



BOARD OF DIRECTORS

Agenda Item 9

Brenda Evans, Program Administrator

September 12, 2012

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LOUISIANA HOUSING CORPORATION

The following resolution was offered by Director _____ and
seconded by Director _____:

RESOLUTION

A resolution approving and authorizing the issuance of not exceeding **Thirty Million Dollars (\$30,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue Refunding Bonds in one or more series or subseries**; approving the form of a Series Supplemental Trust Indenture in connection with the aforesaid Refunding Bonds; requesting the State Bond Commission to approve the aforesaid documents and to approve the issuance, sale and delivery of the Refunding Bonds; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Corporation (the “**Corporation**”) was created as a public body corporate and politic and an instrumentality of the state of the State of Louisiana (the “**State**”) pursuant to Act 408 of the 2011 Louisiana Legislature (the “**Housing Reorganization Law**”) which enacted the Louisiana Housing Corporation Act, contained in Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the “**LHC Act**”); and

WHEREAS, pursuant to the Housing Reorganization Act, the Corporation is the successor to the Louisiana Housing Finance Agency (the “**Agency**”); and

WHEREAS, as of midnight, June 30, 2012, the Housing Reorganization Law terminated the Agency and mandated that the Corporation assume and complete the activities, authority, power, duties, functions, programs, obligations, operations and responsibilities and any pending or unfinished business of the Agency with the same power and authority as the Agency; and

WHEREAS, there remain outstanding multiple series of single family mortgage revenue bonds of the Agency (the “**Outstanding Prior Bonds**”) identified in Schedule I hereto which are now obligations of the Corporation and which may now be refunded by the Corporation with significant present value savings and/or benefits to existing homeownership financing programs of the Corporation; and

WHEREAS, the Corporation desires to authorize the issuance of not exceeding Thirty Million Dollars (\$30,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue Refunding Bonds in one or more series or sub-series (the “**Refunding Bonds**”) to refund all or a

portion of the Outstanding Prior Bonds and to direct the Corporation's Finance Teams to integrate such Refunding Bonds into the conversion of Program Bonds (the "**Escrow Program Bonds**") delivered to the U. S. Treasury under and pursuant to the terms and conditions of an Indenture of Trust dated as of November 1, 2009 (the "**Escrow Indenture**"), as supplemented by the Form Indenture Appendix (the "**Original Appendix**", together with the Escrow Indenture, the "**Original Indenture**"), by and between the Corporation as successor in interest to the Agency and Hancock Bank of Louisiana, predecessor in interest to Whitney Bank as current trustee (the "**Trustee**").

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Louisiana Housing Corporation, acting as the governing authority of said Corporation, that:

SECTION 1. The issuance of not exceeding Thirty Million Dollars (\$30,000,000) of Refunding Bonds in one or more series or subseries of the Corporation pursuant to Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended (R.S.40:600.1 through R.S.40:600.24) (the "**LHC Act**") and/or pursuant to Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "**Refunding Act**"), and other constitutional and statutory authority at interest rates not exceeding eight percent (8%) per annum, and for a maturity not exceeding thirty (30) years be and the same is hereby approved along with the form of the Series Supplemental Indenture substantially the form thereof and are on file. The Refunding Bonds are hereby authorized to be delivered to refund all or a portion (i.e., one or more series) of the Outstanding Prior Bonds as recommended by the Corporation's Financial Advisor, Underwriters and Bond Counsel to be integrated into the conversion of the Corporation's Escrow Program Bonds.

The Chairperson, Vice-Chairperson, Secretary and/or Interim Executive Director or Chief Operating Officer are hereby authorized to execute the Series Supplemental Indenture and such other documents, certificates and agreements as may be necessary or convenient to accomplish the objectives of this resolution.

The Chairperson, Vice-Chairperson, Interim Executive Director and/or Secretary are authorized and directed for and on behalf of and in the name of the Corporation to execute, deliver and approve such Supplemental Indentures as may be appropriate to deliver such Refunding Bonds, and such other additional instruments, documents and certificates as may be otherwise required or necessary, convenient or appropriate to the financing described herein. The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with the LHC Act and/or Refunding Act and are approved by Bond Counsel.

SECTION 2. The Refunding Bonds shall be sold by the Corporation on such date as may be determined by the Chairperson of the Corporation, in accordance with the requirements of the LHC Act and/or Refunding Act.

SECTION 3. Application be and the same is hereby made to the State Bond Commission for approval of the documents described in Section 1 hereof in substantially the form filed with the minutes of this meeting and for further approval of the authorization, sale and delivery of the Refunding Bonds in one or more series or subseries by the Corporation pursuant to the provisions of the LHC Act and/or Refunding Act. The not-to-exceed costs of issuance attached hereto for the Refunding Bonds is hereby approved; provided, however, that the Corporation agrees to provide a report on the costs of issuance of each subsequent sub-series to the Bond Commission prior to the delivery thereof for approval of the Bond Commission if requested to do so.

By virtue of the Corporation's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval resolved and set forth herein, the Corporation resolves that it understands and agrees that such approvals are expressly conditioned upon, and the

Corporation further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the “State Bond Commission Policy on Approval of Proposed Swaps, or other forms or Derivative Products Hedges, Etc.”, adopted by the Commission on July 20, 2006, as to borrowings and other matters subject to approvals, including subsequent application and approval under said Policy of the implementation or use of any swaps or other products or enhancements covered thereby.

SECTION 4. The Chairperson, Vice-Chairperson, Interim Executive Director and/or Secretary or Chief Operating Officer of the Corporation be and they are hereby authorized, empowered and directed to take any and all action required in order to implement the terms and provisions of this resolution and the Chairperson be and he is hereby further authorized and empowered, in his sole discretion, in order to expedite the sale of the Refunding Bonds without a further meeting of this Corporation, upon recommendations of the Corporation’s Financial Advisor, Underwriters and Bond Counsel, to make such changes in the sale date and other terms (i.e., privately placed or negotiated) as will permit the timely sale and delivery of the Refunding Bonds, all in the best interests of the Corporation and the citizens of the State of Louisiana.

SECTION 5. The Chairperson of the Board of Directors and/or the Interim Executive Director of the Corporation are authorized and directed to call for a public hearing with respect to the Refunding Bonds, if Bond Counsel so advises that such public hearing is required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “**Code**”), and to cause to be published appropriate notice of each public hearing in accordance with the Code.

SECTION 6. That it is recognized that a real necessity exists for the employment of bond counsel in connection with the issuance of the Refunding Bonds and accordingly Foley & Judell,

L.L.P., .Peck, Shaffer & Williams LLP and Breithaupt, Dunn, Dubos, Shafto & Wolleson, LLC, Co-Bond Counsel be and they are hereby employed as Co-Bond Counsel to the Corporation to do and to perform comprehensive, legal and coordinate professional work with respect thereto. The fee to be paid Bond Counsel shall be an amount based on the Attorney General's current Co-Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Refunding Bonds are delivered, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Refunding Bonds, subject to the Attorney General's written approval of said employment and fee.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 12th day of September, 2012.

/s/ Michael L. Airhart

Chairperson

/s/ Barry E. Brooks

Secretary

**STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE**

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation (the "**Corporation**"), do hereby certify that the foregoing five (5) pages constitute a true and correct copy of a resolution adopted by said Board of Directors on September 12, 2012: "A resolution approving and authorizing the issuance of not exceeding Thirty Million Dollars (\$30,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue Refunding Bonds in one or more series or subseries; approving the form of a Series Supplemental Trust Indenture in connection with the aforesaid Refunding Bonds; requesting the State Bond Commission to approve the aforesaid documents and to approve the issuance, sale and delivery of the Refunding Bonds; and providing for other matters in connection therewith."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Corporation on this, the 12th day of September, 2012.

(SEAL)

Secretary

Louisiana Housing Corporation
Current Refunding Candidates
Dated and Delivery Date: 12/1/2012⁽¹⁾

Series	Tax Status	Final Maturity	Current Call Date ⁽¹⁾	Outstanding Bonds Par (\$) ⁽²⁾	Current Bond Yield (%)	Refunding TIC (%) ⁽³⁾	Differential (bps)	PV Savings (\$)	LHC Contribution (\$) ⁽⁴⁾	Net PV Savings (\$) ⁽⁵⁾	PV Savings (%)
Series 1999A-1	Non-AMT	06/01/2027	12/1/2012 @ 100	396,137	5.50	1.07	443	130,882	18,212	112,670	28.52%
Series 1999A-2	AMT	06/01/2030	12/1/2012 @ 100	1,875,000	5.22	3.79	143	188,752	29,327	159,426	8.50%
Series 1999B-1	Non-AMT	06/01/2024	12/1/2012 @ 100	430,000	5.55	2.04	351	100,535	6,726	93,809	21.82%
Series 1999B-2	AMT	06/01/2030	12/1/2012 @ 100	1,295,000	5.61	3.89	172	190,920	20,255	170,665	13.18%
Series 2001A-1	AMT	12/01/2032	12/1/2012 @ 100	2,495,000	5.53	3.80	173	405,090	39,024	366,066	14.67%
Series 2001B-1	AMT	06/01/2033	12/1/2012 @ 100	1,515,000	5.53	3.83	169	236,438	23,696	212,742	14.04%
Series 2001C	AMT	06/01/2033	12/1/2012 @ 100	2,150,000	5.44	3.85	158	323,010	33,628	289,382	13.46%
Series 2001D-1	Non-AMT	06/01/2021	12/1/2012 @ 100	700,000	5.11	1.90	320	100,119	10,949	89,170	12.74%
Series 2001D-2	AMT	06/01/2033	12/1/2012 @ 100	1,915,000	5.34	4.03	131	297,822	29,952	267,869	13.99%
Series 2002A-1	Non-AMT	12/01/2020	12/1/2012 @ 102	555,000	5.25	1.94	331	95,445	19,781	75,665	13.63%
Series 2002A-2	AMT	06/01/2034	12/1/2012 @ 102	3,930,000	5.94	3.96	199	848,351	140,069	708,282	18.02%
Series 2002B	AMT	12/01/2034	12/1/2012 @ 100	3,935,000	5.43	3.89	154	594,568	61,547	533,020	13.55%
Series 2003A-1	Non-AMT	12/01/2022	12/1/2012 @ 100	1,255,000	4.59	1.89	270	153,391	19,629	133,762	10.66%
Series 2003A-2	AMT	06/01/2034	12/1/2012 @ 100 ⁽⁶⁾	5,395,000	5.28	4.02	126	846,419	116,383	730,036	13.53%
Total				27,841,137				4,511,742	569,179	3,942,563	14.16%

(1) Assumes delivery date for the refunding bonds and call date for the refunded bonds are the same day for the analysis; To the extent the call date is after the delivery date, accrued interests on the refunded bonds to the call date will be paid at bond redemption

(2) Reflects current outstanding balance adjusting for scheduled maturity on respective call date

(3) Refunding TIC reflects estimated current market scale as of 07/19/2012

(4) Assumes all-in cost of issuance est at 1.56% and applicable optional redemption premium plus interests compounded to 12/1/2012 for the 99A CAB

(5) Net present value savings assuming to maturity and net of cost of issuance and optional redemption premium

(6) Except for the Series 2003 A-2 Bonds maturing 12/1/2033 which are redeemable at a price of 101%

LHC
COI Calculation

	41.81%		58.19%			
	2012A		2012B		2012AB	2012A
	Program Bonds		Market Bonds		Total	Program Bonds
	20,000,000		27,840,000		47,840,000	20,000,000
	<u>\$1,000 / Bond</u>	<u>\$ Amount</u>	<u>\$1,000 / Bond</u>	<u>\$ Amount</u>	<u>\$ Amount</u>	<u>\$1,000 / Bond</u> <u>\$ Amount</u>
Underwriters' Discount						
Management Fee (See Note 1 below)	-	-	1.25	34,800.00	34,800.00	- -
Structuring Fee	1.25	25,000.00	-	-	25,000.00	1.25 25,000.00
Takedown	-	-	6.78	188,881.25	188,881.25	- -
Expenses (See Note 2 for detail)	0.03	659.00	1.88	52,312.00	52,971.00	0.68 13,659.00
Subtotal	1.28	25,659.00	9.91	275,993.25	301,652.25	1.93 38,659.00
Other Costs of Issuance						
Bond Counsel Legal Fee	0.94	18,812.71	0.94	26,187.29	45,000.00	2.25 45,000.00
Bond Counsel Legal Fee	0.94	18,812.71	0.94	26,187.29	45,000.00	2.25 45,000.00
Expenses	0.04	836.12	0.04	1,163.88	2,000.00	0.10 2,000.00
GSE Counsel Fees					-	
Program Bond Conversion	0.38	7,500.00	-	-	7,500.00	0.38 7,500.00
Financial Advisory Fee	1.36	27,173.91	1.36	37,826.09	65,000.00	3.25 65,000.00
Bond Trustee					-	
Acceptance Fee	0.10	2,090.30	0.10	2,909.70	5,000.00	0.25 5,000.00
Annual Fee	0.07	1,463.21	0.07	2,036.79	3,500.00	0.18 3,500.00
Counsel Fee	0.08	1,672.24	0.08	2,327.76	4,000.00	0.20 4,000.00
State Bond Commission Fee	0.63	12,541.81	0.63	17,458.19	30,000.00	1.50 30,000.00
Rating Agency: New Issue Fee	0.63	12,541.81	0.63	17,458.19	30,000.00	1.50 30,000.00
Rating Agency: Cap I Release Fee	-	-	-	-	-	- -
Official Statement Printing / Distribution	0.13	2,508.36	0.13	3,491.64	6,000.00	0.30 6,000.00
Cash Flow Verification	0.13	2,508.36	0.13	3,491.64	6,000.00	0.30 6,000.00
LHC Expenses						
Publishing/Advertising/Recording	0.05	1,045.15	0.05	1,454.85	2,500.00	0.13 2,500.00
Program Admin./Marketing/Misc.	0.52	10,451.51	0.52	14,548.49	25,000.00	1.25 25,000.00
Miscellaneous	0.10	2,090.30	0.10	2,909.70	5,000.00	0.25 5,000.00
Subtotal	6.10	122,048.49	5.73	159,451.51	281,500.00	14.08 281,500.00
Total Transaction Costs	7.39	147,707.49	15.64	435,444.76	583,152.25	16.01 320,159.00

Note 1: 100% to JPM

Note 2: Underwriters' Expenses

Underwriters' Counsel Fee	-	-	1.08	30,000.00	30,000.00	- -
Blue Sky/Legal Investment Survey	-	-	0.11	3,000.00	3,000.00	- -
Underwriters' Counsel Expenses	-	-	0.07	2,000.00	2,000.00	- -
CUSIP Service Bureau Fee (See Note 3 below)	0.01	159.00	0.02	588.00	747.00	0.01 159.00
Depository Trust Co. Fee (\$500 per DTC application)	0.03	500.00	0.02	500.00	1,000.00	0.03 500.00
Day Loan @ 0.9% of amount due at closing/360	-	-	0.03	696.00	696.00	- -
Wire Service Fee (See Note 4 below)	-	-	0.09	2,528.00	2,528.00	- -
Miscellaneous Travel and Expense Reimbursement	-	-	0.47	13,000.00	13,000.00	0.65 13,000.00
Total Underwriters' Expenses	0.03	659.00	1.88	52,312.00	52,971.00	0.68 13,659.00

Note 3: CUSIP (\$154 for first maturity per series + \$19/add'l + \$35 disc. fee except \$5 disc. fee if there is only one cusip in the series)

Note 4: Dalcomp (\$.06/1,000 Bond + \$30/syndicate member) + Ipreo View Live Orders for Fixed Rate Bonds (\$0.015/1,000 Bond) + \$350

COI Split for Bond Commission Submission

	58.19% 2012B Market Bonds 27,840,000		1.42% 99A1 Market Bonds 395,000		6.73% 99A2 Market Bonds 1,875,000	
	<u>\$1,000 / Bond</u>	<u>\$ Amount</u>	<u>\$1,000 / Bond</u>	<u>\$ Amount</u>	<u>\$1,000 / Bond</u>	<u>\$ Amount</u>
Underwriters' Discount						
Management Fee (See Note 1 below)	1.25	34,800.00	1.25	493.75	1.25	2,343.75
Structuring Fee	-	-	-	-	-	-
Takedown	6.78	188,881.25	6.78	2,679.89	6.78	12,720.99
Expenses (See Note 2 for detail)	1.88	52,312.00	1.88	742.21	1.88	3,523.17
Subtotal	9.91	275,993.25	9.91	3,915.85	9.91	18,587.91
Other Costs of Issuance						
Bond Counsel Legal Fee	0.94	26,187.29	0.94	371.55	0.94	1,763.69
Bond Counsel Legal Fee	0.94	26,187.29	0.94	371.55	0.94	1,763.69
Expenses	0.04	1,163.88	0.04	16.51	0.04	78.39
GSE Counsel Fees			-	-	-	-
Program Bond Conversion	-	-	-	-	-	-
Financial Advisory Fee	1.36	37,826.09	1.36	536.68	1.36	2,547.55
Bond Trustee			-	-	-	-
Acceptance Fee	0.10	2,909.70	0.10	41.28	0.10	195.97
Annual Fee	0.07	2,036.79	0.07	28.90	0.07	137.18
Counsel Fee	0.08	2,327.76	0.08	33.03	0.08	156.77
State Bond Commission Fee	0.63	17,458.19	0.63	247.70	0.63	1,175.79
Rating Agency: New Issue Fee	0.63	17,458.19	0.63	247.70	0.63	1,175.79
Rating Agency: Cap I Release Fee	-	-	-	-	-	-
Official Statement Printing / Distribution	0.13	3,491.64	0.13	49.54	0.13	235.16
Cash Flow Verification	0.13	3,491.64	0.13	49.54	0.13	235.16
LHC Expenses			-	-	-	-
Publishing/Advertising/Recording	0.05	1,454.85	0.05	20.64	0.05	97.98
Program Admin./Marketing/Misc.	0.52	14,548.49	0.52	206.42	0.52	979.83
Miscellaneous	0.10	2,909.70	0.10	41.28	0.10	195.97
Subtotal	5.73	159,451.51	5.73	2,262.33	5.73	10,738.92
Total Transaction Costs	15.64	435,444.76	15.64	6,178.19	15.64	29,326.83

COI Split for Bond Commission Submission

	1.54%		4.65%		8.96%	
	99B1		99B2		01A1	
	Market Bonds		Market Bonds		Market Bonds	
	430,000		1,295,000		2,495,000	
	<u>\$1,000 / Bond</u>	<u>\$ Amount</u>	<u>\$1,000 / Bond</u>	<u>\$ Amount</u>	<u>\$1,000 / Bond</u>	<u>\$ Amount</u>
Underwriters' Discount						
Management Fee (See Note 1 below)	1.25	537.50	1.25	1,618.75	1.25	3,118.75
Structuring Fee	-	-	-	-	-	-
Takedown	6.78	2,917.35	6.78	8,785.96	6.78	16,927.40
Expenses (See Note 2 for detail)	1.88	807.98	1.88	2,433.33	1.88	4,688.16
Subtotal	9.91	4,262.83	9.91	12,838.05	9.91	24,734.31
Other Costs of Issuance						
Bond Counsel Legal Fee	0.94	404.47	0.94	1,218.12	0.94	2,346.89
Bond Counsel Legal Fee	0.94	404.47	0.94	1,218.12	0.94	2,346.89
Expenses	0.04	17.98	0.04	54.14	0.04	104.31
GSE Counsel Fees	-	-	-	-	-	-
Program Bond Conversion	-	-	-	-	-	-
Financial Advisory Fee	1.36	584.24	1.36	1,759.51	1.36	3,389.95
Bond Trustee	-	-	-	-	-	-
Acceptance Fee	0.10	44.94	0.10	135.35	0.10	260.77
Annual Fee	0.07	31.46	0.07	94.74	0.07	182.54
Counsel Fee	0.08	35.95	0.08	108.28	0.08	208.61
State Bond Commission Fee	0.63	269.65	0.63	812.08	0.63	1,564.59
Rating Agency: New Issue Fee	0.63	269.65	0.63	812.08	0.63	1,564.59
Rating Agency: Cap I Release Fee	-	-	-	-	-	-
Official Statement Printing / Distribution	0.13	53.93	0.13	162.42	0.13	312.92
Cash Flow Verification	0.13	53.93	0.13	162.42	0.13	312.92
LHC Expenses	-	-	-	-	-	-
Publishing/Advertising/Recording	0.05	22.47	0.05	67.67	0.05	130.38
Program Admin./Marketing/Misc.	0.52	224.71	0.52	676.73	0.52	1,303.83
Miscellaneous	0.10	44.94	0.10	135.35	0.10	260.77
Subtotal	5.73	2,462.79	5.73	7,417.02	5.73	14,289.92
Total Transaction Costs	15.64	6,725.62	15.64	20,255.06	15.64	39,024.23

COI Split for Bond Commission Submission

	5.44%			7.72%			2.51%	
	01B1			01C			01D1	
	Market Bonds			Market Bonds			Market Bonds	
	1,515,000			2,150,000			700,000	
	\$1,000 / Bond	\$ Amount		\$1,000 / Bond	\$ Amount		\$1,000 / Bond	\$ Amount
Underwriters' Discount								
Management Fee (See Note 1 below)	1.25	1,893.75		1.25	2,687.50		1.25	875.00
Structuring Fee	-	-		-	-		-	-
Takedown	6.78	10,278.56		6.78	14,586.73		6.78	4,749.17
Expenses (See Note 2 for detail)	1.88	2,846.72		1.88	4,039.90		1.88	1,315.32
Subtotal	9.91	15,019.03		9.91	21,314.13		9.91	6,939.49
Other Costs of Issuance								
Bond Counsel Legal Fee	0.94	1,425.06		0.94	2,022.37		0.94	658.44
Bond Counsel Legal Fee	0.94	1,425.06		0.94	2,022.37		0.94	658.44
Expenses	0.04	63.34		0.04	89.88		0.04	29.26
GSE Counsel Fees	-	-		-	-		-	-
Program Bond Conversion	-	-		-	-		-	-
Financial Advisory Fee	1.36	2,058.42		1.36	2,921.20		1.36	951.09
Bond Trustee	-	-		-	-		-	-
Acceptance Fee	0.10	158.34		0.10	224.71		0.10	73.16
Annual Fee	0.07	110.84		0.07	157.30		0.07	51.21
Counsel Fee	0.08	126.67		0.08	179.77		0.08	58.53
State Bond Commission Fee	0.63	950.04		0.63	1,348.24		0.63	438.96
Rating Agency: New Issue Fee	0.63	950.04		0.63	1,348.24		0.63	438.96
Rating Agency: Cap I Release Fee	-	-		-	-		-	-
Official Statement Printing / Distribution	0.13	190.01		0.13	269.65		0.13	87.79
Cash Flow Verification	0.13	190.01		0.13	269.65		0.13	87.79
LHC Expenses	-	-		-	-		-	-
Publishing/Advertising/Recording	0.05	79.17		0.05	112.35		0.05	36.58
Program Admin./Marketing/Misc.	0.52	791.70		0.52	1,123.54		0.52	365.80
Miscellaneous	0.10	158.34		0.10	224.71		0.10	73.16
Subtotal	5.73	8,677.05		5.73	12,313.96		5.73	4,009.20
Total Transaction Costs	15.64	23,696.08		15.64	33,628.10		15.64	10,948.68

