

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 2, 2020

NEW ISSUES—BOOK ENTRY ONLY

RATINGS: “Aa1” MOODY’S; “AA+” S&P

This Official Statement is furnished by the Wyoming Community Development Authority to provide information on the 2020 Series 1 and 2 Bonds. Selected information is presented on this cover page for the convenience of the user. To make an informed decision regarding the 2020 Series 1 and 2 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.

\$108,305,000*

WYOMING COMMUNITY DEVELOPMENT AUTHORITY
Housing Revenue Bonds

\$103,420,000*
2020 Series 1
(Non-AMT)

\$4,885,000*
2020 Series 2
(AMT)

Table with 2 columns: Term and Description. Rows include Dated Date and Closing Date, Maturity, Interest Rates and Interest Payment Dates, Denominations, Purpose, Security, Redemption, Tax Exemption, Legal Counsel, and Trustee.

The 2020 Series 1 and 2 Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and to receipt of an opinion from Kutak Rock LLP, as Bond Counsel, as to the legality of, and exemption from interest on, the 2020 Series 1 and 2 Bonds. The Underwriters intend, but are not obligated, to maintain a secondary market in the 2020 Series 1 and 2 Bonds.

BofA Securities

RBC Capital Markets

Barclays

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. 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 securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

MATURITY SCHEDULE*

**\$103,420,000 2020 SERIES 1 BONDS
(NON-AMT)**

\$33,835,000 SERIAL BONDS

MATURITY	PRINCIPAL AMOUNT	INTEREST RATE	CUSIP [†] 98322Q	MATURITY	PRINCIPAL AMOUNT	INTEREST RATE	CUSIP [†] 98322Q
June 1, 2022	\$ 775,000	%		June 1, 2027	\$1,745,000	%	
December 1, 2022	1,485,000			December 1, 2027	1,775,000		
June 1, 2023	1,505,000			June 1, 2028	1,815,000		
December 1, 2023	1,535,000			December 1, 2028	1,825,000		
June 1, 2024	1,560,000			June 1, 2029	1,840,000		
December 1, 2024	1,590,000			December 1, 2029	1,870,000		
June 1, 2025	1,620,000			June 1, 2030	1,905,000		
December 1, 2025	1,655,000			December 1, 2030	1,945,000		
June 1, 2026	1,680,000			June 1, 2031	1,980,000		
December 1, 2026	1,715,000			December 1, 2031	2,015,000		

Price of all 2020 Series 1 Serial Bonds – _____%

\$17,135,000 _____% Term Bonds Due December 1, 2035, Price _____% CUSIP[†] 98322Q ____

\$19,595,000 _____% Term Bonds Due June 1, 2040, Price _____% CUSIP[†] 98322Q ____

\$32,855,000 _____% Term Bonds Due June 1, 2049, Price _____% CUSIP[†] 98322Q ____ (PAC)

**\$4,885,000 2020 SERIES 2 BONDS
(AMT)**

MATURITY	PRINCIPAL AMOUNT	INTEREST RATE	CUSIP [†] 98322Q	PRICE
June 1, 2020	\$ 255,000	%		
December 1, 2020	1,125,000			
June 1, 2021 ^{††}	1,400,000			
December 1, 2021 ^{††}	1,425,000			
June 1, 2022 ^{††}	680,000			

* Preliminary; subject to change.

† CUSIP numbers have been assigned by an organization not affiliated with the Authority and are included for the convenience of the owners of the 2020 Series 1 and 2 Bonds. The Authority is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the 2020 Series 1 and 2 Bonds or as indicated above. A CUSIP number for a specific maturity may be changed after the issuance date. CUSIP® is a registered trademark of the American Bankers Association.

†† Premium Serial Bonds not subject to redemption.

No broker, dealer, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering made hereby, and, if given or made, such information or representations must not be relied upon as having been authorized by the Authority or the Underwriters. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Authority since the date hereof. The Underwriters have reviewed the information in this Official Statement pursuant to their responsibilities to investors under the federal securities laws, but the Underwriters do not guarantee the accuracy or completeness of such information.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IN CONNECTION WITH THE OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES 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.

This Official Statement contains "forward-looking statements" within the meaning of the federal securities laws. These forward-looking statements include, among others, statements concerning expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements.

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OFFICIAL STATEMENT

\$108,305,000*

Wyoming Community Development Authority Housing Revenue Bonds

\$103,420,000*
2020 Series 1
(Non-AMT)

\$4,885,000*
2020 Series 2
(AMT)

INTRODUCTORY STATEMENT

This Official Statement provides certain information concerning the Wyoming Community Development Authority (the “*Authority*”) in connection with the issuance of \$108,305,000* aggregate principal amount of the Authority’s Housing Revenue Bonds, consisting of \$103,420,000* 2020 Series 1 Bonds (the “*2020 Series 1 Bonds*”) and \$4,885,000* 2020 Series 2 Bonds (the “*2020 Series 2 Bonds*” and, collectively with the 2020 Series 1 Bonds and the 2020 Series 2 Bonds, the “*2020 Series 1 and 2 Bonds*”). The 2020 Series 1 and 2 Bonds will be issued pursuant to the Wyoming Community Development Authority Act, as amended, constituting Wyoming Statutes Sections 9-7-101 through 9-7-125 (the “*Act*”). The 2020 Series 1 and 2 Bonds will be issued under and secured by a Trust Indenture dated December 1, 1994 (the “*Trust Indenture*”), between the Authority and Wilmington Trust, National Association, as successor trustee (the “*Trustee*”), a Supplemental Trust Indenture dated as of April 1, 2020, relating to the 2020 Series 1 Bonds (the “*2020 Series 1 Supplemental Indenture*”) and a Supplemental Trust Indenture dated as of April 1, 2020, relating to the 2020 Series 2 Bonds (the “*2020 Series 2 Supplemental Indenture*”). The Trust Indenture as supplemented to date, the 2020 Series 1 Supplemental Indenture and the 2020 Series 2 Supplemental Indenture are collectively herein referred to as the “*1994 Indenture.*” Words and terms defined in the 1994 Indenture are used herein as so defined. Bonds issued under the 1994 Indenture are equally and ratably secured by the pledges and covenants contained therein, and all such bonds, including the 2020 Series 1 and 2 Bonds, are referred to herein as the “*Bonds.*” As of December 31, 2019, there were \$725,905,000 principal amount of Bonds outstanding under the 1994 Indenture. Other bonds of the Authority not issued pursuant to the 1994 Indenture are sometimes referred to herein as “*bonds.*”

Approximately \$31,730,000* of the proceeds of the 2020 Series 1 and 2 Bonds are being issued to refund a portion of the Authority’s (i) Homeownership Mortgage Revenue Bonds, 2009 Series A-1, currently outstanding in the aggregate principal amount of \$17,170,000, (ii) Homeownership Mortgage Revenue Bonds, 2009 Series A-2, currently outstanding in the aggregate principal amount of \$5,470,000, and (iii) Homeownership Mortgage Revenue Bonds, Series A-3, currently outstanding in the aggregate principal amount of \$10,610,000 (collectively, the “*Prior Series Bonds*”). The remaining proceeds of the 2020 Series 1 Bonds are being used to make funds available to the Authority to purchase Loans (as defined herein), including Down

* Preliminary; subject to change.

Payment Assistance Loans (as defined herein). See “PLAN OF REFUNDING” and “SOURCES AND USES OF FUNDS.” Proceeds of the Prior Series Bonds were used to finance or refinance the purchase of Loans. Following the redemption of the Prior Series Bonds, which is expected to occur on or about May 1, 2020 (but in no event later than 90 days following the closing date for the 2020 Series 1 and 2 Bonds), approximately \$37,016,000 (calculated as of December 31, 2019) of such Loans, which may include participations in such Loans (collectively referred to as the “*Prior Series Loans*”), with an average interest rate of approximately 4.51%, are expected to be released from the lien of the 2009 Indenture (as defined herein) and reallocated to the 2020 Series 1 and 2 Bonds and the 1994 Indenture. It is expected that payments on the Prior Series Loans will be used primarily to pay debt service on the Bonds and to redeem Bonds, including 2020 Series 1 and 2 Bonds. See “THE SINGLE FAMILY MORTGAGE PROGRAM” and APPENDIX B, “LOAN PORTFOLIOS AND OTHER SELECTED DATA—The 1994 Indenture—Use of Loan Repayments.”

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, (a) interest on the 2020 Series 1 and 2 Bonds is excluded from gross income for federal income tax purposes, (b) interest on the 2020 Series 1 Bonds is not a specific preference item for purposes of the federal alternative minimum tax and (c) interest on the 2020 Series 2 Bonds is a specific preference item for purposes of the federal alternative minimum tax. See “TAX EXEMPTION.”

The Authority initiated its Single Family Mortgage Purchase Program (the “*Program*”) in August 1978 and has carried out the Program with the proceeds of Bonds and bonds issued under various indentures. In addition to the 1994 Indenture, at December 31, 2019, \$76,460,000 of bonds were outstanding under an indenture executed in 2009 (the “*2009 Indenture*”). After the refunding of the Prior Series Bonds, there is expected to be \$44,730,000 of bonds outstanding under the 2009 Indenture. The Authority may issue other bonds under the 2009 Indenture or other separate indentures in the future to finance or purchase single-family mortgage loans. Mortgage loans purchased from the proceeds of bonds issued under the 2009 Indenture will be pledged under the 2009 Indenture. Mortgage loans financed or purchased with the proceeds of any other bonds issued in the future under other separate indentures will be pledged under such other indentures. Mortgage loans pledged under any other indenture will not secure the payment of the 2020 Series 1 and 2 Bonds or any other Bonds issued under the 1994 Indenture. The Authority anticipates that the majority of mortgage loans purchased by the Authority during 2020 will be purchased with proceeds of Bonds issued under the 1994 Indenture.

The 1994 Indenture authorizes Bonds to be issued to finance housing in the State of Wyoming (the “*State*” or “*Wyoming*”) in accordance with the Act and to provide funds for deposit into the various funds and accounts established under the 1994 Indenture, including amounts for the payment of certain costs of issuance. Under the Act, proceeds of Bonds issued for housing purposes may be applied to the acquisition of mortgage loans, to make loans to lenders which in turn make mortgage loans or to acquire home improvement loans without mortgage security. Mortgage loans may be acquired individually or by the acquisition of obligations representing an undivided interest in a pool of mortgage loans guaranteed by the Government National Mortgage Association (“*Ginnie Mae*”), the Federal National Mortgage Association (“*Fannie Mae*”) or the Federal Home Loan Mortgage Corporation (“*Freddie Mac*”) (such obligations being referred to

herein as “*Mortgage-Backed Securities*”). The Mortgage-Backed Securities guaranteed by Fannie Mae or Freddie Mac may also include UMBS (as defined herein). On June 3, 2019, Fannie Mae and Freddie Mac began issuing new, common mortgage-backed securities, formally known as Uniform Mortgage-Backed Securities (“*UMBS*”). The UMBS finance the same types of fixed-rate mortgages that previously backed Fannie Mae or Freddie Mac securities and will continue to be guaranteed by either Fannie Mae or Freddie Mac depending upon which issues the UMBS. The UMBS have characteristics similar to Fannie Mae or Freddie Mac securities.

The 1994 Indenture does not require that Loans be secured by a mortgage. The particular use of proceeds for a Series of Bonds will be as provided in the Supplemental Indenture authorizing such Series. Certain requirements with respect to Loans to be financed with proceeds of a Series of Bonds are provided in program documents prepared by the Authority for each Series. Such requirements with respect to the 2020 Series 1 and 2 Bonds are referred to herein as the “*Related Series Program Requirements*.” No Series of Bonds may be issued under the 1994 Indenture unless the issuance thereof will not adversely affect the Rating Quality (as defined herein) of any Bonds Outstanding. The funds made available by the issuance of the 2020 Series 1 and 2 Bonds are expected to be used to purchase or acquire individual loans, which are insured or guaranteed by an agency or instrumentality of the federal government, insured by a private mortgage insurer, uninsured (in general, due to an 80% or less loan-to-value ratio) or a combination thereof. See “THE SINGLE FAMILY MORTGAGE PROGRAM—Program Covenants.” All loans acquired from the proceeds of Bonds issued under the 1994 Indenture and from other amounts available under the 1994 Indenture, or otherwise allocable to the Bonds, and pledged under the 1994 Indenture, are referred to herein as “*Loans*,” except as otherwise described herein. “*Down Payment Assistance Loans*” means loans made by the Authority for down payment and certain closing costs on a second mortgage basis under the Authority’s Down Payment Assistance Loan Program (as defined herein), which are funded by Bond proceeds or otherwise allocated to the Bonds and pledged under the 1994 Indenture for the Bonds.

BONDS ISSUED UNDER THE 1994 INDENTURE, INCLUDING THE 2020 SERIES 1 AND 2 BONDS, WILL BE SPECIAL OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE REVENUES, INCOME AND RECEIPTS OF THE AUTHORITY PLEDGED TO THE PAYMENT THEREOF AND SECURED BY AN ASSIGNMENT OF THE LOANS AND OTHER ASSETS DESCRIBED HEREIN. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS. THE STATE IS NOT LIABLE ON THE BONDS AND THE BONDS ARE NOT A DEBT OF THE STATE. THE AUTHORITY HAS NO TAXING POWER.

For a description of the revenues and assets pledged to secure payment of the Bonds, requirements for maintenance of reserve funds and other security for the Bonds, see “SECURITY FOR THE BONDS” and APPENDIX B, “LOAN PORTFOLIOS AND OTHER SELECTED DATA—The 1994 Indenture.”

For a description of the terms of the 2020 Series 1 and 2 Bonds, including redemption prior to maturity, mandatory tender, registration and exchange, manner of payment of principal and premium, if any, and interest and notices to holders, see “THE 2020 SERIES 1 BONDS AND 2020 SERIES 2 BONDS.” For information regarding the various professionals involved in the offering,

see “THE AUTHORITY—Organization” and “APPROVAL OF LEGALITY.” For information regarding this Official Statement and its availability, continuing information regarding the Authority and obtaining copies of the 1994 Indenture, see “CONTINUING DISCLOSURE” and “ADDITIONAL INFORMATION.”

There follows in this Official Statement information concerning the Authority and the Program, together with certain descriptions of the Bonds, the 1994 Indenture, certain other documents and certain provisions of the Act and the Internal Revenue Code of 1986, as amended (the “Code”). All references herein to the Act, the Code, the 1994 Indenture and other documents are qualified in their entirety by reference to such statute or document, 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 1994 Indenture with respect to any particular Series of Bonds.

This Official Statement speaks only as of its date and the information contained herein is subject to change. See “ADDITIONAL INFORMATION.”

THE 2020 SERIES 1 BONDS AND 2020 SERIES 2 BONDS

GENERAL

The 2020 Series 1 and 2 Bonds will be fully registered bonds issued in the denominations of \$5,000 or any integral multiple thereof. The 2020 Series 1 and 2 Bonds will initially be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the 2020 Series 1 and 2 Bonds. Interest on the 2020 Series 1 and 2 Bonds will be paid by moneys wired by the Trustee to DTC, or its nominee, as registered owner of the 2020 Series 1 and 2 Bonds, which interest is to be redistributed by DTC. Principal of the 2020 Series 1 and 2 Bonds will be paid at maturity or earlier redemption upon surrender at the principal corporate trust office of the Trustee. (See “BONDS IN BOOK-ENTRY-ONLY FORM” herein.)

INTEREST ON THE 2020 SERIES 1 BONDS AND 2020 SERIES 2 BONDS

The 2020 Series 1 and 2 Bonds are dated the date of delivery, and interest on the 2020 Series 1 and 2 Bonds will be paid semiannually on June 1 and December 1 of each year, commencing June 1, 2020*, and in respect of any such Bond then to be redeemed, on any redemption date. The 2020 Series 1 and 2 Bonds will bear interest from their dated date, at the annual rates set forth on the inside front cover hereof until payment of the principal of, or redemption price on, those Bonds. Interest on the 2020 Series 1 and 2 Bonds will be computed on the basis of a 360-day year composed of twelve 30-day months and will be paid to the Owners of record in the bond registration books maintained by the Trustee.

* Preliminary; subject to change.

REDEMPTION OF 2020 SERIES 1 BONDS AND 2020 SERIES 2 BONDS*

The 2020 Series 1 Bonds are subject to redemption prior to maturity pursuant to optional redemptions, mandatory sinking fund redemptions and special redemptions, including redemptions from unexpended proceeds, Prepayments and excess revenues, as more fully described below. The 2020 Series 2 Bonds maturing June 1, 2021, December 1, 2021 and June 1, 2022 (the “Premium Serial Bonds”) are not subject to redemption. The 2020 Series 2 Bonds that are not Premium Serial Bonds are subject to special redemptions, including redemptions from unexpended proceeds, Prepayments and excess revenues, as more fully described below.

Optional Redemption. The 2020 Series 1 Bonds will be subject to redemption prior to their maturity, at the option of the Authority, on and after June 1, 2029, in whole or in part, at any time, at 100% of the principal amount thereof plus interest accrued to the redemption date; *provided*, that with respect to the 2020 Series 1 Bonds, to the extent that any redemptions in accordance with this paragraph reduce the Outstanding principal amount of the PAC Bonds (as defined herein) below the Applicable Outstanding Amounts (as defined herein), the redemption price of the PAC Bonds representing such reduction shall be 100% of the principal amount thereof, plus (i) accrued interest to the date of redemption and (ii) 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 PAC Bonds set forth on the inside cover page hereof.

Mandatory Sinking Fund Redemption. The 2020 Series 1 Bonds due December 1, 2035, June 1, 2040, and June 1, 2049 will be subject to mandatory redemption prior to maturity, in part, by lot, at 100% of the principal amount thereof, plus interest accrued to the redemption date, from sinking fund installments which are required to be paid in amounts sufficient to redeem on June 1 or December 1 the principal amount of such 2020 Series 1 Bonds specified for each of the dates shown below:

2020 SERIES 1 BONDS DUE DECEMBER 1, 2035			
DATE	AMOUNT	DATE	AMOUNT
June 1, 2032	\$2,045,000	June 1, 2034	\$2,145,000
December 1, 2032	2,070,000	December 1, 2034	2,185,000
June 1, 2033	2,100,000	June 1, 2035	2,215,000
December 1, 2033	2,120,000	December 1, 2035 [†]	2,255,000

[†] Stated Maturity.

* Preliminary; subject to change.

2020 SERIES 1 BONDS DUE JUNE 1, 2040

DATE	AMOUNT	DATE	AMOUNT
June 1, 2036	\$2,290,000	December 1, 2038	\$2,435,000
December 1, 2036	2,325,000	June 1, 2039	2,475,000
June 1, 2037	2,360,000	December 1, 2039	2,465,000
December 1, 2037	2,405,000	June 1, 2040 [†]	410,000
June 1, 2038	2,430,000		

† Stated Maturity.

2020 SERIES 1 BONDS DUE JUNE 1, 2049

DATE	AMOUNT	DATE	AMOUNT
June 1, 2040	\$2,075,000	June 1, 2045	\$1,705,000
December 1, 2040	2,060,000	December 1, 2045	1,735,000
June 1, 2041	1,970,000	June 1, 2046	1,760,000
December 1, 2041	1,630,000	December 1, 2046	1,790,000
June 1, 2042	1,570,000	June 1, 2047	1,820,000
December 1, 2042	1,575,000	December 1, 2047	1,845,000
June 1, 2043	1,595,000	June 1, 2048	1,880,000
December 1, 2043	1,625,000	December 1, 2048	1,910,000
June 1, 2044	1,650,000	June 1, 2049 [†]	985,000
December 1, 2044	1,675,000		

† Stated Maturity.

The amounts accumulated for each sinking fund installment may be applied by the Trustee, at the direction of the Authority, prior to the fifteenth day preceding the last date on which the Trustee is required to give notice of the redemption of Bonds from such sinking fund installment, to the purchase of 2020 Series 1 Bonds of the maturity for which such sinking fund installment was established at prices not exceeding the applicable redemption price (unless the Authority provides funds to pay any portion of the purchase price in excess of the applicable redemption price) plus accrued interest to the date of purchase.

Upon any purchase or redemption of the 2020 Series 1 Bonds for which sinking fund installments have been established, other than by application of sinking fund installments to redeem Bonds, an amount equal to the principal amount of the 2020 Series 1 Bonds so purchased or redeemed will be credited toward the required sinking fund installments for such Bonds in the same ratio as the principal amount of all such Bonds so purchased or redeemed bears to the total amount of all such sinking fund installments to be so credited, unless the Authority directs that the credit be applied toward a part or all of any one or more of such sinking fund installments.

Special Redemption Due to Nonorigination. The 2020 Series 1 and 2 Bonds (other than the Premium Serial Bonds) will be subject to redemption prior to maturity, at the option of the

Authority, in whole or in part, on any date but not later than October 6, 2023, at a redemption price equal to 100% of the principal amount thereof (except as noted below for the PAC Bonds (as defined herein)), plus interest accrued to the redemption date, from (i) unexpended moneys in the Program Fund relating to the 2020 Series 1 Bonds made available to finance Loans as a result of the issuance of the 2020 Series 1 Bonds, and (ii) moneys made available from the reduction of any reserve requirements, to the extent proceeds of the 2020 Series 1 Bonds were used to fund such reserve requirements, resulting from nonorigination of Loans with moneys made available to finance Loans as a result of the issuance of the 2020 Series 1 Bonds. The 2020 Series 1 Bonds maturing on June 1, 2049 (the “*PAC Bonds*”), redeemed with moneys described in the preceding sentence, shall be redeemed at a price equal to 100% of the principal amount thereof plus a premium that maintains the same yield as the original price thereof, plus accrued interest to the date of redemption. See “—Extraordinary Mandatory Redemption of PAC Bonds” below. The Authority may exercise such option only upon the filing with the Trustee of a Cash Flow Certificate, but if the Certificate projects Revenues insufficient to pay Program expenses and debt service on the Bonds when due in any Bond Year, the Authority must certify to the Trustee that the deficiency in each Bond Year for which a deficit is projected is less than it would have been if all or a portion of the amounts so used had been applied to another permitted use on terms then available (an “*Alternate Cash Flow Certificate*”).

The Authority may have proceeds of other Series of Bonds available for the purchase of mortgage loans and the availability and use of such proceeds may affect the acquisition of Loans with proceeds of the 2020 Series 1 Bonds. See APPENDIX A, “AUTHORITY OPERATIONS—Housing Activities—*Housing Financing*.” The limitations imposed by the Code may also affect the ability to originate Loans for acquisition and, under certain circumstances, may require proceeds of the 2020 Series 1 Bonds to be used for redemption of 2020 Series 1 Bonds to maintain the tax exemption of interest thereon. See “THE SINGLE FAMILY MORTGAGE PROGRAM—Code Mortgage Eligibility Requirements” and “TAX EXEMPTION.”

Special Redemption from Prepayments and Excess Revenues. The 2020 Series 1 and 2 Bonds (other than the Premium Serial Bonds) will be subject to redemption in whole or in part (and if in part on a pro rata basis between the 2020 Series 1 and 2 Bonds), on any date, at the option of the Authority or as required by law to maintain the tax exemption of interest on the 2020 Series 1 and 2 Bonds, at a redemption price equal to 100% of the principal amount thereof, plus interest accrued to the redemption date, (i) from Prepayments (as defined herein) of Loans or Mortgage-Backed Securities or Down Payment Assistance Loan Payments (as defined herein) that are allocable to Bonds of any Series, including, but not limited to, the 2020 Series 1 and 2 Bonds, or from the proceeds of Loans or Mortgage-Backed Securities financed from such Prepayments or Down Payment Assistance Loan Payments, and (ii) from excess revenues relating to any Bonds (including amounts transferred from the Mortgage Reserve Fund, the Special Reserve Fund and the Bond Reserve Fund as a result of reductions in the amounts required to be deposited therein) upon the transfer of such moneys to the Redemption Fund. The Authority may exercise such option to redeem from excess revenues only upon filing a Cash Flow Certificate with the Trustee. Except as required by law to maintain the tax exemption of interest on the 2020 Series 1 and 2 Bonds or as may be permitted as described under “—Optional Redemption” above, the PAC Bonds are subject to such special redemption from Prepayments and excess revenues only if, after giving effect to such redemption, the aggregate principal amount of PAC Bonds outstanding on such

redemption date is not less than the related Applicable Outstanding Amounts (as defined herein) of such PAC Bonds as set forth below. See “—Extraordinary Mandatory Redemption of PAC Bonds” below.

“*Prepayment*” means (i) any payments on the Mortgage-Backed Securities other than regularly scheduled principal and interest payments thereon and (ii) any moneys received or recovered by the Authority from any payment of or with respect to principal (including any penalty, fee, premium or other additional charge for prepayment of principal which may be provided by the terms of a Loan) on any Loan other than the scheduled payments of principal called for by such Loan, whether (a) by voluntary prepayment made by the mortgagor, (b) as a consequence of the damage, destruction or condemnation of the mortgaged premises or any part thereof, (c) in the event of a default thereon by the mortgagor, by the acceleration, sale, assignment, endorsement or other disposition of such Loan by the Authority or by any other proceedings taken by the Authority, including, without limitation, payments received from any private mortgage insurer and (d) amounts received or transferred to the Authority as a result of the sale, assignment, endorsement or disposition of a Loan or Mortgage-Backed Security.

“*Down Payment Assistance Loan Payments*” means, with respect to any redemption date, principal payments received on Down Payment Assistance Loans.

The Supplemental Indentures for the Series of Bonds heretofore issued under the 1994 Indenture generally permit the use of Prepayments and excess revenues relating to any Series of Bonds to redeem Bonds of that or any other Series under the 1994 Indenture, i.e. the Bonds are subject to “cross calling,” or to purchase additional Loans. The Authority has previously engaged in and, in its discretion, is expected to continue to engage in cross calling. The Authority’s approach to actual cross calling decisions will be affected by, among other things, redemption restrictions relating to particular Series and maturities of Bonds and the Ten-Year Rule Redemptions (as defined herein) and other considerations under the Code as well as the ability of the Authority to instead use such funds to purchase Loans at interest rates which are both advantageous to the Authority and competitive in the then existing mortgage market relevant to the Authority. See APPENDIX B, “LOAN PORTFOLIOS AND OTHER SELECTED DATA—The 1994 Indenture—*Use of Loan Repayments.*”

See “TAX EXEMPTION” for information on circumstances when Prepayments and scheduled payments of Loan principal are required by the Code to be used for redemption of 2020 Series 1 and 2 Bonds, to maintain the tax exemption of interest thereon.

Extraordinary Mandatory Redemption of PAC Bonds. The PAC Bonds are subject to mandatory redemption from Directed 2020 Series 1 and 2 Principal Payments (as defined herein) on one or more days during each semi-annual period ending on an June 1 or December 1, commencing with the period ending December 1, 2020, at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date to the extent that, after giving effect to such redemption, the aggregate principal amount of PAC Bonds outstanding on such redemption date is not less than the related applicable outstanding amount of such PAC Bonds as set forth below (the “*Applicable Outstanding Amounts*”), as such amount may have been adjusted, which shall be pro-rata, due to a redemption of PAC Bonds from unexpended proceeds and such

redemption shall have been on a pro-rata basis among the 2020 Series 1 and 2 Bonds (as further described under “—Special Redemption Due to Nonorigination” above). In the event the Directed 2020 Series 1 and 2 Principal Payments are insufficient in any semiannual period to call PAC Bonds in the amount described above, the PAC Bonds would continue to be callable in future semiannual periods from Directed 2020 Series 1 and 2 Principal Payments received in such future semiannual period as described above. In the event that there are excess Directed 2020 Series 1 and 2 Principal Payments with respect to any semiannual period, such excess may be applied for any authorized purpose under the Indenture, including the redemption of other 2020 Series 1 and 2 Bonds as described under the heading “—Special Redemption from Prepayments and Excess Revenues” above.

The Applicable Outstanding Amounts are derived from assumptions that include, among other assumptions, the expected origination schedule for Loans financed with proceeds of the 2020 Series 1 and 2 Bonds and receipt of Prepayments attributable to the 2020 Series 1 and 2 Bonds, including the Prior Series Loans allocated to the 2020 Series 1 and 2 Bonds, at 100% of the Securities Industry and Financial Markets Association, formerly known as the Public Securities Association, prepayment standard or model (commonly referred to as the “PSA Prepayment Model”). The PSA Prepayment Model is based on an assumed rate of prepayment each month of the then unpaid principal balance of the Loans. The PSA Prepayment Model has an increasingly large percentage of the mortgages prepaying each month for the first thirty (30) months of the mortgages’ lives and then assumes a constant prepayment rate of six percent (6%) per annum of the unpaid principal balance for the remaining life of the mortgages.

Applicable Outstanding Amounts

SEMIANNUAL PERIOD ENDING	APPLICABLE OUTSTANDING AMOUNTS	SEMIANNUAL PERIOD ENDING	APPLICABLE OUTSTANDING AMOUNTS
Date of Issuance	\$32,855,000	June 1, 2025	\$11,310,000
June 1, 2020	32,855,000	December 1, 2025	9,410,000
December 1, 2020	31,925,000	June 1, 2026	7,660,000
June 1, 2021	30,280,000	December 1, 2026	6,065,000
December 1, 2021	28,265,000	June 1, 2027	4,615,000
June 1, 2022	25,920,000	December 1, 2027	3,305,000
December 1, 2022	23,275,000	June 1, 2028	2,145,000
June 1, 2023	20,545,000	December 1, 2028	1,105,000
December 1, 2023	17,990,000	June 1, 2029	200,000
June 1, 2024	15,600,000	December 1, 2029 and thereafter	-
December 1, 2024	13,375,000		

If the 2020 Series 1 and 2 Bonds are redeemed as described under “—Special Redemption Due to Nonorigination” above, then the amount of the PAC Bonds redeemed will be proportional to the total amount of 2020 Series 1 and 2 Bonds being redeemed, and each Applicable Outstanding Amount set forth in the table above will be recalculated to be equal to the product of (a) such amount and (b) the fraction whose numerator is equal to the remainder of (i) the total amount originally deposited in the Program Fund less (ii) the cumulative amount of the proceeds of the 2020 Series 1 and 2 Bonds that have been used to so redeem the 2020 Series 1 and 2 Bonds, and

whose denominator is equal to the total amount originally deposited in the Program Fund. If the amount available for such redemption is less than \$100,000, the Authority may delay redemption of the PAC Bonds until the amount of prepayments available totals \$100,000 or more.

Except as required by law to maintain the tax exemption of interest on the 2020 Series 1 and 2 Bonds or as may be permitted as described under “—Optional Redemption” above, the Authority may redeem PAC Bonds from sources other than Directed 2020 Series 1 and 2 Principal Payments only if such redemption does not reduce the outstanding principal amount of PAC Bonds to an amount less than the Applicable Outstanding Amounts shown in the table above, as such amount may have been adjusted due to a redemption of PAC Bonds from unexpended proceeds.

As used in this Official Statement, the term “*Directed 2020 Series 1 and 2 Principal Payments*” means, with respect to any redemption date, all Prepayments and scheduled principal payments on Loans and Down Payment Assistance Loan Payments attributable to the 2020 Series 1 and 2 Bonds less the sum of the principal amount of such 2020 Series 1 and 2 Bonds scheduled to mature or subject to sinking fund redemption on such redemption date (or, if no 2020 Series 1 and 2 Bonds are scheduled to mature or are subject to sinking fund redemption on such redemption date, a pro rata portion of the next subsequent scheduled maturity amount or sinking fund installment amount of such 2020 Series 1 and 2 Bonds). See “—*Projected Weighted Average Lives of the PAC Bonds*” below for certain information related to projected weighted average lives relating to the PAC Bonds, including a brief summary description of the computations of such projected lives and certain assumptions utilized in the preparation of the computations and a discussion of the hypothetical nature of such computations.

PROJECTED WEIGHTED AVERAGE LIVES OF THE PAC BONDS

The “projected weighted average life” of a security refers to the average amount of time 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 (i) 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, (ii) adding the results and (iii) dividing the sum by the initial outstanding amount of such security.

The calculation of the projected weighted average lives of the PAC Bonds requires the making of certain assumptions (collectively, the “*Assumptions*”) with respect, but not limited, to the future financing and prepayment of Loans as well as with respect, but not limited, to the future use by the Authority of its options under the Indenture related to: (i) the scheduled principal repayments and Prepayments on the Loans allocated to the 2020 Series 1 and 2 Bonds and excess revenues related to the 2020 Series 1 and 2 Bonds to: (a) the redemption of 2020 Series 1 and 2 Bonds, (b) the financing of additional Loans, or (c) the redemption of other Bonds; (ii) the application of Prepayments and excess revenues related to other series of Bonds to the redemption of 2020 Series 1 and 2 Bonds; and (iii) the optional redemption of all or a portion of the 2020 Series 1 Bonds on or after June 1, 2029 from any source.

Set forth in the table captioned “Projected Average Lives (in years)” below (the “Table”) are projected weighted average lives for the PAC Bonds under a number of different scenarios, each such scenario representing a unique combination of assumptions, as described below. The Assumptions are hypothetical in nature and are provided only to give a general sense of how the weighted average lives for the PAC Bonds might behave as such assumptions are varied. The actual characteristics and the performance of the Loans (including, without limitation, prepayments thereof), and the actual use of options under the Indenture by the Authority, will differ from the Assumptions utilized in constructing the Table.

Any difference between such Assumptions and the actual characteristics and performance of the Loans and the actual use of such options will cause the actual weighted average lives of the PAC Bonds to differ (which difference could be significant) from the projected weighted average lives in the Table. Accordingly, the Authority makes no representation as to the reasonableness of any of such Assumptions and makes no representation that the projected average lives set forth in the Table will reflect the actual course of events. The Assumptions are not necessarily consistent with the current or historical approach of the Authority to recycling and selecting Bonds to be redeemed, and they are not binding upon or necessarily indicative of future actions of the Authority with respect to the redemption of the Bonds.

All of the scenarios represented in the Table are based on the following assumptions*:

(i) New Loans: (a) will be financed exclusively from the proceeds of the 2020 Series 1 Bonds over the period from April 7, 2020 to July 31, 2020, (b) will consist of approximately \$80 million of new Loans, including \$2.5 million of Down Payment Assistance Loans, and (c) the new Loans will bear a weighted average interest rate to the borrower of 3.25% and will amortize on a level payment basis over 30 years and the down payment loans will bear a weighted average interest rate to the borrower of 0% and will not amortize prior to maturity.

(ii) Prior Series Loans (as of December 31, 2019): (a) will consist of approximately \$37 million of Loans originally financed by the Prior Series Bonds, (b) will bear a weighted average interest rate to the borrower of approximately 4.51% and will have a weighted average maturity of approximately 248 months.

All scenarios will consist of Loans with assumed interest rates, terms and characteristics and in particular principal amounts, all of which may differ from the actual Loans acquired.

Each of the scenarios represented in the Table is based on an indicated prepayment assumption, in each case expressed as a percentage of the Securities Industry and Financial Markets Association, formerly known as the Public Securities Association, prepayment standard or model (commonly referred to as the “PSA Prepayment Model”). As used in the Table, for example, (a) “0%” assumes no prepayments of the principal of the applicable Loans, (b) “50%” assumes the principal of the applicable Loans will prepay at a rate half as fast as the prepayment rates for one hundred percent (100%) of the PSA Prepayment Model, (c) “200%” assumes the

* Preliminary; subject to change.

principal of the applicable Loans will prepay at a rate twice as fast as the prepayment rates for one hundred percent (100%) of the PSA Prepayment Model, and so on.

The computation of the weighted average life of each PAC Bond under each of the scenarios represented in the Table is based on the assumption that, with respect to the fulfillment by the Authority of its obligations pursuant to the redemption provisions described under “—*Redemption of 2020 Series 1 Bonds and 2020 Series 2 Bonds—Extraordinary Mandatory Redemption of PAC Bonds*,” the Authority will redeem the PAC Bonds on each June 1 and December 1 commencing on December 1, 2020.

The computation of the weighted average life of the PAC Bonds under each of the scenarios represented in the Table is also based on the assumption that, with respect to the use by the Authority of its rights pursuant to the special redemption provisions under the Indenture, the Authority will (i) redeem 2020 Series 1 Bonds (other than the PAC Bonds), subject to the notice of redemption required under the Indenture, on each June 1 and December 1 commencing December 1, 2020 in the amount of any Directed 2020 Series 1 and 2 Principal Payments not applied to the PAC Bonds, and (ii) such redemptions shall be based on a pro-rata selection from all other then-eligible outstanding maturities of 2020 Series 1 and 2 Bonds other than the Premium Serial Bonds. In addition, the Table is based on the assumption that the Authority will not redeem the 2020 Series 1 and 2 Bonds from any other source.

The computation of the weighted average life of the PAC Bonds under the scenarios represented in the Table is based on one of two sets of indicated assumptions about the exercise of the Optional Redemption provisions under the Indenture:

(i) In the case of the scenario labeled “Optional Call Exercised”, it is assumed that the Authority will exercise its right to optionally redeem all outstanding PAC Bonds on June 1, 2029.

(ii) In the case of the scenario labeled “Optional Call Not Exercised”, it is assumed that the Authority will not exercise its right to optionally redeem the PAC Bonds.

Investors owning less than all of the PAC Bonds may experience redemption at a rate that varies from the projected weighted average lives shown in the Table.

Projected Average Lives (in years)

PSA	OPTIONAL CALL NOT EXERCISED	OPTIONAL CALL EXERCISED
0%	24.5	9.1
25	17.2	7.8
50	11.2	6.6
75	6.6	5.4
100	4.5	4.5
200	4.5	4.5
300	4.5	4.5
400	4.5	4.5
500	4.5	4.5

NOTICE AND SELECTION OF BONDS FOR REDEMPTION

Notice of redemption is to be mailed not less than 20 days (15 days if the 2020 Series 1 and 2 Bonds are not in book-entry-only form) nor more than 60 days prior to the redemption date. Notice of redemption is to be mailed to DTC with a request to forward such notice to the Participants (as defined herein) so that they may forward it to the Beneficial Owners. A notice of redemption may specify that the redemption of the Bonds so called for redemption is conditional upon the deposit of sufficient amounts to pay the redemption price therefore on the redemption date and, if such amounts are not so available, such notice of redemption shall be null and void and such Bonds shall continue to remain outstanding. Except as set forth above, the principal amount of each maturity of the Bonds of a Series to be redeemed shall be selected in the discretion of the Authority from among any or all of the then existing maturities of the Bonds of such Series if such selection method is supported by a Cash Flow Certificate; if such method is not so supported, Bonds of a Series to be redeemed shall be redeemed on a reasonably proportionate basis from among all then existing maturities of such Series. If less than all of the Bonds of a Series of like maturity are to be redeemed, the particular Bonds to be redeemed shall be selected by lot.

PLAN OF FINANCE AND REFUNDING

Proceeds from the 2020 Series 1 and 2 Bonds in the aggregate principal amount of \$31,730,000*, together with other available moneys of the Authority, are expected to be used to refund certain of the Prior Series Bonds, with such Prior Series Bonds expected to be redeemed on or before May 1, 2020, but in no event later than 90 days following the closing date for the 2020 Series 1 and 2 Bonds, at a redemption price equal to the principal amount thereof plus accrued interest thereon until the redemption date.

The Prior Series Loans were originally financed by the Prior Series Bonds and will be reallocated to the 2020 Series 1 and 2 Bonds upon the redemption of the Prior Series Bonds. The

* Preliminary; subject to change.

portfolio of Prior Series Loans expected to be reallocated to the 2020 Series 1 and 2 Bonds has been preliminarily identified but is subject to change.

The following table presents historical prepayment rates for the Authority's loans, including the Prior Series Loans:

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HISTORICAL MORTGAGE PREPAYMENT REPORT COMBINED INDENTURES AS OF DECEMBER 31, 2019

**Wyoming Community Development Authority
Historical Mortgage Prepayment Report - As of December 2019**

Year of Origin	Original Balance	Current Balance	t WAC	No. of Loan	1 Year PSA																									Lifetime		
					1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		2019	
Before 1994	502,602,120	377,882	7.13%	9,936	240	197	211	211	363	342	190	294	399	518	343	302	259	212	249	206	193	197	165	218	229	158	221	207	341	153	256	
1994	71,491,342	330,666	6.99%	1,236		135	157	164	229	267	212	315	351	554	430	352	312	263	217	258	218	311	265	98	207	51	261	22	406	111	310	
1995	86,671,298	618,611	7.24%	1,434			119	189	233	294	226	328	424	669	530	322	233	210	187	302	295	102	237	217	69	260	74	71	50	97	298	
1996	90,914,782	726,875	7.48%	1,424				146	169	260	234	323	457	729	565	382	293	227	117	129	171	147	94	260	197	193	217	246	120	124	303	
1997	125,215,661	1,285,611	7.19%	1,815				126	190	212	312	427	736	430	377	309	290	137	248	199	167	166	199	229	114	124	191	214	116	300		
1998	124,290,237	2,435,512	5.67%	1,788					94	150	208	324	595	457	420	346	212	165	262	170	185	164	95	149	177	143	123	175	171	270		
1999	161,136,883	2,621,593	6.20%	2,165					104	162	246	513	470	378	295	272	226	261	248	173	273	222	254	173	247	190	274	194	295	295		
2000	139,667,337	1,988,436	7.06%	1,863							178	337	691	550	523	353	232	223	263	261	268	158	113	110	307	278	269	191	164	321		
2001	136,617,060	3,873,079	6.40%	1,794								203	432	492	499	296	335	265	307	205	250	180	196	234	191	83	154	160	157	285		
2002	143,392,733	4,466,133	5.96%	1,732									225	354	453	359	315	246	312	249	197	244	267	278	284	189	188	175	275	291		
2003	142,446,066	7,097,209	5.54%	1,618										222	301	377	359	270	264	235	212	282	344	168	223	232	156	206	162	267		
2004	168,768,781	10,131,857	5.65%	1,654											294	306	337	260	315	261	206	274	300	261	265	271	181	147	172	266		
2005	174,580,565	12,294,636	5.46%	1,575												281	285	245	284	280	310	285	332	256	228	201	295	189	176	267		
2006	250,438,098	20,396,164	5.67%	1,953													197	187	230	278	301	366	336	336	249	313	262	208	206	271		
2007	325,096,680	29,176,667	5.58%	2,269														178	216	263	368	354	288	371	360	292	252	236	280	280		
2008	226,405,974	17,209,007	5.91%	1,542															141	178	216	263	368	354	288	371	360	292	252	236	280	
2009	155,948,310	24,709,260	4.98%	1,025																	75	97	217	311	305	333	288	349	255	261	252	
2010	98,869,642	21,771,000	4.58%	697																		57	118	259	219	311	348	278	282	166	226	
2011	90,359,509	24,849,239	3.98%	647																			106	143	237	243	227	305	280	198	212	
2012	84,096,133	28,711,525	3.41%	588																					92	160	188	244	247	230	283	197
2013	88,611,787	37,170,777	3.30%	577																						83	155	210	252	233	236	183
2014	105,836,256	53,518,145	3.38%	677																							140	143	188	257	219	169
2015	84,987,197	54,443,620	3.29%	514																							62	145	202	166	126	126
2016	73,786,075	55,648,777	3.03%	469																								127	100	169	99	99
2017	118,963,806	100,345,266	3.29%	750																									61	157	79	79
2018	185,150,364	174,031,148	3.68%	1,703																										91	67	67
2019	149,558,757	146,896,753	3.56%	1,431																												*
Sub-Total	4,105,903,453	837,125,462	3.86%	44,876	240	178	177	179	242	232	162	224	305	488	375	337	283	244	177	201	211	217	275	283	242	248	231	225	190	164		
Grand Total	4,105,903,453	837,125,462	3.86%	44,876	240	178	177	179	242	232	162	224	305	488	375	337	283	244	177	201	211	217	275	283	242	248	231	225	190	164		

Notes:

The prepayment standard utilized above is the Securities Industry and Financial Markets Association (formerly The Bond Market Association) prepayment standard or model (the "PSA Prepayment Model"). The PSA Prepayment Model is based upon an assumed rate of prepayment each month of then unpaid principal balance of the mortgage loans. Prepayment speeds are projected as percentages of the PSA Prepayment Model, and are referred to as Prepayment Speed Assumptions (each, a "PSA"). At 0% PSA, the PSA Prepayment Model assumes no prepayment of mortgage loans. At 100% PSA, the PSA Prepayment Model assumes an increasingly larger percentage of the mortgage loans prepaying each month for the first 30 months of the mortgages' lives and then assumes a constant prepayment rate of 6% per annum of the unpaid principal balance for the remaining life of each of the mortgage loans. The PSA Prepayment Model does not purport to be a prediction of anticipated rate of prepayments. There is no assurance that future prepayments will conform to past experience.

