NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

Two Hundred Fifty-Fourth
Supplemental
Resolution Authorizing
the Issuance of
Multi-Family Housing Revenue Bonds
(Insured Mortgage Loan Pass-Through), 2017 Series A

Adopted ____________________
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Two Hundred Fifty-Fourth Supplemental Pass-Through Resolution Authorizing

the Issuance of

Multi-Family Housing Revenue Bonds

(Insured Mortgage Loan Pass-Through), 2017 Series A

BE IT RESOLVED by the Members of the New York City Housing Development Corporation (the “Corporation”) as follows:

ARTICLE I

SHORT TITLE, AUTHORITY AND DEFINITIONS

Section 1.1. Short Title. This resolution may hereafter be cited by the Corporation and is hereinafter sometimes referred to as the “Two Hundred Fifty-Fourth Supplemental Multi-Family Housing Revenue Bond Resolution”.

Section 1.2. Authority for Pass-Through Resolution and Pass-Through Bonds. This Pass-Through Resolution and the issuance of Pass-Through Bonds hereunder have been duly authorized by the Corporation and the principal amount of Pass-Through Bonds that may be issued hereunder is not limited except as provided herein or by law. The Corporation has ascertained and it is hereby determined and declared that the adoption of this Pass-Through Resolution is necessary to carry out the powers and duties expressly provided by the Act, that each and every act, matter, thing or course of conduct as to which provision is made herein is necessary or convenient in order to carry out and effectuate the purposes of the Corporation in accordance with the Act and to carry out powers expressly given in the Act, and that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Pass-Through Bonds and are contracts or agreements necessary, useful or convenient to carry out and effectuate the purposes of the Corporation under the Act.

Section 1.3. Pass-Through Resolution Constitutes Contract. In consideration of the purchase and acceptance of the Pass-Through Bonds by those who shall own the same from time to time, the provisions of this Pass-Through Resolution shall be a part of the contract of the Corporation with the owners of the Pass-Through Bonds and shall be deemed to be and shall constitute a contract among the Corporation, the Trustee and the owners from time to time of such Pass-Through Bonds. The pledges made hereby and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Corporation shall be for the equal benefit, protection and security of the owners of any and all of such Pass-Through Bonds, each of which, regardless of the time of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in this Pass-Through Resolution.
Section 1.4. Relationship to General Resolution; Treatment of Certain Amounts as Bond Payments for Certain Purposes; Certain Covenants.

(a) Relationship to General Resolution. This Pass-Through Resolution is being adopted pursuant to the terms of the General Resolution for administrative convenience only and, subject to Sections 1.4(b), 1.4(c), 5.1(b) and 5.7 hereof, shall be treated, interpreted and construed as a resolution entirely separate from the General Resolution and all other Supplemental Resolutions adopted thereunder. Notwithstanding anything to the contrary contained in the General Resolution, no revenues or assets pledged under the General Resolution shall be available for the payment of the principal or Redemption Price of or interest on the Pass-Through Bonds (except as otherwise provided in Sections 1.4(b), 5.1(b) and 5.7 hereof) and no revenues or assets pledged under this Pass-Through Resolution shall under any circumstances (including, but not limited to, the occurrence of an Event of Default under Section 10.1 of the General Resolution), be available for the payment of the principal or redemption price or sinking fund payments or interest on any General Resolution Bonds. For all purposes of the General Resolution, subject to Sections 1.4(b) and 1.4(c) hereof, the Pass-Through Bonds shall not be considered to be “Bonds” that are “Outstanding” under the General Resolution.

(b) Treatment of Certain Amounts as Bond Payments for Certain Purposes. For purposes of Section 5.4(B) of the General Resolution, the amount required to be transferred pursuant to Section 5.7 hereof from the General Resolution Revenue Account to the Revenue Account on a General Resolution Interest Payment Date shall be considered to be interest (to the extent such transfer is required to pay interest then due on the Pass-Through Bonds), or a “Principal Installment” (to the extent such transfer is required to pay principal of Pass-Through Bonds due pursuant to Section 3.3 hereof or due on the Maturity Date), then due on “Bonds” that are “Outstanding” under the General Resolution. For purposes of Section 5.4(F) of the General Resolution, the amount so required to be transferred to the Revenue Account on a General Resolution Interest Payment Date shall be considered to be one of the “payments required to have been made” on such date referred to in the first sentence of said Section 5.4(F). For purposes of Section 5.4(G) of the General Resolution, as of any date of transfer pursuant to said Section 5.4(G), “Debt Service on all Outstanding Bonds” as of such date shall be deemed to include interest on the Pass-Through Bonds accrued to such date. For purposes of Section 5.4(H) of the General Resolution, the amount required to “pay Outstanding Bonds” shall be deemed to include payments of interest on the Pass-Through Bonds, and payments of principal of the Pass-Through Bonds pursuant to Section 3.3, that, in each case, would become due if there were no Prepayments.

(c) Certain Covenants. A Cash Flow Statement conforming to the requirements of Section 7.16 of the General Resolution shall be delivered to the General Resolution Trustee in connection with (i) the issuance of the Pass-Through Bonds and (ii) the adoption of any supplemental resolution pursuant to Section 12.2. Such Cash Flow Statement shall treat the Pass-Through Bonds as “Bonds” issued under the General Resolution for the purpose of such Cash Flow Statement, provided that the Pass-Through Bonds shall be reflected in such Cash Flow Statement (and in all future Cash Flow Statements required under the General Resolution, for so long as any Pass-Through Bonds are Outstanding) as follows. The Corporation shall prepare a cash flow statement (which, in and of itself, shall not constitute a Cash Flow Statement under the General Resolution) using the methodology set forth in Section 7.16 of the General Resolution.
Resolution but applied only to the Pass-Through Bonds and the Trust Estate. Such cash flow statement shall indicate (i) the extent, if any, to which amounts in the General Resolution Revenue Account are required to be transferred pursuant to Section 5.7 hereof in order to meet the requirements of Section 7.16(B) of the General Resolution (the “Pass-Through Revenue Deficiency Amount”) and (ii) the amount of any shortfall in meeting the test set forth in Section 7.16(A) of the General Resolution (the “Pass-Through Asset Shortfall Amount”). In preparing any Cash Flow Statement required pursuant to the General Resolution or this Section 1.4(c), the Pass-Through Bonds shall be reflected by including (i) the Pass-Through Revenue Deficiency Amount as a part of the principal and interest due or to become due on Bonds Outstanding under the General Resolution for the purposes of the test set forth in Section 7.16(B) of the General Resolution and (ii) the Pass-Through Asset Shortfall Amount as a component of the aggregate principal amount of and accrued but unpaid interest on Outstanding Bonds for purposes of the test set forth in Section 7.16(A) of the General Resolution.

Section 1.5. Definitions. The following terms shall, for all purposes of this Pass-Through Resolution, have the following meanings unless the context shall clearly indicate some other meanings:

“Account” means any account created by Section 5.2.

“Act” means the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of the State of New York), as amended.

“Act of Bankruptcy” means any proceeding instituted under the Bankruptcy Code or other applicable insolvency law by or against the Corporation.

“Amortization Schedule” means the amortization schedule with respect to the Loans delivered to the Trustee by the Corporation on the Closing Date, as such schedule may be amended from time to time in connection with the receipt of any Prepayment.

“Authorized Denomination” means $1.00 or any integral multiple thereof.

“Authorized Officer” means the Chairperson, Vice-Chairperson, President, any Executive Vice President or any Senior Vice President of the Corporation and, in the case of any act to be performed or duty to be discharged, any other member, officer or employee of the Corporation then authorized to perform such act or discharge such duty.

“Available Moneys” means, as of any date of determination, money (including, without limitation, the proceeds of any bonds) regarding which, in each case, the Trustee has received an Opinion of Counsel to the effect that, if the Corporation were to become the debtor in a case commenced under the Bankruptcy Code, the use of such money (and any Investment Income derived therefrom) to make payments on the Pass-Through Bonds (i) would not violate the automatic stay pursuant to Section 362(a) of the Bankruptcy Code, and (ii) would not be avoidable pursuant to Section 544, 547 or 548 of the Bankruptcy Code.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as in effect now and in the future, or any successor statute.
“Beneficial Owner” means, whenever used with respect to a Pass-Through Bond, the person in whose name such Pass-Through Bond is recorded as the beneficial owner of such Pass-Through Bond by a Participant on the records of such Participant or such person’s subrogee.

“Pass-Through Bond” or “Pass-Through Bonds” means the Corporation’s Multi-Family Housing Bonds (Insured Mortgage Loan Pass-Through), 2017 Series A authorized by this Pass-Through Resolution, in the original aggregate principal amount of $[______].

“Bond Counsel” means (i) on the Closing Date, the law firm or law firms delivering the approving opinion(s) with respect to the Pass-Through Bonds or (ii) after the Closing Date, an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal, state and public agency financing, selected by the Corporation.

“Bond Documents” means the Pass-Through Bonds, the Bond Purchase Agreement, this Pass-Through Resolution, the Continuing Disclosure Agreement, the Regulatory Agreements (and any other agreement relating to rental restrictions on the Mortgaged Property) and all other documents, instruments and agreements executed and delivered in connection with the issuance, sale, and delivery of the Pass-Through Bonds, as each such agreement or instrument may be amended, supplemented or restated from time to time.

“Bond Purchase Agreement” means the Contract of Purchase, dated [September][October] [___], 2017, by and between the Underwriters and the Corporation.

“Bond Register” means the Bond Register maintained by the Trustee pursuant to Section 2.11.

“Bondholder,” “holder,” “Owner,” “owner,” “Registered Owner” or “registered owner” means, with respect to any Pass-Through Bond, the owner of the Pass-Through Bond as shown on the Bond Register.

“Book-Entry Bonds” means that part of the Pass-Through Bonds for which a Securities Depository or its nominee is the Bondholder.

“Borrower” means a mortgagor with respect to any Loan.

“Business Day” means any day other than (a) a Saturday, (b) a Sunday, (c) a day on which (i) banking institutions in the City of New York or in the city in which the Designated Office of the Trustee is located are authorized or obligated by law or executive order to be closed or (ii) the New York Stock Exchange is authorized or obligated by law or executive order to be closed, or (d) so long as any Pass-Through Bond is held in book-entry form, a day on which DTC is closed.

“Cash Equivalent” means a letter of credit, insurance policy, surety, guaranty or other security arrangement.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor of DTC with respect to the Pass-Through Bonds.
“City” means The City of New York, a municipal corporation organized and existing under and pursuant to the laws of the State.

“Closing Date” means the date on which the Pass-Through Bonds are issued and delivered to or upon the order of the Underwriter.

“Commitment” means, with respect to a Loan, the Financing Commitment and Agreement, between the Corporation and the Borrower, as the same may be amended, supplemented, restated or otherwise modified from time to time.

“Conditional Redemption” means a redemption where the Trustee has stated in the notice of redemption that the redemption is conditioned upon deposit of funds as further described in Section 3.4.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement, dated as of the Closing Date, by and between the Corporation and the Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time.

“Corporation” means the New York City Housing Development Corporation, or any body, agency or instrumentality of the State which shall hereafter succeed to the powers, duties and functions of the Corporation.

“Cut-Off Date” means October [___], 2017.

“Debt Service Reserve Fund Requirement” means, with respect to the Pass-Through Bonds, as of any date of calculation, an amount equal to [three percent (3%)] of the principal amount of the Outstanding Pass-Through Bonds.

“Designated Office” of the Trustee means the office of the Trustee at the address set forth in Section 13.4 or at such other address as may be specified in writing by the Trustee as provided in Section 13.4.

“Development” means any multi-family housing development financed by the Corporation with the proceeds of the Loans.

“DTC” means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors or assigns.

“Electronic Means” means an electronic mail, facsimile transmission or any other electronic means of communication approved in writing by the Corporation.

“Event of Default” means, as used in any Transaction Document, any event described in that document as an Event of Default. Any “Event of Default” as described in any Transaction Document is not an “Event of Default” in any other Transaction Document unless that other Transaction Document specifically so provides.

“Extraordinary Items” means, with respect to the Trustee, reasonable compensation for extraordinary services and/or reimbursement for reasonable extraordinary costs and expenses.
“Fund” means any fund created by Section 5.2.


“General Resolution Bonds” means “Bonds” as defined in the General Resolution and, notwithstanding Sections 1.4(b) and 1.4(c), does not include the Pass-Through Bonds.

“General Resolution Interest Payment Date” means “Interest Payment Date” as defined in the General Resolution.

“General Resolution Revenue Account” means the Revenue Account established pursuant to the General Resolution.

“General Resolution Trustee” means the trustee designated as Trustee in the General Resolution and its successor or successors and any other person at any time substituted in its place pursuant to the General Resolution.

“Government Obligations” means (i) direct and general obligations of or obligations guaranteed by the United States of America, including, but not limited to, United States Treasury Obligations and Separate Trading of Registered Interest and Principal of Securities (STRIPS), provided the underlying United States Treasury Obligation is not callable prior to maturity, and (ii) obligations of this Pass-Through Resolution Funding Corporation, including, but not limited to, obligations of this Pass-Through Resolution Funding Corporation stripped by the Federal Reserve Bank of New York.

“Interest Account” means the Interest Account of the Loan Payment Fund.

“Interest Payment Date” means the first (1st) day of each calendar month, commencing December 1, 2017.

“Investment” means any Permitted Investment and any other investment held under this Pass-Through Resolution that does not constitute a Permitted Investment.

“Investment Income” means the earnings, profits and accreted value derived from the investment of moneys pursuant to Article VI.

“Letter of Representations” means the Blanket Issuer Letter of Representations, dated April 26, 1996, from the Corporation to DTC, applicable to the Pass-Through Bonds.

“Loan” means a loan, evidenced by a Mortgage Note, for a Development, secured by a Mortgage, and identified in Exhibit B hereto.

“Loan Documents” means, with respect to a Loan, collectively, the Mortgage Note, the Security Instrument, the Commitment and all other documents, agreements and instruments evidencing, securing or otherwise relating to such Loan, as each such document, agreement or instrument may be amended, supplemented or restated from time to time.
“Loan Repayments” means, with respect to any Loan, the amounts received by (or for the account of) the Corporation in respect of scheduled payments of the principal and/or interest on the Mortgage Note due on and after the Cut-Off Date, but does not include Prepayments, Servicing Fees or REMIC Insurance premiums.

“Maturity Date” means [_____] 1, 20[__].

“Mortgage” means a Security Instrument.

“Mortgage Note” means, with respect to a Loan, the note evidencing such Loan, executed by the Borrower in favor of the Corporation, as the same may be amended, supplemented, modified or restated from time to time or any mortgage note executed in substitution therefor in accordance with the Loan Documents, as such substitute note may be amended, supplemented, modified or restated from time to time.

“Mortgaged Property”, with respect to a Loan, [has the meaning given to that term in the Security Instrument].


“Net Bond Proceeds” means the total proceeds derived from the issuance, sale and delivery of the Pass-Through Bonds, representing the total purchase price of the Pass-Through Bonds, including any premium paid as part of the purchase price of the Pass-Through Bonds, but excluding the accrued interest, if any, on the Pass-Through Bonds paid by the initial purchaser(s) of the Pass-Through Bonds.

“Opinion of Counsel” means a written opinion of legal counsel, acceptable to the recipient(s) of such opinion. If the opinion is with respect to an interpretation of federal tax laws or regulations or bankruptcy matters, such legal counsel also must be an attorney or firm of attorneys experienced in such matters.