COI Split for Bond Commission Submission

	6.88%			1.99%			14.12%	
	01D2			02A1			02A2	
	Market Bonds			Market Bonds			Market Bonds	
	1,915,000			555,000			3,930,000	
	\$1,000 / Bond	\$ Amount		\$1,000 / Bond	\$ Amount		\$1,000 / Bond	\$ Amount
Underwriters' Discount								
Management Fee (See Note 1 below)	1.25	2,393.75		1.25	693.75		1.25	4,912.50
Structuring Fee	-	-		-	-		-	-
Takedown	6.78	12,992.37		6.78	3,765.41		6.78	26,663.19
Expenses (See Note 2 for detail)	1.88	3,598.33		1.88	1,042.86		1.88	7,384.56
Subtotal	9.91	18,984.45		9.91	5,502.02		9.91	38,960.25
Other Costs of Issuance								
Bond Counsel Legal Fee	0.94	1,801.32		0.94	522.05		0.94	3,696.70
Bond Counsel Legal Fee	0.94	1,801.32		0.94	522.05		0.94	3,696.70
Expenses	0.04	80.06		0.04	23.20		0.04	164.30
GSE Counsel Fees	-	-		-	-		-	-
Program Bond Conversion	-	-		-	-		-	-
Financial Advisory Fee	1.36	2,601.90		1.36	754.08		1.36	5,339.67
Bond Trustee	-	-		-	-		-	-
Acceptance Fee	0.10	200.15		0.10	58.01		0.10	410.74
Annual Fee	0.07	140.10		0.07	40.60		0.07	287.52
Counsel Fee	0.08	160.12		0.08	46.40		0.08	328.60
State Bond Commission Fee	0.63	1,200.88		0.63	348.04		0.63	2,464.46
Rating Agency: New Issue Fee	0.63	1,200.88		0.63	348.04		0.63	2,464.46
Rating Agency: Cap I Release Fee	-	-		-	-		-	-
Official Statement Printing / Distribution	0.13	240.18		0.13	69.61		0.13	492.89
Cash Flow Verification	0.13	240.18		0.13	69.61		0.13	492.89
LHC Expenses	-	-		-	-		-	-
Publishing/Advertising/Recording	0.05	100.07		0.05	29.00		0.05	205.37
Program Admin./Marketing/Misc.	0.52	1,000.73		0.52	290.03		0.52	2,053.72
Miscellaneous	0.10	200.15		0.10	58.01		0.10	410.74
Subtotal	5.73	10,968.02		5.73	3,178.72		5.73	22,508.78
Total Transaction Costs	15.64	29,952.47		15.64	8,680.74		15.64	61,469.03

COI Split for Bond Commission Submission

	14.13%			4.51%			19.38%	
	02B			03A1			03A2	
	Market Bonds			Market Bonds			Market Bonds	
	3,935,000			1,255,000			5,395,000	
	\$1,000 / Bond	\$ Amount		\$1,000 / Bond	\$ Amount		\$1,000 / Bond	\$ Amount
Underwriters' Discount								
Management Fee (See Note 1 below)	1.25	4,918.75		1.25	1,568.75		1.25	6,743.75
Structuring Fee	-	-		-	-		-	-
Takedown	6.78	26,697.12		6.78	8,514.58		6.78	36,602.53
Expenses (See Note 2 for detail)	1.88	7,393.96		1.88	2,358.17		1.88	10,137.33
Subtotal	9.91	39,009.82		9.91	12,441.51		9.91	53,483.61
Other Costs of Issuance								
Bond Counsel Legal Fee	0.94	3,701.40		0.30	1,180.50		1.29	5,074.73
Bond Counsel Legal Fee	0.94	3,701.40		0.30	1,180.50		1.29	5,074.73
Expenses	0.04	164.51		0.01	52.47		0.06	225.54
GSE Counsel Fees	-	-		-	-		-	-
Program Bond Conversion	-	-		-	-		-	-
Financial Advisory Fee	1.36	5,346.47		0.43	1,705.16		1.86	7,330.16
Bond Trustee	-	-		-	-		-	-
Acceptance Fee	0.10	411.27		0.03	131.17		0.14	563.86
Annual Fee	0.07	287.89		0.02	91.82		0.10	394.70
Counsel Fee	0.08	329.01		0.03	104.93		0.11	451.09
State Bond Commission Fee	0.63	2,467.60		0.20	787.00		0.86	3,383.15
Rating Agency: New Issue Fee	0.63	2,467.60		0.20	787.00		0.86	3,383.15
Rating Agency: Cap I Release Fee	-	-		-	-		-	-
Official Statement Printing / Distribution	0.13	493.52		0.04	157.40		0.17	676.63
Cash Flow Verification	0.13	493.52		0.04	157.40		0.17	676.63
LHC Expenses	-	-		-	-		-	-
Publishing/Advertising/Recording	0.05	205.63		0.02	65.58		0.07	281.93
Program Admin./Marketing/Misc.	0.52	2,056.33		0.17	655.83		0.72	2,819.29
Miscellaneous	0.10	411.27		0.03	131.17		0.14	563.86
Subtotal	5.73	22,537.42		1.83	7,187.92		7.85	30,899.46
Total Transaction Costs	15.64	61,547.24		15.64	19,629.42		15.64	84,383.06

COI Split for Bond Commission Submission

	100.00%	
	Total	
	Market Bonds	
	27,840,000	
	\$1,000 / Bond	\$ Amount
Underwriters' Discount		
Management Fee (See Note 1 below)	1.25	34,800.00
Structuring Fee	-	-
Takedown	6.78	188,881.25
Expenses (See Note 2 for detail)	1.88	52,312.00
Subtotal	9.91	275,993.25
Other Costs of Issuance		
Bond Counsel Legal Fee	0.94	26,187.29
Bond Counsel Legal Fee	0.94	26,187.29
Expenses	0.04	1,163.88
GSE Counsel Fees	-	-
Program Bond Conversion	-	-
Financial Advisory Fee	1.36	37,826.09
Bond Trustee	-	-
Acceptance Fee	0.10	2,909.70
Annual Fee	0.07	2,036.79
Counsel Fee	0.08	2,327.76
State Bond Commission Fee	0.63	17,458.19
Rating Agency: New Issue Fee	0.63	17,458.19
Rating Agency: Cap I Release Fee	-	-
Official Statement Printing / Distribution	0.13	3,491.64
Cash Flow Verification	0.13	3,491.64
LHC Expenses	-	-
Publishing/Advertising/Recording	0.05	1,454.85
Program Admin./Marketing/Misc.	0.52	14,548.49
Miscellaneous	0.10	2,909.70
Subtotal	5.73	159,451.51
Total Transaction Costs	15.64	435,444.76
		1.5641%

SECOND AMENDED AND RESTATED APPENDIX
Dated as of January 1, 2012

TO

INDENTURE OF TRUST
Dated as of November 1, 2009

securing

\$120,000,000
Louisiana Housing Finance Agency
GSE Program Single Family Mortgage Revenue Bonds
(Mortgage-Backed Securities Program)

Supplemental Indenture Appendix for Use with Single Family Escrow Bonds for the HFA
Initiative New Issue Bond Program

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APPENDIX TO INDENTURE

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.1 Appendix Definitions. The following terms shall, with respect to the Program Bonds, have the following meanings in this Appendix and the Indenture for so long as the Program Bonds remain Outstanding:

“Administrator” means U.S. Bank National Association, as administrator pursuant to that certain Administration Agreement by and among U.S. Bank National Association, Fannie Mae and Freddie Mac and concerning the administration of the Program, together with its successors and assigns in such capacity.

“Annual Base Rate” means, in connection with Program Bonds subject to a Release Date occurring prior to January 1, 2011, 3.88%, and, in connection with a Release Date occurring on or after January 1, 2011 and prior to January 1, 2012, the 10-year Constant Maturity Treasury Rate as of the close of business on December 9, 2010 or a date between December 2, 2010 and December 10, 2010, designated in advance by the Issuer, each as reported to the Trustee and Issuer by the Special Permanent Rate Advisor.

“Annual Filing” means the annual financial information required to be provided by the Issuer pursuant to a continuing disclosure undertaking of the Issuer pursuant to Rule 15c2-12, which information shall be provided to the GSEs pursuant to Section 5.3 hereof as and when required by Rule 15c2-12, whether or not Rule 15c2-12 applies to the Program Bonds.

“Appendix” means this Second Amended and Restated Supplemental Indenture Appendix dated as of January 1, 2012 for use with Single Family Escrow Bonds for the HFA Initiative New Issue Bond Program.

“Authorized Denominations” means \$5,000 and integral multiples thereof and, for purposes of initial issuance and redemption of Program Bonds, \$10,000 or any integral multiple of \$10,000 in excess thereof.

“Bond Counsel” means nationally recognized bond counsel selected by the Issuer.

“Bond Rating” means the long-term credit rating (without regard to any bond insurance or any other form of credit enhancement on the Bonds) assigned to the Program Bonds or Parity Debt by each Rating Agency then providing its long-term rating therefor. If more than one rating agency provides a rating, the “Bond Rating” is the lowest such rating.

“Ceiling Rate Pair” means, in connection with Program Bonds subject to a Release Date occurring on or after January 1, 2012, a pair of interest rates consisting of (i) the 10-year Constant Maturity Treasury Rate, as reported by Treasury as of the close of business on the 2011 Determination Date plus 60 basis points and (ii) the MMD Rate as of the close of business on the

2011 Determination Date plus 60 basis points, as such rates are certified to the Issuer by the Special Permanent Rate Advisor.

“Certificate of Adverse Change” means a written notice from or on behalf of the GSEs or the Issuer stating that one or more of the certificates or opinions required to be delivered by the Issuer pursuant to the Placement Agreement has been revised or withdrawn prior to the receipt by the Issuer of proceeds of the Program Bonds on the Settlement Date.

“Code” means the Internal Revenue Code of 1986, as amended.

“Combined Original LTV” means the aggregate original principal balance(s) of all mortgages on a property divided by its original appraised value or original purchase price, whichever is less.

“Conversion” or **“Converting”** or **“Converted”** means the conversion or the converting of the interest rate on all or a portion of the Pre-Conversion Bonds from a taxable Short-Term Rate to a tax-exempt Permanent Rate as provided herein.

“Conversion Date” means, with respect to all or a portion of Pre-Conversion Bonds that are converting to a Permanent Rate, the date two (2) months after the related Release Date; provided that there shall be no more than nine (9) Conversion Dates.

“Converted Bonds” means Program Bonds that have been through the process of Conversion.

“Cumulative Loss” means the dollar amount of losses realized on a portfolio of mortgages after taking into account recoveries from insurance proceeds, foreclosure or other disposition of the collateral.

“Debt” of any Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under capital leases, (e) all debt of others secured by a lien on any asset of such Person, whether or not such debt is assumed by such Person, and (f) all Guarantees by such Person of debt of other Persons.

“Debt to Income Ratio” means, for purposes of the reporting package referenced in Section 5.3 hereof, this is a front-end calculation that compares a borrower’s monthly Mortgage Expense (numerator) to the borrower’s monthly gross income (denominator).

“Determination Date” means, collectively, the 2011 Determination Date and the 2012 Determination Date.

“Escrow Fund” means the GSE Escrow Fund under the Indenture, which is created hereby as a separate, noncommingled fund in which the Trustee will hold the Pre-Conversion Bond proceeds until the applicable Release Date or until such Pre-Conversion Bonds are redeemed.

“Escrowed Proceeds” means the portion of the proceeds of the Pre-Conversion Bonds that, together with the Shortfall Amount, must be set aside in the Escrow Fund pending the related Release Date.

“Escrow Release Termination Date” means, subject to the GSEs’ right to consent to Release Dates, December 31, 2012, or any later date approved by Treasury and the GSEs in their sole discretion.

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

“FHA” means the Federal Housing Administration or its successors.

“Four Week T-Bill Rate” means the interest rate for Four Week Treasury Bills (secondary market) as reported by the Federal Reserve on its website at the following internet address -<http://www.federalreserve.gov/releases/h15/update/h15upd.htm>.

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

“GNMA” means the Government National Mortgage Association, a government-sponsored enterprise organized and existing under the laws of the United States.

“GSE” means either Fannie Mae or Freddie Mac or both, collectively, as the context may require.

“Guarantee” by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement condition or otherwise) or (b) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part).

“Hedge” means any interest rate swap, interest rate cap, interest rate collar or other arrangement, contractual or otherwise, which has the effect of an interest rate swap, interest rate collar or interest rate cap or which otherwise (directly or indirectly, derivatively or synthetically) hedges interest rate risk associated with being a debtor of variable rate debt, or any agreement or other arrangement to enter into any of the above on a future date or after the occurrence of one or more events in the future.

“HUD” means the United States Department of Housing and Urban Development.

“Indenture” means the Indenture of Trust dated as of December 1, 2009 by and between the Issuer and the Trustee, as supplemented and amended.

“Interest Payment Date” means, with respect to Pre-Conversion Bonds, each Release Date (but such Release Date shall be an Interest Payment Date only for that portion of Pre-Conversion Bonds with respect to which Escrowed Proceeds are subject to release on such date), each Conversion Date (but such Conversion Date shall be an Interest Payment Date only with respect to those Pre-Conversion Bonds which are to become, as of such date, Converted Bonds), and each redemption date. Interest Payment Dates for each Converted Bond shall be payment dates specified in a Supplemental Indenture (which dates will be not later than the fifteenth day of each month), including the Conversion Date and each redemption date.

“Market Bond Ratio Requirement” means the requirement, applicable only to Release Dates occurring before January 1, 2012, that the Issuer issue and deliver Market Bonds in conjunction with and as a condition to each Release Date, the principal amount of such Market Bonds being not less than two-thirds (2/3) of the principal amount of the Pre-Conversion Bonds the proceeds of which are proposed to be released on such Release Date.

“Market Bonds” means serial bonds and/or term bonds sold by the Issuer to public or private investors in accordance with standard bond underwriting practices that are issued in conjunction with the release of Program Bonds under the Indenture in order (i) to satisfy the conditions to the release of proceeds of some or all of the Program Bonds or (ii) to generate funds in addition to those provided by the proceeds of the Program Bonds.

“Material Event Filing” means event notices required to be provided by the Issuer pursuant to a continuing disclosure undertaking of the Issuer pursuant to Rule 15c2-12, which material event notices shall be provided to the GSEs pursuant to Section 5.3 hereof as and when required by Rule 15c2-12, whether or not Rule 15c2-12 applies to the Program Bonds.

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

“MMD Rate” means, as of the close of business on the relevant Determination Date, the 30-year “AAA” MMD rate published by Thompson Reuters; provided, however, that if such rate is below the 10-year Constant Maturity Treasury Rate, as reported by Treasury on the relevant Determination Date, the “MMD Rate” shall mean the greater of the 10-year Constant Maturity Treasury Rate or the 30-year Constant Maturity Treasury Rate, as reported by Treasury as of the close of business on such Determination Date.

“Mortgage Expense” means the monthly payment for mortgage principal and interest as well as any monthly mortgage insurance premium.

“Notice Parties” means the Administrator, Fannie Mae, Freddie Mac and Treasury’s Financial Agent.

“Notice Parties’ Addresses” means the addresses of the Notice Parties set forth in Section 6.1 hereof as modified from time to time pursuant to Section 6.1 hereof.

“Notification Date Rate Pair” means, in connection with Program Bonds subject to a Release Date occurring on or after January 1, 2012, a pair of interest rates consisting of (i) the 10-year Constant Maturity Treasury Rate, as reported by Treasury as of the close of business on the 2012 Determination Date and (ii) the MMD Rate as of the close of business on the 2012 Determination Date, as such rates are certified to the Issuer by the Special Permanent Rate Advisor.

“Official Statement” means an official statement or other offering document of the Issuer with respect to either the Program Bonds or the Market Bonds.

“Official Statement Supplement” means the supplement or amendment to the official statement of the Issuer relative to the Conversion of Program Bonds to Converted Bonds.

“Parity Debt” means, at any given time, Debt, including the Program Bonds, that is now or hereafter Outstanding under the terms of the Indenture; provided, that such Debt is secured and is otherwise payable on a parity with the Program Bonds pursuant to the Indenture.

“Permanent Rate” means, with respect to the principal amount of Pre-Conversion Bonds subject to release on the relevant Release Date, an interest rate per annum certified to the Trustee by the Special Permanent Rate Advisor on or prior to such Release Date equal to (i) with respect to Release Dates prior to December 31, 2011, the sum of (A) the 10-Year Treasury Rate plus (B) the Spread and, (ii) with respect to Release Dates on or after January 1, 2012, the sum of (A) the Weighted Average Life Rate plus (ii) the Spread.

“Permanent Rate Calculation Date” means the date on which the Permanent Rate is calculated with respect to all or a portion of the Program Bonds, which shall be, with respect to each applicable portion of the Pre-Conversion Bonds, the date on which the Special Permanent Rate Advisor notifies the Issuer and the Trustee of the Permanent Rate, which date shall be a date on or before the first business day at least seven (7) calendar days prior to the Release Date, provided that, if such date is prior to January 1, 2012, a bond purchase agreement must be executed with respect to the Market Bonds on or prior to such date for such Permanent Rate to be effective.

“Permitted Escrow Investments” means the investments represented by and provided pursuant to that certain Global Escrow Agreement by and among the GSEs, the Trustee and U.S. Bank National Association, as escrow agent.

“Person” means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity or organization, including a governmental or political subdivision or an agency or instrumentality thereof.

“Placement Agreement” means the Placement Agreement among the Issuer and the GSEs, concerning the acquisition of the Program Bonds from the Issuer, as amended by the modifications required under Article III of this Amended and Restated Appendix.

“Pre-Conversion Bonds” means Program Bonds for which the interest rate has not been the subject of a Conversion.

“Pre-Settlement Date” means December 21, 2009.

“Primarily Single Family Indenture” means an existing indenture having underlying single family mortgage loans and MBS constituting at least 70% of the underlying portfolio of mortgage loans held under the Indenture; said calculation to include underlying mortgage loans originated and anticipated to be originated in connection with the Program Bonds and to be calculated on the relevant calculation date.

“Program” means the Housing Finance Agency Initiative New Issue Bond Program announced by Treasury on October 19, 2009.

“Program Bonds” means the Program Bonds authorized to be issued pursuant to Section 2.02(a) of the Indenture and Section 2.1 of this Appendix, and includes Pre-Conversion Bonds and Converted Bonds.

“RDA” means the Rural Development Agency of the United States Department of Agriculture or its successors.

“Related Documents” means this Appendix, and the related Supplemental Indenture, the Program Bonds, the Indenture, any investment agreement or repurchase agreement relating to security for Parity Debt, any surety bond or other credit or liquidity support relative to Parity Debt, and any Hedge entered into with respect to Parity Debt and payable on a parity therewith, as the same may be amended or modified from time to time in accordance with their respective terms.

“Release Date” means such date or dates (not to exceed nine (9) dates, no more than one of which may occur in any 30-day period) on or prior to the Escrow Release Termination Date and which dates are acceptable to the GSEs, on which dates the proceeds of the related Market Bonds, if any, are delivered to the Trustee and the other requirements hereunder are satisfied, including, without limitation, delivery of the Market Bond Ratio Requirement Compliance Certificate attached hereto as Exhibit B, if applicable. For purposes of determining the number of Release Dates, each delivery by the Issuer of a Notification of Interest Rate Conversion shall be counted as a Release Date regardless of whether the related Release Date actually occurs or is postponed, unless the GSEs elect not to treat failure to satisfy the conditions relative to a particular Release Date against the total Release Date limit.

“Rule 15c2-12” means Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

“Settlement Date” means December 23, 2009.

“Shortfall Amount” means the difference, as of the Settlement Date, between the proceeds of the Program Bonds to be received on such Settlement Date and the initial principal amount of such Program Bonds.

“Short-Term Rate” means, (i) for the period from the Settlement Date to the applicable Release Date, the interest rate which produces an interest payment on such Release Date relative to the Program Bonds with respect to which Escrowed Proceeds are subject to release on such

Release Date equal to Investment Earnings and (ii) from the Release Date to the Conversion Date, an interest rate equal to the sum of the Spread plus the lesser of (A) the Four Week T-Bill Rate as of the second Business Day prior to the Release Date or (B) the Permanent Rate less the Spread. For purposes of this provision, “*Investment Earnings*” means total investment earnings on the portion of the Escrow Fund related to Program Bonds with respect to which a Release Date is occurring.

“***Single Family Program Bond Limit***” means the amount of \$120,000,000 that has been allocated to the Issuer with respect to the Program Bonds.

“***Special Permanent Rate Advisor***” means State Street Bank and Trust Company, and any successor or assign designated by Treasury.

“***Spread***” means additional per annum interest on the Program Bonds based upon the lowest Bond Rating effective as of the Permanent Rate Calculation Date to the Program Bonds under the Indenture by the rating agencies rating the Program Bonds, as follows:

Rating	Additional Spread
‘Aaa’/‘AAA’	60 bps
‘Aa’/‘AA’	75 bps
‘A’	110 bps
‘Baa’/‘BBB’	225 bps

“***Supplemental Indenture***” means a supplemental indenture entered into under Section 10.01 of the Indenture.

“***10-Year Treasury Rate***” means the lower of (i) the Annual Base Rate, or (ii) the lowest 10 Year Constant Maturity Treasury rate, as reported by Treasury as of the close of business on any business day during the period beginning on the business day immediately prior to receipt by the Notice Parties of the Notification of Interest Rate Conversion, and ending on the first business day not less than eight (8) days prior to the related Release Date. *Provided, however*, (1) if such Notification of Interest Rate Conversion is amended after its submission to provide for a later Release Date, clause (ii) above shall read as follows: the lowest 10 Year Constant Maturity Treasury rate, as reported by Treasury as of the close of business on any business day during the period beginning on the business day immediately prior to receipt by the Notice Parties of the amended Notification of Interest Rate Conversion, and ending on the first business day not less than eight (8) days prior to the related Release Date, and (2) if the Notification of Interest Rate Conversion is received by the Notice Parties in 2010 for a Release Date in 2011, clause (ii) above shall read as follows: the lowest 10 Year Constant Maturity Treasury rate, as reported by Treasury as of the close of business on any business day during the period beginning on January 1, 2011 and ending on the first business day not less than eight (8) days prior to the related Release Date. The 10 Year Constant Maturity Treasury rate shall be established by reference to the Daily Treasury Yield Curve Rates published by Treasury, currently available on its website at: <http://www.ustreas.gov/offices/domestic-finance/debt-management/interest->

rate/yield.shtml, and as certified to the Issuer and/or the Trustee by the Special Permanent Rate Advisor.

“Treasury” means the United States Department of the Treasury.

“Treasury’s Financial Agent” means JPMorgan Chase Bank, N.A., as Treasury’s financial agent, or such other party as Treasury may appoint for such purpose from time to time.

“Trial Balance” means, for the purposes of the reporting package referenced in Section 5.3 hereof, a report specific to the Indenture pursuant to which Program Bonds are outstanding, setting forth amounts held in each of the funds and accounts under the Indenture and providing reasonable detail as to how the monies are invested.

“2011 Determination Date” means (i) the preceding business day relative to any date between December 1, 2011 and December 9, 2011, inclusive, selected by the Issuer on or before such date by e-mail request to HFAInitiative@SSgA.com with a copy to JPM.HFA@jpmorgan.com or (ii) if no such selection is made by the Issuer, December 8, 2011.

“2012 Determination Date” means the business day immediately prior to submission by the Issuer of a Notification of Interest Rate Conversion.

“VA” means the United States Department of Veterans Administration or its successors.

“Volume Cap” means tax-exempt bond volume cap as described in Section 146 of the Code.

“Weighted Average Life” means the weighted average life of a series of Program Bonds as certified by the Issuer at least nine (9) calendar days prior to the applicable Release Date based solely on the maturity dates and mandatory sinking fund redemptions and/or mandatory principal pass-through amounts applicable to such Program Bonds.

“Weighted Average Life Rate” means the lower of the two index rates (R) to be found by calculating for both the Ceiling Rate Pair and the Notification Date Rate Pair (rounded to the nearest basis point) the linearly interpolated point between the rates in that pair utilizing the Weighted Average Life. Specifically, for each of the Ceiling Rate Pair and the Notification Date Rate Pair, the Weighted Average Life Rate will equal:

$R^* = CMT_{10} + \frac{WAL - 10}{20} (MMD_{30} - CMT_{10})$
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If the Weighted Average Life is less than 10 years, the Weighted Average Life Rate shall equal the lower of the 10-year Constant Maturity Treasury Rate-based rates in the Ceiling Rate Pair and the Notification Date Rate Pair. *Consistent with the definition of “Ceiling Rate Pair,” in the above formula, (i) the Ceiling Rate Pair CMT₁₀ and MMD₃₀ rates shall be increased by 60 basis points, and (ii) “MMD₃₀” shall mean the MMD Rate, as defined herein.

Section 1.2 Inconsistent Defined Terms. To the extent that any defined terms contained in Section 1.1 hereof are inconsistent with any terms in the Indenture (without regard to this Appendix), the defined terms contained herein shall control with respect to the Program Bonds.

Section 1.3 Other Defined Terms. Other capitalized terms contained in this Appendix and not otherwise defined herein, shall have the same meanings ascribed thereto in the Indenture.