The figures above are based on information currently available and are not guaranteed.

Values in the "Before 1994" cohort are based on loans that were outstanding on 12/31/1993.

* indicates that the prepayment speed is not meaningful since the size of the cohort is less than 30 loans or the origination period is incomplete.

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SOURCES AND USES OF FUNDS

The proceeds from the sale of the 2020 Series 1 and 2 Bonds and certain other Authority funds are expected to be used as follows:

SOURCES OF FUNDS

Par Amount of the 2020 Series 1 Bonds Issue	\$
Par Amount of the 2020 Series 2 Bonds Issue	
Original Issue Premium	
Other Authority funds	
Total	\$

USES OF FUNDS

Refunding of Prior Series Bonds	\$
Deposit to Program Fund	
Cost of issuance [†]	
Total	\$

[†] Including Underwriters’ compensation. For additional information regarding Underwriters’ compensation see “Underwriting” herein.

It is expected that approximately \$80,000,000* of new Loans, including \$2,500,000* of Down Payment Assistance Loans, will be financed at a purchase price of 100% with the moneys made available by the issuance of the 2020 Series 1 Bonds. With the limited exception of certain special program loans, such Loans (other than Down Payment Assistance Loans) are expected to bear interest at 3.25%* per annum for the life of the Loan.

The interest rate to be borne by Loans may be initially determined, and is subject to change, at any time prior to origination in the discretion of the Authority and the purchase prices of Loans may differ. The proceeds of the 2020 Series 1 and 2 Bonds may be used in conjunction with other moneys of the Authority, including other Bond proceeds or proceeds of bonds issued under another Authority indenture, to finance the Loans or participations in Loans. The proceeds of Bonds may be used to finance Loans in any order of priority in the sole discretion of the Authority. The moneys made available by the issuance of the 2020 Series 1 Bonds which are deposited in the Program Fund pending their use to purchase Loans are expected to be invested in Authorized Investments.

* Preliminary; subject to change.

SECURITY FOR THE BONDS

PLEDGE OF THE 1994 INDENTURE

The 1994 Indenture is a contract among the Authority, the Trustee and the Holders of all Bonds issued thereunder, and its provisions are for the equal benefit, protection and security of the Holders of all such Bonds, each of which, regardless of time of issuance or maturity, is to be of equal rank without preference, priority or distinction.

Payment of the principal or redemption price of and interest on all Bonds is secured by a pledge of Revenues, which consist of all payments received by the Authority with respect to Loans, Mortgage-Backed Securities, swap agreements and income derived from the investment of amounts held by the Trustee and, as applicable, commitment fees. Revenues do not, however, include amounts retained as service charges by Servicers (as defined herein) or payments made to Servicers by borrowers for taxes, assessments, hazard insurance or for the guaranty or insurance of Loans or, unless applicable, commitment fees.

The Bonds are also secured by (i) a pledge and assignment of the rights and interests of the Authority in the Loans and Mortgage-Backed Securities and (ii) a pledge of amounts on deposit in the funds and accounts established under the 1994 Indenture, other than a Rebate Fund, if established. The Authority has retained the right (except where an event of default under the 1994 Indenture has occurred) to exercise its rights as owner of the Loans.

Revenues and other amounts in the Revenue Fund may be withdrawn at any time to pay budgeted Program expenses. The 1994 Indenture also permits the Authority, upon compliance with certain cash flow and asset tests described below under “Cash Flow Certificates,” to withdraw, at any time, free and clear of the lien of the 1994 Indenture (i) amounts in the Revenue Fund in excess of Accrued Debt Service after making any required reserve fund deposits and (ii) amounts in the Program Fund (other than Bond proceeds).

The Bonds are special obligations of the Authority payable from the revenues, income and receipts pledged to the payment thereof and secured by an assignment of the Loans and other assets described herein. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the Bonds. The State is not liable on the Bonds, and the Bonds are not a debt of the State. The Authority has no taxing power.

Although the Act permits the State to make appropriations to the Authority, the Act does not provide any specific procedure for making, or impose any obligation on the State to make, appropriations for deposit in any fund or account established under the 1994 Indenture. The State has never made an appropriation to the Authority.

The Authority has covenanted to diligently enforce and take all steps necessary to protect its rights with respect to the Loans and to enforce all of the terms, covenants and conditions of the Loans. See “THE SINGLE FAMILY MORTGAGE PROGRAM—Program Covenants.”

CASH FLOW CERTIFICATES

The 1994 Indenture requires the Authority periodically and before taking certain actions to monitor its financial position by preparing a certified statement of projected Revenues, Program expenses and debt service on the Bonds. This “Cash Flow Certificate” must set forth for the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding:

(i) as to projected Revenues, (a) the scheduled payments of principal and interest (less servicing fees) on all Loans and Mortgage-Backed Securities purchased or expected to be purchased from the proceeds of Bonds or other amounts available or expected to be available in the Program Fund for that purpose, (b) the aggregate amount of prepayments expected to be received from such Loans and Mortgage-Backed Securities, (c) other Revenues, including the interest to be earned from the investment of amounts held in the Funds and Accounts under the 1994 Indenture (other than unrestricted amounts in the Special Reserve Fund or any Rebate Fund) and the rates used in estimating such earnings, and (d) the amount, if any, expected to be withdrawn from the Special Reserve Fund, the Mortgage Reserve Fund or the Bond Reserve Fund;

(ii) as to projected debt service, the aggregate debt service on all Bonds expected to be Outstanding; and

(iii) as to Program expenses, reasonably estimated Program expenses, taking into account the Authority’s experience and the annual budget then in effect.

The listing of Revenues from Loans, Mortgage-Backed Securities and Authorized Investments is to be supported at the request of the Trustee by a schedule identifying the Loans, Mortgage-Backed Securities and Authorized Investments by maturity and interest rate. The Authority also must, at the request of the Trustee, supply a schedule showing the sources and applications of funds used, including, particularly, amounts used to pay or redeem Bonds, transferred between Funds and used to pay costs of issuance and capitalized interest.

A Cash Flow Certificate is to be prepared and filed on each June 1 if a Cash Flow Certificate has not been filed within the prior year or such longer period as may be prescribed by the Authority which does not adversely affect the Rating Quality of the Bonds. A Cash Flow Certificate projecting Revenues sufficient to pay Program expenses and debt service on the Bonds when due in each Bond Year must be filed with the Trustee as a condition to the issuance of the Bonds and to the sale or assignment of Loans or Mortgage-Backed Securities (other than the sale of Loans in default, an assignment to obtain insurance or guaranty benefits or a rescission sale to a lender).

Cash Flow Certificates also are required to be prepared and filed (i) upon any transfer of amounts in the Program Fund to the Redemption Fund for the redemption of Bonds and (ii) any time amounts in the Program Fund representing Prepayments in excess of those expected to be received upon the issuance of a Series of Bonds are used to purchase Loans. If the Cash Flow Certificate delivered in connection with any use of amounts in the Program Fund for the redemption of Bonds or for the purchase of Loans from such excess Prepayments does not project

Revenues sufficient to pay Program expenses and debt service on the Bonds when due in each Bond Year, the Authority must certify to the Trustee that the projected deficiency in each Bond Year is less than it would have been if all or a portion of the amounts transferred or used had been applied to the redemption of Bonds or invested in Authorized Investments on terms then available.

The Authority is permitted to withdraw certain amounts in the Revenue Fund and the Program Fund (other than Bond proceeds) at any time free and clear of the lien of the 1994 Indenture if (i) the Authority files with the Trustee a Cash Flow Certificate projecting Revenues sufficient to pay Program expenses and debt service on the Bonds when due in each Bond Year and (ii) the outstanding principal amount of Loans, together with the amount of Authorized Investments and moneys credited to any Fund or Account, exceeds 102% of the principal amount of Bonds and Program expenses then outstanding. The Mortgage Reserve Fund and the Bond Reserve Fund Requirements must be met, however, before any such withdrawal from the Revenue Fund may be made. Amounts in the Revenue Fund may be used at any time to pay Program expenses pursuant to an annual budget without having to meet any requirements as to cash flow, assets or reserve fund deposits.

MORTGAGE RESERVE FUND

The Mortgage Reserve Fund created by the 1994 Indenture is to be maintained, to the extent of available Revenues, in an amount at least equal to the Mortgage Reserve Requirement, which is an amount equal to the aggregate of the amounts specified, if any, as the Mortgage Reserve Requirement in each Supplemental Indenture. The Mortgage Reserve Requirement in most prior Supplemental Indentures is an amount equal to 2% of the outstanding principal amount of Loans financed by the related Series of Bonds. The Mortgage Reserve Requirement under each of the 2020 Series 1 Supplemental Indenture and the 2020 Series 2 Supplemental Indenture is an amount equal to 2% of the outstanding principal amount of Loans financed by the 2020 Series 1 and 2 Bonds. Moneys in the Mortgage Reserve Fund are to be applied as necessary (i) to make good deficiencies in the amounts available in the Revenue Fund to pay the principal or redemption price of and interest on the Bonds or (ii) to pay expenses incurred by the Authority in protecting its interests in Loans, including repairs to property financed by Loans. Any moneys in the Mortgage Reserve Fund in excess of the Mortgage Reserve Requirement may be transferred to the Revenue Fund at the direction of the Authority.

The Mortgage Reserve Requirement, assuming the financing of Loans with all Bond proceeds currently available therefor, including proceeds made available by the issuance of the 2020 Series 1 and 2 Bonds, will not exceed \$16,425,917* and will be met at the time of the issuance of the 2020 Series 1 and 2 Bonds.

BOND RESERVE FUND

The Authority has also established a Bond Reserve Fund for the Bonds. The 1994 Indenture provides that the Authority may not issue any additional Series of Bonds unless, upon

* Preliminary; subject to change.

the issuance and delivery of such Bonds, the amount in the Bond Reserve Fund is at least equal, as of the date of calculation, to the Bond Reserve Requirement which is the aggregate of the amounts specified, if any, as the Bond Reserve Requirement in each Supplemental Indenture. The Bond Reserve Requirement in most prior Supplemental Indentures is an amount equal to 3% of the Outstanding principal amount of the related Bonds. The Bond Reserve Requirement under each of the 2020 Series 1 Supplemental Indenture and the 2020 Series 2 Supplemental Indenture is an amount equal to 3% of the Outstanding principal amount of the 2020 Series 1 and 2 Bonds.

The Bond Reserve Requirement, after giving effect to the issuance of the 2020 Series 1 and 2 Bonds and the refunding of the Prior Series Bonds, will be a maximum of \$24,487,350* and will be met at the time of issuance of the 2020 Series 1 and 2 Bonds.

The 1994 Indenture requires that if on any Bond Payment Date there is not a sufficient amount available in the Revenue Fund, the Special Reserve Fund, the Mortgage Reserve Fund or, subject to certain limitations, the Redemption Fund and the Program Fund to pay the principal, sinking fund installments and interest due on the Bonds, the Trustee must apply amounts from the Bond Reserve Fund to the extent necessary to make good the deficiency. Amounts in the Bond Reserve Fund in excess of the Bond Reserve Requirement may be transferred to the Revenue Fund at the direction of the Authority.

SPECIAL RESERVE FUND

The 1994 Indenture establishes a Special Reserve Fund and an amount therein is restricted for the payment of debt service on the Bonds and as a reserve for losses on Loans. Of the total amount in the Special Reserve Fund, approximately \$6,928,081 is restricted. Amounts in the Special Reserve Fund may be released and transferred to any other Fund under the 1994 Indenture or free and clear of the lien of the 1994 Indenture, provided that restricted amounts may be released and transferred only if (i) each Rating Agency is notified and (ii) the Authority shall have filed with the Trustee a Parity Certificate and Cash Flow Certificate projecting Revenues sufficient to pay Program Expenses and Accrued Debt Service when due in each Bond Year.

LOANS

Bonds issued under the 1994 Indenture will be equally and ratably secured by the pledges and covenants contained therein, including a pledge of the Loans financed thereunder and allocated to such Bonds under the 1994 Indenture and the Revenues therefrom. Financing of Loans may be affected by various factors, including criteria relating to the borrower, loan amount and other matters prescribed by the Authority, the Act or the Code as well as the availability and terms of other sources of mortgage loan financing including Authority funds available under the 2009 Indenture and proceeds of other Bonds. There is no assurance that a substantial amount of Loans will be acquired or how quickly they may be financed. The principal amount of Loans which are acquired may also be subsequently reduced due to Prepayments, disposition or default. For information regarding Loans pledged under the 1994 Indenture and proceeds available for the

* Preliminary; subject to change.

purchase of mortgage loans, see APPENDIX A “AUTHORITY OPERATIONS” and APPENDIX B “LOAN PORTFOLIOS AND OTHER SELECTED DATA.”

Moneys derived from Prepayments of Loans are generally required to be deposited in the Revenue Fund and will be available in the interest payment period in which they are received for the payment of principal and interest on the Bonds due in such interest payment period. To the extent such moneys are not required to pay debt service, they are generally transferred to the Program Fund, except as may otherwise be required by the Supplemental Indenture for a particular Series of Bonds. The Authority may either invest such moneys for temporary periods, finance additional Loans or redeem Bonds. In using such moneys to finance Loans or redeem Bonds, the 1994 Indenture requires the Authority to be consistent with the most recent Cash Flow Certificate. In the event the Cash Flow Certificate does not project Revenues sufficient to pay Program expenses and debt service on the Bonds when due in each year, the Authority must certify to the Trustee that the deficiency in each Bond Year for which a deficit is projected is less than it would have been if all or a portion of the amounts so used had been applied to another permitted use on terms then available.

Prepayments usually result from the sale of the residence securing a mortgage loan, the refinancing of a mortgage loan or foreclosure of a mortgage loan upon default. In general, changes in interest rates and in default and delinquency rates affect the amount of Prepayments the Authority receives. Due to the many factors which influence economic and financial market conditions, the Authority is not able to predict with any significant degree of reliability the expected level of Prepayments it will actually receive on the Loans.

The Authority is authorized under the 1994 Indenture to sell or otherwise dispose of Loans or Mortgage-Backed Securities under certain circumstances and to sell properties acquired through foreclosure, all as more fully described under “THE SINGLE FAMILY MORTGAGE PROGRAM—Program Covenants” below. The proceeds received from such sale or disposition are treated as Prepayments.

In the event that a mortgagor defaults on a Loan, and the Authority causes foreclosure and/or mortgage insurance or mortgage guarantee claim proceedings to be instituted, there may be certain time delays which, should they occur with respect to a sufficient number of Loans, could disrupt the flow of Revenues for the payment of principal and interest on the Bonds and costs of operating the Program. The Authority expects that amounts on deposit in the Mortgage Reserve Fund and the Bond Reserve Fund will be sufficient to cover such disruptions in the flow of Revenues. These time delays are the result of the procedures required under Wyoming law for the enforcement of rights of mortgagees under mortgages and beneficiaries under deeds of trust, bankruptcy law and procedures applicable to the processing of claims under federal or private insurance and guarantees. See “THE SINGLE FAMILY MORTGAGE PROGRAM—Wyoming Foreclosure Laws” and APPENDIX C, “INSURANCE AND MORTGAGE-BACKED SECURITY ISSUERS.”

ADDITIONAL BONDS

The Authority is not permitted to issue any obligations or create any indebtedness which will be secured by a superior or equal charge or lien on the Revenues pledged under the 1994

Indenture, except that various Series of Bonds may be issued as provided in the 1994 Indenture on a parity with the Bonds of all other Series, secured by an equal charge and lien on the Revenues and payable equally therefrom. As a condition to the issuance of additional Bonds, the Authority must deliver to the Trustee a Cash Flow Certificate which projects Revenues sufficient to pay Program expenses and debt service on the Bonds when due in each Bond Year. No such Series of Bonds may be issued unless the principal amount of all Bonds issued or to be issued will not exceed any limitation imposed by law and unless, upon the issuance of such Bonds, the amount credited to the Bond Reserve Fund and the Mortgage Reserve Fund will not be less than the Bond Reserve Requirement and the Mortgage Reserve Requirement, respectively. See “SUMMARY OF CERTAIN TERMS OF THE 1994 INDENTURE—Provisions for the Issuance of Bonds.” Subject to the foregoing, the 1994 Indenture imposes no limit of Bonds which may be issued thereunder. The Authority has reserved the right to issue other obligations not secured under the 1994 Indenture.

PRIVATE PLACEMENT OF CERTAIN BONDS

The Authority issued \$22,000,000 of its Housing Revenue Bonds, 2017 Series 4 (the “*Privately Placed Bonds*”), all of which remained outstanding as of December 31, 2019. The Privately Placed Bonds bear interest at variable interest rates and were sold to an institutional investor in a private placement. The Authority entered into continuing covenant agreement with respect to the Privately Placed Bonds that provide the purchasers of such Privately Placed Bonds with certain rights in addition to those contained in the 1994 Indenture and those that are summarized herein. Such rights include additional reporting requirements and mandatory tender on a specified date¹ or upon events of default under the continuing covenant agreement (and early redemption in installments if the tender price is not paid on the tender date) for the Privately Placed Bonds.

PLEDGE AND AGREEMENT OF THE STATE

Under the Act, the State pledges to and agrees with the holders of any bonds issued under the Act that the State will not limit or alter the rights vested in the Authority by the Act to fulfill the terms of any agreements made with the holders thereof, or in any way impair the rights and remedies of such holders, until such 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 such holders are fully met and discharged. Pursuant to the Act, the Authority has included such pledge and agreement of the State in the 1994 Indenture.

THE AUTHORITY

ORIGIN AND PURPOSE

The Wyoming Community Development Authority was created in 1975 to provide financing for housing and various public facilities. The Authority is a body corporate operating as a State instrumentality and is not a political subdivision of the State. As now constituted, the

¹ The 2017 Series 4 Bonds are scheduled for an initial mandatory tender date no later than May 16, 2022.

Authority's primary purpose is to alleviate the shortage of housing in the State and the lack of funds available from private mortgage lending institutions to finance new and existing housing at reasonable rates. In carrying out this purpose, the Authority is authorized to purchase mortgage loans on residential real property that are insured or guaranteed either governmentally or privately, or otherwise secured as provided in the trust indenture pursuant to which any related bonds are issued. In addition, the Authority may make collaterally secured loans to mortgage lenders under agreements requiring the lenders to use the proceeds to make mortgage loans on residential real property, including construction loans and advances. The Authority had \$802,365,000 principal amount of Bonds and other bonds outstanding as of December 31, 2019, that were issued to finance single-family mortgage loans or to refund certain outstanding bonds being redeemed or maturing. The Act does not limit the amount of Bonds and other bonds the Authority may issue from time to time as private activity bonds exempt from federal income taxation under Section 146 of the Code for housing purposes.

The 1994 Indenture imposes no limit on the amount of Bonds that may be issued and Outstanding thereunder. Any such issuance must be in compliance with the requirements of the 1994 Indenture. See "SECURITY FOR THE BONDS—Additional Bonds" and "SUMMARY OF CERTAIN TERMS OF THE 1994 INDENTURE—Provisions for the Issuance of Bonds." The Code limits the annual issuance in the State of tax exempt obligations to finance owner occupied residences and for other "private activity purposes" to \$321,775,000 for calendar year 2020, with exceptions for carryforwards of unused authority and various types of refunding bonds.

The Act further authorizes the Authority to issue and have outstanding up to \$250,000,000 in care facility bonds to finance construction and improvements to governmental and nonprofit hospitals in the State. No care facility bonds have been issued pursuant to this authorization and any care facility bonds to provide such financing will be issued pursuant to indentures, and will be secured and payable from sources, which are completely separate from the Authority's housing financing indentures.

ORGANIZATION

The Authority is governed by a board of directors (the "*Board of Directors*") composed of 10 members. There are nine voting director positions. The Executive Director of the Authority is appointed by the voting directors and serves as the tenth non-voting ex-officio director. There are currently two vacant voting seats on the Board of Directors. The Governor and the State Treasurer each serve on the Board of Directors by virtue of their offices. The seven other voting directors are appointed by the Governor with the advice and consent of the State Senate. Not more than 75% of the appointed directors may be members of the same political party. The Chairman of the Board of Directors and other officers of the Authority are elected by the directors from their membership. In accordance with Wyoming Statutes, directors may be removed by the Governor at the Governor's pleasure, but otherwise, may serve for no more than two consecutive terms and, under Section 9-7-104, shall continue in office at the expiration of their respective terms until their successors are appointed and qualified. Wyoming law allows a State elected official to authorize a designee to act as such official's representative on certain boards and commissions, including the Authority. If authorized, the designee shall have the right to speak, vote and take other lawful action on behalf of such elected official. The directors of the Authority serve without salary but

receive compensation for each day or part thereof in which they are engaged in official duties at the same rate as State legislators and are reimbursed for expenses incurred in the performance of their duties.

The present directors of the Authority, their State office or principal occupation and the stated expiration dates of their terms as directors are set forth below.

GEORGE PARKS, Chairman—Retired Executive Director of a state association for municipalities, Cheyenne, Wyoming (term expires March 1, 2022).

SUSAN ANDERSON, Vice Chairman —Retired Journalist, Casper, Wyoming (term expires March 1, 2020; has been reappointed for a second term and is awaiting confirmation).

PETE ILLOWAY, Secretary/Treasurer—President of a consulting and lobbying company and former Wyoming Representative, Cheyenne, Wyoming (term expires March 1, 2023).

MARK GORDON—Governor, State of Wyoming (ex-officio director).

CURT MEIER—Treasurer, State of Wyoming (ex-officio director).

KARI COOPER—Executive Director of an air resources agency, Jackson, Wyoming (term expires March 1, 2020; however, Ms. Cooper shall continue to serve until her successor is appointed and qualified);

JUDY LANE—Banker, Cheyenne, Wyoming (term expires March 1, 2020; however, Ms. Lane shall continue to serve until her successor is appointed and qualified).

SCOTT HOVERSLAND—Executive Director of the Authority, Casper, Wyoming (non-voting ex-officio director).

The Governor has submitted the names of four additional individuals to the Senate for confirmation as members of the Board of Directors, but the Authority does not know at this time when or if the Senate will confirm any of such individuals.

Certain Authority directors may, from time to time, have an interest in organizations which participate in the Program as approved lenders.

The operations of the Authority are currently administered by a staff of 44. The Authority's principal executives and their experience are as follows:

SCOTT HOVERSLAND, Executive Director—Mr. Hoversland joined the Authority as Deputy Director of Finance in June 2005 and became Executive Director on December 1, 2015. Mr. Hoversland served as the Authority's Director of Finance prior to his appointment as Executive Director. Prior to joining the Authority, Mr. Hoversland served as the Accounting and Finance Manager for the Montana Board of Housing from October 2001 to June 2005. From June 1988 to October 2001, Mr. Hoversland served as an auditor with the Montana Legislative Audit

Division. Mr. Hoversland is currently serving on the board of directors of Habitat for Humanity the Heart of Wyoming. Mr. Hoversland was a 1988 graduate of Eastern Montana College and is a Certified Public Accountant.

LESLI WRIGHT, Deputy Executive Director—Ms. Wright joined the Authority in January 2015 and became Deputy Executive Director in April 2015. Prior to joining the Authority, Ms. Wright was the Senior Vice President, Risk Management for Hilltop National Bank from October 2006 to November 2014. She has also served as the bank's Community Reinvestment Act Officer from January 2001 to November 2014 and Vice President, Commercial Lending from October 1996 to October 2006. Prior to working for Hilltop National Bank, Ms. Wright was employed as a Certified Public Accountant with the public accounting firms of Porter, Muirhead, Cornia and Howard, in Casper, Wyoming and Deloitte & Touche in Denver, Colorado. Ms. Wright served on the Kansas City Federal Reserve Bank's Community Development Advisory Council and on the board of directors of the Wyoming Housing Network, Inc., the Community Health Center of Central Wyoming, the National Rural Housing Coalition, and also as a director of the Authority from March 2012 to November 2014. Ms. Wright graduated from the University of Wyoming in 1986.

DJ WHITAKER, Director of Finance and Administration, CFO —Ms. Whitaker joined the Authority in January 2016. Prior to joining the Authority, Ms. Whitaker served as the Chief Financial Officer for the Student Assistance Foundation of Montana (“SAF”) from March 2015 to January 2016. From April 2004 through February 2015, Ms. Whitaker served as the Accounting Director/Controller for the SAF. Prior to employment at SAF, Ms. Whitaker was employed with the State of Montana and the Montana University system in financial management and auditing positions. Ms. Whitaker graduated from Adams State College in 1991 with a Bachelor of Science in Business Administration degree and graduated from Montana State University-Billings in 2012 with a Master of Science in Public Relations. Ms. Whitaker is a Certified Public Accountant, Certified Government Finance Manager and Chartered Global Management Accountant.

KATHLEEN J. SWANSON, Esq., Director of Legal & Compliance and General Counsel—Ms. Swanson joined the Authority in December 2016. Prior to joining the Authority, Ms. Swanson was an Executive Director and legal counsel for Wyoming Medical Center (“WMC”) from 2013 to 2015. Prior to employment with WMC, Ms. Swanson was a member of Murane & Bostwick, LLC from 1999 to 2013 and was employed with another local law firm from 1994 to 1999. Ms. Swanson is a 1994 graduate of the University of Arkansas Law School and a 1991 graduate of the University of New Mexico.

Porter, Muirhead, Cornia & Howard, certified public accountants, Casper, Wyoming, serve as the Authority's auditors.

The Authority utilizes an integrated computer system that enables it to monitor mortgage loan performance, portfolio investments and indenture cash balances, in addition to increasing the reportability of the general ledger system. The computer software system is obtained from the computer consultants to the Authority, Application Oriented Designs, Inc., a subsidiary of Emphasys Computer Solutions, Inc. Preparation of cash flows and other quantitative financial advisory services are provided by cfX Incorporated. Blue Rose Capital Advisors, Inc., is swap

advisor to the Authority. Mortgage backed security advisory services are provided to the Authority by Caine Mitter and Associates.

Information regarding the operations of the Authority, its various programs and its loan portfolios is set forth in APPENDIX A, "AUTHORITY OPERATIONS" and APPENDIX B, "LOAN PORTFOLIOS AND OTHER SELECTED DATA."

THE SINGLE FAMILY MORTGAGE PROGRAM

GENERAL

The 2020 Series 1 and 2 Bonds are being issued to continue the Program under which the Authority purchases mortgage loans from lenders in accordance with current provisions of the Act and the Code. The Authority initiated the Program in 1978 to increase the availability of mortgage loan financing in the State. The descriptions of Program requirements and procedures that follow are applicable to the 2020 Series 1 and 2 Bonds and Loans financed with the proceeds of such Bonds or of obligations that refinance such Bonds, other than Down Payment Assistance Loans, except as such Down Payment Assistance Loans are specifically described herein. The Program requirements and procedures relating to the Prior Series Loans are substantially similar to the requirements and procedures described below; however, full descriptions of such requirements and procedures applicable to the Prior Series Loans are contained in the official statements relating to each series of the Prior Series Bonds.

The Code provides that the total amount of non-refunding tax-exempt obligations which may be issued annually in the State to finance mortgages on owner-occupied residences, plus obligations issued for certain private activity purposes, is \$321,775,000 for calendar year 2020. The Authority is the only public body in the State authorized to issue tax exempt bonds to finance mortgages on single family residences.

The Authority has established certain requirements which must be met with respect to lenders, Servicers and borrowers, as well as the basic requirements applicable to all mortgage loans. The Program documents adopted by the Authority for Loans financed under the 1994 Indenture set out requirements with respect to the rights and obligations of lenders, Servicers and eligible borrowers, the characteristics of Loans and the residences which are mortgaged to secure such Loans. Such Program documents include the Mortgage Purchase and MCC Issuance Agreement and the WCDA Single Family Seller Guide (the "*Seller Guide*"). These requirements may be modified by the Authority at any time within the limitations established by the 1994 Indenture and described below under "*Program Covenants.*" Loans in pools backing Mortgage-Backed Securities may not be required to comply with all the same requirements prescribed for individual Loans as described herein.

Among the provisions applicable to obligations such as the 2020 Series 1 and 2 Bonds, the Code imposes a recapture tax on certain amounts of gain realized by a mortgagor upon disposition of a residence financed by obligations such as the 2020 Series 1 and 2 Bonds. The Authority is required to provide written notice of the potential for recapture to the mortgagor at the time of

settlement and thereafter information necessary to determine the amount of tax. See “TAX EXEMPTION.”

Lenders must be authorized to engage in the business of making mortgage loans in the State and must otherwise be approved by the Authority. The Authority purchases all loans with servicing released.

PROGRAM COVENANTS

The Program documents in connection with the 1994 Indenture require that each Loan purchased by the Authority (i) comply with the requirements of the Act and be executed and recorded in accordance with existing law, (ii) be secured by a mortgage lien on real property within the State, (iii) require the payment of all taxes, assessments, water rates, sewer rents and mortgage, title and hazard insurance premiums by escrow or other arrangements satisfactory to the Authority and the Trustee, and give the Authority the right to make such payments when due and unpaid, with the amount thereof being added to the lien of the mortgage and (iv) be made with respect to premises which are insured against fire and other hazards as required by the Authority on policies designating the Authority as loss payee.

The current Related Series Program Requirements will require that each Loan, acquired by the Authority from amounts allocable to the 2020 Series 1 Bonds that has a principal amount in excess of 80% of the lesser of the sale price or appraised value of the property at the time of origination, be (i) insured by the Federal Housing Administration (“FHA”), (ii) guaranteed by USDA Rural Development (“RD”), (iii) guaranteed by the Department of Veterans Affairs (“VA”) or (iv) if allowed by the Authority, insured by a qualified private mortgage insurance company pursuant to a private mortgage insurance policy (a “PMI Policy”). A Loan may be purchased prior to the issuance of a binding FHA, RD or VA insurance or guarantee certificate if a commitment has been issued for the Loan and the lender may be required to repurchase the Loan from the Authority in the event the FHA, RD or VA insurance or guarantee is not issued within 60 days. The Authority may participate with RD in RD’s Section 502 Leveraged Loan Program in which the Authority would have an uninsured first mortgage loan with a loan to value ratio of 60% or less and RD would have a second mortgage for the remaining loan amount not to exceed a 100% of the appraised value plus RD allowable fees. The various insurance and guarantee programs, and certain recent developments with respect to them, are further described in APPENDIX C hereto.

As of December 31, 2019, approximately 40% of the number of Loans in the portfolio under the 1994 Indenture consists of Loans to borrowers who received down payment assistance from the Authority. Approximately 66% of the homebuyers who receive Loans financed by amounts allocable to the 2020 Series 1 Bonds are also expected to receive Down Payment Assistance Loans under the Authority’s Down Payment Assistance Loan program (the “Down Payment Assistance Loan Program”). Historically, loans under the Down Payment Assistance Loan Program were made through the Authority’s Housing Trust Fund. Since November of 2017, the Down Payment Assistance Loans have been funded with mortgage revenue bond proceeds. As of December 31, 2019, there was \$8,641,049 outstanding principal balance of Down Payments Assistance Loans (with a total original balance of \$8,811,103) pledged as Loans under the 1994 Indenture. The second mortgage with respect to Down Payment Assistance Loans, when

combined with the first mortgage, may not exceed 106% of the appraised value of the property. The borrower must pay, in cash or gifted funds, with respect to the Down Payment Assistance Loan Program, \$1,500 at closing. Loans utilizing the Down Payment Assistance Loan Program typically have a combined loan-to-value ratio, including the second mortgage loan, equal to or slightly in excess of 100%. Loans under the Down Payment Assistance Loan Program generally require no less than a 620 mid FICO score and a maximum of 45% total debt to income ratio and are subordinate in security to the related first mortgage Loans. Down Payment Assistance Loans are not insured by FHA, VA, RD or any PMI company. See APPENDIX A, “AUTHORITY OPERATIONS—Housing Activities—*Housing Trust Fund*.”

The Authority covenants to use and apply, from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act and with the provisions of the 1994 Indenture, the moneys made available by the issuance of the 2020 Series 1 Bonds (to the extent not reasonably required for other purposes of the Program including refunding outstanding bonds of the Authority) to purchase Loans, to do all acts and things consistent with sound banking practices and principles as may be necessary to receive and collect sufficient revenues to pay expenses of the Program and the principal or redemption price, if any, of and interest on the Bonds and to diligently enforce and take all steps, actions and proceedings reasonably necessary in the judgment of the Authority to maintain the insurance or guaranty on Loans and to enforce all terms, covenants and conditions of Loans.

Whenever necessary in the interest of the Bondholders and to protect and enforce the rights of the Authority under a Loan which is in default, the Authority has covenanted to take steps to realize on the insurance or guaranty of the Loan, to collect, sell or otherwise dispose of the property securing the Loan and, if the Authority deems it advisable, to bid for and purchase the premises covered by the Loan at any foreclosure sale thereof or otherwise take possession of or acquire such premises.

The Authority may sell, assign or otherwise dispose of a Loan, (i) in default, (ii) in order to realize the benefits of insurance with respect to such Loan or premises, (iii) to a lender in rescission of a sale to the Authority as permitted by the Mortgage Purchase and MCC Issuance Agreement or (iv) for any reason if a Cash Flow Certificate has been filed with the Trustee giving effect to the proposed sale of the Loan and projecting Revenues sufficient to pay debt service on the Bonds when due in each Bond Year.

PROCEDURES FOR PURCHASE

The Authority periodically solicits lenders to participate in the Program and stipulates the basic terms of the Loans which the Authority plans to purchase. The Authority currently accepts requests for reservations of funds for the purchase of Loans on a loan by loan basis. Each reservation request will set forth the principal amount and certain other information regarding a Loan which the lender requests the Authority to commit to purchase from the lender. The interest rate on a Loan is fixed upon the Authority’s acceptance of the reservation request.

It is expected that all moneys made available by the issuance of the 2020 Series 1 Bonds for the financing of Loans will be used to finance Loans; *however*, there is no assurance that such

moneys will be so used, and if not used to finance Loans the Authority may use such moneys to redeem the 2020 Series 1 Bonds. The Authority does not expect to finance Loans with the proceeds of the 2020 Series 1 Bonds through the acquisition of Mortgage-Backed Securities.

Lenders desiring to participate will be required to enter into a Mortgage Purchase and MCC Issuance Agreement. Acceptance by the Authority creates a binding obligation upon the lender to originate, sell and deliver, and upon the Authority to finance, Loans upon the terms and under the procedures described in the Mortgage Purchase and MCC Issuance Agreement.

LOANS

The Mortgage Purchase and MCC Issuance Agreement, which applies to all bond series of the Authority, including the 2020 Series 1 and 2 Bonds, requires lenders to make Loans only to residents of the State whose gross incomes do not exceed the requirements of the Authority and federal law and who intend to use the mortgaged property as their principal residence. See APPENDIX C for information regarding the maximum principal balance of Loans under certain insurance and guarantee programs.

The Authority has established purchase price limits for Loans which are applicable to both new and existing housing. The Authority may adjust its purchase price limits in its discretion up to limits prescribed by federal law. Its current limits are \$284,600 in Sweetwater County, \$653,880 in Teton County and \$283,300 for the other 21 Counties in the State.

The Mortgage Purchase and MCC Issuance Agreement will provide that Loans financed from the moneys made available by the 2020 Series 1 Bonds must have a final maturity of no more than 30 years from the date made, may only be used for the long-term financing of newly constructed or existing dwellings, or newly rehabilitated dwellings, and may not be used to refinance existing loans. The Authority may, in its discretion, impose late payment charges. The obligations to make payments under any Loan may not be assumed unless the requirements of the Code are met to the Authority's satisfaction, subject to any required consent by an insurer or guarantor. Title insurance, hazard insurance and flood insurance (if applicable) are required with respect to each Loan and subject property.

The Mortgage Purchase and MCC Issuance Agreement will require that lenders warrant as to each Loan sold to the Authority that, among other things: (i) all Federal Eligibility Requirements relating to mortgage loans funded with proceeds of tax exempt mortgage revenue bonds as set forth in the Internal Revenue Code and the Seller Guide have been complied with; (ii) such Loan complies with all applicable federal and state laws, rules and regulations relating to consumer credit, equal credit opportunity, and consumer disclosure; and in the event of a refinance, the borrower has not rescinded the mortgage loan transaction; (iii) the improvements on the property securing the Loan have been completed and a certificate of occupancy has been issued; (iv) there is no default or delinquency under the Loan; (v) the Loan is evidenced by a properly executed note and recorded mortgage which are the legal, valid and binding obligations of the maker and which create a valid first mortgage lien on the real property securing the Loan; (vi) the lender is conveying good and marketable mortgagee's title, subject only to liens and encumbrances customarily permitted in accordance with the applicable title standards; (vii) the mortgaged

premises are covered by valid policies of title, hazard and flood (if applicable) insurance; and (viii) the lender has complied with the terms and conditions required by the applicable insurance or guarantee. The lender will also represent and warrant that it has no knowledge of any circumstances or conditions with respect to each Loan which can be reasonably expected to cause prudent private investors in the secondary market to regard the Loan as an unacceptable investment, to cause such Loan to become delinquent, or adversely affect the value or marketability of the Loan.

SPECIAL PROGRAM LOANS

The Authority may use funds made available by the issuance of the 2020 Series 1 Bonds for the purchase of Loans originated through the Spruce Up product. This product provides for the inclusion of rehabilitation costs and the loans are insured by FHA under Section 203(k) of the National Housing Act or guaranteed by RD. Under the Section 203(k) program and the RD Program, a borrower can finance both the acquisition and the rehabilitation of the residential property with a single Loan. The Loan amount is based on the projected value of the property with the rehabilitation work completed, taking into account the cost of the work.

The Authority has funds available, including proceeds from the sale of the 2020 Series 1 Bonds, to assist homebuyers with down payments, closing costs, prepaid items, inspection and the homebuyer education fees. The Amortizing Down Payment Assistance loan provides for an amortizing second mortgage at a rate less than the first mortgage and has a maximum term of 10 years. The Home\$stretch Down Payment Assistance loan provides a second mortgage at zero percent interest with no payment due until the loan matures (30-year maturity date), the home is sold or upon refinancing.

DISCONTINUED SPECIAL PROGRAM LOANS

The Authority has purchased Loans under its HOME Run I Program to promote new construction of affordable housing. Loans under this program were made for homes that were newly constructed, which met national and local building codes and the most current version of the Model Energy Code and which had an acquisition cost not in excess of the prescribed program limit. HOME Run I Program Loans were made with an initial step interest rate for the first four years and increased in equal steps each two years thereafter to a final fixed rate after the tenth year. During the first ten years of the Loan term, the Authority will deposit to the 1994 Indenture amounts equal to the difference between the interest at the step rate then in effect and the interest at the final fixed rate. Funds for such deposits are to be derived from federal HOME funds, see APPENDIX A, “AUTHORITY OPERATIONS—Housing Activities—*Federal Program Administration*.”

Additionally, the Authority has purchased Loans under its HOME Run II Program. Like the HOME Run I Program, the HOME Run II Program was intended to promote new construction of affordable housing by making available Loans for homes which were newly constructed and had an acquisition cost not in excess of the prescribed program limit. The HOME Run II Program Loans were made with an initial step interest rate for the first four years and increased in equal steps each two years thereafter to a final fixed rate after the tenth year. During the first ten years

of the Loan term, the Authority will deposit to the 1994 Indenture amounts equal to the difference between the interest at the step rate then in effect and the interest at the final fixed rate. Funds for such deposits are to be derived from other special program funds of the Authority that have been set aside by the Board of Directors for such purpose.

The Authority no longer sets aside funds for Loans under either the Home Run I or the Home Run II programs and has not purchased any Loans under either of these programs since 2010.

LOAN ELIGIBILITY

The Authority requires that each Loan purchased with the proceeds or moneys made available by the issuance of the Bonds (i) complies with the applicable requirements of the Act and the Code and be executed and recorded in accordance with existing law, (ii) be secured by a mortgage lien on real property, (iii) requires the payment of all taxes, assessments, water rates, sewer rents and mortgage, casualty and hazard insurance premiums by escrow or other arrangements satisfactory to the Authority and the Trustee and give the Authority the right to make such payments when due and unpaid with the amount thereof being added to the debt secured by the lien of the mortgage, (iv) be made with respect to premises which are insured against fire and other hazards as required by the Authority on policies designating the Authority as loss payee, (v) to the extent that a Loan has a principal amount in excess of 80% of the lesser of the sale price or appraised value of the property at the time of origination, be insured by FHA or, if allowed by the Authority, PMI Policy to the extent provided in the Related Series Program Requirements or guaranteed by the Department of Housing and Urban Development (“HUD”), RD or VA, in either case, to the extent required by or provided in the Related Series Program Requirements and (vi) be covered by a paid-up policy of title insurance in an amount at least equal to the outstanding principal balance of the Loan, naming the Authority as an insured party. See APPENDIX C, “INSURANCE AND MORTGAGE-BACKED SECURITY ISSUERS—PMI Insurance” for information regarding limitations on the duration of PMI Policy coverage.

The Authority has the right to decline to purchase any loan offered for sale to the Authority if such loan does not meet the requirements set forth in the Mortgage Purchase and MCC Issuance Agreement. The Mortgage Purchase and MCC Issuance Agreement further provides that the lender must repurchase any Loan sold to the Authority, upon written notice by the Authority, if any of the following events occurs at any time: (i) the Authority discovers fraud or a misrepresentation of a material fact by the lender under a Mortgage Purchase and MCC Issuance Agreement exists with respect to the Loan; (ii) any mortgage insurance or guarantee with respect to the Loan lapses due to the negligence of the lender in its capacity as Servicer, or the certificate of insurance or guarantee is not delivered within 60 days of purchase of the Loan; or (iii) the Authority suffers or is threatened with a material loss by reason of the misfeasance, nonfeasance or malfeasance of the lender as the originator of the mortgage loan or as loan servicer.

SERVICING

The Authority has executed agreements with certain mortgage lending institutions in the State (herein referred to as the “*Servicers*”), whereby the Servicers have agreed to service Loans

on behalf of the Authority in accordance with the terms of a mortgage servicing agreement (the “*Mortgage Servicing Agreement*”). The Mortgage Servicing Agreement is terminable by the Authority at any time without cause. The Authority acts as a Servicer for a substantial portion of its existing mortgage loans and currently, with limited exceptions, all of its newly originated mortgage loans. See APPENDIX A, “AUTHORITY OPERATIONS—Housing Activities—*Servicing*” and APPENDIX B, “LOAN PORTFOLIOS AND OTHER SELECTED DATA.”