“Outstanding” means, when used with reference to the Pass-Through Bonds at any date as of which the amount of Outstanding Pass-Through Bonds is to be determined, all Pass-Through Bonds which have been authenticated and delivered under this Pass-Through Resolution except:

(a) any Pass-Through Bond cancelled by the Trustee or delivered to the Trustee for cancellation at or prior to such date;

(b) any Pass-Through Bond deemed to have been paid as provided in Article IX; and

(c) any Pass-Through Bond in lieu of or in substitution for which other Pass-Through Bonds shall have been authenticated and delivered pursuant to Article II, Section 3.5 or Section 12.5.
"Participants" means those broker-dealers, banks and other financial institutions for which DTC holds the Pass-Through Bonds as securities depository.

"Pass-Through Resolution" means this Two Hundred Fifty-Fourth Supplemental Multi-Family Housing Revenue Bond Resolution, as amended, supplemented or restated from time to time.

"Permitted Investments" means and includes any of the following obligations, to the extent the same are at the time legal for investment of funds of the Corporation under the Act, including the amendments thereto hereafter made, or under other applicable law:

(a) Government Obligations;

(b) any bond, debenture, note, participation certificate or other similar obligation issued by any one or combination of the following agencies: Government National Mortgage Association, Federal Land Banks, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Farm Credit System Banks Consolidated Obligations, Banks for Cooperatives, Tennessee Valley Authority, Washington Metropolitan Area Transportation Authority, United States Postal Service, Farmers’ Home Administration and Export-Import Bank of the United States;

(c) any bond, debenture, note, participation certificate or other similar obligation issued by any Federal agency and backed by the full faith and credit of the United States of America;

(d) any other obligation of the United States of America or any Federal agencies which may be purchased by New York State Savings Banks;

(e) deposits in interest-bearing time or demand deposits, certificates of deposit or other similar banking arrangements (i) secured by any of the obligations described above, or (ii) fully insured by the Federal Deposit Insurance Corporation, or (iii) made with banking institutions, or their parents which either (a) have unsecured debt rated in one of the three highest rating categories of a nationally recognized rating service or (b) are deemed by a nationally recognized rating service to be an institution rated in one of the three highest rating categories of such rating service;

(f) any participation certificate of the Federal Home Loan Mortgage Corporation and any mortgage-backed securities of the Federal National Mortgage Association;

(g) short-term corporate obligations, known as Commercial Paper, with a maturity of up to ninety (90) days which are issued by corporations that are deemed by a nationally recognized rating service to be in the highest rating category of such rating service;

(h) obligations of the City and State of New York;

(i) obligations of the New York City Municipal Water Finance Authority;
(j) obligations, the principal and interest of which, are guaranteed by the City or State of New York;

(k) obligations in which the Comptroller of the State of New York is authorized to invest in as specified in Section 98 of the State Finance Law, as amended from time to time; and

(l) any other investment permitted under the Corporation’s investment guidelines adopted August 14, 1984, as amended from time to time.

“Person” means a natural person, estate, trust, corporation, partnership, limited liability company, association, public body or any other organization or entity (whether governmental or private).

“Prepayment” means, with respect to any Loan, any moneys received or recovered by or for the account of the Corporation on and after the Cut-Off Date from any payment of or with respect to the principal and/or interest (including any applicable penalty, fee, premium or other additional charge for prepayment of principal which may be provided by the terms of a Loan, but excluding any Servicing Fees with respect to the collection of such moneys) on any Loan prior to the scheduled payment of such principal and/or interest as called for by such Loan, whether (a) by voluntary prepayment made by the Borrowers, (b) as a consequence of the damage, destruction or condemnation of the mortgaged premises or any part thereof, (c) by the voluntary or involuntary sale, assignment, endorsement or other disposition of such Loan or any part thereof by the Corporation as permitted by this Pass-Through Resolution, or (d) in the event of a default thereon by a Borrower, by the acceleration, sale, assignment, endorsement or other disposition of such Loan by the Corporation or by any other proceedings taken by the Corporation, including, but not limited to, recovery of REMIC Insurance Proceeds.

“Principal Amount” means $[__________], the aggregate principal amount of the Pass-Through Bonds Outstanding on the Closing Date.

“Rating Agency” means any nationally recognized statistical rating agency then maintaining a rating on the Pass-Through Bonds.

“Record Date” means, with respect to the Initial Interest Payment Date, the Closing Date, and any Interest Payment Date thereafter, the fifteenth (15th) day of the month immediately prior to the month in which such Interest Payment Date occurs.

“Redemption Date” means any date upon which Pass-Through Bonds are to be redeemed pursuant to this Pass-Through Resolution.

“Redemption Price” means the principal amount, or portion thereof, of a Pass-Through Bond to be redeemed.

“Regulatory Agreement” means, with respect to a Loan, the Regulatory Agreement relating to the Mortgaged Property, by and between the Corporation and the Borrower, as it may be amended, supplemented or restated from time to time.
“REMIC” means the New York City Residential Mortgage Insurance Corporation, a subsidiary corporation of the Corporation and its successors.

“REMIC Insurance” means the partial mortgage insurance for Developments issued by REMIC.

“REMIC Insurance Proceeds” means the amounts received by the Trustee from REMIC pursuant to REMIC Insurance with respect to the Loans.

“Representative” means Jefferies LLC.

“Reserved Rights” means those certain rights of the Corporation to indemnification and to payment or reimbursement of certain fees and expenses of the Corporation, its right to receive notices and to enforce notice and reporting requirements, its right to inspect and audit the books, records and premises of the Borrowers and of each Mortgaged Property, its right to collect reasonable attorneys’ fees and related expenses, its right to specifically enforce the Borrowers’ covenant to comply with applicable State law (including the Act and the rules and regulations of the Corporation, if any), and its right to give or withhold consent to amendments, changes, modifications and alterations relating to the Reserved Rights.

“Revenue Account” means the Revenue Account created by Section 5.2.

“Revenues” means all (i) Loan Repayments, Prepayments and except insofar as such payments may constitute Servicing Fees, any penalty payments on account of overdue Loan Repayments, (ii) Investment Income, and (iii) all other payments and receipts received by the Corporation with respect to Loans on and after the Cut-Off Date but shall not include (i) Servicing Fees, unless such fees are specifically pledged to the Trustee, or (ii) REMIC Insurance premiums, or (iii) any commitment, reservation, extension or application fees charged by the Corporation in connection with a Loan, or (iv) accrued interest received in connection with the purchase of any Investments.

“Securities Depository” means, initially, DTC, and any replacement securities depository appointed under this Pass-Through Resolution.

“Security Instrument” means, with respect to a Loan, the applicable security instrument, together with all riders and exhibits, securing the Mortgage Note and the obligations of the Borrower to the Corporation under the Loan Documents, executed by the Borrower with respect to the Mortgaged Property, as it may be amended, supplemented or restated from time to time, or any security instrument executed in substitution therefor, as such substitute security instrument may be amended, supplemented or restated from time to time.

“Servicer” means any state-chartered bank or national banking association, state or federal savings and loan association or mortgage banking or other financial institution which has been approved by the Corporation as experienced and qualified to service Loans, and any successor thereto.

“Servicing Agreement” means an agreement between the Corporation and a Servicer for the servicing of Loans.
“Servicing Fees” means (a) any fees paid to or retained by a Servicer in connection with the servicing obligations undertaken by the Servicer in accordance with a Servicing Agreement and (b) any fees retained by or expenses reimbursed to the Corporation with respect to Loans serviced by the Corporation.

“State” means the State of New York.

“S&P” means S&P Global Ratings, a division of S&P Global Inc., and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency, designated by the Corporation, as assigns credit ratings.

“Transaction Documents” means the Bond Documents and the Loan Documents.

“Trust Estate” means the property, interests, rights, money, securities and other amounts pledged pursuant to Section 5.1(a) of this Pass-Through Resolution.

“Trustee” means The Bank of New York Mellon, a New York banking corporation, or its successors or assigns, or any other corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee under this Pass-Through Resolution.

“Underwriters” means Jeffries LLC, Barclays Capital Inc. and RBC Capital Markets, LLC.

Section 1.6. Rules of Construction. The rules of construction set forth in this Section 1.6 apply to this Pass-Through Resolution.

(a) The singular form of any word includes the plural, and vice versa, unless the context otherwise requires. The use of a pronoun of any gender includes correlative words of the other genders.

(b) All references to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or other subdivisions of this Pass-Through Resolution; the words “in this Pass-Through Resolution,” “of this Pass-Through Resolution,” “under this Pass-Through Resolution” and other words of similar import refer to this Pass-Through Resolution as a whole and not to any particular Article, Section or subdivision; and the terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms, as used in this Pass-Through Resolution, refer to this Pass-Through Resolution.

(c) Any captions, headings or titles of the several Articles, Sections and other subdivisions, and the table of contents are solely for convenience of reference and do not limit or otherwise affect the meaning, construction or effect of this Pass-Through Resolution or describe the scope or intent of any provision.

(d) All accounting terms not otherwise defined have the meanings assigned to them in accordance with applicable generally accepted accounting principles as in effect from time to time.
(e) Every "request," "order," "demand," "application," "appointment," "notice," "statement," "certificate," "consent," or similar action under this Pass-Through Resolution by any party must be in writing and signed by a duly authorized representative of such party with a duly authorized signature.

(f) All references in this Pass-Through Resolution to "counsel fees," "attorneys’ fees" or the like mean and include fees and disbursements allocable to in-house or outside counsel, whether or not suit is instituted, and including fees and disbursements preparatory to and during trial and appeal and in any bankruptcy or arbitration proceedings.

(g) Whenever the word "includes" or "including" is used, such word means "includes or including by way of example and not limitation."

(h) Any monies, documents, securities, obligations or other items received by the Trustee pursuant to the terms of this Pass-Through Resolution shall be deemed to have been received by the Corporation.
ARTICLE II

THE BONDS

Section 2.1. Authorized Amount of Pass-Through Bonds. No Pass-Through Bonds may be issued under this Pass-Through Resolution except as provided in this Article II. The aggregate principal amount of Pass-Through Bonds that may be issued and Outstanding under this Pass-Through Resolution is expressly limited to the Principal Amount.

Section 2.2. Issuance of Pass-Through Bonds. (a) The Pass-Through Bonds are authorized to be issued pursuant to and in accordance with this Pass-Through Resolution, substantially in the form set forth in Exhibit A hereto with such appropriate variations, legends, omissions and insertions as permitted by this Pass-Through Resolution.

(b) The Pass-Through Bonds have been designated “New York City Housing Development Corporation Multi-Family Housing Revenue Bonds (Insured Mortgage Loan Pass-Through), 2017 Series A” and are authorized to be issued in the original principal amount of $[________]. The Pass-Through Bonds shall be dated the Closing Date, bear interest from the Closing Date at the rate of [________] percent ([___]% per annum, payable on each Interest Payment Date, and maturing on the Maturity Date, subject to prior redemption as provided in Article III. Interest on the Pass-Through Bonds shall be computed on the basis of a 360-day year of twelve 30-day months. The Pass-Through Bonds shall be issued as registered bonds without coupons in Authorized Denominations. The Pass-Through Bonds shall be numbered consecutively from “AR-1” upwards.

Section 2.3. Payment of Principal and Interest. The principal of and the interest on the Pass-Through Bonds are payable in lawful money of the United States of America. Payment of interest on the Pass-Through Bonds shall be made on each Interest Payment Date to the Registered Owners as of the close of business on the applicable Record Date by check drawn upon the Trustee and mailed by first-class mail, postage prepaid, to the addresses of such Registered Owners as they appear on the Bond Register or to such other address as may be furnished in writing by any Registered Owner to the Trustee prior to the applicable Record Date. Payment of the principal of any Pass-Through Bond, together with interest (other than interest payable on a regularly scheduled Interest Payment Date), shall be made to the Registered Owner of such Pass-Through Bond by check only upon presentation and surrender of the Pass-Through Bond on or after the Maturity Date or date fixed for redemption at the office of the Trustee designated for that purpose. Notwithstanding the foregoing, payment of principal of and interest on any Pass-Through Bond shall be made by wire transfer to any account within the United States of America designated by a Registered Owner owning $1,000,000 or more in aggregate principal amount of Pass-Through Bonds if a written request for wire transfer in form and substance satisfactory to the Trustee is delivered to the Trustee by any such Registered Owner not less than five (5) Business Days prior to the applicable payment date. A request for wire transfer that specifies that it is effective with respect to all succeeding payments of principal and interest will be so effective unless and until rescinded in writing by the Registered Owner at least five (5) Business Days prior to the applicable payment date. If interest on the Pass-Through Bonds is in default, the Trustee, prior to the payment of interest, shall establish a special record date (“Special Record Date”) for such payment. A Special Record Date may not be more than
fifteen (15) or less than ten (10) days prior to the date of the proposed payment. Payment of defaulted interest shall then be made by check or wire transfer, as permitted above, mailed or remitted to the Registered Owners in whose names the Pass-Through Bonds are registered on the Special Record Date.

Section 2.4. Special Revenue Obligations. The Pass-Through Bonds shall be special revenue obligations of the Corporation payable solely from the Trust Estate and from amounts pledged pursuant to Section 5.1(b) hereof. The Pass-Through Bonds shall not be a debt of either the State of New York or of The City of New York and neither the State nor the City shall be liable thereon, nor shall the Pass-Through Bonds be payable out of any funds of the Corporation other than those of the Corporation pledged therefor.

Section 2.5. Purposes. The Pass-Through Bonds are authorized to provide moneys, together with other moneys legally available therefor, to reimburse the Corporation for amounts (other than proceeds of the Pass-Through Bonds) used to make the Loans.

Section 2.6. Temporary Pass-Through Bonds. If definitive Pass-Through Bonds are not ready for delivery on the Closing Date, the Corporation shall execute, and at the request of the Corporation, the Trustee shall authenticate and deliver, one or more temporary Pass-Through Bonds, in any Authorized Denomination, in fully registered form, and in substantially the form provided for definitive Pass-Through Bonds with such appropriate omissions, insertions and variations. The Corporation shall cause definitive Pass-Through Bonds to be prepared and to be executed and delivered to the Trustee. Upon presentation to it of any temporary Pass-Through Bond, the Trustee shall cancel the same and authenticate and deliver in exchange therefor, without charge to the owner of such Pass-Through Bond, a definitive Pass-Through Bond or Pass-Through Bonds of an equal aggregate principal amount of Authorized Denominations, of the same maturity and series, and bearing interest at the same rate as the temporary Pass-Through Bond surrendered. Until so exchanged, the temporary Pass-Through Bonds will in all respects be entitled to the same benefit and security of this Pass-Through Resolution as the definitive Pass-Through Bonds.

Section 2.7. Execution. After their authorization hereby, the Pass-Through Bonds may be executed by or on behalf of the Corporation and delivered to the Trustee for authentication. The Pass-Through Bonds shall be executed in the name and on behalf of the Corporation by the manual or facsimile signature of an Authorized Officer and the corporate seal of the Corporation (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon, and attested by the manual or facsimile signature of any other Authorized Officer, or in such other manner as may be required by law. In case any one or more of the officers or employees who shall have signed or sealed any of the Pass-Through Bonds shall cease to be such officer or employee before the Pass-Through Bonds so signed and sealed shall have been actually delivered, such Pass-Through Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the person who signed or sealed such Pass-Through Bonds had not ceased to hold such office or be so employed. Any Pass-Through Bond may be signed and sealed on behalf of the Corporation by such persons as at the actual time of the execution of such Pass-Through Bond shall be duly authorized or hold the proper office in or employment by the Corporation, although at the date of the Pass-Through Bonds such persons may not have been so authorized or have held such office or employment.
Section 2.8. Authentication. The Pass-Through Bonds shall bear thereon a certificate of authentication, substantially in the form set forth in Appendix A hereto, executed manually by a duly authorized signatory of the Trustee. No Pass-Through Bond shall be entitled to any right or benefit under this Pass-Through Resolution or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Pass-Through Bond executed on behalf of the Corporation shall be conclusive evidence that the Pass-Through Bond has been so authenticated and delivered under this Pass-Through Resolution and that the owner thereof is entitled to the benefits hereof.

