with the same characteristics as the corresponding securities. For additional information regarding UMBSs, see "Fannie Mae Mortgage-Backed Securities Program" above.

The Section 8 Housing Assistance Payments Program

The Section 8 program is administered by HUD and authorizes housing assistance payments to the owners of qualified housing units for low or very low income tenants. The housing assistance payments to the owner represent the differences between the "contract rents" for all eligible units in a rental dwelling, as established by HUD from time to time, and the eligible tenants' rental contributions, generally 30% of family income. Housing assistance payments provide a rent subsidy for the benefit of low income families (defined generally as families whose annual income does not exceed 80% of median income for the area as determined by HUD) and very low income families (defined as families whose annual income does not exceed 50% of the median income for the area as determined by HUD). At least 40% of the dwelling units that become available for occupancy in any fiscal year must be available for leasing only by families whose annual income does not exceed 30% of area median income (as determined by HUD and adjusted for family size) at the time of admission.

Subsidy Contracts. The payment of subsidies under the Section 8 program is generally made pursuant to two contracts entered into with respect to each development assisted under such program: an annual contributions contract ("ACC") between HUD and the Authority, and a housing assistance payments contract (the "HAPC") between the Authority and the owner of the development. The ACC obligates HUD, upon receipt of satisfactory evidence of completion of construction, to provide funds to the Authority which the Authority uses to make housing assistance payments to the owner of the development pursuant to the HAPC.

The Section 8 subsidy program is administered by eligible governmental units (such as the Authority) pursuant to the ACC. The ACC establishes the maximum annual amount of the housing assistance payments to be made by HUD for the account of the owner of a development. This amount may not exceed the total of the contract rents, plus utilities allowances approved by HUD for all the Contract units in the project. If the amount of housing assistance payments actually disbursed under an ACC in any given year is less than the total available amount, the excess (initially an amount equal to the portion of the contact rents payable by the tenants) is required to be set aside by HUD in an account for the particular development, known as a "project account," and will be available for future years to fund increases in contract rents for the development, decreases in family income or other costs authorized or approved by HUD. If and when a project account falls below a specified level, HUD is committed under the ACC to reserve or allocate available contributions to the extent necessary to provide for such increases. Such action requires the Secretary of HUD to request additional appropriations from Congress. Since such appropriations are at the discretion of Congress, no assurance can be given that such appropriations would be made.

The HAPC for the uninsured developments is for an initial term of twenty years and, unless the owner and the Authority agree to terminate, is automatically renewed for additional five year terms, not to exceed 30 or 40 years overall or the term of the mortgage loan, whichever is less. By the assignment of the HAPC to the Authority the owners are required to renew the HAPC. An ACC remains in effect for as long as the HAPC is in effect. In the case of federally insured developments, the term of the HAPC is generally twenty years. The Authority allows the term of the HAPC to be shorter than the term of the insured loan.

Amount and Payment of Subsidy. For each assisted unit, the amount of the subsidy actually payable to the Authority for the account of the owner is equal to the contract rent less the payment to be made to the owner by the tenant(s), as approved by HUD. The tenant payment is generally equal to 30% of family income, although each assisted family is generally required to pay a minimum rent of between $25 and $50 a month. The total rental income from subsidized housing units payable to or for the account of the owner is equal to the contract rent, part being paid by the tenants directly to the owner and the remainder being paid by HUD through the Authority. The proportion of the contract rent actually paid by HUD and that actually paid by tenants may vary depending upon tenant income.

Adjustments of Subsidy Amounts. Increases in contract rents may be granted during the period from HUD approval of the ACC until completion of construction in certain limited circumstances. At least ninety days prior to the estimated completion date of construction, the mortgagor must begin implementation of the Authority's approved marketing plan.

HUD's Section 8 regulations and the HAPC provide that the initial contract rents for the assisted dwelling units in each development may be adjusted annually by HUD pursuant to an annual adjustment factor. Such adjustments may not, however, result in a material difference between the rents charged for subsidized and comparable

nonsubsidized dwelling units except to the extent that the differences existed with respect to the contract rents set at HAPC execution or cost certification, where applicable (the "Initial Difference"). Under current law HUD may not reduce the contract rents for newly constructed, substantially rehabilitated, or moderately rehabilitated projects assisted, unless the project has been refinanced in a manner that reduces the periodic payments of the owner. Special additional adjustments may be approved by HUD to reflect increases in the actual and necessary expenses of owning and maintaining the development which have resulted from substantial general increases in insurance premiums, real property taxes, utility rates, or similar costs (i.e., assessments and utilities not covered by regulated rates), but only to the extent that the owner or the Authority establishes that such general increases are not compensated for by the automatic annual adjustment.