The Servicer is responsible for loan accounting, remitting to the Authority the principal and interest payments on the Loans and any other sums paid by the borrower which the Authority requires to be remitted and accounted for and management of escrows for payment of taxes, assessments, mortgage and hazard insurance premiums and other expenses. The Servicer must assure that hazard insurance naming the Authority as loss payee is maintained with respect to each Loan it services. For servicing each Loan, the Servicer is entitled to a fee of 3/8 of 1% per annum of the outstanding principal amount of Loans serviced which are current as to payment, which is to be deducted from amounts remitted on a monthly basis to the Authority. All payments of principal and interest (exclusive of servicing fees) on Loans are to be held in trust in separate accounts by the Servicer on behalf of the Authority.

The Servicer must comply with all requirements of the applicable insurance or guarantee with respect to the Loans serviced for the Authority. Each Servicer also must maintain at its expense a fidelity bond (or direct surety bond) and an errors and omissions policy on a policy form covering all officers, employees and other persons duly authorized to act on behalf of the Servicer.

The Servicer must promptly notify the Authority upon becoming aware of any default by a borrower and must recommend appropriate action to the Authority. No waiver, modification, release or consent to any deferment on the part of a borrower of any term or provision of the Loan may be made by an external Servicer without the prior consent of the Authority. Should foreclosure be necessary, the Servicer is required to manage the premises and make a full report to the Authority and undertake all necessary steps to accomplish the foreclosure pursuant to standards contained in the Mortgage Servicing Agreement and prescribed by the applicable mortgage insurer or guarantor.

WYOMING FORECLOSURE LAWS

The foreclosure laws applicable to defaulted mortgage loans in Wyoming generally provide for the following. Once a default has occurred under a mortgage, written notice of the intent to foreclose the mortgage must be mailed by certified mail to the last known record owner of the property and person(s) in possession at least 10 days prior to the commencement of publication of notice of sale. In addition, publication of the foreclosure notice must be published at least once a week for four consecutive weeks in a local newspaper in the respective county and notice of the sale must be provided to the record owner, the person(s) in possession if different from the record owner, and all holders of junior mortgages and liens. Once such publications have occurred, the property may be sold by the sheriff at a public sale. The defaulting mortgagor has the right for three months, and holders of junior mortgages and liens have the right for 30 days thereafter, to redeem the real estate by paying to the officer conducting the sale the amount equal to the highest bid on the property, plus interest thereon at 10% (from the date of sale). The mortgagor has the

right to possess and occupy the property for a period of three months from the date of the public sale.

It is the current practice of the Authority to foreclose on FHA-insured mortgaged properties or process for FHA a deed in lieu of foreclosure. See Appendix C, “INSURANCE AND MORTGAGE-BACKED SECURITY ISSUERS.” The Authority processes foreclosures on RD guaranteed mortgaged properties and on VA guaranteed mortgaged properties. Foreclosure processing of mortgage loans insured under a PMI Policy will be in accordance with the direction of the issuer of the PMI Policy. The Authority has purchased and is processing for purchase only a very limited number of Loans guaranteed by HUD under Section 184 and has not determined how it will process any such Loans in default.

CODE MORTGAGE ELIGIBILITY REQUIREMENTS

Qualifying Mortgages. The Code imposes significant restrictions on the Authority in its financing of single-family mortgage loans. The Code provides that interest on obligations of a governmental unit, such as the Authority, that are issued to finance single-family residences is excludable from gross income for federal income tax purposes only if certain requirements are met with respect to the terms, amount and purpose of the obligations, the use of funds generated thereby, the nature of the residence and the mortgage and the eligibility of the borrower executing the mortgage note. Section 143 of the Code imposes significant limitations on the single-family mortgage loans financed or refinanced by the 2020 Series 1 Bonds and the 2020 Series 2 Bonds. In Targeted Areas (as defined herein), certain requirements, as specified below, do not apply. See “Targeted Area Requirement.” The applicable limitations with respect to Section 143 of the Code include the following requirements:

- (i) the residence being financed must reasonably be expected by the Authority to become the principal residence of the mortgagor within a reasonable time after the financing is provided, must not be primarily intended or expected to be used in a trade or business and may not be used as an investment property or as a recreational home;
- (ii) with certain exceptions, at least 95% of the lendable proceeds of an issue 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 in which the mortgage loan is executed;
- (iii) the acquisition cost of a residence must not exceed the limitations under the Code which, under Section 143 of the Code, are 90% of the average purchase price for single-family residences in the applicable area and 110% in Targeted Areas;
- (iv) all mortgages must be made to borrowers whose income does not exceed certain limitations as more fully described below;
- (v) with certain exceptions, bond proceeds may not be applied to acquire or replace an existing mortgage; and

(vi) a mortgage may not be assumed, unless the requirements described in (i) through (iv) above are met.

An issue of bonds is treated as meeting the mortgage eligibility requirements of Section 143 of the Code only if (i) the issuer in good faith attempts to meet all of the mortgage eligibility requirements before the mortgages are 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 used to make loans were devoted to finance residences which met all such requirements at the time the loans were executed or assumed. In determining whether 95% of the proceeds have been so used, the Authority is permitted to rely on an affidavit of the mortgagor, even though the relevant information in such affidavits should ultimately prove to be untrue, unless the Authority knows or has reason to believe that such information is false. The Code also requires that trust indentures, lender agreements and other relevant instruments contain restrictions permitting the financing of mortgage loans only in accordance with the requirements of the Code.

Under Section 143 of the Code, for certain obligations issued after December 31, 1988 (which would be applicable to the 2020 Series 1 Bonds and the 2020 Series 2 Bonds and the Prior Series Bonds) all Loans must be made for persons having incomes of 115% or less of the higher of area or State median income (with certain exceptions for Targeted Areas), which limits may be increased for certain “high housing cost” areas. When applied to a family of fewer than three individuals, the foregoing 115% percentage is reduced to 100%. Pursuant to these provisions of the Code and the related Treasury Regulations and Internal Revenue Service guidance, currently applicable income limits for Wyoming counties generally range from \$91,650 to \$143,050 or, for families with fewer than three members, from \$79,700 to \$122,600. Most of the State is not considered a “high housing cost” area. The Authority has adopted a procedure for calculating family income which complies with the requirements of Section 143 of the Code. Loans financed with proceeds of obligations may be assumed if, in addition to meeting the requirement described above, this income limit requirement is satisfied with respect to the mortgagor assuming the mortgage loan.

See “TAX EXEMPTION” for additional information regarding certain mortgage eligibility criteria and additional restrictions on eligibility and mortgage terms.

The Authority has procedures and requirements in the Mortgage Purchase and MCC Issuance Agreement and other Program documents to ensure compliance with any applicable borrower income and purchase price limitations of Section 143 of the Code. Under the terms of the Mortgage Purchase and MCC Issuance Agreement, lenders will be required to review each application for Loan financing to assure that the Loan will be eligible for financing under the Code. The Authority will require each borrower to execute a sworn affidavit attesting to his compliance with the mortgage eligibility requirements. The mortgage securing each Loan will provide that such Loan is not assumable except upon prior written approval of the Authority. Additionally, the Authority will require the lenders to follow interpretations and guidelines set forth in the Seller Guide in reviewing the eligibility of the Loan, in investigating the borrower’s application and in verifying that the proposed Loan is in compliance with the provisions of the Code. In addition, Federal Eligibility documentation for all Loans will be reviewed by the staff of the Authority. The

Authority believes that these documentation requirements and procedures are sufficient for purposes of complying with the mortgage eligibility requirements of the Code. See “MORTGAGE ORIGINATION AND PURCHASE PROCEDURES.”

Qualifying Rehabilitation Mortgages. The Code also permits the financing of mortgages to existing homeowners, including the refinancing of existing mortgages, if provided in connection with a “qualified rehabilitation.” Under the Code, a “qualified rehabilitation” means any rehabilitation of a building if (i) there is a period of at least 20 years between the date on which the building was first used and the date on which the physical work on the rehabilitation begins, (ii) 50% or more of the existing external walls of such building are retained in place as external walls, (iii) 75% or more of the existing external walls of such building are retained in place as internal or external walls in the rehabilitation process, (iv) 75% or more of the existing internal structural framework of such building is retained in place and (v) the expenditures for the rehabilitation are 25% or more of the mortgagor’s adjusted basis in the residence for federal income tax purposes, determined as of the completion of the rehabilitation or, if later, the date on which the mortgagor acquires the residence. The Code permits the financing of the acquisition of a rehabilitated residence if the mortgagor is the first resident after completion of the rehabilitation.

Targeted Area Requirement. The Code requires that a portion of the lendable proceeds of an issue be made available for owner-financing of targeted area residences for at least one year after the date on which owner-financing is first made available and that the issuer must proceed with reasonable diligence to place such proceeds in qualified mortgages. The Authority has covenanted and agreed to use reasonable diligence to arrange for the funding of any Targeted Area Loans from the proceeds of its 2020 Series 1 and 2 Bonds in an aggregate principal amount at least equal to the targeted area set aside (as described below) and, if such funds are unavailable, to otherwise finance and acquire any such targeted area Loans.

Targeted Areas are defined by the Code to include census tracts with population income characteristics specified in the Code and other areas meeting criteria set forth in the Code and approved as targeted areas by the Secretaries of the United States Department of the Treasury and Department of Housing and Urban Development (“*Targeted Areas*”). The Code provides that the portion of lendable proceeds of an issue of bonds (other than certain refunding bonds) which must be made available for owner-financing in such Targeted Areas be equal to the lesser of 20% of such lendable proceeds or 40% of the average annual aggregate amount of mortgages on owner-occupied residences executed in such Targeted Areas for the immediately preceding three years.

Section 143 of the Code provides that one-third of the amount of Loans for Targeted Area residences may be made to borrowers who do not satisfy the 115% income requirement set forth under “Qualifying Mortgages” above if the remainder of Loans in Targeted Areas are made to borrowers whose family income is 140% or less of the applicable median family income (or 120% for families of fewer than three individuals).

A listing of “qualified census tracts” published by the United States Department of the Treasury on January 6, 2014 indicated that three census tracts in the State qualified as Targeted Areas under the Code. The 2010 federal decennial census estimates that approximately 9,407 people reside in these three areas.

MORTGAGE ORIGINATION AND PURCHASE PROCEDURES

The information under this heading refers to Loans other than Down Payment Assistance Loans.

ORIGINATION PROCEDURES

The Authority accepts requests for reservations of funds to purchase individually specified Loans through its Lender Online reservation website. Requests can be submitted to the Authority via the Internet 24 hours a day and seven days a week.

Under the terms of the Mortgage Purchase and MCC Issuance Agreement, each lender will agree that any Loans sold to the Authority will be in accordance with procedures prescribed by the Authority.

The Seller Guide sets forth more particular instructions for lenders and provides guidance for originating Loans. The Seller Guide has been designed to assist lenders in complying with the provisions of the Code and may be modified from time to time to be consistent with the Code.

Procedures regarding compliance with the Code have been established by the Authority and require that lenders make a thorough check of information prior to closing a Loan, including, among other measures:

- (i) except in Targeted Areas or those that meet the “Veteran’s Exception” rule (where the first-time homeowner requirement does not apply), obtaining, on a form supplied by the Authority, an affidavit of borrower’s eligibility from the loan applicant and from each person executing the mortgage note who is expected to occupy the residence, and other information which would tend to confirm or deny compliance with the Code;
- (ii) examining the documentation submitted by the mortgagor and other pertinent information obtained in connection with the origination of the Loan in order to determine that sufficient documentary evidence exists to support the conclusion that the Code eligibility requirements have been met;
- (iii) as to qualified rehabilitation mortgage refinance transactions, obtaining an affidavit from the mortgagor as to the first residency requirement and obtaining certificates of the appraiser, architect or other party satisfactory to the Authority as to compliance with the 20-year requirement, external and internal wall requirements and expenditure requirement; and
- (iv) obtaining information required from mortgagors with respect to income.

Lenders will be advised that strict compliance with the Program and the mortgage eligibility requirements of the Code will be enforced and that no waiver or exception can be granted.

Lenders will also warrant as to each Loan sold to the Authority that:

- (i) the lender has diligently performed the inquiries and investigations required under the Mortgage Purchase and MCC Issuance Agreement and, based upon such inquiries and investigations and such other facts and circumstances which the lender may be aware of, the lender has no reason to believe that the Code eligibility requirements have not been met;
- (ii) FHA insurance, a RD or VA guarantee or a PMI Policy, to the extent required under the Related Series Program Requirements, has been obtained as well as any required hazard, title and other insurance;
- (iii) the lender knows of no material misstatement or omission in the documents supplied by the borrower;
- (iv) the mortgage creates a valid first lien on the real property securing the Loan;
and
- (v) the Loan is not subject to any assignment or pledge.

PURCHASE PROCEDURES

Loans must be tendered for sale to the Authority within the time period specified by the Authority following the signing of the mortgage note by the borrower. The application, together with all required documentation and submissions, is to be delivered to the Authority, including (i) the borrower's affidavit as to compliance with the Code requirements; (ii) the applicable MERS mortgage, including the uniform Tax Exempt Financing Rider and the executed promissory note; (iii) hazard insurance and flood insurance (if applicable) policy declarations pages; (iv) a copy of the appraisal report; (v) the applicable insurance or guarantee; (vi) the title insurance policy commitment; and (vii) Family Income, including the Family Income Affidavit.

The Authority will review all of the documents delivered to determine compliance with the Program requirements. Specifically, with respect to Program requirements, the Authority shall determine (i) whether the borrower is eligible under the Act and the Code, including whether the borrower's income is within applicable limits, (ii) if applicable, that the acquisition cost is within the purchase price limitations established by the Authority and the Code and (iii) that the residence which will be the subject of the Loan otherwise satisfies requirements under the Act and the Code. To the extent that these requirements are not complied with, the lender will be asked to provide sufficient additional explanation or documentation to enable the Authority to determine the status of the application.

Notwithstanding any lender's compliance with contractual requirements in the Mortgage Purchase and MCC Issuance Agreement regarding verification and investigation, the Authority reserves the right to decline to purchase any loan which the Authority determines, in its sole discretion, fails to meet the requirements of the Code.

The Authority may rescind the purchase of a Loan and the lender must repurchase the Loan if: (i) any representation made by a lender proves to have been untrue when made, (ii) at any time a Loan is determined by the Authority, in its sole discretion, not to meet the requirements of the Code, (iii) the applicable insurance or guarantee lapses due to negligence of the Servicer or (iv) the Authority suffers or is threatened with a material loss by reason of the misfeasance, nonfeasance or malfeasance of the lender as the originator of the loan or as loan servicer.

TAX EXEMPTION

Bond Counsel has provided the information under this heading for use in this Official Statement.

The Code establishes certain requirements that must be met with respect to the 2020 Series 1 and 2 Bonds, subsequent to issuance, in order that interest thereon be excluded from gross income for federal income tax purposes. Failure to comply with such applicable requirements could cause the interest on the 2020 Series 1 and 2 Bonds to be includable in gross income retroactive to the date of original issuance of the 2020 Series 1 and 2 Bonds. The requirements of the Code include provisions that restrict the yield and set forth other limitations within which the proceeds of the 2020 Series 1 and 2 Bonds are to be invested, including mortgage eligibility requirements, and require that certain investment earnings be rebated on a periodic basis to the United States Treasury.

The Code imposes significant limitations on the financing of single family mortgage loans that are applicable to the 2020 Series 1 and 2 Bonds because they were applicable to certain of the Prior Series Bonds. The Authority has required and will require that all Loans financed by such Prior Series Bonds or the 2020 Series 1 and 2 Bonds satisfied or satisfy such limitations.

Under the Code, the following requirements must be met with respect to each mortgage financed or refinanced with the proceeds of the 2020 Series 1 and 2 Bonds: (i) the residence being financed must reasonably be expected by the Authority to become the principal residence of the mortgagor within a reasonable time after the financing is provided, must not be intended primarily or expected to be used in a trade or business and may not be used as an investment property or as a recreational home; (ii) with certain exceptions, at least 95% of the lendable proceeds of an issue 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; (iii) the acquisition cost of the residence must not exceed certain limitations; (iv) the family income of the mortgagors must not exceed certain limitations as of the date of the origination of the mortgage loan; (v) with certain exceptions, proceeds may not be applied to acquire or replace an existing mortgage; (vi) a mortgage may not be assumed unless requirements (i)-(iv) above are met; and (vii) any qualified rehabilitation loans are to be made for residences at least 20 years of age which will undergo certain specified structural changes that result in an expenditure of at least 25% of the mortgagor's adjusted basis in the residence and where the mortgagor will be the first resident after completion of the rehabilitation.

An issue of bonds, such as the 2020 Series 1 and 2 Bonds, is treated as meeting the mortgage eligibility requirements of the Code only if the issuer in good faith attempts to meet all

of the mortgage eligibility requirements before the mortgages are executed and any failure to comply with the mortgage eligibility requirements is corrected within a reasonable period after such failure is first discovered. In addition, 95% or more of the proceeds of such bonds of the issue used to make loans must be used to finance residences which met all such requirements at the time the loans were executed. In determining whether 95% of such proceeds have been so used, the issuer is entitled to rely on an affidavit of the mortgagor and of the seller and on the mortgagor's income tax returns filed with the Internal Revenue Service 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 its agent knows or has reason to believe that such information is false. If the relevant information in the affidavits obtained in connection with any loan is discovered to be untrue, however, the correction still must be made within a reasonable period.

In addition to the foregoing, certain requirements under the Code applicable to Loans financed with the proceeds of the 2020 Series 1 and 2 Bonds include: (i) certain bond proceeds must be applied to financing mortgage loans or to the redemption of bonds within 42 months of the date of issuance (or the date of issuance of the original refunded bond obligations in the case of a refunding or series of refundings); (ii) prepayments and repayments of principal of mortgage loans received more than 10 years after the date of issuance of the 2020 Series 1 and 2 Bonds (or the original date of issuance of any bonds refunded by the 2020 Series 1 and 2 Bonds) are required to be used to redeem the 2020 Series 1 and 2 Bonds (the "*Ten-Year Rule Redemptions*"); and (iii) mortgagors disposing of a residence within nine years of acquisition are subject to a tax in an amount up to 6.25% of the highest principal amount of a mortgage loan, but not to exceed 50% of the gain (if any) realized by the mortgagor on the disposition, and the Authority is required to provide a written notice of the potential for recapture to the mortgagor at the time of settlement and thereafter information necessary to determine the amount of such tax, if any.

The Authority has included provisions and procedures in the Mortgage Purchase and MCC Issuance Agreement and the Seller Guide in order to ensure compliance with the mortgage eligibility requirements and other requirements relating to nonmortgage investments which must be met subsequent to the date of issuance of the 2020 Series 1 and 2 Bonds. See "THE SINGLE FAMILY MORTGAGE PROGRAM" and "MORTGAGE ORIGINATION AND PURCHASE PROCEDURES."

Certain arbitrage limitations apply to the 2020 Series 1 and 2 Bonds. These limitations relate to the yield permitted on the Loans, the yield permitted on nonmortgage investments acquired with proceeds of such Bonds and rebate to the United States of nonmortgage arbitrage profit.

The Authority has covenanted in the 1994 Indenture to do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds intended to be tax-exempt shall be exempt from regular federal income taxes under the Code. Under the Code, certain requirements must be met subsequent to the delivery of the 2020 Series 1 and 2 Bonds in order that interest on such Bonds be tax-exempt. Failure to comply with these covenants may result in interest on the 2020 Series 1 and 2 Bonds being included in gross income for federal income tax purposes from the date of issuance of the 2020 Series 1 and 2 Bonds.

In the opinion of Kutak Rock LLP, Bond Counsel, to be delivered on the date of issuance of the 2020 Series 1 and 2 Bonds, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, (a) interest on the 2020 Series 1 and 2 Bonds is excluded from gross income for federal income tax purposes, (b) interest on the 2020 Series 1 Bonds is not a specific preference item in calculating the alternative minimum tax imposed under the Code and (c) interest on the 2020 Series 2 Bonds is a specific preference item for purposes of the federal alternative minimum tax. The form of such opinion of Bond Counsel is attached hereto as APPENDIX E.

Although Bond Counsel will render an opinion that interest on the 2020 Series 1 and 2 Bonds will be excluded from gross income for federal income tax purposes, the accrual or receipt of interest on the 2020 Series 1 and 2 Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Bond Counsel will express no opinion regarding any such consequences.

Purchasers of the 2020 Series 1 and 2 Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States), property or casualty insurance companies, banks, thrifts or other financial institutions or certain recipients of Social Security or Railroad Retirement benefits, taxpayers otherwise entitled to claim earned income credit, tax payers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the 2020 Series 1 and 2 Bonds.

Certain of the 2020 Series 1 and 2 Bonds are being sold at a premium ("*Premium Bonds*") (as shown in the price of such 2020 Series 1 and 2 Bonds indicated in the maturity schedule on the inside cover hereof). An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes original issue premium on such Premium Bond. An initial purchaser of a Premium Bond must amortize any premium in accordance with the provisions of Section 171 of the Code. Purchasers of the Premium Bonds should consult with their tax advisors with respect to the determination and treatment of amortizable premium for federal income tax purposes and with respect to state and local tax consequences of owning a Premium Bond.

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the 2020 Series 1 and 2 Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007 to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. This reporting requirement does not in and of itself affect or alter the excludability of interest on the 2020 Series 1 and 2 Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

THE EXTENT OF THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE 2020 SERIES 1 AND 2 BONDS WILL DEPEND UPON THE BENEFICIAL OWNER'S TAX STATUS OR OTHER ITEMS OF INCOME OR DEDUCTION. PURCHASERS OF THE 2020 SERIES 1 AND 2 BONDS OR THE HOLDERS THEREOF SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE CONSEQUENCES OF PURCHASING OR HOLDING SUCH BONDS, AS APPLICABLE.

From time to time, there are legislative proposals in Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the 2020 Series 1 and 2 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the 2020 Series 1 and 2 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the 2020 Series 1 and 2 Bonds or the market value thereof would be impacted thereby. Each purchaser of any of the 2020 Series 1 and 2 Bonds should consult his or her own tax advisor regarding any pending or proposed legislation, regulatory initiatives or litigation.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with any respect to any pending legislation, regulatory initiatives or litigation.

CONTINUING DISCLOSURE

The Authority will enter into a Continuing Disclosure Agreement (the "*Agreement*") for the benefit of the Beneficial Owners (as defined herein) of the 2020 Series 1 and 2 Bonds in which the Authority agrees to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "*MSRB*") through its Electronic Municipal Market Access (EMMA) system pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "*Rule*") adopted by the Securities and Exchange Commission (the "*SEC*") under the Securities Exchange Act of 1934. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Agreement, including termination, amendment and remedies, are set forth in APPENDIX G, "SUMMARY OF CONTINUING DISCLOSURE AGREEMENT."

A failure by the Authority to comply with the Agreement will not constitute a default under the 1994 Indenture, and Beneficial Owners of the 2020 Series 1 and 2 Bonds are limited to the remedies described in the Agreement. See APPENDIX G, "SUMMARY OF CONTINUING DISCLOSURE AGREEMENT—Enforceability and Remedies." A failure by the Authority to comply with the Agreement must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2020 Series 1 and 2 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the 2020 Series 1 and 2 Bonds and their market price.

The Authority has entered into a number of continuing disclosure agreements in connection with the issuance of its bonds. The Authority routinely makes its audited financial statements available on its website, as well as in its official statements which are then filed with the MSRB.

In March of 2014, the SEC announced its Municipal Continuing Disclosure Cooperation Initiative (the “*MCDC*”) pursuant to which underwriters and municipal issuers could self-report instances where official statements of municipal issuers failed to report instances in which the municipal issuer failed to comply in all material respects with its continuing disclosure undertakings. Pursuant to the MCDC, in December of 2014 the Authority reported certain prior failures to the SEC.

In June of 2016, the Authority executed an Offer of Settlement (the “*Offer*”) with the SEC under the MCDC, which Offer was accepted by the SEC on August 24, 2016. As described in the Offer, the Authority participated in one negotiated offering in 2011 in which the final official statement stated in relevant part that during the past five years, the Authority had complied in all material respects with its continuing disclosure undertakings. Notwithstanding such statement, however, the Authority’s audited financial statements for 2006, 2008 and 2009 were not filed until 2011 when it was discovered by the Authority that such financial statements had not been filed previously with the Nationally Recognized Municipal Securities Information Repositories or the MSRB through the EMMA system, as applicable.

Pursuant to the Offer, the Authority has agreed to (i) establish written policies and procedures and undertake periodic training regarding continuing disclosure obligations, including designation of an individual or officer responsible for ensuring compliance with such policies and procedures, (ii) comply with existing continuing disclosure undertakings, and, if not currently in compliance, update past delinquent filings, (iii) disclose in clear and conspicuous fashion the terms of the Offer in any official statement for an offering of the Authority within five years of the Offer, (iv) cooperate with any subsequent investigation by the SEC regarding false statements and/or material omissions and (v) not later than one year from the date of the Offer, certify, in writing, compliance with the foregoing undertakings.

Pursuant to the continuing disclosure agreements entered into by the Authority for certain maturities of its 2008 Series 3 Bonds, 2010 Series 1 Bonds and 2010 Series 2 Bonds, the Authority is required to file its audited financial statements and annual operating data within 180 days after its fiscal year end (or December 27th). For the fiscal year ended June 30, 2016, the Authority filed its 2016 audited financial statements and operating data on January 26, 2017 and January 30, 2017, respectively. Upon discovery of the late filings, the Authority posted on the EMMA system a notice of failure to file such information.

The Authority has updated its continuing disclosure procedures in order to ensure filings are done in accordance with its continuing disclosure agreements.

RATINGS

The 2020 Series 1 and 2 Bonds are rated “Aa1” by Moody’s and “AA+” by S&P. Each rating reflects only the views of Moody’s or S&P, respectively, and an explanation of the

significance of such rating may be obtained only from Moody's or S&P, as applicable. Such ratings are not a recommendation to buy, sell or hold the 2020 Series 1 and 2 Bonds. There can be no assurance that either such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely if, in the judgment of Moody's or S&P, as applicable, circumstances so warrant. Any such downward revision or withdrawal of either such rating may have an adverse effect on the marketability or market price of the 2020 Series 1 and 2 Bonds. The Authority has not assumed any responsibility either to notify the owners of any proposed change in or withdrawal of any such rating subsequent to the date of the Official Statement except in connection with the reporting of events as provided in the Agreement or to contest any such revision or withdrawal.

UNDERWRITING

BofA Securities, Inc. ("*BofA Securities*"), RBC Capital Markets, LLC and Barclays Capital, Inc. (together, the "*Underwriters*"), have jointly and severally agreed, subject to certain conditions, to purchase the 2020 Series 1 Bonds and the 2020 Series 2 Bonds from the Authority at an aggregate price of \$_____ and \$_____, respectively. The Underwriters will receive underwriting compensation in the amount of \$_____, with respect to the purchase of the 2020 Series 1 and 2 Bonds. The Purchase Contract with respect to the 2020 Series 1 and 2 Bonds (the "*Purchase Contract*") provide that the Underwriters shall purchase all the 2020 Series 1 and 2 Bonds, as the case may be, if any are purchased, the obligation to purchase being subject to certain terms and conditions set forth in each of the Purchase Contracts, the approval of certain legal matters by counsel and certain other conditions. The initial public offering prices stated on the inside cover page hereof may be changed, from time to time, by the Underwriters. The Underwriters may offer and sell the 2020 Series 1 and 2 Bonds to certain dealers and others (including to unit investment trusts and other affiliated portfolios of the Underwriters) at prices lower than such initial public offering price.

BofA Securities has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("*MLPF&S*"). As part of this arrangement, BofA Securities may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities may compensate MLPF&S as a dealer for their selling efforts with respect to the 2020 Series 1 and 2 Bonds.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, the underwriters and their affiliates may have certain creditor and/or other rights against the Authority and its affiliates in connection with such activities. In the various course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Authority

(directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Authority. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to the clients that they should acquire, long and/or short positions in such assets, securities and instruments.

The Authority intends to use a portion of the proceeds from this offering to redeem the Prior Series Bonds. To the extent an Underwriter or an affiliate thereof is an owner of the Prior Series Bonds, such Underwriter or its affiliate, as applicable, would receive a portion of the proceeds from the issuance of the 2020 Series 1 and 2 Bonds contemplated herein in connection with such Prior Series Bonds being redeemed by the Authority.

LITIGATION

At the time of delivery of and payment for any Series of Bonds, the Authority will certify that no litigation is pending or, to the knowledge of its Executive Director, threatened in any court in any way affecting the existence of the Authority or the titles of its officers or members to their respective offices, or seeking to restrain or to enjoin the issuance of the Bonds, or the collection of revenues and assets of the Authority pledged or to be pledged to pay the principal of and interest on the Bonds or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds and the certain related documents or contesting in any way the completeness or the accuracy of the offering documents, or contesting the powers of the Authority or its authority with respect to the Bonds or certain related documents.

APPROVAL OF LEGALITY

Legal matters incident to authorization, issuance, sale and delivery of the 2020 Series 1 and 2 Bonds are subject to the approval of Kutak Rock LLP, Bond Counsel, whose approving opinion will be delivered with the 2020 Series 1 and 2 Bonds. Certain legal matters in connection with the 2020 Series 1 and 2 Bonds will be passed upon for the Authority by its General Counsel, Kathleen J. Swanson, Esq., and for the Underwriters by their counsel, Chapman and Cutler LLP.

FINANCIAL STATEMENTS

Included in APPENDIX D to this Official Statement are the audited financial statements of the Authority for the years ended June 30, 2018 and 2019, together with the report of Porter, Muirhead, Cornia & Howard dated September 26, 2019 with respect thereto, and the unaudited financial statements for the six months ended December 31, 2019. The information in APPENDIX D is provided for informational purposes only. The Bonds are not general obligations of the Authority but are special obligations of the Authority payable solely from the revenues, income and receipts of the Authority pledged to the payment thereof under the 1994 Indenture.

ADDITIONAL INFORMATION

Certain provisions of the Act, the Code, the 1994 Indenture and other documents and legislation are summarized in this Official Statement. Such summaries do not purport to be comprehensive or definitive and reference is made to such statutes or document for a full and complete statement of their respective provisions. Copies of the 1994 Indenture may be obtained, in reasonable quantity, upon request directed to the Wyoming Community Development Authority, 155 North Beech Street, Casper, Wyoming 82601, telephone (307) 265-0603, or, during the offering period, to BofA Securities, Inc., One Bryant Park, 12th Floor, NY1-100-12-07, New York, New York 10036.

The information contained in this Official Statement is subject to change without notice and no implication is to be derived therefrom or from the sale of any Series of Bonds that there has been no change in the affairs of the Authority subsequent to the date hereof and thereof. Pursuant to the 1994 Indenture, 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 1994 Indenture and to cause such books to be audited for each fiscal year. The 1994 Indenture requires that such books be open to inspection at all reasonable times by the holders of not less than 5% of the Bonds during regular business hours and that the Authority furnish a copy of the auditor's report, when available, upon request of the holder of any outstanding Bonds. The Authority's quarterly disclosure reports and other information regarding the Authority are available for inspection at the Authority's Internet web site at wyomingcda.com.

This Official Statement is submitted in connection with the offering of the 2020 Series 1 and 2 Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers or holders of any of the 2020 Series 1 and 2 Bond.

The execution and delivery of this Official Statement has been duly authorized by the Authority.

WYOMING COMMUNITY DEVELOPMENT
AUTHORITY

By: _____
Authorized Officer

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APPENDIX A

AUTHORITY OPERATIONS

Certain of the financial information presented in the APPENDIX A is as of December 31, 2019, whereas references to APPENDIX D and the Notes to Basic Financial Statements herein are to the audited financial statements of the Authority for the years ended June 30, 2018 and 2019, and unaudited financial statements for the six years ended December 31, 2018 and 2019.

HOUSING ACTIVITIES

Housing Financing

The Authority initiated the Single Family Mortgage Program in August 1978 and has issued bonds under various indentures to finance the Program pursuant to its authorization under the Act. As of December 31, 2019, there were \$725,905,000 principal amount of Bonds outstanding under the 1994 Indenture and \$76,460,000 principal amount of bonds outstanding under the 2009 Indenture. With certain exceptions, mortgage loans acquired with proceeds of bonds issued under the 2009 Indenture must be insured or guaranteed by an agency or instrumentality of the federal government. The Authority has retired bonds at maturity and by redemption prior to maturity, including optional redemption with the proceeds of refunding bonds. Bonds issued under indentures entered into in 1978, 1981 and 1984 have been paid in full.

Substantially all the proceeds of the series of single family mortgage bonds issued under the 1994 Indenture designated and available for the purchase of mortgage loans, other than amounts reserved for special programs, have been expended or allocated for the purchase of individually identified mortgage loans. The Authority continues to commit to the purchase of mortgage loans in anticipation of funds becoming available from other sources. When feasible on an interest rate basis and permissible under the Code and the related bond documents, the Authority also applies prepayments on single family mortgage loans to the purchase of new single family mortgage loans.

Interest rates prescribed by the Authority for single family mortgage loans to be purchased by the Authority are subject to change at any time and from time to time for any one or more mortgage loans at the option of the Authority and the order of utilization of available moneys to fund such purchases will be determined in the sole discretion of the Authority. Information regarding interest rates on Loans financed by previous Series of Bonds is included in the Authority's most recent Disclosure Report for the 1994 Indenture on file with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access System and such information is incorporated herein by reference.

In December 2014, the Authority entered into a line of credit with the Federal Home Loan Bank of Des Moines. Advances under the line of credit are expected to be used to finance the purchase of mortgage loans pending the issuance of Bonds to finance such mortgage loans. The maximum amount that can be currently drawn under the line of credit is \$26,000,000.

From time to time, the Authority has provided financing for projects intended to offer affordable multifamily housing through the issuance of limited obligation Multifamily Housing Revenue Bonds. No series of such Multifamily Housing Revenue Bonds remain outstanding.

From time to time, the Authority has acted as a conduit issuer for various housing projects within the State. For such financings, the Authority has no liability with respect to the bonds and only the conduit borrower is obligated to make payment on the bonds. The Authority is currently the issuer of four such financings.

(See Notes 5, 7 and 8 of Notes to Basic Financial Statements, APPENDIX D, for further information concerning bonds issued to finance housing programs and the loans acquired.)

Moody's and S&P have assigned respective long-term general obligation ratings of "Aa2" and "AA" to the Authority.

Servicing

Due to a decrease in the number of entities in the State having the capability and willingness to service the Authority's mortgage loans, the Authority commenced in-house mortgage servicing in December 1990. As of December 31, 2019, the Authority serviced 14,529 mortgage loans, including 3,203 down payment assistance loans. The Authority is the single largest servicer of mortgage loans acquired with its bond proceeds, servicing, as of December 31, 2019, 7,522 of those loans, representing approximately 95.9% of the Authority's bond-funded mortgage servicing portfolio. In addition, the Authority is a Fannie Mae and Ginnie Mae approved seller/servicer and services directly mortgage loans underlying Fannie Mae and Ginnie Mae securities, including certain of the loans described under "Housing Financing." As of December 31, 2019, the Authority serviced approximately 3,849 Fannie Mae loans and 583 loans that were pooled with Ginnie Mae. With limited exceptions, servicing of all newly acquired mortgage loans is currently being assigned to the Authority. Servicing activities are carried out primarily by 12 full time servicing employees under the supervision of the Director of Mortgage Loan Servicing. By virtue of the personal qualifications of a member of the staff, the Authority is approved by FHA to engage in FHA-insured single family direct endorsement underwriting. At present the Authority occasionally engages in FHA-insured underwriting in connection with loan assumptions, but it can and may do so in other circumstances.

The Authority may in the future increase its servicing portfolio by acquisition of existing servicing rights, including servicing of mortgage loans that the Authority does not own and does not intend to purchase, and is currently servicing mortgage loans being originated by some lenders. The capital costs for the in-house servicing system, as well as any costs of acquisition of existing servicing rights, are paid from the Authority's General Fund. Ongoing administrative costs of such servicing are offset by the servicing fees retained by the Authority. See Note 13 of Notes to Basic Financial Statements, APPENDIX D for further information regarding servicing.

Housing Trust Fund

The Authority has established a Housing Trust Fund for the purpose of financing nontraditional affordable housing and rehabilitation other than under its tax-exempt bond Program. Loans to projects from the Housing Trust Fund are often combined with other funding sources to accomplish housing goals. Payments received on these mortgage loans provide further funding for Housing Trust Fund purposes.

Historically, the Authority funded its Down Payment Assistance Loan Program through the Housing Trust Fund. Recently, the Authority decided to fund a portion of its Down Payment Assistance Loan Program with proceeds from the sale of Bonds, including the 2020 Series 1 Bonds. Under these programs the Authority provides assistance with down payment, closing costs, prepaid items, inspections and homebuyer education fees to eligible Authority homebuyers. The loans are secured by a second mortgage and the second mortgage when combined with the first mortgage may not exceed 106% of the lower of the purchase price or appraised value of the property. The maximum allowable down payment loan is \$10,000. Interest rates on down payment assistance loans (which include both loans that have been pledged under the 1994 Indenture and those that have not been pledged) have ranged from 0% to 8.50%, with a historical average rate of 6.37%. The current portfolios simple interest average is 1.42%. The interest rate on the down payment assistance loans in the Authority's Down Payment Assistance Loan Program may be higher or lower in the future.

The Authority initiated its Wyoming Energy Savers Program ("WES") under the Housing Trust Fund in 2011. Under WES, the Authority purchased rehabilitation loans made to eligible homeowners for health and safety repairs and for energy efficiency and weatherization improvements to their homes, including, but not limited to, furnace replacement, insulation and exterior storm windows. The Authority established certain basic terms relating to the purchase of a loan under WES. First, the loan must be secured by a mortgage. Second, the amount of the loan must be at least \$1,000 and no more than \$15,000. Finally, the interest on the loan was calculated at either (i) 3% simple interest due and payable upon the transfer or sale of the property or at the time the home ceases to be the borrower's principal residence or (ii) 4% per annum for a term from one to 96 months. The Authority discontinued this program effective September 18, 2017.

Mortgage Guaranty Fund

The Mortgage Guaranty Fund was established in 1989 through conversion of an existing fund, and money therein was initially committed to guarantee a portion of the outstanding principal amount of each mortgage loan made on a property acquired by the Authority through foreclosure. Under this program, the guarantee amount was initially 40% of the principal amount and, effective July 1, 1995, the amount for new guarantees was changed to 20% of the principal amount. In addition, the scope of obligations guaranteed through the Mortgage Guaranty Fund has been expanded to include interim and long term project financing and down payment loans made through the Housing Trust Fund. As of December 31, 2019, the Mortgage Guaranty Fund had fund equity of \$24,506,225 and funds therein had been committed in the aggregate amount of \$592,651 with respect to guarantees on projects and second loans. See the information regarding the Mortgage Guaranty Fund in Note 2 of Notes to Basic Financial Statements, APPENDIX D.

Selling and Securitizing Mortgages

In the past, the Authority's rules allowed the Authority to purchase and service mortgage loans, but selling or securitizing mortgages into Mortgage-Backed Securities pools was not allowed; however, the Authority has amended its rules to allow the Authority to sell or securitize mortgages into Mortgage-Backed Securities pools. The Authority has securitized 76 Mortgage-Backed Securities pools through December 31, 2019, totaling approximately \$132,835,449.

The Authority offers its WCDA Advantage loan product to purchase homes or refinance FHA insured, RD guaranteed or VA guaranteed loans. Borrowers under this product may have slightly higher incomes of no more than 140% of the HUD state median income. The Authority intends to securitize these mortgages into Mortgage-Backed Securities pools that will be purchased by investors.

Federal Program Administration

The Authority has been designated as the agency to administer the federal Home Investment Partnerships Program (HOME) under the Cranston-Gonzalez National Affordable Housing Act and the National Housing Trust Fund Program (NHTF) under HERA for the State. Wyoming receives allocations of HOME funds for the development of decent, safe and affordable housing for low and very low-income households. NHTF funds are utilized to provide housing to the extremely low income population, including homeless families. HOME funds have been reduced over the past few years; however only moderate cuts of less than \$15,000 per year have been proposed for the past three years, including fiscal year 2019. As the State housing finance authority, the Authority has been designated to administer the federal Low Income Housing Tax Credit (LIHTC) for Wyoming. This program provides tax credits for developers as an incentive to develop affordable housing.

In addition, the Authority administers program income received as a result of Neighborhood Stabilization Program ("NSP") activities under HERA, and the Tax Credit Assistance Program ("TCAP") and the Tax Credit Exchange Program under ARRA.

Fannie Mae Conventional Loan Product

Fannie Mae has two conventional loan products for Housing Finance Agencies ("HFAs") that provide an alternative execution to fund home loans. The Authority entered into a contract with Fannie Mae to sell loans to Fannie Mae, with the Authority retaining the servicing of the loans. Since May 2012, these Fannie Mae loan products have been offered simultaneously with the bond funded programs. These products follow the Fannie Mae Home Ready Program. The HFA Preferred product requires mortgage insurance. The HFA Preferred No MI (Risk Share) product does not require private mortgage insurance. The Risk Share product has a twelve month "risk share" requirement for default. The Authority is required to repurchase a loan that goes into serious default (4 months delinquent) within the first twelve months. The Authority has set aside \$2,000,000 from the Mortgage Guaranty Fund as an additional reserve for any repurchases.

HFA Preferred and HFA Preferred No MI loans will be originated by lenders and submitted for purchase by the Authority, using the same process currently used by Authority lenders. The Authority will then sell the approved loans to Fannie Mae on a whole loan basis.

Homebuyer Education

The Authority, in partnership with Wyoming Housing Network, Inc., a Neighborworks affiliate (“WHN”), offers an on-line homebuyer education course which homebuyers may access at their convenience. In addition to the on-line homebuyer education course, WHN also provides required one-on-one financial counseling for individual homebuyers. Completion of the course and the one-on-one counseling session is a requirement of the Authority for at least one first-time homebuyer on each loan.

Mortgage Credit Certificate Program

The Authority participates in the Mortgage Credit Certificate program, which provides qualified first-time homebuyers a tax credit. The tax credit allows the qualified buyer to take a tax credit based on a percentage of the amount of mortgage interest paid each year. The home that is purchased cannot be financed with the proceeds of tax-exempt bonds, including the Bonds. During the calendar year ending December 31, 2019, there were 41 homes purchased that utilized the Mortgage Credit Certificate Program.

INTEREST RATE SWAP POLICY

The Authority has adopted an Interest Rate Swap Policy (the “Policy”) to establish guidelines for the use and management of interest rate swaps, which Policy may be amended at any time. The Act authorizes the Authority to make and execute financial contracts and instruments, such as interest rate swaps, “which the authority determines are reasonable and advisable to carry out the purposes and programs of the authority.” The Policy requires that the Board of Directors of the Authority approve the use of interest rate swap transactions, and designates the Executive Director and Director of Finance as administrators of the Policy. The Authority also has retained a swap advisor to assist it in analyzing the financial aspects of any interest rate swap transactions.