Section 2.9. Mutilated, Lost, Stolen or Destroyed Pass-Through Bonds. If any Pass-Through Bond is mutilated, lost, stolen or destroyed, the Corporation shall execute and the Trustee shall authenticate and deliver a new Pass-Through Bond of the same maturity, interest rate, principal amount, series and tenor in lieu of and in substitution for the mutilated, lost, stolen or destroyed Pass-Through Bond, provided, however, that in the case of any mutilated Pass-Through Bond, the mutilated Pass-Through Bond must first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Pass-Through Bond, there must be first furnished to the Trustee evidence satisfactory to it of the ownership of the Pass-Through Bond, and of the loss, theft or destruction, together with indemnity satisfactory to the Trustee and the Corporation and compliance with such other reasonable requirements as the Trustee and the Corporation may prescribe. If any such Pass-Through Bond will mature within the ensuing sixty (60) days, or if such Pass-Through Bond has been called for redemption or a Redemption Date pertaining to such Pass-Through Bond has passed, instead of replacing the Pass-Through Bond, the Trustee may, upon receipt of such indemnity, pay the Pass-Through Bond. The Trustee shall cancel any mutilated Pass-Through Bond surrendered to it. In connection with any such payment, the Corporation and the Trustee may charge the holder of such Pass-Through Bond their reasonable fees and expenses, including attorneys’ fees and expenses.

If, after the delivery of such replacement Pass-Through Bond, the original Pass-Through Bond in lieu of which such replacement Pass-Through Bond was issued is presented for payment or registration, the Trustee shall seek to recover such replacement Pass-Through Bond from the person to whom it was delivered or any person taking therefrom and shall be entitled to recover from the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Trustee or the Corporation in connection therewith.

Section 2.10. Securities Depository Provisions.

(a) Except as provided in subsection (c) of this Section 2.10, the registered owner of all of the Pass-Through Bonds shall be Cede & Co., as nominee for DTC, and the Pass-Through Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of interest for any Pass-Through Bond registered in the name of Cede & Co. shall be made by wire transfer or Federal or equivalent same day funds to the account of Cede & Co. on the Interest Payment Date for the Pass-Through Bonds at the address indicated for Cede & Co. in the registry books of the Corporation kept by the Trustee.

(b) The Pass-Through Bonds shall be initially issued in the form of a single authenticated fully registered Pass-Through Bond in the amount of the Pass-Through Bonds. Upon initial issuance, the ownership of the Pass-Through Bonds shall be registered in the
registry books of the Corporation kept by the Trustee in the name of Cede & Co., as nominee of DTC. The Trustee and the Corporation may treat DTC (or its nominee) as the sole and exclusive owner of the Pass-Through Bonds registered in its name for the purposes of payment of the principal or Redemption Price of or interest on the Pass-Through Bonds, selecting the Pass-Through Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to owners of the Pass-Through Bonds under this Pass-Through Resolution, registering the transfer of the Pass-Through Bonds, obtaining any consent or other action to be taken by owners of the Pass-Through Bonds and for all other purposes whatsoever, and neither the Trustee nor the Corporation shall be affected by any notice to the contrary. The Trustee and the Corporation shall not have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Pass-Through Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books of the Trustee as being an owner of the Pass-Through Bonds, with respect to the accuracy of any records maintained by DTC or any Participant; the payment of DTC or any Participant of any amount in respect of the principal or Redemption Price of or interest on the Pass-Through Bonds; any notice which is permitted or required to be given to owners of the Pass-Through Bonds under this Pass-Through Resolution; the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Pass-Through Bonds; or any consent given or other action taken by DTC as owner of the Pass-Through Bonds. The Trustee shall pay all principal of and interest on the Pass-Through Bonds only to or “upon the order of” Cede & Co., as nominee for DTC (as that term is used in the Uniform Commercial Code as adopted in the State), and all such payments shall be valid and effective to fully satisfy and discharge the Corporation’s obligations with respect to the principal of and interest on the Pass-Through Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Pass-Through Bond evidencing the obligation of the Corporation to make payments of principal of and interest on the Pass-Through Bonds pursuant to this Pass-Through Resolution. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Pass-Through Resolution with respect to transfers, the word “Cede & Co.” in this Pass-Through Resolution shall refer to such new nominee of DTC.

(c) In the event the Corporation determines that it is in the best interest of the Beneficial Owners that they be able to obtain Pass-Through Bond certificates, the Corporation may notify DTC and the Trustee, whereupon DTC will notify the Participants, of the availability through DTC of Pass-Through Bond certificates. In such event, the Corporation shall issue, and the Trustee shall transfer and exchange, Pass-Through Bond certificates as requested by DTC and any other Pass-Through Bond owners in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Pass-Through Bonds at any time by giving notice to the Corporation and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Corporation and the Trustee shall be obligated to deliver Pass-Through Bond certificates as described in this Pass-Through Resolution. In the event Pass-Through Bond certificates are issued, the provisions of this Pass-Through Resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the Corporation and the Trustee to do so, the Trustee and the Corporation will cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Pass-
Through Bonds to any DTC Participant having Pass-Through Bonds credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Pass-Through Bonds.

(d) Notwithstanding any other provision of this Pass-Through Resolution to the contrary, so long as any Pass-Through Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and interest on such Pass-Through Bond and all notices with respect to and surrender or delivery of such Pass-Through Bond shall be made and given, respectively, to or by DTC as provided in the Letter of Representations. Bondholders shall have no lien or security interest in any rebate or refund paid by DTC to the Trustee which arises from the payment by the Trustee of principal of or interest on the Pass-Through Bonds in accordance with existing arrangements with DTC.

(e) In connection with any notice or other communication to be provided to Pass-Through Bond owners pursuant to this Pass-Through Resolution by the Corporation or the Trustee with respect to any consent or other action to be taken by Pass-Through Bond owners, the Corporation or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC under this subsection (e) is the sole Pass-Through Bond owner.

Section 2.11. Bond Registrar; Exchange and Transfer of Pass-Through Bonds; Persons Treated as the Bondholders.

(a) Bond Registrar; Bond Register. The Trustee shall act as the initial Bond Registrar and in such capacity shall keep the Bond Register for the registration of the Pass-Through Bonds and for the registration of transfer of the Pass-Through Bonds.

(b) Transfers and Exchanges. Any Bondholder or its attorney duly authorized in writing may transfer title to or exchange a Pass-Through Bond upon surrender of the Pass-Through Bond at the Designated Office of the Trustee together with a written instrument of transfer (in substantially the form of assignment, including signature guarantee, attached to the Pass-Through Bond) satisfactory to the Trustee executed by the Bondholder or its attorney duly authorized in writing. Upon surrender for registration of transfer of any Pass-Through Bond, the Corporation shall execute and the Trustee shall authenticate and deliver in the name of the Bondholder or its transferee or transferees a new Pass-Through Bond or Pass-Through Bonds of the same aggregate principal amount as the Pass-Through Bond surrendered and of any Authorized Denomination.

(c) Exceptions to Transfers and Exchanges. Except as provided in Section 3.5, the Trustee will not be required to register any transfer or exchange of any Pass-Through Bond (or portion of any Pass-Through Bond) during the fifteen-day period immediately before the selection of Pass-Through Bonds for redemption, and from and after notice calling such Pass-Through Bonds (or portion of such Pass-Through Bonds) for redemption or partial redemption has been given and prior to such redemption.
(d) **Charges.** Registrations of transfers or exchanges of Pass-Through Bonds shall be without charge to the Bondholders, but any taxes or other governmental charges required to be paid with respect to a transfer or exchange shall be paid by the Bondholder requesting the registration of transfer or exchange as a condition precedent to the exercise of such privilege.

(e) **Recognized Owners.** The person in whose name any Pass-Through Bond is registered on the Bond Register will be deemed the absolute owner of such Pass-Through Bond for all purposes, and payment of any principal and interest will be made only to or upon the order of such person or its attorney duly authorized in writing, but such registration may be changed as provided above. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Pass-Through Bond to the extent of the sum or sums so paid.

(f) **Pass-Through Bonds Protected.** All Pass-Through Bonds issued upon any registration of transfer or exchange of Pass-Through Bonds will be legal, valid and binding limited obligations of the Corporation, evidencing the same debt, and entitled to the same security and benefits under this Pass-Through Resolution, as the Pass-Through Bonds surrendered upon such transfer or exchange.

(g) **The Corporation’s Reliance.** In executing any Pass-Through Bond upon any exchange or registration of transfer provided for in this Section 2.11, the Corporation may rely conclusively on a representation of the Trustee that such execution is required.

Section 2.12. **Cancellation.** All Pass-Through Bonds which have been surrendered pursuant to Section 2.3 or Article III for payment upon maturity or redemption prior to maturity or Pass-Through Bonds which are deemed canceled will be canceled by the Trustee and will not be reissued. Canceled Pass-Through Bonds will be destroyed by the Trustee unless the Trustee receives contrary instructions from the Corporation.

Section 2.13. **Conditions for Delivery of Pass-Through Bonds.** The Corporation shall execute for issuance and deliver to the Trustee, and the Trustee shall authenticate, the Pass-Through Bonds and deliver them to or for the account of the Representative or to such persons as the Representative specifies, in each case in the records of DTC, provided, however, that prior to delivery of the Pass-Through Bonds to the Representative each of the following must be delivered to the Trustee:

(a) a certified copy of this Pass-Through Resolution;

(b) an opinion of Bond Counsel substantially to the effect that (i) this Pass-Through Resolution has been duly adopted by the Corporation and is in full force and effect and is valid and binding upon the Corporation and enforceable in accordance with its terms (except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency and other laws affecting creditors’ rights and remedies and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law)), (ii) this Pass-Through Resolution creates the valid pledge and lien which it purports to create of and on the Trust Estate and other amounts pledged herein, subject to the use and application thereof for or to the purposes and on the terms and conditions permitted by this Pass-Through Resolution, and (iii) upon the execution, authentication and delivery thereof, the Pass-Through Bonds will have
been duly and validly authorized and issued in accordance with the laws of the State, including the Act as amended to the date of such opinion, and in accordance with this Pass-Through Resolution;

(c) a written order as to the delivery of the Pass-Through Bonds, signed by an Authorized Officer, together with the Amortization Schedule;

(d) a receipt for the Pass-Through Bonds, in form satisfactory to Bond Counsel and counsel to the Underwriters, signed by the Representative; and

(e) written evidence that the Pass-Through Bonds have been assigned a rating of “[__]” by S&P.
ARTICLE III

REDEMPTION OF BONDS

Section 3.1. Redemption. The Pass-Through Bonds are subject to redemption prior to maturity only as set forth in this Article III. All redemptions must be in Authorized Denominations.

Section 3.2. Special Optional Redemption. The Pass-Through Bonds are subject to special optional redemption in whole (but not in part) on any Interest Payment Date on and after the date on which the Outstanding principal amount of the Pass-Through Bonds is less than [ten percent (10%)] of the original principal amount thereof [(after giving effect to any mandatory redemption of Pass-Through Bonds on such Interest Payment Date pursuant to Section 3.3 hereof)], at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof, without premium.

Section 3.3. Mandatory Redemption. The Pass-Through Bonds are subject to mandatory redemption in whole or in part on each Interest Payment Date at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Pass-Through Bonds to be redeemed, without premium, in an amount equal to the sum of (a) the principal portion of Loan Repayments due on the first day of the calendar month immediately preceding such Interest Payment Date and (b) the principal portion of Prepayments received by or on behalf of the Corporation during the second calendar month preceding such Interest Payment Date (or, in the case of the first Interest Payment Date, on and after the Cut-Off Date through and including October 31, 2017).

Section 3.4. Notice of Redemption to Registered Owners.

(a) Special Optional Redemption Notice Requirement. For any special optional redemption of Pass-Through Bonds pursuant to Section 3.2, the Trustee shall give notice of redemption by Electronic Means or first-class mail, postage prepaid, not more than sixty (60) days nor less than twenty (20) days prior to the specified Redemption Date, to the Registered Owner of each Pass-Through Bond at the address of such Registered Owner as shown on the Bond Register. With respect to Book-Entry Bonds, if the Trustee sends notice of redemption to the Securities Depository pursuant to the Letter of Representations, the Trustee shall not be required to give the notice set forth in the immediately preceding sentence. In the case of any special optional redemption under Section 3.2, the notice of redemption shall state that it is conditioned upon receipt by the Trustee of sufficient moneys to redeem the Pass-Through Bonds in full (“Conditional Redemption”), and such notice and special optional redemption shall be of no effect if by no later than the scheduled Redemption Date sufficient moneys to redeem the Pass-Through Bonds have not been deposited with the Trustee, or, if such moneys are deposited, are not available. The Trustee shall cause a second notice of redemption to be sent by first-class mail, postage prepaid, on or within ten (10) days after the thirtieth (30th) day after the Redemption Date to any Bondholder who has not submitted its Pass-Through Bond to the Trustee for payment. The Trustee shall provide copies of all notices given under this Section 3.4(a) and of all revocations of notices to the Corporation at the same time it gives notices to Bondholders.
(b) NOTWITHSTANDING ANYTHING TO CONTRARY HEREIN, NO NOTICE OF MANDATORY REDEMPTION PURSUANT TO SECTION 3.3 SHALL BE REQUIRED.

(c) **Content of Notice.** Each notice of special optional redemption must state: (i) the date of the redemption notice; (ii) the complete official name of the Pass-Through Bonds, including the series designation; (iii) the interest rate and Maturity Date of each Pass-Through Bond to be redeemed; (iv) the CUSIP numbers of all Pass-Through Bonds being redeemed; (v) the place or places where the Pass-Through Bonds to be redeemed must be surrendered for payment and where amounts due upon such redemption will be payable upon surrender of the Pass-Through Bonds to be redeemed; (vi) the Redemption Date and Redemption Price of each Pass-Through Bond to be redeemed; (vii) the name, address, telephone number and contact person at the office of the Trustee with respect to such redemption; (viii) that interest on all Pass-Through Bonds to be redeemed will cease to accrue from and after the Redemption Date; and (ix) that redemption is conditional upon receipt by the Trustee of sufficient moneys to redeem the Pass-Through Bonds.

(d) **Additional Notice.** At the same time notice of redemption is sent to the Registered Owners, the Trustee shall send notice of redemption by Electronic Means or first-class mail, overnight delivery service or other overnight means, postage or service prepaid to (i) the Rating Agency and (ii) the MSRB.

(e) **Validity of Proceedings for the Redemption of Pass-Through Bonds.** Any notice given pursuant to subsection (a) above will be conclusively presumed to have been duly given and received when given in the manner provided therein, whether or not any holder actually receives the notice. Receipt of notice under subsection (a) above shall not be a condition precedent to redemption of the Pass-Through Bonds, and any failure to mail any such notice to any Registered Owner or any failure so to receive any such notice by any Registered Owner or any defect in any such notice shall not affect the validity or the proceedings for the redemption of any Pass-Through Bonds.

(f) **Rescission of Conditional Redemption; Cancellation of Special Optional Redemption.** The Trustee shall rescind any Conditional Redemption if the requirements of subsection (a) above have not been met on or before the Redemption Date. The Trustee shall give notice of rescission by the same means as is provided in this Section 3.4 for the giving of notice of redemption or by Electronic Means confirmed in writing. The special optional redemption shall be canceled once the Trustee has given notice of rescission. Any Pass-Through Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure of funds being made available in part or in whole on or before the Redemption Date shall constitute an Event of Default.

