PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 15, 2015

NEW ISSUE

In the opinion of Ballard Spahr LLP, Bond Counsel to UHC, interest on the 2015 Series A Bonds is taxable as ordinary income for federal income tax purposes. Bond Counsel is also of the opinion based on existing law that interest on the 2015 Series A Bonds is exempt from Utah individual income taxes. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the 2015 Series A Bonds. See "LEGALITY AND TAX STATUS" herein.

$28,310,000*

UTAH HOUSING CORPORATION

Single Family Mortgage Class I Refunding Bonds, 2015 Series A (Federally Taxable)

Interest from: Date of delivery **Due: As shown below**

The Utah Housing Corporation Single Family Mortgage Class I Refunding Bonds, 2015 Series A (Federally Taxable) (the "2015 Series A Bonds") are being issued under and pursuant to a General Indenture of Trust, dated as of December 1, 2009 (the "General Indenture"), between Utah Housing Corporation ("UHC") and Wells Fargo Bank, National Association, as trustee (the "Trustee"), and a 2015 Series A Indenture, dated as of February 1, 2015 (the "2015 Series A Indenture" and, collectively with the General Indenture and other Series Indentures, the "Indenture"), between UHC and the Trustee.

The 2015 Series A Bonds are issuable only as fully registered bonds without coupons and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the 2015 Series A Bonds. Individual purchases will be made in book-entry form only in the principal amount of $5,000 and integral multiples thereof.

Interest on the 2015 Series A Bonds is payable semiannually on January 1 and July 1 of each year, commencing July 1, 2015. Principal and interest on the 2015 Series A Bonds are payable by the Paying Agent to DTC, which will be responsible for remitting such principal and interest to its Participants, which will be responsible for remitting such principal and interest to the Beneficial Owners of such Bonds, as described under the caption "Book-Entry Provisions" herein.

The 2015 Series A Bonds are subject to redemption prior to maturity, including special redemption at par under certain circumstances, as described herein.

$28,310,000* ___% Term Class I Bonds Due July 1, 2041 Price ___% CUSIP _______

The 2015 Series A Bonds are special obligations of UHC, payable solely from and secured by the pledge pursuant to the Indenture of the revenues and assets derived from the proceeds of the Bonds, including the money and securities held in the Funds and Accounts created by the Indenture other than money and securities held in the Rebate Account, any UHC Payment Account, the Bond Purchase Fund and the Short Term Bond Account, and the Rebate Requirement to be deposited in the Rebate Account, and other revenues as provided in the Indenture. Neither the State of Utah nor any political subdivision thereof is obligated to pay the Bonds and neither the faith and credit nor the taxing power of the State of Utah or of any political subdivision thereof is pledged to the payment of the principal or redemption price of or interest on the Bonds. UHC has no taxing power.

The 2015 Series A Bonds are offered when, as and if received by the Underwriters, subject to the approval of legality by Ballard Spahr LLP, Salt Lake City, Utah, Bond Counsel to UHC, and certain other conditions. Certain legal matters will be passed upon for the Underwriters by their counsel, Orrick, Herrington & Sutcliffe LLP, San Francisco, California. It is expected that definitive Bonds will be available for delivery in New York, New York, on or about February 2, 2015.

Wells Fargo Securities **Zions Bank**

Dated: January __, 2015

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* Preliminary, subject to change.

No dealer, broker, salesperson or other person has been authorized by UHC or the Underwriters to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2015 Series A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth herein has been obtained from UHC and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of UHC or any other parties described herein since the date as of which such information is presented. References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

In connection with this offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the 2015 Series A Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

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

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OFFICIAL STATEMENT

of

UTAH HOUSING CORPORATION

Relating to its

$28,310,000*

Single Family Mortgage Class I Refunding Bonds, 2015 Series A (Federally Taxable)

This Official Statement (which includes the cover page and appendices hereto) of Utah Housing Corporation ("UHC") provides certain information in connection with the issuance and sale of UHC's $28,310,000* Single Family Mortgage Class I Refunding Bonds, 2015 Series A (Federally Taxable) (the "2015 Series A Bonds").

The 2015 Series A Bonds will be issued pursuant to the Utah Housing Corporation Act, Title 35A, Chapter 8, Part 7, Utah Code Annotated 1953, as amended (the "Act"), a General Indenture of Trust (the "General Indenture"), dated as of December 1, 2009, between UHC and Wells Fargo Bank, National Association, as trustee (the "Trustee"), and a 2015 Series A Indenture (the "2015 Series A Indenture"), dated as of February 1, 2015, between UHC and the Trustee.

UHC is issuing the 2015 Series A Bonds in furtherance of its Single Family Mortgage Program (the "Program") in order to refund certain bonds originally issued under the General Indenture in connection with the New Issue Bond Program of the U.S. Department of the Treasury (the "NIBP") to finance the purchase of housing by low and moderate income persons within the State of Utah (the "State"). UHC has issued bonds under the General Indenture in addition to the bonds being refunded. See "OUTSTANDING BONDS AND INVESTMENT OBLIGATIONS."

On December 23, 2009, UHC issued pursuant to the Indenture its Single Family Mortgage Bonds, 2009 Series C-1 (the "2009 Series C-1 Bonds" and, excepting the 2009 Series C-1 Program Bonds defined below, the "2009 Series C Market Bonds"), including $21,360,000 aggregate principal amount of 2009 Series C-1 Bonds maturing on July 1, 2040 (the "2009 Series C-1 Program Bonds"), and its Single Family Mortgage Bonds, 2009 Series C-2 Bonds (AMT) (together with the 2009 Series C-1 Program Bonds, the "2009 Series C Program Bonds" and together with the 2009 Series C-1 Bonds, the "2009 Series C Bonds"). Pursuant to the NIBP, the 2009 Series C Program Bonds were exchanged for securities (each a "GSE Security") issued by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation (collectively, the "GSEs") and backed by the 2009 Series C Program Bonds. These GSE Securities were purchased from UHC by the U.S. Treasury at a price of par, net of certain securitization fees and expenses owed to the GSEs.

On December 21, 2009 UHC issued its Single Family Mortgage Bonds, 2009 Series D (Federally Taxable) (the "2009 Series D Bonds") in the aggregate principal amount of $125,300,000. The 2009 Series D Bonds were issued as Class IV Bonds pursuant to the Indenture, and backed by GSE Securities issued by the GSEs, which GSE Securities were purchased by the United States Treasury and held in escrow, as authorized pursuant to the NIBP. All 2009 Series D Bonds were previously released from escrow and redesignated as Utah Housing Corporation Single Family Mortgage Bonds, 2009 Series D-1 (the "2009 Series D-1 Bonds"), 2009 Series D-2 (the "2009 Series D-2 Bonds"), 2009 Series D-3-1 (the "2009 Series D-3-1 Bonds") and 2009 Series D-3-2 (the 2009 Series D-3-2 Bonds and, together with the 2009 Series D-3-1 Bonds, the "2009 Series D-3 Bonds"). In connection with the prior release of the Utah Housing Corporation Single Family Mortgage Bonds, 2009 Series D-1, UHC issued its Utah Housing Corporation Single Family Mortgage Bonds, 2010 Series A (the "2010 Series A Bonds"). In connection with the prior releases of the Utah Housing Corporation Single Family Mortgage Bonds, 2009 Series D-2 and 2009 Series D-3, UHC also issued pursuant to the Indenture its Utah Housing Corporation Single Family Mortgage

* Preliminary, subject to change.

Bonds, 2010 Series B (the "2010 Series B Bonds" and, together with the 2009 Series D-2 Bonds, the "2010B/2009D-2 Bonds"), and its Utah Housing Corporation Single Family Mortgage Bonds, 2011 Series A-1 and 2011 Series A-2 (the "2011 Series A Bonds" and, together with the 2009 Series D-3 Bonds, the "2011A/2009D-3 Bonds"). The 2010B/2009D-2 Bonds and the 2011A/2009D-3 Bonds each constituted a "Series" as defined in the General Indenture.

On June 3, 2013, UHC issued its Single Family Mortgage Class I Refunding Bonds, 2013 Series E (Federally Taxable) (the "2013 Series E Bonds"), the proceeds of which were applied, together with excess Revenues, to refund the 2009 Series C Program Bonds, the 2009 Series D-1 Bonds and the 2009 Series D-3 Bonds, excepting a portion of the 2009 Series D-3-2 Bonds currently Outstanding in the aggregate principal amount of $2,020,000 (the "Remaining 2009 Series D-3 Bonds"). The 2009 Series D-2 Bonds, currently Outstanding in the aggregate principal amount of $25,930,000, and the Remaining 2009 Series D-3 Bonds constitute the "Refunded Program Bonds" to be refunded from proceeds of the 2015 Series A Bonds. The 2010 Series B Bonds and the 2011 Series A Bonds are collectively referred to as the "Existing Market Bonds." The Existing Market Bonds consist of Class I, Class II Bonds and Class III Bonds under the General Indenture. See "OUTSTANDING BONDS AND INVESTMENT OBLIGATIONS."

In connection with the issuance of the 2015 Series A Bonds and the refunding of the Refunded Program Bonds, UHC will deliver its 2015A UHC Requests. As a result of the allocations ordered in the 2013E UHC Request and the 2015A UHC Requests, the following will constitute "Series" for purposes of the Indenture upon the issuance of the 2015 Series A Bonds and the refunding of the Refunded Program Bonds:

- 2009 Series C Bonds / 2013 Series E Bonds Related to 2009 Series C Market Bonds
- 2010 Series A Bonds / 2013 Series E Bonds Related to 2010 Series A Bonds
- 2010 Series B Bonds / 2015 Series A Bonds Related to 2010 Series B Bonds
- 2011 Series A Bonds / 2013 Series E Bonds Related to 2011 Series A Bonds / 2015 Series A Bonds Related to 2011 Series A Bonds

See "SUMMARY OF 2015A UHC REQUESTS."

UHC may issue additional series of bonds under the General Indenture ("Additional Bonds") upon satisfaction of the conditions set forth in the General Indenture. All bonds issued under the General Indenture are referred to herein as the "Bonds". Bonds of each Class issued under the General Indenture are equally and ratably secured by the pledges and covenants contained therein with other Bonds of the same Class. The General Indenture and all supplemental indentures, including supplemental indentures providing for the issuance or remarketing of Bonds (such as the 2015 Series A Indenture), are referred to herein collectively as the "Indenture".

All capitalized terms used in this Official Statement that are defined in the Indenture shall have the respective meanings set forth in the Indenture. See "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Definitions of Certain Terms." The references to and summaries and descriptions of the Act, the Indenture, the Bonds and the Program, the other statutes, instruments and documents which are included in this Official Statement do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entireties by references to the appropriate statute, instrument or document.

INTRODUCTION

The 2015 Series A Bonds are being issued to provide money for UHC (i) to refund the Refunded Program Bonds, and (ii) to pay costs of issuance of the 2015 Series A Bonds. No new mortgage loans will be made in connection with the issuance and sale of the 2015 Series A Bonds. See "FINANCING PLAN" and "SOURCES AND USES OF FUNDS."

The mortgage loans presently held under the General Indenture (the "Existing Mortgage Loans") have fixed interest rates and original amortization periods of thirty years. The Existing Mortgage Loans are secured by Mortgages constituting first liens on single-family, owner-occupied housing and were, when purchased by UHC,

(i) insured by the Federal Housing Administration ("FHA"), (ii) guaranteed by the Department of Veterans Affairs ("VA"), or (iii) Uninsured. See "EXISTING MORTGAGE LOAN PORTFOLIO." See also "APPENDIX A – Insurance, Guarantees and Foreclosure" for a summary of UHC's single family mortgage program. The Indenture does not require Mortgage Loans purchased with amounts made available by the proceeds of Additional Bonds ("Additional Mortgage Loans") to be insured by FHA or any other insurer or guaranteed by VA or any other guarantor, to have any particular initial loan-to-value ratio, or to bear interest at fixed-rates. See "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS–Additional Bonds; Refunding Bonds." The Existing Mortgage Loans and the Additional Mortgage Loans are referred to herein collectively as "Mortgage Loans." No new Mortgage Loans will be made with proceeds of the 2015 Series A Bonds; however, a portion of the Revenues related to Existing Mortgage Loans financed with proceeds of the Refunded Program Bonds are expected to be used to pay the principal and Redemption Price of, and interest on, the 2015 Series A Bonds. Additional Mortgage Loans may be financed upon such terms and conditions as UHC may establish.

The 2015 Series A Bonds are special obligations of UHC, payable solely from and secured by the pledge pursuant to the Indenture of the revenues and assets derived from the proceeds of the Bonds, including the Mortgage Loans, the money received by UHC from the Mortgage Loans and other revenues as provided in the Indenture and the money and securities held in the Funds and Accounts created by the Indenture other than money and securities held in the Rebate Account, any UHC Payment Account, the Bond Purchase Fund and the Short Term Bond Account, and the Rebate Requirement to be deposited in the Rebate Account.

All Bonds will be secured equally and ratably by the pledge and covenants contained in the Indenture, except as provided by the Indenture, and provided that under the circumstances described herein, the interests of the holders of Class II Bonds in revenues and assets pledged under the Indenture are subordinate to the interests of the holders of Class I Bonds (including the 2015 Series A Bonds), and the interests of the holders of Class III Bonds in revenues and assets pledged under the Indenture are subordinate to the interests of the holders of the Class I Bonds and the Class II Bonds, and the interests of the holders of the Class IV Bonds in revenues and assets pledged under the Indenture are subordinate to the interests of the holders of the Class I Bonds, the Class II Bonds and the Class III Bonds. None of the 2015 Series A Bonds are Class II Bonds, Class III Bonds or Class IV Bonds.

Neither the State nor any political subdivision thereof is obligated to pay the Bonds and neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal or redemption price of or interest on the Bonds. UHC has no taxing power.

In addition to the Program, UHC is authorized under the Act to engage in certain other activities. See "UTAH HOUSING CORPORATION – Operations to Date" and "APPENDIX C – Outstanding Indebtedness" for a description of UHC's single family and multi-family programs implemented prior to the date hereof. The proceeds of the Bonds may not be used to finance any activities of UHC other than the Program.