ARTICLE II

TERMS OF PROGRAM BONDS

Section 2.1 Date, Maturities and Denominations.

(a) **Program Bonds.** The Program Bonds shall be dated December 21, 2009, shall bear interest from the Settlement Date and shall mature on the dates and in the principal amounts set forth below, except as otherwise provided herein:

Maturity	Principal Amount
December 1, 2041	\$120,000,000

(b) **Denominations.** The Program Bonds shall be issued only in Authorized Denominations and each Release Date shall apply to Program Bonds in Authorized Denominations.

Section 2.2 Interest Rates. Each Pre-Conversion Bond shall bear interest at the Short-Term Rate from the Settlement Date to the related Conversion Date. The interest rate on some or all of the Pre-Conversion Bonds may be Converted on a Conversion Date to a Permanent Rate in accordance with the provisions hereof. Interest shall be payable on each Interest Payment Date. From and after the Release Date, the Program Bonds shall bear interest on the basis of a 360-day year consisting of twelve 30-day months.

Section 2.3 Release and Conversion.

(a) **General.** A Conversion may involve all or only a portion of the Pre-Conversion Bonds, provided that such Pre-Conversion Bonds may only be Converted in integral multiples of \$10,000. Any particular portion of a Pre-Conversion Bond may be Converted to a Permanent Rate only once. The Issuer may exercise its right of Conversion on no more than nine (9) occasions and must cause each related Release Date to occur on or prior to the Escrow Release Termination Date. If Pre-Conversion Bonds are Converted to Permanent Rates in part on different dates, each portion of such Program Bond may bear interest at different Permanent Rates based on their respective Conversion Dates.

(b) ***Release Requirements.***

(i) On or Prior to a Permanent Rate Calculation Date.

(A) On or prior to the date which is twenty-one (21) days prior to a proposed Permanent Rate Calculation Date, the Issuer shall notify the Trustee, the Notice Parties (at the Notice Parties' Addresses) and the Rating Agencies, pursuant to Exhibit A hereto, of (I) the proposed Release Date (which may not be a date more than sixty (60) days following the date on which a Notification of Interest Rate Conversion is delivered to the Notice Parties hereunder), (II) the proposed Conversion Date, (III) the principal amount of Pre-Conversion Bonds to be Converted on such Conversion Date, (IV) the proposed Permanent Rate Calculation Date and (V) the Bond Rating anticipated to be in effect on the Release Date. On a business day which is at least nine (9) calendar days prior to a proposed Release Date, the Issuer shall submit to the Notice Parties and the Trustee a schedule of maturity dates and sinking fund redemptions and/or mandatory principal pass-through amounts relative to the Program Bonds to be converted, as well as a certification by the Issuer of the Weighted Average Life of such Program Bonds.

(B) On the Permanent Rate Calculation Date, the Issuer shall deliver to the Trustee, with copies to the Notice Parties, (I) a copy of the executed bond purchase agreement delivered with respect to the Market Bonds, if required pursuant hereto, and (II) the Preliminary Official Statement with respect to the Market Bonds, if required pursuant hereto (with the final Official Statement to be provided as soon as it is available).

(ii) On or prior to a Release Date. The Issuer shall deliver or cause to be delivered to the Trustee on or prior to any Release Date, the following:

(A) the certification of the Special Permanent Rate Advisor specifying the Permanent Rate Calculation Date and the Four Week T-Bill Rate, Spread and Permanent Rate applicable to the relevant Conversion;

(B) the Official Statement for the Market Bonds, if any, and the Official Statement or Official Statement Supplement for the Program Bonds, which is required to exactly reflect the schedule submitted by the Issuer pursuant to Section 2.3(b)(i)(A) hereof;

(C) (I) an opinion or opinions of counsel and a certificate of an authorized officer of the Issuer to the effect that nothing has come to their attention that the Official Statement or Official Statement Supplement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances in which there were made, not misleading and (II) a letter or letters from the counsel referenced in the foregoing clause (I) addressed to the GSEs stating that the GSEs may rely on such opinion as though it was addressed to them;

(D) confirmation by the Rating Agencies of the Bond Rating on the applicable Program Bonds after giving effect to the Release Date and related Conversion;

(E) an opinion of Bond Counsel dated as of the Release Date to the effect that the applicable Program Bonds have been duly and validly issued and are enforceable obligations of the Issuer and that interest payable on such Program Bonds is exempt from federal income taxation under Section 103 of the Code;

(F) evidence, relative to any Release Date occurring before January 1, 2012, that the principal amount of the Market Bonds is in an amount of not less than two-thirds (2/3) of the applicable portion of the principal amount of the Program Bonds being Converted;

(G) a certificate of the Issuer, attached as Exhibit B hereto, specifying (I) the principal amount of the related Program Bonds to be Converted, (II) the related Market Bonds, if any, and their maturity dates, interest rates and principal amounts, (III) the amount of the proceeds of the Market Bonds, if any, and the amounts to be released from the Escrow Fund in connection with such Conversion, (IV) the applicable Conversion Date, (V) the Release Date and (VI) the principal amount of the Pre-Conversion Bonds which will not be Converted as part of the related Conversion; and

(H) a certificate of the GSEs, evidencing (I) their consent to the Release Date, (II) that the Issuer has paid or made arrangements to pay the fees of the GSEs' counsel in connection with the modification term sheets released on November 23, 2011 and in connection with the Release Date and (III) if the Escrowed Proceeds are being used, in whole or in part, to refund outstanding bonds of the Issuer, satisfaction with the mortgage loan collateral to be transferred as security for the Program Bonds.

The Trustee shall provide via e-mail and delivery by overnight mail (x) to the Notice Parties at the Notice Parties' Addresses copies of items (ii) (A) through (H) above and (y) to the Issuer and the Notice Parties at the Notice Parties' Addresses, confirmation, as set forth in Exhibit C hereto, that the interest rate of the related Program Bonds shall be Converted to the specified Permanent Rate as of the specified Conversion Date and that the related bond proceeds shall be released to the Issuer on the specified Release Date in accordance with the provisions of this Appendix. The foregoing are in addition to, and not in lieu of, the requirements relating to the issuance of additional Bonds under the Indenture with respect to the Market Bonds and the conversion of the Program Bonds.

Section 2.4 Reserved

Section 2.5 Taxable Bond Representation. The Issuer hereby represents and warrants that (i) it reasonably expects to have Volume Cap, to the extent necessary for the Program Bonds

to be tax-exempt, on a timely basis and in a manner which shall permit the Conversion of all Program Bonds to a Permanent Rate and the release of all Escrowed Proceeds by the Escrow Release Termination Date and (ii) the Issuer shall use its best efforts to obtain such Volume Cap, if necessary. The Issuer further represents and warrants that all tax-exempt Program Bonds issued hereunder shall be qualified mortgage bonds within the meaning of Section 143 of the Internal Revenue Code of 1986. The Issuer agrees and acknowledges that the adjustment of interest on Program Bonds from taxable status to tax-exempt status may not be accomplished through a refunding and remarketing of the Program Bonds, and the Issuer represents and warrants that the conversion of such Program Bonds to tax-exempt status will not be accomplished by such means.

Section 2.6 Special Redemptions.

(a) *Pre-Conversion Bonds.*

(i) *Failure to Convert.* Any Pre-Conversion Bonds with respect to which a Release Date has not occurred on or prior to the Escrow Release Termination Date are subject to mandatory redemption on the first day of the first month which commences at least 20 days following the Escrow Release Termination Date (or an earlier date selected by the Issuer), at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date.

(ii) *Withdrawal of Closing Certificates.* The Program Bonds are subject to mandatory redemption in whole, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest, on the first Business Day at least thirty (30) days after the Settlement Date, if there is delivered by mail or by electronic means to the Trustee on or prior to the Settlement Date a Certificate of Adverse Change and the GSEs have not, prior to the date 20 days following the Settlement Date, provided the Trustee a written waiver.

(b) ***Pre-Conversion Bonds Not Meeting Minimum Rating Thresholds.*** Within ten (10) Business Days of receipt by the Trustee of notice that the Bond Rating has been withdrawn or fallen below 'Baa3' or 'BBB-', all proceeds that are held in the Escrow Fund shall be used to mandatorily redeem a corresponding amount of Pre-Conversion Bonds, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest, to the redemption date. The Issuer hereby covenants to provide such notice to the Trustee promptly upon receipt by the Issuer of notice of any such withdrawal or downgrade.

(c) ***Available Moneys for Redemptions.*** With respect to the redemptions set forth in (a) and (b) above, moneys still on deposit in the Escrow Fund shall be used for any such redemption; if Escrow Fund moneys are not sufficient, then any available moneys under the Indenture shall also be used for any such redemption.

Section 2.7 Redemption Restrictions and Recycling Prohibition. Except as limited by tax law requirements, the Issuer shall apply the following exclusively to the redemption of

Program Bonds: (i) all proceeds of the Program Bonds, to the extent not used to acquire mortgage loans or MBS, refund outstanding bond issues as herein provided, pay Program Bond issuance expenses or fund related reserve accounts and (ii) so long as any Market Bonds remain Outstanding, a pro rata portion (calculated based on the Outstanding principal amount of the Program Bonds and the Outstanding principal amount of the Market Bonds) of all principal prepayments and recoveries of principal received with respect to the mortgage loans or MBS acquired or financed with the proceeds of the Program Bonds and the Market Bonds, to the extent not used to pay scheduled principal, interest or sinking fund redemptions (which must be structured in accordance with the requirements of Section 2.8) on Program Bonds, Market Bonds or other bonds issued in conjunction with and secured by the Trust Estate on a parity with the Program Bonds. Amounts set forth in clause (ii) are required to be applied to the redemption of Program Bonds promptly and as provided above shall not be recycled into new mortgage loans or MBS. If more than one series of Program Bonds is Outstanding hereunder, the provisions of clauses (i) and (ii) shall be applied to each series in isolation such that amounts applied pursuant hereto to the redemption of Program Bonds shall be applied to the redemption of the series of Program Bonds which funded the applicable unused proceeds or which funded the mortgage loans or MBS prepayments or recoveries of principal giving rise to such redemption, as the case may be.

Section 2.8 Mandatory Sinking Fund Redemption. Program Bonds are subject to mandatory sinking fund redemption in the amounts and on the dates to be established by the Issuer not later than the final Release Date. The Issuer hereby covenants to establish such sinking fund schedules as herein provided. Each such redemption shall be at a price of par, plus accrued interest to the redemption date. The schedules described above shall take into account anticipated underlying mortgage loan amortization, and standard and customary practices of the Issuer in connection with combined serial bond and term bond issuances. Notwithstanding anything to the contrary herein, the Issuer shall not structure sinking fund schedules relative to the Program Bonds or any other bonds secured by the Trust Estate which assume any unscheduled prepayments of mortgage loans or MBS. Unscheduled prepayments will be applied to redemption of bonds as provided in Section 2.7 which may be modified to provide for pass-through of principal payments. Except as otherwise required to maintain the rating on a series of Program Bonds, Program Bond mandatory sinking fund redemption schedules shall be adjusted, in the event of any unscheduled redemption of Program Bonds subject to such sinking fund redemption (as nearly as practicable, taking into account authorized denominations), by reducing each remaining scheduled sinking fund payment by a factor equal to the principal amount of such unscheduled redemption of Program Bonds subject to such sinking fund redemption divided by the aggregate principal amount of Program Bonds Outstanding prior to such redemption (after giving effect to any scheduled redemption occurring on or prior to such redemption date). The Trustee shall, within thirty (30) days of any such unscheduled principal redemption, provide notice, in a format acceptable to the GSEs, to the Notice Parties of the revised sinking fund redemption schedule calculated in accordance herewith.

Section 2.9 Optional Redemption. Program Bonds are subject to redemption at the option of the Issuer, in whole or in part, from any source of funds, on the first Business Day of any month, at a redemption price equal to 100% of the principal amount thereof, without premium, plus accrued interest, if any, to the redemption date.

Section 2.10 Changes Permitted Upon Conversion. In conjunction with the Conversion of Pre-Conversion Bonds, on or prior to the Release Date, the Issuer may add mandatory sinking fund redemption requirements to such Program Bonds, may agree to pay the principal of such Program Bonds prior to their stated maturity and may issue additional Market Bonds (whether or not as part of the same federal tax financing plan), which Market Bonds may mature before or after the Program Bonds or be redeemed after the Program Bonds.

Section 2.11 Redemption Notice Requirements. In addition to any other required notices under the Indenture, written notice of each redemption of Program Bonds shall be simultaneously provided by the Trustee to the Notice Parties, such notice to be provided by e-mail to the Notice Parties' Addresses on the form attached hereto as Exhibit H. Redemption of Program Bonds shall not be conditioned on or delayed for the giving of such notice, which shall be provided to the Notice Parties at the Notice Parties' Addresses at least ten (10) days in advance of the date of such redemption (or such lesser period as is required under the Indenture). All redemptions of Program Bonds shall be only in Authorized Denominations.

Section 2.12 DTC Provisions.

(a) The Trustee shall take all actions reasonably required by the Issuer, in accordance with the policies and procedures of the Depository Trust Company, New York, New York ("DTC") to assist the Issuer in the DTC aspects of the settlement process in connection with the Pre-Settlement Date, the Settlement Date, the Release Date and the Conversion Date.

(b) The Program Bonds shall initially be issued to Cede & Co., as nominee for DTC, as one fully registered Bond in the aggregate principal amount of each series of the Program Bonds. In connection with a Release Date for any of the Program Bonds, the Trustee may either accept a replacement bond certificate or make an appropriate notation thereon of the principal amount of such Program Bond certificate and the Permanent Rate to which such Bonds are being Converted and the Release Date and the Conversion Date applicable thereto.

If less than all of the Pre-Conversion Bonds are the subject to a particular Release Date, the Issuer and the Trustee may arrange for the delivery of a new Program Bond certificate in an aggregate principal amount equal to the principal amount of Program Bonds for which a Release Date was established, as well as either a notation of a reduction of the principal amount of the Program Bond representing Escrowed Proceeds or the delivery of a new Bond in such reduced principal amount representing Escrowed Proceeds. If a new Program Bond at such a reduced principal amount representing Escrowed Proceeds is so delivered, it shall be exchanged for the existing Program Bond representing Escrowed Proceeds. The Issuer shall arrange for a CUSIP number applicable to each Release Date, which CUSIP number the Trustee shall also note on the Program Bond certificate.

In the event DTC determines to discontinue providing its services and a successor securities depository for all the Program Bonds is not designated, the Issuer and the Trustee shall arrange for the delivery of a single certificate for each series of the Program

Bonds as fully registered bonds. Each such fully registered Program Bond shall be identified by a legend consisting of the letter “R” followed by the number of the Bond. The Program Bonds shall be numbered consecutively from 1 upwards.

Section 2.13 Market Bond Requirements.

(a) **General.** The Issuer is, relative to any release of Escrowed Proceeds occurring prior to January 1, 2012, required to issue Market Bonds under the Indenture in connection with the Program Bonds in order to cause the release of Escrowed Proceeds of Program Bonds as described herein. The Issuer represents that it reasonably expects to meet all requirements contained herein relative to the release of Escrowed Proceeds of all Program Bonds issued hereunder prior to the Escrow Release Termination Date.

(b) **Amortization.** The Issuer shall not issue Market Bonds with ‘super sinkers,’ planned amortization classes or other priority allocation class rights unless such provisions retain for application to the redemption of the Program Bonds at least a pro rata portion of any prepayments or other recoveries of principal relative to mortgage loans funded or MBS purchased with proceeds of the Program Bonds specified in Section 2.7 hereof.

(c) **Mortgage Loan Prepayments.** Prepayments received on the underlying mortgage loans financed with proceeds of the Program Bonds and the related Market Bonds, if any, shall be applied at least on a pro rata basis to redemption of such Program Bonds pursuant to Section 2.7 hereof.

Section 2.14 Treasury Consent Fee. The Issuer hereby agrees to remit to Treasury, as directed by the GSEs, on or before January 15 of each year, beginning January 15, 2011, the fee (the “Treasury Consent Fee”) accruing the previous calendar year. The Treasury Consent Fee shall accrue on a monthly basis beginning September 1, 2010 in an amount equal to one-twelfth of 1 basis point ($\frac{1}{12}$ of .01%) of the total amount of outstanding Program Bonds as of the end of the previous calendar month. The Treasury Consent Fee shall be payable from amounts available for this purpose under the Indenture or from any other legally available funds of the Issuer.

Section 2.15 Treasury Non-Conversion Fee. The Issuer hereby agrees to remit to Treasury, as directed by the GSEs, a fee equal to .30% per annum accruing from and after April 1, 2012, calculated on the basis of a 365- or 366-day year, as applicable, from April 1, 2012 to the date on which Escrowed Proceeds are applied to the redemption of Program Bonds. Such fee shall be calculated on the principal amount of Program Bonds redeemed with Escrowed Proceeds released from escrow for such purpose, and shall be payable on the date of such redemption.

ARTICLE III

PROCEEDS OF PROGRAM BONDS

Section 3.1 Escrow of Proceeds of Program Bonds.

(a) ***Escrowed Proceeds.*** The proceeds of the Program Bonds and the Shortfall Amount shall be retained in the Escrow Fund for application as set forth herein.

If the Trustee has received a Certificate of Adverse Change, all the proceeds of the Program Bonds, together with the Shortfall Amount, shall be retained in the Escrow Fund until either the written waiver referenced in Section 2.6(a)(ii) is delivered or the Program Bonds are redeemed as provided in such Section.

In addition, the proceeds of the Program Bonds and the Shortfall Amount shall be retained in the Escrow Fund until the requirements of Section 2.3 hereof are satisfied or until applied to the redemption of the Program Bonds pursuant hereto. The Escrowed Proceeds and the Shortfall Amount held in the Escrow Fund shall be pledged exclusively to the repayment of the Program Bonds unless and until there is a default under the Indenture, in which case such funds will be applied as required by the Indenture. While such proceeds are held in the Escrow Fund, such proceeds may only be invested in Permitted Escrow Investments.

(b) ***Conversion and Release of Escrowed Proceeds.*** Upon the satisfaction of the requirements of Section 2.3 and to the extent provided therein, the released Escrowed Proceeds shall be transferred to the Acquisition Account of the Program Fund.

Section 3.2 Use of Proceeds of Program Bonds.

(a) ***Use of Proceeds.*** The proceeds received from the release of Escrowed Proceeds in connection with Program Bonds shall be used only to redeem Program Bonds or as follows:

(i) to acquire and finance the holding of single family loans or single-family MBS which are either newly originated or refinanced, so long as all such loans are eligible to be financed on a tax-exempt basis under applicable federal income tax law (“eligible loans”);

(ii) to refund, as fixed rate bonds, any of the Issuer’s variable rate debt (including, but not limited to, auction rate securities issued and outstanding on or prior to October 19, 2009 or refund an issue that did so, so long as such debt was, in turn, issued to acquire and finance the holding of eligible loans; the use of proceeds for such a refunding purpose shall be limited to 30% of the net proceeds of the Program Bonds; the restrictions on refundings herein shall not apply to either (A) the use of proceeds to repay ‘warehouse credit lines’ used to acquire mortgage loans and MBS or (B) ‘replacement refundings’ where proceeds of Program Bonds are exchanged dollar-for-dollar for unexpended tax-exempt bond

proceeds and/or mortgage loan prepayments so long as all proceeds of related Market Bonds are exchanged first for such purpose; and

(iii) to fund reasonably required reserves and pay costs of issuance of the Program Bonds in accordance with the requirements and limitations of applicable federal tax law.

The proceeds of the Program Bonds shall not be used for essential governmental functions within the meaning of Section 115 of the Code or qualified veterans mortgage bonds under Section 143 of the Code, or by Section 501(c)(3) organizations.

(b) **Taxable Bonds.** Proceeds of Program Bonds issued as taxable bonds hereunder may not be released from the Escrow Fund unless and until there is delivered to the Trustee and the GSEs the opinion of Bond Counsel required pursuant to Section 2.3(b) hereof.

ARTICLE IV

SPECIAL GSE RIGHTS

Section 4.1 Removal of Trustee. No successor Trustee under the Indenture shall be appointed under the Indenture without written notice to the Notice Parties at the Notice Parties' Addresses and without the prior written consent of the GSEs, which consent shall not be unreasonably withheld.

Section 4.2 GSEs as Third-Party Beneficiaries. Each GSE is intended to be and shall be a third-party beneficiary of this Appendix and the Indenture, and each GSE shall have the right (but not the obligation) to enforce, separately or jointly with the Trustee or cause the Trustee to enforce, the provisions of this Appendix.

ARTICLE V

COVENANTS

Section 5.1 Special Issuer Covenants. The Issuer hereby covenants that, so long as the Program Bonds are Outstanding, it shall:

(a) if any Program Bonds are not issued on a tax-exempt basis, use its reasonable best efforts to obtain Volume Cap allocations as needed for such Program Bonds on or prior to the Escrow Release Termination Date;

(b) not permit the aggregate principal amount of the Program Bonds issued hereunder to exceed the Single Family Program Bond Limit;

(c) not allow the aggregate principal amount of Market Bonds and Program Bonds to exceed the reasonable expectations requirement applicable to tax-exempt mortgage revenue bonds;

(d) not issue new Bonds under the Indenture in a variable rate demand, adjustable rate or auction rate mode other than Program Bonds during the period such Program Bonds bear interest at the Short-Term Rate;

(e) take all steps necessary to assure that all assets and revenues of any description pledged to the payment of the Program Bonds and all other Bonds issued under the Indenture shall be applied strictly in accordance with, and solely for the purposes and in the amounts specified and permitted by, the terms of the Indenture;

(f) not exercise any rights it may have to make voluntary withdrawals of cash or other assets from the lien of the Indenture except under the following circumstances and within the following limits:

(i) the Issuer may withdraw cash from the Indenture to pay ordinary and customary administrative and operating expenses of the Issuer, ordinary and customary operating expenses of any of the indentures of the Issuer (such as, for example, fees and payments due on an interest rate swap entered into by the Issuer) and to fund or reimburse the cost of programs sponsored by the Issuer, subject to each of the following requirements:

(A) either:

(1) the cumulative amount of such withdrawals does not exceed the cumulative withdrawals as projected to the date of such withdrawal in the cash flows most recently submitted to the rating agencies in connection with the then current long term rating of the Program Bonds; or

(2) prior to and as a condition to such withdrawal, the Issuer obtains and furnishes to the Administrator and to Treasury's Financial Agent a confirmation from each of the rating agencies maintaining ratings on the Program Bonds that the proposed withdrawal will not adversely affect such ratings; and

(B) prior to and as a condition to such withdrawal, the Issuer provides a written certification to the Administrator and to Treasury's Financial Agent specifying the amount and purpose of the withdrawal and that all requirements of this paragraph (f)(i) have been met with respect to such withdrawal.

In spite of anything to the contrary contained in this paragraph (f)(i), no withdrawals whatsoever shall be made under this paragraph (f)(i) during any period when any of the ratings on the Program Bonds are below the level of "Baa3" or "BBB-" or has been suspended or withdrawn;

(ii) the Issuer may withdraw cash or other assets from the Indenture for any purpose of the Issuer other than as set out in paragraph (f)(i) above, subject to each of the following requirements:

(A) prior to and as a condition to such withdrawal, the Issuer obtains and furnishes to the Administrator and to Treasury's Financial Agent a confirmation from each of the rating agencies maintaining ratings on the Program Bonds that the rating on the Program Bonds will be not less than AAA/Aaa with a rating outlook that is either "stable" or "positive" or the equivalent;

(B) the cash or other assets withdrawn from the lien of the Indenture pursuant to this paragraph (f)(ii) are retained by the Issuer within its funds and accounts or are expended to further the mission or otherwise for the benefit of the Issuer; and

(C) prior to and as a condition of such withdrawal, the Issuer provides a written certification to the Administrator and to Treasury's Financial Agent specifying the amount and purpose of the withdrawal and that all requirements of this paragraph (f)(ii) have been met with respect to such withdrawal.