Section 3.5. **Redemption Payments.** If notice of redemption has been given as provided in Section 3.4(a) in the case of a special optional redemption, and if on the Redemption Date moneys for the redemption of all Pass-Through Bonds or portions thereof to be redeemed, together with interest to the Redemption Date, shall be available for such payments, and the conditions for such redemption, if applicable, have been met, the Pass-Through Bonds called for redemption shall become due and payable on the Redemption Date, interest on such Pass-Through Bonds will cease to accrue from and after the Redemption Date and the called Pass-
Through Bonds will no longer be Outstanding. The holders of the Pass-Through Bonds so called for redemption shall thereafter no longer have any security or benefit under this Pass-Through Resolution except to receive payment of the Redemption Price for such Pass-Through Bonds upon surrender of such Pass-Through Bonds to the Trustee. All moneys held by or on behalf of the Trustee for the redemption of particular Pass-Through Bonds will be held in trust for the account of the holders of the Pass-Through Bonds to be redeemed. If less than the entire principal amount of a Pass-Through Bond is called for redemption, the Corporation shall execute, and the Trustee shall authenticate and deliver, upon the surrender of such Pass-Through Bond to the Trustee, without charge by the Corporation or the Trustee to the Bondholder, in exchange for the unredeemed principal amount of such Pass-Through Bond, a new Pass-Through Bond or Pass-Through Bonds of the same interest rate, maturity and term, in any Authorized Denomination, in aggregate principal amount equal to the unredeemed balance of the principal amount of the Pass-Through Bond so surrendered.

Section 3.6. Selection of Pass-Through Bonds to be Redeemed Upon Partial Redemption. If the Pass-Through Bonds are to be redeemed in part pursuant to Section 3.3, each of the Pass-Through Bonds then Outstanding shall be redeemed in part, pro rata, in proportion to the Outstanding principal amount of each such Pass-Through Bond to the aggregate Outstanding principal amount of all Outstanding Pass-Through Bonds. To effect this pro rata redemption while the Pass-Through Bonds are held in the book-entry-only system, the Trustee shall take such action as is required under the procedures of the Securities Depository to ensure that such mandatory redemption is allocated among Participants on a “Pro Rata Pass-Through Distribution of Principal” basis by the Securities Depository.
ARTICLE IV

DISPOSITION OF BOND PROCEEDS

Section 4.1. Bond Proceeds Account. On the Closing Date, the Trustee shall deposit $[_______], representing the Net Bond Proceeds with respect to the Pass-Through Bonds, into the Bond Proceeds Account to be applied pursuant to Section 5.3.

Section 4.2. Revenue Account. [Upon delivery of the Pass-Through Bonds, the Corporation shall deliver to the Trustee $[_______], from available funds other than the proceeds of the Pass-Through Bonds, for deposit in the Revenue Account.]

Section 4.3. Debt Service Reserve Fund. Upon delivery of the Pass-Through Bonds, the Corporation shall deliver to the Trustee $[_______], from available funds other than the proceeds of the Pass-Through Bonds, for deposit in the Debt Service Reserve Fund. Such amount is not less than the Debt Service Reserve Fund Requirement with respect to the Pass-Through Bonds.
ARTICLE V
PLEDGES; FUNDS AND ACCOUNTS

Section 5.1. Pledges.

(a) Pledge of the Trust Estate. To secure the payment of the principal of and interest on the Pass-Through Bonds in accordance with their terms and the provisions of this Pass-Through Resolution, the Corporation hereby pledges the property described in the following paragraphs (1) through (6), subject to the provisions of this Pass-Through Resolution permitting the application of such property for the purposes set forth in this Pass-Through Resolution:

(1) all of the Corporation’s right, title and interest in and to the Loans and the Loan Documents (other than the Reserved Rights and rights to receive the payments referred to in clauses (i), (ii) and (iii) of the following paragraph (2));

(2) all rights to receive payments on the Mortgage Notes and under the other Loan Documents, including all proceeds of insurance or condemnation awards, but excluding (i) payments prior to the Cut-Off Date, (ii) payments to be applied to pay Servicing Fees or REMIC Insurance premiums, (iii) any late payment penalties;

(3) all of the Corporation’s right, title and interest in and to the Revenues, the Net Bond Proceeds and the accrued interest, if any, derived from the sale of the Pass-Through Bonds, and all Funds and Accounts under this Pass-Through Resolution (including, without limitation, moneys, documents, securities, Investments, Investment Income, instruments and general intangibles on deposit or otherwise held by the Trustee);

(4) all proceeds of mortgage insurance and other security related to the Loans;

(5) all funds, moneys and securities and any and all other rights and interests in property, whether tangible or intangible, from time to time conveyed, mortgaged, pledged, assigned or transferred by delivery or by writing of any kind to the Trustee as additional security under this Pass-Through Resolution for the benefit of the Bondholders; and

(6) all of the proceeds of the foregoing, including, without limitation, Investments and Investment Income.

To the fullest extent provided by the Act and other applicable laws, the money and property hereby pledged shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act and such lien shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, irrespective of whether such parties have notice hereof.

(b) Limited Pledge of the General Resolution Revenue Account. Notwithstanding anything contained in the General Resolution (other than Section 10.3 thereof) or this Pass-Through Resolution to the contrary, to secure the payment of interest on the Pass-Through Bonds, and the principal of the Pass-Through Bonds as such principal becomes due pursuant to
Section 3.3 hereof and on the Maturity Date, the Corporation hereby pledges all amounts held in the General Resolution Revenue Account; provided, however, that the amounts so pledged (i) are limited to amounts required to pay such interest, and such principal as it becomes due pursuant to Section 3.3 hereof and on the Maturity Date, and (ii) do not include any additional amounts that may be necessary from time to pay the principal of the Pass-Through Bonds as a result of a call for redemption pursuant to Section 3.2 hereof or an acceleration pursuant to Section 10.2 hereof. To the fullest extent provided by the Act and other applicable laws, the money and property hereby pledged shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act and such lien shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, irrespective of whether such parties have notice hereof.

Section 5.2. Creation of Funds and Accounts. The following Funds and Accounts are created with the Trustee:

(a) the Bond Proceeds Account;
(b) the Revenue Account;
(c) the Excess Revenue Fund; and
(d) the Debt Service Reserve Fund.

The Trustee shall hold and administer the Funds and Accounts in accordance with this Pass-Through Resolution.

Section 5.3. Bond Proceeds Account. Amounts deposited in the Bond Proceeds Account pursuant to Section 4.1 shall be applied to reimburse the Corporation for amounts (other than proceeds of the Pass-Through Bonds) used to make the Loans, as directed in writing by an Authorized Officer on the Closing Date.

Section 5.4. Revenue Account.

(a) Deposits to Revenue Account. The Corporation shall pay all Revenues or cause all Revenues to be paid to the Trustee. All Revenues shall be deposited by the Trustee promptly upon receipt thereof in the Revenue Account. There also shall be deposited in the Revenue Account amounts transferred thereto from the Excess Revenue Fund pursuant to Section 5.5(b), from the Debt Service Reserve Fund pursuant to Section 5.6(b), and from the General Resolution Revenue Account pursuant to Section 5.7. There may also be deposited in the Revenue Account, at the option of the Corporation, any other moneys (including, but not limited to, moneys to be applied by the Trustee to the redemption of Pass-Through Bonds in accordance with the provisions of Article III), unless required to be otherwise applied as provided herein.

(b) Application of Revenue Account on Interest Payment Dates. Amounts in the Revenue Account shall be applied by the Trustee on each Interest Payment Date to the payment of (i) interest on the Pass-Through Bonds as the same shall become due and payable on such Interest Payment Date (including accrued interest on any Pass-Through Bonds redeemed prior to maturity), (ii) the Redemption Price of Pass-Through Bonds to be redeemed on such Interest
Payment Date that is due and payable on such Interest Payment Date in accordance with the provisions of Article III, and (iii) if such Interest Payment Date is the Maturity Date, the principal amount of the Pass-Through Bonds remaining Outstanding (if any).

(c) **Transfers from Revenue Account.** On the second Business Day of each month, commencing in December 2017, the Trustee shall withdraw from the Revenue Account and deposit into the following Funds the following amounts, in the following order of priority:

1. first, to the Debt Service Reserve Fund, the amount, if any, needed to increase the amount therein to the Debt Service Reserve Fund Requirement; and
2. second, to the Excess Revenue Fund, the amount remaining in the Revenue Account.

Section 5.5. **Excess Revenue Fund.**

(a) **Deposit of Excess Revenues and Other Amounts.** There shall be deposited in the Excess Revenue Fund amounts transferred thereto from the Revenue Account pursuant to Section 5.4(c)(2). There may also be deposited in the Excess Revenue Fund, at the option of the Corporation, any other moneys, unless required to be otherwise applied as provided herein.

(b) **Transfers of Excess Revenues and Other Amounts.** By Business Day immediately preceding each Interest Payment Date, in the event that amounts in the Revenue Account are insufficient to make the payments required by Section 5.4(b), the Trustee shall transfer from the Excess Revenue Fund to the Revenue Account the amount of such insufficiency; provided, however, that the Corporation may instruct the Trustee not to transfer such amount from the Excess Revenue Fund pursuant to this subsection (b) so long as the Corporation shall have provided the Trustee with funds of the Corporation in an amount equal to the amount otherwise required to be transferred by the Trustee from the Excess Revenue Fund pursuant to this subsection (b).

In the event the Corporation elects not to provide the Trustee with funds as described in the preceding paragraph, the Trustee shall transfer amounts from the Debt Service Reserve Fund to the Revenue Account in accordance with Section 5.6(b).

(c) **Release to the Corporation.** On each [April 15 and October 15], after providing for any transfers to be made pursuant to subsection (b) of this Section 5.5 [prior to] such date, the Corporation may direct the Trustee to transfer to the Corporation, free and clear of the lien of this Pass-Through Resolution, amounts remaining on deposit in the Excess Revenue Fund in excess of one month’s scheduled interest and principal payments due on all Loans.

Section 5.6. **Debt Service Reserve Fund.**

(a) **Upon the issuance, sale and delivery of the Pass-Through Bonds, the Trustee shall** deposit in the Debt Service Reserve Fund such amount as shall be at least sufficient to equal the Debt Service Reserve Fund Requirement, such amount to be provided by the Corporation pursuant to Section 4.3. Moneys shall be transferred to the Debt Service Reserve Fund in
accordance with Section 5.4(c)(1). There may also be deposited in the Debt Service Reserve Fund, at the option of the Corporation, any other moneys, unless required to be otherwise applied as provided herein.

(b) By the Business Day immediately preceding each Interest Payment Date, in the event that amounts in the Revenue Account are insufficient to make the payments required by Section 5.4(b), after giving effect to any transfer to the Revenue Account from the Excess Revenue Fund pursuant to Section 5.5(b), the Trustee shall transfer from the Debt Service Reserve Fund to the Revenue Account the amount of such insufficiency; provided, however, that the Corporation may instruct the Trustee not to transfer such amount from the Debt Service Reserve Fund pursuant to this subsection (b) so long as the Corporation shall have provided the Trustee with funds of the Corporation in an amount equal to the amount otherwise required to be transferred by the Trustee from the Debt Service Reserve Fund pursuant to this subsection (b).

(c) [On each [April 15 and October 15], after providing for any transfers to be made pursuant to subsection (b) of this Section 5.6 [prior to] such date, the Trustee shall calculate the amount of the Debt Service Reserve Fund Requirement for the Pass-Through Bonds as of such date and shall determine the amount, if any, in the Debt Service Reserve Fund (other than amounts attributable to accrued, but unrealized interest purchased on Investments) in excess of such requirement, shall notify the Corporation of such excess amount and shall, unless otherwise instructed by the Corporation, transfer such excess amount from the Debt Service Reserve Fund to the Corporation free and clear of the pledge and lien of this Pass-Through Resolution.]

(d) Notwithstanding anything to the contrary contained herein, at any time while the Pass-Through Bonds are Outstanding, the Corporation may provide to the Trustee one or more Cash Equivalents for deposit in the Debt Service Reserve Fund in an amount not exceeding the amount of the Debt Service Reserve Fund Requirement; provided, that such Cash Equivalents, as of the date of deposit, shall have no adverse effect on the ratings assigned to the Pass-Through Bonds. In the event any such Cash Equivalents are so provided in replacement of funds on deposit in the Debt Service Reserve Fund, the Trustee shall make such deposit and transfer funds in an equivalent amount from the Debt Service Reserve Fund to the Corporation free and clear of the pledge and lien of this Pass-Through Resolution.

Section 5.7. Transfer from General Resolution Revenue Account. On each Interest Payment Date, in the event that amounts in the Revenue Account are insufficient to make the payments required by Section 5.4(b), after giving effect to any transfer to the Revenue Account from the Excess Revenue Fund pursuant to Section 5.5(b) and any transfer to the Revenue Account from the Debt Service Reserve Fund pursuant to Section 5.5(b), the General Resolution Trustee shall (subject to Section 10.3 of the General Resolution) transfer from the General Resolution Revenue Account to the Revenue Account an amount equal to the lesser of (i) the amount of such insufficiency and (ii) the sum of (a) the interest on the Pass-Through Bonds due and payable on such Interest Payment Date, (b) the Redemption Price of Pass-Through Bonds to be redeemed on such Interest Payment Date pursuant to Section 3.3 hereof, and (c) if such Interest Payment Date is the Maturity Date, the principal amount of the Pass-Through Bonds remaining Outstanding (if any); provided, however, that the Corporation may instruct the General Resolution Trustee not to transfer such amount from the General Resolution Revenue Account pursuant to this Section 5.7 so long as the Corporation shall have provided the Trustee
with funds of the Corporation in an amount equal to the amount otherwise required to be transferred by the General Resolution Trustee from the General Resolution Revenue Account pursuant to this Section 5.7.

Section 5.8. Moneys to be Held in Trust.

(a) Except for moneys deposited with or paid to the Trustee for the redemption of Pass-Through Bonds notice of the redemption of which has been duly given, all moneys required to be deposited with or paid to the Trustee for the account of any Fund or Account will be held by the Trustee in trust and, while held by the Trustee, shall constitute part of the Trust Estate and be subject to the pledge and lien of this Pass-Through Resolution.

(b) In order to permit amounts held by the Trustee under this Pass-Through Resolution to be available for use at the time when needed, any such amounts may, if and as directed in writing by the Corporation, be deposited in the corporate trust department of the Trustee which may honor checks and drafts on such deposit with the same force and effect as if it were not the Trustee. The Trustee shall allow and credit on such amounts at least such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

(c) All amounts deposited by the Trustee pursuant to subsection (b) above shall be continuously and fully secured (i) by lodging with the Trustee as custodian, as collateral security, Permitted Investments having a market value (exclusive of accrued interest) not less than the amount of such deposit, and (ii) in such other manner as may then be required by applicable Federal or state laws and regulations regarding security for the deposit of public funds. It shall not be necessary, unless required by applicable law, for the Trustee to give security under this Section 5.8 for the deposit of any amounts to the extent that such deposit is insured by the Federal Deposit Insurance Corporation, or its successor, or which are held in trust and set aside by the Trustee for the payment of any Pass-Through Bonds, or for the Trustee to give security for any moneys which shall be represented by obligations or certificates of deposit (of issuers other than the Trustee) purchased as an investment of such moneys.

(d) All amounts so deposited by the Trustee shall be credited to the particular Fund or Account from which such amounts were derived.

Section 5.9. Records. The Trustee shall keep and maintain accurate records with respect to the Funds and Accounts. The Trustee shall file at least an annual accounting of the Funds and Accounts and the payment history on the Pass-Through Bonds and the Loans with the Corporation.