CONTINUING DISCLOSURE

UHC has covenanted for the benefit of the Holders and Beneficial Owners of the 2015 Series A Bonds to provide certain financial information and operating data relating to UHC not later than six months following the end of UHC's fiscal year, commencing with a report for UHC's fiscal year ending June 30, 2015 (the "Annual Bond Disclosure Report"), and to provide notices of the occurrence of certain enumerated events, in some cases if material. The filing of the Annual Bond Disclosure Report or notices of material events will be made solely by transmitting such filing to the Municipal Securities Rulemaking Board pursuant to its Electronic Municipal Market Access ("EMMA") system as provided at http://www.emma.msrb.org. The specific nature of the information to be contained in the Annual Bond Disclosure Report and the notices of material events is summarized below. See "SUMMARY OF CERTAIN PROVISIONS OF THE CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriters in complying with S.E.C. Rule 15c2-12(b)(5) (the "Rule").

UTAH HOUSING CORPORATION

UHC was created as an independent body politic and corporate, constituting a public corporation of the State of Utah by Title 35A, Chapter 8, Part 7, Utah Code Annotated 1953, as amended (the "Act"). The purpose of UHC is to assure an adequate source of capital for housing for low and moderate income persons living in the State of Utah.

The Act was amended effective July 1, 2001 to, among other things, change the organizational structure of UHC from a state agency to a public corporation. Prior to July 1, 2001, UHC was known and did business as "Utah Housing Finance Agency" (the "Agency"). UHC possesses all of the rights, powers and privileges of the Agency and is obligated to fulfill and perform all of the obligations of the Agency.

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

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

The Act provides that the Chair of UHC shall be appointed by the Governor and the President of UHC shall be appointed by the trustees of UHC. The President of UHC is not a trustee of UHC.

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

Richard K. Ellis – (Ex Officio); Utah State Treasurer; Former Director, Governor's Office of Planning and Budget, State of Utah; Former Executive Director, Department of Administrative Services, State of Utah; Former Chief Deputy State Treasurer, State of Utah; Member, National Association of State Treasurers; Treasurer, Western State Treasurer's Association; Chairman, Utah Council for Financial and Economic Education; B.S., Brigham Young University; M.B.A., University of Utah. (Term commenced January 5, 2009.)

G. Edward Leary – (Ex Officio); Commissioner, Utah Department of Financial Institutions; Chairman, Board of Financial Institutions; Past Chairman, Conference of State Bank Supervisors; Former Chief Examiner, Utah Department of Financial Institutions; Captain, U.S. Naval Reserve (ret.); B.S. and M.B.A., University of Utah. (Term commenced June 17, 1992.)

Jon Pierpont – (Ex Officio); Executive Director, Utah Department of Workforce Services; Former Deputy Director and Eligibility Services Division Director, Utah Department of Workforce Services; Member, Utah State Homeless Coordinating Committee; Chairman, Utah Refugee Advisory Board; B.S., University of Utah. (Term commenced September 4, 2012.)

Douglas L. DeFries – (Chair); President and Chief Executive Officer, Bank of Utah; Former Chairman, Ogden, Weber Chamber of Commerce; Former Audit Manager, Peat Marwick, Mitchell & Co.; Former Vice President-Controller, American Savings and Loan Association; Past Board Member, Utah Bankers Association and

American Institute of Banking; C.P.A.; B.A., Utah State University; M.B.A., Utah State University. (Second term commenced May 1, 2011; expires June 1, 2015.)

Kay R. Ashton – (Vice Chair) Regional Vice President, SWBC Mortgage Corporation; Commissioner, Utah Real Estate Commission; Former Regional Vice President, Academy Mortgage; Former Vice President, Commercial Security Bank. B.S., University of Utah. (Second term commenced June 19, 2013; expires May 30, 2017.)

Mark B. Cohen – Partner, Imagine Development Company; Partner, PSC Development Company; Partner, Evergreene Management Group; Former Member, Board of Directors and Former Executive Director, Utah Center for Affordable Housing; Former Member, Board of Directors, Housing Plus; President, Willow Creek Country Club; B.S., University of Michigan. (First term commenced June 1, 2011; expires June 1, 2015.)

Lucy M. Delgadillo – Associate Professor of Consumer Sciences, Department of Family, Consumer and Human Development, Utah State University (USU). B.A., Murray State University, Kentucky; B. S., University of Costa Rica; M. S., Utah State University; Ph. D., Utah State University. (Second term commenced June 19, 2013; expires May 30, 2017.)

Lerron E. Little – Broker/Owner, Capstone Real Estate; Former Manager, Broker, Realtor, NorthStar Real Estate; Former Project Sales Agent, Realtor, Aspen Real Estate; Former Life Insurance Sales, American Income Life Insurance; President, Utah County Association of Realtors; Vice President, Utah Association of Realtors; Commissioner, Utah Real Estate Commission; B.A., Brigham Young University. (First term commenced June 19, 2013; expires May 30, 2017.)

Robert M. Whatcott – C.P.A. and Owner, Whatcott & Associates; Former Member, St. George City Council; Past Board Member, The Foundation for Students for Washington County; B.A., Southern Utah University. (Second term commenced May 2, 2011; expires June 1, 2015.)

Grant S. Whitaker – President and CEO; Former Senior Vice President, Deputy Director, Acting Executive Director, Assistant Executive Director and Multifamily Program Officer, Utah Housing Corporation, 1979-2009; Former Assistant Division Director/Senior Loan Officer, Housing Authority of Salt Lake County; Member, Utah Private Activity Bond Board; Member, Board of Governors, Salt Lake Chamber of Commerce; Member and Past Chair, Board of Trustees, Utah Community Reinvestment Corporation; Member, Board of Directors, Community Development Finance Alliance; Vice President, Board of Directors, National Council of State Housing Agencies; B.S., University of Utah. (Appointment commenced January 16, 2009.)

Cleon P. Butterfield, CPA – Senior Vice President and CFO, 2001 to present; Former Treasurer, Director of Operations, Director of Program Development and Financial Officer, Utah Housing Corporation, 1979-2001; Chair, Affordable Housing Advisory Council, Federal Home Loan Bank of Seattle; Member, Advisory Board, School of Accounting, University of Utah; B.S., Brigham Young University; M.B.A., University of Utah.

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

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

Operations to Date

Since its inception and through January 1, 2015, UHC has issued $7,801,219,715 aggregate principal amount of single family mortgage revenue bonds, $777,479,362 aggregate principal amount of multifamily mortgage revenue bonds and 501(c)(3) revenue bonds and $8,000,000 aggregate principal amount of construction loan notes. As of January 1, 2015, $1,150,455,180 aggregate principal amount of UHC's single family mortgage revenue bonds and $356,134,000 aggregate principal amount of UHC's multifamily mortgage revenue bonds and 501(c)(3) revenue bonds were outstanding (including compounded interest and excluding bonds issued or redeemed after such date).

As of December 31, 2014, UHC had provided permanent financing for 11,160 dwelling units in 94 multifamily developments and had purchased 73,456 mortgage loans secured by single family homes. This permanent financing has been made available through issuing bonds, construction loan notes, selling mortgage loans in the secondary market and securitizing mortgage loans into mortgage backed securities. See "APPENDIX C – Outstanding Indebtedness" for a more detailed list of UHC's outstanding indebtedness. UHC is actively originating and purchasing mortgage loans in connection with its other single family housing programs; however, no new mortgage loans will be acquired or purchased in connection with the issuance and sale of the 2015 Series A Bonds.

The delinquencies experienced with respect to all of UHC's single family programs on average for each quarter, beginning in 2011, are as set forth in the following table:

Utah Housing Corporation
Delinquency Statistics

QUARTER	AVERAGE NUMBER OF LOANS[1]	AVERAGE DELINQUENCY RATE[2]	% OF LOANS DELINQUENT PAYMENTS: 1	2	3 or more
I-2011	9,682	9.56%	4.03	1.29	4.23
II-2011	9,877	8.70%	3.73	1.21	3.76
III-2011	10,145	9.06%	4.08	1.25	3.73
IV-2011	10,352	9.61%	4.50	1.32	3.79
I-2012	10,459	8.67%	3.71	1.12	3.84
II-2012	10,567	8.73%	4.12	1.07	3.54
III-2012	10,796	9.16%	4.34	1.27	3.55
IV-2012	11,297	8.95%	4.44	1.22	3.30
I-2013	11,598	8.47%	4.45	1.04	2.98
II-2013	11,829	8.18%	4.27	1.13	2.78
III-2013	12,242	8.51%	4.57	1.12	2.82
IV-2013	12,743	8.91%	4.89	1.15	2.87
I-2014	13,185	7.53%	3.79	.97	2.77
II-2014	13,661	7.05%	3.81	.98	2.26
III-2014	14,281	7.51%	2.20	1.01	4.30
IV-2014	14,806	7.44%	4.16	1.03	2.25

1 Data includes statistics for mortgage loans purchased from the proceeds of prior single family bond issues and from proceeds of other single family programs of UHC and includes mortgage loans underlying investments of amounts in the debt service reserve funds in Qualified Mortgage Loan Mortgage Backed Securities.

2 Any monthly payment, with respect to an individual mortgage loan, which is not paid in full prior to or on the due date of the next monthly mortgage payment, is considered delinquent.

UHC directly services all mortgage loans originated under its single family programs and as of December 31, 2014 was servicing 14,938 such mortgage loans.

FINANCING PLAN

The 2015 Series A Bonds are being issued to refund the Refunded Program Bonds, and the Refunded Program Bonds will be redeemed on the date of issuance of the 2015 Series A Bonds. No new mortgage loans will be made in connection with the issuance and sale of the 2015 Series A Bonds; however, the principal and redemption price of, and interest on, the 2015 Series A Bonds will be payable from Revenues, including revenues derived from Existing Mortgage Loans, which would have been used to pay the principal and redemption price of, and interest on, the Refunded Program Bonds. To achieve this result UHC has executed and delivered to the Trustee an UHC Request for each Series of Prior Bonds (collectively, the "2015A UHC Request") directing the Trustee to allocate and apply Revenues made available because of the redemption and cancellation of each series and maturity of Refunded Program Bonds to the payment of principal and redemption price of, and interest on, the 2015 Series A Bonds. See "SUMMARY OF 2015A UHC REQUESTS."

DESCRIPTION OF THE 2015 SERIES A BONDS

General Terms

2015 Series A Bonds. The 2015 Series A Bonds will be dated their date of delivery, will bear interest from such date at the rate and will mature in the amount and on the date set forth on the cover of this Official Statement. Interest on the 2015 Series A Bonds is payable semiannually on January 1 and July 1 of each year, commencing July 1, 2015. The 2015 Series A Bonds will be issuable only as fully registered bonds in denominations of $5,000 or any integral multiple thereof. Interest on the 2015 Series A Bonds will be calculated on the basis of a 360-day year of twelve 30-day months.

Special Redemption*

Prepayments, Excess Revenues, Debt Service Reserve Fund Reductions. The 2015 Series A Bonds are subject to redemption prior to maturity as a whole or in part at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date of redemption, without premium, on any January 1 or July 1 on or after July 1, 2015, from Revenues (including Prepayments) allocated to the 2015 Series A Bonds and deposited in the 2015 Series A subaccounts of the Redemption Fund and from amounts in excess of the 2015 Series A Debt Service Reserve Fund Requirement transferred from the 2015 Series A subaccount of the Debt Service Reserve Fund to the 2015 Series A subaccounts of the Redemption Fund. Amounts relating to a Series of Prior Bonds that are available to redeem Bonds (other than sinking fund redemptions) will be allocated ratably, pursuant to the 2015A UHC Requests, to redeem: (i) the Existing Market Bonds of such Series, (ii) 2015 Series A Bonds, and (iii) with respect to the 2011A/2009D-3 Bonds, 2013 Series E Bonds; in each case in proportion to the respective aggregate principal amounts of the Outstanding Existing Market Bonds of such Series, the related 2015A Program Bond Share of the 2015 Series A Bonds and, with respect to the 2011A/2009D-3 Bonds, the related 2013 Series E Share of the 2013 Series E Bonds. See "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Revenue Fund," "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Debt Service Reserve Fund" and "SUMMARY OF 2015A UHC REQUESTS."

Each of the following constitutes a Series of Prior Bonds: (i) the 2010B/2009D-2 Bonds and (ii) the 2011A/2009D-3 Bonds, including the 2013 Series E Share of the 2013 Series E Bonds.

"2015A Program Bond Share" means, in relation to any Series of Prior Bonds, that portion of the 2015 Series A Bonds applied to refund the Refunded Program Bonds of such Series of Prior Bonds (including a proportionate share of the 2015 Series A Bonds the proceeds of which were applied to pay costs of issuance) upon original issuance of the 2015 Series A Bonds, less any amount of such portion of 2015 Series A Bonds paid or redeemed from Revenues and other amounts allocated thereto pursuant to the terms of the 2015A UHC Requests and the Related Supplemental Indenture.

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* Preliminary, subject to change.

"2013 Series E Share" means that portion of the 2013 Series E Bonds applied to refund the 2009 Series D-3 Bonds other than the Remaining 2009 Series D-3 Bonds (including a proportionate share of the 2013 Series E Bonds the proceeds of which were applied to pay costs of issuance) upon original issuance of the 2013 Series E Bonds, less any amount of such portion of 2013 Series E Bonds paid or redeemed from Revenues and other amounts allocated thereto pursuant to the terms of the 2013E UHC Request and the Related Supplemental Indenture. Forms of the 2013E UHC Request and the Related Supplemental Indenture are available from UHC and the Trustee.

Cross Calls and Recycling Prohibited. Except as may be necessary to pay scheduled debt service on Outstanding Bonds or to satisfy the Class I Asset Requirement, Class II Asset Requirement and Class III Asset Requirement for each Series and, except as set forth in the 2015A UHC Request, moneys on deposit in subaccounts of the Redemption Fund related to the 2015 Series A Bonds may not be applied to redeem Bonds of any other Series, and moneys on deposit in Unrelated subaccounts of the Redemption Fund may not be applied to redeem 2015 Series A Bonds. Moneys on deposit in subaccounts of the 2015A subaccount of the Redemption Fund may not be applied to purchase Mortgage Loans. See "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE–Redemption Fund" and "SUMMARY OF 2015A UHC REQUEST."

No Unexpended Proceeds Call. No additional deposits to the Acquisition Account established under the Indenture will be made from proceeds of the 2015 Series A Bonds and 2015 Series A Bonds are not subject to redemption prior to maturity from such amounts.

Optional Redemption*

The 2015 Series A Bonds are subject to redemption at the option of UHC on or after January 1, 2025, either in whole at any time or in part on any interest payment date, at a Redemption Price, without premium, equal to the principal amount thereof plus accrued interest thereon to the date of redemption.

In the event of an optional redemption in part, UHC shall direct the tenor and the amounts thereof so to be redeemed.