The Policy addresses, among other things, (i) conditions for the use of interest rate swaps, (ii) interest rate swap features, (iii) evaluation and management of interest rate swap risks, and (iv) disclosure and reporting. The conditions for the use of interest rate swaps address allowable instruments (both fixed and floating rate, immediate delivery or forward settlement) and uses (hedging of variable rate bonds, mortgage pipeline, or balance sheet short-term variable rate investments), maximum notional amount and term, liquidity considerations for variable rate debt, and call option value considerations. Interest rate swap features include document terms (e.g., termination rights, downgrade provisions, collateral requirements, governing law and so on), counterparty terms (credit considerations and counterparty termination exposure), term and notional amount limits, security for and source of funds for Authority payments, and prohibited features (e.g., speculation, and extraordinary leverage or risk). Evaluation and management include reviewing various risks (basis risk, tax risk, counterparty risk, termination risk, rollover

risk, liquidity risk, credit risk, amortization risk and market access risk) and at least annual reporting to the Board of Directors on such risks for each interest rate swap.

PENDING LITIGATION

From time to time, the Authority may be a plaintiff or defendant in legal actions arising in the ordinary course of the Authority's activities. No such actions are currently pending which involve material financial risk to the Authority.

INFORMATION SECURITY

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 and other attacks on computers and other sensitive digital networks and systems. The Authority maintains an Information Security Plan which includes protocols for its vendors, and which is reviewed annually and when necessary due to regulatory or legislative changes. The Authority conducts regular information security and privacy awareness training that is mandatory for all Authority staff and regularly conducts phishing campaigns and penetration tests of its cybersecurity systems and infrastructure. In August 2019, the Authority was subject of a phishing attack which accessed the e-mails of three employees, but did not access the personal files of the mortgagors. Since that attack the Authority has further enhanced its information security procedures.

APPENDIX B

LOAN PORTFOLIOS AND OTHER SELECTED DATA

THE 1994 INDENTURE

LOAN PORTFOLIO INFORMATION

Outstanding principal balance of loans includes all loans purchased or transferred to the 1994 Indenture through the Authority's cut-off date (the end of each month) which differs from the amount reported through the end of the month in the Authority's financial statements as of the corresponding date, if any, included in APPENDIX D. All other data is also as of the Authority's cut-off date.

General

As of December 31, 2019

Outstanding principal balance of loans	\$772,090,161 ¹
Average purchase price of property	\$109,936
Average original loan amount	\$101,297
Total number of loans originated	31,337
Total number of loans originated — active series	17,565
Total number of loans paid off — active series	10,295
Total number of loans outstanding — active series	7,270

¹ Includes approximately (a) \$19.1 million outstanding principal balance of Loans that were purchased with proceeds of Bonds but participations in which are pledged to the payment of bonds issued under the 2009 Indenture and (b) \$8.6 million outstanding principal balance of Down Payment Assistance Loans.

Characteristics (as % of loans outstanding)

As of December 31, 2019

New construction	7.82%
Existing homes	92.18%
FHA	59.67%
RD	22.44%
PMI	6.84%
VA	8.02%
Guaranty Fund, Self Insurance or Uninsured	2.73%
80% or less LTV	0.30%
Down Payment Assistance Loans	1.12%

Approximately 46% of the Loans insured by a PMI Policy listed above are covered by PMI Policies provided by Radian Guaranty Inc. (“*Radian*”), approximately 54% are covered by PMI Policies provided by Genworth Mortgage Insurance Corporation (“*Genworth*”) and less than 1% of the Loans are insured by a PMI Policy issued by other insurance companies. The ratings of private mortgage insurance companies, including Genworth and Radian, have been under review by Moody’s and S&P as a result of the disruptions in the housing market. Many of these companies have had rating downgrades or other negative adjustments. Radian is currently rated “Baa1” by Moody’s and “BBB+” by S&P. Genworth is currently rated “Baa3” by Moody’s and “BB+” by S&P.

RD program includes all areas of the State except the cities of Cheyenne, Casper and Laramie, plus certain parts of Natrona County.

Delinquency Statistics

As of December 31, 2019

No. of Loans Foreclosed Inception to Date:	2,575	Real Estate Owned Number of Loans:	20
Foreclosed (Loss)/Gain to Date		Outstanding Mortgage Amount	
Net of Insurance Proceeds (\$000):	(\$9,105)	At Time of Default (\$000):	\$4,881
		Current Balance (\$000):	\$2,825

The tables below are a comparison of certain delinquency and foreclosure rates of loans purchased or transferred to the 1994 Indenture to all mortgage loans serviced in Wyoming, the latter as reported by the National Delinquency Survey prepared by the Economic and Research Department of the Mortgage Bankers’ Association of America (the “*MBA*”). All percentages in the tables below are based on the number of loans (not outstanding principal amount) and utilize the MBA category definitions. The percentages of the types of loans (i.e., FHA, VA, prime, etc.) that comprise the loan portfolio for the 1994 Indenture differ from the percentages of the types of loans that make up the MBA Wyoming statewide loan portfolio that is included in the tables below.

As of December 31, 2019

	(1994 Indenture Percentages)	(MBA Statewide Percentages)
60 Days	0.98%	0.55%
90 Days or more	1.05%	0.66%
In Foreclosure	0.44%	0.37%

As of June 30, 2019

	(1994 Indenture Percentages)	(MBA Statewide Percentages)
60 Days	1.17%	0.59%
90 Days or more	1.06%	0.76%
In Foreclosure	0.43%	0.48%

As of June 30, 2018

	(1994 Indenture Percentages)	(MBA Statewide Percentages)
60 Days	1.34%	0.61%
90 Days or more	1.22%	0.74%
In Foreclosure	0.62%	0.60%

As of June 30, 2017

	(1994 Indenture Percentages)	(MBA Statewide Percentages)
60 Days	1.67%	0.68%
90 Days or more	1.83%	0.85%
In Foreclosure	0.89%	0.62%

Servicing

As of December 31, 2019

SERVICER	NUMBER OF LOANS	% OF PORTFOLIO	Loans 60 or More Days Delinquent	
			NUMBER	PRINCIPAL AMOUNT
WCDA Mortgage Servicing	6,943	95.84%	165	\$20,148,635
First Interstate Bank	218	3.01%	13	\$581,427
Big Horn Federal	62	0.86%	1	\$106,713
All others (4)	21	0.29%	0	\$0

USE OF LOAN REPAYMENTS

Under the Code, for Qualified Mortgage Revenue Bonds issued after 1988, some or all repayments (including Prepayments) of principal of Loans may be used to make additional Loans for up to ten years from the date of issuance of the issue of Bonds which financed the Loans (or the date of issuance of the original refunded bond obligations in the case of a refunding or series of refundings). After the related ten-year date, all Loan principal repayments must be used to redeem the related issue of Bonds, subject to a de minimis exception (the “*Repayment Redemptions*”). The Authority has frequently issued two or more Series of Bonds at or about the same time pursuant to a common plan of financing for purposes of the Code (the “*Common Plan Issues*”). Repayments of principal of Loans related to a Common Plan Issue which must be applied to Repayment Redemptions must be used to redeem Bonds of the related Common Plan Issue and may be used to redeem Bonds of any Series within such Common Plan Issue. The Series of Bonds which comprise Common Plan Issues are grouped together in the table below. The following table sets forth (i) the dates on which principal repayments of a portion or all of the Loans related to the respective Common Plan Issues and other issues of Bonds are subject to Repayment Redemptions and (ii) the percentage of such Loans which are so subject from and after such dates.

LOANS FINANCED BY	DATE ON WHICH RESTRICTION IS APPLICABLE	PERCENTAGE OF LOANS SUBJECT TO RESTRICTION
2010 Series 2	June 30, 2010 to June 29, 2020	0.00%
	June 30, 2020 to December 1, 2030	100.00%
2012 Series 1 and 2012 Series 2	June 12, 2012 to June 11, 2022	81.94%
	June 12, 2022 to December 1, 2037	100.00%
2013 Series 1 and 2013 Series 2 and 2013 Series 3	April 11, 2013 to April 10, 2023	67.81%
	April 11, 2023 to December 1, 2038	100.00%
2014 Series 1 and 2014 Series 2 and 2014 Series 3 and 2014 Series 5	August 26, 2014 to September 22, 2014	48.67%
	September 23, 2014 to May 2, 2015	59.36%
	May 3, 2015 to July 25, 2015	63.36%
	July 26, 2015 to November 1, 2015	68.53%
	November 2, 2015 to August 25, 2024	72.73%
	August 26, 2024 to December 1, 2044	100.00%
2015 Series 1 and 2015 Series 3	February 5, 2015 to May 2, 2015	13.87%
	May 3, 2015 to July 25, 2015	15.82%
	July 26, 2015 to November 1, 2015	18.33%
	November 2, 2015 to February 4, 2025	20.38%
	February 5, 2025 to December 1, 2044	100.00%

LOANS FINANCED BY	DATE ON WHICH RESTRICTION IS APPLICABLE	PERCENTAGE OF LOANS SUBJECT TO RESTRICTION
2015 Series 4,	September 2, 2015 to November 1, 2015	14.88%
2015 Series 6 and	November 2, 2015 to February 27, 2016	24.74%
2015 Series 7	February 28, 2016 to May 30, 2016	34.26%
	May 31, 2016 to September 1, 2025	43.38%
	September 2, 2025 to December 1, 2045	100.00%
2016 Series 1,	October 5, 2016 to November 1, 2016	20.41%
2016 Series 2, and	November 2, 2016 to February 13, 2017	42.84%
2016 Series 3	February 14, 2017 to October 4, 2026	48.56%
	October 5, 2026 to December 1, 2046	100.00%
2017 Series 1,	May 9, 2017 to May 8, 2027	32.73%
2017 Series 2, and	May 9, 2027 to December 1, 2047	100.00%
2017 Series 4		
2017 Series 5 and	November 21, 2017 to September 1, 2025	0.00%
2017 Series 6	September 2, 2025 to November 20, 2027	4.41%
	November 21, 2027 to December 1, 2047	100.00%
2018 Series 1 and	May 16, 2018 to September 1, 2025	0.00%
2018 Series 2	September 2, 2025 to May 15, 2028	3.85%
	May 16, 2028 to December 1, 2048	100.00%
2018 Series 3 and	September 13, 2018 to September 1, 2025	0.00%
2018 Series 4	September 2, 2025 to September 12, 2028	7.89%
	September 13, 2028 to December 1, 2048	100.00%
2019 Series 1 and	February 26, 2019 to October 4, 2026	0.00%
2019 Series 2	October 5, 2026 to February 25, 2029	11.11%
	February 26, 2029 to June 1, 2049	100.00%
2019 Series 3 and	September 25, 2019 to October 4, 2026	0.00%
2019 Series 4	October 5, 2026 to September 24, 2029	11.11%
	September 25, 2029 to December 1, 2049	100.00%
2020 Series 1 and	April 7, 2020 to October 27, 2020	4.56%
2020 Series 2*	October 28, 2020 to August 22, 2021	19.24%
	August 23, 2021 to April 6, 2030	28.40%
	April 7, 2030 to June 1, 2049	100.00%

* Preliminary; subject to change.

The foregoing dates at which all principal repayments of Loans related to a Common Plan Issue or other issue of Bonds become subject to Repayment Redemptions are for general reference only, and the timing and the amounts of principal repayments applied to the redemption of Bonds as required Repayment Redemptions may be changed by the Authority to the extent permitted or required by the Code. In addition, at such time as all Loan principal repayments related to an issue of Bonds become subject to Repayment Redemptions, the rate at which the Bonds of that issue are redeemed may, but will not necessarily, increase and there can be no certainty as to the relative rate of redemption as between the respective Series of Bonds which comprise a Common Plan Issue.

LIQUIDITY FACILITIES FOR VARIABLE RATE BONDS

As shown in the table below, certain of the Authority’s variable rate Bonds are secured by liquidity facilities. Such liquidity facilities expire prior to the final maturity of the related issue of Bonds and may, under certain circumstances, be terminated prior to the stated expiration thereof. In connection with any such scheduled expiration or termination, the Authority may, as applicable, extend the scheduled expiration of the liquidity facility, obtain an Alternate Liquidity Facility to replace the liquidity facility, allow the existing liquidity facility to terminate or expire, or cause the related issue of Bonds to be converted to fixed rate Bonds or to bear interest at an interest rate mode that does not require a liquidity facility, which, in most instances, will result in the mandatory tender and purchase of the related Series of Bonds. No assurance is given that the Authority will be able or will choose to extend the scheduled expiration of any particular liquidity facility or obtain an Alternate Liquidity Facility to replace a liquidity facility upon terms substantially similar to the terms of the existing liquidity facility, including without limitation the fees payable to the liquidity provider.

SERIES	VARIABLE RATE BONDS (AS OF 12/31/19)	LIQUIDITY PROVIDER	SBPA EXPIRATION
2007 Series 6	\$ 8,700,000	FHLB ¹	December 27, 2022
2007 Series 8	6,725,000	FHLB ¹	December 27, 2022
2007 Series 11	8,645,000	FHLB ¹	December 27, 2022
2017 Series 6	6,000,000	FHLB ¹	November 21, 2022
2018 Series 2	19,500,000	Royal Bank of Canada	May 14, 2021
2019 Series 2	18,000,000	Royal Bank of Canada	February 23, 2024
2019 Series 4	<u>10,000,000</u>	Bank of America, N.A.	September 25, 2024
	<u>\$77,570,000</u>		

¹ Federal Home Loan Bank – Des Moines.

From time to time, a portion of the Bonds listed above have been or may be purchased by the liquidity providers for such Bonds following a failed remarketing (such purchased Bonds, “Bank Bonds”). Bank Bonds bear interest at rates set forth in the respective liquidity facility and are payable as to principal of and interest on such Bank Bonds on such terms as set forth therein. Certain of the liquidity facilities require a purchase or redemption of Bank Bonds by the Authority

in installments over various periods of time, as set forth in each such agreement. There are no Bank Bonds as of the date hereof and there have not been any Bank Bonds since 2009.

SWAP AGREEMENTS FOR VARIABLE RATE BONDS

In connection with the issuance of certain of its variable rate Bonds, as shown in the following table, the Authority entered into separate interest rate swap agreements with Royal Bank of Canada*, Bank of America, N.A.**, and Barclays Bank PLC (each a “*Swap Counterparty*”), some of which provide for periodic reductions of their notional amounts and otherwise have similar, though not identical, terms.

BOND SERIES	START DATE	TERMINATION DATE	NOTIONAL AMOUNT	FIXED RATE	FLOATING RATE BASIS ³
2007 Series 6	9/1/15	6/1/36	\$12,000,000	2.4125%	70% of 1M LIBOR
2007 Series 11	1/15/16 ²	12/1/45	6,000,000	2.0130	70% of 1M LIBOR
2017 Series 4	7/1/17	12/1/47	22,000,000	2.2650	70% of 1M LIBOR
2017 Series 6	1/15/16 ²	12/1/45	3,000,000	2.0130	70% of 1M LIBOR
2018 Series 2	1/15/16 ²	12/1/45	3,000,000	2.0130	70% of 1M LIBOR
2018 Series 2	6/1/18	6/1/38	16,500,000	2.5230	70% of 1M LIBOR
2018 Series 4	9/13/18	12/1/38	14,000,000	2.5850	70% of 1M LIBOR
2019 Series 2	9/1/15 ¹	6/1/36	10,000,000	2.4125	70% of 1M LIBOR
2019 Series 4	9/1/15 ¹	6/1/36	<u>10,000,000</u>	2.4125	70% of 1M LIBOR
TOTAL			\$96,500,000		

1 The start date of this swap agreement was 9/1/15. It was originally associated with certain bonds refunded in October 2016. The swap was transferred to the 2019 Series 2 Bonds on February 26, 2019 and partially transferred to the 2019 Series 4 Bonds on October 1, 2019.

2 The start date of this swap agreement was January 15, 2016. It was originally associated with certain bonds refunded in December 2017, June 2018 and October 2018. The swap was partially transferred to the 2017 Series 6 Bonds on December 1, 2017 and the 2018 Series 2 Bonds on June 1, 2018 and to the 2007 Series 11 Bonds on October 1, 2018.

3 After 2021, the London Interbank Offered Rate (LIBOR) may cease to be used as a base benchmark for financial instruments, including the Authority’s interest rate swap agreements, in which case a new floating rate basis will need to be determined for such swap agreements.

For more information regarding the interest rate swap agreements, see Note 11 of the Notes to Basic Financial Statements in APPENDIX D.

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* RBC Capital Markets, LLC, an underwriter, is an indirect wholly-owned subsidiary of the Royal Bank of Canada.

** BofA Securities, Inc., an underwriter, is an indirect wholly-owned subsidiary of Bank of America Corporation. Bank of American, N.A., is also an indirect wholly-owned subsidiary of Bank of America Corporation.

INVESTMENTS BY FUND (as of December 31, 2019)

FUND	TYPE	PAR AMOUNT	WEIGHTED AVERAGE INTEREST RATE	MATURITY
Program	Ginnie Mae Mortgage Securities	\$ 26,917	6.5047%	08/2023-04/2032
	U.S. Treasury Bonds	404,500	6.3712	08/2023-02/2026
	Money Market	6,989,340	1.4700	N/A
Bond Reserve	U.S. Treasury Bonds	7,220,253	5.9407	02/2023-08/2028
	Fannie Mae Obligations	1,383,536	6.8481	04/2026
	Fannie Mae Mortgage Securities	2,343	6.4667	04/2031
	FHLMC Obligations	3,300,000	2.7500	09/2036
	Ginnie Mae Mortgage Securities	76,725	6.4089	08/2023-05/2034
	Federal Home Loan Bank	12,517,250	2.8411	10/2031-12/2039
	Federal Farm Credit Bank	3,921,000	2.9569	04/2035-11/2039
	Money Market	692,418	1.4700	N/A
Mortgage Reserve	U.S. Treasury Bonds	2,039,600	5.4816	02/2023-02/2026
	Fannie Mae Obligations	881,464	6.8481	04/2026
	Fannie Mae Mortgage Securities	1,507	6.4667	04/2031
	FHLMC Obligations	2,200,000	2.7159	09/2036-10/2036
	Ginnie Mae Mortgage Securities	60,171	6.3795	01/2024-05/2034
	Federal Home Loan Bank	4,506,750	2.9501	06/2033-12/2039
	Federal Farm Credit Bank	5,430,000	2.7516	09/2033-11/2039
	Money Market	346,618	1.4700	N/A
Special Reserve (restricted portion)	U.S. Treasury Bonds	980,000	6.4394	02/2023-11/2024
	Federal Farm Credit Bank	3,235,000	2.7961	04/2035-11/2036
	Ginnie Mae Mortgage Securities	1,155	6.5032	04/2032
	Federal Home Loan Bank - Callable	1,700,000	2.8890	05/2036-11/2036
	Money Market	1,011,926	1.4700	N/A

Unrealized Gains and Losses on Investments

In accordance with accounting principles generally accepted in the United States of America, the Authority reports investments at fair value. Changes in fair value result in unrealized gains or unrealized losses which are given effect in determining the Authority's investment income on a combined basis and for the 1994 Indenture as set forth in the Authority's financial statements included in APPENDIX D and as summarized for the 1994 Indenture in this APPENDIX B under "Certain Financial Information—Revenue, Expenses and Changes in Fund Equity." Fair value for individual investments fluctuates based on changes in market interest rates available to investors. Accordingly, as a result of market fluctuations, for any period or periods subsequent to the periods which are covered in the Authority's financial statements included in APPENDIX D, the amount of net unrealized gains or losses may be significantly more or less than the net unrealized gains or losses for the periods covered by such financial statements. Notwithstanding the amount of unrealized gains or losses at any given time, it is generally the intent and expectation of the Authority to hold its investments until maturity or redemption at par.

CERTAIN FINANCIAL INFORMATION

The following tables set forth certain financial information regarding the Authority's operations under the 1994 Indenture, as of the dates and for the periods indicated.

Summary Balance Sheet Data

	<u>JUNE 30, 2018</u>	<u>JUNE 30, 2019</u>	<u>DECEMBER 31, 2019</u>
Cash and cash equivalents	\$115,954,506	\$ 97,401,057	\$90,123,459
Investments	\$ 93,530,242	\$ 95,075,754	\$97,694,639
Mortgage loans receivable, net	\$611,532,944	\$710,394,428	\$750,257,954
Total assets	\$829,249,202	\$910,764,780	946,192,022
Bonds payable	\$624,897,026	\$701,571,629	\$733,938,829
Total liabilities	\$638,445,571	\$719,223,261	\$752,893,435
Total net position	\$189,680,161	\$195,865,533	\$197,946,140

Revenue, Expenses and Changes in Fund Net Position

	YEAR ENDED JUNE 30, 2018	YEAR ENDED JUNE 30, 2019	SIX MONTHS ENDED DECEMBER 31, 2019
Operating Revenue			
Mortgage interest	\$ 23,071,415	\$ 27,083,293	\$14,336,737
Investment income*	<u>724,598</u>	<u>10,514,624</u>	<u>3,669,442</u>
Total operating revenue	\$ <u>23,796,013</u>	\$ <u>37,597,917</u>	\$ <u>18,006,179</u>
Operating Expenses			
Interest expense	\$ 16,015,037	\$ 19,970,782	\$10,413,085
Servicer fees	2,084,945	2,468,407	1,339,169
Costs of issuance and other related costs	1,898,822	2,099,741	1,209,175
Provision for (recovery of) loan losses	(748,119)	234,860	12,781
General and administrative	<u>557,944</u>	<u>304,312</u>	<u>138,064</u>
Total operating expenses	\$ <u>19,808,629</u>	\$ <u>25,078,102</u>	\$ <u>13,112,724</u>
Net income (loss) before transfers*	\$ 3,987,384	\$12,519,815	\$ 4,893,455
Transfer in (out)	<u>(4,498,257)</u>	<u>(6,334,443)</u>	<u>(2,812,848)</u>
Net income	\$ (510,873)	\$ 6,185,372	\$ 2,080,607
Fund Equity, beginning	<u>190,191,034</u>	<u>189,680,161</u>	<u>195,865,533</u>
Fund Equity, ending	<u>\$189,680,161</u>	<u>\$195,865,533</u>	<u>\$197,946,140</u>

* See the discussion of the effect of unrealized gains and losses on investments under “Investments by Fund — Unrealized Gains and Losses on Investments.”

For additional financial information regarding the 1994 Indenture, see the 1994 Indenture fund in the detailed statements in APPENDIX D— Authority Financial Statements.

OUTSTANDING BONDS BY INTEREST RATE (As of December 31, 2019)

INTEREST RATE	OUTSTANDING PRINCIPAL AMOUNT (IN THOUSANDS)	INTEREST RATE	OUTSTANDING PRINCIPAL AMOUNT (IN THOUSANDS)
4.250%	\$ 495	2.500%	\$ 7,575
4.050	5,415	2.450	12,570
4.000	88,990	2.400	230
3.900	25,650	2.375	275
3.800	4,450	2.350	7,950
3.750	47,030	2.300	4,345
3.700	14,930	2.250	9,605
3.650	9,745	2.200	4,395
3.625	5,755	2.150	5,730
3.600	5,740	2.125	780
3.550	6,905	2.100	5,785
3.500	37,730	2.050	4,490
3.450	35,245	2.000	2,815
3.400	13,070	1.950	4,665
3.350	3,390	1.900	4,755
3.300	6,445	1.850	4,375
3.250	21,675	1.800	2,620
3.200	12,710	1.750	2,680
3.150	14,230	1.700	3,130
3.125	1,000	1.650	4,465
3.100	8,360	1.600	1,030
3.050	4,020	1.550	2,910
3.000	12,260	1.500	1,865
2.950	14,830	1.450	1,975
2.900	10,565	1.400	960
2.875	17,555	1.375	945
2.850	4,595	1.350	930
2.800	21,130	1.300	910
2.750	2,785	1.250	895
2.700	4,420	1.200	880
2.650	24,090	1.150	860
2.600	4,780	1.100	915
2.550	8,035		
		Grand Total	\$606,335
		Variable	\$119,570

THE 2009 INDENTURE

LOAN PORTFOLIO INFORMATION

Outstanding principal balance of loans includes all loans purchased through the Authority's cut-off date (the end of each month) which differs from the amount reported through the end of the month in the Authority's financial statements as of the corresponding date, if any, included in APPENDIX D. All other data is also as of the Authority's cut-off date.

General

As of December 31, 2019

Outstanding principal balance of loans ¹	\$64,708,366
Average purchase price for property	\$137,420
Average original loan amount	\$136,189
Total number of loans originated	1,695
Total number of loans paid off	1,099
Total number of loans outstanding	596

¹ Excludes approximately \$19.1 million outstanding principal balance of loans that were purchased with proceeds of Bonds that are pledged to the payment of bonds issued under the 1994 Indenture.

Characteristics (as % of loans outstanding)

As of December 31, 2019

New construction	11.11%
Existing homes	88.89%
FHA	52.29%
RD	43.11%
VA	3.45%
PMI*	1.02%
80% or less LTV	0.13%

* 100% are covered by PMI Policies provided by Radian.

Delinquency Statistics

As of December 31, 2019

No. of Loans Foreclosed Inception to Date:	145	Real Estate Owned Number of Loans:	2
Foreclosed (Loss)/Gain to Date Net of Insurance Proceeds (\$000):	(\$658)	Outstanding Mortgage Amount At Time of Default (\$000):	\$130
		Current Balance (\$000):	\$81

The table below is a comparison of certain delinquency and foreclosure rates of loans purchased or transferred to the 2009 Indenture to all mortgage loans serviced in Wyoming, the latter as reported by the National Delinquency Survey prepared by the Economic and Research Department of the MBA. All percentages in the table below are based on the number of loans (not outstanding principal amount) and utilize the MBA category definitions. The percentages of the types of loans (i.e., FHA, VA, prime, etc.) that comprise the loan portfolio for the 2009 Indenture differ from the percentages of the types of loans that make up the MBA Wyoming statewide loan portfolio that is included in the table below.

As of December 31, 2019

	(2009 Indenture Percentages)	(MBA Statewide Percentages)
60 Days	0.84%	0.55%
90 Days or more	1.51%	0.66%
In Foreclosure	0.34%	0.37%

As of June 30, 2019

	(2009 Indenture Percentages)	(MBA Statewide Percentages)
60 Days	1.08%	0.59%
90 Days or more	1.08%	0.76%
In Foreclosure	0.00%	0.48%

As of June 30, 2018

	(2009 Indenture Percentages)	(MBA Statewide Percentages)
60 Days	1.47%	0.61%
90 Days or more	1.73%	0.74%
In Foreclosure	0.93%	0.60%

As of June 30, 2017

	(2009 Indenture Percentages)	(MBA Statewide Percentages)
60 Days	1.84%	0.68%
90 Days or more	1.15%	0.85%
In Foreclosure	0.92%	0.62%

Servicing

As of December 31, 2019

SERVICER	NUMBER OF LOANS	% OF PORTFOLIO	Loans 60 or More Days Delinquent	
			NUMBER	PRINCIPAL AMOUNT
WCDA Mortgage Servicing	579	97.15%	16*	\$1,571,746
All Others (2)	17	2.85%	0	\$0

* There are no loans in foreclosure post sale.

APPENDIX C

INSURANCE AND MORTGAGE-BACKED SECURITY ISSUERS

The following description of certain insurance policies or guarantees is only a brief outline and does not purport to summarize or describe all of the terms of such insurance or guarantees. For a more complete description of the terms of such insurance or guarantees, reference is made to the complete terms of the insurance or guarantees and other information of the various insurers and guarantors referred to below. For purposes of this APPENDIX C, “Loans” do not include Down Payment Assistance Loans.

FEDERAL AUTHORIZATION AND FUNDING

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

FHA SINGLE FAMILY MORTGAGE INSURANCE

The following description of the FHA Single Family Mortgage Insurance Program describes the Program as of the date hereof. The various FHA Mortgage Insurance requirements may change in the future. Federal legislation and regulatory amendments are being considered to modify the underwriting parameters of the FHA Single Family Mortgage Insurance Program. The Authority cannot predict if or when such legislation or changes will be adopted.

The National Housing Act of 1934, as amended (the “*National Housing Act*”), authorizes various FHA mortgage insurance programs, which differ in some respects depending primarily upon whether the mortgaged premises contain five or more dwelling units or less than five such units. FHA imposes loan-to-value ratio limitations and other requirements on the single-family mortgage loans it insures. Under the Section 203(b) program, which is the most widely used FHA insurance program, FHA insures mortgage loans of up to 30 years duration for the purchase of one to four-family dwelling units.

Loans insured under the Section 203(b) program may not exceed, for a one-family residence 96.5% of the lesser of either the appraiser’s estimate of value or the contract price for the property, plus initial FHA mortgage insurance premiums which are currently 1.75% of the loan amount before adding the premium. Loans insured under the Section 203(b) program, together with any subordinate loans, may not exceed 106% of the appraised value of the property and the mortgagor must pay an amount equal to not less than 3.5% of the lesser of the appraised value of the property or the purchase price; *provided*, that if the appraised value is less than the purchase price, the purchaser must also pay the difference between the appraisal and the purchase price.

The regulations governing all of the FHA programs under which the Authority's mortgage loans may be insured provide that insurance benefits are payable upon foreclosure (or other acquisition of possession) and conveyance of the mortgaged premises to the Department of Housing and Urban Development ("*HUD*"). Under some of the FHA insurance programs, insurance claims are paid by HUD in cash unless the mortgage holder files a written request for payment in debentures issued by HUD. Under others, HUD has the option at its discretion to pay insurance claims in cash or in such debentures. The current HUD policy, subject to change at any time, is to make insurance payments on single family mortgage loans in cash with respect to all programs covering such units as to which it has discretion to determine the form of insurance payments.

HUD debentures issued in satisfaction of FHA insurance claims bear interest at the HUD debenture interest rate in effect under HUD regulations on the date of the mortgage insurance commitment or of the initial insurance endorsement of the mortgage loan, whichever rate is higher. The HUD debenture interest rates applicable to the FHA-insured mortgages that the Authority has acquired or committed to acquire may be lower than the interest rates of such mortgages. FHA debentures mature 20 years from the date of issue and the HUD debenture rate is reset for the six-month periods beginning January 1 and July 1 of each year.

When entitlement to insurance benefits results from foreclosure (or other acquisition of possession) and conveyance, the insurance payment is generally computed as of the date of institution of foreclosure or the date of acquisition of the property, whichever is earlier. The mortgage holder generally is not compensated for mortgage interest accrued and unpaid prior to that date. Under such circumstances, the amount of insurance benefits generally paid by FHA is equal to the unpaid principal amount of the mortgage loan adjusted to reimburse the mortgagee for certain tax, insurance and similar payments made by it and to deduct certain amounts received or retained by the mortgagee after default, plus reimbursement not to exceed two-thirds of the mortgagee's foreclosure costs. The regulations under all insurance programs described above provide that the insurance payment itself shall bear interest from the date of default by the mortgagor, which under HUD regulations will occur no less than 30 days after the due date of a mortgage payment to the date of payment of the claim at the same interest rate as the applicable HUD debenture interest rate determined in the manner set forth above.

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

To obtain title to and possession of the property upon foreclosure, the Authority will pursue its rights under the power of sale contained in the mortgage subject to the constraints imposed by applicable Wyoming law and by HUD. The HUD constraints require that, absent the consent of the mortgagor, at least three full monthly installments be due and unpaid under the mortgage before the mortgagee may initiate any action leading to foreclosure of the mortgage. HUD also recommends face-to-face conference between the mortgagee and the mortgagor in an effort to cure

the delinquency without foreclosure. In any case, these requirements do not apply where the mortgagor has voluntarily abandoned the property, in which case, the mortgagee may immediately initiate foreclosure proceedings (subject to applicable Wyoming law notice provisions).

RD GUARANTEE PROGRAM

The Cranston-Gonzalez National Affordable Housing Act law provides for guarantees of mortgage loans on single family dwellings in rural areas supported by the full faith and credit of the United States.

Guaranteed mortgage loans may be made for the acquisition of existing or newly constructed single family, non-farm principal residences occupied by the borrower. Loans are limited to properties in rural areas which are defined as open country that is not part of, or associated with, an urban area; any town, village, city or place, including the immediately adjacent densely settled area, which is not part of, or associated with, an urban area, and which: (i) has a population not in excess of 10,000 if it is rural in character, or (ii) is not contained within an MSA and has a population above 10,000 but below 20,000 and has a serious lack of mortgage credit for lower and moderate-income families. Any area classified as “rural” or a “rural area” prior to October 1, 1990, and determined not to be “rural” or a “rural area” as a result of data received from or after the 1990, 2000 or 2010 decennial census, and any area deemed to be a “rural area” any time during the period beginning January 1, 2000, and ending December 31, 2010, shall continue to be so classified until the receipt of data from the decennial census in the year 2020 if such area has a population in excess of 10,000 but not in excess of 35,000, is rural in character, and has a serious lack of mortgage credit for lower and moderate-income families. Eligible borrowers must have an income at or below 115% of the area median income.

Subject to certain limitations, the maximum loan amount is 100% of the appraised value plus a 1% upfront guarantee fee and an annual guarantee fee of .35%. Loans may have a term of 30 years and no down payment is required.

The maximum loss payment under the RD guarantee is the lesser of (i) any loss of an amount equal to 90% of the principal amount actually advanced to the borrower, or (ii) 100% of any loss sustained by the lender of an amount up to 35% of the principal amount actually advanced to the borrower, plus any additional loss sustained by the lender of an amount up to 85% of the remaining 65% of the principal amount actually advanced to the borrower. Under the program, “lender” includes a purchaser of a guaranteed loan, such as the Authority. “Loss” includes only principal and interest on the loan, (b) if applicable, any loan subsidy due and owing and (c) any principal and interest indebtedness on protective advances made for protection and preservation of the property. If liquidation of the property is conducted by the lender in an expeditious manner, interest is covered to the date of final loss settlement. If the property is sold in liquidation to a bona fide third party purchaser, the net proceeds of such sale is the basis for calculating the loss to the lender. If the lender acquires the property in the liquidation process, the basis for determining the loss to the lender is the current appraised market value of the property as of the date of acquisition by the lender. In addition to the estimated liquidation costs including an allowance for the estimated time the property will be held by the lender.

RD program includes all areas of the State except the cities of Cheyenne, Casper and Laramie, plus certain parts of Natrona County.

The Authority may participate with RD in RD's Section 502 Leveraged Loan Program in which the Authority would have an uninsured first mortgage loan with a loan to value ratio of 60% or less and RD would have a second mortgage for the remaining loan amount not to exceed a 100% of the appraised value plus RD allowable fees.

VA GUARANTY PROGRAM

The Serviceman's Readjustment Act of 1944, as amended, permits a veteran (or, in certain instances, his or her spouse) to obtain a mortgage loan guaranty by VA, covering mortgage financing of the purchase of a one-to four-family dwelling unit at interest rates permitted by VA. The program requires no down payment from the purchaser and permits the guaranty of mortgage loans with terms of up to 30 years. The guaranty provisions for mortgage loans are as follows: (i) for loans of \$45,000 or less, 50 percent of the loan is guaranteed; (ii) for loans between \$45,001 and \$56,250, the maximum guaranty is \$22,500; (iii) for loans between \$56,251 and \$144,000, the maximum guaranty is the lesser of \$36,000 or 40 percent of the loan; (iv) for loans between \$144,001 and \$510,400, the maximum guaranty is 25 percent of the VA loan amount and (v) for loans greater than \$510,400 the maximum guaranty is the lesser of 25 percent of the loan amount or is 25 percent of the current VA county loan limit (currently \$510,400). The liability on the guaranty is reduced or increased pro rata with any reduction or increase in the amount of the indebtedness, but in no event will the amount payable on the guaranty exceed the amount of the original guaranty. Notwithstanding the dollar and percentage limitations of the guaranty, a mortgage holder will ordinarily suffer a monetary loss only where the difference between the unsatisfied indebtedness and the proceeds of a foreclosure sale of mortgaged premises is greater than the original guaranty, as adjusted.

SECTION 184 GUARANTEE PROGRAM

Under the provisions of Section 184 of the Housing and Community Development Act of 1992, as amended ("*Section 184*"), HUD has the authority to guarantee loans for the construction, acquisition or rehabilitation of one- to four- family homes to be owned by Native Americans on restricted Indian (as defined in Section 184) lands. Loans guaranteed under Section 184 must bear a fixed rate of interest and be in a principal amount not in excess of 97.75% of the appraised value of the property including closing costs (or 98.75% if the appraised value is \$50,000 or less) but in no event to exceed 150% of the FHA loan limit for the area. The HUD guarantee under Section 184 is 100% of unpaid principal and interest plus reasonable fees and expenses for loans processed through foreclosure by the holder of the guarantee certificate and 90% (100% in certain circumstances) of unpaid principal and interest for loans assigned to HUD without foreclosure. The number of eligible borrowers and eligible areas under Section 184 in Wyoming is limited to Hot Springs and Fremont counties and the Authority does not expect to purchase a substantial number of loans guaranteed under Section 184.

PMI INSURANCE

Loans acquired with proceeds of certain Bonds are covered by PMI insurance. Loans acquired with proceeds of the 2020 Series 1 and 2 Bonds are not expected to be covered by PMI insurance.

In general, PMI Policy contracts provide for payment of insurance benefits to a mortgage lender upon the failure of a mortgagor to make any payment or to perform any obligation under the insured mortgage loan and the continuance of such failure for a stated period. In order to receive payment of the insurance benefits, a mortgage lender must have suffered a loss upon sale of the property after having acquired title to the property, either through foreclosure or conveyance in lieu of foreclosure, or must convey the property to the insurer if so requested. PMI Policies generally cover unpaid loan principal, delinquent interest and certain expenses associated with the default and subsequent foreclosure in an amount up to the limit specified in the policy. The federal Homeowners Protection Act of 1998 provides that for single family residential mortgages with PMI Policies originated after July 28, 1999, with certain exceptions, the PMI Policy will be terminated (i) at the homeowner's request when the loan balance reaches 80% of its original loan-to-value if there is a good payment history, the property value is not less than its original value and there is no subordinate lien, (ii) automatically when the loan balance reaches 78% of its original loan-to-value and the loan payments are current, or (iii) in any event, on the date that is the midpoint of the loan term if loan payments are current.

PRIMARY HAZARD INSURANCE

Each Loan must contain covenants relating to insurance of the residence. The coverage must include all fire and extended coverage risks customarily insured against in the geographical area in which the residence is located. The insurance policy must provide, as a minimum, fire and extended coverage insurance in an amount at least equal to the lesser of the unpaid principal amount of the Loan from time to time outstanding or the full replacement cost of the residence and other improvements on said property (but in no event shall the amount required be greater than the maximum insurable value of such residence and other improvements). Such insurance must be in effect (or there must be a binder for the issuance of the same) on the date of delivery of the mortgage loan to the Authority; the coverage provided thereby must meet the requirements, if applicable, of the Authority and Fannie Mae; and the deductible clause must not exceed 2% and 5%, respectively, of the dwelling coverage. Each hazard insurance policy must be written by an insurance carrier licensed or authorized by law to transact business in Wyoming, and the policy must contain a standard mortgagee clause naming the Authority as an insured.

In general, a standard form of fire and extended coverage policy covers physical damage to or destruction of the improvements on the property by fire, lightning, explosion, smoke, windstorm, hail, riot, vandalism, aircraft, vehicles, theft and civil commotion, subject to the conditions and exclusions particularized in each policy. Although policies relating to different Loans may be issued by different insurance companies and, therefore, may have minor differences in coverage, the basic terms are dictated by Wyoming law. Policies typically exclude physical damage resulting from the following: enemy attack by armed forces, invasion, insurrection, rebellion, revolution, civil war, usurped power, floods and water damage, power interruption, earth

movement, nuclear reaction and neglect. In addition, such policies typically exclude losses which occur while the hazard is increased by any means within the control or knowledge of the insured or while the premises are vacant or unoccupied beyond a period of 30 consecutive days.

FLOOD INSURANCE

Each residence located in a “Special Flood Hazard Area,” as that term is defined under the National Flood Insurance Program (NIFP), must be insured from loss by floods in an amount equal to the maximum insurance available under the NIFP. The Authority will accept flood insurance coverage from the NIFP as well as private flood insurance coverage providing it meets the 42 USC 4012a(b)(1)(A) requirements and insurer/guarantor guidelines.

MORTGAGE-BACKED SECURITY ISSUERS

Under the 1994 Indenture, Loans may be acquired by acquisition of a Mortgage-Backed Security constituting an undivided interest in a pool of mortgage loans issued by the following entities.

Ginnie Mae

Ginnie Mae is a wholly-owned corporate instrumentality of the United States of America within the HUD, with its principal office in Washington, D.C.

Ginnie Mae is authorized by Section 306(g) of Title III of the National Housing Act, to guarantee the timely payment of principal of and interest on certificates issued by an approved issuer, which certificates represent an undivided interest in a pool of mortgage loans insured under the National Housing Act, Title V of the Housing Act of 1949 (FHA mortgage loans), or guaranteed or insured by the VA under the Serviceman’s Readjustment Act of 1944, as amended (VA mortgage loans). Section 306(g) further provides that “the full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection.”

The Office of Inspector General (“*OIG*”) is required to conduct an annual audit of Ginnie Mae under the provisions of the Chief Financial Officers (“*CFO*”) Act of 1990 (the “*CFO Act*”). The complete *OIG* report is included in the separate management report of Ginnie Mae prepared pursuant to the *CFO Act* which is available upon request from Ginnie Mae at Government National Mortgage Association, 451 Seventh Street, SW, Washington, D.C. 20410-9000.

Fannie Mae

Fannie Mae is a government sponsored enterprise organized and existing under the Federal National Mortgage Association Charter Act (12 U.S.C. Section 1716 *et seq.*) (the “*Charter*”). Fannie Mae was originally established in 1938 as a United States government agency to provide supplemental liquidity to the mortgage market. Fannie Mae is subject to the supervision and regulation of the Federal Housing Finance Agency (“*FHFA*”) to the extent provided in the

Housing and Economic Recovery Act of 2008 (“HERA”). The FHFA has placed Fannie Mae into conservatorship.

Fannie Mae has a public mission to support liquidity and stability in the secondary mortgage market, where existing mortgage loans are purchased and sold. Fannie Mae securitizes mortgage loans originated by lenders in the primary mortgage market into mortgage-backed securities, which can then be bought and sold in the secondary mortgage market. Fannie Mae also participates in the secondary mortgage market by purchasing mortgage loans (often referred to as “*whole loans*”) and mortgage-related securities, including Fannie Mae Mortgage-Backed Securities, for Fannie Mae’s mortgage portfolio. As of June 3, 2019, each Fannie Mae Mortgage-Backed Security will be a Uniform Mortgage-Backed Security. In addition, Fannie Mae makes other investments to increase the supply of affordable housing; however, pursuant to the Charter, Fannie Mae may not lend money directly to consumers in the primary mortgage market.

The securities of Fannie Mae are not guaranteed by the United States Government (including the Treasury) and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof, including Treasury and FHFA, other than Fannie Mae.

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 Securities and Exchange Commission (the “*Commission*”). Fannie Mae files reports, proxy statements and other information with the Commission. The Authority takes no responsibility for information contained on the Commission’s Web site.

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APPENDIX D

AUTHORITY FINANCIAL STATEMENTS

The information in this Appendix D is provided for informational purposes only. The Bonds are not general obligations of the Authority but are special obligations of the Authority payable solely from the revenues, income and receipts of the Authority pledged to the payment thereof under the 1994 Indenture.