Section 5.10. Reports by the Trustee. The Trustee shall, on or before the tenth (10th) day of each month, file with the Corporation a statement setting forth in respect of the preceding calendar month:

(a) the amount withdrawn or transferred and the amount deposited within or on account of each Fund and Account under this Pass-Through Resolution, including the amount of Investment Income on each Fund and Account;
(b) the amount on deposit at the end of such month to the credit of each Fund and Account;

(c) a brief description of all obligations held as an investment of moneys in each Fund and Account;

(d) the amount applied to the redemption of Pass-Through Bonds and a description of the Pass-Through Bonds or portions of Pass-Through Bonds so redeemed; and

(e) any other information which the Corporation may reasonably request.

No monthly statement for a Fund or Account need be rendered if no activity occurred in that Fund or Account during such month. Upon the written request of any Bondholder owning twenty-five percent (25%) or more in aggregate principal amount of Pass-Through Bonds then Outstanding, the Trustee shall provide a copy of such statement to the Bondholder. All records and files pertaining to the Trust Estate will be open at all reasonable times during regular business hours of the Trustee to the inspection and audit of the Corporation and its agents and representatives upon reasonable prior notice.

Section 5.11. Moneys Held for Particular Pass-Through Bonds. The amounts held by the Trustee for payment of the interest, principal or Redemption Price due on any date with respect to particular Pass-Through Bonds, pending such payment, will be set aside and held in trust by the Trustee for the Bondholders entitled to such payment. For the purposes of this Pass-Through Resolution such interest, principal or Redemption Price, after the due date of payment, will no longer be considered to be unpaid.

Section 5.12. Nonpresentment of Pass-Through Bonds. In the event any Pass-Through Bond is not presented for payment when the principal of such Pass-Through Bond becomes due, either at maturity or at the date fixed for redemption of such Pass-Through Bond or otherwise, amounts held by the Trustee for the payment of such Pass-Through Bond shall be disposed of as provided by applicable law, or, if there shall be no such applicable law, shall be returned to the Corporation three (3) years after the date on which payment of such amounts would have been due.

Section 5.13. Disposition of Remaining Moneys. Any amounts remaining in the Funds and Accounts held by the Trustee under this Pass-Through Resolution after payment in full of the principal of and interest all Pass-Through Bonds will be applied to pay (i) first, to the person or persons entitled to be paid, all other unpaid amounts required to be paid under this Pass-Through Resolution, and (iii) second, to the Corporation, free and clear of the pledge and lien of this Pass-Through Resolution.
ARTICLE VI
INVESTMENTS

Section 6.1. Investment Limitations.

(a) Monies in any Fund or Account that are pledged pursuant to this Pass-Through Resolution shall be continuously invested and reinvested by the Trustee, in the highest yield Permitted Investments that may be reasonably known to the Trustee, or deposited and redeposited as provided in Section 5.8, with a view toward maximizing yield (with proper preservation of principal) and minimizing the instances of uninvested funds. The Corporation shall consult with the Trustee from time to time as to the investment of amounts in the Funds and Accounts established or confirmed by this Pass-Through Resolution. The Corporation may direct the Trustee to, or in the absence of direction, the Trustee shall, invest and reinvest the monies in any Fund or Account in Permitted Investments so that the maturity date or date of redemption at the option of the owner thereof shall coincide as nearly as practicable with (but in no event later than) the times at which monies are needed to be expended. The Permitted Investments purchased shall be held by the Trustee, or for its account as Trustee and shall be deemed at all times to be part of such Fund or Account, and the Trustee shall keep the Corporation advised as to the details of all such investments. Subject to the provisions of Section 6.2, the Trustee shall not be liable or responsible for any loss resulting from such investments.

(b) Permitted Investments purchased as an investment of monies in any Fund or Account held by the Trustee under the provisions of this Pass-Through Resolution shall be deemed at all times to be a part of such Fund or Account but the Investment Income therefrom shall, (i) with respect to the Revenue Account, be retained therein and reinvested, [(ii) with respect to the Debt Service Reserve Fund,][be retained therein and reinvested][be deposited in the Excess Revenue Fund from time to time and reinvested], and (iii) with respect to the Excess Revenue Fund, be retained therein and reinvested, in any case except for interest income representing a recovery of the premium and accrued interest, if any, included in the purchase price of any Permitted Investment, which shall be retained in the particular Fund or Account for which the Permitted Investment was purchased.

(c) To the extent permitted by law, the Trustee may commingle any amounts on deposit in the Funds and Accounts held under this Pass-Through Resolution for the purpose of purchasing Permitted Investments. However, the Trustee shall maintain and keep separate accounts of such Funds and Accounts at all times.

(d) The Trustee shall sell at the best price obtainable, or present for redemption or exchange, any Permitted Investment purchased by it pursuant to this Pass-Through Resolution whenever it shall be necessary in order to provide monies to meet any payment or transfer from the Fund or Account for which such investment was made.

(e) Upon receipt of written instructions from an Authorized Officer of the Corporation, the Trustee shall exchange any coin or currency of the United States of America or
Permitted Investments held by it pursuant to this Pass-Through Resolution for any other coin or currency of the United States of America or Permitted Investments of like amount.

(f) Notwithstanding anything to the contrary contained herein, any Permitted Investments purchased by the Trustee with funds that are pledged pursuant to this Pass-Through Resolution must, as of the date of such purchase, be rated by the Rating Agency in a category at least equal to the rating category of the Pass-Through Bonds (or “A-1+” if the Permitted Investment has a remaining term at the time it is provided not exceeding one year); provided, however, that the Trustee may purchase Permitted Investments that are rated lower than that set forth above, so long as the purchase of such Permitted Investments does not, as of the date of such purchase, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Pass-Through Bonds by the Rating Agency.
ARTICLE VII

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE CORPORATION

Section 7.1. The Corporation’s Representations and Warranties. The Corporation represents and warrants that:

(a) The Corporation is a corporate governmental agency, constituting a public benefit corporation, organized and existing under the laws of the State created by and pursuant to the Act.

(b) This Pass-Through Resolution has been duly adopted and constitutes a valid and binding agreement of the Corporation, enforceable in accordance with its terms, except as such enforcement may be limited by the rights and remedies of creditors or by general principles of equity, whether such enforceability is considered in a proceeding in equity or at law.

(c) The Corporation has complied with all provisions of the Constitution and laws of the State, including the Act, and has full power and authority to (i) adopt this Pass-Through Resolution and issue, sell and deliver the Pass-Through Bonds to the Underwriters, (ii) reimburse the Corporation for amounts (other than proceeds of the Pass-Through Bonds) used to make the Loans, (iii) pledge the Trust Estate as set forth in this Pass-Through Resolution for the benefit of the Bondholders, to secure the payment of the principal of and interest on the Pass-Through Bonds in accordance with the terms and provisions of this Pass-Through Resolution and the Pass-Through Bonds, and (iv) make the pledge set forth in Section 5.1(b) hereof.

(d) All actions on the part of the Corporation for (i) the adoption and delivery of this Pass-Through Resolution providing for the issuance of and security for the Pass-Through Bonds, (ii) the issuance, sale and delivery of the Pass-Through Bonds upon the terms set forth in this Pass-Through Resolution, (iii) the reimbursement of the Corporation for amounts (other than proceeds of the Pass-Through Bonds) used to make the Loans and (iv) the due performance of this Pass-Through Resolution and the execution, delivery, receipt and due performance of the Pass-Through Bonds have been or will be taken duly and effectively.

(e) On or prior to the Closing Date, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Corporation of its obligations in connection with the transactions contemplated by this Pass-Through Resolution will have been duly obtained; and all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Corporation of its obligations under this Pass-Through Resolution have been duly obtained or, where required for future performance, are expected to be obtained.
(f) The Pass-Through Bonds shall be special revenue obligations of the Corporation payable solely from the Trust Estate and from amounts pledged pursuant to Section 5.1(b) hereof.

Section 7.2. The Corporation’s Covenants. In addition to all other covenants and agreements of the Corporation contained in this Pass-Through Resolution, the Corporation further covenants and agrees with the Bondholders and the Trustee as follows:

(a) The Corporation shall comply with the provisions of Sections 8.1(e) and (f), subject to the limitations contained in therein.

(b) Except as provided in subsection[s] (e) [and (f)] of this Section 7.2 or in Article XII, the Corporation shall not alter, modify or cancel, or agree to alter, modify or cancel, any agreement which relates to or affects the Trust Estate.

(c) Except as otherwise provided in this Pass-Through Resolution or the Loan Documents, the Corporation shall not sell, convey, mortgage, encumber or otherwise dispose of any portion of the Trust Estate or create or authorize to be created any debt, lien or charge thereon.

(d) The Corporation shall comply with the provisions of the Continuing Disclosure Agreement.

(e) The Corporation shall enforce diligently and take or cause to be taken all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of all Loans consistent with sound banking practices and principles, including the prompt collection of all Loan Repayments and all other amounts due the Corporation thereunder. The Corporation shall service each Loan or appoint a Servicer for such Loan, and if it appoints a Servicer shall enter into a Servicing Agreement with respect thereto, effective not later than the date of delivery of such Loan. The Corporation or such Servicer shall service each Loan in accordance with acceptable mortgage servicing practices of prudent lending institutions or in accordance with such other standards as are required to maintain the REMIC Insurance with respect to such Loan. The Corporation shall not without good cause release the obligations of any Borrower under any of the applicable Loan Documents, or of the Servicer under the Servicing Agreement, and, to the extent permitted by law, at all times shall defend, enforce, preserve and protect the rights and privileges of the Corporation, the Trustee and the Bondholders under or with respect to the Loan Documents securing the Loans, and any Servicing Agreement relating thereto; provided, however, that nothing in this Section 7.2(f) shall be construed to prevent the Corporation from settling or working-out a default on any Loan, or modifying the terms of any Loan (regardless of whether such Loan is in default), on such terms as the Corporation shall determine to be in the best interests of the Corporation and the Bondholders; provided further, however, that, with respect to any Loan (regardless of whether such Loan is in default), (i) the date of maturity of such Loan shall not be extended and (ii) the rate of interest due on such Loan shall not be reduced below the sum of (x) the rate of interest due on the Pass-Through Bonds, plus (y) the amount of Servicing Fees applicable to such Loan, plus (z) the amount of REMIC Insurance premiums applicable to such Loan.
(f) [In connection with the receipt of any Prepayment, the Corporation shall amend the Amortization Schedule and deliver such amended Amortization Schedule to the Trustee.]

(h) The Corporation shall not voluntarily sell, assign, endorse or otherwise dispose of any Loan or any part thereof (other than a sale, assignment, endorsement or other disposition required pursuant to this Pass-Through Resolution or made when, in the sole judgment of the Corporation, such Loan is in default).

Section 7.3. Limitations on Liability. Notwithstanding any other provision of this Pass-Through Resolution to the contrary:

(a) The Pass-Through Bonds shall be special revenue obligations of the Corporation payable solely from the Trust Estate and from amounts pledged pursuant to Section 5.1(b) hereof.

(b) Nothing contained in the Pass-Through Bonds or in this Pass-Through Resolution shall be considered as assigning or pledging any funds or assets of the Corporation other than the Trust Estate and amounts pledged pursuant to Section 5.1(b) hereof.

(c) The Pass-Through Bonds shall not be a debt of either the State of New York or of The City of New York and neither the State nor the City shall be liable thereon, nor shall the Pass-Through Bonds be payable out of any funds of the Corporation other than those of the Corporation pledged therefor.

(d) No failure of the Corporation to comply with any term, condition, covenant or agreement in this Pass-Through Resolution or in any document executed by the Corporation in connection with any Mortgaged Property or the issuance, sale and delivery of the Pass-Through Bonds shall subject the Corporation to liability for any claim for damages, costs or other charges except to the extent that the same can be paid or recovered from the Trust Estate.

(e) Except as provided in Section 5.7, the Corporation shall not be required to advance any moneys derived from any source other than the Trust Estate for any of the purposes of this Pass-Through Resolution or any of the other Transaction Documents, whether for the payment of the principal or Redemption Price of, or interest on, the Pass-Through Bonds or otherwise.

Section 7.4. Further Assurances. The Corporation, to the extent permitted by law, shall execute, acknowledge and deliver such instruments and documents, and perform such further acts, as the Trustee may reasonably require to better assure, transfer, convey, pledge, assign and confirm to the Trustee all of the property, revenues, receipts and other amounts pledged by this Pass-Through Resolution. The Corporation shall cooperate to the extent necessary with the Trustee in its defenses of the Trust Estate against the claims and demands of all Persons.

Section 7.5. Enforcement. The Corporation may enforce against the Borrowers or any other Person any rights of the Corporation under the Loan Documents. At the request of the Trustee, the Corporation, upon being indemnified to its reasonable satisfaction against all liability, costs and expenses which may be incurred in connection with such enforcement, shall in its name commence legal action or take such other actions as the Trustee reasonably requests.
to enforce the rights of the Corporation or the Trustee under or arising from the Pass-Through Bonds or the Bond Documents.
ARTICLE VIII

REMIC INSURANCE

Section 8.1. Enforcement and REMIC Insurance.

(a) The Corporation shall be solely responsible to prepare and submit such documents and take such other actions as are necessary to effectuate the payment to the Trustee of the REMIC Insurance Proceeds, as set forth in this Article VIII. Upon receipt of REMIC Insurance Proceeds, the Trustee shall deposit such proceeds in the applicable Account of the Loan Payment Fund in accordance with Section 5.4(a).

(b) The Corporation shall diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of the Mortgages, including the prompt collection of Loan Repayments.

(c) The Corporation shall do all that is necessary to obtain and maintain the REMIC Insurance and shall not amend this Pass-Through Resolution in a manner that conflicts with REMIC regulations or documents.

(d) Whenever it shall be necessary to protect and enforce the rights of the Corporation under a Mortgage securing a Loan and to protect and enforce the rights and interests of Bondholders under this Pass-Through Resolution, the Corporation shall do all things necessary to enforce its rights under the REMIC Insurance and to receive payment of any claims thereon in cash.

(e) With respect to any Loan insured with REMIC Insurance, if any Loan Repayment is not made in the full amount due and the Loan Repayment is not made by the forty-fifth (45th) day following the due date thereof ("Grace Period"), then the Corporation shall notify REMIC within the Grace Period of such payment default and provide various additional notices required by REMIC during the period of default.

(f) With respect to any Loan insured with REMIC Insurance, if the Borrower fails to pay a total aggregate amount equal to four (4) regular monthly payments of principal and interest, and any escrow payments due under the terms of such Loan, disregarding any waivers or extensions by the Corporation (termed a "Four Months in Default" under the REMIC Insurance policy), and assuming the notices described in subsection (c) above have been timely submitted and other preconditions have been met, the Corporation may make a claim for REMIC Insurance benefits. In the event any Loan insured with REMIC Insurance becomes Four Months in Default, the notices described in subsection (e) above having been timely submitted and other preconditions having been met, and amounts having been transferred from the Debt Service Reserve Fund pursuant to Section 5.6(b) as a result of such Loan being Four Months in Default, the Corporation shall make a claim for REMIC Insurance benefits.

(g) Unless a Loan described in subsection (f) above is purchased by REMIC, or a periodic payment plan or lump sum payment plan has been executed, as provided for in the REMIC Insurance, the Corporation shall, pursuant to the REMIC Insurance policy, commence proceedings to obtain title to the Development when such Loan becomes Four Months in Default.
(although the Corporation may commence such proceedings upon any default); provided, however, upon consent of REMIC and satisfaction of certain other conditions, actions, including foreclosure proceedings, may be undertaken in which title to the Development will pass to a third party.
ARTICLE IX
DISCHARGE OF LIEN

Section 9.1. Discharge of Pledge.