(f) with respect to the purchase, origination, enforcement and servicing of mortgage loans and MBS, the Issuer shall:

(i) originate or cause to be originated, and, if applicable, purchased, mortgage loans and purchase, or cause to be purchased, MBS in a manner consistent with applicable state law, the Indenture and any supplements thereto, and such other related documents by which the Issuer is bound,

(ii) cause all mortgage loans to be serviced pursuant to the servicing requirements of the Issuer, GNMA, FHA, Fannie Mae and Freddie Mac, as applicable,

(iii) except as otherwise permitted by Treasury or the GSEs, diligently take all steps necessary or desirable to enforce all terms of the mortgage loans, MBS, loan program documents and all such other documents evidencing obligations to the Issuer, and

(iv) diligently take all actions consistent with sound mortgage loan origination, purchase and servicing practices and principles as may be necessary to receive and collect sufficient revenues to pay debt service when due on the Program Bonds;

(g) not issue any bonds senior in priority to the Program Bonds and the Issuer represents and warrants that the Program Bonds are at least equal in priority with respect to payment and security to the most senior Outstanding Bonds under the Indenture.

Section 5.2 Covenants Regarding Administration of Indenture and Program Bonds.

The Issuer hereby covenants, so long as the Program Bonds remain Outstanding, that it shall:

(a) not amend, supplement or otherwise modify in any material respect the Indenture, this Appendix or any other Related Document without the prior written consent of the GSEs; provided, however, that the consent of the GSEs shall not be required with respect to supplements entered into solely for the purpose of providing for the issuance of a series of Bonds pursuant to the Indenture, except as provided in Section 5.1(d) hereof. With respect to Indenture amendments, the determination of the GSEs as to the materiality of an amendment shall be controlling;

(b) not permit any funds invested under the Indenture to be invested in obligations, securities or other investments of a type not included within the categories permitted for such purposes in the Indenture;

(c) not enter into any Hedge relating to bonds issued under, or secured by revenues or other assets pledged under, the Indenture without the prior written consent of the GSEs;

(d) not permit any swap termination fees to be payable on a basis senior to or on a parity with the Program Bonds;

(e) not permit any principal payment, principal prepayments and other recoveries of principal received with respect to that portion of any mortgage loans financed with the proceeds of Program Bonds to be recycled into new mortgage loans; and

(f) not permit the Indenture to fail to meet the definition of a “Primarily Single Family Indenture.”

Section 5.3 Reporting Requirements.

(a) ***Books and Records; GAAP.*** The Issuer shall keep proper books of record and account in which full, true and correct entries will be made of all dealings and transactions of or in relation to affairs, operations, transactions and activities of the Issuer in accordance with generally accepted accounting principles applicable to governmental entities, consistently applied.

(b) ***Information Reporting.*** The Issuer agrees to furnish to the GSEs a copy of each of the following for each period after and including the third calendar quarter of 2010:

(i) *Periodic Reports and Related Certifications:*

(A) **Issuer Financial Statements.**

(1) ***Annual Issuer Financial Statements with Audit.*** On the earlier of (i) 180 days after the end of each fiscal year of the Issuer and (ii) the day such information is first made available to the general public,

the financial statements of the Issuer consisting of a balance sheet of the Issuer as at the end of such period, a statement of operations, a statement of cash flows of the Issuer for such period and a statement of the changes in net assets of the Issuer for such period. The financial statements referred to above shall be set forth in reasonable detail and shall be accompanied by an audit report of the Issuer's auditor or nationally recognized independent certified public accountants stating that they have (except as noted therein) been prepared in accordance with generally accepted accounting principles consistently applied.

(2) Interim Issuer Financial Statements.

(a) For any quarter, semi-annual period or other interim portion of a fiscal year for which the Issuer produces a full or partial financial statement (such as a balance sheet or income statement), or a financial report that is materially similar to a full or partial financial statement ("Interim Financial Statement"), a copy of that Interim Financial Statement. This paragraph (2) is intended to apply to such time or times when the Issuer produces such information generally in the form of a financial statement, whether it does so now or at any time or times in the future. This paragraph (2) does not require the presentation of such information in a particular form, or require the Interim Financial Statements to include particular items or to be audited or to conform to any set of financial accounting rules. Interim Financial Statements shall be due not later than 30 days after they are prepared.

(b) If the Issuer does not prepare an Interim Financial Statement for a quarter, semi-annual period or other interim portion of a fiscal year, it shall provide the certification to that effect required by subsection (B)(3) below on a quarterly basis.

(c) If the Issuer prepares one or more reports of financial information regarding itself quarterly, semi-annually or for some other interim portion of its fiscal year ("Interim Report"), but does not believe that the Interim Report constitutes an Interim Financial Statement or that the Issuer may not legally provide a copy of the Interim Report to the GSEs, the Issuer shall promptly and candidly discuss the related issues with the GSEs. The GSEs agree to conduct such discussion and to consider the Issuer's concerns and limitations in a fair and reasonable manner. The Issuer and the GSEs agree to reach a mutual agreement regarding the provision of Interim Reports to the GSEs in a fair and reasonable manner which balances the interests and concerns of the parties.

(B) Additional Items to Accompany Financial Statements.

Simultaneously with the delivery of each set of the financial statements referred to in subsection (A) above (or should Subsection (A)(2)(b) above apply, within 30 days of the close of each of its financial quarters), a certificate of the Issuer in the form of Exhibit D:

(1) stating that the Issuer is in material compliance with all covenants set forth in the Indenture;

(2) stating whether there exists on the date of such certificate any default or Event of Default under any of the Related Documents and, if so, the details thereof and the action which the Issuer is taking or proposes to take with respect thereto; and

(3) if subsection (A)(2)(b) above applies, stating that the Issuer does not prepare an Interim Financial Statement for such quarter, or for a semi-annual period or other interim portion of its fiscal year containing such quarter.

(C) Indenture Financial Statements.

(1) Annual Indenture Financial Statements with Audit. On the earlier of (i) 180 days after the end of each fiscal year of the Issuer and (ii) the day such information is first made available to the general public, the financial statements of the Issuer specific to the Indenture pursuant to which Program Bonds are outstanding consisting of a balance sheet, a statement of operations and a statement of the changes in net assets under the Indenture for such period. The financial statements shall be:

(a) set forth in reasonable detail and

(b) incorporated as supplemental schedules to the Issuer's annual financial statements with a report from the Issuer's auditor or nationally recognized independent certified public accountants stating that such supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements, and in their opinion (except as noted therein) are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

(2) Quarterly Indenture Financial Statements. On the earlier of (i) 90 days after the end of each of the first three quarters of each fiscal year of the Issuer and (ii) the day such information is first made available to the general public, the financial statements of the Issuer specific to the Indenture pursuant to which Program Bonds are outstanding consisting of a balance sheet, a statement of operations and a statement of the changes in net assets under the Indenture for such period. The financial statements shall be set forth in reasonable detail.

(D) **Quarterly Trial Balance of Funds and Accounts.** Not later than 90 days after the end of each calendar quarter, a report:

(1) specific to the Indenture pursuant to which Program Bonds are outstanding, setting forth amounts held in each of the funds and accounts under the Indenture and providing reasonable detail as to how the monies are invested; and

(2) which is either prepared by the Trustee (such as a trustee payment date report or trustee statement) or certified as true and correct by the Issuer.

(E) **Portfolio Performance Data.**

(1) Not later than 15 days after the end of each calendar month, the relevant loan portfolio performance data specified in the attached Exhibit E under the heading “Monthly Single Family Indenture Reporting Requirements,” for all single family loans held within the trust estate of the Indenture; and

(2) Not later than 15 days after the end of each calendar quarter or immediately if 5% or more of the outstanding mortgage loan balance has payment defaults (and thereafter on a monthly basis), the relevant loan portfolio performance data specified in the attached Exhibit F under the headings “Policy Outcome Metrics – Single Family NIBP” for loans acquired, refinanced or originated, as the case may be, with the proceeds of Program Bonds.

(ii) *Certifications:*

(A) **Cash Flow Certificates.** Not later than 30 days after issuance, a copy of each cash flow certificate issued by the Issuer pursuant to the Indenture pursuant to which Program Bonds are outstanding.

(B) **Withdrawal Certificates under Section 5.1(f)(i) Hereof.** Prior to and as a condition to any withdrawal pursuant to Section 5.1(f)(i), the written certification required by Section 5.1(f)(i)(B) hereof in the form as Exhibit G.

(C) **Withdrawal Certificates under Section 5.1(f)(ii) Hereof.** Prior to and as a condition to any withdrawal pursuant to Section 5.1(f)(ii), the written certification required by Section 5.1(f)(ii)(C) hereof in the form as Exhibit G.

(iii) *Other Information:*

(A) **Rating Agency Presentations.** Not later than 30 days after submission, copies of all material, written materials presented by the Issuer to a Rating Agency with respect to (i) any bonds issued under the Indenture or (ii) a

rating of the Issuer (rather than a rating of any bonds issued under an indenture of the Issuer).

(B) **Rating Agency Actions.** Not later than 30 days after receipt by the Issuer, copies of each rating letter, report or other rating action relative to the Issuer, the Program Bonds or any other bonds issued under the Indenture received from a Rating Agency.

(C) **Housing Goals Data.** In a timely manner, at the request of a GSE, any data or information required by a GSE for use in calculating performance under the Federal Housing Finance Agency's housing goals regulations or for use in complying with any other regulatory or legal requirement.

(D) **Official Statements and Other Offering Documents.** Not later than 30 days after issuance, each Official Statement, Remarketing Circular, Offering Circular or other similar disclosure document issued by the Issuer with respect to bonds or other debt issued and payable from the Revenues under the Indenture pursuant to which Program Bonds are outstanding.

(E) **Information Statements and Similar Secondary Market Disclosures.** Not later than 90 days after the end of each quarter of each fiscal year of the Issuer, any information statement or other similar disclosures prepared by the Issuer of any kind and released to the general public during such year.

(F) **Additional Information.** In a timely manner, at the reasonable request of a GSE, such other information, whether such information is published or unpublished, respecting the affairs, condition and/or operations, financial or otherwise, of the Issuer, the Indenture or the Program Bonds (including, without limitation, loan level data, required by the GSEs with respect to any asset management surveillance and/or disclosure requirement).

(c) **Events.**

(i) **Event Filings:** On the day such information is first made available to the general public or would have been made available to the general public if a continuing disclosure agreement with respect to the Program Bonds had been entered into pursuant to Rule 15c2-12 ("Continuing Disclosure Agreement"), the Issuer agrees to furnish to the GSEs a copy of each "Event Filing" (as that term is defined below) which was or would have been filed pursuant to the Continuing Disclosure Agreement. As used in this Section, the term "*Event Filing*" means the event notices which would be required to be provided pursuant to a Continuing Disclosure Agreement conforming to the requirements of Rule 15c2-12, as such Rule is amended, restated or replaced by the Securities and Exchange Commission from time to time.

(ii) *Notices of Other Events.* If and to the extent that any of the following are not addressed in an Event Filing provided pursuant to Subsection (i) (and without regard to whether any such event is material for purposes of Rule 15c2-12), the Issuer agrees to promptly inform each GSE in writing if:

(A) **Default.** An Event of Default or other event which upon the giving of notice, the lapse of time or both, would be an Event of Default under any Related Document, has occurred specifying the details thereof and the action which the Issuer is taking or proposes to take with respect to such event.

(B) **Hedge Collateral.** A material increase occurs in the collateralization requirements applicable to the Issuer under any of the documents evidencing a Hedge.

(C) **Termination Payment under Hedge.** The Issuer receives any demand for or pays a termination payment under a Hedge.

(D) **Certain Resignations and Removals.** The Issuer receives any notice of resignation issued by the Trustee for an issue of Program Bonds or gives any notice of removal of such Trustee.

(E) **Performance Failure.** The Trustee fails to perform its duties and obligations under any relevant Related Documents.

(F) **Adverse Developments.** Any litigation, administrative or other proceeding, legislation, business, or other development occurs which has or may have a material and adverse affect on the business of the Issuer, the collateral securing the Program Bonds, including downgrade, withdrawal or suspension of ratings on mortgage insurers, or the ability of the Issuer to perform its duties and obligations under the Related Documents.

(G) **Downgrades and Negative Outlook.** A Rating Agency downgrades the Issuer, the Program Bonds or any other bonds issued under the Indenture or places any such rating on negative outlook.

(H) **Counterparties.**

(1) The Issuer receives notice to the effect that (A) a material change has occurred to a counterparty then providing a financial service to the Indenture or to the Issuer with respect to the Indenture (including, but not limited to, each Person providing a guaranteed investment contract, credit facility, liquidity facility, interest rate swap or interest rate cap) (each a “Counterparty”), (B) a material change in exposure to a Counterparty has occurred, (C) a ratings downgrade, withdrawal of rating or suspension of rating has occurred to or with respect to a Counterparty or (D) an event of default or other event which upon the giving of notice, the lapse of time or both, would be an event of default under any Hedge,

has occurred; the Issuer shall provide details on the actions it is taking or proposes to take with respect to any such change, rating action or event; or

(2) the Issuer determines that any of the events enumerated in (1) has occurred to a Counterparty.

(I) **Supplements and Amendments to Indenture.** The adoption of any amendment or supplement to the Indenture, any of the other Related Documents (including any replacement or new Related Document) and the Official Statement relative to the Program Bonds. The Issuer shall also provide a complete copy of each such amendment, supplement, replacement or new Related Document to each GSE.

(J) **Unscheduled Draws.** Any unscheduled draw is made on a debt service reserve or credit enhancement for any of the bonds issued under the Indenture.

(K) **Defeasance.** Any bond issued under the Indenture is defeased.

(L) **Property Securing Repayment of Program Bonds.** Any material property or other asset securing repayment of any of the Program Bonds is released, substituted or sold.

(d) **Placement Agreement Reporting Requirements.** The reporting requirements set forth in Exhibit E and Exhibit E-1 of the Placement Agreement are hereby superseded by the reporting requirements set forth in this Section 5.3.

(e) **Method of Providing Information, Certificates and Notices.** All information, certificates and notices required to be given pursuant to this Section 5.3 shall be provided electronically to the GSEs by sending such information, certificates and notices to HFAReporting@SSgA.com or in such other form and to such other address as the GSEs may require from time to time.

Section 5.4 Covenant Enforcement by GSEs. Only the GSEs may enforce, or cause the Trustee to enforce, the provisions of Sections 5.1, 5.2 and 5.3 hereof.

Section 5.5 Special Notices.

(a) **Request to Withdraw Indenture Funds.** The Trustee shall immediately deliver to the Notice Parties at the Notice Parties' Addresses notice of any request by the Issuer to withdraw funds from the Indenture.

(b) **Events of Default.** The Trustee shall immediately deliver to the Notice Parties at the Notice Parties' Addresses notice of any default or Event of Default under the Indenture, of which the Trustee has knowledge.

(c) **Exercise of Remedies.** The Trustee shall immediately deliver to the Notice Parties at the Notice Parties' Addresses notice of the exercise of any remedies under the Indenture.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Notices. Unless otherwise specified in this Appendix, all notices, requests or other communications to or upon the Notice Parties or referred to in this Appendix shall be deemed to have been given (i) in the case of notice by letter, when delivered by hand or four (4) days after the same is deposited in the mails, first class postage prepaid, and (ii) in the case of notice by telecopier or e-mail, when sent, receipt confirmed, addressed to the Notice Parties as follows or at such other address as any of the Notice Parties may designate by written notice to the Issuer and the Trustee:

To Administrator: U.S. Bank National Association
One Federal Street, 3rd Floor
Boston, Massachusetts 02110
Attention: Structured Finance/HFA Program
E-mail: usbhfa@usbank.com

To Fannie Mae: Fannie Mae
3900 Wisconsin Avenue, N.W.
Washington, D.C. 20016
Attention: Jessica Wright
Project Analyst
Customer Engagement, HFA Team
E-mail: Jessica_Wright@fanniemae.com

and

Attention: Barbara Ann Frouman
Vice President and Deputy General
Counsel, Housing and Community
Development
E-mail: Barbara_Ann_Frouman@fanniemae.com

For all notices pursuant to Section 5.3 hereof:

E-mail: HFAReporting@SSgA.com

For all notices pursuant to Section 2.3 hereof:

E-mail hfa_escrow_release@fanniemae.com
Re: HFA Initiative – NIBP – Escrow Release

To Freddie Mac: Freddie Mac
1551 Park Run Drive
Mail Stop D4F
McLean, Virginia 22102

E-mail: HFAReporting@SSgA.com

Attention: Mark D. Hanson
Vice President Mortgage Funding
E-mail: Mark_Hanson@freddiemac.com

and

Attention: Joshua L. Schonfeld
Associate General Counsel
Email: Joshua_Schonfeld@freddiemac.com

To Treasury's
Financial Agent: JPMorgan Chase Bank, N.A.
1 Chase Manhattan Plaza, Floor 19
New York, New York 10005
Attention: Lillian G. White
Phone - 212-552-2392
Fax - 212-552-0551
E-mail: jpm.hfa@jpmorgan.com

with a copy to:

Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, DC 20220
Attention: Fiscal Assistant Secretary
re: Housing Finance Agencies Initiative

and

Attention: Assistant General Counsel
(Banking and Finance)
re: Housing Finance Agencies Initiative

To Rating Agency: Moody's Investors Service, Inc.
99 Church Street, 8th Floor
New York, New York 10007
Attention: Rachael McDonald
Phone – 212-553-4456
Fax – 212-553-4791
Email: rachael.mcdonald@moodys.com

Section 6.2 Appendix to Control. To the extent that any provisions of this Appendix are inconsistent with any provisions of the Indenture under which the Program Bonds are issued, this Appendix shall control with respect to the Program Bonds.

Section 6.3 Termination. This Appendix shall continue in full force and effect so long as the Program Bonds remain Outstanding.

IN WITNESS WHEREOF, the Louisiana Housing Finance Agency has caused these presents to be signed in its name and behalf and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed and sealed in its name and behalf by its duly authorized officers, as of this 1st day of January 2012.

LOUISIANA HOUSING FINANCE AGENCY

[SEAL]

Name:

Title:

ATTEST:

By: _____

Name: Don J. Hutchinson

Title: Interim President

By: _____

Name: Barry E. Brooks

Title: Interim Secretary

WHITNEY BANK, a state banking corporation,
formerly known as Hancock Bank of Louisiana,
as Trustee

[SEAL]

By: _____

Name: Carliss Knesel

Title: Vice President and Trust Officer

EXHIBIT A

NOTIFICATION OF INTEREST RATE CONVERSION

Reference is made to the [Indenture], dated as of _____, _____, of _____ (the “Issuer”), as subsequently amended and modified, in particular by the [Appendix] to [Indenture] (the “Appendix”), dated as of [December] __, 2009 (collectively, the “Indenture”). All capitalized terms not otherwise defined herein shall have the same meanings ascribed thereto in the Indenture.

I, _____, an authorized officer of the Issuer, in connection with Program Bonds to be Converted to a Permanent Rate pursuant to Section 2.3 of the [Appendix], hereby notify the Trustee, the Notice Parties and the Rating Agencies as follows:

- (i) the proposed Release Date (which is a date not more than 60 days after the date hereof and is not an unavailable date per the calendar attached hereto) is _____, [2011][2012],
- (ii) the proposed Conversion Date is _____, [2011][2012][2013],
- (iii) the principal amount of Program Bonds to be Converted to a Permanent Rate on the proposed Conversion Date set forth in clause (ii) above is \$_____,
- (iv) [including the amount referenced in clause (iii) above, ___% of the net proceeds of the Program Bonds are being used to refund outstanding variable rate debt of the Issuer[, ___% of which is supported by a Temporary Credit and Liquidity Facility],]
- (v) [including the amount referenced in clause (iii) above, the aggregate amount of net proceeds of the Program Bonds being used to refund outstanding variable rate debt of the Issuer is ___%[, ___% of which is supported by a Temporary Credit and Liquidity Facility],]
- (vi) if the proposed Release Date is before January 1, 2012, the [2010] Rate Lock Date selected by the Issuer was _____, [2010] [if none, indicate N/A] and, if the proposed Release Date is on or after January 1, 2012, the 2011 Determination Date is _____ and the 2012 Determination Date is _____,
- (vii) the proposed Permanent Rate Calculation Date is _____, [2011][2012],
- (viii) the proposed calculation date for the Short-Term Rate effective on the Release Date is _____, [2011][2012] [Designate the 2nd Business Day prior to the Release Date],

- (ix) on the Release Date, it is anticipated that the Bond Rating will be a “__”/”__,”
- (x) the Issuer hereby covenants to deliver to the Trustee on or before the Release Date the opinion of bond counsel described in Section 2.3(b)(ii)(E) of the Appendix,
- (xi) the CUSIP number of the Program Bonds currently in escrow is: _____,
[and]
- (xii) the Special Permanent Rate Advisor is instructed to copy the following with any communication relating to the Spread, the Permanent and Short-Term Rates:

[GSE EMAILS], [GSE Special Closing Counsel E-mail] [, and].

- [(xiii) this is an amended and supplemented Notification of Interest Rate Conversion and amends and supplements, in pertinent part, that certain Notification of Interest Rate Conversion dated _____, [2011][2012] (the “Original Notice”). The Release Date specified herein is on or before the Release Date specified in the Original Notice, and is not earlier than the first Business Day at least 8 days after the date hereof[.][; and]]
- [(xiv) the Program Bonds are being used to refund outstanding variable rate demand obligations of the Issuer, and the mortgage loan security being transferred to secure the Program Bonds is described in an exhibit hereto.]

IN WITNESS WHEREOF, I have set forth my hand this _____ day of _____,
[2011][2012].

LOUISIANA HOUSING FINANCE AGENCY

By: _____
Name: _____
Title: _____

2011 Holiday Calendar January—December	
New Year's Day	None
Martin Luther King Day	Monday, January 17
President's Day	Monday, February 21
Good Friday	Friday, April 22
Memorial Day	Friday, May 27
Memorial Day	Monday, May 30
U.S. Independence Day	Friday, July 1
U.S. Independence Day	Monday, July 4
Labor Day	Friday, September 2
Labor Day	Monday, September 5
Columbus Day	Monday, October 10
Veterans Day	Friday, November 11
Day before Thanksgiving	Wednesday, November 23
Thanksgiving Day	Thursday, November 24
Day after Thanksgiving	Friday, November 25
Multifamily Closed Period	Monday, December 19— Friday, December 30
Christmas Day	Friday, December 23
Christmas Day	Monday, December 26 (observed)
Single Family Closed Period	Tuesday, December 27— Friday, December 30

2012 Holiday Calendar January—December	
New Year's Day	Monday, January 2
Martin Luther King Day	Monday, January 16
President's Day	Monday, February 20
Good Friday	Friday, April 6
Memorial Day	Friday, May 25
Memorial Day	Monday, May 28 (observed)
Day before U.S. Independence Day	Tuesday, July 3
U.S. Independence Day	Wednesday, July 4
Labor Day	Friday, August 31
Labor Day	Monday, September 3 (observed)
Columbus Day	Monday, October 8
Veterans Day	Friday, November 12
Day before Thanksgiving	Wednesday, November 21
Thanksgiving Day	Thursday, November 22
Day after Thanksgiving	Friday, November 23
Day before Christmas Day	Monday, December 24
Christmas Day	Tuesday, December 25
Single Family Closed Period	Monday, December 24— Monday, December 31

EXHIBIT B

MARKET BOND RATIO REQUIREMENT/ PROGRAM BOND COMPLIANCE CERTIFICATE

Reference is made to the [Indenture], dated as of _____, _____, of _____ (the “Issuer”), as subsequently amended and modified, in particular by the [Appendix] to [Indenture] (the “Appendix”), dated as of December __, 2009 (collectively, the “Indenture”). All capitalized terms not otherwise defined herein shall have the same meanings ascribed thereto in the Indenture.

I, _____, an authorized officer of the Issuer, in connection with the issuance of certain Market Bonds and/or the release of Program Bonds, hereby certify and direct as follows:

- (i) the contemplated Release Date is _____,
- (ii) \$_____ principal amount of Market Bonds are to be issued on _____, [2011][2012], net proceeds of which will be deposited with the Trustee on [date] in the amount of \$_____ (if Market Bonds are being issued, attached hereto are the bond purchase agreement and Official Statement relative to such Market Bonds),
- (iii) the above-referenced Market Bonds have the maturity dates, interest rates and principal amounts set forth in the attached Official Statement,
- (iv) the release amount pursuant to the Market Bond Ratio Requirement is \$_____ [Insert “N/A” for Release Dates on or after January 1, 2012],
- (v) the principal amount of the Program Bonds to be Converted is \$_____,
- (vi) the Release Date for the Program Bonds is _____,
- (vii) including this Release Date, the Issuer has not established more than nine (9) Release Dates (exclusive of Release Dates not subject to the nine (9) Release Date limit),
- (viii) the Conversion Date for the Program Bonds is _____,
- (ix) the principal amount of the remaining Pre-Conversion Bonds is _____, and
- (x) the released Escrowed Proceeds shall be transferred to the _____ [insert name of applicable fund or account].