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WYOMING COMMUNITY DEVELOPMENT AUTHORITY
FINANCIAL REPORT
JUNE 30, 2019
AND
DECEMBER 31, 2019
(UNAUDITED)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Wyoming Community Development Authority
Casper, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the Wyoming Community Development Authority, as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise Wyoming Community Development Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



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Casper, WY 82601

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Wyoming Community Development Authority, as of June 30, 2019 and 2018, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4-9) and the required supplementary information, changes in net pension liability and related ratios, schedule of pension contributions, schedule of authority's proportionate share of the net OPEB liability, and schedule authority's OPEB contributions (pages 47-52) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Wyoming Community Development Authority's basic financial statements. The detailed balance sheets, and the detailed schedules of revenues, expenses and changes in net position, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The detailed balance sheets, the detailed schedules of revenues, expenses and changes in net position are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the detailed balance sheets and detailed schedules of revenues, expenses and changes in net position are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

September 26, 2019

Casper, Wyoming

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2019 and 2018

This section of the Wyoming Community Development Authority's (the Authority) annual financial report presents our discussion and analysis of financial activities for the fiscal years ended June 30, 2019 and 2018. The selected data presented was derived from the Authority's financial statements, which were audited by Porter, Muirhead, Cornia & Howard, Certified Public Accountants. The authority is a self-supporting entity and follows enterprise fund reporting in accordance with accounting principles generally accepted in the United States of America; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting as prescribed by the Governmental Accounting Standards Board (GASB). Enterprise fund statements offer short-term and long-term financial information about the Authority's activities. The Independent Auditor's Report, audited financial statements and accompanying notes, and supplementary information should be read in conjunction with the following discussion.

Overview of the Financial Statements

The basic financial statements consist of the Balance Sheets, the Statements of Revenues, Expenses and Changes in Net Position, the Statements of Cash Flows and the notes thereto. The financial statements offer information about the Authority's activities and operations.

The Balance Sheets include all of the Authority's assets and liabilities, presented in order of liquidity, along with deferred outflows and deferred inflows, which represent deferrals of resources related to future periods. The resulting net position present in these statements is displayed as net investment in capital assets, restricted or unrestricted. Net position is restricted when its use is subject to external limits such as bond indentures, legal agreements or statutes.

All of the Authority's current year revenues and expenses are recorded in the Statements of Revenues, Expenses and Changes in Net Position. This statement measures the activities of the Authority's operations over the past year and presents the resulting change in net position.

The final required financial statements are the Statements of Cash Flows. The primary purpose of these statements is to provide information about the Authority's cash receipts and cash payments during the reporting period. These statements report cash receipts, cash payments and net changes in cash resulting from operating, noncapital financing, capital and related financing and investing activities. These statements also provide information regarding the sources and uses of cash and the change in the cash balance during the reporting period.

The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the financial statements.

Required and other supplementary information is presented following the notes to the financial statements to provide selected supplemental information, such as combining schedules for the Authority's programs.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2019 and 2018

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WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2019 and 2018

Financial Position Analysis

The following table is a summary of the Authority's net position at June 30, 2019, 2018 and 2017.

	2019	<i>Change</i>		2018	<i>Change</i>		(As Restated) 2017
Cash and cash equivalents	\$ 154,913,757	\$ (15,057,426)	-8.86%	\$ 169,971,183	\$ 64,411,613	61.02%	\$ 105,559,570
Investments	146,483,931	4,762,524	3.36%	141,721,407	(36,316,252)	-20.40%	178,037,659
Other current assets	2,171,473	211,587	10.80%	1,959,886	402,982	25.88%	1,556,904
Mortgage loans receivable	865,573,247	85,786,889	11.00%	779,786,358	46,675,525	6.37%	733,110,833
Other noncurrent assets	32,751,550	2,587,034	8.58%	30,164,516	(1,636,268)	-5.15%	31,800,784
Total assets	1,201,893,958	78,290,608	6.97%	1,123,603,350	73,537,600	7.00%	1,050,065,750
Deferred outflow of resources	6,101,718	5,066,582	489.46%	1,035,136	(474,350)	-31.42%	1,509,486
Other current liabilities	3,377,047	143,656	4.44%	3,233,391	404,800	14.31%	2,828,591
Bonds payable	786,907,039	58,847,776	8.08%	728,059,263	70,944,654	10.80%	657,114,609
Other long-term liabilities	12,838,343	5,840,767	83.47%	6,997,576	(607,478)	-7.99%	7,605,054
Total liabilities	803,122,429	64,832,199	8.78%	738,290,230	70,741,976	10.60%	667,548,254
Deferred inflow of resources	872,429	(1,568,698)	-64.26%	2,441,127	1,838,504	305.08%	602,623
Net investment in capital assets	2,228,452	(109,613)	-4.69%	2,338,065	(328,905)	-12.33%	2,666,970
Restricted	262,487,040	21,475,751	8.91%	241,011,289	(1,808,631)	-0.74%	242,819,920
Unrestricted	139,285,326	(5,023,027)	-3.48%	144,308,353	6,370,884	4.62%	137,937,469
Total net position	\$ 404,000,818	\$ 16,343,111	4.22%	\$ 387,657,707	\$ 4,233,348	1.10%	\$ 383,424,359

The net investment in capital assets, which is the net book value of capital assets (e.g. land, buildings, and equipment) less related debt, is \$2,228,452, \$2,338,065, and \$2,66,970 for the years ended June 30, 2019, 2018, and 2017, respectively. The Authority uses these capital assets to provide services to borrowers; consequently, these assets are not available for future spending. The Authority currently has no debt associated with its capital assets; however, other sources would need to be identified to finance future capital asset purchases. An additional portion of the Authority's net position, \$262,487,040, \$241,011,289, and \$242,819,920 for the years ended June 30, 2019, 2018, and 2017, respectively, represents resources that are subject to external restriction on how they may be used. These restrictions include bond covenants associated with the 1994 and 2009 Indentures, as well as federal grant agreements associated with the activity of the Affordable Housing Development Department.

The net position of the Authority increased \$16.3 million from June 30, 2018 to June 30, 2019 and \$4.2 million from June 30, 2017 to June 30, 2018. While the Authority has seen some continuous growth in its loan volume over the last two fiscal years, the increase in net position as of June 30, 2019 is largely attributable to the net effect of a \$14.7 million favorable swing in the net change in fair value of investments as compared to the balance as of June 30, 2018, expensing approximately \$7.6 million of excess deferred service release premiums in the current year to reflect the change in prepayment speeds, and a \$4.7 million increase in nonoperating income. With the Authority having investments in excess of \$140 million, adjustments for fair value can have a substantial impact on net income from one year to the next.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2019 and 2018

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Mortgage loans receivable	865,573,247	85,786,889	11.00%	779,786,358	46,675,525	6.37%	733,110,833
Other noncurrent assets	32,751,550	(1,163,544)	-3.43%	33,915,094	2,114,310	6.65%	31,800,784
Total assets	1,201,893,958	74,540,030	6.61%	1,127,353,928	77,288,178	7.36%	1,050,065,750
Deferred outflow of resources	6,101,718	5,066,582	489.46%	1,035,136	(474,350)	-31.42%	1,509,486
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WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2019 and 2018

Financial Position Analysis (Continued)

Cash and cash equivalents decreased by \$15.1 million and investments increased by \$4.8 million for a combined decrease in funds of \$10.3 million during the year ended June 30, 2019. Cash and cash equivalents increased by \$64.4 million and investments decreased by \$36.3 million for a combined increase in funds of \$28.1 million during the year ended June 30, 2018. The changes were due to the following:

	2019	2018
Net (increase) decrease in other assets	\$ 2,520,655	\$ (2,517,292)
Net (increase) in mortgage loans receivable	(85,786,889)	(46,675,526)
Net increase in other current liabilities	143,656	404,800
Net increase in other liabilities	5,840,767	1,231,026
Net increase in bonds payable	58,847,776	70,944,654
Funds provided by operations	8,139,133	4,707,699
Net increase (decrease) in cash and cash equivalents, and investments	<u>\$ (10,294,902)</u>	<u>\$ 28,095,361</u>

Mortgage loans receivable increased by \$85.8 million during the year ended June 30, 2019 and \$46.7 million during the year ended June 30, 2018 due to the following:

	2019	2018
Prepayments	\$ (142,703,067)	\$ (127,740,236)
Curtailments and scheduled payments	(34,313,784)	(43,236,526)
Increase in loan loss reserves	166,671	890,396
Mortgage loan purchases	263,789,921	220,231,571
Gain (loss) posted on foreclosed loans	(317,367)	86,295
Reclassified to real estate held for sale	(835,485)	(3,555,974)
Net increase in mortgage loans receivable	<u>\$ 85,786,889</u>	<u>\$ 46,675,526</u>

Total assets increased by \$74.5 million during the year ended June 30, 2019, and \$77.3 million during the year ended June 30, 2018 due to the following:

	2019	2018
Increase (decrease) in cash, cash equivalents and investments (discussed previously)	\$ (10,294,902)	\$ 28,095,361
Increase in mortgage and investment interest receivable	224,645	129,601
Increase (decrease) in accounts receivable and other assets	6,057,002	(3,080,624)
Increase in mortgage loans receivable (discussed previously)	85,786,889	46,675,526
Increase in real estate held for sale	1,067,230	3,913,751
Increase (decrease) in deferred hedging cost of fixed-rate swaps	(1,449,369)	1,397,268
Increase (decrease) in deferred servicing costs	(6,741,852)	486,200
(Decrease) in property and equipment	(109,613)	(328,905)
Increase in total assets	<u>\$ 74,540,030</u>	<u>\$ 77,288,178</u>

Deferred outflows of resources increased by \$5.1 million for the year ended June 30, 2019 and decreased \$0.5 million during the year ended June 30, 2018 due to the following:

	2019	2018
Increase (decrease) in pension contributions and change in earnings	\$ 638,780	\$ (300,541)
Increase (decrease) in deferred outflows from other postemployment benefits	429,687	(11,140)
Increase (decrease) in accumulated change in fair value of hedged derivative	3,998,115	(162,669)
Increase (decrease) in total deferred outflows of resources	<u>\$ 5,066,582</u>	<u>\$ (474,350)</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2019 and 2018

Financial Position Analysis (Continued)

Other current liabilities increased \$0.1 million for the year ended June 30, 2019, and \$0.4 million for the year ended June 30, 2018 due to the following:

	2019	2018
Increase in accrued interest payable	\$ 98,826	\$ 223,014
Increase in accounts payable and other liabilities	44,830	181,786
Increase in other current liabilities	\$ 143,656	\$ 404,800

Bonds payable increased \$58.8 million during the year ended June 30, 2019 and \$70.9 million during the year ended June 30, 2018 due to the following:

	2019	2018
Redemptions, refundings and maturities	\$ (105,990,000)	\$ (74,585,000)
Amortization of bond premiums	(1,160,760)	(549,330)
Bond issuances	162,800,000	143,710,000
Premiums on bond issuances	3,198,536	2,368,984
Increase in bonds payable	\$ 58,847,776	\$ 70,944,654

See Note 8 for additional information on bonds payable.

Total liabilities increased by \$64.8 million during the year ended June 30, 2019 and \$70.7 million during the year ended June 30, 2018 due to the following:

	2019	2018
Increase in bonds payable (discussed previously)	\$ 58,847,776	\$ 70,944,654
Increase in other current liabilities (discussed previously)	143,656	404,800
Increase (decrease) in other noncurrent liabilities	5,840,767	(607,478)
Increase in total liabilities	\$ 64,832,199	\$ 70,741,976

Deferred inflows of resources decreased by \$1.6 million during the year ended June 30, 2019 and increased \$1.8 million during the year ended June 30, 2018 due to the following:

	2019	2018
Increase (decrease) in differences between expected and actual pension experience	\$ (88,714)	\$ 440,168
(Decrease) in deferred inflows from other postemployment benefits	(6,194)	(39,926)
Increase (decrease) in accumulated change in fair value of hedged derivatives	(1,473,790)	1,438,262
Increase (decrease) in deferred inflows of resources	\$ (1,568,698)	\$ 1,838,504

See Note 15 for additional information on the change in pension experience and Note 16 for additional information on the change in other postemployment benefits.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2019 and 2018

Results of Operations Analysis

The following table is a condensed summary of changes in net position for the years ended June 30, 2019, 2018 and 2017:

	2019	<i>Change</i>		2018	<i>Change</i>		2017
Operating revenue							
Mortgage interest	\$ 31,210,515	\$ 3,184,625	11.36%	\$ 28,025,890	\$ (632,040)	-2.21%	\$ 28,657,930
Investment income	16,316,872	16,387,981	-23046.28%	(71,109)	4,270,810	-98.36%	(4,341,919)
Other income	4,305,310	156,174	3.76%	4,149,136	33,752	0.82%	4,115,384
Total operating revenues	<u>51,832,697</u>	<u>19,728,780</u>	<u>61.45%</u>	<u>32,103,917</u>	<u>3,672,522</u>	<u>12.92%</u>	<u>28,431,395</u>
Operating expenses							
Interest expense	22,701,447	3,301,601	17.02%	19,399,846	1,259,970	6.95%	18,139,876
Other operating expenses	20,634,875	9,052,289	78.15%	11,582,586	(23,769)	-0.20%	11,606,355
Total operating expenses	<u>43,336,322</u>	<u>12,353,890</u>	<u>39.87%</u>	<u>30,982,432</u>	<u>1,236,201</u>	<u>4.16%</u>	<u>29,746,231</u>
Operating income (loss)	8,496,375	7,374,890	657.60%	1,121,485	2,436,321	-185.29%	(1,314,836)
Nonoperating income	7,846,736	4,734,873	152.16%	3,111,863	1,403,246	82.13%	1,708,617
Net income	16,343,111	12,109,763	286.06%	4,233,348	3,839,567	975.05%	393,781
Beginning net position	387,657,707	4,233,348	1.10%	383,424,359	393,781	0.10%	383,030,578
Ending net position	<u>\$ 404,000,818</u>	<u>\$ 16,343,111</u>	<u>4.22%</u>	<u>\$ 387,657,707</u>	<u>\$ 4,233,348</u>	<u>1.10%</u>	<u>\$ 383,424,359</u>

The operating income for the year increased by \$7.4 million when compared to fiscal year 2018. This increase is attributed primarily to the net impact of the change in fair value of investments and the expensing of excess deferred service release premiums.

Non-operating income represents the activities associated with the Affordable Housing Development Department. During the year ended June 30, 2019, the Affordable Housing Development Department received an increase in funding associated with the National Housing Trust Fund of \$2.2 million, which helped contribute to the overall increase in nonoperating income of \$4.7 million.

Capital Asset and Debt Administration

The Authority's capital assets include land, buildings, furniture and equipment. Capital assets are presented in the financial statements as follows:

	2019	Change	2018	Change	2017
Property and equipment, net	<u>\$ 2,228,452</u>	<u>\$ (109,613)</u>	<u>\$ 2,338,065</u>	<u>\$ (328,905)</u>	<u>\$ 2,666,970</u>

Typically, the change in capital assets in any given year is immaterial to the overall operation of the Authority.

In the 1994 Indenture, the Authority issued \$162.8 million in bonds during the year ended June 30, 2019, and \$143.7 million in bonds during the year ended June 30, 2018. Due to maturities, redemptions and refundings, bonds outstanding were reduced by \$106.0 million during the year ended June 30, 2019 and \$74.6 million during the year ended June 30, 2018. See Note 8 for additional information.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2019 and 2018

Economic Factors

The primary business activities of the Authority are funding the purchase and servicing of single-family mortgages, and the administration of the federal affordable housing programs. The Authority's mortgage financing activities are sensitive to the current interest rates, the spread between the rate at which the Authority is able to purchase loans, the rate available in the conventional mortgage markets, and also the availability of affordable housing in Wyoming. The availability of Federal National Mortgage Association (FNMA) and Government National Mortgage Association (GNMA) to purchase loans or guarantee loan securities; the availability of the Federal Housing Administration (FHA), the Veterans Administration (VA), and the Department of Agriculture's Office of Rural Development (RD) to guarantee loans; the continuation of servicing relationships with banks in Wyoming; and the availability of long-term, tax-exempt financing on favorable terms are key elements of providing the resources necessary for the Authority to continue its mortgage financing and servicing activities. In addition, the funding of the Authority's federal affordable housing program activities is dependent on budget appropriations from the U.S. Department of Housing and Urban Development (HUD), as contained in the federal budget.

Requests for Information

This financial report is designed to provide a general overview of the activities of the Authority. If you have questions about the report or need additional financial information, please contact the Director of Finance & Administration, Wyoming Community Development Authority, P.O. Box 634, Casper, Wyoming 82602, or go to our website at www.wyomingcda.com.

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WYOMING COMMUNITY DEVELOPMENT AUTHORITY

BALANCE SHEETS
 June 30, 2019 and 2018 and
 December 31, 2019 and 2018 (Unaudited)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	June 30,		December 31, (Unaudited)	
	2019	2018	2019	2018
Current Assets				
Cash and cash equivalents	\$ 47,818,292	\$ 56,802,839	\$ 35,300,299	\$ 49,613,443
Investments	65,849,688	63,492,861	74,445,440	68,363,954
Interest receivable				
Mortgage loans	88,736	52,885	115,986	138,936
Investments	604,530	318,877	326,956	336,415
Accounts receivable and other assets	1,478,207	1,588,124	1,674,613	1,720,855
Total current assets	<u>115,839,453</u>	<u>122,255,586</u>	<u>111,863,294</u>	<u>120,173,603</u>
Noncurrent Assets				
Restricted cash and cash equivalents	107,095,465	113,168,344	114,549,368	103,887,426
Restricted investments	80,634,243	78,228,546	75,758,439	71,997,921
Restricted mortgage loans				
receivable, net	848,138,508	765,481,062	881,931,947	812,455,538
Restricted real estate held for sale	4,455,447	3,750,578	3,738,069	3,354,400
Restricted interest receivable				
Mortgage loans	2,894,827	2,684,993	2,890,044	2,721,280
Investments	942,580	1,249,273	1,117,962	1,246,441
Restricted accounts receivable				
and other assets	14,143,434	7,976,515	13,395,931	12,643,605
Mortgage loans receivable, net	17,434,739	14,305,296	17,975,134	24,898,076
Real estate held for sale	525,534	163,173	373,200	1,042,375
Deferred hedging costs of				
fixed-rate swaps	-	1,449,369	-	722,341
Deferred servicing costs, net	7,561,276	14,303,128	8,421,605	15,007,570
Property and equipment, net	2,228,452	2,338,065	2,138,535	2,314,055
Total noncurrent assets	<u>1,086,054,505</u>	<u>1,005,098,342</u>	<u>1,122,290,234</u>	<u>1,052,291,028</u>
Total assets	<u>1,201,893,958</u>	<u>1,127,353,928</u>	<u>1,234,153,528</u>	<u>1,172,464,631</u>
Deferred Outflows of Resources				
Deferred outflows of resources				
related to pensions	1,217,502	578,722	1,217,502	578,722
Deferred outflows from other				
postemployment benefits	560,202	130,515	560,202	130,515
Accumulated decrease in fair value				
of hedged derivatives	4,324,014	325,899	4,647,553	1,071,184
Total deferred outflows	<u>6,101,718</u>	<u>1,035,136</u>	<u>6,425,257</u>	<u>1,780,421</u>
of resources				
Total assets and deferred	<u>\$ 1,207,995,676</u>	<u>\$ 1,128,389,064</u>	<u>\$ 1,240,578,785</u>	<u>\$ 1,174,245,052</u>
outflows of resources				

See notes to the basic financial statements

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	June 30,		December 31, (Unaudited)	
	2019	2018	2019	2018
Current Liabilities				
Bonds payable	\$ 26,930,000	\$ 24,915,000	\$ 79,570,000	\$ 12,715,000
Accrued interest payable	2,013,163	1,914,337	2,022,905	1,967,558
Accounts payable and other liabilities	1,363,884	1,319,054	2,397,822	1,298,710
Total current liabilities	<u>30,307,047</u>	<u>28,148,391</u>	<u>83,990,727</u>	<u>15,981,268</u>
Noncurrent Liabilities				
Bonds payable	759,977,039	703,144,263	730,825,863	753,736,622
Other deferred credits	1,147,967	1,246,955	1,034,155	1,290,750
Pension liability	4,886,765	3,488,138	4,886,765	3,488,138
Other postemployment benefit liabilities	2,479,597	1,936,584	2,479,597	1,936,584
Hedging liabilities	4,324,014	325,899	4,647,553	1,071,184
Total noncurrent liabilities	<u>772,815,382</u>	<u>710,141,839</u>	<u>743,873,933</u>	<u>761,523,278</u>
Total liabilities	<u>803,122,429</u>	<u>738,290,230</u>	<u>827,864,660</u>	<u>777,504,546</u>
Deferred Inflows of Resources				
Deferred inflows of resources related to pensions	442,142	530,856	442,142	530,856
Deferred inflows from other postemployment benefits	317,206	323,400	317,206	323,400
Accumulated increase in fair value of hedged derivatives	113,081	1,586,871	138,042	817,315
Total deferred inflows of resources	<u>872,429</u>	<u>2,441,127</u>	<u>897,390</u>	<u>1,671,571</u>
Net Position				
Net investment in capital assets	2,228,452	2,338,065	2,138,535	2,314,055
Restricted	262,487,040	241,011,289	272,617,695	238,335,197
Unrestricted	139,285,326	144,308,353	137,060,505	154,419,683
Total net position	<u>404,000,818</u>	<u>387,657,707</u>	<u>411,816,735</u>	<u>395,068,935</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,207,995,676</u>	<u>\$ 1,128,389,064</u>	<u>\$ 1,240,578,785</u>	<u>\$ 1,174,245,052</u>

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WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2019 and 2018 and
Six Months Ended December 31, 2019 and 2018 (Unaudited)

	June 30,		December 31, (Unaudited)	
	2019	2018	2019	2018
Operating Revenues				
Mortgage interest	\$ 31,210,515	\$ 28,025,890	\$ 16,337,907	\$ 15,474,082
Investment interest income	8,572,512	6,884,649	3,868,424	4,418,860
Net increase (decrease) in fair value of investments	7,744,360	(6,955,758)	1,827,936	(1,233,472)
Fees and other income	4,305,310	4,149,136	2,732,151	2,112,832
Total operating revenue	<u>51,832,697</u>	<u>32,103,917</u>	<u>24,766,418</u>	<u>20,772,302</u>
Operating Expenses				
Interest expense	22,701,447	19,399,846	11,604,194	11,494,907
Servicer fees	41,061	54,232	19,817	25,401
Amortization of deferred servicing costs	10,027,827	2,160,000	941,071	1,200,000
Cost of issuance and other financing costs	2,108,913	1,915,732	1,209,175	984,597
Provision for (recapture of) loan losses	379,770	(669,596)	449,545	245,762
General and administrative	8,077,304	8,122,218	3,658,052	3,700,636
Total operating expenses	<u>43,336,322</u>	<u>30,982,432</u>	<u>17,881,854</u>	<u>17,651,303</u>
Operating income	<u>8,496,375</u>	<u>1,121,485</u>	<u>6,884,564</u>	<u>3,120,999</u>
Non-operating Revenue (Expenses)				
Federal program income	8,504,461	5,022,146	1,373,423	4,562,217
Federal program expense	(657,725)	(1,910,283)	(442,070)	(271,988)
Non-operating income	<u>7,846,736</u>	<u>3,111,863</u>	<u>931,353</u>	<u>4,290,229</u>
Net income	16,343,111	4,233,348	7,815,917	7,411,228
Net position, beginning of year	<u>387,657,707</u>	<u>383,424,359</u>	<u>404,000,818</u>	<u>387,657,707</u>
Net position, end of year	<u>\$ 404,000,818</u>	<u>\$ 387,657,707</u>	<u>\$ 411,816,735</u>	<u>\$ 395,068,935</u>

See notes to the basic financial statements

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2019 and 2018 and
Six Months Ended December 31, 2019 and 2018 (Unaudited)

	June 30,		December 31,	
	2019	2018	(Unaudited)	
	2019	2018	2019	2018
Cash Flows from Operating Activities				
Cash receipts for services	\$ 4,305,310	\$ 4,149,136	\$ 2,732,151	\$ 2,112,832
Interest income on mortgage loans	30,782,487	28,068,779	16,315,440	15,351,744
Principal received on mortgage loans	174,758,655	168,476,790	100,439,101	92,724,127
Cash payments to purchase mortgage loans	(262,347,817)	(213,780,666)	(133,046,206)	(151,500,770)
Cash payments to servicers	(41,061)	(54,232)	(19,817)	(25,401)
Cash payments to suppliers	(6,421,382)	(6,104,294)	(1,443,361)	(4,588,251)
Cash payments to employees	(3,127,357)	(3,120,400)	(1,589,259)	(1,537,417)
Net cash used in operating activities	<u>(62,091,165)</u>	<u>(22,364,887)</u>	<u>(16,611,951)</u>	<u>(47,463,136)</u>
Cash Flows from Noncapital Financing Activities				
Federal revenue	8,504,461	5,022,146	1,373,423	4,562,217
Federal expenses	(845,200)	(1,797,496)	(455,279)	(271,988)
Federal program notes issued	(7,153,742)	(4,034,444)	(2,823,724)	(3,590,248)
Federal program note payments received	2,258,196	2,499,972	1,351,773	928,985
Proceeds from bonds	165,998,537	146,078,983	89,996,475	76,002,101
Principal paid on bonds	(105,990,000)	(74,585,000)	(65,885,000)	(37,225,000)
Interest paid on bonds	(23,763,382)	(19,726,161)	(12,217,103)	(11,694,428)
Proceeds from notes payable	31,737,000	49,399,000	19,279,500	16,704,000
Payments on note payable	(31,737,000)	(49,399,000)	(19,279,500)	(16,704,000)
Net cash provided by noncapital financing activities	<u>39,008,870</u>	<u>53,458,000</u>	<u>11,340,565</u>	<u>28,711,639</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of fixed assets	(264,544)	(84,546)	(94,869)	(170,061)
Purchase of mortgage servicing rights	(3,285,975)	(2,646,200)	(1,801,400)	(1,904,442)
Net cash used in capital and related financing activities	<u>(3,550,519)</u>	<u>(2,730,746)</u>	<u>(1,896,269)</u>	<u>(2,074,503)</u>
Cash Flows from Investing Activities				
Interest received from investments	8,721,449	6,739,000	4,059,528	4,293,363
Purchase of investments	-	(800,000)	(26,450,426)	-
Proceeds from sales and maturities of investments	2,853,939	30,110,246	24,494,463	62,323
Net cash provided by investing activities	<u>11,575,388</u>	<u>36,049,246</u>	<u>2,103,565</u>	<u>4,355,686</u>
Increase (decrease) in cash and cash equivalents	(15,057,426)	64,411,613	(5,064,090)	(16,470,314)
Cash and cash equivalents, beginning of year	<u>169,971,183</u>	<u>105,559,570</u>	<u>154,913,757</u>	<u>169,971,183</u>
Cash and cash equivalents, end of year	<u>\$ 154,913,757</u>	<u>\$ 169,971,183</u>	<u>\$ 149,849,667</u>	<u>\$ 153,500,869</u>

See notes to the basic financial statements

	June 30,		December 31,	
	2019	2018	2019	2018
(Unaudited)				
Reconciliation of ending cash and cash equivalents				
Current cash and cash equivalents	\$ 47,818,292	\$ 56,802,839	\$ 35,300,299	\$ 49,613,443
Noncurrent restricted cash and cash equivalents	107,095,465	113,168,344	114,549,368	103,887,426
Cash and cash equivalents, end of year	<u>\$ 154,913,757</u>	<u>\$ 169,971,183</u>	<u>\$ 149,849,667</u>	<u>\$ 153,500,869</u>
Reconciliation of operating income to net cash used in operating activities				
Operating income	\$ 8,496,375	\$ 1,121,485	\$ 6,884,564	\$ 3,120,999
Adjustments to reconcile operating income to net cash used in operating activities				
Interest on bonds	22,701,447	19,399,846	11,604,194	11,362,907
Net change in fair value of investments	(7,744,360)	6,955,758	(1,827,936)	1,233,472
Interest from investments	(8,572,512)	(6,884,649)	(3,868,424)	(4,286,860)
Mortgage loan principal repayments				
Scheduled	32,773,672	41,755,593	13,014,000	15,975,224
Prepaid	141,984,983	126,721,197	87,425,101	76,748,903
Purchase of mortgage loans	(262,347,817)	(213,780,666)	(133,046,206)	(151,500,770)
Change in deferred inflows and outflows related to postemployment benefits other than retirement	(435,881)	(28,786)	(22,467)	(122,338)
Amortization of deferred servicing costs	10,027,827	2,160,000	941,071	1,200,000
Change in provision for loan losses	338,170	(1,089,477)	219,984	55,019
Net change in other assets and liabilities	686,931	1,304,812	2,064,168	(1,249,692)
Net cash used in operating activities	<u>\$ (62,091,165)</u>	<u>\$ (22,364,887)</u>	<u>\$ (16,611,951)</u>	<u>\$ (47,463,136)</u>
Supplemental Cash Flow Information				
Noncash noncapital financing activity				
Federal program notes rolled into mortgages	\$ 1,011,650	\$ 6,450,905	\$ 2,320,145	\$ 127,200

WYOMING COMMUNITY DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018
(INFORMATION WITH RESPECT TO THE SIX MONTHS ENDED
DECEMBER 31, 2019 AND 2018 IS UNAUDITED)

Note 1. Authority Legislation

The Wyoming Community Development Authority (the “Authority”) was created in 1975 by the Wyoming Community Development Authority Act to provide financing for housing needs within the State of Wyoming (the “State”). The Authority is a component unit of the State and is reported as an enterprise fund.

In March 2002, the Authority was authorized by the Legislature of the State of Wyoming to issue additional bonds. In addition to the bonds presently outstanding, any bonds authorized for care facility projects, bonds that may be issued to refund bonds, and bonds the Authority may issue from time to time as private activity bonds exempt from federal income taxation under Section 146 of the Internal Revenue Code of 1986, as amended, the Authority may issue and have outstanding additional bonds in the aggregate amount of up to \$400,000,000. In addition, the Authority may issue and have outstanding additional bonds for care facility projects in an aggregate amount of up to \$250,000,000. Amounts so issued shall not be deemed to constitute a debt of the State or any political subdivision thereof.

Note 2. Significant Accounting Policies

Fund Accounting and Generally Accepted Accounting Principles

Basis of Presentation – The Authority’s financial statements have been prepared on the basis of the proprietary-fund concept which pertains to financial activities that operate in a manner similar to private business enterprises and are financed through fees and charges assessed primarily to the users of the services.

The financial activities of the Authority are recorded in funds established under various bond indentures (program funds) and in funds established for the administration of the Authority’s programs. The Authority uses the accrual method of accounting. The Authority’s program funds and other funds have been presented on a combined basis, as the Authority is considered a single enterprise fund for financial reporting purposes. All interfund balances and transactions have been eliminated in the financial statements.

Further description of the Funds established by the Authority is as follows:

Single Family Program Funds

These funds, established under the Housing Revenue Bonds 1994 Indenture and the Homeownership Mortgage Revenue Bonds 2009 Indenture are to account for the proceeds from the sale of Single Family Mortgage Bonds and the debt service requirements of the bond indebtedness. Activities of these funds are, in general, limited to the purchase of mortgage loans collateralized by eligible mortgages on single family residential housing. Assets in these funds are classified as restricted because their use is limited by applicable bond covenants. The trust indentures have various insurance, guaranty and reserve provisions as set forth in those trust indentures.

The Authority also has funds that had been established under past indentures and the bonds related to those indentures have been completely redeemed. Assets in the Single Family Mortgage Warehousing Fund, and the Multi-Family Fund are no longer reported as restricted since no bonds are outstanding in those funds.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
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Note 2. Significant Accounting Policies (Continued)

Affordable Housing Development Fund

This fund was established for the purpose of receiving and disbursing funds relating to projects funded by the U.S. Department of Housing and Urban Development's HOME Investment Partnership, Neighborhood Stabilization Program, National Housing Trust Fund, Tax Credit Assistance Program and other federal programs, including the Department of Treasury's Tax Credit Exchange Program. These funds are restricted by federal law to specific purposes.

Housing Trust Fund

This fund was established to provide direct funding of approved housing or housing projects within the State of Wyoming.

Mortgage Guaranty Fund

This fund is used to provide guarantees on mortgage loans, leases, or other credit agreements purchased by the Authority. Claims made against the Mortgage Guaranty Fund are not a debt or liability of the State nor a general obligation of the Authority. The Authority has committed \$342,651 and \$342,651 to guarantee mortgage and project loans with principal balances outstanding of \$699,984 and \$670,263 as of June 30, 2019 and December 31, 2019, respectively. The Authority has also committed \$250,000 to guarantee second mortgages with principal balances outstanding of \$16,434,994 and \$19,092,105 as of June 30, 2019 and December 31, 2019, respectively. Initial recovery of second mortgage losses will come from other available sources.

General Fund

This fund is utilized to account for all of the operating activities of the Authority, including mortgage-servicing activities and all other activities, which are not required to be accounted for in other specific funds.

Interfund Activity

As a general rule, the effect of interfund activity has been eliminated from the Authority's basic financial statements.

Interim Period Financial Statements

The unaudited financial statements as of December 31, 2019 and 2018, and for the six months then ended, reflect, in the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to fairly state the financial position and results of operations for the respective periods. Operating results for the interim periods are not necessarily indicative of the results for full years.

Cash and Cash Equivalents

For purposes of reporting the statements of cash flows, the Authority considers all cash, money market investments, and obligations of the U.S. Treasury or agencies and instrumentalities of the U.S. Government with initial maturities of three months or less to be cash equivalents.

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Note 2. Significant Accounting Policies (Continued)

Restricted Assets

Certain proceeds of the Authority's bonds, as well as certain resources set aside for their repayment are classified as restricted assets because they are maintained in separate accounts and their use is limited by bond covenants. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as needed.

Investments

The trust indentures, State statutes and the Authority's investment policy authorize the types of investment in which the Authority invests. Among these authorized investments are certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities of the U.S. Government, mortgage backed securities, guaranteed investment contracts, mutual funds and repurchase agreements with banks with the underlying securities being obligations of the U.S. Treasury or agencies and instrumentalities of the U.S. Government. All investments are reported at fair value as determined by financial services providers.

Mortgage Loans Receivable

Mortgage loans receivable are reported net of the loan loss reserve. The loan loss reserve for mortgages is increased by provisions charged and decreased by recoveries credited to operations based on a periodic evaluation of the loan portfolio and actual losses that occur. Loans receivable are carried at the lower of historical cost and fair value. The cost is approximately equal to fair value. Deferred commitment fees on mortgages are amortized to earnings over the estimated life of the mortgages by a method which approximates the interest method. Interest income on delinquent loans is accrued up to one year, after which time the loan is classified as a non-accrual loan.

Accounts Receivable and Other Assets

Accounts receivable and other assets include prepaid expenses, general accounts receivable and accounts receivable related to servicing activities. Short-term notes receivable related to the acquisition and rehabilitation of properties through federal programs are also reported here.

Real Estate Held for Sale

Real estate held for sale arises from foreclosures or other mortgage default-related actions on properties pledged as collateral on mortgage loans. The Authority considers property to be real estate held for sale at the time of a sheriff's sale. Real estate held for sale is recorded at the unpaid principal balance plus accrued interest on the loans as of the date the loans become real estate owned, plus subsequent expenses incurred less any insurance or other loan-related payments received. Since a number of loans covered by mortgage insurance have reached maximum reimbursements allowable for loss claims and other loans in the portfolio are uninsured, it is anticipated that proceeds arising from the sale of such property and certain insurance proceeds may not fully cover any losses experienced. Actual losses are recorded against the loan loss reserve established by the Authority, see Note 5. As of June 30, 2019 and December 31, 2019, the Authority had 42 and 44 properties in real estate held for sale totaling \$4,980,981 and \$4,111,269, respectively.

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Note 2. Significant Accounting Policies (Continued)

Deferred Servicing Costs

Deferred servicing costs consist of costs of acquiring mortgage loan servicing rights. The cost of loan servicing rights is amortized in proportion to, and over the period of, estimated net servicing revenue.

Property and Equipment

Property and equipment, including rehabilitations of single-family dwellings, is stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives:

Furniture and equipment	3 – 7 years
Buildings and improvements	15 – 40 years

Pensions

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State of Wyoming Employee Group Insurance (EGI) plans and additions to/deductions from EGI's fiduciary net position have been determined on the same basis as they are reported by EGI. For this purpose, EGI recognizes benefit payments when due and payable in accordance with the benefit terms and their investments are reported at fair value.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the balance sheets may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a decrease of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an increase of net position that applies to a future period(s) and so will not be recognized as in inflow of resources (revenue) until that time. The Authority reports deferred outflows and inflows as follows:

Fair Value of Hedged Derivatives – In the balance sheet, a deferred outflow or deferred inflow of resources is reported for changes in the fair value of derivatives used for hedging activities. A deferred outflow is reported for accumulated decreases in fair value, while a deferred inflow is reported for accumulated increases in fair value.

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Note 2. Significant Accounting Policies (Continued)

Deferred Outflows and Deferred Inflows of Resources (Continued)

Pension Plan and OPEB Items – In the balance sheet, a deferred outflow or deferred inflow of resources is reported for the unrecognized items not yet charged to pension or OPEB expense related to the net pension and net OPEB liabilities. This includes the unamortized portion of the net difference between projected and actual earnings on pension plan or OPEB investments and other differences between expected and actual experience. Deferred outflows for the net difference between projected and actual investment earnings are recognized over a period of five years, while the deferred outflows or deferred inflows for the differences between expected and actual experience for economic/demographic assumptions are recognized over the remaining service life for all active and inactive members.

Arbitrage Rebate Payable, Deferred Arbitrage Rebate and Other Deferred Credits

As a result of applicable federal income tax rules, the Authority is limited in the investment yield which it may retain for its own use on the non-mortgage investments of most of its bond issues. For bond issues after 1988, excess arbitrage yields must be rebated to the federal government not less than every five years pursuant to applicable federal tax regulations. The Authority has deferred \$147,933 and \$191,348 as of June 30, 2019 and 2018, respectively, and \$147,933 and \$191,348 as of December 31, 2019 and 2018, respectively, for arbitrage rebates. There is no arbitrage rebate due at June 30, 2019 and 2018 and December 31, 2019 and 2018.

The Authority could also incur arbitrage rebates related to excess yields collected on mortgage receivables funded with bond proceeds; management monitors whether excess yields are accumulating in a given series. The Authority would defer recognizing interest income from excess yields. The Authority has recorded no deferred interest income at June 30, 2019 and 2018 and December 31, 2019 and 2018. As of June 30, 2019 and 2018 and December 31, 2019 and 2018, the Authority deferred \$61,762, \$93,294, \$55,210 and \$76,320, respectively, of interest income related to the HOME Run loan program.

Additionally, the Authority has deferred \$938,272 and \$962,313 as of June 30, 2019 and 2018, and \$831,012 and \$1,023,082 as of December 31, 2019 and 2018, respectively, in unamortized commitment fees received. These fees are being amortized over the estimated life of the related mortgages by a method which approximates the interest method.

Indentures and Reporting Requirements

The Authority is subject to a number of limitations and restrictions contained in various indentures. Such limitations and covenants include: continued collection of pledged revenues, segregation of pledged revenues, maintaining specified levels of bond and mortgage reserve funds, permissible investment of bond proceeds and pledged revenues, and ongoing disclosure to the secondary bond market in accordance with the Securities and Exchange Commission's Rule 15c2-12. The Authority is in compliance with all significant covenants.

Components of Net Position

The Authority's net position is reported in three components: investment in capital assets, restricted and unrestricted. Restricted net position includes amounts restricted under terms of an award, contract or law. Unrestricted net position includes all other equity components not meeting the criteria above.

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Note 2. Significant Accounting Policies (Continued)

Revenue and Expense Recognition

The Authority records all revenues derived from mortgages, investments, servicing and financing as operating revenues since these revenues are generated from the Authority's daily operations needed to carry out its statutory purpose. The Authority considers revenues and expenses related to federal programs to be non-operating revenues and expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates and assumptions in these financial statements that require the exercise of management judgement include, though are not limited to, the allowance for loan losses, the fair value of investments, amortization of deferred servicing costs, pension liability, and OPEB liability. Due to the inherent uncertainty involved in making estimates, actual results in future periods could differ from those estimates. The estimates of fair value of investments, allowance for loan losses, amortization of deferred servicing costs, pension liabilities, and OPEB liabilities are specifically significant to the Authority. It is reasonably possible that these estimates will change within one year of the date of the financial statement due to one or more future events. The effect of the change could be material to the financial statements and could result in a loss.

Reclassification

Certain prior period balances on the balance sheets and statements of revenues, expenses and changes in net position have been reclassified to conform to the current year presentation with no changes to net assets or net income.

Note 3. Cash and Cash Equivalents and Investments

Deposits are placed with various financial institutions and are carried at cost. At June 30, 2019 and 2018, the carrying amount of the Authority's bank deposits was \$5,525,746 and \$7,129,046, respectively, and the bank balance was \$7,525,396 and \$9,430,166, respectively, while at December 31, 2019 and 2018, the carrying amount of the Authority's bank deposits was \$6,116,481 and \$10,041,742, respectively, and the bank balance was \$7,742,085 and \$11,537,366, respectively. The difference between the carrying amount and the bank balance is a result of transactions in transit. All bank deposits at June 30, 2019 and 2018 and December 31, 2019 and 2018 were covered by insurance or collateral held in joint custody with the financial institution. In addition, the Authority had \$147,190,382 and \$162,840,437 in cash and cash equivalents held in trust investment accounts as of June 30, 2019 and 2018, respectively, and \$143,730,987 and \$143,457,428 in cash and cash equivalents held in trust investment accounts as of December 31, 2019 and 2018, respectively. As of June 30, 2019 and 2018, the Authority had transactions in transit for the trust investment accounts of \$2,195,928 and \$2,322,141, respectively. As of December 31, 2019 and 2018, the Authority had transactions in transit for the trust investment accounts of \$1,575,767 and \$1,501,082, respectively.

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Note 3. Cash and Cash Equivalents and Investments (Continued)

The components of the Authority's investment portfolio are as follows:

	June 30,		December 31,	
	2019	2018	(Unaudited)	
	2019	2018	2019	2018
Investments				
U.S. Government and agency securities	\$ 146,483,931	\$ 141,721,407	\$ 150,203,879	\$ 140,361,875
Total	<u>\$ 146,483,931</u>	<u>\$ 141,721,407</u>	<u>\$ 150,203,879</u>	<u>\$ 140,361,875</u>

Investments are reported in the following classifications:

	June 30,		December 31,	
	2019	2018	(Unaudited)	
	2019	2018	2019	2018
Current	\$ 65,849,688	\$ 63,492,861	\$ 74,445,440	\$ 68,363,954
Noncurrent - restricted by bond indentures or contracts	80,634,243	78,228,546	75,758,439	71,997,921
Total	<u>\$ 146,483,931</u>	<u>\$ 141,721,407</u>	<u>\$ 150,203,879</u>	<u>\$ 140,361,875</u>

The net change in fair value of investments considers all changes in fair value that occurred during the year. Fair value for individual investments fluctuates based on changes in the market interest rates available to investors. At June 30, 2019 and 2018, the Authority had unrealized investment gains (losses) of \$245,101 and (\$7,749,260), respectively, and at December 31, 2019 and 2018, the Authority had unrealized investment gains (losses) of \$2,073,037 and (\$8,732,732), respectively, in its investment portfolio. The change in unrealized gains (losses) of \$7,744,360 and (\$6,955,758) for the years ended June 30, 2019 and 2018, respectively, and \$1,827,936 and (\$1,233,472) for the six months ended December 31, 2019 and 2018, respectively, as well as the effects of any realized gains and losses, which may have been partially or fully recognized in prior years, are included in the net change in fair value of investments as reported.