Sinking Fund Redemption*

The 2015 Series A Bonds are subject to redemption in part, by lot, at the principal amount thereof plus accrued interest thereon to the date of redemption, from mandatory Class I Sinking Fund Installments which are required to be made in amounts sufficient to redeem or pay at maturity the principal amount of such Class I Bonds specified for each of the dates in the following table:

* Preliminary, subject to change.

Date	Amount ($)	Date	Amount ($)
January 1, 2026		January 1, 2034	
July 1, 2026		July 1, 2034	
January 1, 2027		January 1, 2035	
July 1, 2027		July 1, 2035	
January 1, 2028		January 1, 2036	
July 1, 2028		July 1, 2036	
January 1, 2029		January 1, 2037	
July 1, 2029		July 1, 2037	
January 1, 2030		January 1, 2038	
July 1, 2030		July 1, 2038	
January 1, 2031		January 1, 2039	
July 1, 2031		July 1, 2039	
January 1, 2032		January 1, 2040	
July 1, 2032		July 1, 2040	
January 1, 2033		January 1, 2041	
July 1, 2033		July 1, 2041*	

*Final maturity

The amounts accumulated for each Class I Sinking Fund Installment may be applied by the Trustee or the Paying Agent, at the direction of UHC, prior to the giving of notice of redemption of 2015 Series A Bonds from such Class I Sinking Fund Installment, to the purchase for cancellation of 2015 Series A Bonds for which such Class I Sinking Fund Installment was established at a price (including any brokerage and other charges) not exceeding the principal amount thereof, plus accrued interest to the date of purchase.

Upon any purchase or redemption of 2015 Series A Bonds, other than by application of Class I Sinking Fund Installments, an amount equal to the applicable principal amount thereof will be credited toward a part or all of any one or more of such Class I Sinking Fund Installments, as directed by UHC in an UHC Request or in written instructions accompanied by a Cash Flow Statement with respect to the 2015 Series A Bonds, at the time of such purchase or redemption.

Other Provisions Concerning Redemption

Notice of redemption is to be given not less than 20 nor more than 60 days prior to the redemption date by first-class mail or such other method as may be customary for the industry to the registered owner of any 2015 Series A Bonds or portions of 2015 Series A Bonds to be redeemed at such registered owner's last address appearing on the registration records of the Bond Registrar. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the registered owners of such 2015 Series A Bonds shall have actually received such notice. Receipt of such notice by the registered owner of any 2015 Series A Bond shall not be a condition precedent to the redemption of such Bond. Failure to give notice of redemption to any registered owner or any defect therein shall not affect the validity of redemption proceedings for any 2015 Series A Bond with respect to which no such failure or defect has occurred.

If DTC or its nominee is the registered owner of any 2015 Series A Bonds to be redeemed, notice of redemption will be given to DTC or its nominee as the registered owner of such 2015 Series A Bond. Any failure on the part of DTC or failure on the part of a nominee of a Beneficial Owner (having received notice from a DTC Participant or otherwise) to notify the Beneficial Owner of any 2015 Series A Bond to be redeemed shall not affect the validity of the redemption of such Bond. See "BOOK-ENTRY PROVISIONS."

If less than all the 2015 Series A Bonds are to be redeemed, the respective portions thereof to be redeemed will be selected by lot by the Bond Registrar in such manner as the Bond Registrar in its discretion deems fair and appropriate.

The portion of any 2015 Series A Bond of a denomination larger than the minimum denomination may be redeemed in the principal amount of such minimum denomination or in an integral multiple of $5,000 in excess thereof, and for purposes of selection and redemption, any such 2015 Series A Bond of a denomination larger than the minimum denomination shall be considered to be that number of separate 2015 Series A Bonds of such minimum denomination which is obtained by dividing the principal amount of such 2015 Series A Bond by such minimum denomination (provided that one of such Bonds may be in a denomination in excess of such minimum denomination). If there shall be selected for redemption less than all of a 2015 Series A Bond, UHC shall execute and the Bond Registrar shall authenticate and deliver, upon the surrender of such 2015 Series A Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the 2015 Series A Bond so surrendered, 2015 Series A Bonds of like interest rate, tenor and maturity in any of the authorized denominations.

If, on the redemption date, moneys for the redemption of 2015 Series A Bonds or portions thereof, together with interest to the redemption date, shall be held by the Trustee or the Paying Agent so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the 2015 Series A Bonds or portions thereof so called for redemption shall cease to accrue and become payable.

Subject to the terms and conditions set forth in the Indenture and prior to the mailing by the Bond Registrar of a notice of redemption with respect to 2015 Series A Bonds of any particular tenor, UHC may direct the Trustee or the Paying Agent to purchase such 2015 Series A Bonds with available moneys under the Indenture for cancellation in lieu of redemption. The Trustee and the Paying Agent shall apply available moneys in accordance with the Indenture from the Funds and Accounts specified in the Indenture to purchase such 2015 Series A Bonds.

Estimated Weighted Average Lives of the 2015 Series A Term Bonds

The weighted average life of a security refers to the average of the length of time that will elapse from the date of issuance of such security to the date each installment of principal is paid to the investor weighted by the amount of such installment. The weighted average lives of the 2015 Series A Term Bonds will be influenced by, among other factors, the rate at which principal payments (including scheduled payments and principal prepayments) are made on the Existing Mortgage Loans allocable to the 2015 Series A Bonds. See "EXISTING MORTGAGE LOAN PORTFOLIO."

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

The following table assumes, among other assumptions, that (i) all of the Existing Mortgage Loans allocable to the 2015 Series A Bonds are prepaid at the indicated percentage of PSA Prepayment Benchmark, (ii) all scheduled principal and interest payments on Existing Mortgage Loans allocable to the 2015 Series A Bonds and Prepayments of Existing Mortgage Loans allocable to the 2015 Series A Bonds are timely received and UHC experiences no foreclosure losses on Existing Mortgage Loans allocable to the 2015 Series A Bonds, (iii) no moneys are withdrawn from the trust estate by UHC after satisfaction of the requirements of the Indenture, (iv) amounts in the 2015 Series A subaccounts of the Class I Special Redemption Account are used to redeem 2015 Series A Bonds as described in "DESCRIPTION OF THE 2015 SERIES A BONDS – Special Redemption," and (v) no 2015 Series A Bonds are redeemed pursuant to the optional redemption provisions of the Indenture. Based on such assumptions, some or all of which are unlikely to reflect actual experience, the following table indicates the projected weighted average lives of the 2015 Series A Term Bonds. See "DESCRIPTION OF THE 2015 SERIES A BONDS – Special Redemption – Cross Calls and Recycling Prohibited" for information concerning the prohibition on recycling and cross calling.

The PSA Prepayment Benchmark does not purport to be a prediction of the anticipated rate of prepayments of the Existing Mortgage Loans allocable to the 2015 Series A Bonds, and there is no assurance that the

Prepayments of such Existing Mortgage Loans allocable to the 2015 Series A Bonds will conform to any of the assumed prepayment rates. See "ASSUMPTIONS REGARDING REVENUES, DEBT SERVICE REQUIREMENTS, OPERATING EXPENSES AND CERTAIN OTHER MATTERS" for a discussion of certain factors that may affect the rate of prepayment of the Existing Mortgage Loans allocable to the 2015 Series A Bonds. UHC makes no representation as to the percentage of the principal balance of the Existing Mortgage Loans allocable to the 2015 Series A Bonds that will be paid as of any date or as to the overall rate of prepayment.

Projected Weighted Average Lives (in years)
of 2015 Series A Term Bonds[1]

Prepayment Speed	Weighted Average Life
0% PSA	
25% PSA	
50% PSA	
75% PSA	
100% PSA	
125% PSA	
150% PSA	
200% PSA	
300% PSA	
400% PSA	
500% PSA	

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

Based on information provided by UHC, the estimated prepayment speed for the Existing Mortgage Loan Portfolio allocable to the 2015 Series A Bonds from purchase date through December 31, 2014 was approximately 229% of the PSA Prepayment Benchmark.

SUMMARY OF 2015A UHC REQUESTS

The 2015A UHC Requests, forms of which are available from UHC and the Trustee, contains various provisions some of which are summarized herein.

2010B/2009D-2 Bonds

Allocation of Investments and Existing Mortgage Loans. An interest in the investments or moneys held in the subaccount of the Debt Service Reserve Fund relating to the 2010B/2009D-2 Bonds shall be allocated on a continuing basis between such subaccount and the 2015 Series A subaccount of the Debt Service Reserve Fund in proportion to (i) the Outstanding aggregate principal amount of 2010 Series B Bonds and (ii) the related 2015A Program Bond Share of 2015 Series A Bonds. Furthermore, an interest in the Existing Mortgage Loans relating to the 2010B/2009D-2 Bonds shall be allocated on a continuing basis between the 2010 Series B Bonds and the 2015 Series A Bonds in proportion to the Outstanding aggregate principal amount of 2010 Series B Bonds and the related 2015A Program Bond Share of 2015 Series A Bonds.

Allocation of Revenues. The 2010 Series B Bonds and the related 2015A Program Bond Share of the 2015 Series A Bonds shall be treated as the same Series for fund flow purposes of the General Indenture; provided that, on the dates on which deposits are made to the Funds and Accounts pursuant to fund flow provisions of the General Indenture, the moneys to be applied to the 2015 Series A Bonds shall be deposited in the 2015 Series A subaccounts of the Funds and Accounts (including any replenishment of the 2015 Series A subaccount of the Debt Service Reserve Fund) in the priority set forth in the General Indenture. Furthermore, moneys shall be deposited in the 2015 Series A subaccounts of the Special Redemption Account pursuant to fund flow provisions of the General Indenture in the amounts necessary to satisfy the 2015 Series A Class I Asset Requirement and to provide for allocation of funds as set forth herein under the heading DESCRIPTION OF THE 2015 SERIES A BONDS – Special Redemption.

Special Redemption. Except as may be otherwise directed by UHC, amounts to be deposited in the 2015 Series A subaccounts of the Special Redemption Account shall be determined by the Trustee based on the order of priority set forth in the Series Indenture and the related 2015A UHC Request.

2011A/2009D-3 Bonds, including 2013 Series E Share of 2013 E Bonds

Allocation of Investments and Existing Mortgage Loans. An interest in the investments or moneys held in the subaccount of the Debt Service Reserve Fund relating to the 2011A/2009D-3 Bonds shall be allocated on a continuing basis among such subaccount, the 2015 Series A subaccount of the Debt Service Reserve Fund and the 2013 Series E subaccount of the Debt Service Reserve in proportion to (i) the Outstanding aggregate principal amount of 2011 Series A Bonds, (ii) the related 2015A Program Bond Share of 2015 Series A Bonds and (iii) the 2013 Series E Share of the 2013 Series E Bonds. Furthermore, an interest in the Existing Mortgage Loans relating to the 2011A/2009D-3 Bonds shall be allocated on a continuing basis among the 2011 Series A Bonds, the 2015 Series A Bonds and the 2013 Series E Bonds, in proportion to the Outstanding aggregate principal amount of 2011 Series A Bonds, the related 2015A Program Bond Share of 2015 Series A Bonds and the related 2013 Series E Share of the 2013 Series E Bonds.

Allocation of Revenues. The 2011 Series A Bonds, the related 2015A Program Bond Share of the 2015 Series A Bonds and the related 2013 Series E Share of the 2013 Series E Bonds shall be treated as the same Series for fund flow purposes of the General Indenture; provided that, on the dates on which deposits are made to the Funds and Accounts pursuant to fund flow provisions of the General Indenture, the moneys to be applied to the 2015 Series A Bonds shall be deposited in the 2015 Series A subaccounts of the Funds and Accounts (including any replenishment of the 2015 Series A subaccount of the Debt Service Reserve Fund) in the priority set forth in the General Indenture. Furthermore, moneys shall be deposited in the 2015 Series A subaccounts of the Special Redemption Account pursuant to fund flow provisions of the General Indenture in the amounts necessary to satisfy the 2015 Series A Class I Asset Requirement and to provide for allocation of funds as set forth herein under the heading DESCRIPTION OF THE 2015 SERIES A BONDS – Special Redemption.

Special Redemption. Except as may be otherwise directed by UHC, amounts to be deposited in the 2015 Series A subaccounts of the Special Redemption Account shall be determined by the Trustee based on the order of priority set forth in the Series Indenture and the related 2015A UHC Request.

BOOK-ENTRY PROVISIONS

The Depository Trust Company ("DTC"), New York, New York will act as securities depository for the 2015 Series A Bonds. The 2015 Series A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each tenor of the 2015 Series A Bonds, each in the aggregate principal amount of such series, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities

Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

Purchases of 2015 Series A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2015 Series A Bonds on DTC's records. The ownership interest of each actual purchaser of each 2015 Series A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2015 Series A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2015 Series A Bonds, except in the event that use of the book-entry system for the 2015 Series A Bonds is discontinued.

To facilitate subsequent transfers, all 2015 Series A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2015 Series A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2015 Series A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2015 Series A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2015 Series A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2015 Series A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of 2015 Series A Bonds may wish to ascertain that the nominee holding the 2015 Series A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2015 Series A Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2015 Series A Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to UHC as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2015 Series A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the 2015 Series A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from UHC, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or its nominee, or UHC, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of UHC, disbursement of such payments to Direct

Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2015 Series A Bonds at any time by giving reasonable notice to UHC. Under such circumstances, in the event that a successor depository is not obtained, 2015 Series A Bond certificates are required to be printed and delivered.

UHC may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, 2015 Series A Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that UHC believes to be reliable, but UHC takes no responsibility for the accuracy thereof.

SOURCES AND USES OF FUNDS

The expected sources and uses of funds with respect to the 2015 Series A Bonds are set forth below:

Sources of Funds

2015 Series A Bond proceeds	$
Total	$

Uses of Funds

Retirement of Refunded Program Bonds	$
Costs of issuance	
Underwriters' Fee	
Total	$

SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS

Pledge

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

For purposes of the pledge and lien of the Indenture, the term "Mortgage Loan" includes only Mortgage Loans acquired by the Trustee from monies in the Acquisition Account.

The term "Revenues" means (i) all Mortgage Repayments, Prepayments and, except insofar as such payments may constitute Servicing Fees, any penalty payments on account of overdue Mortgage Repayments, (ii) Investment Revenues, (iii) Interest Rate Contract Revenues, and (iv) all other payments and receipts received by UHC with respect to Mortgage Loans, but shall not include (A) Escrow Payments, (B) Servicing Fees, unless such fees are specifically pledged to the Trustee, (C) any commitment, reservation, extension or application fees charged by UHC in connection with a Mortgage Loan or Mortgage Purchase Agreement, (D) any commitment, reservation, extension or application fees charged by a Lender in connection with a Mortgage Loan or (E) accrued interest received upon the purchase of any Investment Obligations. See "OUTSTANDING BONDS AND INVESTMENT OBLIGATIONS" and "EXISTING MORTGAGE LOAN PORTFOLIO."