Notwithstanding the foregoing, if the contract rents for a development exceed the applicable HUD fair market rents ("FMR"s), then contract rents cannot be increased beyond comparable market rents (plus the Initial Difference) as determined by independent appraisals of at least three comparable local developments submitted by the owner. The AAFs for Section 8 units which experienced no turnover in tenants since the preceding HAPC anniversary date would be one percentage point less than the AAFs that would otherwise apply. There can be no assurance that increases in contract rents, if any, will result in revenues sufficient to compensate for increased operating expenses of the Section 8 developments financed with the proceeds of Authority mortgage loans. (See "Recent Developments" below.)

Vacancies and Debt Service. Generally, the Section 8 subsidy is payable with respect to the dwelling unit only when it is occupied by an eligible family. However, subsidy payments may be made under certain circumstances when the dwelling unit is not occupied.

Upon occurrence of a vacancy in a dwelling unit, a subsidy amounting to 80% of the contract rent is payable for a vacancy period of sixty days subject to compliance by the sponsor with certain conditions relating primarily to a diligent effort to rent the subsidized unit. The payment of a subsidy with respect to a vacant dwelling unit may continue, after such sixty day period, for up to twelve months in an amount equal to that portion of the contract rent that is attributable to debt service on the permanent financing of the dwelling unit, if a good faith effort is being made to rent the unit, the unit provides decent, safe, and sanitary housing and the owner has demonstrated to the satisfaction of HUD that the project can achieve financial soundness within a reasonable period of time. No such payment may be made to the extent the owner of the development is receiving revenues in excess of the cost incurred by the owner with respect to the development. No restrictions apply to the number of times during the term of the mortgage that the owner may receive benefit of the subsidy for debt service on vacancy units.

HUD and the Authority may reduce the number of Contract units if the owner fails for a substantial period of time to lease or make available for leasing by eligible families a sufficient percentage of Contract units.

Pledge of Subsidy as Security for the Bonds. HUD regulations permit the sponsor and the Authority to pledge or offer the Federal subsidy payments as security for financing of the developments. The Authority requires the sponsor for each development to pledge or offer as security such Federal subsidy payments, with HUD approval, as security for the mortgage loan on the development by an assignment of the HAPC to the Authority, and in the Resolution the Authority has pledged the revenues received from the mortgage loans to the payment of the Bonds.

The regulations provide that in the event of foreclosure, or assignment or sale to the Authority in lieu of foreclosure, or in the event of an assignment or sale agreed to by the Authority and approved by HUD (which approval shall not be unreasonably delayed or withheld), subsidy payments will continue in accordance with the HAPC.

Compliance with Subsidy Contracts. The ACC and the HAPC each contain numerous agreements on the part of the Authority and the sponsor.

Housing subsidies will continue as long as the owner complies with the requirements of the HAPC and has leased the assisted units to eligible tenants or has satisfied the criteria for receiving assistance for vacant units. The Authority, when it has primary responsibility for administering the HAPC, subject to review and audit by HUD, may require the owner to cure any default under the HAPC and may abate housing assistance payments and recover overpayments pending remedy of the default. If the default is not cured, the Authority may terminate the HAPC or take other corrective actions, in its discretion or as directed by HUD. HUD has an independent right to determine whether the owner is in default and to take corrective action and apply appropriate remedies.

If HUD determines that the Authority has failed to fulfill its obligations, HUD may, after notice to the Authority giving it a reasonable opportunity to take corrective action, require that the Authority assign to it all rights under the HAPC.

Recent Developments. Over the years there have been numerous proposals and pronouncements from Members of Congress, the Administration and HUD officials which address the future of HUD and the various programs operating pursuant to Section 8 of the 1937 Housing Act. The primary subject of these proposals and pronouncements have been projects which have FHA-insured mortgages with terms ranging from 30 to 40 years and which have Section 8 HAPC's with substantially shorter terms. Efforts to address this subject are often referred to, generally and without specific import, as "Portfolio Reengineering" or "Mark to Market." The purpose of these programs is primarily the restructuring of Section 8 assistance to match current market rents and, for FHA-insured mortgage loans, restructuring through partial prepayments of such mortgage loans. Express exemptions from restructuring are provided for mortgages originated under state and local governmental lending programs if in conflict with applicable law or agreements.