The Authority had the following investments and maturities:

Investment Type	Interest Rates	Fair Value	June 30, 2019			
			Investment Maturities			
			Prior to June 30, 2020	From July 1, 2020 to June 30, 2025	From July 1, 2025 to June 30, 2030	July 1, 2030 and thereafter
U.S. governmental and agency securities	2.57% - 8.5%	\$ 146,483,931	\$ 39,850	\$ 17,239,615	\$ 12,441,266	\$ 116,763,200
Total		<u>\$ 146,483,931</u>	<u>\$ 39,850</u>	<u>\$ 17,239,615</u>	<u>\$ 12,441,266</u>	<u>\$ 116,763,200</u>

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Note 3. Cash and Cash Equivalents and Investments (Continued)

December 31, 2019 (Unaudited)						
Investment Type	Interest Rates	Fair Value	Investment Maturities			
			Prior to June 30, 2020	From July 1, 2020 to June 30, 2025	From July 1, 2025 to June 30, 2030	July 1, 2030 and thereafter
U.S. governmental and agency securities	2.57% - 7.847%	\$ 150,203,879	\$ -	\$ 16,918,828	\$ 12,285,716	\$ 120,999,335
Total		<u>\$ 150,203,879</u>	<u>\$ -</u>	<u>\$ 16,918,828</u>	<u>\$ 12,285,716</u>	<u>\$ 120,999,335</u>

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy attempts to match its investment maturities to the expected call date of its bonds or needs for purchasing mortgages. With this investment focus, investments would be expected to reach maturity with limited realized gains or losses.

Credit Risk

As mentioned in Note 2, State statutes limit the types of investments available to the Authority. Investments, including the underlying securities for repurchase agreements, are held by the Authority's trustees in the Authority's name.

Concentration of Credit Risk

As noted in the table above, the Authority has 100% of its total investments invested in the obligations of the United States and its agencies.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority would not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Substantially all of the Authority's investments are held in the name of the Authority by a trustee.

Reserve Requirements

The 1994 and 2009 Indentures require the Authority to place a portion of bond proceeds in bond, mortgage and special reserve accounts. As of June 30, 2019 and December 31, 2019, the Authority had \$68,930,088 and \$65,932,235, respectively, in these reserve accounts which exceeds the reserve requirements contained in the applicable trust indentures of \$44,430,466 and \$45,914,242 as of June 30, 2019 and December 31, 2019, respectively.

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Note 3. Cash and Cash Equivalents and Investments (Continued)

The amounts reserved in these accounts are as follows:

	June 30, 2019		December 31, 2019 (Unaudited)	
	1994 Indenture	2009 Indenture	1994 Indenture	2009 Indenture
Bond reserve requirement	\$ 20,825,850	\$ 2,560,200	\$ 21,777,150	\$ 2,293,800
Mortgage reserve requirement	12,497,176	1,619,159	13,437,931	1,477,280
Restricted special reserve requirement	6,928,081	-	6,928,081	-
Total required reserves	<u>\$ 40,251,107</u>	<u>\$ 4,179,359</u>	<u>\$ 42,143,162</u>	<u>\$ 3,771,080</u>
 Total market value of cash and investments held for reserves	 <u>\$ 55,002,687</u>	 <u>\$ 13,927,401</u>	 <u>\$ 51,507,715</u>	 <u>\$ 14,424,520</u>

Note 4. Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at June 30, 2019:

U.S. Treasury securities: Valued at the closing price reported in the active market in which the individual securities are traded.

U.S. government obligations and U.S. government agency mortgage backed securities: Valued using quoted priced for identical or similar assets in active markets.

The following table sets forth by level, within the fair value hierarchy, the Authority's investments at fair value:

	Investments at Fair Value as of June 30, 2019			
	Level 1	Level 2	Level 3	Total
U.S. Treasury securities	\$ 24,846,124	\$ -	\$ -	\$ 24,846,124
U.S. government agency obligations	-	116,622,496	-	116,622,496
U.S. government agency mortgage backed securities	-	5,015,311	-	5,015,311
Total investments at fair value	<u>\$ 24,846,124</u>	<u>\$ 121,637,807</u>	<u>\$ -</u>	<u>\$ 146,483,931</u>

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Note 4. Fair Value Measurements (Continued)

	Investments at Fair Value as of December 31, 2019 (Unaudited)			
	Level 1	Level 2	Level 3	Total
U.S. Treasury securities	\$ 24,478,296	\$ -	\$ -	\$ 24,478,296
U.S. government agency obligations	-	125,285,060	-	125,285,060
U.S. government agency mortgage backed securities	-	440,523	-	440,523
Total investments at fair value	\$ 24,478,296	\$ 125,725,583	\$ -	\$ 150,203,879

As of June 30, 2019 and December 31, 2019, the Authority's investment portfolio includes the following investments that have fair values highly sensitive to interest rate changes:

Mortgage-backed securities – when interest rates fall, mortgages are refinanced and paid off early. The reduced stream of future interest payments diminishes the value of the investment.

Note 5. Mortgage Loans Receivable, Net

	June 30,		December 31,	
	2019	2018	2019 (Unaudited)	2018
Housing Revenue Bonds 1994 Indenture Fund, bearing interest at 0% to 8.9%, 25 to 30 year term, FHA or private mortgage company insured, or guaranteed by RD, VA or mortgage guaranty fund	\$ 720,366,737	\$ 621,542,875	\$ 760,138,366	\$ 677,644,844
Less: Reserve for losses on loans	(9,972,309)	(10,009,931)	(9,880,412)	(10,131,528)
	710,394,428	611,532,944	750,257,954	667,513,316
Single Family Mortgage Warehousing Bond Fund, bearing interest at 0% to 4.5%, 30 year term FHA insured, or guaranteed by RD or VA	6,619,001	3,404,604	6,158,600	14,116,423
Less: Reserve for losses on loans	-	-	-	-
	6,619,001	3,404,604	6,158,600	14,116,423
Homeownership Mortgage Revenue Bonds 2009 Indenture Fund, bearing interest at 3% to 7.25%, 30 year term FHA insured, or guaranteed by RD or VA	80,905,499	96,306,154	73,770,627	87,708,470
Less: Reserve for losses on loans	(909,619)	(1,351,212)	(826,415)	(1,072,615)
	79,995,880	94,954,942	72,944,212	86,635,855
Affordable Housing Development Fund with various terms, including deferred payments and bearing interest at 0% to 5.19%, 10 to 30 year term	61,405,040	62,837,491	62,373,412	62,035,706
Less: Reserve for losses on loans	(3,656,840)	(3,844,315)	(3,643,631)	(3,729,339)
	57,748,200	58,993,176	58,729,781	58,306,367

(Continued)

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Note 5. Mortgage Loans Receivable, Net (Continued)

	June 30,		December 31,	
	2019	2018	(Unaudited)	
	2019	2018	2019	2018
Housing Trust Fund, bearing interest at 0% to 7.625%, 1 to 30 year term, FHA or private mortgage company insured, or guaranteed by VA or mortgage guaranty fund	12,732,346	12,317,281	14,128,227	12,525,238
Less: Reserve for losses on loans	(1,916,608)	(1,416,589)	(2,311,693)	(1,743,585)
	<u>10,815,738</u>	<u>10,900,692</u>	<u>11,816,534</u>	<u>10,781,653</u>
Total mortgage loans receivable, net	<u>\$ 865,573,247</u>	<u>\$ 779,786,358</u>	<u>\$ 899,907,081</u>	<u>\$ 837,353,614</u>
Reported in the following classifications				
Restricted mortgage loans receivable, net	848,138,508	765,481,062	881,931,947	812,455,538
Mortgage loans receivable, net	17,434,739	14,305,296	17,975,134	24,898,076
	<u>\$ 865,573,247</u>	<u>\$ 779,786,358</u>	<u>\$ 899,907,081</u>	<u>\$ 837,353,614</u>

The Authority estimates loan loss reserves using a risk-based approach applied to specific identified risks in its portfolio. Total loan loss reserves for mortgage loans receivable established by the Authority as of June 30, 2019 and 2018, were \$16,455,376 and \$16,622,047, respectively and, as of December 31, 2019 and 2018 were \$16,662,151 and \$16,677,067, respectively.

As of June 30, 2019 and 2018, the Authority had 101 and 107 loans, respectively, delinquent for 90 days or more from the population of 9,745 and 8,806 loans, respectively, while at December 31, 2019 and 2018 there were 112 and 120 loans, respectively, delinquent for 90 days or more from the population of 10,215 and 9,445 loans, respectively. The outstanding balance of mortgages delinquent for 90 days or more was \$10,484,232 and \$10,050,870 as of June 30, 2019 and 2018, respectively and \$11,603,059 and \$11,303,531 as of December 31, 2019 and 2018, respectively.

Note 6. Affordable Housing Development Fund

The Authority receives funds to provide housing assistance to low income families in Wyoming through various federal programs. Programs provide grants to individuals or organizations for the purchase, construction, and rehabilitation of single and multi-family residential properties. Revenue is recognized as expenses are incurred under these programs.

Affordable Housing Development Funds are also received for the purpose of making low interest loans to qualified borrowers. As these loans are collected, the funds must be re-loaned under the same program restrictions. These funds, net of any allowance for losses on loans, are included in net income when received and remain in retained earnings, subject to the program use restrictions, as long as the program is available under federal regulations.

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Note 7. Noncurrent Liabilities

The changes in noncurrent liabilities for the year ended June 30, 2019 and the balance of noncurrent liabilities as of December 31, 2019 were as follows:

	Balance at June 30, 2018	Additions	Reductions	Balance at June 30, 2019	Balance at December 31, 2019 (Unaudited)
Bonds payable, principal	\$ 722,725,000	\$ 162,800,000	\$ 105,990,000	\$ 779,535,000	\$ 802,365,000
Adjustments for premiums, discounts and appreciation	5,334,263	3,198,536	1,160,760	7,372,039	8,030,863
Bonds payable	<u>728,059,263</u>	<u>165,998,536</u>	<u>107,150,760</u>	<u>786,907,039</u>	<u>810,395,863</u>
Other deferred costs	1,246,955	430,453	529,441	1,147,967	1,034,155
Pension liability	3,488,138	1,398,627	-	4,886,765	4,886,765
Other postemployment benefit liabilities	1,936,584	543,013	-	2,479,597	2,479,597
Hedging liabilities	325,899	3,998,115	-	4,324,014	4,647,553
	<u>\$ 735,056,839</u>	<u>\$ 172,368,744</u>	<u>\$ 107,680,201</u>	<u>\$ 799,745,382</u>	<u>\$ 823,443,933</u>

Note 8. Bonds Payable

Bond are generally payable in scheduled annual and semiannual installments and are subject to mandatory sinking fund requirements in scheduled amounts. Redemption is optional after various dates at par.

The bonds of the 1994 and 2009 Indentures are special obligations of the Authority, payable solely from the income and receipts of these indentures. All of the bonds are secured by mortgage loans and other assets of the respective indentures. Interest on outstanding bonds is generally payable either monthly or semi-annually. Certain of the variable rate debt reprices weekly or monthly based on market interest rates.

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Note 8. Bonds Payable (Continued)

	Balance at June 30, 2018	Issued	Retired	Balance at June 30, 2019	Balance at December 31, 2019 (Unaudited)
Housing Revenue Bonds 1994 Indenture Fund					
2007 Series 5 & 6, 2022 to 2037, interest at 1.95%, original amount issued \$70,000,000	\$ 12,175,000	\$ -	\$ 2,430,000	\$ 9,745,000	\$ 8,700,000
2007 Series 7, 8 & 9, 2019 to 2038, interest at 1.95%, original amount issued \$60,000,000	9,955,000	-	2,110,000	7,845,000	6,725,000
2007 Series 10, 11 & 12, 2019 to 2038, interest at 1.95%, original amount issued \$60,000,000	11,540,000	-	2,020,000	9,520,000	8,645,000
2012 Series 1 & 2, 2020 to 2037, interest at 2.95% to 4.25%, original amount issued \$49,665,000 at premium of \$177,508	9,545,000	-	2,665,000	6,880,000	6,010,000
2013 Series 1, 2 & 3, 2019 to 2038, interest at 2.40% to 4.05%, original amount issued \$87,315,000	54,155,000	-	6,070,000	48,085,000	39,070,000
2014 Series 1, 2, 3, 4 & 5, 2019 to 2044, interest at 2.10% to 4.125%, original amount issued \$138,225,000	35,890,000	-	9,120,000	26,770,000	18,815,000
2015 Series 1, 2 & 3, 2019 to 2044, interest at 2.00% to 3.70%, original amount issued \$77,130,000	67,620,000	-	3,625,000	63,995,000	62,250,000
2015 Series 4, 6, 7 & 8, 2019 to 2045, interest at 2.00% to 4.00%, original amount issued \$138,375,000	98,790,000	-	37,200,000	61,590,000	55,335,000
2016 Series 1, 2, & 3, 2019 to 2046, interest at 1.30% to 3.50%, original amount issued \$99,485,000 at premium of \$1,472,304	91,390,000	-	15,935,000	75,455,000	62,315,000
2017 Series 1, 2, 3 & 4, 2019 to 2047, interest at 1.65% to 3.75%, original amount issued \$87,270,000	85,265,000	-	1,670,000	83,595,000	82,205,000
2017 Series 5, 2019 to 2046, interest at 1.375% to 4.00%, original amount issued \$60,385,000. at premium of \$1,697,088	59,905,000	-	2,555,000	57,350,000	55,525,000

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Note 8. Bonds Payable (Continued)

	Balance at June 30, 2018	Issued	Retired	Balance at June 30, 2019	Balance at December 31, 2019 (Unaudited)
2017 Series 6, 2046 to 2047, interest at 1.90%, original amount issued \$6,000,000.	\$ 6,000,000	\$ -	\$ -	\$ 6,000,000	\$ 6,000,000
2019 Series 1 & 2, 2019 to 2048, interest at 1.90% to 4.00%, original amount issued \$77,325,000. at premium of \$671,895	77,325,000	-	1,530,000	75,795,000	66,745,000
2019 Series 3 & 4, 2019 to 2048, interest at 1.70% to 4.00%, original amount issued \$74,640,000. at premium of \$1,362,101	-	74,640,000	1,050,000	73,590,000	72,130,000
2019 Series 1 & 2, 2019 to 2049, interest at 1.60% to 4.00%, original amount issued \$88,160,000 at premium of \$1,836,435	-	88,160,000	180,000	87,980,000	86,720,000
2019 Series 3 & 4, 2019 to 2049, interest at 1.10% to 3.75%, original amount issued \$88,715,000 at premium of \$1,281,476	-	-	-	-	88,715,000
Principal amounts of bonds outstanding					
1994 Indenture Fund	619,555,000	162,800,000	88,160,000	694,195,000	725,905,000
Adjustment for premiums, discounts and appreciation	5,342,026	3,198,536	1,163,933	7,376,629	8,033,829
Carrying value of bonds outstanding					
1994 Indenture Fund	624,897,026	165,998,536	89,323,933	701,571,629	733,938,829

Homeownership Mortgage Revenue Bonds 2009 Indenture Fund

Homeownership Mortgage Revenue Bonds Series 2010 A and 2009 A-1, 2018 to 2040, interest at 3.05% to 4.00%, original amount issued \$70,000,000 at premium of \$92,240	21,250,000	-	2,675,000	18,575,000	17,170,000
Homeownership Mortgage Revenue Bonds Series 2011 A and 2009 A-2 and A-3, 2018 to 2041, interest at 2.92% to 3.375%, original amount issued \$87,000,000 at discount of \$62,141	24,405,000	-	5,990,000	18,415,000	16,080,000

(Continued)

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Note 8. Bonds Payable (Continued)

	Balance at June 30, 2018	Issued	Retired	Balance at June 30, 2019	Balance at December 31, 2019 (Unaudited)
Homeownership Mortgage Revenue Bonds Series 2011 B and 2009 A-4 and A-5, 2018 to 2041, interest at 2.47% to 3.60%, original amount issued \$80,000,000 at discount of \$54,964	\$ 30,515,000	\$ -	\$ 5,005,000	\$ 25,510,000	\$ 22,980,000
Homeownership Mortgage Revenue Bonds Series 2009 A-6 2018 to 2041, interest at 2.67%, original amount issued \$50,900,000	27,000,000	-	4,160,000	22,840,000	20,230,000
Principal amounts of bonds outstanding 2009 Indenture Fund	103,170,000	-	17,830,000	85,340,000	76,460,000
Adjustment for premiums, discounts and appreciation	(7,763)	-	(3,173)	(4,590)	(2,966)
Carrying value of bonds outstanding 2009 Indenture Fund	103,162,237	-	17,826,827	85,335,410	76,457,034
Total bonds payable	<u>\$ 728,059,263</u>	<u>\$ 165,998,536</u>	<u>\$ 107,150,760</u>	<u>\$ 786,907,039</u>	<u>\$ 810,395,863</u>

Scheduled bond principal and sinking fund requirements in each indenture for the five fiscal years subsequent to June 30, 2019 and December 31, 2019, which includes in each of the respective years the bonds to be remarketed are as follows:

June 30, 2019			
June 30,	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Totals
2020	\$ 22,955,000	\$ 3,975,000	\$ 26,930,000
2021	24,995,000	2,785,000	27,780,000
2022	26,680,000	1,895,000	28,575,000
2023	27,910,000	760,000	28,670,000
2024	26,425,000	800,000	27,225,000
December 31, 2019 (Unaudited)			
June 30,	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Totals
2020	\$ 12,160,000	\$ 1,525,000	\$ 13,685,000
2021	26,655,000	2,705,000	29,360,000
2022	28,395,000	1,825,000	30,220,000
2023	29,685,000	680,000	30,365,000
2024	28,255,000	720,000	28,975,000

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Note 8. Bonds Payable (Continued)

Annual debt service requirements for the five fiscal years subsequent to June 30, 2019 and December 31, 2019, and for each five year segment thereafter, including the bonds to be remarketed or expected to be refunded, are as follows:

June 30, 2019			
	Principal	Interest	Total Debt Service
2020	\$ 26,930,000	\$ 23,674,311	\$ 50,604,311
2021	27,780,000	23,073,619	50,853,619
2022	28,575,000	22,390,094	50,965,094
2023	28,670,000	21,653,795	50,323,795
2024	27,225,000	20,901,061	48,126,061
5 years ending 2029	120,705,000	95,112,665	215,817,665
5 years ending 2034	174,090,000	71,875,885	245,965,885
5 years ending 2039	139,355,000	44,798,516	184,153,516
5 years ending 2044	120,175,000	22,287,031	142,462,031
5 years ending 2049	86,030,000	4,822,576	90,852,576
	\$ 779,535,000	\$ 350,589,553	\$ 1,130,124,553
December 31, 2019 (Unaudited)			
	Principal	Interest	Total Debt Service
2020	\$ 13,685,000	\$ 11,752,564	\$ 25,437,564
2021	29,360,000	23,113,100	52,473,100
2022	30,220,000	22,413,950	52,633,950
2023	30,365,000	21,659,488	52,024,488
2024	28,975,000	20,885,253	49,860,253
5 years ending 2029	128,060,000	94,663,139	222,723,139
5 years ending 2034	171,405,000	72,458,310	243,863,310
5 years ending 2039	144,980,000	45,567,338	190,547,338
5 years ending 2044	122,355,000	22,887,969	145,242,969
5 years ending 2049	98,055,000	6,576,560	104,631,560
5 years ending 2054	4,905,000	91,968	4,996,968
	\$ 802,365,000	\$ 342,069,639	\$ 1,144,434,639

The balances above do not include net premiums or discounts in the amount of \$7,372,039 and \$8,030,863 as of June 30, 2019 and December 31, 2019, respectively, that are reported as components of bonds payable.

Hedging Derivative Instrument Payments and Hedged Debt

Using rates as of June 30, 2019 and December 31, 2019 and giving effect to scheduled reductions in the notional amount of the hedging derivative instruments, debt service requirements of the Authority's outstanding variable rate debt in 2007 Series 6, 2007 Series 11, 2016 Series 3, 2017 Series 4, 2017 Series 6, 2018 Series 2, 2018 Series 4, and 2019 Series 2 and net swap payments are as follows. As rates vary, variable-rate bond interest payments and net receipts or payments on the hedging derivative instruments vary.

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Note 8. Bonds Payable (Continued)

Hedging Derivative Instrument Payments and Hedged Debt (Continued)

	June 30, 2019			
	Variable Rate Bonds		Interest Rate	Total
	Principal	Interest	Swaps (net)	
2020	\$ 460,710	\$ 2,060,361	\$ 614,505	\$ 3,135,576
2021	483,293	2,058,038	622,681	3,164,012
2022	503,548	2,050,467	622,681	3,176,696
2023	543,515	2,040,476	622,681	3,206,672
2024	561,171	2,035,728	621,699	3,218,598
5 years ending 2029	3,387,279	9,965,450	3,105,251	16,457,980
5 years ending 2034	4,466,081	9,593,856	3,093,713	17,153,650
5 years ending 2039	6,275,182	9,108,734	2,202,518	17,586,434
5 years ending 2044	26,150,722	7,664,083	465,835	34,280,640
5 years ending 2049	50,223,167	2,581,333	99,135	52,903,635
	<u>\$ 93,054,668</u>	<u>\$ 49,158,526</u>	<u>\$ 12,070,699</u>	<u>\$ 154,283,893</u>

	December 31, 2019 (Unaudited)			
	Variable Rate Bonds		Interest Rate	Total
	Principal	Interest	Swaps (net)	
2020	\$ 11,697,754	\$ 1,618,436	\$ 955,333	\$ 14,271,523
2021	443,326	1,622,583	1,110,371	3,176,280
2022	460,981	1,616,731	1,110,371	3,188,083
2023	496,020	1,608,646	1,110,371	3,215,037
2024	508,747	1,604,572	1,113,397	3,226,716
5 years ending 2029	3,089,581	7,850,436	5,542,363	16,482,380
5 years ending 2034	4,070,792	7,550,298	5,505,523	17,126,613
5 years ending 2039	5,913,578	7,157,564	3,916,368	16,987,510
5 years ending 2044	23,750,722	6,105,063	968,283	30,824,068
5 years ending 2049	52,623,167	2,286,496	199,299	55,108,962
	<u>\$ 103,054,668</u>	<u>\$ 39,020,825</u>	<u>\$ 21,531,679</u>	<u>\$ 163,607,172</u>

Note 9. Note Payable

The Authority has a line of credit agreement with a financial institution, secured by specific collateral. This agreement allows the Authority to borrow approximately 84% and 84% of the fair market value of the collateral at June 30, 2019 and December 31, 2019, respectively. As of June 30, 2019 and December 31, 2019, the Authority had investments held as collateral with a fair value of \$34,548,411 and \$35,383,337, respectively, on deposit with this financial institution and no advances were outstanding. This agreement expired on December 31, 2019, and was subsequently renewed to December 31, 2020.

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Note 10. Conduit Debt

From time to time, the Authority has issued Multi-Family Housing Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of low-income multi-family housing deemed to be in the public interest. The bonds are secured by the revenues from the property financed. Neither the Authority, nor the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2019 and December 31, 2019, there were three and four, respectively, such series of Multi-Family Housing Revenue bonds outstanding, with an aggregate principal amount payable of \$20,639,878 and \$27,164,630, respectively

Note 11. Interest Rate Swaps

Swap Objectives

The Authority has entered into interest rate swap agreements in connection with specific series of variable-rate bonds as a technique to lower the cost of long-term debt. The objective of the swaps is to effectively change the variable interest rate on the bonds to a synthetic fixed rate

Swap Terms and Values

June 30, 2019							
Bond Series	Swap Contractual Dates	Notional Amount	Fixed Rate Paid	Variable Rate Received	Termination Date	Fair Value	Counterparty Credit Rating
2016 Series 3	9/1/2015	\$ 10,000,000	2.4125%	70% of LIBOR	6/1/2036	\$ (130,156)	AA-/Aa2
2007 Series 6	9/1/2015	12,000,000	2.4125%	70% of LIBOR	6/1/2036	(156,187)	AA-/Aa2
2019 Series 2	9/1/2015	10,000,000	2.4125%	70% of LIBOR	6/1/2036	(130,156)	AA-/Aa2
2007 Series 11	1/15/2016	6,000,000	2.0130%	70% of LIBOR	12/1/2045	(115,009)	AA-/Aa2
2017 Series 6	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	(57,505)	AA-/Aa2
2018 Series 2	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	(57,505)	AA-/Aa2
2017 Series 4	7/1/2017	22,000,000	2.2650%	70% of LIBOR	12/1/2047	(990,497)	A/A2
2018 Series 2	6/5/2018	16,500,000	2.5230%	70% of LIBOR	6/1/2038	(1,443,940)	A+/Aa2
2018 Series 4	9/13/2018	14,000,000	2.5850%	70% of LIBOR	12/1/2038	(1,290,068)	A+/Aa2
		<u>\$ 96,500,000</u>				<u>\$ (4,371,023)</u>	

December 31, 2019 (Unaudited)							
Bond Series	Swap Contractual Dates	Notional Amount	Fixed Rate Paid	Variable Rate Received	Termination Date	Fair Value	Counterparty Credit Rating
2019 Series 2	9/1/2015	\$ 10,000,000	2.4125%	70% of LIBOR	6/1/2036	\$ (101,222)	AA-/Aa2
2019 Series 4	9/1/2015	\$ 10,000,000	2.4125%	70% of LIBOR	6/1/2036	(101,222)	AA-/Aa2
2007 Series 6	9/1/2015	12,000,000	2.4125%	70% of LIBOR	6/1/2036	(121,467)	AA-/Aa2
2007 Series 11	1/15/2016	6,000,000	2.0130%	70% of LIBOR	12/1/2045	(152,448)	AA-/Aa2
2017 Series 6	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	(76,224)	AA-/Aa2
2018 Series 2	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	(76,224)	AA-/Aa2
2017 Series 4	7/1/2017	22,000,000	2.2650%	70% of LIBOR	12/1/2047	(1,145,928)	A/A2
2018 Series 2	6/5/2018	16,500,000	2.5230%	70% of LIBOR	6/1/2038	(1,522,355)	A+/Aa2
2018 Series 4	9/13/2018	14,000,000	2.5850%	70% of LIBOR	12/1/2038	(1,350,463)	A+/Aa2
		<u>\$ 96,500,000</u>				<u>\$ (4,647,553)</u>	

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Note 11. Interest Rate Swaps (Continued)

Swap Terms and Values (Continued)

As of June 30, 2019 and December 31, 2019, the Authority's swap agreements had a net fair value of (\$4,371,023) and (\$4,647,553) respectively. If negative, the fair value of the swaps may be offset by reductions in total interest payments required under the related variable-rate bond, creating lower synthetic rates. The net fair value reported above as of June 30, 2019 and December 31, 2019 is inclusive of accrued interest of \$47,009 and \$93,125, respectively. Accrued interest is separately reported on the Authority's balance sheet. The resultant change in gross fair value was (\$230,414). Because the coupons on the related variable-rate bonds adjust to the changing interest rates, the bonds do not have a corresponding fair value increase. The fair value amounts, obtained from an independent third-party, represent mid-market valuations that approximate the current economic value using prices and rates at the average of the estimated bid and offer amounts.

Swap Risks

Credit Risk – As of June 30, 2019 and December 31, 2019, the Authority was exposed to credit risk on swaps which could have a positive fair value. The positive fair value of any one swap would represent the Authority's exposure to the potential failure of a single counterparty. Should the counterparty to this transaction fail to perform according to the swap contract, the Authority would face a maximum possible loss equivalent to the swap's fair value. The swap counterparties were rated AA-, A and A+ by S&P Global Ratings and Aa2, A2 and Aa2 by Moody's Investors Service as of June 30, 2019, and AA-, A and A+ by S&P Global Ratings and Aa2, A2 and Aa2 by Moody's Investors Service as of December 31, 2019. The Authority's policy to manage credit risk would require the Authority to seek credit enhancements should the counterparty's ratings be below A or A3.

Interest Rate Risk – The Authority is exposed to interest rate risk on its interest rate swap. On its pay-fixed, receive-variable interest rate swap, as LIBOR or the SIFMA swap index decreases, the Authority's net payment of the swap increases

Basis Risk – Basis risk is the potential mismatch between the variable interest rate paid on the underlying bonds and the variable rate payments received by the Authority pursuant to the swap. The Authority's variable rate bond interest payments should correspond to the SIFMA Index (formerly the BMA Index), while the payments the Authority receives pursuant to the swap are for the most part 70 percent of LIBOR. The Authority is exposed to basis risk should LIBOR and SIFMA Index rates converge. If a change occurs that results in the rates moving to convergence (that is, the SIFMA Index exceeding 70 percent of LIBOR), the value to the Authority of the hedge from the swap is diminished. As of June 30, 2019 and 2018, the SIFMA Index rate was 1.90 and 1.51, while 70 percent of LIBOR (the swap rate) was 1.68 and 1.45 percent, respectively. As of December 31, 2019 and 2018, the SIFMA Index rate was 1.61 and 1.71, while 70 percent of LIBOR (the swap rate) was 1.22 and 1.72 percent, respectively.

Termination Risk – The Authority or the counterparty may terminate the swaps if the other party fails to perform under the terms of the swap contracts. The swaps may be terminated by the Authority at its discretion with a maximum of ten days' notice. If a swap was terminated, the variable-rate bonds would no longer carry a synthetic fixed rate. Also, if at the time of termination, the swap has a negative fair value, the Authority would be liable to the counterparty for a payment equal to the swap's fair value.

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Note 11. Interest Rate Swaps (Continued)

Swap Risks (Continued)

Rollover Risk – The Authority is exposed to rollover risk on swaps that mature or may be terminated prior to the maturity of the associated bonds. When these hedging derivative instruments terminate or are terminated by either party, the Authority will not realize the synthetic fixed rate offered by the swaps on the underlying bond issues.

The following bond series are exposed to rollover risk:

June 30, 2019		
Associated Bond Issuance	Bond Maturity Date	Swap Termination Date
2007 Series 6	December 1, 2037	June 1, 2036
2016 Series 3	December 1, 2046	June 1, 2036
2019 Series 2	June 1, 2049	June 1, 2036
2018 Series 2	December 1, 2048	June 1, 2038
2018 Series 4	December 1, 2048	December 1, 2038
2007 Series 11	December 1, 2038	December 1, 2045
2017 Series 6	December 1, 2047	December 1, 2045
2018 Series 2	December 1, 2048	December 1, 2045
2017 Series 4	December 1, 2047	December 1, 2047

December 31, 2019 (Unaudited)		
Associated Bond Issuance	Bond Maturity Date	Swap Termination Date
2007 Series 6	December 1, 2037	June 1, 2036
2019 Series 2	December 1, 2046	June 1, 2036
2019 Series 4	December 1, 2046	June 1, 2036
2007 Series 11	December 1, 2045	December 1, 2045
2017 Series 6	December 1, 2047	December 1, 2045
2018 Series 2	December 1, 2048	December 1, 2045
2017 Series 4	December 1, 2047	December 1, 2047
2018 Series 2	December 1, 2048	June 1, 2038
2018 Series 4	December 1, 2048	December 1, 2038

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Note 12. Net Position

Below is a summary of net position:

	June 30,		December 31,	
	2019	2018	(Unaudited)	
	2019	2018	2019	2018
Net investment in capital assets	\$ 2,228,452	\$ 2,338,065	\$ 2,138,535	\$ 2,314,055
Restricted				
Restricted by bond indentures	179,300,213	165,562,543	188,506,694	158,581,519
Restricted by grants	83,186,827	75,448,746	84,111,001	79,753,678
	<u>262,487,040</u>	<u>241,011,289</u>	<u>272,617,695</u>	<u>238,335,197</u>
Unrestricted				
Designated for the Housing Revenue Bonds 1994 Indenture Fund	42,140,028	45,732,450	36,262,465	51,663,941
Designated for the Single Family Mortgage Warehousing Fund	4,864,393	4,627,793	5,894,252	5,394,023
Designated for the Multi-Family Fund	2,337,968	2,228,480	2,382,928	2,233,849
Designated for the Housing Trust Fund	62,748,920	58,654,440	63,361,816	60,917,361
Designated for the Mortgage Guaranty Fund	23,856,847	21,931,584	24,506,225	22,220,565
Designated for non-current assets and operations	3,337,170	11,133,606	4,652,819	11,989,944
	<u>139,285,326</u>	<u>144,308,353</u>	<u>137,060,505</u>	<u>154,419,683</u>
Total net position	<u>\$ 404,000,818</u>	<u>\$ 387,657,707</u>	<u>\$ 411,816,735</u>	<u>\$ 395,068,935</u>

The terms of the various bond indentures for the single-family program generally restrict the assets of the respective trust indenture by requiring their retention in the trust to satisfy debt service obligations of the applicable trust indenture. Monies can be withdrawn from a trust indenture with a cash flow certificate which demonstrates the Authority's ability to pay program expenses and debt service when due, in each bond year. In addition, some series in the 1994 Indenture may be subject to over-parity tests.

Should the Authority fail to comply with terms of the general obligation bonds and the line of credit, the holders of such general obligations would have recourse to the Authority's unrestricted net position.

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Note 13. Mortgage Loan Servicing

The Authority's mortgage servicing department services loans for its own portfolio and for others. The details of the loans serviced and servicing purchased during the year is shown below.

Type of Loans by Investor	June 30, 2019		
	Servicing Rights Capitalized in 2019	Loans Serviced	Principal Balance
WCDA Single Family Loans - first mortgages	\$ 2,119,893	6,669	\$ 874,465,506
WCDA Single Family Loans - second mortgages	-	2,933	16,434,994
GNMA Advantage	464,420	17	3,861,216
GNMA Pooled	-	509	96,806,452
FNMA Single Family Loans	701,662	3,901	567,977,228
Total	<u>\$ 3,285,975</u>	<u>14,029</u>	<u>\$ 1,559,545,396</u>

Type of Loans by Investor	December 31, 2019 (Unaudited)		
	Servicing Rights Capitalized in 2019	Loans Serviced	Principal Balance
WCDA Single Family Loans - first mortgages	\$ 1,055,689	6,780	\$ 903,770,181
WCDA Single Family Loans - second mortgages	-	3,292	19,092,105
GNMA Advantage	332,548	25	6,158,599
GNMA Pooled	-	583	113,210,250
FNMA Single Family Loans	472,094	3,849	557,213,695
Total	<u>\$ 1,860,331</u>	<u>14,529</u>	<u>\$ 1,599,444,830</u>

Escrow and related servicing balances for these loans were \$10,458,289 and \$11,540,314 at June 30, 2019 and December 31, 2019, respectively. These balances are not included in the accompanying combined financial statements.

Note 14. Deferred Compensation Plan

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan, accounted for by the State of Wyoming and available to all of the Authority's full-time employees, permits employees to defer a portion of their salary until future years. Compensation deferred under this plan is not available until termination, retirement, death or unforeseeable emergency. All deferred compensation and earnings are held in trust or custodial accounts for the exclusive benefit of individual program participants and their beneficiaries. Investments are managed and controlled by the deferred compensation plan's trustee, not the Authority, under various investment options as directed by the employee. These investments and the related liability to the employees are not included in the Authority's financial statements.

As a part of the employee benefit package, the Authority matches up to \$50 per month for employees with less than three years of service and up to \$100 per month for employees with over three years of service for all eligible employees who elect to contribute to the deferred compensation plan. Employees hired by the Authority prior to June 30, 2015 participating in the deferred compensation plan were grandfathered into the prior contribution plan which allowed for a 20% match for employees with less than two years of service, with annual increases for each year of service of 20% up to a 100% match for employees with over five years of service.

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Note 15. Pension Plans

Public Employees' Pension Plan

The Authority participates in the Public Employees' Pension Plan ("PEPP"), a statewide cost-sharing multiple-employer defined benefit, contributory retirement plan administered by the State of Wyoming Retirement System Board. All full-time employees of the Authority are eligible to participate.

PEPP members are required to contribute 8.50% of their annual covered salary and the Authority is required to contribute 8.62% of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employees' contribution in addition to the matching contribution. The Authority currently pays 7.25% of the required employees' contribution and the employees pay 1.25%. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The Authority's contributions of the PEPP for the years ended June 30, 2019, 2018, and 2017 were \$460,899, \$440,812, and \$425,145, respectively, equal to the required contributions for each year. The employees' contributions were \$34,048, \$20,849, and \$20,660, respectively. Effective July 1, 2019, the required employee and employer contribution rates will increase by 0.25% from 8.50% to 8.75% and 8.62% to 8.87%, respectively. As the Authority has elected to cap its coverage of the employees' portion to 7.25%, the combined total 0.50% increase will be paid by the employees, resulting in an employee contribution rate of 1.75%.

Through legislation passed during the 2014 legislative session, two tiers of benefits were established for participants of this plan. For Tier 1 (first contribution before 9/1/2012), the Plan allows for normal retirement after four years of service and attainment of age 60. Early retirement is allowed provided the employee has completed four years of service and attained age 50 or 25 years of service but will result in a reduction of benefits based on the length of time remaining to age 60. For Tier 2 (first contribution on or after 9/1/2012), the Plan allows for normal retirement after four years of service and attainment of age 65. Early retirement is allowed provided the employee has completed four years of service and attained age 55, or 25 or more years of service but will result in a reduction of benefits based on the length of time remaining to age 65. All employees may also retire upon normal retirement on the bases that the sum of the member's age and service is at least 85.

Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes. The PEPP provides retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of seven optional methods for receiving benefits, including two joint and survivor forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. Any cost of living adjustment provided to retirees must be granted by the State Legislature. In addition, a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

Employees terminating prior to normal retirement can elect to withdraw all employee contributions plus accumulated interest through date of termination or, if they are vested, they may elect to remain in the Plan and be eligible for unreduced retirement benefits at age 60 (Tier 1 employee) or 65 (Tier 2 employee).

Pension Plan Fiduciary Net Position

The Wyoming Retirement System issues a publicly available financial report which includes audited financial statements and required supplementary information for each plan. Detailed information about the pension plans' fiduciary net position is available in the separately issued Wyoming Retirement System financial report. The report may be obtained from the Wyoming Retirement System website at <http://retirement.state.wy.us>.

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Note 15. Pension Plans (Continued)

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

At June 30, 2019 and 2018, the Authority reported a total liability of \$4,886,765 and \$3,488,138, respectively, for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of December 1, 2018, applied to all prior periods included in the measurement. Actuarial valuation involves estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. An experience study was conducted covering the five-year period ending December 31, 2016. The net pension liability as of December 31, 2018 is based on the results of an actuarial valuation as of January 1, 2018, rolled forward to a measurement date of December 31, 2018, and taking into consideration information from the recent experience study.

The schedule below shows the Authority's proportionate share of the net pension liability at June 30, 2019, the proportionate portion at the measurement date of December 31, 2018, and the change in the proportion from the previous measurement date.

Pension liability at June 30, 2019	\$4,886,765
Proportion at December 31, 2018	0.1604696%
Increase (decrease) from December 31, 2017	0.0074368%

For the years ended June 30, 2019 and 2018, the Authority recognized total pension expense of \$1,132,033 and \$1,322,117, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 729,457	\$ -	\$ -	\$ 163,031
Difference between actual and expected experience	-	118,375	-	117,140
Assumption changes	232,839	-	338,930	-
Change in employer's proportion	-	323,767	-	250,685
Amortizing deferred outflows and deferred inflows	962,296	442,142	338,930	530,856
Authority contributions subsequent to the measurement date	255,206	-	239,792	-
Total	\$ 1,217,502	\$ 442,142	\$ 578,722	\$ 530,856

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Note 15. Pension Plans (Continued)

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

The Authority reported \$255,206 as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. 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 ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2020	\$ 380,270	\$ 175,271
2021	216,980	173,218
2022	121,703	89,971
2023	243,343	3,682
	<u>\$ 962,296</u>	<u>\$ 442,142</u>

Actuarial Assumptions

The total pension liability in the December 31, 2018 and December 31, 2017 measurement dates were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Actuarial Assumptions and Methods	
	2018	2017
Actuarial cost method	Entry Age Normal	Entry Age Normal
Inflation	2.25%	3.25%
Salary increases (includes inflation)	4.75% to 8.75%	4.25% to 6.00%
Payroll growth rate	2.50%	4.25%
Cost of living increase	0.00%	0.00%
Investment net rate of return	7.00%	7.75%
Post-Retirement mortality	RP-2014 Health Annuitant Mortality Table, fully generational	RP-2000 Combined Mortality Table, fully generational
Pre-Retirement mortality	RP-2014 Employee Mortality Table, fully generational	RP-2000 Combined Mortality Table, fully generational

The assumed rate of investment return was adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). Additional information about the assumed rate of investment return is included in the WRS actuarial valuation report as of January 1, 2018. In addition, an experience study was conducted covering the five-year period ending December 31, 2016 and information from this study was considered in measuring the pension liability at December 31, 2018. The assumed rate of investment return of 7.00% (real return net of inflation of 3.52%) falls within a reasonable range of the long-term expected rate of return.

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Note 15. Pension Plans (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return 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. For each major asset class that is included in the pension plan's target asset allocation as of January 1, 2018 and 2017, these best estimates are summarized in the following table:

Asset Class	Target Allocation	2018		2017	
		Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.00%	0.30%	0.30%	0.40%	0.40%
Fixed Income	20.00%	1.50%	2.00%	1.25%	1.77%
Equity	49.00%	6.00%	7.40%	4.96%	6.88%
Marketable Alternatives	19.00%	3.10%	3.50%	2.79%	3.30%
Private Markets	12.00%	5.20%	7.00%	5.06%	7.11%
	100.00%	4.40%	5.50%	3.85%	5.27%

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

<u>Authority's proportionate share of the net pension liability</u>	
1% Decrease (6%)	\$6,777,286
Current Discount Rate (7%)	4,886,765
1% Increase (8%)	3,309,145

Payables to the pension plan

At June 30, 2019, the Authority had no amounts as payable to the pension plan.

Discount Rate

The discount rate used to measure the total pension liability was 7.00 percent for the years ended December 31, 2018 and 2017. Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects 1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits using a 100 year analysis) and 2) tax-exempt municipal bond rate based on an index of 20 year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

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Note 16. Postemployment Benefits Other Than Pensions (OPEB)

On July 1, 2017, the Authority implemented GASB Statement No. 85, *Omnibus 2017*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and GASB Statement No. 57, *OPEB Measurement by Agent Employers and Agent Multiple-Employer Plans*. Specifically, Statements No. 85 and No. 75 recognize the long-term obligation for health and life insurance benefits offered to retirees and clarifies the timing of the measurement of pension and OPEB liabilities. Data needed to fully implement these standards for all periods presented are not available for the periods prior to July 1, 2017, and have, therefore, been estimated.

State of Wyoming Employee Group Insurance Retiree Health Plan

The Authority participates in a multiple-employer defined benefit postemployment healthcare plan, the Retiree Health Insurance Plan, authorized by Wyoming Statute 9-3-202. The Legislature has the authority for establishing and amending the plan. This plan does not issue a separate report.

Any employee of a participating agency is eligible for retiree coverage under the group insurance plan at premium rates established by Employee Group Insurance (EGI), provided that:

1. The employee had coverage in effect under the plan for at least one year just prior to termination; and
2. The employee is eligible to receive a retirement benefit under the Wyoming Retirement System; and either:
 - a. Has attained age 50 with at least 4 years of service credit as an employee of one of the employing entities participating in the plan.
 - b. Has at least 20 years of service credit as an employee of one of the employing entities participating in the plan.