The pledge is subject in all cases to the provisions of the Indenture permitting the application of such moneys and assets for or to the purposes and on the terms and conditions set forth therein. Such applications include refunding certain outstanding bonds of UHC, purchasing Mortgage Loans with Bond proceeds and paying principal of and interest on the Bonds with Revenues. The pledge and lien of the Indenture is created and established in the following order of priority: first, to secure the payment of the principal of and interest on the Class I Bonds in accordance with the terms and the provisions of the Indenture, second, to secure the payment of the principal of and interest on the Class II Bonds in accordance with the terms and the provisions of the Indenture, third, to secure the payment of the principal of and interest on the Class III Bonds in accordance with the terms and the provisions of the Indenture and fourth, to secure the payment of the principal of and interest on the Class IV Bonds in accordance with the provisions of the Indenture; provided, however, that moneys and investments held in subaccounts of any UHC Payment Account of the Debt Service Fund are pledged solely for the payment of Principal Installments, Redemption Price of, interest on and other amounts payable with respect to General Obligations of the Related Series and class with respect to which such subaccount was created and are not pledged to pay principal, Redemption Price of, interest on and other amounts payable with respect to any other Bonds; and provided further that proceeds derived from the sale of a Series of Short Term Bonds may be pledged solely for the Principal Installments and Redemption Price, if any, and interest on such Series of Short Term Bonds. The 2015 Series A Bonds are not secured by amounts on deposit in the UHC Payment Account.

Debt Service Reserve Fund

The Indenture establishes a Debt Service Reserve Fund for the Bonds and provides for the establishment of a Debt Service Reserve Fund Requirement with respect to each Series of Bonds. "Debt Service Reserve Fund Requirement" means, with respect to the 2015 Series A Bonds, an amount equal to five percent (5%)* of the Aggregate Principal Amount of all 2015 Series A Bonds Outstanding. Upon issuance of the 2015 Series A Bonds, investments on deposit in the Indenture having an aggregate principal amount equal to $__________ will be allocated to the 2015 Series A subaccount of the Debt Service Reserve Fund in accordance with the 2015A UHC Request. See "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Debt Service Reserve Fund" and "SUMMARY OF 2015A UHC REQUESTS."

As of January 1, 2015, the Debt Service Reserve Fund Requirement with respect to all Series of Bonds Outstanding was $9,323,750, an amount equal to at least such amount was on deposit in the Debt Service Reserve Fund, and approximately $7,141,325 of such amount on deposit in the Debt Service Reserve Fund was invested in Qualified Mortgage Loan Mortgage Backed Securities. In accordance with the General Indenture, in computing the amount in the Debt Service Reserve Fund, Investment Obligations (including Qualified Mortgage Loan Mortgage Backed Securities) are valued at par or, if purchased at other than par, at their Amortized Value, in either event inclusive of accrued interest purchased.

The Debt Service Reserve Fund is not a "capital reserve fund" as such term is used in the Act.

Additional Bonds; Refunding Bonds

UHC may issue Additional Bonds and/or Refunding Bonds secured by the pledge and lien of the General Indenture upon satisfaction of the terms and conditions of the General Indenture, including the condition that, so long as there are Outstanding Bonds rated by a Rating Agency, UHC will obtain a confirmation from each such Rating Agency then providing a rating on any Outstanding Bonds that the issuance of such Bonds will not result in the lowering or withdrawal of its then current rating on each Series of Outstanding Bonds. UHC has reserved the right to issue other obligations not secured by the pledge and lien of the General Indenture.

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* Preliminary, subject to change.

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

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

Payments on Mortgage Loans, whether from scheduled monthly installments or from Prepayments, together with Revenues generated as investment income on the funds held under the Indenture, and invested in Investment Obligations (including investment agreements), are assumed to be the primary source of revenue. All Mortgage Loans are assumed to amortize as thirty-year, fixed-rate mortgages, with equal monthly installments of principal and interest taken together. The Mortgage Loans are assumed to bear interest at a rates set forth under "EXISTING MORTGAGE LOAN PORTFOLIO."

Moneys in the 2015 Series A subaccounts of the Revenue Fund, the Class I Debt Service Fund and the Redemption Fund, and moneys in the 2015 Series A subaccount of the Debt Service Reserve Fund will be invested in Investment Obligations in a manner designed to maintain the rating on the Class I Bonds by each nationally recognized rating agency then rating the Class I Bonds and may be invested pursuant to investment agreements with investment providers the unsecured obligations of which, at the time of investment, are rated by each nationally recognized rating agency then rating the Class I Bonds, or whose payment obligations under such investment agreements are guaranteed by an entity whose unsecured obligations are rated, or whose unsecured obligations otherwise meet the requirements of each such rating agency in obtaining the expected rating on the Class I Bonds as of the date of delivery of the 2015 Series A Bonds. In order to increase the amount available for Mortgage Loans, UHC may instruct the Trustee to invest amounts in the 2015 Series A subaccount of the Debt Service Reserve Fund in Qualified Mortgage Loan Mortgage Backed Securities.

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

UHC has established a Sinking Fund Installment schedule for the 2015 Series A Bonds based on the assumptions used to establish maturity and Sinking Fund Installment schedules for the Prior Bonds regarding Prepayments of the Existing Mortgage Loans Related to the Prior Bonds. If Prepayments of such Mortgage Loans occur, a portion of the 2015 Series A Bonds may be redeemed pursuant to the special redemption provisions of the Indenture. See "DESCRIPTION OF THE 2015 SERIES A BONDS – Special Redemption" and "-Estimated Weighted Average Lives of the 2015 Series A Term Bonds." UHC anticipates that a portion of such Mortgage Loans will be partially or completely prepaid or terminated prior to their respective final maturity and the 2015 Series A Bonds may have a substantially shorter life than the stated maturity of the 2015 Series A Bonds. The actual rate of principal payments on pools of mortgage loans may be influenced by a variety of economic, geographic, social and other factors and there is no reliable basis for predicting the actual average life of the Mortgage Loans. In general, if prevailing interest rates fall significantly below the interest rates on the Mortgage Loans, the Mortgage Loans are likely to be subject to higher prepayment rates than if prevailing rates remain at or above the interest rates on the Mortgage Loans. Conversely, if interest rates rise above the interest rate on the Mortgage Loans, the rate of prepayment would be expected to decrease. Other factors affecting prepayment of Mortgage Loans include changes in mortgagors' housing needs, job transfers, unemployment, mortgagors' net equity in the mortgaged properties, servicing decisions, the age and payment terms of the mortgages, the extent to which the mortgages are assumed or refinanced, the use of second-lien or other individualized financing arrangements and the requirements of the Program, including the requirements of the Code with respect to the assumption of mortgages funded with the proceeds of qualified mortgage bonds. UHC makes no representation as to the factors that will affect the prepayment of the Mortgage Loans or the relative importance of such factors. Factors not identified by UHC or discussed herein may significantly affect the prepayment of Mortgage Loans.

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

Delays After Defaults on Mortgage Loans

In the event that a mortgagor defaults in the payment of a Mortgage Loan and UHC institutes foreclosure proceedings, there will be certain required time delays which, should they occur with respect to a sufficient number of Mortgage Loans, could disrupt the flow of revenues available for the payment of principal of, Sinking Fund Installments for and interest on the Bonds. These time delays derive from the procedures applicable to the collection of mortgage insurance or guarantees as well as those required under Utah law for the enforcement of rights of mortgagees. Those procedures are described in "APPENDIX A – Insurance, Guarantees and Foreclosure."

Certain mortgagors may be entitled to benefits under the Soldiers and Sailors Civil Relief Act, as amended (the "Relief Act"). Under the Relief Act, a mortgagor may be granted certain forms of relief from his or her obligations under a mortgage loan during any period of active military service. Such relief may reduce Revenues during such period.

OUTSTANDING BONDS AND INVESTMENT OBLIGATIONS

Bonds

UHC has heretofore issued the following Bonds under the General Indenture:

	Principal Amounts ($)	
Series	Issued	Outstanding [2]
2009 Series C-1	45,360,000	12,650,000
2009 Series C-2	14,640,000	-
2009 Series D[1]	125,300,000	-
2009 Series D-1[1]	-	-
2009 Series D-2[1, 2]	-	25,930,000
2009 Series D-3-1[1]	-	-
2009 Series D-3-2[1, 2]	-	2,020,000
2010 Series A	28,000,000	13,375,000
2010 Series B-1	53,435,000	35,885,000
2010 Series B-2	7,925,000	-
2010 Series B-3	6,795,000	3,420,000
2011 Series A-1	16,905,000	9,345,000
2011 Series A-2	12,725,000	4,830,000
2013 Series E	106,400,000	79,020,000
Total	417,485,000	186,475,000

[1] In connection with the issuance of the 2010 Series A Bonds on May 27, 2010, the 2010 Series B Bonds on October 26, 2010, and the 2011 Series A Bonds on February 17, 2011, portions of the 2009 Series D Bonds in the principal amounts of $42,000,000, $38,860,000 and $44,440,000, respectively, were released and redesignated, reducing the outstanding principal amount of the 2009 Series D Bonds to $0.

[2] The 2009 Series D-2 Bonds and the Remaining 2009 Series D-3 Bonds constitute the Refunded Program Bonds to be refunded with proceeds of the 2015 Series A Bonds.

Such Bonds were issued (or released and converted) and are outstanding by Class in the following amounts:

Class	Principal Amounts ($) Issued (or Released and Converted)[1]	Outstanding [1]
Class I	373,920,000	161,595,000
Class II	24,140,000	14,715,000
Class III	19,425,000	10,165,000
Total	417,485,000	186,475,000

[1] Including 2009 Series D Bonds that have been redesignated as to Class in connection with release and conversion.

Investment Obligations

Moneys deposited in various Funds and Accounts held under the Indenture are presently invested in a variety of Investment Obligations. All or a portion of the moneys deposited in the Debt Service Reserve Fund is expected to be invested in Qualified Mortgage Loan Mortgage Backed Securities; provided that under certain circumstances subsequent to the payment or liquidation of such securities, moneys held in such subaccount, if any, will be invested pursuant to the investment agreement, if any, relating to the Revenue Accounts or Float Funds for the respective series with the financial institution and at the rate per annum set forth above.

EXISTING MORTGAGE LOAN PORTFOLIO

General

The following table sets forth information with respect to the Existing Mortgage Loans as of December 31, 2014:

Series	Number of Beginning Mortgage Loans [1]	Beginning Principal Balance of Mortgage Loans [1] ($)	Number of Outstanding Mortgage Loans [1]	Outstanding Principal Balance of Mortgage Loans [1] ($)	Weighted Average Mortgage Note Rate	Weighted Average Months to Maturity
2009 Series C	374	59,255,609	238	33,354,062	4.97%	305
2010 Series A / 2009 Series D-1	477	69,263,681	314	41,093,244	4.90%	306
2010 Series B / 2009 Series D-2	723	105,584,975	476	62,970,849	4.67%	310
2011 Series A / 2009 Series D-3	527	73,171,644	310	39,089,607	5.02%	312
TOTALS [2]	2101	307,275,909	1,338	176,507,762		

[1] Including Mortgage Loans made or purchased in connection with the investment of amounts in the Debt Service Reserve Fund in Qualified Mortgage Loan Mortgage Backed Securities. See “APPENDIX A – Insurance, Guarantees and Foreclosure” for a description of the FHA single family mortgage insurance and VA guaranty programs.

[2] Totals may not add due to rounding.

Loan Insurance

The following table sets forth information with respect to the mortgage insurance maintained with respect to the Mortgage Loans as of December 31, 2014:

Insurance/Guaranty Provider	Number of Mortgage Loans [1]	Outstanding Principal Balance [1] ($)	Percentage of Total (No. of Loans)[2]	Percentage of Total (Amount)[2]
FHA	1,329	$175,338,833	99.34	99.33
VA	9	1,168,930	.66	.67
TOTAL[2]	1,338	$241,277,599	100.00	100.00

[1] Including Mortgage Loans made or purchased or to be made or purchased in connection with the investment of amounts in the Debt Service Reserve Fund in Qualified Mortgage Loan Mortgage Backed Securities. See "APPENDIX A – Insurance, Guarantees and Foreclosure"
[2] Totals may not add due to rounding.

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

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

Definitions of Certain Terms

"Act" means the Utah Housing Corporation Act, being Chapter 190, Laws of Utah, 1975, and codified as Title 35A, Chapter 8, Part 7, Utah Code Annotated 1953, as amended from time to time.

"Additional Bonds" means Bonds authenticated and delivered pursuant to the General Indenture (other than the initial Bonds).

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

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

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

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

"Bond Year" means, with respect to the 2015 Series A Bonds, the twelve-month period ending on the date specified by the 2015 Series A Indenture.

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

"Business Day" means, except as set forth in a Series Indenture, any day (a) on which banks in the State of New York or in the cities in which the respective principal offices of the Paying Agent, the Bond Registrar and the Trustee are located are not required or authorized by law to be closed and (b) on which the New York Stock Exchange is open.

"Cash Flow Statement" means, with respect to any particular Bonds, a UHC Certificate (a) setting forth, for the then current and each future Bond Year during which such Bonds will be Outstanding, and taking into account (i) any such Bonds expected to be issued or redeemed or purchased for cancellation in each such Bond Year upon or in connection with the filing of such Certificate, (ii) the interest rate, purchase price, discount points and other terms of any Related Mortgage Loans, and (iii) the application, withdrawal or transfer of any moneys expected to be applied, withdrawn or transferred upon or in connection with the filing of such Certificate:

(A) the amount of Mortgage Repayments and Prepayments reasonably expected to be received by UHC in each such Bond Year from Related Mortgage Loans, together with Related Investment Revenues and other moneys (including without limitation moneys in any special escrows established with the Trustee) that are reasonably expected to be available to make Related Debt Service Payments and to pay Related Program Expenses; and

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

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

"Class I Bonds" means the Utah Housing Corporation Single Family Mortgage Class I Bonds authorized by, and at any time Outstanding pursuant to, the Indenture.

"Class I Sinking Fund Installment" means the amount designated for any particular due date in the Related Series Indenture for the retirement of Class I Bonds on an unconditional basis, less any amount credited pursuant to the General Indenture.

"Class II Bonds" means the Utah Housing Corporation Single Family Mortgage Class II Bonds authorized by, and at any time Outstanding pursuant to, the Indenture.