HUD is currently contemplating rebidding the Section 8 ACC contract administration currently performed by eligible governmental or private entities, the Authority being an eligible governmental entity.

Low Income Housing Tax Credit Program

The Authority has issued Bonds to finance developments which are to receive, or have received, low income housing tax credits. See "THE HOUSING MORTGAGE FINANCE PROGRAM - Multifamily Mortgage Loans." The Code provides for credits to owners of residential rental projects providing low income units. The credits are taken annually for a term of ten years, beginning with the tax year in which the project is placed in service or, at the owner's election, the next tax year. The credits are usually syndicated to institutional investors, and the net syndication proceeds effectively provide additional equity proceeds for a project.

Twenty percent or more of the units in an eligible project must be occupied by tenants whose incomes are 50% or less of the area median gross income, as adjusted for family size, or 40% or more of the units in the project must be occupied by tenants whose incomes are 60% or less of such area median gross income, as so adjusted. Each building in the project must comply with these income restrictions by the end of the first taxable year for which the owner commences claiming the credit. The owner may designate more than 20% or 40%, as the case may be, of the units in the project as low income units.

With the passage of the Consolidated Appropriations Act of 2018, owners may elect to use an Income Average Test to meet a project's minimum set aside under Section 42 requirements. Units may be designated at income limits exceeding 60% of area medium income (but not greater than 80% and not less than 20%) provided the average of the designated qualified units does not exceed 60% of area medium income.

The gross rent (including an allowance for any utilities paid directly by the tenant) charged to a tenant in a qualifying low income unit may not exceed 30% of the maximum qualifying income.

In the event that the income of a family occupying a low income unit exceeds the maximum qualifying income up to 140% (170% in the case of a deep rent skewed unit) of the Area Medium Income (AMI) or in the event that a low income unit becomes vacant, such low income unit shall continue to qualify if no other vacant units of comparable or smaller size in the same building are rented to non-qualifying families.

The project must comply with the income and rent limitations for a minimum period of 15 years. Failure to comply during the first 15 years after the owner commences claiming the credits results in a recapture of a portion of the credit. In addition, the owner must enter into an extended use agreement requiring that the project maintain low income occupancy and meet rent restrictions for an additional 15-year period for the highest percentage of the units receiving tax credits during the credit period. The extended use period terminates in the event of foreclosure, or if, upon the owner's request at the end of the 14th year of the compliance period, the Authority cannot produce a "qualified contract" to purchase the low income portion of the building from a buyer that will agree to continue to

operate such portion for the remainder of the extended use period. However, if the extended use period terminates, existing low income tenants are entitled to remain in their units at restricted rents for a period of three years.

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APPENDIX D

DEFINITIONS OF CERTAIN TERMS

The following terms used in the Resolution and this Official Statement are defined in the Resolution as follows:

Acquired Program Mortgage or Acquired Obligation - shall mean any Mortgage Financed and owned by the Authority under the Housing Mortgage Finance Program and credited to the Bond Proceeds Account or Recoveries of Principal Account maintained pursuant to the Resolution including any Mortgage which the Authority shall substitute for such Mortgage Financed.

Authority - shall mean the Connecticut Housing Finance Authority (formerly the Connecticut Mortgage Authority), a body politic and corporate created by the Act and constituting a public instrumentality and political subdivision of the State pursuant to the Act, or any body, agency, or instrumentality of the State which shall hereafter succeed to the powers, duties and functions of the Authority.

Bond or Bonds - shall mean any Bond or Bonds, as the case may be, authenticated and delivered under the Resolution and authorized and issued pursuant to a Series Resolution.

Bond Facility - shall mean an insurance policy, surety bond or agreement, standby purchase agreement, line of credit, letter of credit or other credit enhancement or liquidity facility entered into for the same or similar purposes, with respect to Bonds, Notes or Other Bonds.

Bondholder or *Holder of Bonds* - shall mean the bearer of any Outstanding coupon Bond or Bonds or the registered owner of any Outstanding Bond or Bonds without coupons.

Business Day - shall mean any day other than (i) a Saturday or Sunday, (ii) a day on which banking institutions located in the State or in any of the cities in which the principal office of the Trustee, any Paying Agent, or, with respect to a particular Series of Bonds, any Remarketing Agent, or any provider of a Bond Facility for such Series of Bonds is located, are required or are authorized by law or executive order to close, or (iii) a day on which the New York Stock Exchange is closed.