(a) Discharge. Upon satisfaction of the conditions set out in subsection (b) below, the pledges made in Sections 5.1(a) and 5.1(b) hereof shall be discharged and satisfied and the Trustee shall (i) execute and deliver to the Corporation such instruments in writing prepared by the Corporation or its counsel and provided to the Trustee as may be required to evidence such discharge and satisfaction and (ii) pay over or deliver to the Corporation so much of the Trust Estate as may be in its possession or subject to its control (except for moneys and Government Obligations held for the purpose of paying Pass-Through Bonds).

(b) Conditions to Discharge. The conditions precedent to the cancellation and discharge of this Pass-Through Resolution and the other acts described in subsection (a) above are: (i) payment in full of the Pass-Through Bonds; (ii) payment of the Trustee's ordinary costs and expenses under this Pass-Through Resolution; (iii) payment of all Extraordinary Items; and (iv) receipt by the Trustee of an Opinion of Counsel stating that all conditions precedent to the satisfaction and discharge of this Pass-Through Resolution have been satisfied.

(c) Survival of Rights and Powers. The powers granted to the Trustee with respect to the payment, transfer and exchange of Pass-Through Bonds shall survive the cancellation and discharge of this Pass-Through Resolution.

Section 9.2. Payments of Outstanding Amounts. If the Pass-Through Bonds are paid in full, but any one or more of the other conditions precedent set out in Section 9.1(b) are not satisfied because an amount has not been paid, the Trustee shall pay from the Trust Estate to itself, in the strict order set out below, the amounts required to satisfy those conditions precedent:

(a) Trustee's Costs and Expenses. If any portion of the Trustee's ordinary costs and expenses of the Trustee remain unpaid, the Trustee shall first pay to itself so much of the Trust Estate as will fully pay such unpaid amounts.

(b) Trustee's Extraordinary Items. If any Extraordinary Items have not been paid to the Trustee, the Trustee shall then pay to itself so much of the remaining Trust Estate as will fully pay all amounts owing to the Trustee for Extraordinary Items.

Section 9.3. Defeasance.

(a) Provision for Payment of Pass-Through Bonds. Any Pass-Through Bond will be deemed paid within the meaning of Section 9.1 if each of the conditions set out in this Section 9.3 is satisfied:

1) The Corporation deposits with the Trustee (A) Available Moneys or (B) Government Obligations which are not subject to early redemption and which are purchased with Available Moneys, of such maturities and interest payment dates and bearing such interest as will be sufficient, without further investment or reinvestment of
either the principal amount of such Government Obligations or the interest earnings on Government Obligations (the earnings to be held in trust also), together with any Available Moneys, for the payment on the Maturity Date or a Redemption Date prior to maturity, of the principal of such Pass-Through Bonds and interest to accrue on such Pass-Through Bonds to such maturity or redemption dates.

(2) For any such Pass-Through Bonds to be redeemed on any date prior to their maturity, the Trustee has received in form satisfactory to it irrevocable instructions to redeem such Pass-Through Bonds on a date on which the Pass-Through Bonds are subject to redemption, and either evidence satisfactory to the Trustee that all redemption notices required by this Pass-Through Resolution have been given or irrevocable power authorizing the Trustee to give such redemption notices.

The Trustee shall redeem the Pass-Through Bonds specified by such irrevocable instructions on the date specified by such irrevocable instructions.

(b) Deceased Pass-Through Bonds No Longer Outstanding. At such times as a Pass-Through Bond is deemed to be paid under this Pass-Through Resolution, it will no longer be secured by or entitled to the benefits of this Pass-Through Resolution, except for the purposes of payment in accordance with this Pass-Through Resolution.

(c) Release of Certain Income. All income from all Government Obligations in the hands of the Trustee pursuant to this Section 9.3 which is identified by an independent certified public accountant as not required for the payment of the Pass-Through Bonds and interest on such income with respect to which such moneys have been so deposited will be deposited by the Trustee as and when realized and collected in Excess Revenue Fund.

(d) Particular Pass-Through Bonds. Notwithstanding any other provision of this Pass-Through Resolution to the contrary, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Article IX for the payment of Pass-Through Bonds (including accrued interest on such Pass-Through Bonds) shall be applied to and used solely for the payment of the particular Pass-Through Bonds (including interest on such Pass-Through Bonds) with respect to which such moneys or Government Obligations have been so set aside in trust.
ARTICLE X

DEFAULT PROVISIONS AND REMEDIES

Section 10.1. Events of Default; Preliminary Notice.

(a) Events of Default. Each of the following constitutes an Event of Default under this Pass-Through Resolution:

(1) default in the payment when due and payable of any interest due on any Pass-Through Bond; or

(2) default in the payment when due and payable of the principal of on any Pass-Through Bond at maturity or upon any redemption; or

(3) default in the observance or performance of any covenant, agreement, warranty or representation on the part of the Corporation included in this Pass-Through Resolution or in the Pass-Through Bonds (other than an Event of Default set forth in paragraph (1) or (2) above) and the continuance of such default for a period of sixty (60) days after written notice of the default from the Trustee to the Corporation; or

(4) an Act of Bankruptcy.

(b) Preliminary Notice. The Trustee shall promptly notify the Corporation after the Trustee obtains knowledge or receives notice of the occurrence of an Event of Default under this Pass-Through Resolution or an event which would become such an Event of Default with the passage of time, the giving of notice or both, identifying the paragraph in subsection (a) above under which the Event of Default has occurred or may occur.

Section 10.2. Acceleration.

(a) Acceleration. Upon the occurrence of any Event of Default under this Pass-Through Resolution, the Trustee may, and upon the written request of Bondholders owning not less than fifty-one percent (51%) in aggregate principal amount of Pass-Through Bonds then Outstanding, must, by written notice to the Corporation, declare the principal of all Pass-Through Bonds and the interest accrued and to accrue on the Pass-Through Bonds to the date of payment, immediately due and payable.

(b) Notice. Upon any decision to accelerate payment of the Pass-Through Bonds, the Trustee shall notify the Bondholders of the declaration of acceleration, that interest on the Pass-Through Bonds will cease to accrue upon such declaration, and that payment of the Pass-Through Bonds will be made upon presentment of the Pass-Through Bonds at the Designated Office of the Trustee. Such notice shall be sent by registered mail or overnight delivery service, postage prepaid, or, at the Trustee’s option, may be given by Electronic Means to each Registered Owner of Pass-Through Bonds at such Registered Owner’s last address appearing in the Bond Register. Any defect in or failure to give notice of such declaration will not affect the validity of such declaration.
Section 10.3. Other Remedies. Upon the occurrence and continuance of an Event of Default under this Pass-Through Resolution, the Trustee may, with or without taking action under Section 10.2, pursue any of the following remedies:

(1) an action in mandamus or other suit, action or proceeding at law or in equity (A) to enforce the payment of the principal of and interest on the Pass-Through Bonds, (B) for the specific performance of any covenant or agreement contained in this Pass-Through Resolution or (C) to require the Corporation to carry out any other covenant or agreement with Bondholders and to perform its duties under the Act; or

(2) an action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders and to execute any other papers and documents and do and perform any and all such acts and things as may be necessary or advisable in the opinion of the Trustee in order to have the respective claims of the Bondholders against the Corporation allowed in any bankruptcy or other proceeding.

The Trustee shall exercise such of the rights and powers conferred by this Section 10.3 as the Trustee, being advised by counsel, deems most effective to enforce and protect the interests of the Bondholders.

Section 10.4. Preservation of Security and Remedies; Rights of Bondholders. Subject to Section 10.2(a), upon an Event of Default, the Trustee may proceed, and upon the written request of the holders of not less than twenty-five percent (25%) of the aggregate principal amount of the Pass-Through Bonds Outstanding and the receipt of indemnity reasonably satisfactory to the Trustee, shall proceed, to protect and enforce its rights and the rights of the Bondholders under this Pass-Through Resolution by such suits, actions or special proceedings in equity or at law, whether for the specific performance of any covenant or agreement, or in aid of the execution of any power granted in this Pass-Through Resolution or by the Act, or for the enforcement of any legal or equitable right or remedy, as the Trustee, being advised by counsel, deems most effective to protect and enforce such rights or to perform any of its duties under this Pass-Through Resolution.

Section 10.5. Remedies Not Exclusive; Delay or Omission. No right or remedy conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other right or remedy, but each and every such right and remedy will be cumulative and in addition to any other right or remedy given to the Trustee or to the Bondholders under this Pass-Through Resolution or now or later existing at law or in equity. No delay or omission to exercise any right or remedy provided in this Pass-Through Resolution will impair any such right or remedy or be construed to be a waiver of any Event of Default or acquiescence in it. Every such right and remedy may be exercised from time to time as often as may be deemed expedient.

Section 10.6. Waiver. Subject to the conditions precedent set out below, (i) the Trustee may waive, (ii) and Bondholders owning not less than fifty-one percent (51%) in aggregate principal amount of Pass-Through Bonds then Outstanding may waive, by written notice to the Trustee, any default or Event of Default under this Pass-Through Resolution and its consequences and rescind any declaration of acceleration of maturity of principal. The conditions precedent to any waiver are:
(a) the principal and interest on the Pass-Through Bonds in arrears, together with interest thereon (to the extent permitted by law) at the applicable rate or rates of interest borne by the Pass-Through Bonds, has been paid or provided for in Available Moneys and all fees and expenses of the Trustee have been paid or provided for; and

(b) that such waiver will be permitted if (i) the Corporation consents to the waiver, (ii) the Rating Agency or Rating Agencies, as the case may be, then rating the Pass-Through Bonds are notified and the Trustee gives written notice to the Bondholders that the ratings on the Pass-Through Bonds may be reduced or withdrawn upon the occurrence of such waiver, and (iii) Bondholders owning not less than fifty-one percent (51%) in aggregate principal amount of Pass-Through Bonds then Outstanding consent to the waiver.

Upon any such waiver, the default or Event of Default shall be deemed cured and shall cease to exist for all purposes and the Corporation, the Trustee and the Bondholders will be restored to their former positions and rights under this Pass-Through Resolution. No waiver of any default or Event of Default shall extend to or affect any subsequent default or Event of Default or shall impair any right or remedy consequent thereto.

Section 10.7. Rights of the Bondholders to Direct Proceedings: Rights and Limitations Applicable to Bondholders, the Corporation and Trustee.

(a) Rights to Direct Proceedings. Notwithstanding anything contained in this Pass-Through Resolution to the contrary, the Bondholders owning not less than fifty-one percent (51%) in aggregate principal amount of Pass-Through Bonds then Outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Pass-Through Resolution or any other proceedings under this Pass-Through Resolution, provided, however, that such direction will not be otherwise than in accordance with the provisions of law and of this Pass-Through Resolution, and provided that the Trustee will be indemnified to its reasonable satisfaction (except for actions required under Section 10.2(b)).

(b) Limitations on Bondholders' Rights. No Bondholder has or shall have the right to enforce the provisions of this Pass-Through Resolution, or to institute any proceeding in equity or at law for the enforcement of this Pass-Through Resolution, or to take any action with respect to an Event of Default under this Pass-Through Resolution, or to institute, appear in or defend any suit or other proceeding with respect to this Pass-Through Resolution upon an Event of Default unless (i) such Bondholder has given the Trustee and the Corporation, written notice of the Event of Default, (ii) the holders of not less than fifty-one percent (51%) in aggregate principal amount of Pass-Through Bonds then Outstanding have requested the Trustee in writing to institute such proceeding, (iii) the Trustee has been afforded a reasonable opportunity to exercise its powers or to institute such proceeding, (iv) the Trustee has been offered reasonable indemnity, where required, and (v) the Trustee has thereafter failed or refused to exercise such powers or to institute such proceeding within a reasonable period of time. No Bondholder has or shall have any right in any manner whatever to affect, disturb or prejudice the pledge of revenues or of any other moneys, Funds, Accounts or securities under this Pass-Through Resolution.
Section 10.8. Discontinuance of Proceedings. If the Trustee or any Bondholder has instituted any proceeding or remedy under this Pass-Through Resolution, and such proceedings have been discontinued or abandoned for any reason, or have been determined adversely, then and in every such case the Corporation and the Trustee will be restored to their former positions and rights under this Pass-Through Resolution, and all rights, remedies, powers, duties and obligations of the Corporation, and the Trustee shall continue as if no such proceedings had been taken, subject to the limits of any adverse determination.

Section 10.9. Possession of Pass-Through Bonds. All rights under this Pass-Through Resolution or upon any of the Pass-Through Bonds enforceable by the Trustee may be enforced by the Trustee without the possession of any of the Pass-Through Bonds, or the production of the Pass-Through Bonds at trial or other proceedings. Any suit, action or proceeding instituted by the Trustee may be brought in its name for itself or as representative of the Bondholders without the necessity of joining Bondholders as parties, and any recovery resulting from such proceedings shall, subject to Section 10.10, be for the ratabe benefit of the Bondholders.

Section 10.10. Application of Moneys. All moneys received by the Trustee pursuant to any action taken under this Article X shall be deposited into Revenue Account in accordance with Section 5.4(a) after payment of the ordinary costs and expenses of the Trustee. The balance of such moneys, less such amounts as the Trustee determines may be needed for possible use in paying future fees and expenses, shall be applied as follows:

(a) Principal on Pass-Through Bonds Not Declared Due and Payable. Unless the principal on all Pass-Through Bonds has become or been declared due and payable, all such moneys will be applied:

First - to the payment of all interest then due on the Pass-Through Bonds, in the order of the maturity of such interest and, if the amount available shall not be sufficient to pay in full said amount, then to the payment ratably, of the amounts due, without any discrimination or privilege;

Second - to the payment of the unpaid principal of any of the Pass-Through Bonds which have become due (other than Pass-Through Bonds matured or called for redemption for the payment of which moneys are held pursuant to this Pass-Through Resolution), in the order of due dates, with interest upon the principal amount of the Pass-Through Bonds from the respective dates upon which they become due at the rate or rates borne by the Pass-Through Bonds, to the extent permitted by law, and, if the amount available shall not be sufficient to pay in full the principal of such Pass-Through Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled to such payment without any discrimination or privilege;

Third - to the payment of amounts due to the Trustee for Extraordinary Items, for this purpose including the costs and expenses of any proceedings resulting in the collection of such moneys and of advances incurred or made by the Trustee.
(b) Principal of Pass-Through Bonds Declared Due and Payable. If the principal of all the Pass-Through Bonds has become or been declared due and payable, all such moneys shall be applied, first, to the payment of the principal and interest then due and unpaid upon the Pass-Through 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 of any Pass-Through Bond over any other Pass-Through Bond, ratably according to the amounts due respectively for principal and interest to the persons entitled to payment, until all such principal and interest has been paid, and second, to any other amounts due and payable under this Pass-Through Resolution.

(c) General. Whenever moneys are to be applied pursuant to this Section 10.10, such moneys shall be applied at such times, and from time to time, as the Trustee determines, having due regard for the amount of such moneys available for application, the likelihood of additional moneys becoming available for such application in the future, and potential expenses relating to the exercise of any remedy or right conferred on the Trustee by this Pass-Through Resolution. Whenever the Trustee applies such moneys, it shall fix the date (which will be an Interest Payment Date unless it deems an earlier date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue, unless interest has already ceased to accrue in accordance with Section 10.2(b). The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the owner of any Pass-Through Bond until such Pass-Through Bond is presented to the Trustee for appropriate endorsement or for cancellation if fully paid.
ARTICLE XI

THE TRUSTEE

Section 11.1. Appointment of Trustee; Duties. The Trustee is appointed and agrees to act in such capacity and to perform the duties of the Trustee under this Pass-Through Resolution upon the express terms and conditions of this Pass-Through Resolution.