"Class II Sinking Fund Installment" means the amount designated for any particular due date for the retirement of Class II Bonds, as set forth in the Related Series Indenture, which amount may be conditioned upon the transfer of sufficient moneys to the Class II Debt Service Fund, plus all such amounts specified for any prior date or dates, to the extent such amounts have not been paid or discharged, less any amounts credited pursuant to the General Indenture.

"Class III Bonds" means the Utah Housing Corporation Single Family Mortgage Class III Bonds authorized by, and at any time Outstanding pursuant to, the Indenture.

"Class III Sinking Fund Installment" means the amount designated for any particular due date for the retirement of Class III Bonds, as set forth in the Related Series Indenture, which amount may be conditioned upon the transfer of sufficient moneys to the Class III Debt Service Fund, plus all such amounts specified for any prior date or dates, to the extent such amounts have not been paid or discharged, less any amounts credited pursuant to the General Indenture.

"Class IV Bonds" means the Utah Housing Corporation Single Family Mortgage Class IV Bonds authorized by, and at any time Outstanding pursuant to, the Indenture.

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

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

"Covenant Default" means an Event of Default described in clause (f) and (g) of the section "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Events of Default."

"Debt Service Payment" means, when used with respect to any Payment Date, the sum of the (a) interest, if any, and (b) Principal Installments, if any, due and payable on such date with respect to the Bonds.

"Debt Service Reserve Fund Requirement" means, with respect to the 2015 Series A Bonds and as of each determination date, an amount equal to 5%* of the Aggregate Principal Amount of 2015 Series A Bonds Outstanding and, with respect to any other Series of Bonds, the amount set forth in the Related Series Indenture.

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

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

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

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

"Existing Market Bonds" means the 2010 Series B Bonds and the 2011 Series A Bonds.

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

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

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

"General Obligation Bonds" means a Bond, the payment of principal of and interest on which is a General Obligation of UHC.

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* Preliminary, subject to change.

"General Obligations" means Bonds secured or additionally secured, as provided in the Related Series Indenture, by a pledge of general revenues or moneys of UHC legally available therefor, subject only to agreements made or to be made with holders of notes, bonds or other obligations pledging particular revenues or moneys for the payment thereof and subject to UHC's right at any time to apply such revenues and moneys to any lawful purpose.

"GMI" means governmental mortgage insurance or guaranty issued by a Governmental Insurer and providing primary mortgage insurance or guaranty coverage of a Mortgage Loan in accordance with the requirements of the Related Series Indenture.

"Governmental Insurer" means FHA or VA.

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

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

"Investment Obligations" means and includes any of the following securities, if and to the extent the same are at the time legal for investment of UHC's funds:

(i) Direct obligations of, or obligations which are guaranteed by the full faith and credit of, the United States of America;

(ii) Obligations, debentures, notes, collateralized mortgage obligations, mortgage backed securities or other evidence of indebtedness issued or guaranteed by any of the following: Bank for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Federal National Mortgage Association (excluding mortgage strip securities, principal strips valued greater than par and interest obligation strips); Farmers Home Administration; Federal Home Loan Mortgage Corporation (including participation certificates only if they guarantee timely payment of principal and interest); Government National Mortgage Association; Federal Financing Bank; or Federal Housing Administration;

(iii) Repurchase Agreements with Depositories, acting as principal or agent, for securities described in (i) and (ii) above (if such securities are delivered to the Trustee or are supported by a safe-keeping receipt issued by a qualified depository within the meaning of Section 51-7-3, Utah Code Annotated 1953, as amended) (A) rated by each nationally recognized rating agency then rating the Class I Bonds or Class II Bonds sufficiently high to maintain the then current rating on such Bonds by such rating agency or (B) collateralized in such manner to meet all requirements for collateralized repurchase agreements of each nationally recognized rating agency rating the Class I Bonds or Class II Bonds in order to maintain the then current rating on such Bonds by such rating agency;

(iv) Obligations issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or temporary notes, preliminary loan notes or project notes issued by public agencies or municipalities, in each case, fully secured as to the payment of both principal and interest by requisition or payment agreement with the United States of America and having a rating from each nationally recognized rating agency then rating the Class I Bonds or Class II Bonds sufficiently high to maintain the then current rating on such Bonds by such rating agency;

(v) General obligations of Investment Providers under investment agreements approved in a Series Indenture or other investment agreements having substantially similar terms;

(vi) Units of a money market fund comprised solely of obligations guaranteed by the full faith and credit of the United States of America which fund is rated by each nationally recognized rating agency then rating the Class I Bonds or Class II Bonds sufficiently high to maintain the then current rating on such Bonds by such rating agency or is otherwise acceptable to each such rating agency in order to maintain the then current rating on such Bonds by such rating agency;

(vii) Certificates of deposit, interest-bearing time deposits, or other similar banking arrangements, including investment agreements, with a bank or banks (i) rated by each nationally recognized rating agency rating the Class I Bonds or Class II Bonds sufficiently high to maintain the then current rating on such Bonds by such rating agency or (ii) collateralized in such manner to meet all requirements for collateralized agreements of each nationally recognized rating agency rating the Class I Bonds or Class II Bonds in order to maintain the then current rating on such Bonds by such rating agency; and

(viii) Units of a money market or mutual fund or any other investment which has a rating from each nationally recognized rating agency then rating the Class I Bonds or Class II Bonds sufficiently high to maintain the then current rating on such Bonds by such rating agency or is otherwise acceptable to each such rating agency in order to maintain the then current rating on such Bonds by such rating agency.

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

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

"Lenders" means banks, trust companies, savings and loan associations, mortgage bankers and other financial institutions authorized to transact business in the State and deemed eligible by UHC to participate as sellers of Mortgage Loans to UHC or to service Mortgage Loans for UHC, or UHC to the extent permitted by law.

"Low or Moderate Income Persons" means persons irrespective of race, religion, creed, national origin or sex, determined by UHC from time to time to be eligible for such assistance as is made available by the Act on account of insufficient personal or family income.

"Market Bonds" means serial bonds and/or term bonds sold by UHC to public or private investors in accordance with standard bond underwriting practices and that are issued under the Indenture in order to satisfy the conditions to the release of proceeds of some or all of the Program Bonds.

"Mortgage" means a deed of trust, mortgage or similar instrument securing a Mortgage Loan and creating a lien, subject to encumbrances permitted by UHC on real property improved by Residential Housing.

"Mortgage Loan" means a loan which is (a) secured by a Mortgage, (b) made in connection with the purchase or rehabilitation of Residential Housing and (c) allocated to a Fund or Account established pursuant to the General Indenture.

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

"Mortgage Revenues" means all Revenues other than Investment Revenues.

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

(a) any Bond cancelled or delivered to the Bond Registrar for cancellation on or before such date;

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

(c) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to the Indenture; and

(d) any Bond deemed to have been paid as provided in the General Indenture.

"Payment Date" means for each Bond, each date on which interest or a Principal Installment or both are payable on such Bond; and, unless limited, means all such dates.

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

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

"Principal Installment" means, as of any date of calculation, and for any Payment Date, (a) the principal amount or Accreted Value of all Bonds due and payable on such date, plus (b) any Class I, Class II, Class III, and Class IV Sinking Fund Installments due and payable on such date.

"Prior Bonds" means (i) the 2010B/2009D-2 Bonds and (ii) the 2011A/2009D-3 Bonds, including the 2013 Series E Share of the 2013 Series E Bonds.

"Program" means UHC's Single Family Mortgage Program pursuant to which UHC has determined to make and purchase Mortgage Loans in accordance with the Act and the Rules and the Indenture.

"Program Bonds" means, with respect to a Series of Bonds, the Related Bonds, if any, specified as such in the Related Series Indenture.

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

“PSA Experience” means the prepayment rate on a cumulative basis set forth for thirty-year mortgage loans in the Bond Market Association (formerly the Public Securities Association) prepayment standard or model, which assumes an increasingly larger percentage of the mortgage loans prepaying each month for the first 30 months of the mortgage lives and then assumes a constant prepayment rate of six percent (6%) of the unpaid principal balance for the remaining life of each of the mortgage loans.

“Qualified Mortgage Loan Mortgage Backed Securities” means Investment Obligations which constitute collateralized mortgage obligations issued by the Federal National Mortgage Association or the Government National Mortgage Association, the underlying mortgages of which would constitute Mortgage Loans for purposes of the Indenture if acquired by the Trustee from moneys in the Acquisition Account.

“Rating Agency” means Moody’s Investors Service, Inc., Fitch Ratings, Inc. and/or Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business.

“Rebate Requirement” means the amount of arbitrage profits earned from the investment of gross proceeds of Tax-exempt Bonds in nonpurpose investments described in Section 148(f)(2) of the Code and defined as “Rebate Amount” in Section 1.148-3 of the Treasury Regulations, which is payable to the United States at the times and in the amounts specified in such provisions.

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

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

“Related” (whether capitalized or not) means, with respect to any particular Bond, Class, Series, Series Indenture, Supplemental Indenture, Cash Flow Statement, Fund, Account, Mortgage Loan, Mortgage Repayment or Prepayment, having been created in connection with the issuance of, or having been derived from the proceeds of, or having been reallocated to, or concerning, the same Series, as the case may be.

“Remaining 2009 Series D-3 Bonds” means that portion of the 2009 Series D-3-2 Bonds not refunded with proceeds of the 2013 Series E Bonds and Outstanding, as of January 5, 2015, in the aggregate principal amount of $2,020,000.

“Representation Letter” means the representation letter from UHC to DTC.

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

“Revenues” means (a) all Mortgage Repayments, Prepayments and, except insofar as such payments may constitute Servicing Fees, any penalty payments on account of overdue Mortgage Repayments, (b) Investment Revenues, and (c) all other payments and receipts received by UHC with respect to Mortgage Loans, but shall not include (i) Escrow Payments, (ii) Servicing Fees, unless such fees are specifically pledged to the Trustee, (iii) any commitment, reservation, extension, or application fees charged by UHC in connection with a Mortgage Loan or Mortgage Purchase Agreement, (iv) any commitment, reservation, extension or application fees charged by a Lender in connection with a Mortgage Loan or (v) accrued interest received in connection with the purchase of any Investment Obligations.

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

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

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

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

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

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

"UHC" means Utah Housing Corporation, created pursuant to the Act, and any successor to the rights, duties and obligations of UHC under the Indenture and under the Act, acting in any capacity other than that of a Lender.

"UHC Certificate" means, as the case may be, a document signed by the Chair, Vice Chair, President or an authorized officer of UHC either (a) attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or (b) setting forth matters to be determined by such authorized officer pursuant to the Indenture.

"UHC Request" means a written request or direction of UHC signed by an authorized officer of UHC.

"Uninsured" means a Mortgage Loan that is not insured by FHA or any other insurer or guaranteed by VA or any other guarantor.

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

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

"2010 Series B Bonds" means Utah Housing Corporation Single Family Mortgage Bonds, 2010 Series B.

"2011 Series A Bonds" means Utah Housing Corporation Single Family Mortgage Bonds, 2011 Series A.

"2013 Series E Share" means that portion of the 2013 Series E Bonds applied to refund the 2009 Series D-3 Bonds other than the Remaining 2009 Series D-3 Bonds (including a proportionate share of the 2013 Series E Bonds the proceeds of which were applied to pay costs of issuance) upon original issuance of the 2013 Series E Bonds, less any amount of such portion of 2013 Series E Bonds paid or redeemed from Revenues and other amounts allocated thereto pursuant to the terms of the 2013E UHC Request and the Related Supplemental Indenture.

"2015A Program Bond Share" means, in relation to any Series of Prior Bonds, that portion of the 2015 Series A Bonds applied to refund the Refunded Program Bonds of such Series of Prior Bonds (including a proportionate share of 2015 Series A Bonds the proceeds of which were applied to pay costs of issuance) upon original issuance of the 2015 Series A Bonds, less any amount of such portion of 2015 Series A Bonds paid or redeemed from Revenues and other amounts allocated thereto pursuant to the terms of the related 2015A UHC Request and the Related Supplemental Indenture.

"2015 Series A Class I Asset Requirement" means the requirement that, as of any date of calculation, the sum of (a) amounts held in the 2015 Series A subaccount of the Class I Debt Service Fund (to the extent such amounts are required to be used to pay principal of the 2015 Series A Bonds), the 2015 Series A subaccounts of the Redemption Fund (to the extent such amounts are required to be used to redeem 2015 Series A Bonds) and the 2015 Series A subaccount of the Debt Service Reserve Fund (including the 2015 Series A subaccount of the Interest Reserve Account), and (b) the aggregate unpaid principal balance of Mortgage Loans Related to the 2015 Series A Bonds, be at least equal to a percentage (which percentage is equal to the weighted average of the Class I Asset Requirements for the Prior Bonds) of the aggregate principal amount of 2015 Series A Class I Bonds then Outstanding.

Funds and Accounts Established by the Indenture

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

(a) the Program Fund, consisting of:
 (i) the Acquisition Account
 (ii) the Short Term Bond Account; and
 (iii) the Cost of Issuance Account;

(b) the Revenue Fund, consisting of:
 (i) the Revenue Account; and
 (ii) the Rebate Account;

(c) the Debt Service Reserve Fund, which shall include the Interest Reserve Account;

(d) the Class I Debt Service Fund which may include an UHC Payment Account;

(e) the Class II Debt Service Fund which may include an UHC Payment Account;

(f) the Class III Debt Service Fund which may include an UHC Payment Account;

(g) the Class IV Debt Service Fund which may include an UHC Payment Account; and

(h) the Redemption Fund, consisting of:
 (i) the Class I Special Redemption Account;
 (ii) the Class II Special Redemption Account;
 (iii) the Class III Special Redemption Account; and
 (iv) the Class IV Special Redemption Account.

Subaccounts shall be created in some or all funds and accounts described in the General Indenture for each Series of Bonds as necessary. Except as otherwise provided in the General Indenture or in a Series Indenture, bond proceeds and other moneys relating to a Series of Bonds shall be deposited in the Related subaccounts created with respect to such Series of Bonds.

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

(a) if and to the extent required by the General Indenture;

(b) if and to the extent necessary to enable UHC to deliver a Cash Flow Statement with respect to one or more Series;

(c) in connection with an UHC Request filed pursuant to the Indenture; and

(d) if and to the extent that the aggregate amount of moneys, investments and Mortgage Loans allocated to any particular Series exceeds the aggregate amount of Outstanding Bonds of such Series.