IN WITNESS WHEREOF, I have herewith set forth my hand to this Certificate this
_____ day of _____, [2011][2012].

LOUISIANA HOUSING FINANCE AGENCY

By: _____
Name: _____
Title: _____

EXHIBIT C
INTEREST RATE
CONVERSION CERTIFICATE

Reference is made to the [Indenture], dated as of _____, _____, of _____ (the "Issuer"), as subsequently amended and modified, in particular by the [Appendix] to [Indenture] (the "Appendix"), dated as of December __, 2009 (collectively, the "Indenture"). All capitalized terms not otherwise defined herein shall have the same meanings ascribed thereto in the Indenture.

I, _____, an authorized officer of _____ (the "Trustee"), in connection with Program Bonds Converted to a Permanent Rate pursuant to Section 2.3 of the [Appendix], hereby confirm as follows:

- (i) attached are the items required to be delivered pursuant to Section 2.3 of the [Appendix],
- (ii) the Short-Term Rate applicable from the Release Date to the Conversion Date, will be the total of (a) the Four Week T-Bill Rate (____%) plus (b) the Spread applicable to the referenced Program Bonds as of the Release Date (____%), will be ____%;
- (iii) the Permanent Rate with respect to the referenced Program Bonds will be __% as of the specified Conversion Date of _____, [2011][2012][2013],
- (iv) the CUSIP number for the referenced Program Bonds is _____, and
- (v) related Program Bond proceeds will be released on the specified Release Date of _____, [2011][2012].

IN WITNESS WHEREOF, I have herewith set forth my hand this _____ day of _____, [2011][2012].

WHITNEY BANK

By: _____
Name: _____
Title: _____

EXHIBIT D

FINANCIAL STATEMENT CERTIFICATE

Reference is made to the Appendix to [Indenture], dated as of December __, 2009 of _____ (the "Issuer"), as amended (the "Indenture Appendix"), as it subsequently amended and modified the [Indenture] dated as of December 1, 2009 of the Issuer (together with the Indenture Appendix, the "Indenture"). All capitalized terms not otherwise defined herein shall have the same meanings ascribed thereto in the Indenture.

I, _____, an authorized officer of the Issuer, in connection with the delivery of those certain financial statements described in Section 5.3(b) of the Indenture Appendix, hereby certify as follows with respect to the close of [the fiscal year of the Issuer ending [Date]] [the fiscal quarter of the Issuer ending [Date]]:

- (i) the Issuer is in material compliance with all Issuer covenants set forth in the [Indenture];
- (ii) [there exists as of the date hereof no default or Event of Default under any Related Document] [there exists the following defaults or Events of Default under the Related Documents, as detailed below, and the Issuer is taking the actions indicated with respect thereto]:
- [(iii) the Issuer did not prepare an Interim Financial Statement for this fiscal quarter, or for a semi-annual period or other interim portion of its fiscal year containing such quarter. [for Statewide HFAs]]
- [(iii) the Issuer did not prepare an Interim Financial Statement for any quarter, semi-annual period or other portion of its fiscal year. [for Local HFAs]]

IN WITNESS WHEREOF, I have herewith set forth my hand to this Certificate this _____ day of _____, [2011][2012].

LOUISIANA HOUSING FINANCE AGENCY

By: _____
Name: _____
Title: _____

EXHIBIT E

**MONTHLY SINGLE FAMILY
INDENTURE REPORTING REQUIREMENTS**

HFA Name
Indenture Name
Month End Date
Mortgage Loan Unpaid Balance (UPB)
MBS UPB
Number of loans
Delinquent 30-59 Days (%)
Delinquent 60-89 Days (%)
Delinquent 90-119 Days (%)
Delinquent 120+ Days (%)
Bankruptcy (%)
Foreclosures (%)
REO (%)
Cumulative Loss
1 Month SIFMA
Combined Original LTV
30-Year Fixed (Level Amortizing) %
% Second Lien
2003 and prior Vintage %
2004 Vintage %
2005 Vintage %
2006 Vintage %
2007 Vintage %
2008 Vintage %
2009 Vintage %
2010 Vintage %
2011 Vintage %
2012 Vintage %
FHA/VA %
RD %
MGIC %
PMI %
Other MI %
Servicer(s)¹

¹Please add rows to include multiple Servicers

General Notes:

1. Issuer may be required to gather information from servicer
2. Upon downgrade, withdrawal or suspension of the rating on the Issuer, the Program Bonds or any other bonds issued under the [Indenture], more detailed information may be requested. This could include loan level data tapes and on-site access to the Issuer and its senior management
3. All “%s” refer to principal dollar amounts
4. If N/A, please leave blank
5. Vintage year refers to loans originated between January 1st and December 31st of that year

This Information Collection has been approved by the Office of Management and Budget and has been assigned the control number 1505-0224.

EXHIBIT F

POLICY OUTCOME METRIC—SINGLE FAMILY NIBP **(for loans acquired, originated or refinanced with Program Bond proceeds)**

Reporting Frequency: Quarterly¹
Please complete below information as applicable to loans issued since Program inception

Quarter End Date

Total Number of Mortgage Loans

Average Loan Amount

Range of Interest Rates (%) excluding Down Payment Assistance (DPA):	Number of Mortgage Loans	Total Original Principal Balance
3.50-3.75		
3.76-4.00		
4.01-4.25		
4.26-4.50		
4.51-4.75		
4.76-5.00		
5.01-5.25		
5.26-5.50		
5.51-5.75		
5.76-6.00		
6.01-6.25		
6.26-6.50		
Other		

Weighted Average Interest Rate

Down Payment Assistance (%)	Number of Mortgage Loans	Total Original Principal Balance
0-5.0		
5.1-10.0		
10.1-15.0		
Other		

Weighted Average DPA

Range of Interest Rates (%) including Down Payment Assistance (DPA):	Number of Mortgage Loans	Total Original Principal Balance
4.51-4.75		
4.76-5.00		
5.01-5.25		
5.26-5.50		
5.51-5.75		
5.76-6.00		
6.01-6.25		
6.26-6.50		
Other		

Weighted Average Interest Rate

Principal Balances (\$)	Number of Mortgage Loans	Total Original Principal Balance
1-25,000		
25,001-50,000		
50,001-75,000		
75,001-100,000		
100,001-125,000		
125,001-150,000		
150,001-175,000		
175,001-200,000		
200,001-225,000		
225,001-250,000		
250,001-275,000		
275,001-300,000		
300,001-325,000		
325,001-350,000		
350,001-375,000		
375,001-400,000		
400,001-425,000		
425,001-450,000		
450,001-475,000		
475,001-500,000		
500,001-600,000		
600,001-700,000		
700,001-800,000		
800,001-1,000,000		
Other		

Weighted Average Principal Balance

Combined Original LTV Ratios (%)	Number of Mortgage Loans	Total Original Principal Balance
0-20		
21-25		
26-30		
31-35		
36-40		
41-45		
46-50		
51-55		
56-60		
61-65		
66-70		
71-75		
76-80		
81-85		
86-90		
91-95		
96-100		
101-105		
106-110		

Weighted Average LTV

Loan Purpose	Number of Mortgage Loans	Total Original Principal Balance
Purchase		
Refinance – Rate Term		
Other		

Original Credit Score	Number of Mortgage Loans	Total Original Principal Balance
500-525		
526-550		
551-575		
576-600		
601-625		
626-650		
651-675		
676-700		
701-725		
726-750		
751-775		
776-800		
801+		

Weighted Average Credit Score

Mortgage Insurance Provider	Number of Mortgage Loans	Total Original Principal Balance
FHA		
VA		
Rural		
State		
Private		
Other		

Housing Type	Number of Mortgage Loans	Total Original Principal Balance
Single Family		
Town House		
2-4 Family House		
Condominium		
Other		

Original Debt/Income (DTI) (%)	Number of Mortgage Loans	Total Original Principal Balance
25-30		
31-35		
36-40		
41-45		
46-50		
51-55		
56-60		
61-65		
Other		

Weighted Average DTI

¹**Please Note:** Final report date shall be 90 days after all funds have been used

This Information Collection has been approved by the Office of Management and Budget and has been assigned the control number 1505-0224.

EXHIBIT G

WITHDRAWAL CERTIFICATION (for New Issue Bond Program—Single Family)

To: U.S. Bank National Association
JPMorgan Chase Bank, N.A.
United States Department of the Treasury

cc: Fannie Mae
Freddie Mac

Pursuant to the Appendix to [Indenture], [adopted by _____ [Name of Issuer] (the “Issuer”) on _____, 2009] [by and between _____ [Name of Issuer] (the “Issuer”) and _____ [Name of Trustee], dated as of _____, 2009], as amended (collectively, the “Indenture Appendix”), I hereby certify as follows:

Ordinary and Customary Expense/Program Funding Cash Withdrawals

- ☐ the withdrawal of \$_____ is pursuant to [Section 5.1(e)(i)][Section 5.1(f)(i)] of the Indenture Appendix (please check the appropriate box below):
- ☐ the cumulative amount of such withdrawals does not exceed the cumulative withdrawals as limited pursuant to [Section 5.1(e)(i)(A)(1)][Section 5.1(f)(i)(A)(1)] of the Indenture Appendix.

OR

- ☐ attached as Attachment A hereto is the confirmation from each of the rating agencies maintaining ratings on the Program Bonds that the proposed withdrawal will not adversely affect such ratings.

No withdrawals may be made during any period when any of the ratings on the Program Bonds is below the level of “Baa3” or “BBB-,” or has been suspended or withdrawn.

- ☐ the purpose of this withdrawal is to pay ordinary and customary administrative and operating expenses of the Issuer, ordinary and customary operating expenses of any of the [indentures] of the Issuer (such as, for example, fees and payments due on an interest rate swap entered into by the Issuer) and to fund or reimburse the cost of programs sponsored by the Issuer, as set forth in Attachment B attached hereto.
- ☐ all requirements of [Section 5.1(e)(i)][Section 5.1(f)(i)] of the Indenture Appendix have been met with respect to such withdrawal.

Other Cash/Non-Cash Withdrawals

- ☐ The withdrawal of \$_____ [_____ [specify other assets to be withdrawn]] is pursuant to [Section 5.1(e)(ii)][Section 5.1(f)(ii)] of the Indenture Appendix:
- ☐ attached as Attachment A hereto is the confirmation from each of the rating agencies maintaining ratings on the Program Bonds that (i) the rating on the Program Bonds will be not less than “____”/”____” [specify exact rating of the Program Bonds as of the withdrawal date] and (ii) the rating outlook is either “stable” or “positive,” or the equivalent.
- ☐ the foregoing cash or other assets withdrawn are retained by the Issuer within its funds or accounts or expended to further the mission or otherwise for the benefit of the Issuer.
- ☐ the purposes of this withdrawal is as set forth in Attachment B attached hereto.
- ☐ all requirements of [Section 5.1(e)(ii)][Section 5.1(f)(ii)] of the Indenture Appendix have been met with respect to such withdrawal.

All capitalized terms not otherwise defined herein shall have the same meanings ascribed thereto in the Indenture Appendix.

IN WITNESS WHEREOF, I have herewith set forth my hand this _____ day of _____, 20____.

[ISSUER]

By: _____
Name: _____
Title: _____

ATTACHMENT A
RATING CONFIRMATION LETTER(S)

ATTACHMENT B
WITHDRAWAL DETAILS

Amount	Vendor	Purposes
1. \$		
2. \$		
3. \$		
4. \$		
5. \$		
6. \$		
7. \$		
8. \$		
9. \$		
10. \$		

EXHIBIT H

REDEMPTION NOTICE TO NOTICE PARTIES

To Administrator: U.S. Bank National Association
One Federal Street, 3rd Floor
Boston, Massachusetts 02110
Attention: Structured Finance/HFA Program
E-mail: usbhfa@usbank.com

To Fannie Mae: Fannie Mae
3900 Wisconsin Avenue, N.W.
Washington, D.C. 20016
Attention: Jessica Wright
Project Analyst
Customer Engagement, HFA Team
E-mail: Jessica_Wright@fanniemae.com

and

Attention: Barbara Ann Frouman
Vice President and Deputy General
Counsel, Housing and Community
Development
E-mail: Barbara_Ann_Frouman@fanniemae.com

To Freddie Mac: Freddie Mac
1551 Park Run Drive
Mail Stop D4F
McLean, Virginia 22102
Attention: Mark D. Hanson
Vice President Mortgage Funding
E-mail: Mark_Hanson@freddiemac.com

and

Attention: Joshua L. Schonfeld
Associate General Counsel
E-mail: Joshua_Schonfeld@freddiemac.com

To Treasury's
Financial Agent: JPMorgan Chase Bank, N.A.
1 Chase Manhattan Plaza, Floor 19
New York, New York 10005
Attention: Jacqueline M. Savage
E-mail: jpm.hfa@jpmorgan.com

Pursuant to the [Indenture, dated as of _____, _____, of _____ (the "Issuer"), as subsequently amended and modified, in particular by the [Appendix] to [Indenture] (the "Appendix"), dated as of December __, 2009 (collectively, the "Indenture"), you are advised that the Program Bonds (as defined in the Indenture) are being redeemed on [Date] as provided in the notice of redemption attached hereto.

[TRUSTEE]

By: _____
Name: _____
Title: _____

SERIES 2012 SUPPLEMENTAL INDENTURE

BY AND BETWEEN

LOUISIANA HOUSING FINANCE AGENCY

AND

**WHITNEY BANK, A STATE BANKING CORPORATION,
FORMERLY KNOWN AS HANCOCK BANK OF LOUISIANA,
AS TRUSTEE**

DATED AS OF DECEMBER 1, 2012

RELATING TO

\$30,000,000

**Louisiana Housing Finance Agency
Single Family Mortgage Revenue Bonds
(Mortgage-Backed Securities Program)
Series 2012 (Non-AMT) Program Bonds**

\$30,000,000

**Louisiana Housing Finance Agency
Single Family Mortgage Revenue Refunding Bonds
(Mortgage-Backed Securities Program)
Series 2012-1 (Non-AMT)**

SERIES 2012 SUPPLEMENTAL INDENTURE

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THIS SERIES 2012 SUPPLEMENTAL INDENTURE (this "**Series 2012 Supplemental Indenture**") to the Indenture of Trust dated as of December 1, 2009, by and between the **LOUISIANA HOUSING FINANCE AGENCY** (the "**Issuer**"), a public body corporate and politic constituting a political subdivision and instrumentality of the State of Louisiana (the "**State**"), duly created, organized and existing under the laws of the State and **WHITNEY BANK, a state banking corporation, formerly known as Hancock Bank of Louisiana**, a state banking corporation organized under the laws of Louisiana, with its principal corporate trust office located in Baton Rouge, Louisiana, as trustee (together with any successor trustee hereunder, the "**Trustee**"), is made and entered into as of December 1, 2012.

WITNESSETH:

WHEREAS, to provide more adequate residential housing facilities for persons and families of low- and moderate-income residing within the boundaries of the State, the Issuer issued its \$120,000,000 GSE Program Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program) (the "**Program Bonds**") pursuant to an Indenture of Trust dated as of December 1, 2009 (the "**Escrow Indenture**") by and between the Issuer and the Trustee (as successor in interest to Hancock Bank of Louisiana) as modified by that certain Appendix to Indenture of Trust dated as of December 1, 2009 (the "**Original Appendix**", together with the Escrow Indenture and any other supplements thereto, including (i) the Series 2010A Supplemental Indenture by and between the Issuer and the Trustee (as successor in interest to Hancock Bank of Louisiana) dated as of November 1, 2010 and (ii) this Series 2012 Supplemental Indenture, the "**Complete Indenture**"); and

WHEREAS, the Issuer filed a valid election on September 1, 2010 to modify by December 1, 2010 the Original Appendix to incorporate certain changes as contained in the *Modifications to Supplemental Indenture/Resolution Appendix for Use with Single Family Escrow and Single Family Immediate Issue Bonds for the HFA Initiative New Issue Bond Program* which changes are evidenced by the Amended and Restated Appendix dated as of November 1, 2010 in the form attached hereto as **Exhibit A** (the "**Appendix**"); and

WHEREAS, this Series 2012 Supplemental Indenture is being entered into for purposes of (i) providing for the issuance of \$20,000,000 Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program), Series 2012 Market Bonds (Non-AMT) (the "**Series 2012 Market Bonds**") and in conjunction with the release of \$30,000,000 of funds from the GSE Escrow Fund under the Escrow Indenture for deposit to the Series 2012 Acquisition Account under the Escrow Indenture as provided for in this Series 2012 Supplemental Indenture and (ii) providing for the issuance of \$235,000 Single Family Mortgage Revenue Refunding Bonds (Mortgage-Backed Securities Program), Series 2012-1 (Non-AMT) (the "**Series 2012-1 Refunding Bonds**") and \$2,820,000 Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program), Series 2012-2 (AMT) (the "**Series 2012-2 Refunding Bonds**") and together with the Series 2012-1 Refunding Bonds, the "**Series 2012 Refunding Bonds**") in order to (a) refund the outstanding Louisiana Housing Finance Agency Single Family Mortgage Revenue Bonds (Home Ownership Program Series) 1998B (the "**Prior Bonds**") and (b) provide for the transfer of certain GNMA Certificates and Fannie Mae Certificates (the "**Transferred Certificates**") for deposit to the Transferred Asset Revenue Account of the Revenue Fund;

WHEREAS, the Series 2012 Market Bonds and the Series 2012 Refunding Bonds are being issued on August 25, 2011 (the "**Second Release Date**"); and

WHEREAS, on the Second Release Date, \$30,000,000 of the Program Bonds will be re-designated as Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program), Series 2012 Program Bonds (Non-AMT) (the “**Series 2012 Program Bonds**”, together with the Series 2012 Market Bonds, the “**Series 2012 Bonds**”);

WHEREAS, the Series 2012 Market Bonds are in an amount not less than the amount necessary to satisfy the Market Bond Ratio Requirement as defined in the Appendix on the Second Release Date; and

WHEREAS, the Issuer will use a portion of the proceeds of the Series 2012 Bonds deposited to the Series 2012 Acquisition Account of the Program Fund to reimburse itself for the purchase of certain mortgage-backed securities which were purchased with general funds of the Issuer (the “**Purchased Securities**”) and the Purchased Securities will be transferred to the Series 2012 Revenue Account of the Revenue Fund as security for the payment of the Series 2012 Bonds;

WHEREAS, the Series 2012 Mortgage Loans will be originated by the Participants pursuant to substantially identical Mortgage Origination Agreements (each an “**Origination Agreement**” and collectively, the “**Origination Agreements**”), and serviced by Bank of America (the “**Servicer**”) pursuant to a Master Servicing Agreement (the “**Servicing Agreement**”); and

WHEREAS, the Issuer has now determined to enter into this Series 2012 Supplemental Indenture to secure the Series 2012 Bonds and the Series 2012 Refunding Bonds by a pledge and assignment of and grant a security interest in the hereinafter identified Trust Estate; and

WHEREAS, the forms of the Series 2012 Bonds and the Series 2012 Refunding Bonds, the Legal Opinion Certificate and the Trustee's Certificate of Authentication to be endorsed on such Series 2012 Bonds and Series 2012 Refunding Bonds are all to be in substantially the form set forth in **Exhibit C** hereto, with necessary and appropriate variations, omissions and insertions as are permitted or required by this Series 2012 Supplemental Indenture; and

WHEREAS, all things necessary to make the Series 2012 Bonds and the Series 2012 Refunding Bonds, when authenticated by the Trustee and issued as in this Series 2012 Supplemental Indenture provided, the valid, binding and legal obligations of the Issuer according to the import thereof, and to constitute this Series 2012 Supplemental Indenture a valid assignment and pledge of the amounts pledged to the payment of principal of and interest on the Series 2012 Bonds and the Series 2012 Refunding Bonds and a valid pledge and assignment of the rights of the Issuer in the GNMA Securities, the Fannie Mae Securities, the Freddie Mac Securities, the Transferred Certificates and the Pledged Revenues and the creation, execution and delivery of this Series 2012 Supplemental Indenture, and the creation, execution and issuance of the Series 2012 Bonds and the Series 2012 Refunding Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS SERIES 2012 SUPPLEMENTAL INDENTURE WITNESSETH:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 101. Definitions. All terms not otherwise defined herein shall have the same meanings as defined in the Escrow Indenture. In addition, unless the context shall otherwise require, the following terms shall have the following respective meanings in this Series 2012 Supplemental Indenture:

"Administrative Costs" means the Trustee Fee, the Issuer's Fee and the Treasury Consent Fee, which fees shall be deposited into the Series 2012 Administrative Account of the Program Fund each month in an amount equal to one-sixth ($1/6^{\text{th}}$) of each such fee and which fee shall be payable semi-annually on each June 1 and December 1, except that the Treasury Consent Fee shall be payable on the date specified by the GSEs.

"Appendix" means the Amended and Restated Appendix dated as of November 1, 2010 attached hereto as **Exhibit A**.

"Assistance Payment" shall mean a grant amount to a Mortgagor in an amount equal to a percentage of the original principal amount of an Assisted Program Loan.

"Assisted Loan Program Certificates" shall mean the Guaranteed Mortgage Securities backed by Assisted Program Loans, having Pass-Through Rates specified in Schedule II hereto and purchased by the Trustee.

"Assisted Program Loan" shall mean a Mortgage Loan bearing interest at the initial rate specified in Schedule II hereto and with respect to which an Assistance Payment is paid by a Lender on behalf of the Mortgagor.

"Authorized Denominations" shall mean \$5,000 and integral multiples thereof and, for purposes of initial issuance and for redemption of the Series 2012 Program Bonds, \$10,000 or any integral multiple thereof.

"Authorized Officer" shall mean the Chairperson, Vice-Chairperson, Secretary and/or President or Vice-President of the Issuer.

"Bond Year" with respect to the Series 2012 Bonds shall mean the twelve month period ending on the 31st calendar day of July, provided that the first Bond Year shall begin on the Closing Date and end on July 31, 2012.

"Bonds" shall mean the Series 2012 Market Bonds, the Series 2012 Refunding Bonds and the Series 2012 Program Bonds.

"CDBG-Assisted Loan Certificate" shall mean the Guaranteed Mortgage Securities backed by CDBG-Assisted Program Loans, having Pass-Through Rates specified in Schedule II hereto and purchased by the Trustee.

"CDBG-Assisted Program Loan" shall mean a Mortgage Loan bearing interest at the initial rate specified in Schedule II hereto.

"Certificates" shall mean (i) Assisted Loan Program Certificates, (ii) CDBG-Assisted Loan Certificates, (iii) HOME-Assisted Loan Certificates, (iv) Low Rate Certificates and (v) Transferred Certificates.

"Certificate Acquisition Period" shall mean the periods established pursuant to the Series 2012 Program Notice for the acquisition of Guaranteed Mortgage Securities (other than Transferred Certificates) by the Trustee from the Master Servicer, which Periods shall end on the Transfer Dates specified in Section 402(c).

"Certificate Purchase Price" shall mean with respect to each Certificate, other than Transferred Certificates, the applicable percentage (as specified on the Schedule of Certificate Purchase Prices attached hereto as Schedule II) of the principal balance of the related underlying Pool of Mortgage Loans on record as of the date of purchase of such Certificate, plus accrued interest thereon at the applicable Pass-Through Rate.

"Closing Date" shall mean August 25, 2011, the date of initial issuance and delivery of the Series 2012 Market Bonds and the Series 2012 Refunding Bonds.

"Complete Indenture" means the Escrow Indenture and any other supplements thereto, including (i) the Series 2010A Supplemental Indenture dated as of November 1, 2010, (ii) this Series 2012 Supplemental Indenture and (iii) the Appendix.

"Dated Date" shall mean December 23, 2009 in connection with the Series 2012 Program Bonds and the Closing Date in connection with the Series 2012 Market Bonds and the Series 2012 Refunding Bonds.