Fees and Charges - shall mean fees and charges fixed and collected by the Authority pursuant to the terms and provisions of Acquired Program Mortgages.

Housing - shall mean a work or undertaking having as its primary purpose the provision of safe and adequate housing of Low and Moderate Income Families and Persons within the State, and shall include residential buildings in urban areas as authorized by Public Act No. 76 118 of the General Assembly of the State of Connecticut and related commercial, office, health, welfare, administrative, recreational, community and service facilities incidental and pertinent thereto as determined by the Authority notwithstanding that said housing provides other dwelling accommodations in addition to the primary purpose of providing dwelling accommodations for Low and Moderate Income Families.

Housing Mortgage Capital Reserve Fund Maximum Requirement - shall mean, as of any particular date of computation, an amount equal to the greatest amount of Principal Installments and Interest Account Requirement maturing and becoming due in the year in which such computation is made or in any single succeeding calendar year on Outstanding Bonds plus an amount equal to the greatest amount of principal and Interest Account Requirement falling due on all Outstanding Other Bonds and retiring all Outstanding Other Bonds required by their terms to be retired in such year or in any such succeeding calendar year.

Housing Mortgage Capital Reserve Fund Minimum Requirement - shall mean, as of any particular date of computation, an amount equal to the amount of Principal Installments and Interest Account Requirement maturing and becoming due in the next succeeding calendar year on Outstanding Bonds plus an amount equal to the principal

and Interest Account Requirement falling due on all Outstanding Other Bonds and retiring all Outstanding Other Bonds required by their terms to be retired in such calendar year.

Housing Mortgage Finance Program - shall mean and include any act or thing done by the Authority for the purpose of alleviating the shortage of, reducing the cost of, and encouraging and assisting the building and rehabilitation of well-planned and well-designed Housing through providing additional construction and permanent financing for housing, by the making of commitments to purchase, and the purchase, servicing and selling of Mortgages, or the making of Mortgage Loans directly upon the security of any Mortgage, provided the underlying Mortgage Loans shall have been made and shall be continued to be used solely to finance or refinance the construction, rehabilitation, purchase or leasing of Housing, provided that the aggregate amount of Mortgages Financed by the Authority which are not insured or guaranteed by any department, agency or instrumentality of the United States of America or the State or the Authority shall not at any one time exceed the amount, if any, provided by law.

Interest Account Requirement - shall mean, as of the date of computation with respect to a Calendar Year, an amount equivalent to the aggregate maximum amount, and for Section 717 purposes, coming due during such Calendar Year on any Interest Payment Date, of (i) interest which may be payable on Outstanding Bonds and (ii) Swap Payments, provided that interest on Variable Interest Rate Bonds or Notes or Swaps shall be calculated in accordance with the Variable Interest Rate Calculation Rate, and further provided that if the Authority shall have entered into one or more Swaps (that is not a Subordinated Swap) with respect to a Variable Interest Rate Bond or Note, then the Bonds or Notes of such series in a principal amount equal to the Notional Amount shall be treated for purposes of this definition as bearing interest for such period at the fixed rate payable by the Authority under such Swap; if the Authority shall have entered into one or more Swaps (that is not a Subordinated Swap) with respect to a Bond or Note that is not a Variable Interest Rate Bond or Note which calls for a Variable Interest Rate Swap Payment by the Authority then the Bonds or Notes of such series in a principal amount equal to the Notional Amount shall be treated for purposes of this definition as a Variable Interest Rate Bond or Note bearing interest for such period at the Variable Interest Rate payable by the Authority under such Swap.

Investment Obligations - means and includes any of the following:

(i) Direct obligations of or obligations guaranteed by the United States of America;

(ii) Any bond, debenture, note, participation or other similar obligation issued by any of the following agencies: Government National Mortgage Association, Federal Land Banks, Federal Home Loan Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Tennessee Valley Authority, United States Postal Service, Farmer's Home Administration and Export Import Bank;

(iii) Any bond, debenture, note, participation or similar obligation issued by the Federal National Mortgage Association to the extent such obligations are guaranteed by the Government National Mortgage Association or issued by a federal agency backed by the full faith and credit of the United States of America other than as provided in (i) hereof;

(iv) Any other obligation of the United States of America or any federal agencies which may then be purchased with funds belonging to the State or which are legal investments for savings banks in the State;