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

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

Cost of Issuance Account

Upon the issuance, sale and delivery of Bonds, certain moneys as specified in the Related Series Indenture shall be deposited in the Cost of Issuance Account. Moneys in such Account shall be used to pay Costs of Issuance and for no other purpose except that any excess remaining upon payment of all Costs of Issuance shall be transferred by the Trustee to UHC or to the Related subaccount in the Acquisition Account.

In the event that the moneys deposited in the Cost of Issuance Account are not sufficient to pay all Costs of Issuance, Costs of Issuance may be paid from any available moneys of UHC.

Revenue Fund

UHC shall pay all Revenues or cause all Revenues to be paid to the Trustee promptly upon their receipt and, in any event, at least once each month. Except as otherwise provided in the General Indenture or in a Series Indenture, all Revenues and the Rebate Requirement shall be deposited by the Trustee in the Related subaccounts of the Revenue Fund as follows:

(i) for credit to the Related subaccount of the Revenue Account, all Revenues Related to each Series of Bonds; and

(ii) for credit to the Related subaccount of the Rebate Account, at the times directed by UHC, the Rebate Requirement Related to the Tax-exempt Bonds of each Series.

There may also be deposited in the Revenue Fund, at the option of UHC, any other moneys of UHC, unless required to be otherwise applied as provided by the Indenture.

Promptly upon receipt of interest on a Mortgage Loan with respect to which moneys were withdrawn from the Acquisition Account to pay for interest accrued on such Mortgage Loan at the time of purchase from a Lender, the Trustee shall withdraw from the Related subaccount of the Revenue Account and transfer to the Related subaccount of the Acquisition Account an amount equal to such accrued interest paid. Alternatively, accrued interest on Mortgage Loans at the time of purchase may be paid from the Related subaccount of the Revenue Account as UHC shall direct in an UHC Request.

The Trustee shall pay or transfer from the Related subaccount of the Revenue Account (i) directly to the Fiduciaries, all Fiduciary Expenses, when and as payable and (ii) to UHC or to its order reasonable and necessary Program Expenses, respectively, only to the extent, if any, provided in the following paragraphs.

On the last Business Day prior to each Payment Date or more frequently if required by a Series Indenture, the Trustee shall withdraw from each subaccount of the Revenue Account and deposit into the Related subaccounts of the following Funds or Accounts and shall pay to the following parties the following amounts, in the following order of priority, the requirements of each such Fund, Account or party (including the making up of any deficiencies in any such Fund or Account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied, and the results of such satisfaction being taken into account, before any payment or transfer is made subsequent in priority:

(A) Into the Related subaccount of the Class I Debt Service Fund (x) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of interest becoming due and payable on such Payment Date upon all Class I Bonds of the Related Series then Outstanding; plus (y) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of Principal Installments becoming due and payable on the Outstanding Related Class I Bonds on such Payment Date; provided however, that if such Payment Date is not a date for the payment of a Principal Installment on Related Class I Serial Bonds, such transfer shall include an amount equal to one-half the amount of Principal Installments becoming due and payable on Outstanding Related Class I Serial Bonds on the next following Payment Date;

(B) Into each Unrelated subaccount of the Class I Debt Service Fund, after making any transfer into such subaccount required by the General Indenture, on a proportionate basis with all other Unrelated such subaccounts or as otherwise directed by UHC Request, any deficiency in such subaccount resulting from the lack of moneys sufficient to make the deposit required by subsection (A) as of such date;

(C) Into the Related subaccount of the Class I Special Redemption Account, the amount, if any, needed to ensure that the Class I Asset Requirement of the Related Series of Bonds will be met on such Payment Date following such transfer;

(D) Into each Unrelated subaccount of the Class I Special Redemption Account, on a proportionate basis with all other Unrelated such subaccounts or as otherwise directed by UHC Request, any deficiency in such subaccount resulting from the lack of moneys sufficient to make the deposit required by subsection (C) as of such date;

(E) Into the Related subaccount of the Class II Debt Service Fund (x) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of interest becoming due and payable on such Payment Date upon all Class II Bonds of the Related Series then Outstanding; plus (y) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of Principal Installments becoming due and payable on Outstanding Related Class II Bonds on such Payment Date; provided however, that if such Payment Date is not a date for the payment of a Principal Installment on Related Class II Serial Bonds, such transfer shall include an amount equal to one-half the amount of Principal Installments becoming due and payable on Outstanding Related Class II Serial Bonds on the next following Payment Date;

(F) Into each Unrelated subaccount of the Class II Debt Service Fund, after making any transfer into such subaccount required by the General Indenture, on a proportionate basis with all other Unrelated such subaccounts or as otherwise directed by UHC Request, any deficiency in such subaccount resulting from the lack of moneys sufficient to make the deposit required by subsection (E) as of such date;

(G) Into the Related subaccount of the Debt Service Reserve Fund, the amount, if any, needed to increase the amount in such subaccount (including the Related Interest Reserve Account) to the Debt Service Reserve Fund Requirement of the Related Series of Bonds;

(H) Into each Unrelated subaccount of the Debt Service Reserve Fund, on a proportionate basis with all other Unrelated such subaccounts or as otherwise directed by UHC Request, any deficiency in such subaccount resulting from the lack of Related Revenues sufficient to make the deposit required by subsection (G) as of such date;

(I) Into the Related subaccount of the Class II Special Redemption Account, the amount, if any, needed to ensure that the Class II Asset Requirement of the Related Series of Bonds will be met on such Payment Date following such transfer;

(J) Into each Unrelated subaccount of the Class II Special Redemption Account, on a proportionate basis with all other Unrelated such subaccounts or as otherwise directed by UHC Request, any deficiency in such subaccount resulting from the lack of moneys sufficient to make the deposit required by subsection (I) as of such date;

(K) To UHC, the amount of any reasonable and necessary Fiduciary Expenses with respect to the Related Series of Bonds previously incurred but not reimbursed to UHC or reasonably anticipated to be payable in the following six months; provided, however, that in no event shall the aggregate of all Fiduciary Expenses with respect to the Related Series of Bonds paid directly to Fiduciaries or to UHC under this subsection (K) in any Bond Year exceed any limitation set forth in the Related Series Indenture;

(L) To UHC, the amount of any reasonable and necessary Fiduciary Expenses with respect to Unrelated Series of Bonds, on a proportionate basis with all other Unrelated Series of Bonds or as otherwise directed by UHC Request, any deficiency resulting from the lack of moneys sufficient to make the deposit required by subsection (K) as of such date;

(M) Into the Related subaccount of the Class III Debt Service Fund (x) the amount, if any, needed to increase the amount in such subaccount to the aggregate amount of interest becoming due and payable on such Payment Date upon all Class III Bonds of the Related Series then Outstanding; plus (y) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of Principal Installments required to be paid for the Outstanding Related Class III Bonds on such Payment Date; provided however, that if such Payment Date is not a date for the payment of a Principal Installment on Related Class III Serial Bonds, such transfer shall include an amount equal to one-half the amount of Principal Installments becoming due and payable on Outstanding Related Class III Serial Bonds on the next following Payment Date;

(N) Into each Unrelated subaccount of the Class III Debt Service Fund, after making any transfer required into such subaccount required by the General Indenture, on a proportionate basis with all other Unrelated such subaccounts or as otherwise directed by UHC Request, any deficiency in such subaccount resulting from the lack of moneys sufficient to make the deposit required by subsection (M) as of such date;

(O) To UHC, the amount of any reasonable and necessary Program Expenses with respect to the Related Series of Bonds previously incurred but not reimbursed to UHC or reasonably anticipated to be payable in the following six months; provided, however, that in no event shall the aggregate of such amounts paid to UHC, plus amounts paid to UHC with respect to such Series of Bonds pursuant to subsections (K) and (L) above and plus all Fiduciary Expenses with respect to the Related Series of Bonds paid directly to Fiduciaries exceed any limitations set forth in the Related Series Indenture;

(P) To UHC, the amount of any reasonable and necessary Program Expenses with respect to Unrelated Series of Bonds, on a proportionate basis with all other Unrelated Series of Bonds or as otherwise directed by UHC Request, any deficiency resulting from the lack of moneys sufficient to make the deposit required by subsection (O) as of such date;

(Q) Into the Related subaccounts of the Redemption Fund, the amount, if any, necessary to satisfy the Class III Asset Requirement of the Related Series of Bonds, calculated as of such next succeeding Payment Date and giving effect to such transfer, which amount shall be allocated to the Related subaccounts of the Class I Special Redemption Account, the Class II Special Redemption Account and the Class III Special Redemption Account on the basis of the relative ratios represented by the Aggregate Principal Amounts Outstanding of the Related Class I Bonds, Class II Bonds and Class III Bonds, respectively, to the Aggregate Principal Amount of all Related Class I, Class II and Class III Bonds Outstanding;

(R) Into each Unrelated subaccount of the Redemption Fund, on a proportionate basis with all other Unrelated such subaccounts or as otherwise directed by UHC Request, the additional amount, if any, necessary (after the deposits required by subsection (Q) for the Related Series of Bonds) to satisfy the Class III Asset Requirement of such Unrelated Series of Bonds, calculated as of such next succeeding Payment Date and giving effect to such transfer, which amount shall be allocated to the applicable subaccount of the Class I Special Redemption Account, the Class II Special Redemption Account and the Class III Special Redemption Account on the basis of the relative ratios represented by the Aggregate Principal Amount Outstanding of the applicable Class I Bonds, Class II Bonds and Class III Bonds, respectively, to the Aggregate Principal Amount of all applicable Class I, Class II, and Class III Bonds Outstanding (for purposes of this subsection (R), "applicable" means Related to such Unrelated Series);

(S) Into the Related subaccount of the Class IV Debt Service Fund (x) the amount, if any, needed to increase the amount in such subaccount to the aggregate amount of interest becoming due and payable on such Payment Date upon all Class IV Bonds of the Related Series then Outstanding; plus (y) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of Principal Installments required to be paid for the Outstanding Related Class IV Bonds on such Payment Date; and

(T) Into each Unrelated subaccount of the Class IV Debt Service Fund, after making the transfer into such subaccount required by the General Indenture, on a proportionate basis with all other Unrelated such subaccounts or as otherwise directed by UHC Request, any deficiency in such subaccounts resulting from the lack of moneys sufficient to make the deposit required by subsection (S) as of such date.

UHC may direct the Trustee to make any of the above transfers more frequently than on Payment Dates, in amounts proportionate to the frequency of transfers so directed.

Following such transfers, the balance, if any, in each subaccount of the Revenue Account, or such lesser amount thereof as shall be requested by UHC shall be paid to UHC for the payment of Program Expenses or for any other purposes free and clear of the lien and pledge of the Indenture upon receipt of an UHC Request made within 30 days of such Payment Date. Any amount in each subaccount of the Revenue Account not so paid to UHC shall be transferred to the Related subaccounts of the Redemption Fund and allocated among the Related subaccounts of the Class I Special Redemption Account, the Class II Special Redemption Account and the Class III Special Redemption Account as provided in the Related Series Indenture.

Prior to, but as close as practicable to, the latest date on which the Trustee would be permitted to give notice of a redemption to occur on a Payment Date from amounts deposited in the Redemption Fund, the Trustee shall calculate the amounts then on deposit in each subaccount of the Revenue Account which would be transferred to the Related subaccounts of the Class I Debt Service Fund, the Class II Debt Service Fund, the Class III Debt Service Fund and the Class IV Debt Service Fund, and the Related subaccounts of the Redemption Fund, in accordance with the priorities and provisions of such subsection. Such amounts may be withdrawn from such subaccount of the Revenue Account for application on or prior to the next succeeding Payment Date (A) upon receipt of an UHC Request, to the purchase in lieu of redemption of the Related Class I Bonds, Class II Bonds, Class III Bonds or Class IV Bonds, (B) to the payment of accrued interest on Bonds being purchased pursuant to or redeemed pursuant to the Indenture, or (C) to the redemption of Related Class I Bonds, Class II Bonds, Class III Bonds and Class IV Bonds on such Payment Date.

In the event Bonds are to be redeemed on a date other than a Payment Date, and to the extent moneys are not available in the Related subaccounts of the Class I Debt Service Fund, the Class II Debt Service Fund, the Class III Debt Service Fund or the Class IV Debt Service Fund to pay accrued interest on such redemption date for such Class I Bonds, Class II Bonds, Class III Bonds and Class IV Bonds, respectively, the Trustee shall apply or cause the Paying Agent to apply available moneys in the Related subaccount of the Revenue Account for the payment of such interest.

<u>Class I Debt Service Fund</u>

Amounts in each subaccount of the Class I Debt Service Fund shall be used and withdrawn by the Trustee solely for transfer to the Paying Agent (i) on each Payment Date for the purpose of paying the interest and Principal Installments on the Related Class I Bonds as the same shall become due and payable (including accrued interest on any Class I Bonds purchased or redeemed prior to maturity pursuant to the Indenture), or (ii) on each purchase date for the purpose of paying the purchase price of Related Class I Bonds purchased in lieu of redemption by Related Class I Sinking Fund Installments.

Amounts remaining in each subaccount of the Class I Debt Service Fund after all the Related Class I Bonds have been paid or funds have been set aside and held in trust for such payment shall be transferred to the Related subaccount of the Revenue Account.

<u>Debt Service Reserve Fund</u>

Upon the issuance, sale and delivery of a Series of Bonds pursuant to the Indenture, the Trustee shall deposit in the Related subaccount of the Debt Service Reserve Fund and in the Related subaccount of the Interest Reserve Account therein such amounts, if any, as shall be required by the provisions of the Related Series Indenture, which aggregate amount shall be at least sufficient to equal the Debt Service Reserve Fund Requirement relating to such Series of Bonds, calculated after giving effect to the issuance of such Bonds. Moneys on deposit in the Related subaccount of the Interest Reserve Account shall at all times be deemed to be a part of the Related subaccount of the Debt Service Reserve Fund. Additional moneys may be deposited in the Related subaccount of the Debt Service Reserve Fund in accordance with the provision relating to the allocation of moneys in the Revenue Account described under "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Revenue Fund."

On or prior to each Payment Date, the Trustee shall calculate the amount of the Debt Service Reserve Fund Requirement for each Series of Bonds as of the next succeeding Payment Date and shall determine the amount, if any, which would then be in the Related subaccount of the Debt Service Reserve Fund (other than amounts attributable to accrued, but unrealized interest purchased on Investment Obligations) is in excess of such Requirement, shall notify UHC of such excess amount and shall, unless otherwise instructed by an UHC Request, transfer such excess amount from the Related subaccount of the Debt Service Reserve Fund, other than the Related subaccount of the Interest Reserve Account therein, to the Related subaccount of the Revenue Account; provided, however, that if such excess is attributable to amounts invested in Qualified Mortgage Loan Mortgage Backed Securities, such excess may, at the option of UHC, be retained in the Debt Service Reserve Fund. The transfer of such amounts may result in the redemption of Bonds.