Required Monthly Contributions

Contributions are required for both retiree and dependent coverage. EGI provides a monthly subsidy based on employee's year of service up to a maximum of 30 years of service. The current contribution amounts are as follows:

<u>Non-Medicare</u>	<u>Medicare Eligible</u>
\$11.50 per month per year of credited service	\$5.75 per month per year of credited service

For the plan year ending June 30, 2019, there were 14,339 fully eligible active participants and 3,305 retirees and beneficiaries. The retiree's benefit description provides eligible retirees receive health care through one of three medical plans. All plans are available to those under age 65, while the Health Savings Plan is not available to those 65 and older. The actuarial valuation identified a dental benefit which is available, but does not believe there is an OPEB liability associated with this benefit since the benefit is full-contributory and there is no implicit subsidy.

Funding Policy

The Authority finances the program on a "pay-as-you-go" basis. The Legislature has the authority for establishing and amending the funding policy. For fiscal year 2019, the Authority's post-retirement plan is considered an unfunded plan. While the Legislature has established a fund to account for retiree health insurance contributions, to pay explicit subsidies, for purposes of this latest actuarial evaluation the plan is considered unfunded and these dollars are not treated as an asset for this analysis.

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Note 16. Postemployment Benefits Other Than Pensions (OPEB)

Total OPEB Liability

The Authority's total OPEB liabilities of \$2,479,597 and \$1,936,584 as of June 30, 2019 and 2018, respectively, were measured as of July 1, 2018 and 2017, respectively, and were determined by actuarial valuations as of those dates, respectively.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all period included in the measurement, unless otherwise specified.

Inflation	2.25%
Salary increases	3.00%
Discount Rate	3.58% per annum (July 1, 2017) and 3.87% per annum (July 1, 2018) based on Bond Buyer General Obligation 20-Bond Municipal Bond Index
Healthcare cost trend rates	7.60% for pre-Medicare medical and 8.10% for post-65 medical; both decreasing 0.30% - 0.50% per year until reaching the ultimate trend rate of 4.50%
Mortality	RP-2014 Generational Mortality Tab projected using Scale MP-2017, applied on a gender-specific basis.

Sensitivity of the Total OPEB Liability to changes in the Discount Rate

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

<u>Authority's proportionate share of the total OPEB liability</u>	
1% Decrease (2.87%)	\$3,030,121
Current Discount Rate (3.87%)	2,479,597
1% Increase (4.87%)	2,056,814

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Note 16. Postemployment Benefits Other Than Pensions (OPEB)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that is 1-percentage-point lower (6.6% decreasing to 3.5%) or 1-percentage-point higher (8.6% decreasing to 5.5%) than the current healthcare cost trend rates:

Authority's proportionate share of the total OPEB liability

1% Decrease (from 6.6% to 3.5% over 10 years)	\$2,051,010
Current Discount Rate (from 7.6% to 4.5% over 10 years)	2,479,597
1% Increase (from 8.6% to 5.5% over 10 years)	3,061,365

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

For the years ended June 30, 2019 and 2018, the Authority recognized OPEB expense of \$107,132 and \$112,262, respectively.

At June 30, 2019, 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
Difference between actual and expected experience	\$ 506,993	\$ -
Changes in assumptions or other inputs	-	317,206
Changes in employer's proportion	10,675	-
Amortizing deferred outflows and deferred inflows	517,668	317,206
Authority contributions subsequent to the measurement date	42,534	-
Total	\$ 560,202	\$ 317,206

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Year ended June 30,		
2020	\$ 65,285	\$ 44,090
2021	65,285	44,090
2022	65,285	44,090
2023	65,285	44,090
2024	65,285	44,090
Thereafter	191,243	96,756
	\$ 517,668	\$ 317,206

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Note 17. Commitments, Concentrations and Contingencies

At June 30, 2019, the Authority was committed to purchase single-family mortgages aggregating approximately \$39.3 million under the Warehouse Indenture, \$2.8 million under various Affordable Housing Development Department Programs, \$0.5 million under the Housing Trust Fund, \$10.8 million under the FNMA HFA Program and \$6.6 million under the GNMA Advantage Program.

The Authority has variable rate bonds outstanding in the 1994 Indenture of \$122.61 million.

As of June 30, 2019, the Authority had \$70.61 million of variable rate debt in the 1994 Indenture. These bonds are subject to tender at par for repurchase by the Authority at the option of the bondholders; however, the Authority may remarket these bonds if they are tendered by the bondholders. These bonds were subject to a repurchase commitment, assumed by the Federal Home Loan Bank.

Under these agreements, the provider will purchase any bonds tendered by bondholders and not successfully remarketed by the settlement date, and will adjust the interest rate associated with any unremarketed bonds to a bank rate. As of June 30, 2019, no variable rate bonds were held as unremarketed bank bonds under the terms of a standby bond purchase agreement.

In addition, WCDA has \$52.00 million in floating rate notes outstanding at June 30, 2019.

The Authority uses a number of insurers for its mortgage receivables as noted in Note 5. The Authority requires private mortgage insurance (PMI) on some mortgages with coverage ranging from 30% to 50% of the outstanding balances. Approximately 4% of the Authority's outstanding mortgage receivable balances were covered by PMI from Radian and approximately 4% from Genworth, as of June 30, 2019.

At December 31, 2019, the Authority has variable rate bonds outstanding in the 1994 Indenture of \$119.57 million.

As of December 31, 2019, the Authority had \$77.57 million of variable rate debt in the 1994 Indenture. These bonds are subject to tender at par for repurchase by the Authority at the option of the bondholders; however, the Authority may remarket these bonds if they are tendered by the bondholders. These bonds were subject to a repurchase commitment, assumed by the Federal Home Loan Bank.

Under these agreements, the provider will purchase any bonds tendered by bondholders and not successfully remarketed by the settlement date, and will adjust the interest rate associated with any unremarketed bonds to a bank rate. As of December 31, 2019, no variable rate bonds were held as unremarketed bank bonds under the terms of a standby bond purchase agreement.

In addition, WCDA has \$42.00 million in floating rate notes outstanding at December 31, 2019.

The Authority uses a number of insurers for its mortgage receivables as noted in Note 5. The Authority requires private mortgage insurance (PMI) on some mortgages with coverage ranging from 30% to 50% of the outstanding balances. Approximately 3% of the Authority's outstanding mortgage receivable balances were covered by PMI from Radian and approximately 4% from Genworth, as of December 31, 2019.

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Note 18. Forward Commitments

The Authority sells forward commitments to deliver Government National Mortgage Association (GNMA) guaranteed mortgage-backed securities. Commitments are sold as mortgage loan reservations are taken to hedge against market fluctuations prior to loan origination and securitization. The Authority is subject to market value fluctuations prior to loan origination and securitization, in the event that mortgage loans are not originated as expected and the committed securities cannot be delivered.

A net increase in fair value of \$36,342 on the outstanding forward commitments, classified as investment derivative instruments, has been recorded in investment income in the Single Family Mortgage Warehousing Fund for the year ended June 30, 2019. In addition, \$203,020 of forward commitments is recorded on the statement of net position as other current assets at June 30, 2019.

A net decrease in fair value of \$3,396 on the outstanding forward commitments, classified as investment derivative instruments, has been recorded in investment income in the Single Family Mortgage Warehousing Fund for the six months ended December 31, 2019. In addition, \$199,624 of forward commitments is recorded on the statement of net position as other current assets at December 31, 2019.

The Authority is subject to credit risk with respect to counterparties to the forward commitment contracts, summarized by counterparty as follows:

June 30, 2019						
Counterparty	Count	Commitments at Par	Fair Value	Exposure by Counterparty	Purchased	Counterparty Rating (S&P/Moodys)
Bank of New York Mellon	5	\$ 3,700,000	\$ 3,810,560	40%	\$ 3,037,100	AA-/Aa2
Bank of Oklahoma	2	1,900,000	1,951,940	20%	-	BBB+/A3
Daiwa Capital Markets	4	3,200,000	3,296,420	34%	792,886	unknown
Piper Jaffray	1	500,000	513,850	6%	188,738	unknown
		<u>\$ 9,300,000</u>	<u>9,572,770</u>	<u>100%</u>	<u>\$ 4,018,724</u>	
Adjustment to fair value for related fees and funding risk			46,260			
Adjusted fair value			<u>\$ 9,619,030</u>			

December 31, 2019 (Unaudited)						
Counterparty	Count	Commitments at Par	Fair Value	Exposure by Counterparty	Purchased	Counterparty Rating (S&P/Moodys)
Bank of New York Mellon	2	\$ 3,711,500	\$ 3,811,711	38%	\$ 1,428,143	AA-/Aa1
Bank of Oklahoma	1	1,600,000	1,643,200	16%	1,631,938	BBB+/A3
Daiwa Capital Markets	1	600,000	616,200	6%	612,985	unknown
ED&F Man Capital Markets	2	3,800,000	3,900,710	39%	1,739,870	unknown
		<u>\$ 9,711,500</u>	<u>9,971,821</u>	<u>100%</u>	<u>\$ 5,412,936</u>	
Adjustment to fair value for related fees and funding risk			(28,176)			
Adjusted fair value			<u>\$ 9,943,645</u>			

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Note 18. Forward Commitments (Continued)

The Authority has also recorded a deferred inflow of resources for the accumulated increase in fair value of hedged derivatives of \$113,081 and \$138,042 as of June 30, 2019 and December 31, 2019, respectively, for its aggregate liability should it fail to fulfill these forward commitments. This expense has been netted in investment income.

Note 19. Risk Management

The Authority carries commercial insurance for risks of loss related to wrongful acts, general liability protection, and theft of, damage to, or destruction of real and personal property. Settled claims resulting from these risks have not exceeded the commercial insurance coverage.

The Authority manages its risks in respect to the mortgages it acquires by obtaining insurance or guarantees from various sources. None of the insurance or guarantees cover 100% of potential losses on the mortgage portfolio. The Authority has established loan loss reserves for additional coverage of potential losses that exist in its mortgage portfolio.

The Authority participates in the State of Wyoming self-insured employee medical, life and dental insurance program. This group medical insurance program is co-administered with a third-party health provider/claim service company. The State self-insures medical costs and assumes all the risk for claims incurred by plan participants. The employee life insurance and dental insurance plans are administered solely by insurance providers. The State does not retain any risk of loss for the life or dental insurance plans as the insurance providers assume all the risk for claims incurred by the participants. The Authority contributes the insurance premiums for each covered employee and a portion of each covered employee's dependents for these plans.

The State's group insurance fund, which includes medical, life and dental, was solvent at June 30, 2019 and the Authority expects to incur no liability in connection with the group insurance program. Group insurance premiums paid by the Authority during the years ended June 30, 2019 and 2018 were \$957,946 and \$800,613, respectively.

Note 20. Standards Issued But Not Implemented

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. The requirements of the Statement are effective for reporting periods beginning after December 15, 2018. Management has not completed its assessment of the effects of implementing this standard.

Note 21. Standards Issued and Early Implemented

GASB Statement No. 91, *Conduit Debt Obligations*, clarifies the existing definition of a conduit debt obligation and establishes standards for accounting and financial reporting. The requirements of the Statement are effective for reporting periods beginning after December 15, 2020. Management has elected to early implement this standard.

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Note 22. Subsequent Events

On July 29, 2019, the Authority instructed its trustee to call on September 1, 2019, bonds in the amount of \$20,155,000 from the 1994 Indenture.

On July 29, 2019, the Authority instructed its trustee to call on September 1, 2019, bonds in the amount of \$4,305,000 from the 2009 Indenture.

On September 25, 2019, the Authority issued \$88,775,000 of bonds under the 1994 Indenture.

On August 30, 2019, the Authority instructed its trustee to call on October 1, 2019, bonds in the amount of \$10,000,000 from the 1994 Indenture.

On October 30, 2019, the Authority instructed its trustee to call on December 1, 2019, bonds in the amount of \$26,850,000 from the 1994 Indenture.

On October 30, 2019, the Authority instructed its trustee to call on December 1, 2019, bonds in the amount of \$3,890,000 from the 2009 Indenture.

On January 30, 2020, the Authority instructed its trustee to call on March 1, 2020, bonds in the amount of \$17,965,000 from the 1994 Indenture.

On January 30, 2020, the Authority instructed its trustee to call on March 1, 2020, bonds in the amount of \$2,930,000 from the 2009 Indenture.

REQUIRED SUPPLEMENTARY INFORMATION

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

(Unaudited)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Authority's proportion of the net pension liability (asset)	0.1604696%	0.1530328%	0.1384712%	0.1414056%
Authority's proportionate share of the net pension liability (asset)	\$ 4,886,765	\$ 3,488,138	\$ 3,347,541	\$ 3,293,828
Authority's covered-employee payroll	\$ 2,794,345	\$ 2,718,440	\$ 2,468,810	\$ 2,466,218
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	174.88%	128.31%	135.59%	133.56%
Plan fiduciary net position as a percentage of the total pension liability	69.17%	76.35%	73.42%	73.40%

The amounts presented for each fiscal year were determined as of December 31.

* Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

	2015	2014	2013	2012	2011	2010
	0.1383546%	*	*	*	*	*
\$	2,441,532	*	*	*	*	*
\$	2,365,050	*	*	*	*	*
	103.23%	*	*	*	*	*
	79.08%	*	*	*	*	*

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

SCHEDULE OF PENSION CONTRIBUTIONS
Last 10 Fiscal Years
(Unaudited)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 494,947	\$ 461,661	\$ 458,576	\$ 410,819
Contributions in relations to the contractually required contribution	<u>494,947</u>	<u>(461,661)</u>	<u>(458,576)</u>	<u>(410,819)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll	\$ 2,891,046	\$ 2,777,744	\$ 2,759,184	\$ 2,471,835
Contributions as a percentage of covered-employee payroll	17.12%	16.62%	16.62%	16.62%

* Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$	366,743	*	*	*	*	*
	<u>(366,743)</u>	*	*	*	*	*
\$	<u><u>-</u></u>	*	*	*	*	*
\$	2,310,920	*	*	*	*	*
	15.87%	*	*	*	*	*

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

SCHEDULE OF AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
Last 10 Fiscal Years
(Unaudited)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Authority's proportion of the net OPEB liability	0.24323%	0.24483%	*	*
Authority's proportionate share of the net OPEB liability (asset)	\$ 2,479,597	\$ 1,936,584	*	*
Authority's covered-employee payroll	\$ 1,976,074	\$ 1,989,073	*	*
Authority's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	125.48%	97.36%	*	*
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	*	*

SCHEDULE OF AUTHORITY'S OPEB CONTRIBUTIONS
Last 10 Fiscal Years
(Unaudited)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required OPEB contributions	\$ 42,534	\$ 40,285	*	*
OPEB contributions in relation to contractually required contributions	<u>(42,534)</u>	<u>(40,285)</u>	*	*
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	*	*
Authority's covered payroll (OPEB)	\$ 1,976,074	\$ 1,989,073	*	*
OPEB contributions as a percentage of covered payroll	2.15245%	2.02532%	*	*

The amounts presented for each fiscal year were determined as of July 1 of the previous year.

There have been no changes of benefit terms.

Changes in assumptions or other inputs reflect the effects of changes in the discount rate for each period.

* Information for years prior to 2018 is not available; the schedule will be completed as information becomes available.

2015	2014	2013	2012	2011	2010
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

2015	2014	2013	2012	2011	2010
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

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OTHER SUPPLEMENTARY INFORMATION

WYOMING COMMUNITY DEVELOPMENT AUTHORITY
DETAILED BALANCE SHEET
December 31, 2019 (Unaudited)
(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current Assets			
Cash and cash equivalents	\$ 166,038	\$ -	\$ 8,502,059
Investments	36,081,710	-	-
Interest receivable: Mortgage loans	-	-	26,163
Investments	14,717	-	4,190
Due from other funds	-	10,158,613	-
Accounts receivable and other assets	-	-	278,517
Total current assets	<u>36,262,465</u>	<u>10,158,613</u>	<u>8,810,929</u>
Noncurrent Assets			
Restricted cash and cash equivalents	89,957,421	5,766,416	-
Restricted investments	61,612,929	14,145,510	-
Restricted mortgage loans receivable, net	750,257,954	72,944,212	-
Restricted real estate held for sale	3,452,316	95,514	-
Restricted interest receivable: Mortgage loans	2,628,068	261,185	-
Investments	956,322	145,318	-
Restricted accounts receivable and other assets	1,064,547	(3,524)	-
Mortgage loans receivable, net	-	-	6,158,600
Real estate held for sale	-	-	-
Deferred servicing costs, net	-	-	-
Property and equipment, net	-	-	-
Total noncurrent assets	<u>909,929,557</u>	<u>93,354,631</u>	<u>6,158,600</u>
Total assets	<u>946,192,022</u>	<u>103,513,244</u>	<u>14,969,529</u>
Deferred Outflows of Resources			
Deferred outflows of resources related to pensions	-	-	-
Deferred outflows from other postemployment benefits	-	-	-
Accumulated decrease in fair value of hedged derivatives	4,647,553	-	-
Total deferred outflows of resources	<u>4,647,553</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 950,839,575</u>	<u>\$ 103,513,244</u>	<u>\$ 14,969,529</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current Liabilities			
Bonds payable	\$ 69,165,000	\$ 10,405,000	\$ -
Accrued interest payable	1,842,731	180,174	-
Due to other funds	10,158,613	-	8,915,500
Accounts payable and other liabilities	1,303,455	21,116	21,735
Total current liabilities	<u>82,469,799</u>	<u>10,606,290</u>	<u>8,937,235</u>
Noncurrent liabilities			
Bonds payable	664,773,829	66,052,034	-
Other deferred credits	1,002,254	31,901	-
Pension liability	-	-	-
Other postemployment benefit liabilities	-	-	-
Hedging liabilities	4,647,553	-	-
Total noncurrent liabilities	<u>670,423,636</u>	<u>66,083,935</u>	<u>-</u>
Total liabilities	<u>752,893,435</u>	<u>76,690,225</u>	<u>8,937,235</u>
Deferred Inflows of Resources			
Deferred inflows of resources related to pensions	-	-	-
Deferred inflows from other postemployment benefits	-	-	-
Accumulated increase in fair value of hedged derivatives	-	-	138,042
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>138,042</u>
Net Position			
Net investment in capital assets	-	-	-
Restricted	161,683,675	26,823,019	-
Unrestricted	36,262,465	-	5,894,252
Total net position	<u>197,946,140</u>	<u>26,823,019</u>	<u>5,894,252</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 950,839,575</u>	<u>\$ 103,513,244</u>	<u>\$ 14,969,529</u>

Multi-Family Fund	Affordable Housing Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ 950,474	\$ -	\$ 23,328,332	\$ 12,793	\$ 2,340,603	\$ -	\$ 35,300,299
1,415,566	-	18,327,338	18,385,826	235,000	-	74,445,440
-	-	89,823	-	-	-	115,986
16,888	-	163,044	128,117	-	-	326,956
-	-	8,915,500	-	-	(19,074,113)	-
-	-	343,785	-	1,052,311	-	1,674,613
<u>2,382,928</u>	<u>-</u>	<u>51,167,822</u>	<u>18,526,736</u>	<u>3,627,914</u>	<u>(19,074,113)</u>	<u>111,863,294</u>
-	12,846,042	-	5,979,489	-	-	114,549,368
-	-	-	-	-	-	75,758,439
-	58,729,781	-	-	-	-	881,931,947
-	190,239	-	-	-	-	3,738,069
-	791	-	-	-	-	2,890,044
-	16,322	-	-	-	-	1,117,962
-	12,358,762	7,082	-	-	(30,936)	13,395,931
-	-	11,816,534	-	-	-	17,975,134
-	-	373,200	-	-	-	373,200
-	-	-	-	8,421,605	-	8,421,605
-	-	-	-	2,138,535	-	2,138,535
-	84,141,937	12,196,816	5,979,489	10,560,140	(30,936)	1,122,290,234
<u>2,382,928</u>	<u>84,141,937</u>	<u>63,364,638</u>	<u>24,506,225</u>	<u>14,188,054</u>	<u>(19,105,049)</u>	<u>1,234,153,528</u>
-	-	-	-	1,217,502	-	1,217,502
-	-	-	-	560,202	-	560,202
-	-	-	-	-	-	4,647,553
-	-	-	-	1,777,704	-	6,425,257
<u>\$ 2,382,928</u>	<u>\$ 84,141,937</u>	<u>\$ 63,364,638</u>	<u>\$ 24,506,225</u>	<u>\$ 15,965,758</u>	<u>\$ (19,105,049)</u>	<u>\$ 1,240,578,785</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,570,000
-	-	-	-	-	-	2,022,905
-	-	-	-	-	(19,074,113)	-
-	30,936	2,822	-	1,048,694	(30,936)	2,397,822
-	30,936	2,822	-	1,048,694	(19,105,049)	83,990,727
-	-	-	-	-	-	730,825,863
-	-	-	-	-	-	1,034,155
-	-	-	-	4,886,765	-	4,886,765
-	-	-	-	2,479,597	-	2,479,597
-	-	-	-	-	-	4,647,553
-	-	-	-	7,366,362	-	743,873,933
-	30,936	2,822	-	8,415,056	(19,105,049)	827,864,660
-	-	-	-	442,142	-	442,142
-	-	-	-	317,206	-	317,206
-	-	-	-	-	-	138,042
-	-	-	-	759,348	-	897,390
-	-	-	-	2,138,535	-	2,138,535
-	84,111,001	-	-	-	-	272,617,695
2,382,928	-	63,361,816	24,506,225	4,652,819	-	137,060,505
2,382,928	84,111,001	63,361,816	24,506,225	6,791,354	-	411,816,735
<u>\$ 2,382,928</u>	<u>\$ 84,141,937</u>	<u>\$ 63,364,638</u>	<u>\$ 24,506,225</u>	<u>\$ 15,965,758</u>	<u>\$ (19,105,049)</u>	<u>\$ 1,240,578,785</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY
DETAILED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Six Months Ended December 31, 2019 (Unaudited)
(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
Operating Revenues			
Mortgage interest	\$ 14,336,737	\$ 1,575,152	\$ 261,461
Investment interest income	2,769,275	269,847	49,648
Net change in fair value of investments	900,167	240,936	(39,850)
Fees and other income	-	-	1,088,404
Total operating revenue	<u>18,006,179</u>	<u>2,085,935</u>	<u>1,359,663</u>
Operating Expenses			
Interest expense	10,413,085	1,157,138	193,420
Services fees	1,339,619	136,772	17,162
Amortization of deferred servicing costs	-	-	-
Cost of issuance and other financing costs	1,209,175	-	-
Provision for (recapture of) loan losses	12,781	(68,854)	-
General and administrative	138,064	3,550	119,222
Total operating expenses	<u>13,112,724</u>	<u>1,228,606</u>	<u>329,804</u>
Operating income (loss)	<u>4,893,455</u>	<u>857,329</u>	<u>1,029,859</u>
Non-operating Revenue (Expenses)			
Federal program income	-	-	-
Federal program expense	-	-	-
Non-operating income	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss) before transfers	4,893,455	857,329	1,029,859
Transfers in (out)	<u>(2,812,848)</u>	<u>390,982</u>	<u>-</u>
Net income	2,080,607	1,248,311	1,029,859
Net position, beginning of year	<u>195,865,533</u>	<u>25,574,708</u>	<u>4,864,393</u>
Net position, end of year	<u>\$ 197,946,140</u>	<u>\$ 26,823,019</u>	<u>\$ 5,894,252</u>

Multi-Family Fund	Affordable Housing Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 164,557	\$ -	\$ -	\$ -	\$ 16,337,907
38,408	-	587,013	311,125	3,229	(160,121)	3,868,424
6,552	-	381,556	338,575	-	-	1,827,936
-	-	17,505	-	3,116,583	(1,490,341)	2,732,151
<u>44,960</u>	<u>-</u>	<u>1,150,631</u>	<u>649,700</u>	<u>3,119,812</u>	<u>(1,650,462)</u>	<u>24,766,418</u>
-	-	350	322	-	(160,121)	11,604,194
-	-	16,605	-	-	(1,490,341)	19,817
-	-	-	-	941,071	-	941,071
-	-	-	-	-	-	1,209,175
-	-	505,618	-	-	-	449,545
-	-	16,481	-	3,380,735	-	3,658,052
<u>-</u>	<u>-</u>	<u>539,054</u>	<u>322</u>	<u>4,321,806</u>	<u>(1,650,462)</u>	<u>17,881,854</u>
44,960	-	611,577	649,378	(1,201,994)	-	6,884,564
-	1,373,423	-	-	-	-	1,373,423
-	(442,070)	-	-	-	-	(442,070)
<u>-</u>	<u>931,353</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>931,353</u>
44,960	931,353	611,577	649,378	(1,201,994)	-	7,815,917
-	(7,179)	1,319	-	2,427,726	-	-
44,960	924,174	612,896	649,378	1,225,732	-	7,815,917
2,337,968	83,186,827	62,748,920	23,856,847	5,565,622	-	404,000,818
<u>\$ 2,382,928</u>	<u>\$ 84,111,001</u>	<u>\$ 63,361,816</u>	<u>\$ 24,506,225</u>	<u>\$ 6,791,354</u>	<u>\$ -</u>	<u>\$ 411,816,735</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY
DETAILED BALANCE SHEET
June 30, 2019
(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current Assets			
Cash and cash equivalents	\$ 13,715,636	\$ -	\$ 6,507,309
Investments	28,159,612	-	39,850
Interest receivable: Mortgage loans	-	-	19,415
Investments	264,780	-	8,216
Due from other funds	-	10,158,613	-
Accounts receivable and other assets	-	-	222,897
Total current assets	<u>42,140,028</u>	<u>10,158,613</u>	<u>6,797,687</u>
Noncurrent Assets			
Restricted cash and cash equivalents	83,685,421	6,805,529	-
Restricted investments	66,916,142	13,718,101	-
Restricted mortgage loans receivable, net	710,394,428	79,995,880	-
Restricted real estate held for sale	4,190,627	67,720	-
Restricted interest receivable: Mortgage loans	2,607,204	286,870	-
Investments	774,863	146,427	-
Restricted accounts receivable and other assets	56,067	2,847	-
Mortgage loans receivable, net	-	-	6,619,001
Real estate held for sale	-	-	-
Deferred servicing costs, net	-	-	-
Property and equipment, net	-	-	-
Total noncurrent assets	<u>868,624,752</u>	<u>101,023,374</u>	<u>6,619,001</u>
Total assets	<u>910,764,780</u>	<u>111,181,987</u>	<u>13,416,688</u>
Deferred Outflows of Resources			
Deferred outflows of resources related to pensions	-	-	-
Deferred outflows from other postemployment benefits	-	-	-
Accumulated decrease in fair value of hedged derivatives	4,324,014	-	-
Total deferred outflows of resources	<u>4,324,014</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 915,088,794</u>	<u>\$ 111,181,987</u>	<u>\$ 13,416,688</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current Liabilities			
Bonds payable	\$ 22,955,000	\$ 3,975,000	\$ -
Accrued interest payable	1,811,944	201,219	-
Due to other funds	10,158,613	-	8,420,500
Accounts payable and other liabilities	255,750	23,994	18,714
Total current liabilities	<u>35,181,307</u>	<u>4,200,213</u>	<u>8,439,214</u>
Noncurrent Liabilities			
Bonds payable	678,616,629	81,360,410	-
Other deferred credits	1,101,311	46,656	-
Pension liabilities	-	-	-
Other postemployment benefit liabilities	-	-	-
Hedging liabilities	4,324,014	-	-
Total noncurrent liabilities	<u>684,041,954</u>	<u>81,407,066</u>	<u>-</u>
Total liabilities	<u>719,223,261</u>	<u>85,607,279</u>	<u>8,439,214</u>
Deferred Inflows of Resources			
Deferred inflows of resources related to pensions	-	-	-
Deferred inflows from other postemployment benefits	-	-	-
Accumulated increase in fair value of hedged derivatives	-	-	113,081
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>113,081</u>
Net Position			
Net investment in capital assets	-	-	-
Restricted	153,725,505	25,574,708	-
Unrestricted	42,140,028	-	4,864,393
Total net position	<u>195,865,533</u>	<u>25,574,708</u>	<u>4,864,393</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 915,088,794</u>	<u>\$ 111,181,987</u>	<u>\$ 13,416,688</u>

Multi-Family Fund	Affordable Housing Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ 911,490	\$ -	\$ 24,563,524	\$ 258,238	\$ 1,862,095	\$ -	\$ 47,818,292
1,409,057	-	17,953,078	18,053,091	235,000	-	65,849,688
-	-	69,321	-	-	-	88,736
17,421	-	183,223	130,890	-	-	604,530
-	-	8,420,500	-	-	(18,579,113)	-
-	-	211,222	-	1,044,088	-	1,478,207
<u>2,337,968</u>	<u>-</u>	<u>51,400,868</u>	<u>18,442,219</u>	<u>3,141,183</u>	<u>(18,579,113)</u>	<u>115,839,453</u>
-	11,189,887	-	5,414,628	-	-	107,095,465
-	-	-	-	-	-	80,634,243
-	57,748,200	-	-	-	-	848,138,508
-	197,100	-	-	-	-	4,455,447
-	753	-	-	-	-	2,894,827
-	21,290	-	-	-	-	942,580
-	14,347,990	9,151	-	-	(272,621)	14,143,434
-	-	10,815,738	-	-	-	17,434,739
-	-	525,534	-	-	-	525,534
-	-	-	-	7,561,276	-	7,561,276
-	-	-	-	2,228,452	-	2,228,452
-	83,505,220	11,350,423	5,414,628	9,789,728	(272,621)	1,086,054,505
<u>2,337,968</u>	<u>83,505,220</u>	<u>62,751,291</u>	<u>23,856,847</u>	<u>12,930,911</u>	<u>(18,851,734)</u>	<u>1,201,893,958</u>
-	-	-	-	1,217,502	-	1,217,502
-	-	-	-	560,202	-	560,202
-	-	-	-	-	-	4,324,014
-	-	-	-	1,777,704	-	6,101,718
<u>\$ 2,337,968</u>	<u>\$ 83,505,220</u>	<u>\$ 62,751,291</u>	<u>\$ 23,856,847</u>	<u>\$ 14,708,615</u>	<u>\$ (18,851,734)</u>	<u>\$ 1,207,995,676</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,930,000
-	-	-	-	-	-	2,013,163
-	-	-	-	-	(18,579,113)	-
-	318,393	2,371	-	1,017,283	(272,621)	1,363,884
<u>-</u>	<u>318,393</u>	<u>2,371</u>	<u>-</u>	<u>1,017,283</u>	<u>(18,851,734)</u>	<u>30,307,047</u>
-	-	-	-	-	-	759,977,039
-	-	-	-	-	-	1,147,967
-	-	-	-	4,886,765	-	4,886,765
-	-	-	-	2,479,597	-	2,479,597
-	-	-	-	-	-	4,324,014
-	-	-	-	7,366,362	-	772,815,382
-	318,393	2,371	-	8,383,645	(18,851,734)	803,122,429
-	-	-	-	442,142	-	442,142
-	-	-	-	317,206	-	317,206
-	-	-	-	-	-	113,081
-	-	-	-	759,348	-	872,429
-	-	-	-	2,228,452	-	2,228,452
-	83,186,827	-	-	-	-	262,487,040
<u>2,337,968</u>	<u>-</u>	<u>62,748,920</u>	<u>23,856,847</u>	<u>3,337,170</u>	<u>-</u>	<u>139,285,326</u>
<u>2,337,968</u>	<u>83,186,827</u>	<u>62,748,920</u>	<u>23,856,847</u>	<u>5,565,622</u>	<u>-</u>	<u>404,000,818</u>
<u>\$ 2,337,968</u>	<u>\$ 83,505,220</u>	<u>\$ 62,751,291</u>	<u>\$ 23,856,847</u>	<u>\$ 14,708,615</u>	<u>\$ (18,851,734)</u>	<u>\$ 1,207,995,676</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY
DETAILED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended June 30, 2019
(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
Operating Revenues			
Mortgage interest	\$ 27,083,293	\$ 3,562,947	\$ 410,909
Investment interest income	6,209,220	521,610	204,945
Net change in fair value of investments	4,305,404	886,356	39,850
Fees and other income	-	-	1,555,788
Total operating revenue	<u>37,597,917</u>	<u>4,970,913</u>	<u>2,211,492</u>
Operating Expenses			
Interest expense	19,970,782	2,670,457	343,035
Services fees	2,468,407	316,358	22,333
Amortization of deferred servicing costs	-	-	-
Cost of issuance and other financing costs	2,099,741	9,172	-
Provision for (recapture of) loan losses	234,860	(460,122)	-
General and administrative	304,312	15,173	209,524
Total operating expenses	<u>25,078,102</u>	<u>2,551,038</u>	<u>574,892</u>
Operating income (loss)	<u>12,519,815</u>	<u>2,419,875</u>	<u>1,636,600</u>
Non-operating Revenue (Expenses)			
Federal program income	-	-	-
Federal program expense	-	-	-
Non-operating income	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss) before transfers	12,519,815	2,419,875	1,636,600
Transfers in (out)	<u>(6,334,443)</u>	<u>1,540,001</u>	<u>(1,400,000)</u>
Net income (loss)	6,185,372	3,959,876	236,600
Net position, beginning of year	<u>189,680,161</u>	<u>21,614,832</u>	<u>4,627,793</u>
Net position, end of year	<u>\$ 195,865,533</u>	<u>\$ 25,574,708</u>	<u>\$ 4,864,393</u>

Multi-Family Fund	Affordable Housing Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 153,366	\$ -	\$ -	\$ -	\$ 31,210,515
67,358	-	1,217,216	629,896	6,548	(284,281)	8,572,512
42,130	-	1,174,378	1,296,242	-	-	7,744,360
-	-	59,700	-	5,484,766	(2,794,944)	4,305,310
<u>109,488</u>	<u>-</u>	<u>2,604,660</u>	<u>1,926,138</u>	<u>5,491,314</u>	<u>(3,079,225)</u>	<u>51,832,697</u>
-	-	579	875	-	(284,281)	22,701,447
-	-	28,907	-	-	(2,794,944)	41,061
-	-	-	-	10,027,827	-	10,027,827
-	-	-	-	-	-	2,108,913
-	-	605,032	-	-	-	379,770
-	-	50	-	7,548,245	-	8,077,304
<u>-</u>	<u>-</u>	<u>634,568</u>	<u>875</u>	<u>17,576,072</u>	<u>(3,079,225)</u>	<u>43,336,322</u>
<u>109,488</u>	<u>-</u>	<u>1,970,092</u>	<u>1,925,263</u>	<u>(12,084,758)</u>	<u>-</u>	<u>8,496,375</u>
-	8,504,461	-	-	-	-	8,504,461
-	(657,725)	-	-	-	-	(657,725)
<u>-</u>	<u>7,846,736</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,846,736</u>
109,488	7,846,736	1,970,092	1,925,263	(12,084,758)	-	16,343,111
<u>-</u>	<u>(108,655)</u>	<u>2,124,388</u>	<u>-</u>	<u>4,178,709</u>	<u>-</u>	<u>-</u>
109,488	7,738,081	4,094,480	1,925,263	(7,906,049)	-	16,343,111
2,228,480	75,448,746	58,654,440	21,931,584	13,471,671	-	387,657,707
<u>\$ 2,337,968</u>	<u>\$ 83,186,827</u>	<u>\$ 62,748,920</u>	<u>\$ 23,856,847</u>	<u>\$ 5,565,622</u>	<u>\$ -</u>	<u>\$ 404,000,818</u>

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APPENDIX E

SUMMARY OF CERTAIN TERMS OF THE 1994 INDENTURE

The 1994 Indenture contains various covenants and security provisions, certain of which are summarized below. Reference should be made to the 1994 Indenture for a full and complete statement of its provisions.

CERTAIN DEFINITIONS

In the 1994 Indenture and in this Official Statement, in addition to certain terms previously defined, unless the context otherwise requires the following words and terms have the following meanings:

“Accrued Debt Service” means, as of any date of calculation, unless otherwise specified in the Supplemental Indenture with respect to a particular Series of Bonds, an amount equal to the aggregate of the following with respect to each Series of Outstanding Bonds: (i) accrued and unpaid interest on the Outstanding Bonds of a Series (accrued and unpaid interest shall not include the Appreciated Amount of a Deferred Interest Bond), plus (ii)(a) in the case of a Series of Bonds with Principal Installments scheduled on the first day of a month or months, the amount obtained by dividing the amount of the next succeeding Principal Installment by the number of months elapsed from the immediately preceding Principal Installment payment date to the next succeeding Principal Installment payment date, and then multiplying such amount by the number of full months elapsed since the immediately preceding Principal Installment payment date, and (b) in the case of Principal Installments due on other dates, the amount obtained by dividing the amount of the next succeeding Principal Installment by the number of days elapsed from the immediately preceding Principal Installment payment date to the next succeeding Principal Installment payment date, and then multiplying such amount by the number of days elapsed since the immediately preceding Principal Installment date.

“Authorized Investments” means and includes any of the following securities and other investments, if and to the extent the same are at the time legal for investment of Authority funds:

(i) Direct obligations of, or obligations the timely payment of principal of and interest on which are unconditional obligations of the United States of America;

(ii) Obligations (a) which are backed by the full faith and credit of any state of the United States of America, (b) of any agency or instrumentality of the United States of America, or (c) of any public corporation sponsored by the United States of America, including but not limited to Freddie Mac, Fannie Mae and Ginnie Mae, *provided* that such obligations described in (a), (b) and (c) hereof at the time of investment shall not adversely affect the Rating Quality of the Bonds;

(iii) Interest-bearing time or demand deposits, certificates of deposit or other similar banking arrangements with any bank, trust company, national banking association or other savings institution (including any Fiduciary), *provided* that (a) the unsecured long-term debt obligations thereof are rated by the Rating Agency at least equal to the rating on the Series of Bonds, or (b) such entity has combined capital and surplus of at least \$225,000,000 and such deposits, certificates and other arrangements are fully secured by obligations described in clause (i) or (ii) of this definition, or a combination thereof, at such levels and valuation frequency as shall not adversely affect the Rating Quality of the Bonds or (c) the deposit of funds with such entity will not adversely affect the Rating Quality of the Bonds;

(iv) Repurchase Agreements in respect of any of the securities described in (i) or (ii) of the definition of Authorized Investments, *provided* that physical delivery of such securities is taken either directly or through an authorized custodian of the Authority (or, in the case of book-entry securities, by appropriate notation on the official records maintained with respect to the ownership thereof) and *provided* that such securities be maintained at levels and valuation frequencies satisfactory to the Authority and sufficient at all times to maintain the Rating Quality of the Bonds;

(v) Interest-bearing notes issued by a bank holding company having combined capital and surplus of at least \$500,000,000, *provided* that such investment does not adversely affect the Rating Quality of the Bonds;

(vi) Shares of (a) an investment company registered under the federal Investment Company Act of 1940, whose shares are registered under the federal Securities Act of 1933, whose only investments are in securities described in subparagraphs (i), (ii), (iii), (iv) or (v) above and which investment company is of Rating Quality, or (b) a common trust fund established by a national banking association or a bank or trust company organized under the laws of any state with combined capital and surplus of at least \$50,000,000, under the supervision and regulation of the Comptroller of the Currency pursuant to 12 C.F.R. 9, or any successor regulation, whose only investments are in securities described in subparagraphs (i), (ii), (iii), (iv) or (v) above and which fund is of Rating Quality and been rated “AA-m” or “AA-G” or higher by S&P Global Ratings, a division of S&P Global Inc. (“S&P”) and “Aa” by Moody’s Investors Service, Inc. (“Moody’s”);

(vii) Any investment contract with any provider as long as such investment contract does not adversely affect the Rating Quality of the Bonds at the time the investment is made; and

(viii) Any other investment that will not adversely affect the Rating Quality of the Outstanding Bonds;

provided that it is expressly understood that the definition of Authorized Investments shall be, and be deemed to be, expanded, or new definitions and related provisions shall be added to the 1994 Indenture by a Supplemental Indenture, thus permitting investments with different characteristics from those permitted above which the Authority deems from time to time to be in the interest of the Authority to include as Authorized Investments if at the time of inclusion such inclusion will not, in and of itself, adversely affect the Rating Quality of the Outstanding Bonds.

“Cash Equivalent” means a letter of credit, insurance policy, surety, guarantee or other security arrangement (as defined and provided for in a Supplemental Indenture), which Cash Equivalent shall have such terms necessary to maintain the Rating Quality on the Bonds.

“Government Obligations” means and includes direct general obligations of the United States of America or obligations the payment of principal or interest on which is fully and unconditionally guaranteed by the United States of America (including those the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is so fully and unconditionally guaranteed). This shall include custodial receipts evidencing ownership of future interest payments only, on bonds issued by the Financial Corporation, a mixed-ownership government corporation, chartered by the Federal Home Loan Bank Board pursuant to the Federal Savings and Loan Insurance Corporation Recapitalization Act of 1987, provided the same are rated “AAA” by S&P and “Aaa” by Moody’s.

“Mortgage-Backed Security” means a Fannie Mae Security, a Freddie Mac Security or a Ginnie Mae Security backed by a Loan or Loans (or such other security backed by a Loan or Loans which is specified in a Supplemental Indenture, the purchase of which will not adversely affect the Rating Quality of the Outstanding Bonds), in each case registered in the name of the Trustee. The definition of “Mortgage-Backed Security” shall not include, unless otherwise specified in a Supplemental Indenture, any Mortgage-Backed Security which is not credited to the Program Fund.

“Parity Certificate” means a Certificate, giving effect to any action contemplated to be taken in connection with the filing thereof, showing that (i) the sum of (a) the moneys, Authorized Investments and Cash Equivalents then credited to the Program Fund, the Revenue Fund (but excluding moneys held therein for the payment of interest on Outstanding Bonds or Program Expenses), the Bond Reserve Fund, the Mortgage Reserve Fund and the Redemption Fund (but not including any moneys or Authorized Investments held therein for the payment of Bonds no longer deemed Outstanding under the 1994 Indenture), (b) the unpaid principal amount of all Loans and Mortgage-Backed Securities credited to the Program Fund and (c) such other amounts, if any, as may be specified by a Supplemental Indenture (which may be part or all of the assets in the Special Reserve Fund), equals or exceeds (ii) an amount equal to 102% (or such lesser percentage as does not adversely affect the Rating Quality of the Bonds) of the principal amount of Outstanding Bonds of all Series.

“*Rating Agency*” means each of Moody’s and S&P, or any successor thereto.

“*Rating Quality*” means, with respect to any Series of Bonds, having terms, conditions and/or a credit quality such that the item stated to be of “*Rating Quality*” will not, as confirmed in writing received by the Trustee from each Rating Agency, impair the ability of the Authority to obtain the rating or ratings initially received from each Rating Agency – “Aa” by Moody’s and “AA” by S&P – with respect to the Bonds and, if not with respect to a particular Series of Bonds, will not cause the Rating Agency to lower or withdraw the rating it has assigned to the Bonds.

“*Record Date*” means, with respect to the 2020 Series 1 and 2 Bonds, the date which is 15 calendar days prior to an interest payment date.

“*Revenues*” means (i) all amounts received as repayment of principal, interest and all other charges received for, and all other income and receipts derived by the Authority from, the Mortgage-Backed Securities and Loans or any way in connection therewith, including Prepayments, (ii) moneys deposited in a sinking, redemption or reserve fund or other Fund or Account to secure Bonds or to provide for the payment of the principal of, premium or interest on Bonds and (iii) to the extent hereinafter provided, interest earnings or income received on moneys so deposited in any Fund or Account pursuant to the 1994 Indenture and all other payments and receipts received with respect to Loans or Mortgage-Backed Securities, including the proceeds of mortgage insurance claims (but excluding commitment fees, service fees and escrow payments and, unless otherwise provided in a Supplemental Indenture, any income or earnings on amounts credited to the Special Reserve Fund).