(a) Attorneys, Agents or Receivers. The Trustee may execute any of its trusts or powers under this Pass-Through Resolution and perform any of its duties by or through attorneys, agents or receivers. The Trustee shall be entitled to advice of counsel concerning all matters of trust under this Pass-Through Resolution and its duties under this Pass-Through Resolution. The Trustee may in all cases pay such reasonable compensation to such attorneys, agents and receivers and shall be entitled to reimbursement from the Trust Estate for all such compensation paid. The Trustee may act upon the opinion or advice of counsel, accountants, or such other professionals as the Trustee deems necessary and selected by it in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction based on its good faith reliance upon such opinion or advice which is not contrary to the terms of this Pass-Through Resolution or any other Bond Document.

(b) Limitation of Responsibility. The Trustee shall not be responsible for any recital in this Pass-Through Resolution or in the Pass-Through Bonds (other than in the certificates of authentication on the Pass-Through Bonds), or for insuring the Mortgaged Property, or for the sufficiency of any insurance, or for collecting any insurance moneys, or for the validity of this Pass-Through Resolution or of any supplements to this Pass-Through Resolution or instruments of further assurance, or for the sufficiency of the security for the Pass-Through Bonds issued under this Pass-Through Resolution or intended to be secured by this Pass-Through Resolution, or for the value or condition of or title to any Mortgaged Property or the Trust Estate. The Trustee shall not be liable for any loss suffered in connection with any investment of amounts made by it in accordance with this Pass-Through Resolution. The Trustee is not accountable for the use (i) of any Pass-Through Bonds delivered in accordance with instructions of the Corporation or (ii) for the use or application of any moneys paid out by the Trustee in accordance with this Pass-Through Resolution.

(c) Reliance. The Trustee shall be protected in acting upon any Opinion of Counsel, notice, request, consent, direction, requisition, certificate, order, affidavit, letter, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons and which is not contrary to the express terms of this Pass-Through Resolution or any other Bond Document. Any action taken by the Trustee pursuant to this Pass-Through Resolution upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Pass-Through Bond as shown on the Bond Register will be conclusive and binding upon all future owners or holders of the same Pass-Through Bonds and upon Pass-Through Bonds issued in exchange therefor or in place of such Pass-Through Bonds.
(d) **Right Not Duty until Undertaken.** The permissive right of the Trustee to do things enumerated in this Pass-Through Resolution or the other Bond Documents to which the Trustee is a party shall not be construed as duties until specifically undertaken by the Trustee.

(e) **No Personal Liability.** The Trustee shall not be personally liable for any debts contracted or for damages to persons or to personal property injured or damaged, or for salaries or nonfulfillment of contracts, relating to the Mortgaged Property.

(f) **No Pass-Through Bond or Surety Required.** The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers or otherwise in respect of the premises.

(g) **Security or Indemnity Bond.** Before taking any action requested by Bondholders under Article X (except for acceleration of the Pass-Through Bonds), the Trustee may require reasonably satisfactory security or an indemnity bond reasonably satisfactory to it from such Bondholders for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its own negligence or willful misconduct by reason of any such action so taken.

(h) **Not Bound to Inquire.** The Trustee is not required to take notice or deemed to have notice of any default or Event of Default under this Pass-Through Resolution, except Events of Default under Section 10.1(a)(1) or (2), unless the Trustee has actual knowledge thereof or has received notice in writing of such default or Event of Default from the Corporation or the holders of at least twenty-five percent (25%) in aggregate principal amount of the Outstanding Pass-Through Bonds, and in the absence of any such notice, the Trustee may conclusively assume that no such default or Event of Default exists. The Trustee may nevertheless require the Corporation to furnish information regarding performance of their respective obligations under the Loan Documents and this Pass-Through Resolution, but is not obligated to do so.

(i) **Standard of Care.** Prior to an Event of Default under this Pass-Through Resolution, the Trustee shall only be responsible for the performance of the duties expressly set forth in this Pass-Through Resolution and in the other Bond Documents to which it is a party and no implied duties or covenants on the part of the Trustee shall be read into this Pass-Through Resolution or such Bond Documents and the Trustee shall not be answerable for other than its negligence or willful misconduct in the performance of those express duties. The Trustee, during the existence and continuation of any Event of Default under this Pass-Through Resolution, shall exercise such of the rights vested in it by this Pass-Through Resolution and in the other Bond Documents to which it is a party, and use the same degree of care and skill in their exercise, as a prudent corporate trustee would exercise or use under the circumstances in the conduct of its own affairs. The foregoing will not limit the Trustee’s obligations under Section 10.2(a).

(j) **Authority to Execute.** The Trustee is authorized and directed by the Corporation to execute or accept and acknowledge and to perform its obligations hereunder, as applicable, in its capacity as Trustee.
(k) **No Disclosure Responsibility.** The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Pass-Through Bonds, except for any information provided by the Trustee.

(l) **No Financial Obligation.** No provision of this Pass-Through Resolution shall require the Trustee to perform any act which would involve expense or liability or to institute or defend any suit in respect hereof, or risk or advance its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of its rights under this Pass-Through Resolution.

(m) **No Liability for Directions.** The Trustee shall not be liable for any action taken or not taken by it in accordance with the direction of the Bondholders pursuant to this Pass-Through Resolution except for the Trustee’s own negligent action, its own negligent failure to act, or its own willful misconduct.

(n) **No Liability for the Corporation.** The Trustee shall not be responsible for the actions or omissions of the Corporation and shall have no duty or responsibility to monitor the performance of the Corporation.

(o) **Books, Records and Accounts.** The Trustee, on behalf of the Corporation, shall keep and maintain, or cause to be kept and maintained, proper books, records and accounts in which complete and accurate entries shall be made of all of its transactions relating to the Pass-Through Bonds, this Pass-Through Resolution, the Loan Documents, the Loans, the Funds and Accounts, Permitted Investments and Investment Income, all of which, at all reasonable times, and upon reasonable prior notice, will be subject to the inspection and audit by the Corporation and Bondholders owning not less than twenty-five percent (25%) in aggregate principal amount of Pass-Through Bonds then Outstanding or any of their accountants or agents duly authorized in writing, each of whom will have the right, at its expense, to make copies of any such books of record and accounts.

(p) **List of Bondholders.** The Trustee shall keep the Bond Register available for inspection by any Bondholder or its attorney duly authorized in writing during normal business hours upon reasonable prior notice.

Section 11.2. **Qualification.** The Trustee and any successor Trustee shall at all times be a trust company or commercial bank, which shall be a federal depository institution or a state-chartered depository institution, having the powers of a trust company within or outside the State, having capital, surplus and undivided profits aggregating at least $100,000,000 if there be such a trust company or bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Pass-Through Resolution.

Section 11.3. **Fees: Expenses.** The Trustee is entitled to payment and reimbursement for reasonable fees for its ordinary services rendered under this Pass-Through Resolution and its ordinary costs and expenses reasonably incurred in connection with its services under this Pass-Through Resolution. In the event that it should become necessary that the Trustee perform
extraordinary services, it shall be entitled to Extraordinary Items; provided, however, that if such Extraordinary Items are incurred as a result of the negligence or willful misconduct of the Trustee, it will not be entitled to compensation or reimbursement for such services or expenses. The Trustee recognizes that all fees, charges and other compensation to which it may be entitled under this Pass-Through Resolution are required to be paid by the Corporation from its own funds and not from Revenues or other amounts held by the Trustee under this Pass-Through Resolution.

Section 11.4. Merger; Consolidation. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger or consolidation, provided such corporation or association otherwise qualifies under Section 11.2, shall be and become the successor Trustee under this Pass-Through Resolution with all the estates, properties, rights, powers and duties of the predecessor Trustee without the execution or filing of any instrument or any further act, deed or conveyance (other than the provision of notice to the Corporation and the Rating Agency).

Section 11.5. Resignation or Removal of Trustee. The Trustee may resign only upon giving sixty (60) days prior written notice to the Corporation and to each Registered Owner of Pass-Through Bonds then Outstanding as shown on the Bond Register. The Trustee may be removed at any time upon thirty (30) days prior written notice to the Trustee, (i) by the Corporation or (ii) by the owners of not less than fifty-one percent (51%) in aggregate principal amount of Pass-Through Bonds then Outstanding. Such resignation or removal shall not be effective until a successor Trustee satisfying the requirements of Section 11.2 is appointed and has accepted its appointment.

Section 11.6. Appointment of Successor Trustee. Upon the resignation or removal of the Trustee, a successor Trustee, satisfying the requirements of Section 11.2, shall be appointed by the Corporation. If, in the case of resignation or removal of the Trustee, no successor is appointed within thirty (30) days after the notice of resignation or within thirty (30) days after removal, as the case may be, then the resigning or removed Trustee shall appoint a successor with the prior written consent of the Corporation or apply to a court of competent jurisdiction for the appointment of a successor Trustee. The successor Trustee must accept in writing its duties and responsibilities under this Pass-Through Resolution. The successor Trustee shall give notice of such succession by first-class mail, postage prepaid, to each Bondholder and to the Corporation and the Rating Agency.

Section 11.7. Transfer of Rights and Mortgaged Property to Successor Trustee. The successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of the predecessor Trustee, but the former Trustee shall nevertheless, on the written request of the Corporation, or the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may be reasonably required for more fully and certainly vesting and confirming in the successor Trustee all the right, title and interest of the predecessor Trustee in and to any properties held by it under this Pass-Through Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the
trusts and conditions set forth in this Pass-Through Resolution. Should any deed, conveyance or instrument in writing from the Corporation be required by the successor Trustee for more fully and certainly vesting in and confirming to the successor Trustee any such moneys, estates, properties, rights, powers and duties, any and all such deeds, conveyances and instruments in writing, shall, on request, and as may be authorized by law, be executed, acknowledged and delivered by the Corporation.

Section 11.8. Power To Appoint Co-Trustees and Separate Trustees.

(a) Appointment of Co-Trustees. At any time or times, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Mortgaged Property is located, the Corporation shall have the power, to appoint one or more persons approved by the Trustee either to act as co-trustee jointly with the Trustee or as separate trustee of all or any part of the Mortgaged Property, and to vest in such person, in such capacity, such title to the Mortgaged Property or any part of it, and/or such rights, powers, duties, trusts or obligations as the Corporation and the Trustee may consider necessary or desirable. If the Corporation is in default under this Pass-Through Resolution, the Trustee alone will have the power to make such appointment. The Corporation shall execute, acknowledge and deliver all such instruments as may be required by any such co-trustee or separate trustee for more fully confirming such title, rights, powers, trusts, duties and obligations to such co-trustee or separate trustee.

(b) Effect of Death, Incapacity, Resignation or Removal of Co-Trustee or Separate Trustee. In case any co-trustee or separate trustee dies, becomes incapable of acting, resigns or is removed, all rights, powers, trusts, duties and obligations of the co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee unless and until a successor co-trustee or separate trustee is appointed in the same manner as provided in subsection (a) above.

(c) Approval of the Corporation. No co-trustee or separate trustee may assume its duties under this Pass-Through Resolution without the prior written approval of the Corporation, unless the Corporation is in default under this Pass-Through Resolution or has failed to respond timely as otherwise provided in this Article XI.
ARTICLE XII

SUPPLEMENTAL RESOLUTIONS; AMENDMENTS

Section 12.1. Supplemental Resolutions Not Requiring Bondholder Consent. The Corporation, without the consent of or notice to any Bondholder, may amend this Pass-Through Resolution or resolutions supplemental to this Pass-Through Resolution for one or more of the following purposes:

(a) to cure any ambiguity or to correct or supplement any provision contained in this Pass-Through Resolution or in any supplemental resolution which may be defective or inconsistent with any other provision contained in this Pass-Through Resolution or in any supplemental resolution;

(b) to amend, modify or supplement this Pass-Through Resolution in any respect if, in the judgment of the Trustee, such amendment, modification or supplement is not materially adverse to the interests of the Bondholders;

(c) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee, or to pledge additional property as further security in addition to that pledged under this Pass-Through Resolution;

(d) to modify, amend or supplement this Pass-Through Resolution in such manner as to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar federal statute then in effect, or to permit the qualification of the Pass-Through Bonds for sale under the securities laws of any of the States of the United States;

(e) to appoint a successor trustee, separate trustee or co-trustee, or a separate bond registrar or paying agent; or

(f) to make any changes in this Pass-Through Resolution or in the terms of the Pass-Through Bonds necessary or desirable in order to maintain the rating assigned to the Pass-Through Bonds by the Rating Agency or otherwise to comply with requirements of any Rating Agency then rating the Pass-Through Bonds.

If the Trustee has received written confirmation from the Rating Agency to the effect that such supplemental resolution will not result in the suspension, withdrawal or reduction of the then current rating on the Pass-Through Bonds, the Trustee shall accept any such supplemental resolution.

Section 12.2. Supplemental Resolutions Requiring Bondholder Consent. The Corporation may, with the consent of Bondholders owning not less than fifty-one percent (51%) in aggregate principal amount of Pass-Through Bonds then Outstanding, from time to time, adopt resolutions supplemental to this Pass-Through Resolution for the purpose of modifying or amending any of the provisions of this Pass-Through Resolution provided, however, that nothing in this Section 12.2 permits, or shall be construed as permitting:
(a) an extension of the maturity of the principal of or interest on, or the mandatory redemption date of, any Pass-Through Bond, without the consent of the owner of such Pass-Through Bond;

(b) a reduction in the principal amount of, or the rate of interest on, any Pass-Through Bond, without the consent of the owner of such Pass-Through Bond;

(c) a preference or priority of any Pass-Through Bond or Pass-Through Bonds over any other Pass-Through Bond or Pass-Through Bonds, without the consent of the owners of all such Pass-Through Bonds;

(d) the creation of a lien prior to or on parity with the lien of this Pass-Through Resolution, without the consent of the owners of all of the Pass-Through Bonds then Outstanding;

(e) a change in the percentage of Bondholders necessary to waive an Event of Default under this Pass-Through Resolution or otherwise approve matters requiring Bondholder approval under this Pass-Through Resolution, including consent to any supplemental resolution, without the consent of the owners of all the Pass-Through Bonds then Outstanding;

(f) a reduction in the aggregate principal amount of the Pass-Through Bonds required for consent to such supplemental resolution, without the consent of the holders of all of the Pass-Through Bonds then Outstanding;

(g) the creation of any lien other than a lien ratably securing all of the Pass-Through Bonds at any time Outstanding under this Pass-Through Resolution, without the consent of the holders of all of the Pass-Through Bonds then Outstanding; or

(h) the amendment of this Section 12.2, without the consent of the holders of all of the Pass-Through Bonds then Outstanding.

Notice of any amendment pursuant to this Section 12.2 shall be given to the Bondholders promptly following the adoption thereof.

Section 12.3. Notice to and Consent of Bondholders. If consent of the Bondholders is required for any supplement, amendment or modification to this Pass-Through Resolution or for any other similar purpose, the Trustee shall give notice of the proposed supplement, amendment or modification by first-class mail, postage prepaid, to the Bondholders. Such notice will be conclusively presumed to have been duly given and received when given in such manner, whether or not any holder actually receives the notice. Such notice shall briefly set forth the nature of the proposed supplement, amendment or modification, and shall state that copies of any such supplement, amendment or modification are on file at the Designated Office of the Trustee for inspection by the Bondholders. The consent of the holder of any Pass-Through Bond will be binding on any transferee and successor transferees of such Pass-Through Bond.

Section 12.4. Opinions of Counsel. Subject to the provisions of Section 11.1, the Trustee may obtain and will be fully protected in relying upon an Opinion of Counsel as
conclusive evidence that any supplement or amendment to this Pass-Through Resolution is authorized or permitted by the provisions of this Pass-Through Resolution.