On the last Business Day prior to each Payment Date or more frequently if required by a Series Indenture, and in each case in conjunction with the transfers, deposits and payments to be made from the Revenue Fund, the Trustee shall transfer from each subaccount of the Debt Service Reserve Fund (including from the Interest Reserve Account as provided below) to the specified subaccounts of other Funds or Accounts the following amounts, in the following order of priority, the requirements of each such transfer to be satisfied, and the results of such satisfaction being taken into account, before any payment or transfer is made subsequent in priority:

(a) In the event that the amount transferred to any subaccount of the Class I Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related Class I Bonds on the next succeeding Payment Date, the Trustee shall transfer first from the Related subaccount of the Interest Reserve Account, and then if and to the extent necessary from the Related subaccount of the Debt Service Reserve Fund, to such subaccount of the Class I Debt Service Fund the amount of such insufficiency.

(b) In the event that the amount transferred to a subaccount of the Class I Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related Class I Bonds on the next succeeding Payment Date, the Trustee shall transfer from Unrelated subaccounts in the Debt Service Reserve Fund on a proportionate basis or as otherwise directed by UHC Request, first from subaccounts of the Interest Reserve Account, and then if and to the extent necessary from subaccounts of the Debt Service Reserve Fund, to such subaccount of the Class I Debt Service Fund the amount of such insufficiency.

(c) In the event that the amount transferred to any subaccount of the Class II Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related Class II Bonds on the next succeeding Payment Date, the Trustee shall transfer first from the Related subaccount of the Interest Reserve Account, and then if and to the extent necessary from the Related subaccount of the Debt Service Reserve Fund, to such subaccount of the Class II Debt Service Fund the amount of such insufficiency.

(d) In the event that the amount transferred to any subaccount of the Class II Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related Class II Bonds on the next succeeding Payment Date, the Trustee shall transfer from Unrelated subaccounts in the Debt Service Reserve Fund, on a proportionate basis or as otherwise directed by UHC Request, first from subaccounts of the Interest Reserve Account, and then if and to the extent necessary from subaccounts in the Debt Service Reserve Fund, to such subaccount of the Class II Debt Service Fund, the amount of such insufficiency.

(e) In the event that the amount transferred to any subaccount of the Class III Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related Class III Bonds on the next succeeding Payment Date, the Trustee shall transfer first from the Related subaccount of the Interest Reserve Account and then if and to the extent necessary from the Related subaccount of the Debt Service Reserve Fund to such subaccount of the Class III Debt Service Fund the amount of such insufficiency; provided, however, that no such transfer may result in (A) the amount on deposit in the Related subaccount of the Debt Service Reserve Fund being reduced to an amount less than any minimum deposit specified in the Related Series Indenture or (B) a failure to meet the Related Class II Asset Requirement.

(f) In the event that the amount transferred to any subaccount of the Class III Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related Class III Bonds on the next succeeding Payment Date, the Trustee shall transfer from Unrelated subaccounts in the Debt Service Reserve Fund on a proportionate basis or as otherwise directed by UHC Request, first from subaccounts in the Interest Reserve Account, and then if and to the extent necessary from subaccounts in the Debt Service Reserve Fund, to such subaccount of the Class III Debt Service Fund the amount of such insufficiency; provided, however, that no such transfer may result in (A) the amount on deposit in a subaccount of the Debt Service Reserve Fund being reduced to an amount less than any minimum deposit specified in the Related Series Indenture or (B) a failure to meet the Related Class II Asset Requirement.

(g) In the event that the amount transferred to any subaccount of the Class IV Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related Class IV Bonds on the next succeeding Payment Date, the Trustee shall transfer from first the Related subaccount of the Interest Reserve Account and then if and to the extent necessary the Related subaccount of the Debt Service Reserve Fund to such subaccount of the Class IV Debt Service Fund the amount of such insufficiency; provided, however, that no such transfer may result in (A) the amount on deposit in the Related subaccount of the Debt Service Reserve Fund being reduced to an amount less than any minimum deposit specified in the Related Series Indenture or (B) a failure to meet the Related Class III Asset Requirement.

(h) In the event that the amount transferred to any subaccount of the Class IV Debt Service Fund is insufficient to pay the interest and Principal Installments, if any, and other amounts, if any, due on Related Class IV Bonds on the next succeeding Payment Date, the Trustee shall transfer from Unrelated subaccounts in the Debt Service Reserve Fund on a proportionate basis or as otherwise directed by UHC Request, first from subaccounts in the Interest Reserve Account, and then if and to the extent necessary from subaccounts in the Debt Service Reserve Fund to such subaccount of the Class IV Debt Service Fund the amount of such insufficiency; provided, however, that no such transfer may result in (A) the amount on deposit in a subaccount of the Debt Service Reserve Fund being reduced to an amount less than any minimum deposit specified in the Related Series Indenture or (B) a failure to meet the Related Class III Asset Requirement.

Class II Debt Service Fund

Amounts in each subaccount of the Class II Debt Service Fund shall be used and withdrawn by the Trustee for transfer to the Paying Agent (i) on each Payment Date for the purpose of paying first the interest and then Principal Installments on the Related Class II Bonds as the same become due and payable (including accrued interest on any such Class II Bonds redeemed or purchased prior to maturity pursuant to the Indenture), or (ii) on each purchase date for the purpose of paying the purchase price of Related Class II Bonds purchased in lieu of redemption by Class II Sinking Fund Installments.

Amounts remaining in each subaccount of the Class II Debt Service Fund after all the Related Class II Bonds have been paid or funds have been set aside and held in trust for such payment shall be transferred to the Related subaccount of the Revenue Account.

Class III Debt Service Fund

Amounts in each subaccount of the Class III Debt Service Fund shall be used and withdrawn by the Trustee for transfer to the Paying Agent (i) on each Payment Date for the purpose of paying first the interest and then Principal Installments on the Related Class III Bonds as the same become due and payable (including accrued interest on any such Class III Bonds redeemed or purchased prior to maturity pursuant to the Indenture), or (ii) on each purchase date for the purpose of paying the purchase price of Related Class III Bonds purchased in lieu of redemption by Class III Sinking Fund Installments.

Amounts remaining in each subaccount of the Class III Debt Service Fund after all the Related Class III Bonds have been paid or funds have been set aside and held in trust for such payment shall be transferred to the Related subaccount of the Revenue Account.

Application of UHC Payment Accounts

If, following transfers made from the Revenue Fund and the Debt Service Reserve Fund, there are not sufficient moneys, or any moneys allocated, to pay all interest or any other required payment due and payable on any General Obligations or to pay Principal Installments on any General Obligations at maturity, the Trustee shall immediately notify UHC in writing of the amount of such insufficiency and shall request from UHC an immediate deposit of legally available funds equal to such insufficiency. UHC shall pay to the Trustee (from UHC's other general revenues or moneys legally available therefor, subject only to agreements made or to be made with holders of notes, bonds or other obligations pledging particular revenues or moneys for the payment thereof) for deposit in the Related subaccounts of the UHC Payment Account the amount of such insufficiency. If the amount provided by UHC is less than the amount of such insufficiency, any shortfall shall be allocated pro rata among the holders of the Related General Obligations in proportion to the amounts then due and payable on such Bonds.

Amounts deposited with the Trustee by UHC as described above shall be deposited into the respective subaccounts of the UHC Payment Accounts for the General Obligations for which such amounts are provided. Amounts in such subaccounts shall only be used to pay interest or Principal Installments or other amounts due and payable on the Related General Obligations and may not be transferred to any Debt Service Fund for Bonds which are not General Obligations or to any other Fund or Account for any reason.

Redemption Fund

Moneys deposited in the subaccounts of the Redemption Fund shall be applied by the Trustee to the purchase or applied by the Paying Agent (if directed by the Trustee) to the redemption of Bonds in accordance with the provisions of the General Indenture and each Related Series Indenture.

Except as set forth in the General Indenture or in the Related Series Indenture, moneys deposited in a subaccount of the Class I Special Redemption Account pursuant to the General Indenture or pursuant to the Related Series Indenture, shall be applied to the extent practicable by the Paying Agent on the earliest practicable date to redeem Related Class I Bonds. Any amounts remaining in such Class I Special Redemption Account after all Class I Bonds of the Related Series have been paid shall be transferred to the Related subaccount of the Revenue Account.

Except as set forth in the General Indenture or in the Related Series Indenture, moneys deposited in a subaccount of the Class II Special Redemption Account pursuant to the General Indenture or pursuant to the Related Series Indenture shall be applied to the extent practicable by the Paying Agent on the earliest practicable date to redeem Related Class II Bonds. Any amounts remaining in such Class II Special Redemption Account after all Class II Bonds of the Related Series have been paid shall be transferred to the Related subaccount of the Revenue Account. Notwithstanding the foregoing, moneys deposited in a subaccount of the Class II Special Redemption Account shall be applied to redeem Related Class I Bonds to the extent necessary, after application of amounts in the Related Class III Special Redemption Account, to satisfy the Related Program Bond Redemption Requirement.

Except as set forth in the General Indenture or in the Related Series Indenture, moneys deposited in a subaccount of the Class III Special Redemption Account pursuant to the General Indenture or pursuant to the Related Series Indenture shall be applied to the extent practicable by the Paying Agent on the earliest practicable date to redeem Related Class III Bonds. Any amounts remaining in such Class III Special Redemption Account after all Class III Bonds of the Related Series have been paid shall be transferred to the Revenue Account. Notwithstanding the foregoing, moneys deposited in a subaccount of the Class III Special Redemption Account shall be applied to redeem Related Class I Bonds to the extent necessary to satisfy the Related Program Bond Redemption Requirement.

Except as set forth in the General Indenture or in the Related Series Indenture, moneys deposited in a subaccount of the Class IV Special Redemption Account pursuant to the General Indenture or pursuant to the Related Series Indenture shall be applied to the extent practicable by the Paying Agent on the earliest practicable date to redeem Related Class IV Bonds. Any amounts remaining in such Class IV Special Redemption Account after all Class IV Bonds of the Related Series have been paid shall be transferred to the Revenue Account.

Investment of Moneys Held by the Trustee; Limitation on Investment Yields

Moneys in all Funds and Accounts held by the Trustee shall be invested to the fullest extent possible in Investment Obligations, in accordance with directions given to the Trustee in an UHC Request or Certificate; provided that the maturity date or the date on which such Investment Obligations may be redeemed at the option of the holder thereof shall coincide as nearly as practicable with (but in no event later than) the date or dates on which moneys in the Funds or Accounts for which the investments were made will be required for the purposes of the Indenture.

Amounts credited to any Fund or Account may be invested, together with amounts credited to one or more other Funds or Accounts, in the same Investment Obligation or Investment Obligations, provided that each such investment complies in all respects with the provisions of the General Indenture as they apply to each Fund or Account for which the joint investment is made, the Trustee maintains separate records for each Fund and Account and such investments are accurately reflected therein and amounts credited to the Rebate Account may be invested together with amounts credited to any other Fund or Account. The maturity date or the date on which Investment Obligations may be redeemed at the option of holder thereof shall coincide as nearly as practicable with (but in no event shall be later than) the date or dates on which moneys in the Funds or Accounts for which the investments were made will be required for the purposes provided in the Indenture.

Except as otherwise specifically provided for in the Indenture, the income or interest earned by, or gain to, all Funds and Accounts due to the investment thereof shall be transferred by the Trustee upon receipt thereof to the Related subaccount of the Revenue Account, in accordance with the Indenture, except that no such transfer shall be made from, and such income, interest or gain (as described above) shall be retained in, the Debt Service Reserve Fund, unless after giving effect to the transfer the amount therein at least equals the aggregate Debt Service Reserve Fund Requirement.

Program Covenants; Enforcement of Mortgage Loans

UHC covenants in the Indenture that:

(a) It shall use and apply the proceeds of the Bonds and other moneys deposited in the Acquisition Account, to the extent not reasonably required for other Program purposes of UHC, to make or purchase Mortgage Loans, and consistent with sound banking practices and principles shall do all such acts and things necessary to receive and collect Revenues and shall diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of UHC for the enforcement of all terms, covenants and conditions of Mortgage Loans.

(b) It shall file with the Trustee with each direction to purchase Mortgage Loans, a schedule of Mortgage Loans to be made or purchased by the Trustee identifying the same by reference to UHC loan number, the party from whom the Mortgage Loan will be purchased, the principal amount due on the Mortgage Loan and the date through which the interest has been paid by the Borrower and the interest rate on the Mortgage Loan.

(c) It shall maintain an account for each Lender having entered into a Mortgage Purchase Agreement with UHC and shall record therein a description of each Mortgage Loan purchased from such Lender.

(d) The terms of each Mortgage Purchase Agreement shall be reasonably designed to assure that each Mortgage Loan purchased by UHC pursuant thereto or serviced thereunder meets applicable requirements, if any, under Section 143 of the Code as in effect or as otherwise applicable with respect to such Mortgage Loan.

(e) It shall enforce diligently and take or cause to be taken all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of all Mortgage Loans consistent with sound banking practices and principles and applicable requirements under Section 143 of the Code, including the prompt payment of all Mortgage Repayments and all other amounts due UHC thereunder. UHC shall not without good cause release the obligations of any Borrower under any Mortgage Loan and, to the extent permitted by law, at all times shall defend, enforce, preserve and protect the rights and privileges of UHC, the Trustee and the Bondholders under or with respect to all Mortgage Loans, the obligations evidencing such Mortgage Loans and the agreements securing such Mortgage Loans; provided, however, that nothing in this subparagraph (e) or in subparagraph (f) or (g) below shall be construed to prevent UHC from (i) settling a default on any Mortgage Loan on such terms as UHC shall determine to be in the best interests of UHC and the Bondholders, or (ii) releasing any Borrower from, or waiving, any of such Borrower's obligations under the respective Mortgage Loan to the extent necessary to comply with the applicable provisions of the Code.

(f) Whenever it shall be necessary in order to protect and enforce the rights of UHC under a Mortgage Loan and to protect and enforce the rights and interests of the Trustee and Bondholders under the Indenture, UHC shall take necessary actions to realize on any applicable mortgage insurance on such Mortgage Loan and to collect, sell or otherwise dispose of the property secured by the Mortgage and, if UHC deems such to be advisable, shall bid for and purchase the property secured by the Mortgage at any sale thereof and take possession of such property. As an alternative to foreclosure proceedings, UHC may take such other action as may be appropriate to acquire and take possession of the mortgaged property, including, without limitation, acceptance of a conveyance in lieu of foreclosure.