(v) Public Housing Bonds issued by Public Housing Authorities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an Annual Contributions Contract or Contracts with the United States of America; or Project Notes issued by Public Housing Authorities or Project Notes issued by Local Public Agencies, in each case, fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(vi) Direct and general obligations of or obligations guaranteed by the State of Connecticut, to the payment of the principal of and interest on which the full faith and credit of the State is pledged, including any investment of the Authority or financial guarantee purchased by the Authority that both (a) has a rating equal to or better than that of the State and for which, pursuant to Section 8-258(g) of the General Statutes, the State has issued a collateralized direct guarantee of the State of the punctual payment of such investment or financial guarantee from the

general fund of the State and carrying the full faith and credit pledge of the State, and (b) does not result in a reduction of any rating of the Authority's long term debt;

(vii) Deposits in interest bearing time or demand deposits or certificates of deposit secured by (a) obligations described in (i) hereof, or (b) obligations described in (v) hereof, or (c) obligations described in (vi) hereof;

(viii) Deposits in interest bearing time or demand deposits or certificates of deposit secured by obligations described in (ii), (iii) or (iv) hereof; and

(ix) Participation certificates for the combined investment pool administered by the State Treasurer pursuant to No. 236 of the Public Acts of 1971.

Low and Moderate Income Families and Persons - shall mean families and persons who lack the amount of income necessary as determined by the Authority to rent or purchase safe and adequate housing without special financial assistance not reasonably available.

Monthly Requirement - shall mean the amount of monies needed and required prior to the tenth day of the next succeeding month to pay reasonable or necessary Operating Costs in accordance with the annual budget.

Mortgage - shall mean a mortgage deed, deed of trust or other instrument which shall constitute a first lien on real estate in fee simple or on a leasehold under a lease having a remaining term, at the time such mortgage is acquired, which does not expire for at least that number of years beyond the maturity date of the obligation secured by such mortgage as is equal to the number of years remaining until the maturity date of such obligation or such lesser number of years as may be permitted by the Act then in effect and shall be construed to mean and include the Mortgage Loan secured by a Mortgage.

Mortgage Financed or Financing of Mortgages (or words of similar import) - shall mean a Mortgage purchased by the Authority or a Mortgage Loan made by the Authority under the Housing Mortgage Finance Program or the purchasing of a Mortgage or the making of a Mortgage Loan, all under the Housing Mortgage Finance Program and pursuant to the Resolution.

Mortgage Loan - shall mean an interest bearing loan for Housing under the Housing Mortgage Finance Program secured by a Mortgage and, subject to Sections 707 and 714 of the Resolution, may contain such other terms and be subject to such other conditions as may be required or permitted by the Act as then in effect.

Notional Amount - shall mean the nonpayable or the theoretical principal amount with reference to which Swap Payments and Swap Receipts are calculated, as specified as such for each Swap in the documentation applicable thereto.

Operating Cost - shall mean, as of any particular date, the Authority's operating expenses and all other expenses of carrying out and administering its powers, duties and functions under the Housing Mortgage Finance Program and under the Resolution, including Service Fees on Acquired Program Mortgages for which there is no Servicer, and shall include, without limiting the generality of the foregoing, salaries, supplies, utilities, mailing, labor, materials, office rent, maintenance, furnishings, equipment, machinery and apparatus, insurance premiums, legal, accounting, management, consulting and banking services and expenses, the fees and expenses of the Trustee, Depository and Paying Agents including Costs of Issuance other than Costs of Issuance paid from proceeds of Bonds and payments to pension, retirement, health and hospitalization funds. Operating Costs may also include administrative expenses, insurance premiums, fees, expenses or other similar charges payable to providers of a Bond Facility, a Swap Facility or a Swap Provider, (including any Termination Payments but not including Reimbursement Obligations, Swap Payments or other termination payments). Operating Costs may also include amounts for establishing and maintaining a reasonable reserve for losses and expenses estimated to be incurred by the Authority in the event of a default on Acquired Program Mortgages, computed by considering such factors as the default rate of the Authority on Acquired Program Mortgages and the principal of such Mortgages that is uninsured, provided, however, any amount therefor included in the annual budget shall be accompanied by an Accountant's Certificate

stating that such amount when added to the amount in such reserve constitutes a reasonable reserve for such losses and expenses.

Other Bonds - shall mean other bonds of the Authority authorized to be issued by one or more general bond resolutions of the Authority, other than the Resolution, any Supplemental Resolutions or any Series Resolutions, and issued (a) to provide sufficient funds for carrying out the Housing Mortgage Finance Program and the Act (in effect on the date of the Resolution) and (b) in accordance with and subject to provisions of Section 717 of the Resolution.