"Delivery Period" shall mean the period established pursuant to the Series 2012 Program Notice (which Program Notice may be amended from time to time to provide for an extension of the Delivery Period) for the purchase of Series 2012 Program Mortgage Loans by the Master Servicer.

"Escrow Indenture" shall mean Indenture of Trust dated as of December 1, 2009 by and between the Issuer and the Trustee.

"Excess Revenues" shall mean Pledged Receipts (excluding principal received on the Certificates) in excess of (i) the Rebate Amount, (ii) interest accrued on the Series 2012 Bonds as of each month and (iii) amounts required to be deposited each month to the Series 2012 Administrative Account of the Program Fund to pay Administrative Costs.

"Fannie Mae" shall mean the Federal National Mortgage Loan Corporation.

"Freddie Mac" shall mean the Federal Home Loan Mortgage Corporation.

"GSEs" mean Fannie Mae and Freddie Mac.

"Guaranteed Mortgage Securities" shall mean GNMA Securities, Freddie Mac Securities and Fannie Mae Securities.

"HOME-Assisted Loan Certificate" shall mean the Guaranteed Mortgage Securities backed by HOME-Assisted Program Loans, having Pass-Through Rates specified in Schedule II hereto and purchased by the Trustee.

"HOME-Assisted Program Loan" shall mean a Mortgage Loan bearing interest at the initial rate per annum specified in Schedule II hereto and originated pursuant to the HOME/MRB Origination Agreement.

"HOME/MRB Origination Agreement" shall mean the Agreement by that name by and among the Issuer, the Lender and the Master Servicer.

"Interest Payment Date" shall mean, with respect to the Series 2012 Program Bonds, the Series 2012 Conversion Date and, on and after the Series 2012 Conversion Date, the first Business Day of each month of each year, commencing November 1, 2011, and with respect to the Series 2012 Market Bonds and the Series 2012 Refunding Bonds, each June 1 and December 1, commencing December 1, 2011.

"Issue Price" shall mean (i) 100.0% of the principal amount of the Series 2012 Term Bonds maturing June 1, 2025, (ii) 100.0% of the principal amount of the Series 2012 Term Bonds maturing June 1, 2029 and (iii) 108.455% of the principal amount of the Series 2012 Premium PAC Term Bonds and (iii) 100% of the principal amount of the Series 2012 Serial Bonds, Series 2012 Refunding Bonds and Series 2012 Program Bonds.

"Issuer's Fee" shall mean (i) during the period within which Series 2012 Market Bonds are Outstanding, the Issuer's administrative fee payable semi-annually on each June 1 and December 1 commencing December 1, 2011 in an amount computed on the basis of the initial per annum percentages set forth in Schedule II hereof plus (ii) on and after the date the Series 2012 Market Bonds are no longer Outstanding, Excess Revenues.

"Lender Documents" shall mean, collectively, the HOME/MRB Origination Agreement, the Standard Origination Agreement, the Servicing Agreement and the Series 2012 Program Notice.

"Low Rate Certificate" shall mean the Guaranteed Mortgage Certificates backed by Low Rate Program Loans, having Pass-Through Rates specified in Schedule II hereto and purchased by the Trustee.

"Low Rate Program Loan" shall mean a Mortgage Loan bearing interest at the initial rate per annum specified in Schedule II hereto and which is backing a Low Rate Certificate.

"Mandatory GSE Program Deposit" shall mean as of the date of determination an amount equal to the result of multiplying a fraction in which (a) the numerator consists of the Series 2012 Program Bonds Outstanding as of such date of determination and (b) the denominator consists of the Series 2012 Bonds Outstanding as of such date (after taking into account the Series 2012 Scheduled Principal Payments as of such date of determination) times the sum of the difference between (a) the principal received on the Certificates (other than the Transferred Certificates) and (b) one-sixth (1/6th) of Series 2012 Scheduled Principal Payments that are to be deposited directly to the Series 2012 Principal Account of the Bond Fund for Series 2012 Scheduled Principal Payments as of the next June 1 or December 1.

"Monthly Servicer Report" shall mean the Servicer's monthly accounting report with respect to a Guaranteed Mortgage Security purchased by the Trustee under the Series 2012 Program.

“Officer Certificate” shall mean a certificate executed by an Authorized Officer.

“Outstanding Program Bonds” shall mean, as of any date of calculation, the balance of the \$120,000,000 Louisiana Housing Finance Agency GSE Program Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program) remaining Outstanding under the Complete Indenture

“Pass-Through Rate” shall mean that rate of interest stated on a Guaranteed Mortgage Security which rate of interest shall be initially 0.50% less than the interest rate applicable to the Mortgage Loans in the Pool backing the Guaranteed Mortgage Security.

“Permitted Investments” has the meaning assigned to Investment Securities thereto in **Section 1.01** of the Escrow Indenture and such term is specifically recognized as including the Investment Agreement.

“Pledged Receipts” or **“Pledged Revenues”** shall mean, other than amounts deposited to the Series 2012 Rebate Account, all moneys received by or on behalf of the Issuer or Trustee representing (a) principal and interest payments on the Certificates, including prepayments representing the same and all repayment premiums or penalties received and guaranty payments, (b) proceeds of the sale of Guaranteed Mortgage Securities on deposit to the Series 2012 Acquisition Account by or on behalf of the Issuer and (c) interest earnings received on the investment of amounts in any Series 2012 Fund or Account (other than the Series 2012 Rebate Account).

“Prepayment” shall mean any payment or other recovery of principal on a Series 2012 Program Loan other than a scheduled installment of principal on a Series 2012 Program Loan or any other payments representing such principal payment.

“Prior Bonds” shall have the meaning ascribed to such term in the preamble hereto.

“Prior Trustee” shall mean the Trustee in its capacity as trustee with respect to the Prior Bonds.

“Proportionate Basis” means that the principal amount of Series 2012 Bonds of each maturity to be redeemed shall be determined as nearly as practicable by multiplying the total amount of funds available for redemption by the ratio which the principal amount of Bonds of each maturity then Outstanding bears to the principal amount of all such Series 2012 Bonds then Outstanding; provided that if the amount available for the redemption of Series 2012 Bonds of any maturity is insufficient to redeem an integral multiple of \$10,000 (\$5,000 for Series 2012 Market Bonds) principal amount of such maturity, such amount shall be applied, to the extent possible, using integral multiples of \$10,000 (\$5,000 for Series 2012 Market Bonds) principal amount, to the redemption of such Series 2012 Bonds in inverse order of maturity, in such manner that, over time, such Series 2012 Bonds redeemed on a “Proportionate Basis” shall, to the extent practicable, remain Outstanding in the same proportions as originally issued.

“PSA Prepayment Model” means the prepayment standard or model published by the Public Security Association (now known as Bond Market Association) with respect to an assumed rate of prepayment each month of the then unpaid principal balance of the mortgage loans.

“Rebate Amount” shall mean earnings on non-purpose investments in excess of Bond Yield as determined by the Rebate Analyst.

"Rebate Analyst" shall mean the firm designated by the Issuer.

"Redemption Price" shall mean (i) 100% of the principal amount of the Bonds plus accrued interest to, but not including, the redemption date and (ii) in the case of a redemption of the Series 2012 Premium PAC Bonds from unexpended proceeds pursuant to Section 205(b)(i), 108.455% of their principal amount plus accrued interest to, but not including the redemption date.

"Schedule of Certificate Purchase Prices" shall mean the schedule included herein as Schedule II specifying the applicable initial purchase price as a percentage of the principal amount of a Guaranteed Mortgage Security as of the date of purchase of such Guaranteed Mortgage Security.

"Schedule of Issuer's Fee" shall mean the schedule included herein as Schedule II specifying the initial Issuer's Fee relating to Guaranteed Mortgage Securities.

"Series 2012 Bonds" shall mean the Series 2012 Market Bonds and the Series 2012 Program Bonds.

"Series 2012 Conversion Date" shall mean October 25, 2011.

"Series 2012 Market Bonds" shall mean the \$20,000,000 Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program), Series 2012 Market Bonds (Non-AMT) authorized by **Section 201** of this Series 2012 Supplemental Indenture.

"Series 2012 Market Term Bonds" shall mean (i) the Series 2012 Market Bonds maturing June 1, 2025 in the aggregate principal amount of \$1,050,000 and (ii) the Series 2012 Market Bonds maturing June 1, 2029 in the aggregate principal amount of \$2,275,000.

"Series 2012 Mortgage Loans" shall mean Mortgage Loans which are originated in connection with the Series 2012 Program which are Conventional Mortgage Loans eligible to be included in a pool backing a Fannie Mae Security or a Freddie Mac Security or which are FHA Insured, VA Guaranteed or have an RD Guaranty and are eligible to be included in a pool backing a GNMA Security.

"Series 2012 Premium PAC Term Bonds" shall mean the Series 2012 Market Bonds maturing December 1, 2028 in the aggregate principal amount of \$8,225,000.

"Series 2012 Program" shall mean the Issuer's program of financing home ownership for qualified borrowers with the proceeds of the Series 2012 Bonds.

"Series 2012 Program Bonds" shall mean the \$30,000,000 Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program), Series 2012 Program Bonds (Non-AMT) referenced in **Section 201** of this Series 2012 Supplemental Indenture.

"Series 2012 Program Loans" shall mean Low Rate Program Loans, Assisted Program Loans, CDBG Assisted Program Loans and HOME-Assisted Program Loans.

"Series 2012 Program Notice" shall mean the program notice applicable to the Series 2012 Program and therein setting forth, among other things, (i) the date on which lenders may submit requests for the reservation by the Issuer of moneys to finance Series 2012 Mortgage Loans through the purchase

of Certificates, (ii) the principal amounts, interest rates and other terms of the Series 2012 Program Mortgage Loans as well as the Delivery Periods applicable to such Series 2012 Mortgage Loans, and (iii) the Certificate Acquisition Periods, Pass-Through Rates and Certificate Purchase Prices applicable to Certificates to be purchased with the proceeds of the Series 2012 Bonds.

"Series 2012 Refunding Bonds" shall mean the Series 2012-1 Refunding Bonds (Non-AMT) and the Series 2012-2 Refunding Bonds (AMT).

"Series 2012-1 Refunding Bonds (Non-AMT)" shall mean (i) the Single Family Mortgage Revenue Refunding Bonds (Mortgage-Backed Securities Program), Series 2012-1 (Non-AMT) maturing December 1, 2011 in the aggregate principal amount of \$100,000 and (ii) the Single Family Mortgage Revenue Refunding Bonds (Mortgage-Backed Securities Program), Series 2012-2 (AMT) maturing June 1, 2012 in the aggregate principal amount of \$135,000.

"Series 2012-2 Refunding Bonds (AMT)" shall mean the Single Family Mortgage Revenue Refunding Bonds (Mortgage-Backed Securities Program), Series 2012-2 (AMT) maturing June 1, 2029 in the aggregate principal amount of \$2,820,000.

"Series 2012 Refunding Resolution" shall mean the resolutions adopted by the Board of Commissioners of the Issuer on June 8, 2011 and August 10, 2011.

"Series 2012 Release Date" means August 25, 2011.

"Series 2012 Scheduled Principal Payments" shall mean principal maturity amounts or scheduled sinking fund redemptions on any Series 2012 Bonds.

"Series 2012 Serial Bonds" shall mean the Series 2012 Market Bonds maturing on June 1 and December 1, commencing June 1, 2012 and ending December 1, 2023.

"Series 2012 Supplemental Indenture" means this Series 2012 Supplemental Indenture dated as of December 1, 2012 by and between the Issuer and the Trustee.

"Servicer" shall mean (i) Bank of America, N.A. with respect to the Series 2012 Mortgage Loans originated and issued after April 1, 2011, (ii) Standard Mortgage Corporation with respect to Series 2012 Mortgage Loans originated and closed on or before April 1, 2011, and (ii) U. S. Bank, National Association with respect to the Series 2012 Refunding Bonds.

"Servicing Agreement" shall mean the Master Servicing Agreement by and between the Servicer and the Issuer.

"Standard Origination Agreement" shall mean the Mortgage Origination Agreement by and among the Issuer, the participating Lenders and the Master Servicer.

"Transfer Dates" shall mean the dates on which certain amounts deposited to the Series 2012 Acquisition Account are to be transferred to the Series 2012 Redemption Account of the Bond Fund as specified in **Section 205(b)(i)** hereof, as such dates may be extended pursuant to **Section 402(c)** hereof.

"Transferred Certificates" shall mean the Certificates identified on Exhibit D.

"Treasury Consent Fee" shall mean a fee, to be remitted to the U.S. Treasury as directed by the GSEs on or before January 15 of each year for amounts accruing prior to such date, beginning January 15, 2011, equal to one-twelfth of one (1) basis point ($1/12^{\text{th}}$ of 0.01%) of the total amount of Outstanding Program Bonds on the first day of each month, beginning with the month of September, 2010.

"Trust Estate" means Pledged Receipts and all right, title and interest of the Issuer in and to the Lender Documents and the Certificates and all moneys and securities held from time to time by the Trustee in the Series 2012 Accounts under and subject to the terms of this Supplemental Indenture, except (i) money and securities in the Rebate Fund and the Cost of Issuance Fund and (ii) fifty percent (50%) of principal payments on both CDBG-Assisted Loan Certificates and HOME-Assisted Loan Certificates.

"Trustee Fee" means an annual fee payable in advance, commencing December 1, 2011, in an amount equal to .025% per annum of the aggregate principal amount of the Series 2012 Bonds outstanding as of such December 1 (after giving effect to the payment or redemption of such Series 2012 Bonds on such date) subject to a minimum annual fee equal to \$3,000, payable on each June 1 and December 1 thereafter; however, if any such Trustee Fee is insufficient to pay the fees of any successor Trustee, such insufficiency shall be paid from the Issuer Fee.

Section 102. Authority for Series 2012 Supplemental Indenture. This Series 2012 Supplemental Indenture is executed and delivered pursuant to the provisions of the Act and the Section 10.01(i) of the Escrow Indenture.

ARTICLE II

AUTHORIZATION AND TERMS OF SERIES 2012 BONDS

Section 201. Principal Amount, Designation and Series. In order to provide funds for the Series 2012 Program and the other lawful purposes set forth herein, the Issuer hereby authorizes the delivery and issuance of (i) Series 2012 Bonds of the Issuer pursuant to the Escrow Indenture and this Series 2012 Supplemental Indenture in the total aggregate original principal amount of \$50,000,000 and (ii) Series 2012 Refunding Bonds in the total aggregate original principal amount of \$3,055,000 to be designated as follows:

Series 2012 Bonds:

“\$20,000,000 Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program), Series 2012 Market Bonds (Non-AMT)”

“\$30,000,000 Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program), Series 2012 Program Bonds (Non-AMT)”

Series 2012 Refunding Bonds:

“\$235,000 Single Family Mortgage Revenue Refunding Bonds (Mortgage-Backed Securities Program), Series 2012-1 (Non-AMT)”

“\$2,820,000 Single Family Mortgage Revenue Refunding Bonds (Mortgage-Backed Securities Program), Series 2012-2 (AMT)”

Section 202. Purposes. The proceeds of the Series 2012 Bonds shall be used for the purpose of purchasing Certificates constituting Guaranteed Mortgage Securities backed by Series 2012 Mortgage Loans as hereinafter provided. The proceeds of the Series 2012 Refunding Bonds shall be used for purpose of refunding the Prior Bonds.

Section 203. Determination. The Issuer hereby determines and finds that the aggregate principal amount of Series 2012 Bonds authorized to be issued and delivered hereunder is necessary to provide sufficient funds for the purposes set forth in **Section 202** hereof.

Section 204. Dates, Maturities and Interest Rates. The Series 2012 Program Bonds shall be dated December 23, 2009 and shall bear interest in accordance with the Appendix and on and after their Release Date as specified below. The Series 2012 Market Bonds and Series 2012 Refunding Bonds shall be dated as of the Dated Date and shall mature in the principal amounts, and shall bear interest from the Closing Date at rates of interest computed on the basis of a 360-day year consisting of twelve 30-day months, with such interest payable on each Interest Payment Date as follows:

Series 2012 Market Serial Bonds

<u>Principal</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>CUSIP¹</u>
\$425,000	June 1, 2012	0.40%	HY6
\$430,000	December 1, 2012	0.60%	HZ3
\$430,000	June 1, 2013	0.85%	GV3
\$440,000	December 1, 2013	1.00%	GW1
\$445,000	June 1, 2014	1.25%	GX9
\$430,000	December 1, 2014	1.35%	GY7
\$430,000	June 1, 2015	1.70%	GZ4
\$425,000	December 1, 2015	1.80%	HA8
\$425,000	June 1, 2016	2.00%	HB6
\$390,000	December 1, 2016	2.10%	HC4
\$385,000	June 1, 2017	2.45%	HD2
\$390,000	December 1, 2017	2.55%	HE0
\$310,000	June 1, 2018	3.00%	HF7
\$305,000	December 1, 2018	3.00%	HG5
\$245,000	June 1, 2019	3.25%	HH3
\$250,000	December 1, 2019	3.25%	HJ9
\$265,000	June 1, 2020	3.50%	HK6
\$275,000	December 1, 2020	3.50%	HL4
\$275,000	June 1, 2021	3.70%	HM2
\$285,000	December 1, 2021	3.75%	HN0
\$295,000	June 1, 2022	3.95%	HP5
\$305,000	December 1, 2022	3.95%	HQ3
\$295,000	June 1, 2023	4.05%	JA6
\$300,000	December 1, 2023	4.05%	JB4

(1) Base CUSIP: 54627A

Series 2012 Market Term Bonds

<u>Principal</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>CUSIP¹</u>
\$1,050,000	June 1, 2025	4.375%	HR1
\$8,225,000	December 1, 2028	4.60%	HT7
\$2,275,000	June 1, 2029	4.60%	HS9

(1) Base CUSIP: 54627A

Series 2012 Program Bonds

<u>Principal</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>CUSIP¹</u>
\$30,000,000	June 1, 2041	0.61% from the August 25, 2011 until October 25, 2011 and 2.77% on and after October 25, 2011	HU4

(1) Base CUSIP: 54627A

Series 2012-1 Refunding Bonds (Non-AMT)

<u>Principal</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>CUSIP</u>¹
\$100,000	December 1, 2011	0.35%	HV2
\$135,000	June 1, 2012	0.40%	HW0

(1) Base CUSIP: 54627A

Series 2012-2 Refunding Bonds (AMT)

<u>Principal</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>CUSIP</u>¹
\$2,820,000	June 1, 2029	2.85%	HX8

(1) Base CUSIP: 54627A

Section 205. Redemption Provisions of the Series 2012 Bonds.

(a) Optional Redemption.

Series 2012 Program Bonds: The Series 2012 Program Bonds are subject to redemption in Authorized Denominations at the option of the Issuer, in whole or in part, from any source of funds (including proceeds from the sale of Certificates), deposited in the Series 2012 GSE Program Subaccount of the Series 2012 Redemption Account of the Bond Fund on the first Business Day of any month, at their Redemption Price.

Series 2012 Market Bonds: The Series 2012 Market Bonds are subject to redemption in Authorized Denominations prior to maturity, at the option of the Issuer, in whole or in part on any date on or after June 1, 2021 from moneys made available for such purpose (including the sale of Guaranteed Mortgage Securities) and deposited in the Series 2012 GSE Market Subaccount of the Series 2012 Redemption Account of the Bond Fund at their Redemption Price.

Series 2012 Refunding Bonds: The Series 2012-2 Refunding Bonds are subject to redemption in Authorized Denominations prior to maturity, at the option of the Issuer, in whole or in part on any date on or after June 1, 2021 from moneys made available for such purpose (including the sale of Transferred Certificates) and deposited in the Series 2012 Refunding Bonds Subaccount of the Series 2012 Redemption Account of the Bond Fund at their Redemption Price.

If a partial optional redemption is to be accomplished with Pledged Property or other moneys derived from the sale of Certificates, it shall be a condition precedent to such redemption that an opinion of Co-Bond Counsel be received to the effect that the interest on the Series 2012 Bonds and/or the Series 2012 Refunding Bonds will continue to be excluded from gross income for federal income tax purposes and a Cash Flow Statement giving effect to such redemption be filed with the Trustee and the Rating Agency and that the Rating Agency shall have confirmed in writing that the rating on the Bonds will not be adversely affected by such redemption.

(b) Mandatory Redemption of Series 2012 Bonds. The Series 2012 Bonds shall be subject to mandatory redemption in Authorized Denominations as described below.

(i) From Unexpended Proceeds in the Series 2012 Acquisition Account: The Series 2012 Bonds are subject to redemption in Authorized Denominations at their Redemption Price in whole or in part on any date on or after January 1, 2012 (which January 1, 2012 date may be extended pursuant to **Section 402(c)** herein, but in no event later than February 25, 2015), from and to the extent the Issuer certifies that moneys remaining on deposit in the Series 2012 Acquisition Account of the Program Fund on the fifteenth (15th) day of the month preceding such redemption date will not be applied to the purchase of Guaranteed Mortgage Securities. The fifteenth (15th) day of the month immediately preceding a redemption date established pursuant to this subsection shall be deemed a Transfer Date.

Series 2012 Program Bonds: Moneys transferred from the Series 2012 GSE Program Subaccount of the Series 2012 Acquisition Account shall be used solely to redeem the Series 2012 Program Bonds.

Series 2012 Market Bonds: Moneys transferred from the Series 2012 GSE Market Subaccount and the Series 2012 Premium Subaccount of the Series 2012 Acquisition Account shall be used solely to redeem the Series 2012 Market Bonds.

Redemption Price of Series 2012 Premium PAC Bonds: Moneys on deposit in the Series 2012 Premium Subaccount of the Series 2012 Acquisition of the Program Fund in an amount equal only to the positive difference between (i) \$695,423.75 and (ii) monies disbursed from the Series 2012 Premium Subaccount of the Series 2012 Acquisition of the Program Fund up to \$695,423.75 shall be used to pay the premium portion of the Redemption Price of the Series 2012 Premium PAC Bonds pursuant to this Section 205(b)(i).

(ii) From Mandatory GSE Program Deposits Prepayments and/or Excess Revenues:

(A) Series 2012 Program Bonds: The Trustee shall deposit or credit the Mandatory GSE Program Deposit to the Series 2012 GSE Program Subaccount of the Series 2012 Redemption Account of the Bond Fund. The Series 2012 Program Bonds are subject to redemption in Authorized Denominations at their Redemption Price on the first Business Day of the month from amounts representing the Mandatory GSE Program Deposit within the Series 2012 GSE Program Subaccount of the Series 2012 Redemption Account of the Bond Fund.

(B) Series 2012 Market Bonds: Following Deposit of the Mandatory GSE Program Deposit to the Series 2012 GSE Program Subaccount of the Series 2012 Redemption Account of the Bond Fund and the transfer to the Series 2012 Principal Account of one-sixth (1/6th) of the Series 2012 Scheduled Principal Payments as of the next June 1 or December 1, the Trustee shall deposit the balance of Excess Revenues and the balance of principal received on the Certificates to the Series 2012 GSE Market Subaccount of the Series 2012 Redemption Account of the Bond Fund. The Series 2012 Market Bonds are subject to redemption in Authorized Denominations at their Redemption Price on and after December 1, 2011 in whole or in part on the first Business Day of the month from amounts deposited or that may be deposited on or before the thirtieth (30th) day prior to the date of redemption to the Series 2012 GSE Market Subaccount of the Series 2012 Redemption Account of the Bond Fund.

(iii) From Permitted Investments: The Series 2012 Bonds are subject to redemption in whole at their Redemption Price on the earliest date with respect to which notice of redemption can be timely given, if the sum of the amounts of moneys and the market value of

Permitted Investments (other than moneys derived from the sale of Guaranteed Mortgage Securities) held in the various Series 2012 Funds and Accounts created hereunder (other than the Rebate Fund) is sufficient to pay all Outstanding Series 2012 Bonds and all fees and expenses due and payable under this Supplemental Indenture to the date of such redemption.

(c) *Mandatory Redemption of Series 2012 Refunding Bonds.* The Series 2012 Refunding Bonds are subject to redemption in Authorized Denominations at their Redemption Price on the first Business Day of the month from amounts deposited or that may be deposited on or before the thirtieth (30th) day prior to the date of redemption to the Series 2012 Refunding Bonds Subaccount of the Series 2012 Redemption Account of the Bond Fund.