Section 12.5. Notation of Modification on Pass-Through Bonds; Preparation of New Pass-Through Bonds. Pass-Through Bonds authenticated and delivered after the execution of any supplemental resolution pursuant to the provisions of this Article may bear a notation, in form approved by the Trustee and the Corporation as to any matter provided for in such supplemental resolution, and if such supplemental resolution so provides, new Pass-Through Bonds, so modified as to conform, in the opinion of the Trustee and the Corporation, to any modification of this Pass-Through Resolution contained in any such supplemental resolution, may be prepared by the Corporation, authenticated by the Trustee and delivered without cost to the Bondholders, upon surrender for cancellation of such Pass-Through Bonds in equal aggregate principal amounts.
ARTICLE XIII

MISCELLANEOUS

Section 13.1. Consents, Etc., of Bondholders. Any consent, request, direction, or other instrument required to be signed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed by any Bondholder in person or by an authorized agent appointed in writing. The fact and date of the execution by any person of any such request, consent, direction, approval, objection or other instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before such officer its execution, or by an affidavit of any witness to such execution. Such proof of execution or of the writing appointing any agent will be sufficient for any of the purposes of this Pass-Through Resolution and will be conclusive in favor of the Trustee with regard to any action taken by it under such consent, request or direction. In the event that the Trustee receives conflicting directions from two groups of Bondholders, each with combined holdings of not less than twenty-five percent (25%) in aggregate principal amount of all Pass-Through Bonds then Outstanding, the directions given by the group of Bondholders which hold the largest percentage of Pass-Through Bonds Outstanding will be controlling and the Trustee shall follow such directions as elsewhere required in this Pass-Through Resolution.

Section 13.2. Limitation of Rights. With the exception of rights expressly conferred in this Pass-Through Resolution, nothing in this Pass-Through Resolution or in the Pass-Through Bonds expressed or implied is intended or shall be construed to confer upon, or to give to, any person, other than the Corporation, the Trustee and the owners of the Pass-Through Bonds, any right, remedy or claim under or by reason of this Pass-Through Resolution or any covenant, condition or stipulation hereof. All the covenants, stipulations, promises and agreements herein contained by and on behalf of the Corporation, the Trustee and the owners of the Pass-Through Bonds.

Section 13.3. Severability. If any provision of this Pass-Through Resolution is held to be in conflict with any applicable constitution or statute or rule of law, or is otherwise held to be unenforceable for any reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other part or circumstance, or of rendering any other provision or provisions contained in this Pass-Through Resolution invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses or Sections of this Pass-Through Resolution will not affect the remaining portions of this Pass-Through Resolution.

Section 13.4. Notices. Unless otherwise specified in this Pass-Through Resolution, it shall be sufficient service or giving of any notice, request, certificate, demand or other communication if the same is sent by (and all notices required to be given by mail will be given by) first-class registered or certified mail, postage prepaid, return receipt requested, or by private courier service which provides evidence of delivery, or sent by Electronic Means which produces evidence of transmission, confirmed by first-class mail, postage prepaid, and in each case will be deemed to have been given on the date evidenced by the postal or courier receipt or other written
evidence of delivery or electronic transmission. Unless a different address is given by any party as provided in this Section 13.4, all such communications will be addressed as follows:

| To the Corporation:       | New York City Housing Development Corporation  
|                          | 110 William Street, 10th Floor  
|                          | New York, New York 10038  
|                          | Attention: President  
|                          | with a copy to:  
|                          | New York City Housing Development Corporation  
|                          | 110 William Street  
|                          | New York, New York 10038  
|                          | Attention: General Counsel  
| To the Trustee:           | The Bank of New York Mellon  
|                          | 101 Barclay Street, Floor 7W  
|                          | New York, New York 10007  
|                          | Attention: NY Municipal Financing Unit  
| To the Rating Agency:     | S&P Global Ratings  
|                          | 55 Water Street, 38th Floor  
|                          | New York, New York 10041  
|                          | Attention: Public Finance Surveillance Group  
|                          | [___________]@spglobal.com  

By notice given under this Pass-Through Resolution, any entity whose address is listed in this Section 13.4 may designate any different addresses to which subsequent notices, certificates, requests, demands or other communications shall be sent, but no notice directed to any one such entity will be required to be sent to more than two addresses. All approvals required under this Pass-Through Resolution will be given in writing.

Section 13.5. Notice to Rating Agency. At any time that the Pass-Through Bonds are rated by a Rating Agency, the Corporation shall give notice by mail or Electronic Means to that Rating Agency at its address (as specified in Section 13.4) promptly upon the occurrence of any of: (i) the appointment of any successor trustee or separate trustee or co-trustee, (ii) any amendment of or supplement to this Pass-Through Resolution, (iii) a redemption, acceleration or defeasance of the Pass-Through Bonds in whole or in part (other than any mandatory redemption in respect of Loan Repayments), and (iv) a draw on the Debt Service Reserve Fund pursuant to Section 5.6(b). Notwithstanding the foregoing, it is expressly understood and agreed that failure to provide any such notice to any Rating Agency or any defect in any such notice will not affect the validity of any action with respect to which notice is to be given or the effectiveness of any such action.
Section 13.6. **Action Required to be taken on a Non-Business Day.** If the date for making any payment or any date on which action is required to be taken is not a Business Day, then any action required to be taken or any payment required to be made may be taken or made on the next succeeding Business Day with the same force and effect as if made or taken on the date otherwise provided for in this Pass-Through Resolution and, in the case of any payment date, no interest shall accrue to such next succeeding Business Day.

Section 13.7. **Binding Effect.** From and after the Closing Date, this Pass-Through Resolution shall be binding upon the Corporation and the Trustee and their respective successors and assigns, subject, however, to the limitations contained in this Pass-Through Resolution. All of the covenants, stipulations, obligations and agreements by or on behalf of, and other provisions for the benefit of, the Corporation contained in this Pass-Through Resolution shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, authority, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the Corporation, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions of this Pass-Through Resolution.

Section 13.8. **Governing Law.** This Pass-Through Resolution shall be governed by and interpreted in accordance with internal laws of the State without regard to conflicts of laws principles.

Section 13.9. **No Personal Liability; No Recourse.** No member, officer, agent, employee or attorney of the Corporation, including any person executing the Pass-Through Bonds, will be liable personally on the Pass-Through Bonds or for any reason relating to the issuance of the Pass-Through Bonds. No recourse will be had for the payment of the principal of or the interest on the Pass-Through Bonds, or for any claim based on such Pass-Through Bonds, or otherwise in respect of such Pass-Through Bonds, or based on or in respect of this Pass-Through Resolution or any resolution supplemental to this Pass-Through Resolution, against any member, officer, employee or agent, as such, of the Corporation or any successor, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance of this Pass-Through Resolution and as part of the consideration for the issue of the Pass-Through Bonds, expressly waived and released. All covenants, stipulations, promises, agreements and obligations of the Corporation contained in this Pass-Through Resolution shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Corporation and not of any member, officer or employee of the Corporation in such member’s, officer’s or employee’s individual capacity.

Section 13.10. **Effective Date.** This Pass-Through Resolution shall take effect immediately upon delivery of a certified copy hereof to the Trustee.
EXHIBIT A

FORM OF BOND

Subject to the provisions of the Pass-Through Resolution, the Pass-Through Bonds shall be in substantially the following form, with necessary and appropriate variations, omissions and insertions as permitted by the Pass-Through Resolution:

(FORM OF REGISTERED BOND)

No. A-R- CUSIP:

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
MULTI-FAMILY HOUSING REVENUE BOND
(INSURED MORTGAGE LOAN PASS-THROUGH),
2017 SERIES A

INTEREST RATE: MATURITY DATE:

REGISTERED OWNER: Cede & Co. INITIAL DATE:

PRINCIPAL AMOUNT:

KNOW ALL MEN BY THESE PRESENTS that the New York City Housing Development Corporation (hereinafter sometimes called “the Corporation”), a corporate governmental agency, constituting a public benefit corporation, created and existing under and pursuant to the laws of the State of New York (herein sometimes called the “State”), acknowledges itself indebted to, and for value received, hereby promises to pay, solely from the funds hereinafter mentioned, to the REGISTERED OWNER stated hereon, or registered assigns, the PRINCIPAL AMOUNT stated hereon on the MATURITY DATE hereof, unless redeemed prior thereto as hereinafter provided, upon the presentation and surrender hereof at the corporate trust office of The Bank of New York Mellon, as Trustee under the hereinafter defined Pass-Through Resolution or its successor as Trustee (herein called the “Trustee”), and to pay, solely from said funds, to the Registered Owner hereof by (except as otherwise provided in the Pass-Through Resolution) check or draft mailed to the Registered Owner at its address as it shall appear on the fifteenth (1st) day of the month immediately prior to the month of the interest payment date on the bond registry kept by the Trustee, interest on such Principal Sum from the most recent Interest Payment Date (as hereinafter defined) or, if not interest has been paid, from the INITIAL DATE specified above, to the date of maturity or earlier redemption of this Pass-Through Bond at the INTEREST RATE per annum specified above, payable on the first (1st) day of each month, commencing on December 1, 2017 (each, an “Interest Payment Date”), subject to Section 13.6 of the Pass-Through Resolution. Principal of and interest on this Pass-Through Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This bond is one of the bonds of a duly authorized issue of bonds in the aggregate principal amount of $[________], designated “Multi-Family Housing Revenue Bonds (Insured

A-1
Mortgage Loan Pass-Through), 2017 Series A” (herein called the “Pass-Through Bonds”), authorized to be issued under and pursuant to the “New York City Housing Development Corporation Act”, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of the State of New York, as amended) (the “Act”), and a resolution of the Corporation adopted on ____________ and entitled: “Two Hundred Fifty-Fourth Supplemental Resolution Authorizing the Issuance of Multi-Family Housing Revenue Bonds (Insured Mortgage Loan Pass-Through), 2017 Series A” (herein called the “Pass-Through Resolution”), for the purpose of providing the Corporation with moneys to reimburse the Corporation for amounts (other than proceeds of the Pass-Through Bonds) used to make the Loans (as defined in the Pass-Through Resolution). Any capitalized term used herein and not otherwise defined shall have the same meaning as set forth in the Pass-Through Resolution, unless the context otherwise requires.

This Pass-Through Bond is a special revenue obligation of the Corporation and is payable solely from, and secured solely by a pledge of, the Trust Estate and amounts pledged pursuant to Section 5.1(b) of the Pass-Through Resolution. The Pass-Through Bonds shall not be a debt of either the State of New York or The City of New York and neither the State nor the City shall be liable thereon, nor shall the Pass-Through Bonds be payable out of any funds other than those of the Corporation pledged therefor. The Corporation has no taxing power.

This Pass-Through Bond is transferable, as provided in the Pass-Through Resolution, only upon the Bond Register at the Designated Office of the Trustee by the registered owner hereof in person, or by its attorney duly authorized in writing, upon the surrender of this Pass-Through Bond together with a written instrument of transfer (in substantially the form of assignment, including signature guarantee, attached to this Pass-Through Bond) satisfactory to the Trustee executed by the registered owner or its attorney duly authorized in writing, and thereupon a new registered Pass-Through Bond or Pass-Through Bonds of the same aggregate principal amount, shall be issued to the transferee or transferees in exchange therefor in the manner, subject to the conditions and upon the payment of the charges, if any, provided in the Pass-Through Resolution.

The Pass-Through Bonds are issuable only as fully registered bonds in denominations of $1.00 or any integral multiple thereof.

Registered Pass-Through Bonds, upon surrender thereof at the Designated Office of the Trustee with a written instrument of transfer (in substantially the form of assignment, including signature guarantee, attached to this Pass-Through Bond) satisfactory to the Trustee, executed by the registered owner or its attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of registered Pass-Through Bonds of any Authorized Denominations, in the manner, subject to the conditions, and upon the payment of the charges, if any, provided in the Pass-Through Resolution.

The Pass-Through Bonds are subject to mandatory redemption in whole or in part on each Interest Payment Date at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Pass-Through Bonds to be redeemed, without premium, in an amount equal to the sum of (a) the principal portion of Loan Repayments due on the first day of the calendar month immediately preceding such Interest Payment Date and (b) the principal portion
of Prepayments received by or on behalf of the Corporation during the second calendar month preceding such Interest Payment Date (or, in the case of the first Interest Payment Date, on and after the Cut-Off Date through and including October 31, 2017).

The Pass-Through Bonds are subject to special optional redemption in whole (but not in part) on any Interest Payment Date on and after the date on which the Outstanding principal amount of the Pass-Through Bonds is less than [ten percent (10%)] of the original principal amount thereof [(after giving effect to any mandatory redemption of Pass-Through Bonds on such Interest Payment Date)], at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof, without premium.

Notice of special optional redemption of the Pass-Through Bonds will be given by the Trustee by Electronic Means or first-class mail, postage prepaid, not more than sixty (60) days nor less than twenty (20) days prior to the Redemption Date, to the registered owner of each Pass-Through Bonds, provided, however, that any failure to mail such notice of redemption to any registered owner of any Pass-Through Bond or any failure so to receive such notice of redemption by any registered owner of any Pass-Through Bond or any defect in such notice will not affect the validity of the redemption of any Pass-Through Bonds. If notice of redemption shall have been given as aforesaid, and if on the Redemption Date moneys for the redemption of all Pass-Through Bonds or portions thereof to be redeemed, together with interest to the Redemption Date, shall be available for such payments, then from and after the Redemption Date interest on such Pass-Through Bonds shall cease to accrue and become payable.

Notwithstanding anything to contrary herein, no notice of mandatory redemption pursuant to the Pass-Through Resolution shall be required.

This Pass-Through Bond shall not be entitled to any right or benefit under the Pass-Through Resolution or be valid or obligatory for any purpose until the certificate of authentication hereon shall have been executed manually by a duly authorized signatory of the Trustee.
IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State of New York and the Pass-Through Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this Pass-Through Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the Pass-Through Bonds, together with all other indebtedness of the Corporation, is within every debt and other limit prescribed by law.

WITNESS WHEREOF, the NEW YORK CITY HOUSING DEVELOPMENT CORPORATION has caused this Pass-Through Bond to be executed in its name by the manual or facsimile signature of an Authorized Officer and its corporate seal (or facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of this ___ day of __________.

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

By: ___________________________

Authorized Officer

(SEAL)

Attest: _______________________

Secretary or Assistant Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the Pass-Through Bonds described in the within-mentioned Pass-Through Resolution.

THE BANK OF NEW YORK MELLON,

as Trustee

By: ___________________________

Authorized Officer

Date of Authentication:
ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(PLEASE PRINT OR TYPEWRITE NAME, ADDRESS AND SOCIAL SECURITY NUMBER OF TRANSFEREE)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney

to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: ______________________

Signature Guaranteed:          NOTICE: The signature of this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Participant in a Recognized
Signature Guaranty Medallion Program

By: ______________________   Authorized Signature
EXHIBIT B

The Loans

<table>
<thead>
<tr>
<th>Development Name</th>
<th>Borough</th>
<th>Principal Balance as of Cut-Off Date</th>
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<tbody>
<tr>
<td>Austin Street</td>
<td>Queens</td>
<td>$6,647,030</td>
</tr>
<tr>
<td>Decatur Terrace</td>
<td>Bronx</td>
<td>$10,415,844</td>
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<tr>
<td>Genesis Cornerstone</td>
<td>Manhattan</td>
<td>$11,153,896</td>
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<td>870 Jennings</td>
<td>Bronx</td>
<td>$11,270,026</td>
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<tr>
<td>Boricua Site D</td>
<td>Bronx</td>
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</tr>
<tr>
<td>Boricua Site F</td>
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