Outstanding - when used with reference to Bonds, other than Bonds referred to in Section 905 of the Resolution, or Other Bonds shall mean, as of any date, a Bond or Bonds of such Series theretofore or thereupon being authenticated and delivered under the Resolution except:

(i) any Bonds cancelled by the Trustee, and Paying Agent or the Authority at or prior to such date;

(ii) Bonds (or portions of Bonds) for the payment or redemption of which cash, equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or Redemption Date, shall be held in trust under the Resolution for such purpose (whether at or prior to the maturity or redemption date), provided that if such Bonds are to be redeemed, notice of such redemption shall have been given as in Article VI of the Resolution provided or provision satisfactory to the Trustee shall have been made for the giving of such notice;

(iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Article III, Section 606 and Section 906 of the Resolution; and

(iv) Bonds deemed to have been paid as provided in Section 1201 of the Resolution.

Outstanding Other Bonds - when used with reference to Other Bonds shall mean Other Bonds defined as "outstanding" by the provisions of the resolution authorizing such Other Bonds.

Pledged Receipts -

(i) shall mean the scheduled amortization payments (monthly or otherwise) paid to the Authority from any source of principal and interest called for by any Acquired Program Mortgage, from the date of Financing such Mortgage including both timely and delinquent payments with late charges, less the amount thereof retained by a Servicer of any such Mortgage, if there be one, as full compensation for its services and such Recoveries of Principal as described by clause (i) of the definition of Recoveries of Principal received or recovered by the Authority on account of any Acquired Program Mortgage Financed from the surplus sub account of the Bond Proceeds Account or received or recovered after the payment or provision for payment of the final Principal Installment of the Bonds of a Series, the proceeds or Recoveries of Principal of which were used to Finance such Mortgage,

(ii) shall include Fees and Charges held or collected by the Authority,

(iii) shall not mean any payments of ground rents, if any, taxes, assessments, mortgage, fire or other hazard insurance premiums called for by any such Mortgage, or any other like payments other than the payments referred to in (i) hereof, and

(iv) shall include any payment made or required to be made to the Authority, or to the Trustee, under any Swap or Swap Facility, including, without limitation, Swap Receipts, Termination Receipts and any payment receipts for application by the Authority for Operating Costs.

Principal Installment - for any Calendar Year shall mean, as of any date of calculation and with respect to any Series, so long as any Bonds thereof are Outstanding.

(i) the principal amount of Bonds of said Series which mature in such Year, reduced by the aggregate principal amount of such Bonds which would before such Year be retired by reason of the payment when due and application in accordance with the Resolution of Sinking Fund Installments payable before such Year for the retirement of such Bonds, plus

(ii) the unsatisfied balance (determined as provided in paragraph 5 of Section 512 of the Resolution) of the Sinking Fund Installments, if any, due during such Year for the Bonds of such Series.

Recoveries of Principal -

(i) shall mean all monies, other than Pledged Receipts accrued to the date of the Recovery of Principal, received or recovered by the Authority on account of any Acquired Program Mortgage,

(a) from any prepayment of principal on any such Mortgage including any prepayment penalty, fee, premium or other additional charge as is provided in any such Mortgage in the case of prepayment, less the amounts thereof retained by a Servicer of such Mortgage, if there be one, as additional compensation,

(b) through condemnation of the mortgaged premises or foreclosure of the mortgage premises or other proceedings taken in the event of default by the mortgagor,

(c) from any mortgage insurance, including monies received from debentures or certificates issued pursuant to a contract of insurance, and

(d) from the sale, assignment, endorsement or other disposition of any such Mortgage; nothing aforesaid in (i) hereof shall be construed to constitute a Recovery of Principal in the event that the Authority makes a good faith substitution of a Mortgage for another Mortgage;

(ii) shall not mean any Recoveries of Principal within the meaning set forth in (i) above received or recovered by the Authority on account of any Acquired Program Mortgage Financed from the surplus sub account of the Bond Proceeds Account or received or recovered after payment or provision for payment of the final Principal Installment of the Bonds of a Series, the proceeds or Recovery of Principal of which were used to Finance such Mortgage; and

(iii) notwithstanding any other provision of the Resolution, shall include all repayments of principal received by the Authority on account of the making of a Mortgage Loan for construction or rehabilitation under the Housing Mortgage Finance Program.