(d) *Scheduled Sinking Fund Redemptions.*

(i) The Series 2012 Market Term Bonds maturing June 1, 2025 are subject to scheduled sinking fund redemption in part in Authorized Denominations at their Redemption Price in the amounts and on the dates set forth below:

<u>Sinking Fund Redemption Date</u>	<u>Principal Amount</u>
June 1, 2024	\$345,000
December 1, 2024	\$350,000
June 1, 2025*	\$355,000

*Maturity Date

(ii) The Series 2012 Premium PAC Term Bonds maturing December 1, 2028 are subject to scheduled sinking fund redemption in part in Authorized Denominations at their Redemption Price in the amounts and on the dates set forth below:

<u>Sinking Fund Redemption Date</u>	<u>Principal Amount</u>
December 1, 2016	\$35,000
June 1, 2017	\$40,000
December 1, 2017	\$50,000
June 1, 2018	\$135,000
December 1, 2018	\$140,000
June 1, 2019	\$290,000
December 1, 2019	\$295,000
June 1, 2020	\$295,000
December 1, 2020	\$300,000
June 1, 2021	\$310,000
December 1, 2021	\$320,000
June 1, 2022	\$320,000
December 1, 2022	\$330,000
June 1, 2023	\$335,000
December 1, 2023	\$340,000
June 1, 2024	\$315,000
December 1, 2024	\$325,000
June 1, 2025	\$380,000
December 1, 2025	\$505,000

June 1, 2026	\$510,000
December 1, 2026	\$515,000
June 1, 2027	\$530,000
December 1, 2027	\$540,000
June 1, 2028	\$530,000
December 1, 2028*	\$540,000

*Maturity Date

(iii) The Series 2012 Market Bonds maturing June 1, 2029 are subject to scheduled sinking fund redemption in part in Authorized Denominations at their Redemption Price in the amounts and on the dates set forth below:

<u>Sinking Fund Redemption Date</u>	<u>Principal Amount</u>
December 1, 2025	\$200,000
June 1, 2026	\$210,000
December 1, 2026	\$220,000
June 1, 2027	\$225,000
December 1, 2027	\$230,000
June 1, 2028	\$250,000
December 1, 2028	\$270,000
June 1, 2029*	\$670,000

*Maturity Date

(iv) The Series 2012 Program Bonds maturing June 1, 2041 are subject to scheduled sinking fund redemption in part in Authorized Denominations in the amounts and on the dates set forth below:

<u>Sinking Fund Redemption Date</u>	<u>Principal Amount</u>
December 1, 2029	\$950,000
June 1, 2030	\$980,000
December 1, 2030	\$1,000,000
June 1, 2031	\$1,020,000
December 1, 2031	\$1,040,000
June 1, 2032	\$1,060,000
December 1, 2032	\$1,080,000
June 1, 2033	\$1,100,000
December 1, 2033	\$1,130,000
June 1, 2034	\$1,150,000
December 1, 2034	\$1,170,000
June 1, 2035	\$1,190,000
December 1, 2035	\$1,220,000
June 1, 2036	\$1,250,000
December 1, 2036	\$1,270,000
June 1, 2037	\$1,300,000
December 1, 2037	\$1,330,000
June 1, 2038	\$1,350,000
December 1, 2038	\$1,380,000

June 1, 2039	\$1,410,000
December 1, 2039	\$1,430,000
June 1, 2040	\$1,470,000
December 1, 2040	\$1,500,000
June 1, 2041*	\$2,220,000

*Maturity Date

(v) To the extent that the Series 2012 Market Term Bonds, Series 2012 Premium PAC Term Bonds and Series 2012 Program Bonds maturing June 1, 2041 are redeemed in accordance with the provisions of Section 205(a) or (b), each of the scheduled sinking fund redemptions shall be reduced on a proportionate basis from redemptions other than the foregoing scheduled sinking fund redemptions.

Section 206. Selection of Series 2012 Bonds for Redemption.

(a) Optional Redemption: In the event Series 2012 Bonds and Series 2012 Refunding Bonds are to be redeemed by optional redemption pursuant to **Section 205(a)** hereof, redemptions will be applied as directed by the Issuer in its sole discretion; provided, however, that if such Series 2012 Bonds are to be redeemed by optional redemption on other than a Proportionate Basis or if a partial optional redemption is to be accomplished with Pledged Property or other moneys derived from the sale of Certificates backed solely by the Series 2012 Mortgage Loans, such redemption will be subject to receipt by the Trustee of: (i) an opinion of Bond Counsel that interest on the Bonds will continue to be excluded from gross income for federal income tax purposes, (ii) a Cash Flow Statement giving effect to such redemption, and (iii) written confirmation from the Rating Agency that such redemption will not adversely affect the then existing rating on the Bonds.

(b) Mandatory Redemption from Unexpended Proceeds in Series 2012 Acquisition Account.

Series 2012 Program Bonds: In the event the Series 2012 Bonds are to be redeemed from unexpended proceeds remaining or deemed to be remaining in the Series 2012 Acquisition Account pursuant to **Section 205(b)(i)**, the Trustee shall apply amounts transferred or deemed to be transferred to the Series 2012 GSE Program Subaccount of the Series 2012 Redemption Account of the Bond Fund pursuant to **Section 402(c)** to redeem the Series 2012 Program Bonds. Moneys transferred from the Series 2012 GSE Program Subaccount of the Series 2012 Acquisition Account shall be used solely to redeem the Series 2012 Program Bonds.

Series 2012 Market Bonds: In the event the Series 2012 Bonds are to be redeemed from unexpended proceeds remaining or deemed to be remaining in the Series 2012 Acquisition Account pursuant to **Section 205(b)(i)**, the Trustee shall apply amounts transferred or deemed to be transferred from the Series 2012 Acquisition Account and the Series 2012 Premium Subaccount of the Program Fund to the Series 2012 Market Subaccount of the Series 2012 Redemption Account of the Bond Fund pursuant to **Section 402(c)** to redeem on a Proportionate Basis the Series 2012 Program Term Bonds. Moneys transferred from the Series 2012 GSE Market Subaccount of the Series 2012 Acquisition Account shall be used solely to redeem the Series 2012 Market Bonds.

(c) Mandatory Redemption from Mandatory GSE Program Deposits, Prepayments and Excess Revenues:

Series 2012 Program Bonds: The Mandatory GSE Program Deposit deposited to the Series 2012 GSE Program Subaccount of the Series 2012 Redemption Account of the Bond Fund shall be used solely to redeem Series 2012 Program Bonds pursuant to **Section 205(b)(ii)**.

Series 2012 Market Bonds: Deposits to the Series 2012 Market Subaccount of the Series 2012 Redemption Account of the Bond Fund pursuant to **Section 205(b)(ii)** shall be used to redeem the Series 2012 Market Bonds in the order of priority and in the amounts as follows:

- (i) Determine the principal amount of the Series 2012 Market Bonds to be Outstanding as of such redemption date after taking into account all redemptions pursuant to **Section 205(b)(ii)**.
- (ii) If the amount determined in (c)(i) above is equal to or greater than the Series 2012 Market Bonds Outstanding at 400% PSA amount as of such redemption date (as set forth in Schedule I hereto), apply such amount on deposit in the Series 2012 Market Subaccount of the Series 2012 Bond Account of the Bond Fund to redeem the Series 2012 Market Bonds in the order of priority and in the amount as follows:

First, redeem the Series 2012 Premium PAC Term Bonds until the principal amount of the Series 2012 Premium PAC Term Bonds Outstanding is equal to the Series 2012 Premium PAC Term Bonds Outstanding at 75% PSA Amount as of such redemption date (as set forth in Schedule I hereto); and

Second, apply the balance of such amount to redeem the Series 2012 Market Term Bonds on a Proportionate Basis.

- (iii) If the amount determined in (c)(i) above is less than the bond balance listed in the Series 2012 Market Bonds Outstanding at 400% PSA Amount as of such redemption date (as set forth in Schedule I hereto), apply such amount on deposit in the Series 2012 Market Subaccount of the Series 2012 Redemption Account of the Bond Fund to redeem the Series 2012 Market Bonds in the order of priority as follows:

First, redeem the Series 2012 Premium PAC Term Bonds until the principal amount of the Series 2012 Premium PAC Term Bonds Outstanding is equal to the Series 2012 Premium PAC Term Bonds Outstanding at 75% PSA amount as of such redemption date (as set forth in Schedule I hereto);

Second, apply the balance of such amount to redeem the Series 2012 Market Term Bonds (excluding the Series 2012 Premium PAC Term Bonds) on a Proportionate Basis until the principal amount of the Series 2012 Market Bonds Outstanding is equal to the Series 2012 Market Bonds Outstanding (excluding the Series 2012 Premium PAC Term Bonds) at 400% PSA amount as of such redemption date (as set forth in Schedule I hereto); and

Third, apply the balance of such amount to redeem the Series 2012 Market Bonds (including the Series 2012 Premium PAC Term Bonds) on a Proportionate Basis.

- (d) Balances in the Series 2012 GSE Subaccount of the Series 2012 Redemption Account of the Bond Fund:

Series 2012 GSE Program Account: Monies remaining in the Series 2012 GSE Program Subaccount of the Series 2012 Redemption Account of the Bond Fund following redemption and discharge of all Series 2012 Program Bonds shall be transferred to the Series 2012 GSE Market Subaccount of the Series 2012 Redemption Account of the Bond Fund to redeem Series 2012 Market Bonds.

Section 207. Redemption Notice and Payments. Any required notice of redemption (which redemption notice may be conditioned upon the occurrence of certain events on or prior to the redemption date, in which event the redemption notice shall clearly state that such call for redemption is conditional), of any Series 2012 Bonds and/or Series 2012 Refunding Bond or portion thereof, identifying the Series 2012 Bonds and/or Series 2012 Refunding Bond or portions thereof to be redeemed, shall be given by the Trustee by mailing a copy of the redemption notice by first-class mail (postage prepaid) not more than sixty (60) days and not less than (i) thirty (30) days with respect to all redemptions except those pursuant to **Section 205(b)(i)** and (ii) not less than fifteen (15) days with respect to redemptions pursuant to Section 205(b)(i) prior to the date fixed for redemption to the registered owner of each Series 2012 Bond and/or Series 2012 Refunding Bond to be redeemed in whole or in part at the address shown on the registration books maintained by the Trustee; provided that, notice of redemption shall be sent by registered mail, return receipt requested, to registered owners of Series 2012 Bonds and/or Series 2012 Refunding Bond in the aggregate principal amount of \$1,000,000 or more who have made prior arrangement with the Trustee for such manner of notice. Failure to give such notice by mailing to any Bondholder, or any defect therein, shall not affect the validity of any proceedings for the redemption or special mandatory tender of other Series 2012 Bonds and/or Series 2012 Refunding Bond. The Trustee will mail a second notice of redemption in the manner described above to the holder of each Series 2012 Bond and/or Series 2012 Refunding Bond called for redemption which was not presented for payment sixty (60) days after the redemption date. Any notice mailed as described in this paragraph shall be conclusively presumed to have been duly given, whether or not the registered owner of such Series 2012 Bonds and/or Series 2012 Refunding Bond receives the notice.

The Trustee also shall mail a copy of each redemption notice by registered or certified mail or overnight delivery service or by facsimile or by electronic mail to the following: The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Attention: Call Notification; provided, however, that such mailing shall not be a condition precedent to such redemption, and failure so to mail any such notice shall not affect the validity of any proceedings for the redemption of the Series 2012 Bonds. In addition, such notice must be mailed or delivered, as the case may be, in the manner set forth above, at least two days in advance of the mailed or delivered notice, as the case may be, to two or more national information services that disseminate notices of redemption of other obligations similar to the Series 2012 Bonds (such as Financial Information, Inc.'s Financial Daily Called Bond Service, Kenny Information Service's Called Bond Service, Mergent/FIS Inc.'s Called Bond Department, XCITEX's Called Bond Department, Bloomberg's Called Bond Department and S&P's Called Bond Record). Failure to give all or any portion of such notice to two or more national information services shall not in any manner defeat the validity or effectiveness of a call for redemption or special mandatory tender.

On or prior to the date fixed for redemption, funds shall be deposited with the Trustee to pay, and the Trustee is authorized and directed to apply such funds to the payment of, the Series 2012 Bonds or portions thereof called, together with accrued interest thereon to the redemption date. Upon the deposit of funds sufficient to pay the redemption price of the Series 2012 Bonds, interest on the Series 2012

Bonds or portions thereof thus called shall no longer accrue after the date fixed for redemption. No payment of the redemption price of any Series 2012 Bond shall be made by the Trustee upon any Series 2012 Bond or portion thereof called for redemption until such Series 2012 Bond or portion thereof shall have been delivered for payment or cancellation or the Trustee shall have received the items required by this Series 2012 Supplemental Indenture with respect to any mutilated, lost, stolen or destroyed Series 2012 Bonds.

Section 208. Purchase of Series 2012 Bonds in Lieu of Redemption. Upon direction of the Issuer, the Trustee shall apply funds held in the Series 2012 Redemption Account of the Redemption Fund and the Series 2012 Refunding Bonds Subaccount of the Series 2012 Redemption Account of the Bond Fund to the purchase, respectively, of Outstanding Series 2012 Bonds or Series 2012-2 Refunding Bonds in lieu of redemption or otherwise, and, upon such purchase, such Series 2012 Bonds and Series 2012 Refunding Bonds shall be cancelled; provided, however, that the Trustee shall not expend amounts for the purchase of Series 2012 Bonds and Series 2012-2 Refunding Bonds of a particular maturity in excess of the amount that would otherwise be expended for the mandatory sinking fund redemption or payment and maturity of Series 2012 Bonds and Series 2012-2 Refunding Bonds of such maturity on the next succeeding Interest Payment Date. The price paid by the Trustee for any Series 2012 Bond and Series 2012-2 Refunding Bonds (excluding accrued interest on such Series 2012 Bond and Series 2012-2 Refunding Bonds, but including any brokerage and other charges) purchased pursuant to this paragraph shall not exceed the principal amount thereof. The Trustee also shall pay (from the Series 2012 Interest Account of the Debt Service Fund) accrued interest on any Series 2012 Bond and Series 2012-2 Refunding Bonds so purchased. Subject to the above limitation, the Trustee may purchase Series 2012 Bonds and Series 2012-2 Refunding Bonds at such times, for such prices, in such amounts and in such manner (whether after advertisements for tenders or otherwise) as is determined by the Issuer.

Section 209. Appointment of Registrar, Depositary and Paying Agent. Whitney Bank, a state banking corporation, formerly known as Hancock Bank of Louisiana, is and shall continue to be the Trustee under the Master Indenture. The Issuer hereby appoints Whitney Bank, a state banking corporation, formerly known as Hancock Bank of Louisiana, to serve in the capacities of Depositary, Registrar and Paying Agent with respect to the Bonds under this Series 2012 Supplemental Indenture. In such capacities of Registrar, Depositary and Paying Agent, Whitney Bank, a state banking corporation, formerly known as Hancock Bank of Louisiana, shall hold all accounts created solely and exclusively with respect to the Bonds and shall be the exclusive Depositary, Registrar and Paying Agent with respect to the Bonds.

Section 210. Execution. The Bonds shall be executed in the name of the Issuer by the manual or facsimile signature of the Chairman and the corporate seal of the Issuer or a facsimile thereof shall be impressed or imprinted on each Bond and attested by the manual or facsimile signature of the Secretary of the Issuer.

Section 211. Bond Year. The Bond Year with respect to the Bonds shall be the 12-month period ending on the 31st calendar day of July, provided that the first Bond Year shall begin on the Closing Date and ending on July 31, 2012.

Section 212. Extraordinary Expenses. Extraordinary Expenses as defined in **Section 101** of the Master Indenture shall not exceed the aggregate \$1,000 in any Bond Year with respect to the Series 2012 Bonds unless otherwise approved by an Authorized Officer prior to payment of any such excess payment; provided that no approval shall be required on or after the occurrence of an Event of Default.

ARTICLE III

FORM OF BONDS

Section 301. Denominations, Numbers and Letters. The Bonds shall be issued in Authorized Denominations or any integral multiple thereof. Each Bond shall be identified by the letters "R" and the subseries of such Bond and such Bonds shall be numbered consecutively from 1 upwards for each subseries.

Section 302. Book Entry System.

(a) Except as provided in subsection (c) of this Section, the Bonds shall be registered in the name of CEDE & Co. ("Cede"), as nominee of The Depository Trust Company ("DTC"). Payment of interest for any Bond shall be made by transfer of immediately available funds to the account of Cede on the Interest Payment Date for the Bonds at the address indicated for Cede in the registration books of the Issuer kept by the Trustee.

(b) The Bonds shall be initially issued in the form of a separate single fully registered bond in the amount of each separate stated maturity of the Bonds. Upon initial issuance, the Bonds shall be registered in the registration books of the Issuer kept by the Trustee in the name of Cede, as nominee of DTC. With respect to Bonds registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, the Issuer and the Trustee shall have no responsibility or obligation to any participant of DTC (a "Participant") or to any person for whom a Participant acquires an interest in Bonds (a "Beneficial Owner"). Without limiting the immediately preceding sentence, the Issuer and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or a Participant with respect to any ownership interest in Bonds, (ii) the delivery to any Participant, any Beneficial Owner or any person other than CEDE & Co. as nominee of DTC any notice of redemption, or (iii) the payment to any Participant, any Beneficial Owner or any other person, other than DTC, of any amount with respect to the principal of or premium, if any, or interest on the Bonds. The Issuer and the Trustee may treat and deem DTC as the absolute owner of each Bond for the purpose of payment of the principal of and premium, if any, and interest on such Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes whatsoever. The Trustee shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Payments of principal may be made without requiring the surrender of the Bonds, and the Issuer and the Trustee shall not be liable for the failure of DTC or any successor thereto to properly indicate on the Bonds the payment of such principal. No person other than DTC shall receive a Bond evidencing the obligation of the Issuer to make payments of principal of and premium, if any, and interest pursuant to this Series 2012 Supplemental Indenture. 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, and subject to the transfer provisions hereof, the word "Cede" in this Series 2012 Supplemental Indenture shall refer to such new nominee of DTC.

(c) (i) DTC may discontinue its services with respect to the Bonds at any time by giving written notice to the Issuer and discharging its responsibilities with respect thereto under applicable law.

(ii) The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2012 Bond certificates will be printed and delivered to DTC as described in this **Exhibit C**.

(iii) Upon the termination of the services of DTC with respect to the Bonds pursuant to subparagraph (c)(ii) of this **Section 302** after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Issuer, is willing and able to undertake such functions upon reasonable and customary terms, the Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, but may be registered in whatever name or names Bondholders transferring or exchanging Bonds shall designate. The Trustee may rely on information from DTC or any successor securities depository and its Participants as to the names of the beneficial owners of Bonds and the principal amounts owned by such beneficial owners. The cost of printing physical bond certificates and expenses of the Trustee Paying Agent and Registrar and fees which shall occur due to the delivery of Bond Certificates shall be paid for by the Issuer.

(iv) Notwithstanding any other provision of this Thirty-Third Series Supplement to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the Principal Amount of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided in the Representation Letter of the Issuer addressed to DTC.

(v) In connection with any notice or other communication to be provided to Bondholders pursuant to this Series 2012 Supplemental Indenture by the Issuer or the Trustee with respect to any consent or other action to be taken by the Bondholders, the Issuer or the Trustee, as the case may be, the Trustee shall establish a record date ("Notice Record Date") for such consent or other action and give DTC notice of such Notice Record Date not less than 15 calendar days in advance of such Notice Record Date to the extent possible.

Section 303. Form of Bonds. The Bonds and the Certificates of Authentication to be endorsed thereon shall be in substantially the forms set forth in **Exhibit C** hereto.

ARTICLE IV

DISPOSITION OF BOND PROCEEDS AND OTHER FUNDS

Section 401. Creation of Accounts; Application of Bond Proceeds and Prepayments.

(a) Accounts. The Escrow Indenture created the following funds and accounts to be held and maintained in each instance by the Trustee.

- (i) Revenue Fund;
- (ii) Program Fund, including
 - (A) Costs of Issuance Account,
 - (B) Acquisition Account, and
 - (C) Administrative Account,
- (iii) Bond Fund, including
 - (A) Principal Account,
 - (B) Interest Account,
 - (C) Redemption Account, including
 - (1) GSE Program Subaccount,
 - (2) GSE Market Subaccount, and
 - (3) Series 2012 Refunding Bonds Subaccount
- (iv) Reserve Fund;
- (v) Rebate Fund; and
- (vi) GSE Escrow Fund

There are specifically created with respect to the Series 2012 Bonds and the Series 2012 Refunding Bonds the following accounts in the following described funds (which shall be held and maintained by the Trustee) as follows:

Revenue Fund:

- Series 2012 Revenue Account
- Transferred Asset Revenue Account

Program Fund:

- Series 2012 Proceeds Account, including therein a Series 2012 Refunding Subaccount
- Series 2012 Administrative Account
- Series 2012 Acquisition Account, including therein a Series 2012 GSE Program Subaccount, a Series 2012 GSE Market Subaccount and a Series 2012 Premium Subaccount
- Series 2012 Cost of Issuance Account
- Series 2012 Capitalized Interest Account

Bond Fund:

- Series 2012 Principal Account, including therein the Series 2012 Refunding Bonds Subaccount
- Series 2012 Interest Account
- Series 2012 Redemption Account (including therein, the Series 2012 GSE Program Subaccount, the Series 2012 GSE Market Subaccount and the Series 2012 Refunding Bonds Subaccount)

Rebate Fund:

- Series 2012 Rebate Account

(b) Proceeds of the Series 2012 Market Bonds and the Series 2012 Refunding Bonds. The proceeds of **\$20,695,423.75** from the sale of the Series 2012 Market Bonds, together with (i) **\$30,000,000** of funds transferred on the Series 2012 Release Date from the GSE Escrow Fund and (ii) **\$1,891,866** of funds provided by the Issuer, shall be deposited on the Closing Date in the Series 2012 Proceeds Account. The proceeds of **\$3,055,000** from the sale of the Series 2012 Refunding Bonds shall be deposited to the Series 2012 Refunding Subaccount of the Series 2012 Proceeds Account of the Program Fund and shall be immediately transferred to the Prior Trustee to redeem the Prior Bonds on August 31, 2011.

Section 402. Use of Proceeds; Expenditure of Funds. Moneys in the Series 2012 Proceeds Account (other than the proceeds of the Series 2012 Refunding Bonds) in an amount equal to \$52,587,289.75 shall be credited or applied to the accounts of the Program Fund as follows:

Series 2012 GSE Program Subaccount	\$30,000,000.00
Series 2012 GSE Market Subaccount	\$20,000,000.00
Series 2012 Premium Subaccount	\$1,572,125.75
Series 2012 Cost of Issuance Account	\$495,164.00
Series 2012 Capitalized Interest Account	\$520,000.00
TOTAL	\$52,587,289.75.00

(a) Expenditure of Funds in the Series 2012 Acquisition Account. Except as otherwise set forth herein, all moneys deposited in the Series 2012 Acquisition Account shall be applied to the purchase of Certificates.

The Trustee shall withdraw moneys from the Series 2012 Acquisition Account for the purchase of the applicable portion of the Certificates from the Servicer or the Issuer at the applicable Certificate Purchase Price set forth in Schedule II herein and with funds on deposit in the Series 2012 Acquisition Account as follows:

Assisted Program Loan Certificates and Low Rate Loan Certificates: The Trustee shall pay for such Certificates by withdrawing (i) sixty percent (60%) of the principal portion of the such Certificates from funds on deposit in the Series 2012 GSE Program Subaccount of the Series 2012 Acquisition Account of the Program Fund, (ii) forty percent (40%) of the principal portion of such Certificates from

funds on deposit in the Series 2012 GSE Market Subaccount of the Series 2012 Acquisition Account of the Program Fund and (iii) the premium portion, if any, of the Certificate Purchase Price from funds on deposit in the Series 2012 Premium Subaccount of the Series 2012 Acquisition Account of the Program Fund. Following the redemption of Series 2012 Premium PAC Bonds pursuant to Section 205(b)(i) and the allocation of moneys deposited to the Series 2012 Premium Subaccount of the Series 2012 Account of the Program Fund to pay the premium portion of the Series 2012 Premium PAC Bonds, moneys remaining on deposit in the Series 2012 Premium Subaccount of the Series 2012 Acquisition Account of the Program Fund shall be paid to the Issuer on the first Interest Payment Date which occurs at least six months after the purchase of the last Certificate from amounts on deposit in the Series 2012 Acquisition Account.