INDENTURE CONSTITUTES CONTRACT

The 1994 Indenture constitutes a contract among the Authority, the Trustee and the Holders from time to time of the respective Bonds. The pledges and assignments made in the 1994 Indenture and the covenants set forth therein to be performed by the Authority are for the equal and proportionate benefit, protection and security of the Holders of the Bonds.

PROVISIONS FOR THE ISSUANCE OF BONDS (SECTIONS 2.02, 2.16 AND 6.13)

The 1994 Indenture authorizes Bonds to be issued from time to time in accordance with its terms without limitations as to amount except as may be provided by law. The Bonds of each series may be authenticated and delivered only upon delivery to the Trustee of, among other things:

- (1) an opinion of counsel of recognized national standing in the field of municipal law selected by the Authority to the effect that, among other things, the Bonds of such Series have been duly and lawfully authorized and issued and are valid and binding special obligations of the Authority;

(2) the amounts, if any, necessary for deposit in the Bond Reserve Fund and in the Mortgage Reserve Fund so that the amounts therein at least equal the Bond Reserve Fund Requirement and the Mortgage Reserve Fund Requirement, respectively;

(3) a Cash Flow Certificate giving effect to the issuance of such Bonds and the Loans or Mortgage-Backed Securities expected to be financed which projects Revenues sufficient to pay Program Expenses and Accrued Debt Service on the Bonds in each Bond Year;

(4) a certificate to the effect that no Event of Default under the 1994 Indenture or an event which with notice or lapse of time or both would become an Event of Default under the 1994 Indenture has occurred and is continuing; and

(5) written verification from each Rating Agency (a) that the rating on such Series of Bonds is not lower than the Rating Quality of the Bonds Outstanding prior thereto or (b) to the effect that the issuance of such Series of Bonds will not, in and of itself, adversely affect the Rating Quality of any Outstanding Bonds of any prior Series of Bonds.

The Authority is not permitted to issue any evidence of indebtedness, other than the Bonds, secured by a pledge of the Revenues or of the moneys, securities, rights or interests pledged, held or set aside under the 1994 Indenture or to create or cause to be created any lien or charge upon the Revenues or such moneys, securities, rights or interests. The Authority may, however, (i) issue evidences of indebtedness secured by a pledge of Revenues to be derived after the pledge of the Revenues provided in the 1994 Indenture has been discharged and satisfied, (ii) issue notes or bonds not secured under the 1994 Indenture or secured by a pledge or lien on amounts released from the lien of the 1994 Indenture or (iii) create equal or superior liens on part or all of the assets on the Special Reserve Fund which are not otherwise restricted, as permitted by the 1994 Indenture.

PROVISIONS FOR REFUNDING ISSUES (SECTION 2.17)

Refunding Bonds may be issued to refund any Outstanding Bonds. Refunding Bonds may be authenticated and delivered only upon receipt by the Trustee of, among other things, the documents and, if applicable, deposits described in clauses (1) through (5) of "Provisions for the Issuance of Bonds" above, instructions to the Trustee to pay when due or to redeem all the Bonds to be refunded on such date or dates specified in such instructions and either (i) moneys sufficient to effect payment of the maturing principal amount of or the applicable redemption price of the Bonds to be refunded, together with accrued interest thereon to the maturity date or redemption date, or (ii) Government Obligations, the principal of and interest on which when due, together with any moneys deposited with the Trustee or Paying Agents, will be sufficient to pay such principal amount of or redemption price and accrued interest. Any such moneys and obligations are required to be held irrevocably in trust for the Bondholders by the Trustee.

APPLICATION OF BOND PROCEEDS (SECTIONS 4.01 AND 4.02)

Upon the sale and delivery of each Series of Bonds, other than Refunding Bonds, the amounts necessary to cause the respective amounts on deposit in the Bond Reserve Fund and in the Mortgage Reserve Fund to at least equal the Bond Reserve Fund Requirement and Mortgage Reserve Fund Requirement immediately after such delivery are required to be deposited in the Bond Reserve Fund and in the Mortgage Reserve Fund. The amounts, if any, received representing accrued interest are to be deposited in the Revenue Fund. The amounts, if any, received representing capitalized interest are to be deposited in the Revenue Fund or the Program Fund. Proceeds of each Series of Bonds that are not deposited in the above-mentioned Funds, including proceeds attributable to costs of issuance, are to be deposited in the Program Fund.

Any premium received above the aggregate principal amount of the Bonds of any Series or as the proceeds of a refunding issue will be applied as provided in the Supplemental Indenture authorizing the issuance of such Series.

ESTABLISHMENT OF FUNDS AND ACCOUNTS (SECTION 5.01)

The 1994 Indenture establishes the following Funds and Accounts to be held by the Trustee in trust for application in accordance with the 1994 Indenture:

- (1) Program Fund;
- (2) Revenue Fund;
- (3) Bond Reserve Fund;
- (4) Mortgage Reserve Fund;
- (5) Special Reserve Fund; and
- (6) Redemption Fund.

To the extent necessary to comply with the provisions of the 1994 Indenture, the Authority shall also direct the establishment of a Rebate Account.

The Trustee shall also establish such other funds or accounts as the Authority may direct or as the Trustee shall determine may be reasonably required to carry out its duties under the 1994 Indenture, and moneys deposited therein shall be used and pledged only as provided in the directions of the Authority.

PROGRAM FUND (SECTIONS 5.02 AND 5.03)

In addition to proceeds of a Series of Bonds, the 1994 Indenture requires the deposit to the Program Fund of all amounts required to be deposited therein by a Supplemental Indenture (which may include Prepayments) and amounts transferred from the Revenue Fund.

Amounts in the Program Fund are to be expended to finance Loans or Mortgage-Backed Securities (or to pay or provide for the payment of notes, bonds or other indebtedness issued for such purpose) or for any other authorized purpose of the Authority in accordance with the Act and as permitted by any applicable Supplemental Indenture. Amounts in the Program Fund may also be transferred to the Redemption Fund for the redemption or purchase of Bonds but only if the Authority delivers a Cash Flow Certificate to the Trustee. In the event the Cash Flow Certificate does not project Revenues sufficient to pay Program Expenses and Accrued Debt Service on the Bonds when due in each Bond Year, the Authority is required to certify to the Trustee that the projected deficiency in each Bond Year is less than it would have been if all or a portion of the amounts so transferred had been applied to the financing of Loans or Mortgage-Backed Securities or invested in Authorized Investments on available terms.

In addition, the Authority is permitted to withdraw amounts, Loans or Mortgage-Backed Securities in the Program Fund free and clear of the lien and pledge of the 1994 Indenture at any time if the Authority files with the Trustee (i) a Parity Certificate and (ii) a Cash Flow Certificate projecting Revenues sufficient to pay Program Expenses and Accrued Debt Service on the Bonds when due in each Bond Year, taking into account the proposed withdrawal.

REVENUE FUND (SECTION 5.05)

With certain exceptions, all Revenues are to be deposited in the Revenue Fund. Unless otherwise specified in a Supplemental Indenture, the Trustee is required to make payments out of the Revenue Fund to the Paying Agents as follows: (i) on or before each Bond Payment Date, the amounts required for the payment of the Principal Installments, if any, and interest due on the Outstanding Bonds on such due date, and (ii) on or before the purchase or redemption date of any Bonds, the amounts required for the payment of accrued interest on Outstanding Bonds redeemed or purchased for retirement.

Prior to the fifteenth day preceding the last date on which the Trustee is required to give notice of redemption from a Sinking Fund Installment, the Trustee may, and if so directed by the Authority must, apply any amount accumulated in the Revenue Fund up to the unsatisfied balance of such Sinking Fund Installment (together with amounts accumulated in the Revenue Fund with respect to interest on the Bonds for which such Sinking Fund Installment was established) as follows: (i) to the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, such purchases to be made in such manner as the Authority shall determine; or (ii) to the redemption of such Bonds if then redeemable by their terms. Upon such purchase or redemption of any Bond, an amount equal to the principal amount of the Bond so purchased or redeemed will be credited against such Sinking Fund Installment.

As soon as practicable after the fifteenth day preceding the last date on which the Trustee is required to give notice of the redemption of Bonds from such Sinking Fund Installment, the Trustee is to proceed to call for redemption on such date Bonds of the Series and maturity for which such Sinking Fund Installment was established in a principal amount equal to the amount of such Sinking Fund Installment reduced by crediting thereto the principal amount of Bonds purchased or redeemed as described above. The Trustee is required to call such Bonds for

redemption whether or not it then has moneys in the Revenue Fund sufficient to pay the applicable redemption price on the redemption date.

The Authority may requisition moneys from the Revenue Fund at any time for the payment of Program Expenses within the limitations established by the Annual Budget, as amended. The Authority may also at any time request the disbursement of moneys from the Revenue Fund to the Rebate Account to comply with the provisions of the 1994 Indenture.

On any Bond Payment Date or on such other date or dates as directed by an Authority Request, the Trustee is required to transfer from the Revenue Fund the balance of any moneys remaining therein in excess of Accrued Debt Service, if available and in the following order of priority, (i) to the Bond Reserve Fund any amount needed to increase the amount on deposit therein to the Bond Reserve Fund Requirement, (ii) to the Mortgage Reserve Fund any amount needed to increase the amount on deposit therein to the Mortgage Reserve Fund Requirement, (iii) to the Redemption Fund, if so directed by the Authority, any amount to be used to redeem a like amount of Bonds and (iv) any balance remaining in the Revenue Fund as of such date after such transfers must be transferred to the Program Fund, except that such balance may be withdrawn from the Revenue Fund free and clear of the lien or pledge of the 1994 Indenture if (a) the Authority files with the Trustee a Cash Flow Certificate projecting Revenues sufficient to pay Program Expenses and Accrued Debt Service on the Bonds when due in each Bond Year and (b) a Parity Certificate.

MORTGAGE RESERVE FUND (SECTION 5.06)

Moneys deposited in the Mortgage Reserve Fund may be withdrawn to pay taxes, insurance, foreclosure fees, including appraisal and legal fees, repairs to the residence and similar expenses incurred by the Authority in connection with any protection and enforcement of its rights with respect to any Loan. Amounts in the Mortgage Reserve Fund may also be withdrawn under certain conditions in order to pay debt service on the Bonds. See “Withdrawals From Funds” below. If at any time the amount in the Mortgage Reserve Fund exceeds the Mortgage Reserve Fund Requirement and if no Event of Default has occurred and is continuing, such excess may be transferred to the Revenue Fund or to any other Fund (other than the Special Reserve Fund) at the direction of the Authority. The Mortgage Reserve Fund Requirement with respect to the Bonds may be funded through Cash Equivalents.

BOND RESERVE FUND (SECTION 5.07)

If on any Bond Payment Date all amounts otherwise available for the payment of debt service on the Bonds as described under “Withdrawals From Funds” below are insufficient for such purpose, the Trustee is to apply amounts from the Bond Reserve Fund to the extent required to make good the deficiency. If on any day of any Bond Year moneys in the Bond Reserve Fund exceed the Bond Reserve Fund Requirement (assuming the payment when due on the interest and principal installments on all Bonds Outstanding), all or any part of such excess moneys may be transferred to the Revenue Fund or to any other Fund (except the Special Reserve Fund) at the direction of the Authority. The Bond Reserve Fund Requirement with respect to the Bonds may be funded through Cash Equivalents.

REDEMPTION FUND (SECTION 5.08)

Moneys on deposit in the Redemption Fund must be applied by the Trustee to the purchase or redemption of Bonds in accordance with Authority directions. Upon any such purchase or redemption (other than from Sinking Fund Installments) of Bonds of any Series and maturity for which Sinking Fund Installments have been established, there shall be credited toward each Sinking Fund Installment thereafter to become due an amount bearing the same ratio to such Sinking Fund Installment as the total principal amount of such Bonds so purchased or redeemed bears to the total amount of all such Sinking Fund Installments to be credited, unless the Authority files with the Trustee a Certificate specifying a different method for the crediting of such Sinking Fund Installments upon any such purchase or redemption of Bonds, and if a Cash Flow Certificate which projects Revenues sufficient to pay Program Expenses and Accrued Debt Service when due in each Bond Year shall accompany such Certificate, or if such purchase or redemption shall follow a transfer from the Program Fund, then such Sinking Fund Installments shall be so credited as shall be provided in the Certificate delivered to the Trustee. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited towards 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 calculation of Sinking Fund Installments due on a future date.

SPECIAL RESERVE FUND (SECTION 5.09)

At the direction of the Authority, the Trustee shall deposit in the Special Reserve Fund any securities, loans or other property not otherwise pledged under the 1994 Indenture. Any moneys held in the Special Reserve Fund may be invested or reinvested in such securities, loans or other investments as may be directed by the Authority, which may include Authorized Investments, Loans or Mortgage-Backed Securities, but is not restricted thereto unless otherwise provided in a Supplemental Indenture. Any interest or income earned with respect to any said securities, loans or other property which are not required to be transferred to the Revenue Fund shall likewise be retained in the Special Reserve Fund or released to the Authority, except as otherwise provided in the 1994 Indenture.

If on any date payments are required to be made from the Revenue Fund for the payment of the Principal Installments, if any, and interest due on the Outstanding Bonds, and there are not sufficient funds in the Revenue Fund to make such payments, the Trustee shall withdraw (i) from the Special Reserve Fund amounts restricted pursuant to the 1994 Indenture, and (ii) to the extent necessary, after withdrawing any necessary amounts on deposit in the Mortgage Reserve Fund, from the unrestricted amounts in the Special Reserve Funds and transfer to the Revenue Fund such available amounts as are necessary to provide sufficient funds for the required transfers from the Revenue Fund.

At any time, at the direction of the Authority, the Trustee shall withdraw from the Special Reserve Fund and pay to the Authority, free and clear of the lien of the 1994 Indenture, such amounts, securities, loans or other property as shall be specified therein, including any interest or income earned thereon, unless otherwise restricted by a Supplemental Indenture.

Upon the filing with the Trustee of a request by the Authority, the Authority may create a lien on all or any part of the moneys, investments or assets held in the Special Reserve Fund, and not otherwise restricted by a Supplemental Indenture or previous request by the Authority, to secure any obligation of the Authority, and, if so specified in such request, such lien shall be prior to the lien on the otherwise unrestricted moneys, investments or assets in the Special Reserve Fund granted by the 1994 Indenture to the Trustee in favor of the Outstanding Bonds.

WITHDRAWALS FROM FUNDS (SECTION 5.10)

If on any Bond Payment Date moneys in the Revenue Fund are less than the amount required for the payment of Accrued Debt Service on the Bonds, and before applying moneys in the Bond Reserve Fund for such purpose, the Trustee must transfer from the following Funds in the following order the amount of the deficiency and apply such amount, as necessary:

- (1) restricted portion of Special Reserve Fund;
- (2) Mortgage Reserve Fund;
- (3) unrestricted portion of Special Reserve Fund;
- (4) Redemption Fund; and
- (5) Program Fund.

However, moneys in (i) the Redemption Fund that are to be used to redeem Bonds as to which notice of redemption has been published or (ii) the Program Fund that are to be used to purchase or finance Loans or Mortgage-Backed Securities with respect to which the Authority has entered into commitments or (iii) the Special Reserve Fund previously restricted for other purposes by a Supplemental Indenture or Authority request, shall not be deemed available for transfer to the Revenue Fund, nor shall Loans or Mortgage-Backed Securities credited to the Program Fund be deemed available for such purpose. In addition, no amounts may be withdrawn from the Program Fund for such purpose unless the Authority files with the Trustee a Cash Flow Certificate giving effect to such withdrawal projecting Revenues sufficient to pay Program Expenses and Accrued Debt Service on the Bonds in each Bond Year.

DEPOSITS AND INVESTMENTS (SECTION 5.13)

All moneys held by the Trustee in Funds and Accounts under the 1994 Indenture (except the Special Reserve Fund) are to be invested or deposited by the Trustee upon written direction of the Authority in Authorized Investments. The maturity or redemption dates of Authorized Investments are to coincide as nearly as practicable with the times at which moneys in said Funds and Accounts will be required for the purposes provided in the 1994 Indenture. Authorized Investments held in any Fund or Account are valued at par if purchased at par or, if purchased at other than par, at their amortized value. Any Cash Equivalent shall be valued at par.

PAYMENT OF BONDS (SECTION 6.01)

The Authority covenants that it will duly and punctually pay or cause to be paid the principal or redemption price of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds, according to the true intent and meaning thereof and will duly pay or cause to be paid the Sinking Fund Installments, if any, becoming payable with respect to any Series of Bonds.

POWERS AS TO BONDS AND PLEDGES (SECTION 6.04)

The Authority covenants that it is duly authorized pursuant to law to issue the Bonds and to execute and deliver the 1994 Indenture and to pledge the Revenues and other moneys, securities, rights and interests purported to be pledged by the 1994 Indenture in the manner and to the extent provided in the 1994 Indenture.

ANNUAL BUDGETS, ACCOUNTS AND REPORTS (SECTIONS 6.11 AND 6.12)

Prior to using any amounts in the Revenue Fund to pay Program Expenses, the Authority must adopt an Annual Budget for the fiscal year during which such expenditures are expected and file the same with the Trustee. The Annual Budget shall include allocations for Accrued Debt Service payments and estimated Program Expenses for the fiscal year. The Authority at any time may adopt an amended Annual Budget for the remainder of the then current fiscal year, but must use its best efforts to restrict Program Expenses to amounts estimated to be available from Revenues not needed for payments of Accrued Debt Service.

The Authority is also required to file with the Trustee within 180 days after the close of each fiscal year a copy of an annual report for such fiscal year accompanied by an Accountant's Certificate, including statements of Program assets and liabilities and income, expenses and changes in fund balances.

ARBITRAGE COVENANT (SECTION 6.15)

With respect to Bonds the interest on which is intended to be exempt from federal income taxation, the Authority covenants not to use, direct or permit the use of the Bond proceeds or any other moneys in its possession or control in any manner that would cause any Bond to be an "arbitrage bond" as defined in Sections 143 and 148 of the Code.

PURCHASE OF BONDS (SECTION 3.08)

If moneys are held under the 1994 Indenture to be used to redeem Bonds, in lieu of such redemption, the Authority may direct the Trustee to use all or part of such funds to purchase Bonds that would be subject to such redemption. The purchase price of such Bonds may not exceed the then applicable redemption price of such Bonds if such Bonds would be redeemed but for such purchase, *unless* (i) the amount of purchase price in excess of the applicable redemption price is paid from moneys not held under the 1994 Indenture, or from moneys in the Special Reserve Fund

not restricted as to use by a Supplemental Indenture or Authority request or (ii) the Authority files with the Trustee a Parity Certificate and a Cash Flow Certificate projecting Revenues sufficient to pay Program Expenses and Accrued Debt Service when due in each Bond Year, giving effect to the proposed purchase.

EVENTS OF DEFAULT (SECTIONS 7.02 AND 7.12)

It is an “Event of Default” if (i) the Authority fails to pay the principal or redemption price of any Bond when and as the same becomes due and payable, whether at maturity or upon call for redemption or otherwise; (ii) the Authority fails to pay any installment of interest on any Bond when and as the same becomes due and payable; (iii) the Authority fails to perform or observe any other covenant, agreement or condition on its part contained in the 1994 Indenture or the Bonds, and such failure continues for a period of 60 days after written notice thereof by the Trustee or the Holders of not less than 25% in aggregate principal amount of the Outstanding Bonds; or (iv) the Authority files a petition seeking a composition of indebtedness under the federal bankruptcy laws or under any applicable law or statute of the United States of America or of the State, or if the State has limited or altered the rights of the Authority pursuant to the Act, as in force on the date of the 1994 Indenture, to fulfill the terms of any agreements made with the Holders of Bonds or in any way impaired the rights and remedies of Holders of Bonds while any Bonds are Outstanding.

The Trustee must give the Bondholders notice of each Event of Default known to the Trustee within 30 days, except that, in the case of a default other than in the payment of principal or the redemption price of or interest on any of the Bonds, the Trustee may withhold such notice if the Trustee, in its sole judgment, determines that the withholding of such notice is in the best interests of the Bondholders. Each such notice is to be given by first-class mail to all registered owners of Bonds then Outstanding.

REMEDIES (SECTIONS 7.03 THROUGH 7.07)

Upon the occurrence of an Event of Default, the Trustee may, and upon the written request of Holders of at least a majority (and in the case of a default under subsection (iii) or (iv) set forth above under “Events of Default,” 100%) in aggregate principal amount of the Bonds Outstanding must, give 30 days’ written notice to the Governor and Attorney General of Wyoming and the Authority of its intention to declare all Bonds Outstanding immediately due and payable. At the end of the 30-day period, the Trustee may, and upon such written request of such required number of Bondholders must, by notice in writing to the Authority, declare all Bonds Outstanding immediately due and payable, and such Bonds will then become and be immediately due and payable. Prior to entry of a final judgment or decree in any suit, action or proceeding instituted on account of such default or before the completion of the enforcement of any other remedy under the 1994 Indenture, such declaration may be annulled by the Trustee, and must be annulled by the Trustee upon the written direction of the Holders of not less than 25% in aggregate principal amount of the Bonds Outstanding, if, among other things, moneys have been deposited in the Revenue Fund sufficient to pay all matured installments of principal or redemption price (other than principal then due only because of such declaration) of and interest on all Outstanding Bonds.

Upon the occurrence and continuance of an Event of Default, the Trustee may, and upon the written request of the Holders of not less than 25% in the aggregate principal amount of the Bonds Outstanding, together with indemnification satisfactory to the Trustee, must, proceed to protect and enforce its rights and the rights of the Bondholders under the Act, the Bonds and the 1994 Indenture by such suits, actions or proceedings as the Trustee, being advised by counsel, may deem expedient.

No remedy conferred upon or reserved to the Trustee or the Bondholders by the terms of the 1994 Indenture is intended to be exclusive of any other remedy, but each and every such remedy is cumulative and in addition to any other remedy available under the 1994 Indenture or existing at law or in equity or by statute.

In the event that, during the continuance of an Event of Default, the funds held by the Trustee are insufficient for the payment of principal or redemption price and interest then due on the Bonds, such funds and any other moneys received or collected by the Trustee, after making provision for the payment of the reasonable and proper charges of the Trustee, are to be applied as follows:

- (1) Unless the principal of all of the Bonds has become or been declared due and payable:

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

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

- (2) If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.

LIMITATION ON RIGHTS OF BONDHOLDERS (SECTION 7.09)

No individual Bondholder may initiate legal proceedings to enforce rights under the 1994 Indenture unless an Event of Default has occurred which is a payment default on the Bonds, or of which the Trustee has actual notice or of which the Trustee has been notified in writing, and unless the Holders of not less than 25% in aggregate principal amount of the Bonds Outstanding have made written request of the Trustee either to exercise the powers granted to it under the 1994 Indenture or to institute such proceedings in its name and unless, also, there has been offered to the Trustee reasonable indemnity and the Trustee has refused or failed to comply with such request within 60 days of receipt. No provision in the 1994 Indenture on defaults and remedies affects or impairs the right of any Bondholder to receive or enforce the payment of the principal of or interest on his Bonds.

COMPENSATION OF TRUSTEE (SECTION 8.05)

The Authority is required to pay reasonable compensation to the Trustee and to each paying agent for all services rendered under the 1994 Indenture, and also reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in the performance of their powers and duties under the 1994 Indenture, and each of the Trustee and each paying agent shall have a lien therefor on any and all funds at any time held by it under the 1994 Indenture.

REMOVAL OF TRUSTEE (SECTION 8.08)

The Trustee is required to be removed if so requested by the Holders of a majority in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the Authority. The Authority may remove the Trustee at any time, except during the existence of an Event of Default, for such cause as the Authority may determine in its sole discretion. In either such event, a successor is required to be appointed.

AMENDMENTS AND SUPPLEMENTS (SECTIONS 9.01 AND 10.02)

The Issuer and the Trustee may enter into one or more Supplemental Indentures, without the consent of or notice to any of the Bondholders, for any one or more of the following purposes:

- (i) To authorize Bonds of a Series and, in connection therewith, to specify and determine the matters and things referred to in the 1994 Indenture and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with the 1994 Indenture as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds;
- (ii) To close the 1994 Indenture or any Supplemental Indenture against, or provide limitations and restrictions in addition to the limitations and restrictions contained

in the 1994 Indenture or any Supplemental Indenture on, the delivery of Bonds or the issuance of other evidences of indebtedness;

(iii) To add to the covenants and agreements of the Authority in the 1994 Indenture or any Supplemental Indenture other covenants and agreements to be observed by the Authority which are not contrary to or inconsistent with the 1994 Indenture or the applicable Supplemental Indenture as theretofore in effect;

(iv) To add to the limitations and restrictions in the 1994 Indenture or any Supplemental Indenture other limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with the 1994 Indenture or the applicable Supplemental Indenture as in effect;

(v) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the 1994 Indenture or any Supplemental Indenture, of the Revenues or of any other moneys, securities or funds;

(vi) To modify any of the provisions of the 1994 Indenture or any Supplemental Indenture in any respect whatever, *provided* that (a) such modification shall be, and be expressed to be, effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Indenture shall cease to be Outstanding and (b) such Supplemental Indenture shall be specifically referred to in the text of all Bonds of any Series delivered after the date of the adoption of such Supplemental Indenture and of Bonds issued in exchange therefor or in place thereof;

(vii) To cure any ambiguity, supply any omission or cure or correct any defect or inconsistent provision in the 1994 Indenture or any Supplemental Indenture;

(viii) To insert such provisions clarifying matters or questions arising under the 1994 Indenture or any Supplemental Indenture as are necessary or desirable and are not contrary to or inconsistent with the 1994 Indenture or the applicable Supplemental Indenture in effect; or

(ix) To make any change which, in the judgment of the Trustee (which, with respect to matters affecting the security for the Bonds, may conclusively rely upon written evidence from each Rating Agency, that such change will not adversely affect the Rating Quality of the Bonds), is not to the material prejudice of the Bondholders.

Any modification or amendment of any provision of the 1994 Indenture or any Supplemental Indenture and of the rights and obligations of the Authority and of the Holders of the Bonds may be made by a Supplemental Indenture, with the written consent given as provided in the 1994 Indenture, (i) of the Holders of at least two-thirds in principal amount of the Outstanding Bonds or (ii) in case less than all of the several Series of Bonds then Outstanding would be affected by such modification or amendment, of the Holders of at least two-thirds in principal amount of the Outstanding Bonds of each Series so affected, except that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified

like Series and maturity remain Outstanding, the consent of the Holders of such Bonds is not required. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the redemption price thereof or in the rate of interest thereon without the consent of the Holder of such Bond or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment.

DEFEASANCE (SECTIONS 11.02 AND 11.03)

If the Authority pays or causes to be paid to the Holders of the Outstanding Bonds the principal, interest and redemption price, if any, to become due thereon, at the times and in the manner stipulated therein and in the 1994 Indenture, then the Bonds so paid will cease to be entitled to any lien, benefit or security under the 1994 Indenture, and all covenants, agreements and obligations of the Authority to the Holders of such Bonds will be discharged and satisfied.

Any Bond shall be deemed to be paid within the meaning of the 1994 Indenture and any Supplemental Indenture when payment of the principal amount of and premium, if any, on such Bond, plus interest thereon to the due date thereof, either (i) shall have been made or caused to be made in accordance with the terms thereof or (ii) shall have been provided by irrevocably depositing with the Trustee, and set aside for such payment (a) moneys sufficient to make such payment and/or (b) Government Obligations maturing as to principal and interest in such amount and at such time as will ensure the availability of sufficient moneys to make such payment. At such times as a Bond shall be deemed to be paid under the 1994 Indenture, it shall no longer be secured by or entitled to the benefits of the 1994 Indenture, except for the purposes of any such payment from such moneys or Government Obligations.

No deposit under clause (ii) of the preceding paragraph shall be deemed a payment of such Bonds until the earlier of: (i) proper notice of redemption of such Bonds shall be given in accordance with the 1994 Indenture, or in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, until the Authority shall have given the Trustee irrevocable instructions to notify the Holders or owners of the Bonds that the deposit required by clause (ii) of the preceding paragraph has been made with the Trustee and that said Bonds are deemed to have been paid and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal amount or redemption price, if applicable, on said Bonds; or (ii) the maturity of such Bonds.

In the case of Bonds which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds until the Authority has given the Trustee an irrevocable instruction:

- (i) stating the date when the principal amount (and premium, if any) of each such Bond is to be paid, whether at maturity or on a redemption date;

(ii) to call for redemption pursuant to the 1994 Indenture (and at such times as notice thereof may be given) any Bonds to be redeemed prior to maturity pursuant to (i) above; and

(iii) to mail, as soon as practicable, a notice to the Holders of such Bonds and to the Rating Agency that the deposit required by clause (ii) of the second preceding paragraph has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the 1994 Indenture and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal amount or redemption price, if applicable, on said Bonds as specified in (i) above and whether or not such Bonds continue to be subject to redemption; *provided* that the foregoing shall in no way restrict the right of the Authority to reserve its right to redeem Bonds pursuant to the provisions thereof.

All moneys so deposited with the Trustee may at the direction of the Authority also be invested and reinvested in Government Obligations, and all income from all Government Obligations in the hands of the Trustee which is not required for the payment of the Bonds and interest and premium, if any, thereon with respect to which such moneys shall have been so deposited shall be deposited in the Revenue Fund as and when realized and collected for such an application as are other moneys deposited in such Fund.

All moneys or Government Obligations set aside and held in trust pursuant to the 1994 Indenture for the payment of Bonds (including interest and premium thereon, if any) shall be applied to and used solely for the payment of the particular Bonds (including interest and premium thereof, if any) with respect to which such moneys and Government Obligations have been so set aside in trust.

If moneys or Government Obligations have been deposited or set aside with the Trustee for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of the 1994 Indenture shall be made without the consent of the Holder of each Bond affected thereby.

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APPENDIX F

FORM OF BOND COUNSEL OPINION

_____, 2020

Wyoming Community Development
Authority
155 North Beech Street
Casper, Wyoming 82601

Re: Wyoming Community Development Authority
\$_____ Housing Revenue Bonds, 2020 Series 1
\$_____ Housing Revenue Bonds, 2020 Series 2

Ladies and Gentlemen:

We have examined the record of proceedings relating to the issuance of \$_____ aggregate principal amount of Wyoming Community Development Authority (the “*Authority*”) Housing Revenue Bonds, 2020 Series 1 (the “*2020 Series 1 Bonds*”) and \$_____ aggregate principal amount of the Authority’s Housing Revenue Bonds, 2020 Series 2 (the “*2020 Series 2 Bonds*”) and, collectively with the 2020 Series 1 Bonds, the “*Bonds*”).

The Bonds are authorized to be issued pursuant to the Wyoming Community Development Authority Act, as amended, constituting Chapter 7, Title 9, Wyoming Statutes (the “*Act*”), a Trust Indenture dated December 1, 1994 (the “*1994 Indenture*”), between the Authority and Wilmington Trust, National Association, as successor trustee (the “*Trustee*”), and a 2020 Series 1 Supplemental Trust Indenture and a 2020 Series 2 Supplemental Trust Indenture, each dated as of April 1, 2020, between the Authority and the Trustee (collectively, with the 1994 Indenture, the “*Indenture*”). Capitalized terms used herein and not otherwise defined shall have the same meanings as ascribed thereto in the Indenture, which is available for inspection at the offices of the Authority and the Trustee.

The Bonds are dated, mature in the years, in the respective principal amounts, bear interest at the rates, are subject to redemption prior to maturity and are otherwise in the form described in the Indenture. The Bonds are being issued to refund bonds previously issued by the Authority and make moneys available to finance Loans.

We are of the opinion that:

(1) The Authority was duly created and is validly existing under the provisions of the Act with full power and authority to execute and deliver the Indenture, to issue the Bonds and to perform all its obligations under the Indenture.

(2) The Authority has full power and authority to execute and deliver the Indenture. The Indenture has been duly and lawfully executed and delivered by the Authority, is in full force and effect and is valid and binding upon the Authority.

(3) The Indenture creates the valid pledge which it purports to create of (i) the proceeds of the Bonds, (ii) all right, title and interest of the Authority in and to all Loans acquired with moneys subject to the lien of the Indenture, (iii) the Revenues and (iv) all moneys and investments in all Funds and Accounts established by or pursuant to the Indenture.

(4) The Bonds have been duly and validly authorized and issued in accordance with law, including the Act, and in accordance with the Indenture. The Bonds, together with the interest payable with respect thereto, are legal, valid and binding special obligations of the Authority as provided in the Indenture, enforceable in accordance with their terms and the terms of the Indenture.

(5) The Bonds shall not constitute a debt or liability or a pledge of the faith and credit of the State of Wyoming.

(6) Under the existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Bonds is excluded from gross income of the holders thereof for federal income tax purposes. Interest on the 2020 Series 1 Bonds is not a specific preference item in calculating the federal alternative minimum tax imposed under the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the 2020 Series 2 Bonds is a specific preference item for purposes of the federal alternative minimum tax.

The Code establishes certain requirements that must be met subsequent to the issuance of the Bonds in order that interest thereon be and remain excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be subject to such tax retroactive to the date of issuance of the Bonds. The requirements include provisions that restrict the yield and set forth limitations within which the proceeds of the Bonds are to be invested, including eligibility requirements for mortgages, and require that certain investment earnings be rebated on a periodic basis to the United States Treasury. The Indenture contains covenants of the Authority to comply with such requirements. The opinions expressed in paragraph (6) above assume compliance with such covenants.

The accrual or receipt of interest on the Bonds may otherwise affect the income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient’s

particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.

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

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

We have examined an executed Bond of each series and, in our opinion, the form of each of said Bonds and its execution are regular and proper.

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

Very truly yours,

KUTAK ROCK LLP

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APPENDIX G

SUMMARY OF CONTINUING DISCLOSURE AGREEMENT

The following is a summary of the Agreement to be entered into by the Authority with respect to the 2020 Series 1 and 2 Bonds. For purposes of this summary, the 2020 Series 1 and 2 Bonds are referred to as the “*Related Bonds*” and the holders of Related Bonds are referred to as the “*Related Bondholders*.”

DEFINITIONS

“*EMMA*” means the MSRB’s Electronic Municipal Market Access system for municipal securities disclosure of the MSRB currently available at www.emma.msrb.org.

“*Financial Obligation*” means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of (a) or (b) in this definition. The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB pursuant to the Rule.

“*MSRB*” means the Municipal Securities Rulemaking Board.

“*Rule*” means paragraph (b)(5) of Commission Rule 15c2-12 under the Securities Exchange Act of 1934.

ANNUAL FINANCIAL INFORMATION AND OPERATING DATA

The Authority, as an “obligated person” for purposes of the Rule, agrees to provide or cause to be provided at least annually to the MSRB financial information and operating data, as of the end of the Authority’s fiscal year, regarding the Authority and its Housing Revenue Program of the type set forth in this Official Statement in the following Appendices:

APPENDIX B – Loan Portfolios and Other Selected Data

APPENDIX D – Authority Financial Statements

The financial and operating information described above will be filed no later than 270 days after the end of the fiscal year of the Authority and may be provided in one document or in multiple documents delivered in such manner (which shall be electronic and otherwise in accordance with EMMA from and after the effective date) and by such time so that it is received by the date herein required. Such information will include audited financial statements prepared in accordance with generally accepted accounting principles, as in effect from time to time; *provided, however*, that if audited financial statements are not available within 270 days after the end of the preceding fiscal year, unaudited financial statements will be provided with audited financial statements to follow when available. The Authority may provide additional or more current information if it so desires.

The financial and operating information described above shall be provided at least annually notwithstanding a fiscal year longer than 12 calendar months. The Authority may change its current fiscal year, but must promptly notify the MSRB of each such change.

All or any portion of the annual financial and operating information may be provided by way of cross-reference to other documents previously provided to the MSRB or filed with the Commission. If the cross-referenced document is a final official statement within the meaning of the Rule, it shall be available from the MSRB.

FAILURE TO FILE ANNUAL FINANCIAL AND OPERATING INFORMATION

The Authority agrees to provide or cause to be provided, in a timely manner to the MSRB notice of a failure by the Authority to provide the annual financial and operating information described above on or prior to the date specified above.

REPORTABLE EVENTS

The Authority agrees to provide or cause to be provided, in a timely manner not more than ten business days after the occurrence of the event, to the MSRB, notice of the occurrence of any of the following events with respect to the Related Bonds:

- (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 501-TEB) or other material notices or determinations with respect to the tax status of the Related Bonds, or other material events affecting the tax status of the Related Bonds;
- (vii) modifications to rights of the holders of the Related Bonds, if material;
- (viii) Related Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Related Bonds, if material;
- (xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the Authority (the event identified in this clause is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority);

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

(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 Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect security holders, if material; and

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

Each reportable event notice shall be so captioned and shall prominently state the date, title and (to the extent less than all of the Related Bonds are affected by the related event) CUSIP numbers of the Related Bonds.

The Authority may, from time to time, choose to provide notice of the occurrence of certain other events, in addition to those listed above, but the Authority does not undertake any commitment to provide such notice of any event except those events listed above.

DISSEMINATION AGENT

The Authority may, from time to time, engage or appoint an agent to assist the Authority in disseminating information under the Agreement (the “*Dissemination Agent*”). The Authority may discharge any Dissemination Agent with or without appointing a successor Dissemination Agent.

TERMINATION OF OBLIGATIONS

Pursuant to paragraph (b)(5)(iii) of the Rule, the Authority's obligation to provide annual financial and operating information and notice of reportable events, as set forth in the Agreement, shall terminate as to the Related Bonds if and when the Authority no longer remains an obligated person with respect to the Related Bonds which shall occur upon either payment of the Related Bonds in full or the legal defeasance of the Related Bonds in accordance with the 1994 Indenture.

ENFORCEABILITY AND REMEDIES

The Agreement is intended to be for the sole benefit of the holders of the Related Bonds (for such purpose beneficial owners of the Related Bonds shall also be considered holders of the Related Bonds) and the Underwriters and shall create no rights in any other person or entity (except the Trustee, and then only as set forth below).

The Agreement shall be enforceable by or on behalf of any such holder of the Related Bonds, provided that the right of any Bondholder to challenge the adequacy of the information furnished pursuant to the Agreement shall be limited to an action by or on behalf of Related Bondholders representing at least twenty-five percent (25%) of the aggregate outstanding principal amount of the Related Bonds. The Agreement is also enforceable on behalf of the holders of the Related Bonds by the Trustee, and the Trustee may, and, upon the written direction of the owners of not less than twenty-five percent (25%) of the aggregate outstanding principal amount of the Related Bonds or any Underwriter, shall, proceed, subject to the indemnification and other provisions of the 1994 Indenture, to protect and enforce the rights of the owners of the Related Bonds pursuant to the Agreement; *provided* that in all cases the Trustee shall be entitled to the indemnification and other provisions of the 1994 Indenture with regard to any actions. Any failure by the Authority to comply with the provisions of the Agreement shall not be an Event of Default under the 1994 Indenture.

The Related Bondholders' and the Trustee's rights to enforce the provisions of the Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the Authority's obligations under the Agreement, and the Authority, its members, officers and employees shall incur no liability under the Agreement by reason of any act or failure to act thereunder. Without limiting the generality of the foregoing, neither the commencement nor the successful completion of an action to compel performance 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; *provided* that the Trustee shall nevertheless be entitled to attorney's fees and such other rights and amounts as provided in the 1994 Indenture.

AMENDMENT

Notwithstanding any other provision of the Agreement, the Authority may amend the Agreement and any provision of the Agreement may be waived, without the consent of the Related Bondholders, under the following conditions:

(1) the amendment or waiver may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the Authority, or type of business conducted;

(2) the Agreement, as amended or with the provision so waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(3) the amendment or waiver does not materially impair the interest of holders of the Related Bonds as determined either by parties unaffiliated with the Authority (which shall include the Trustee or nationally recognized bond counsel, or any other party determined by either of them to be unaffiliated), or by approving vote of holders of the Related Bonds pursuant to the terms of the 1994 Indenture at the time of the amendment or waiver.

The Authority shall provide notice of each amendment or waiver to the MSRB. The initial annual financial or operating information provided by the Authority after the amendment or waiver and the effect of the change in the type of operating data or financial information being provided.

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APPENDIX H

BOND IN BOOK-ENTRY-ONLY FORM

The Depository Trust Company, New York, NY, will act as securities depository for the 2020 Series 1 and 2 Bonds. The 2020 Series 1 and 2 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the 2020 Series 1 and 2 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("*Direct Participants*") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("*Indirect Participants*"). DTC has a Standard & Poor's rating of AA+. The 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 2020 Series 1 and 2 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the related Series of the 2020 Series 1 and 2 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2020 Series 1 and 2 Bond ("*Beneficial Owner*") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2020 Series 1 and 2 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the related Series of

the 2020 Series 1 and 2 Bonds, except in the event that use of the book-entry system for the 2020 Series 1 and 2 Bonds is discontinued.

To facilitate subsequent transfers, all 2020 Series 1 and 2 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the 2020 Series 1 and 2 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2020 Series 1 and 2 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2020 Series 1 and 2 Bonds, are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2020 Series 1 and 2 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the related Series of the 2020 Series 1 and 2 Bonds, such as redemptions, defaults, and proposed amendments to the 2020 Series 1 and 2 Bonds and related documents, as applicable. For example, Beneficial Owners of the 2020 Series 1 and 2 Bonds, may wish to ascertain that the nominee holding the related Series of the 2020 Series 1 and 2 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of a Series of the 2020 Series 1 and 2 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to a Series of the 2020 Series 1 and 2 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts of the 2020 Series 1 and 2 Bonds, are credited on the record date (identified in a listing attached to the omnibus proxy).

Payments of principal and interest on the 2020 Series 1 and 2 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any

statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2020 Series 1 and 2 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, 2020 Series 1 and 2 Bonds certificates are required to be printed and delivered.

The Authority may determine that continuation of the system of book-entry transfers through DTC (or a successor securities depository) is not in the best interests of the Beneficial Owners. In such event, the 2020 Series 1 and 2 Bonds certificates will be delivered in fully registered form.

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

THE AUTHORITY AND THE TRUSTEE WILL HAVE NO AUTHORITY OR OBLIGATION TO DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS (COLLECTIVELY, "PARTICIPANTS") OR THE PERSONS FOR WHICH THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS OF PRINCIPAL, PURCHASE PRICE OR REDEMPTION PRICE OF OR INTEREST ON THE 2020 SERIES 1 AND 2 BONDS; ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDOWNER; THE PROVIDING OF NOTICE TO PARTICIPANTS OR BENEFICIAL OWNERS; OR THE SELECTION BY DTC OR ANY PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF A SERIES OF THE 2020 SERIES 1 AND 2 BONDS.

SO LONG AS DTC OR ITS NOMINEE IS THE REGISTERED OWNER OF THE 2020 SERIES 1 AND 2 BONDS, THE TRUSTEE, ANY TENDER AGENT AND THE BOND REGISTRAR SHALL TREAT SUCH REGISTERED OWNER AS THE ONLY OWNER OF A SERIES OF THE 2020 SERIES 1 AND 2 BONDS FOR ALL PURPOSES UNDER THE 1994 INDENTURE, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PURCHASE PRICE OF, AND INTEREST ON THE 2020 SERIES 1 AND 2 BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE TRUSTEE, ANY TENDER AGENT OR THE BOND REGISTRAR TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THE 1994 INDENTURE.

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