Reimbursement Obligation - shall mean any obligation of the Authority to make payments to a provider of a Bond Facility in reimbursement of or as interest on (which interest may be higher than the interest rate on the related Bond) an advance or other payment made by such provider for the purpose of paying

(i) the Principal, Sinking Fund Installment, if any, or Redemption Price of, or interest on, any Bonds, or

(ii) the purchase price, plus accrued interest, if any, of any Bonds tendered pursuant to the provisions of the applicable Series Resolution, but only to the extent the principal amortization requirements with respect to such reimbursement are equal to the amortization requirements for such related Bonds, without acceleration. Reimbursement Obligations shall not include (i) any payments of any fees, expenses, or other similar obligations to any such provider, which payments shall be Operating Costs or (ii) any payments pursuant to term loan or other principal amortization requirements in reimbursement of any such advance that are more accelerated than the amortization requirements on such related Bonds. Reimbursement Obligations may be evidenced by Bonds designated as “Bank Bonds,” which may bear a higher interest rate than the rate borne by the Bonds to which they relate.

Remarketing Agent - shall mean that entity appointed by the Authority as Remarketing Agent for a Series of Bonds pursuant to the Series Resolution for such Series of Bonds.

Service Fees - shall mean the expenses reasonable and necessary to service any Acquired Program Mortgage and when payable to a Servicer shall not exceed the amount for such services as is customary and prevailing in the area of the State in which the Servicer has its principal place of business.

Sinking Fund Installment - for any Calendar Year, shall mean as of any date of calculation and with respect to any Series, so long as any Bonds thereof are Outstanding, the amount of money required by a Series Resolution to be paid at all events by the Authority on a single future fixed date for the retirement of any Outstanding Bonds of said Series which mature after said future fixed date, but does not include any amount payable by the Authority by reason only of the maturity of a Bond, and said future fixed date is deemed to be the date when such Sinking Fund Installment is payable and the date of such Sinking Fund Installment and said Outstanding Bonds are deemed to be the Bonds entitled to such Sinking Fund Installment. Unless otherwise provided in a Series Resolution with respect to the Series of Bonds authorized thereunder, each such future fixed date shall be a November 15.

Subordinated Swap or Subordinated Swap Payments - shall mean either a financial arrangement that meets the definition of Swap or a net amount to be paid by the Authority under such financial arrangement that meets the definition of Swap Payment but does not qualify hereunder as a Swap or Swap Payment, respectively, and is expressly payable (including any termination payment thereunder) only from the Surplus Account or is otherwise subordinated pursuant to the General Resolution.

Swap - shall mean any financial arrangement (i) that is entered into by the Authority with an entity that is a Swap Provider at the time the arrangement is entered into; (ii)(a) which provides that the Authority shall pay to such entity an amount based on the interest accruing at a fixed rate on the Notional Amount equal to all or part of the outstanding principal amount of a Series of Bonds issued under the Resolution, and that such entity shall pay to the Authority an amount based on the interest accruing on the Notional Amount at a variable rate of interest computed according to a formula set forth in such arrangement (which need not be the same as the actual rate of interest borne by such Series of Bonds) or that one (after adjustment for any cap, floor, collar or other financial arrangement referred to in (ii)(c) hereof, with respect thereto) shall pay to the other the net amount (Swap Payment or Swap Receipt) due under such arrangement; (b) which provides that the Authority shall pay to such entity an amount based on the interest accruing on the Notional Amount equal to all or part of the outstanding principal amount of a Series of Bonds issued under the Resolution, at a variable rate of interest computed according to a formula set forth in such arrangement and that such entity shall pay to the Authority an amount based on the interest accruing at a fixed rate on the Notional Amount (which need not be the same as the actual rate of interest borne by such Series of Bonds) or that one (after adjustment for any cap, floor, collar or other financial arrangement referred to in (ii)(c) hereof, with respect thereto) shall pay to the other the net amount (Swap Payment or Swap Receipt) due under such arrangement; or (c) which is included as part of or covered by the financial transaction described in (ii)(a) or (ii)(b) above or is separately executed and which is a cap, floor or collar, forward rate, future rate, asset, swap or index, price or market linked transaction or agreement, other exchange or rate protection transaction agreement, other similar transaction (however designated) or any combination thereof or any option with respect thereto executed by the Authority for the purpose of moderating interest rate fluctuations or otherwise pursuant to the Act, as amended; and (iii) which has been designated in writing to the Trustee by an Authorized Officer of the Authority and authenticated or otherwise registered by the Trustee under the Resolution as a Swap with respect to a Series of Bonds or Notes. “Swap” shall also include any such financial arrangement described in clauses (ii) and (iii) above entered into by the Authority with a Swap Provider, as a replacement of a Swap that has been terminated and which has been so designated in writing to the Trustee by an Authorized Officer of the Authority with respect to a Series of Bonds or Notes.