CDBG-Assisted Loan Certificates and HOME-Assisted Loan Certificates: The Trustee shall pay for such Certificates by withdrawing (i) thirty percent (30%) of the principal portion of such Certificates from funds on deposit in the Series 2012 GSE Program Subaccount of the Series 2012 Acquisition Account of the Program Fund and (ii) twenty percent (20%) of the principal portion of such Certificates from funds on deposit in the Series 2012 GSE Market Subaccount of the Series 2012 Acquisition Account of the Program Fund.

Accrued interest, if any, on the Certificates shall be paid from the Series 2012 Capitalized Interest Account of the Program Fund.

Except as permitted below, the Trustee shall not purchase Certificates in excess of the principal amounts by Pass-Through Rates as specified in Schedule II hereto.

Notwithstanding the foregoing, the Trustee may be authorized by the Issuer in writing to purchase a different mix or additional amounts of Certificates backed by Low Rate Program Loans or Assisted Program Loans or HOME-Assisted Program Loans or CDBG Assisted Program Loans or to purchase Certificates at different rates than those specified herein with funds on deposit in the Series 2012 Acquisition Account of the Program Fund if so required to ensure that all of the funds on deposit in the Acquisition Account shall be utilized to purchase Certificates upon receipt by the Trustee of the following:

- (i) written instructions from the Issuer to purchase a different mix or such additional amounts of Certificates;
- (ii) evidence that federal HOME Program and/or CDBG moneys are available to pay the applicable portion of the purchase price relating to any additional HOME-Assisted Program Loans and/or CDBG Assisted Program Loans, respectively, authorized to be originated;
- (iii) an opinion of Bond Counsel that such action will not cause the interest on the Series 2012 Bonds to be included in gross income for purposes of federal income taxation; and
- (iv) confirmation that such changes will not cause the rating on the Bonds to be downgraded.

The Trustee shall not disburse any amounts held in the Series 2012 Acquisition Account to purchase a Certificate unless each of the following conditions has been satisfied:

- (i) The amount disbursed by the Trustee shall be equal to the applicable Certificate Purchase Price.

(ii) The Guaranteed Mortgage Security shall mature not later than May 25, 2041, the interest rate borne by the Guaranteed Mortgage Security shall be equal to the then applicable Pass-Through Rate, and the interest rate borne by the Mortgage Loans in the Pool shall be equal to the then applicable Pass-Through Spread plus the then applicable Pass-Through Rate both with respect to GNMA Securities and with respect to Freddie Mac Securities.

(iii) With respect to each Guaranteed Mortgage Security (1) the Trustee, or its custodial agent has actual physical possession of the Guaranteed Mortgage Security and such Guaranteed Mortgage Security is registered in the name of the Trustee, as trustee under this Indenture or (2) the Guaranteed Mortgage Security shall be credited to the account of the Trustee, as trustee under this Indenture, at a clearing corporation, as defined under and pursuant to the Uniform Commercial Code applicable to the clearing corporation, and the clearing corporation is registered as a clearing agency under the Securities Exchange Act of 1934, as amended or (3) the Guaranteed Mortgage Security shall have been registered on the books of the Federal Reserve Bank in the name of the Trustee, and the Trustee shall have received confirmation in writing that the depository is holding such Guaranteed Mortgage Security on behalf of, and has identified such Guaranteed Mortgage Security on its records as belonging to, the Trustee or (4) a combination of (1) and (2).

(iv) The Trustee shall have received from the Servicer the prospectus relating to the Guaranteed Mortgage Security and a copy, certified by such Servicer, of the Fannie Mae schedule form 2014 in connection with the Fannie Mae Securities.

(v) The Trustee shall have received a copy of the Purchase Certification from the Servicer with respect to each Mortgage Loan in the Pool represented by the Guaranteed Mortgage Security.

To effect the purchase of each Certificate, the Trustee shall withdraw funds on deposit in the applicable subaccount of Series 2012 Acquisition Account in an amount equal to the applicable portion of the applicable Certificate Purchase Price, and shall withdraw funds in an amount equal to the accrued interest on such Guaranteed Mortgage Security at the applicable Pass-Through-Rate from the Series 2012 Capitalized Interest Account and shall pay such amount to the Servicer.

(b) Expenditure of Funds in the Capitalized Interest Account. Moneys in the Series 2012 Capitalized Interest Account shall be used (i) to pay interest on the Series 2012 Bonds, (ii) to fund the accrued interest on Certificates purchased from the Series 2012 Acquisition Account and (iii) to pay the redemption price of the Series 2012 Bonds as required to effect all required redemptions. Moneys remaining on deposit in the Series 2012 Capitalized Interest Account on the first Interest Payment Date which occurs at least six months after the purchase of the last Certificate from amounts on deposit in the Series 2012 Acquisition Account shall be (i) paid to the Issuer only following receipt by the Trustee of a Cash Flow Statement and following written confirmation from the Rating Agency that the rating on the Series 2012 Bonds is not adversely affected thereby or (ii) to the extent all funds remaining on deposit in the Series 2012 Capitalized Interest Account are not paid to the Issuer as set forth above, such moneys not so paid will be transferred to the appropriate sub-accounts of the Series 2012 Redemption Account to redeem Series 2012 Bonds in accordance with the provisions of **Section 205(b)(ii)** herein if Rating Agency written confirmation is not received by such date.

(c) Transfer of Unexpended Proceeds: The initial December 15, 2011 Transfer Date relating to the January 1, 2012 date for mandatory redemption from amounts in the Series 2012 Acquisition Account pursuant to **Section 205(b)(i)** may be extended to a date not later than February 25, 2015 by the Issuer with respect to all or any portion of the moneys remaining in the Series 2012 Acquisition Account of the Program Fund upon receipt by the Trustee not later than fifteen (15) days before the date the Trustee is required to give notice of redemption of the Bonds of the following:

- (i) an opinion of Bond Counsel that such extension will not cause the interest on the Series 2012 Bonds to be includable in gross income for purposes of federal income taxation;
- (ii) a Cash Flow Statement of the Issuer based on the same assumptions and scenarios that were provided to the Rating Agency prior to the date of issuance of the Series 2012 Bonds (unless otherwise directed by the Rating Agency);
- (iii) evidence that the moneys in all funds and accounts can be invested at the rates assumed in the Cash Flow Statement; and
- (v) the written confirmation of the Rating Agency that such extension will not adversely affect the rating on the Series 2012 Bonds.

(d) Expenditures of Pledged Receipts Deposited to the Transferred Asset Revenue Account: Following deposit of Pledged Receipts to the Series 2012 Revenue Account of the Revenue Fund, all principal payments and Prepayments received with respect to the Transferred Certificates shall be credited or transferred to the Transferred Asset Revenue Account. Pledged Receipts deposited to the Transferred Asset Revenue Account shall be immediately credited and/or deposited when received in the following order of priority:

- (i) First, to the Series 2012 Refunding Bonds Subaccount of the Series 2012 Account of the Bond Fund in an amount sufficient to pay scheduled principal payments on the Series 2012 Bonds as of the next succeeding June 1 or December 1, as applicable;
- (ii) Second, to the Series 2012 Refunding Bonds Subaccount of the Series 2012 Redemption Account of the Bond Fund to be used to redeem the Series 2012-1 Refunding Bonds until no Series 2012-1 refunding Bonds remain outstanding;
- (iii) Third, to the Series 2012 Refunding Bonds Subaccount of the Series 2012 Redemption Account of the Bond Fund to be used to redeem the Series 2012-2 Refunding Bonds until no Series 2012-2 refunding Bonds remain outstanding;
- (iv) Fourth, as of any redemption date following redemption of the Series 2012 Market Bonds from amounts deposited to the 2012 GSE Market Subaccount of the Series 2012 Redemption Account of the Bond Fund to be used to redeem the Series 2012 Market Bonds until no Series 2012 Market Bonds remain outstanding; and

- (v) Fifth, to the 2012 GSE Program Subaccount of the Series 2012 Redemption Account of the Bond Fund to be used to redeem the Series 2012 Program Bonds.

Section 403. Accrued Interest. The amount, if any, received as accrued interest on the delivery of the Series 2012 Bonds shall be deposited in the Series 2012 Interest Account of the Bond Fund.

Section 404. Lender Fees. The Lender Fees, if any, relating to the Series 2012 Mortgage Loans shall be paid to the Issuer.

Section 405. Modifications Contained in Officer's Certificate. The amounts, deposits, transfers and other provisions set forth in this **Article IV** shall be subject to change as shall be set forth in the Officer's Certificate delivered to the Trustee on the Closing Date. Said Officer's Certificate shall constitute the final and conclusive determination as to all matters set forth in this **Article IV**.

Section 406. Series 2012 Cost of Issuance Account. The Trustee shall deposit into the Series 2012 Cost of Issuance Account the sums specified in **Section 402** hereof to pay costs of issuance with respect to the Series 2012 Bond. Any funds remaining in the Series 2012 Cost of Issuance Account on and after the purchase of the last Guaranteed Mortgage Certificate shall be transferred to the Issuer at the Issuer's request and the account shall then be closed.

Section 407. Concerning any Investment Agreement. The Trustee shall give all notices and take such other actions in proper time, form and manner as are required to be taken under any Investment Agreement so as to enable the Trustee to withdraw funds to make all payments required to be made when due with respect to the Series 2012 Bonds pursuant to the terms thereof and in accordance with this Series 2012 Supplemental Indenture and the Escrow Indenture.

Section 408. Approval of Various Lender Documents. The Issuer covenants to fully comply with the requirements applicable to it as set forth in the Lender Documents and further covenants that the proceeds of the Series 2012 Bonds will be used in accordance with the requirements of the Lender Documents.

Section 409. Covenants Regarding Certificates. All Certificates purchased from moneys in the Series 2012 Acquisition Account shall be held by the Trustee to the credit of the Series 2012 Acquisition Account, subject to the following requirements:

(a) The Trustee shall not disburse any amounts held in the Series 2012 Acquisition Account to purchase a GNMA Security unless the Trustee shall have been furnished with (1) a GNMA Security, registered in the name of the Trustee; or (2) a GNMA Security credited to the account of the Trustee at a clearing corporation as defined under and pursuant to the Uniform Commercial Code applicable to the clearing corporation and the clearing corporation is registered as a clearing agency under the Securities Exchange Act of 1934; or (3) for a GNMA Security that is in the form of a book-entry maintained on the records of the Participants Trust Company, or successor depository institution ("PTC") ("Book-Entry Security"), confirmation that (A) PTC has made an appropriate entry in its records of the transfer of such Book-Entry Security to a limited purpose account of the PTC Participant (defined below) free of any payment obligation and (B) the PTC Participant has confirmed to the Trustee the receipt of such Book-Entry Security and also by book-entry or otherwise identifies such Book-Entry Security as belonging to the Trustee, so that the Trustee at all times has a first priority perfected security interest in such GNMA Security. The "PTC Participant" (if not the Trustee) shall be a clearing corporation which

is a participant in PTC and which has a custody agreement with the Trustee with respect to the GNMA Security.

With respect to GNMA Securities acquired with the proceeds of Series 2012 Bonds, the Issuer will cause the related Servicer to collect and remit all payments due on the GNMA Securities to the Trustee or Participants Trust Company, or its successors, to the extent such corporation is effecting book-entry transfers of such GNMA Securities (in the case of GNMA I Securities) or Chemical Bank (or its successor), as Central Paying and Transfer Agent, or if book-entry transfers, Participants Trust Company (in the case of GNMA II Securities). The Issuer shall cause the related Servicer to report to the Trustee the amounts of such payments (including amounts received from GNMA pursuant to the GNMA Guaranty, if any) derived from regularly scheduled principal payments, Prepayments and interest on Series 2012 Mortgage Loans or other moneys with respect to Series 2012 Mortgage Loans underlying the GNMA Securities.

If the Trustee does not receive payment or advice of payment with respect to a GNMA I Security when due by the close of business on the Fifteenth day of any month (with respect to a GNMA I Security in the physical possession of the Trustee) or the seventeenth day of any month (with respect to a GNMA I Security in book-entry form with the Participants Trust Company), the Trustee shall immediately notify the applicable Servicer and, to the extent the GNMA Securities are held in book-entry form, the Participants Trust Company, or its successor and, if not so paid, demand payment from GNMA. If the Trustee does not receive a payment or advice of payment with respect to a GNMA II Security by the close of business on the Fifteenth day of any month (with respect to a GNMA II Security in the physical possession of the Trustee) or the Fifteenth day of any month (with respect to a GNMA II Security not in the physical possession of the Trustee), the Trustee shall immediately notify Chemical Bank (or its successor), as Central Paying and Transfer Agent, and, to the extent the GNMA Securities are held in book-entry form, the Participants Trust Company, or its successor, and demand payment in immediately available funds of the payment due, and, if not so paid, demand payment from GNMA. If any of the days when payments are due as specified in this paragraph are not Business Days, then, if such payments are received not later than the second succeeding Business Day following the day specified, no action shall be required to be taken by the Trustee.

(b) The Fannie Mae Securities acquired by the Trustee from amounts on deposit in the Series 2012 Acquisition Account shall be held at all times by the Trustee in trust and shall be held in book-entry form as described in this subsection. A Fannie Mae Security will be issued in book-entry form through the book-entry system of the Federal Reserve System, pursuant to which the Fannie Mae Security shall have been registered on the books of the Federal Reserve Bank in the name of the Trustee, and the Trustee shall have received confirmation in writing that the depository is holding such Fannie Mae Security on behalf of, and has identified such Fannie Mae Security on its records as belonging to, the Trustee. If the Trustee does not receive payment or advice from the depository of payment with respect to a Fannie Mae Security when due by the close of business on the Fifteenth day of any month (or the next Business Day if the Fifteenth day is not a Business Day), the Trustee shall demand payment from Fannie Mae in connection with the guaranty of timely payments of principal and interest by Fannie Mae.

(c) The Freddie Mac Securities acquired by the Trustee from amounts on deposit in the Series 2012 Acquisition Account shall be held at all times by the Trustee in trust and shall be held in book-entry form as described in this subsection. A Freddie Mac Security will be issued only in book-entry form through the book-entry system of the Federal Reserve System, pursuant to which the Freddie Mac Security shall have been registered on the books of the Federal Reserve Bank in the name of the Trustee, and the Trustee shall have received confirmation in writing that the depository is holding such

Freddie Mac Security on behalf of, and has identified such Freddie Mac Security on its records as belonging to, the Trustee. If the Trustee does not receive payment or advice from the depositary of payment with respect to a Freddie Mac Security when due by the close of business on the fifteenth day of any month (or the next Business Day if the fifteenth day is not a Business Day), the Trustee shall demand payment from Freddie Mac in connection with the guaranty of timely payments of principal and interest by Freddie Mac.

Section 410. Covenant as to Compliance; Delivery of Opinion of Bond Counsel and Rating Letter. The Issuer hereby covenants that it is in compliance with all applicable requirements of the Escrow Indenture as of the date of this Series 2012 Supplemental Indenture. Concurrently with the execution and delivery of this Series 2012 Supplemental Indenture, the Issuer has delivered to the Trustee (i) an opinion of Bond Counsel to the effect that the interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes (with customary assumptions, exceptions and qualifications) and (ii) a rating letter from the Rating Agency indicating that the Series 2012 Bonds have been assigned the rating of 'Aaa'.

Section 411. Covenants and Requirements to Comply with Certain Tax Requirements.

(a) Compliance with Ten Year Rule: The Issuer hereby covenants that no principal on the Bonds will be refunded without a certification of the Issuer and Bond Counsel that the provisions of Section 143(a)(2)(A)(iv) of the Code have been satisfied.

(b) Compliance with 42 Month Rule: The Issuer hereby covenants that the Transfer Date shall not be extended beyond February 25, 2015.

Section 412. Deposits to Series 2012 Revenue Account and the Transferred Asset Revenue Account. All Pledged Receipts (other than principal payments and prepayments on the Transferred Certificates) shall be deposited for credit to the Series 2012 Revenue Account in the Revenue Fund as required in Section 5.05(a) of the Escrow Indenture, including payment of interest on the Series 2012 Refunding Bonds. All Pledged Receipts on deposit in the Series 2012 Revenue Account received with respect to Transferred Certificates (other than interest paid through the Transferred Certificates) shall be transferred to the Transferred Asset Revenue Account.

Section 413. Transfers from Series 2012 Revenue Account. Amounts on deposit in the Series 2012 Revenue Account shall be transferred in accordance with the provisions of Section 5.05(b) of the Escrow Indenture.

Section 414. Application of Funds Deposited to Series 2012 Funds and Accounts in accordance with Escrow Indenture. Except as otherwise provided for in this Series 2012 Supplemental Indenture, the funds deposited to the Series 2012 Funds and Accounts shall be transferred and/or credited in accordance with the provisions of the Escrow Indenture but with the application of such transfers and/or credits to the Series 2012 Bonds.

Section 415. Fund Balances. Upon the payment and discharge of the Series 2012 Bonds, the balances in all funds and accounts shall be transferred to the Issuer.

ARTICLE V

DETERMINATIONS WITH RESPECT TO SERIES 2012 MORTGAGE LOANS

Section 501. Determinations Relating to the Receipt and Application of Prepayments and Pledged Receipts. All Prepayments of Series 2012 Mortgage Loans underlying Certificates, Mandatory GSE Program Deposits and Excess Revenues shall be transferred by the Trustee as soon as practicable following receipt or computation to their respective Subaccounts in the Series 2012 Redemption Account of the Bond Fund.

Section 502. Determination as to Mortgage Loan Servicing Agreement.

(a) The Issuer represents that interest rate or rates, purchase price or prices and maturity date or dates of the Series 2012 Mortgage Loans expected to be financed in connection with the issuance and delivery of the Series 2012 Bonds shall be as set forth in the Lender Documents, and the maximum amount by which the yield actually provided by such Series 2012 Mortgage Loans in the aggregate may exceed the yield on the issue of the Series 2012 Bonds shall be in accordance with the requirements of the Code.

(b) Moneys deposited to the credit of the Series 2012 Acquisition Account shall be used to purchase Certificates which represent undivided beneficial ownership interests in Series 2012 Mortgage Loans, and which are consistent with the requirements of (i) the Issuer as set forth in the Lender Documents of the Issuer, (ii) the Act, and (iii) the Code relating to the exclusion from gross income for federal income tax purposes of interest on the Series 2012 Bonds. The Issuer reasonably expects to purchase Certificates in an aggregate principal amount of **\$54,595,168** from the Servicer with the amounts credited to the Series 2012 Acquisition Account and HOME Funds with respect to Low Rate Program Loans, HOME Assisted Program Loans and CDBG Funds with respect to CDBG Assisted Program Loans, and has authorized the execution and delivery of the Mortgage Loan Servicing Agreements with the prospective Lenders relating to the above.

Section 503. Determinations as to Insurance. The requirements relating to any required insurance applicable to the Series 2012 Mortgage Loans shall be set forth in the Lender Documents of the Issuer.

ARTICLE VI

ADDITIONAL DETERMINATIONS

Section 601. Rebate to United States. The Issuer hereby covenants to pay to the United States Treasury Department amounts credited to the Series 2012 Rebate Account of the Rebate Fund, except as otherwise may be directed in an Officer's Certificate, together with an opinion of Bond Counsel approving such direction under Section 148 of the Code, filed with the Trustee. Money to be applied to the payment of any rebate shall be derived, first, from the Series 2012 Rebate Account and, second, shall be paid by the Issuer from its general funds. The Trustee shall, as directed by the Issuer, transfer a portion of each interest payment under the Investment Agreements to the Series 2012 Rebate Account as described in **Section 703** of this Series 2012 Supplemental Indenture.

Section 602. Extension of Certificate Delivery Period. The Issuer may extend the period during which Certificates may be purchased by the Issuer from proceeds in the Series 2012 Acquisition Account, if deemed necessary or advisable by the Issuer, upon satisfaction of the requirements set forth in **Section 402(c)** hereof.

Section 603. Cash Flow Statements. The Issuer has caused Morgan Keegan & Company, Inc. to deliver the Cash Flow Analyses and Yield Calculations as verified by Causey Demgen & Moore (the "Cash Flow Analyses") which Cash Flow Analyses confirm the Market Bond Ratio Requirement. The Issuer covenants to furnish as copy of these statements to the GSEs.

Section 604. Establishment of Issuer Fees. The Cash Flow Analyses referred to in **Section 603** hereof state that the Issuer's semi-annual fees related to the administration of the Program, payable as of each Interest Payment Date commencing on the second Interest Payment Date after the last purchase of Certificates from amounts on deposit in the 2012 Acquisition Account, are equal to one-half of the then applicable per annum percentages of the principal balance of Certificates backed by 2012 Mortgage Loans (subject to reduction at the option of the Issuer) specified in Schedule II hereto.

Section 605. Compliance with Code. The Issuer hereby covenants to comply with all applicable provisions of the Code in order that the interest on the Series 2012 Bonds will not become includable in the gross income of the owners thereof.

Section 606. Compensation of Trustee. The Trustee shall be compensated as provided in **Exhibit B** attached hereto.

ARTICLE VII

MISCELLANEOUS

Section 701. Limited Obligations of Issuer. THE BONDS ARE PAYABLE SOLELY FROM THE MONEYS AND ASSETS OF THE ISSUER PLEDGED THEREFOR AND DO NOT CONSTITUTE A DEBT OR GENERAL OBLIGATION NOR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF BUT CONSTITUTE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE MONEYS AND PROPERTY SPECIFICALLY PLEDGED TO THE PAYMENT OF THE BONDS UNDER THIS INDENTURE. NEITHER THE BONDS NOR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS HEREUNDER SHALL BE A DEBT OF THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) AND NEITHER THE STATE OF LOUISIANA NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE LIABLE THEREON. THE BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER DEBT LIMITATION. THE ISSUER HAS NO TAXING POWER. NEITHER THE BOARD OF COMMISSIONERS OF THE ISSUER, ITS OFFICERS OR EMPLOYEES, NOR ANY PERSON EXECUTING THE BONDS PURSUANT TO THIS SECTION SHALL BE LIABLE PERSONALLY ON THE BONDS. THE BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA.

Section 702. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Series 2012 Supplemental Indenture on the part of the Issuer or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Series 2012 Supplemental Indenture.

Section 703. Covenant to Comply with Federal Tax Law Requirements. The Issuer hereby covenants to comply with all applicable requirements of the Code, so that interest on the Series 2012 Bonds will be excluded from gross income of the holders thereof for federal income tax purposes, including all applicable requirements of the Code in respect of the rebate requirement of Section 148(f) of the Code. The Issuer also covenants to pay any interest or penalty imposed by the United States for failure to comply with said rebate requirements. In accordance with the rebate requirement, the Issuer agrees that there will be paid from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the Series 2012 Bonds from time to time.

IN WITNESS WHEREOF, the Louisiana Housing Finance Agency has caused these presents to be signed in its name and behalf and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed and sealed in its name and behalf by its duly authorized officers, on this 25th day of August, 2011.

LOUISIANA HOUSING FINANCE AGENCY

[SEAL]

By: _____
Name: Allison A. Jones
Title: Chairperson

ATTEST:

By: _____
Name: Barry E. Brooks
Title: Secretary

WHITNEY BANK, a state banking corporation,
formerly known as Hancock Bank of Louisiana,
as Trustee

[SEAL]

By: _____
Name: Carliss Knesel
Title: Vice President and Trust Officer

EXHIBIT A

AMENDED AND RESTATED APPENDIX FOR USE
Dated as of November 1, 2010

EXHIBIT B

FEE SCHEDULE FOR TRUSTEE, PAYING AGENT AND REGISTRAR SERVICES

[Attached]

EXHIBIT C

FORM OF SERIES 2012 BONDS

EXHIBIT D

TRANSFERRED CERTIFICATES

[Attached]

SCHEDULE I

TABLE OF OUTSTANDING SERIES 2012 MARKET BOND AMOUNTS

[Attached]

SCHEDULE II

SCHEDULE OF INTEREST RATES, PASS THROUGH RATES, PURCHASE PRICES
AND ISSUER FEES RELATING TO SERIES 2012 PROGRAM LOANS

[Attached]