Swap Facility - shall mean an insurance policy, surety bond, letter of credit or other credit enhancement with respect to a Swap or any similar facility entered into for the same or similar purposes and may include Investment Obligations properly pledged to the Authority under the Resolution pursuant to the Swap Facility or by the Swap Provider, in each case, sufficient to maintain any existing rating of the Authority’s long term debt. Payments by the Authority under a Swap Facility related to a Swap shall be deemed Swap Payments under the Resolution and shall not be deemed Reimbursement Obligations and payments to the Authority under a Swap Facility related to a Swap shall be deemed Swap Receipts. Payment by the Authority under a Swap Facility applicable to any fees, expenses or similar other charges or obligations thereunder shall be a Cost of Issuance or Operating Cost, as applicable.

Swap Payment - shall mean the net amount required to be paid by the Authority under a Swap (that is not a Subordinated Swap Payment) that is applicable to the interest rate exchange effected thereunder, but not any (a) fees, expenses or similar other charges or obligations thereunder (which shall be Costs of Issuance or Operating Cost, as applicable) or (b) any Termination Payment or other payments by the Authority on account of termination of the Swap.

Swap Provider - shall mean a financial institution whose long-term debt obligations, or whose obligations under a Swap are fully covered by a Swap Facility whose long-term debt obligations are, at the time of execution of the Swap Facility, (i) rated at least Aa3 in the case of Moody's Investors Service ("Moody's"), AA- in the case of Standard & Poor's Ratings Services ("S&P"), or the equivalent thereto in the case of any other rating agency and sufficient to maintain any existing rating of the Authority's long-term debt under the General Resolution, or (ii) rated by two such rating agencies, the first of which is at least A1 in the case of Moody's or A+ in the case of S&P (or such equivalent ratings) and the second of which is at least A2 in the case of Moody's or A in the case of S&P (or such equivalent ratings), and sufficient to maintain any existing rating of the Authority's long-term debt under the General Resolution, and secured, in each such case described in this clause (ii) but not clause (i), by a pledge of direct obligations of or obligations guaranteed by the United States of America such that the required posting of collateral to secure obligations of the Swap Provider under the related credit support document, which would be required to be posted with a third party custodian acceptable to the Authority, would be under a zero Threshold and in the Credit Support Amount of the Secured Party's Exposure plus an Independent Amount equal to .50% of the notional amount of the Swap Facility (consistent with the definitions of such capitalized terms contained in the form Credit Support Annex published by the International Swap Dealers Association). No financial institution shall qualify hereunder as a Swap Provider whose long-term debt obligations, or whose obligations under a Swap are fully covered by a Swap Facility whose long-term debt obligations, are not, at the time of execution of the Swap Facility, rated at least A2 in the case of Moody's and at least A in the case of S&P (or such equivalent ratings).

Swap Receipt - shall mean the net amount required to be paid to the Authority under a Swap, but shall not include any Termination Receipt.

Termination Payment - shall mean with respect to a Swap an amount required to be paid by the Authority to the Swap Provider or related Swap Facility as a result of the termination of the Swap or required to be paid by the Authority into a collateral account as security for any termination provided (a)(i) that such termination occurs prior to the next succeeding November 11, and (ii) that any such required amount is not due prior to the next succeeding November 11, and (b) that any payment by the Authority on account of termination of either a Swap other than as described in (a) hereof or a Subordinated Swap shall be deemed a Subordinated Swap Payment under the Resolution.

Termination Receipt - shall mean with respect to a Swap an amount required to be paid to the Authority by the Swap Provider or related Swap Facility as a result of the termination of the Swap.

Variable Interest Rate - shall mean a variable interest rate to be borne by any Bond or Note within a Series of Bonds or Notes or by any Swap (whether a Swap Payment or Swap Receipt). The method of computing such variable interest rate shall be specified in the Series Resolution authorizing such Series of Bonds or Notes or the Swap relating thereto. Such Series Resolution or Swap shall also specify either (i) the particular period or periods of time for which such variable interest rate shall remain in effect or (ii) the time or times upon which any change in such variable interest rate shall become effective.

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