(g) It shall not request payment from any governmental insurer in debentures of such insurer, or any other person, in any case where, under applicable government regulations, it is permitted to request such debentures as payment with respect to a defaulted Mortgage Loan.

Assignment or Disposition of Mortgage Loans; Amendment of Mortgage Loans

Following the acquisition of a Mortgage Loan by the Trustee, UHC shall not sell, assign, transfer, pledge or otherwise dispose of or encumber any Mortgage Loan or any of the rights of UHC with respect to any Mortgage Loan or arising out of the Mortgage or the other obligations evidencing or securing any Mortgage Loan except a Mortgage Loan in default, unless UHC determines that such sale, assignment, transfer or other disposition would not have a material adverse effect on the ability of UHC to pay the principal of and interest on the Outstanding Bonds.

UHC shall not consent or agree to or permit any amendment or modification of the economic terms of any Mortgage Loan in any manner materially adverse to the interests of the Bondholders, as determined in good faith by UHC Certificate.

Creation of Liens

UHC covenants that it shall not issue any bonds or other evidences of indebtedness, other than the Bonds, secured by a pledge of the Revenues or of the moneys, securities, rights and interests pledged or held or set aside by UHC or by any Fiduciary under the Indenture and shall not create or cause to be created, other than by the Indenture, any lien or charge on the Revenues or such moneys, securities, rights or interests; provided, however, that nothing in the Indenture shall prevent UHC from issuing (i) evidences of indebtedness secured by a pledge of Revenues to be derived after the pledge of the Revenues provided in the Indenture shall be discharged and satisfied as provided in the General Indenture; or (ii) notes or bonds or other obligations of UHC not secured under the Indenture; or (iii) notes, bonds or other obligations which are general obligations of UHC under the Act.

Events of Default

Each of the following constitutes an “Event of Default” under the Indenture:

(a) UHC shall fail to pay any Principal Installment of any Class I Bond when and as the same shall become due and payable, whether at maturity or by call for redemption or otherwise;

(b) UHC shall fail to pay any installment of interest on any Class I Bond when and as the same shall become due and payable, and such failure shall continue for a period of 5 days;

(c) UHC shall fail to pay any Principal Installment or interest on any Class II Bond when and as the same shall become due and payable, provided that sufficient moneys for such payment are available in the Class II Debt Service Fund;

(d) UHC shall fail to pay any Principal Installment or interest on any Class III Bond when and as the same shall become due and payable, provided that sufficient moneys for such payment are available in the Class III Debt Service Fund;

(e) UHC shall fail to pay any Principal Installment or interest on any Class IV Bond or fail to pay any Class IV Auxiliary Obligation when and as the same shall become due and payable, provided that sufficient moneys for such payment are available in the Class IV Debt Service Fund;

(f) UHC shall fail to perform or observe any other covenant, agreement or condition on its part contained in the Indenture (except the requirement that a Cash Flow Statement satisfy the requirements of clause (b) of the definition thereof and the requirement that UHC pay amounts to the Trustee from its other revenues, moneys or assets in connection with General Obligations), or in the Bonds and such failure shall continue for a period of 60 days after written notice thereof to UHC by the Trustee or to UHC and to the Trustee by the Holders of not less than 10% in Aggregate Principal Amount of the Bonds Outstanding; or

(g) UHC shall file a petition seeking a composition of indebtedness under the federal bankruptcy laws, or under any other applicable law or statute of the United States of America or of the State.

Remedies

Upon the occurrence of an Event of Default, the Trustee may, and upon the written request of the Holders of not less than 25% in Aggregate Principal Amount of Outstanding Bonds following an Event of Default described in subsections (a), (b), (c), (d), (e) and (g) of the section entitled "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Events of Default" and not less than 50% in Aggregate Principal Amount of Outstanding Bonds following an Event of Default described in subsection (f) of such section shall, give 30 days' notice in writing to UHC of its intention to declare the Aggregate Principal Amount of all Bonds Outstanding immediately due and payable. At the end of such 30-day period the Trustee may, and upon such written request of Holders of not less than 25% in Aggregate Principal Amount of Outstanding Bonds shall, by notice in writing to UHC, declare the Aggregate Principal Amount of all Bonds Outstanding immediately due and payable; and the Aggregate Principal Amount of such Bonds shall become and be immediately due and payable, anything in the Bonds or in the Indenture to the contrary notwithstanding. In such event, there shall be due and payable on the Bonds an amount equal to the total principal amount of all such Bonds, plus all interest which will accrue thereon to the date of payment.

Notwithstanding the preceding paragraph, following a Covenant Default (except for a failure which could adversely affect the exclusion from gross income for federal income tax purposes of interest on any Tax-exempt Bonds), the Trustee shall not declare the Aggregate Principal Amount of all Bonds Outstanding immediately due and payable unless the Trustee is so directed by the written request of Holders of 100% in Aggregate Principal Amount of Outstanding Bonds.

At any time after the Aggregate Principal Amount of the Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Indenture, the Trustee may annul such declaration and its consequences with respect to any Bonds not then due by their terms if (i) moneys shall have been deposited in the Revenue Fund sufficient to pay all matured installments of interest and principal or Redemption Price (other than principal then due only because of such declaration) of all Outstanding Bonds; (ii) moneys shall have been deposited with the Trustee sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee; (iii) all other amounts then payable by UHC under the Indenture shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and (iv) every Event of Default known to the Trustee (other than a default in the payment of the principal of such Bonds then due only because of such declaration) shall have been remedied to the satisfaction of the Trustee. No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Upon the occurrence and continuance of any Event of Default, the Trustee may, and upon the written request of the Holders of not less than 25% in Aggregate Principal Amount of the Bonds Outstanding, together with indemnification of the Trustee to its satisfaction therefor, shall, proceed forthwith to protect and enforce its rights and the rights of the Bondholders under the Act, the Bonds and the Indenture by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient.

Regardless of the happening of an Event of Default, the Trustee, if requested in writing by the Holders of not less than 25% in Aggregate Principal Amount of the Bonds then Outstanding, shall, upon being indemnified to its satisfaction therefor, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security under the Indenture by any acts which may be unlawful or in violation of the Indenture; or (ii) to preserve or protect the interests of the Bondholders, provided that such request is in accordance with law and the provisions of the Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Holders of Bonds not making such request.

During the continuance of an Event of Default, the Trustee shall apply, or cause the Paying Agent to apply, all moneys and securities held in any Fund or Account (except the Rebate Account, the Bond Purchase Fund, the Short Term Bond Account and, with respect to any Bonds that are not General Obligations, any UHC Payment Account) (moneys and securities in the Short Term Bond Account and any UHC Payment Account are to be applied only to the payment of interest and Principal Installments on Bonds with respect to which such moneys and securities have been pledged), Revenues, payments and receipts and the income therefrom as follows and in the following order:

(i) To the payment of the reasonable and proper Fiduciary Expenses;

(ii) To the payment of the interest, Principal Installments and other amounts then due and payable on the Class I Bonds, subject to the provisions of the General Indenture; as follows:

(A) Unless the Aggregate Principal Amount of all of the Class I Bonds shall have become or have been declared due and payable.

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

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

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

(iii) To the payment of the Principal Installments of and interest and other amounts then due on the Class II Bonds in accordance with the provisions of subsection (ii) above as if such subsection referred to the Class II Bonds rather than the Class I Bonds.

(iv) To the payment of the Principal Installments of and interest and other amounts then due on the Class III Bonds in accordance with the provisions of subsection (ii) above as if such subsection referred to the Class III Bonds rather than the Class I Bonds.

(v) To the payment of the Principal Installments of and interest and other amounts then due on the Class IV Bonds in accordance with the provisions of subsection (ii) above as if such subsection referred to the Class IV Bonds rather than the Class I Bonds.

(vi) To the payment of the amounts required for reasonable and necessary Program Expenses.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or existing at law or in equity or by statute (including the Act) on or after the date of adoption of the Indenture.

Majority Bondholders Control Proceedings

If a General Obligation Bond Default shall have occurred and be continuing, notwithstanding anything in the Indenture to the contrary, the Holders of at least a majority in Aggregate Principal Amount of Bonds then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions of the Indenture or for the appointment of a receiver or to take any other proceedings under the Indenture, provided that such direction is in accordance with law and the provisions (in particular, those relating to the priority of the Class I Bonds over Class II, III and IV Bonds, Class II Bonds over Class III and IV Bonds and Class III Bonds over Class IV Bonds) of the Indenture (including indemnity to the Trustee as provided in the General Indenture) and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of Bondholders not joining in such direction and provided further that nothing shall impair the right of the Trustee in its discretion to take any other action under the Indenture which it may deem proper and which is not inconsistent with such direction by Bondholders.

General Obligation Bond Default

If UHC shall fail to pay interest on any General Obligation Bond when due or shall fail to pay any Principal Installment on any General Obligation Bond at maturity, provided that such failure shall not constitute an Event of Default under the General Indenture, such failure is declared a "General Obligation Bond Default" under the Indenture. A General Obligation Bond Default shall not constitute an Event of Default under the Indenture and shall not affect the priority of the lien on and pledge of Revenues granted to Holders of Bonds under the Indenture.

Upon the occurrence of a General Obligation Bond Default, the Trustee may and, upon the written request of the Holders of not less than 25% in Aggregate Principal Amount of Outstanding General Obligation Bonds shall, give 30 days' notice in writing to UHC of its intention to declare the Aggregate Principal Amount of all General Obligation Bonds Outstanding immediately due and payable. At the end of such 30-day period the Trustee may, and upon such written request of Holders of not less than 25% in Aggregate Principal Amount of Outstanding General Obligation Bonds shall, by notice in writing to UHC, declare the Aggregate Principal Amount of all General Obligation Bonds Outstanding immediately due and payable; and the Aggregate Principal Amount of such General Obligation Bonds shall become and be immediately due and payable. In such event, there shall be due and payable on the General Obligation Bonds an amount equal to the total principal amount of all such Bonds, plus all interest which will accrue thereon to the date of payment.

At any time after the Aggregate Principal Amount of the General Obligation Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under the Indenture, the Trustee may annul such declaration and its consequences with respect to any General Obligation Bonds not then due by their terms if (i) moneys shall have been deposited in the General Obligation Debt Service Fund sufficient to pay all matured installments of interest and principal or Redemption Price (other than principal then due only because of such declaration) of all Outstanding General Obligation Bonds; and (ii) moneys shall have been deposited with the Trustee sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee. No such annulment shall extend to or affect any subsequent General Obligation Bond Default or impair any right consequent thereon.

Upon the occurrence and continuance of a General Obligation Bond Default, the Trustee may, and upon the written request of the Holders of not less than 25% in Aggregate Principal Amount of the General Obligation Bonds Outstanding, together with indemnification of the Trustee to its satisfaction therefor, shall, proceed forthwith to protect and enforce the rights of the Holders of the General Obligation Bonds under the Act, the General Obligation Bonds and the Indenture by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient and consistent with the limitations specified below, including but not limited to:

(i) Suit upon all or any part of the General Obligation Bonds;

(ii) Civil action to enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of General Obligation Bonds; and

(iii) Enforcement of any other right of Holders of the General Obligation Bonds conferred by law or by the Indenture.

Regardless of the happening of a General Obligation Bond Default, the Trustee, if requested in writing by the Holders of not less than 25% in Aggregate Principal Amount of the General Obligation Bonds then Outstanding, shall, upon being indemnified to its satisfaction therefor, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security under the Indenture by any acts which may be unlawful or in violation of the Indenture; or (ii) to preserve or protect the interests of the Holders of the General Obligation Bonds, provided that such request is in accordance with law and the provisions of the Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Holders of General Obligation Bonds not making such request.

The rights and remedies of Holders of General Obligation Bonds upon the occurrence of a General Obligation Bond Default shall be limited to the enforcement of UHC's general obligation covenant with respect thereto and to the disbursement of amounts available to Holders of General Obligation Bonds from time to time in the Related Debt Service Fund, the Related Special Redemption Account and the Related Debt Service Reserve Fund after provision is made for, and after taking into account the rights of, Holders of Bonds having a prior lien on Revenues as provided in the Indenture. The exercise of remedies upon the occurrence of a General Obligation Bond Default shall not in any manner affect, disturb or prejudice the security and rights of such Holders of Bonds under the Indenture.

Modification of Indenture and Outstanding Bonds

The Indenture provides procedures whereby UHC may amend the Indenture by execution and delivery of a Supplemental Indenture. Amendments that may be made without consent of Bondholders or the Trustee must be for only the following purposes: (a) To add to the covenants and agreements of UHC in the Indenture, other covenants and agreements to be observed by UHC which are not contrary to or inconsistent with the Indenture as theretofore in effect; (b) To add to the limitations and restrictions in the Indenture, other limitations and restrictions to be observed by UHC which are not contrary to or inconsistent with the Indenture as theretofore in effect; (c) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Indenture of the Revenues or of any other moneys, securities or funds; (d) To increase the maximum permitted yield to be provided by Mortgage Loans or to change the maximum permitted investment yield to be provided by Investment Obligations credited to any Fund or Account; (e) To modify any provisions of the Indenture in any respect whatever, provided that the modification, in the sole judgment of UHC, is reasonably necessary to assure that the interest on Tax-exempt Bonds remains excludable from the gross income of the owners thereof for federal income tax purposes; or (f) To provide for the issuance of Bonds pursuant to the Indenture and to provide for the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed.

With the consent of the Trustee, a Supplemental Indenture may be executed and delivered by UHC: (a) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Indenture; (b) To insert such provisions clarifying matters or questions arising under the Indenture as are necessary or desirable and are not contrary to or inconsistent with the Indenture theretofore in effect; (c) To provide for additional duties of the Trustee in connection with the Mortgage Loans; (d) To waive any right reserved to UHC, provided that the loss of such right shall not adversely impair the Revenues available to pay the Outstanding Bonds; or (e) To make any other amendment or change that will not materially affect the interest of Owners of Outstanding Bonds.

Any modification or amendment of the Indenture and of the rights and obligations of UHC and of the Bondholders, in any particular, may be made by a Supplemental Indenture, with the written consent given as provided in the General Indenture of the Holders of at least a majority in Aggregate Principal Amount of the Bonds Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bonds or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holders of all such Bonds, or shall reduce the percentages of Bonds the consent of the Holders of which is required to effect any such modification or amendment without the consent of the Holders of all Bonds then Outstanding or shall change the provisions of the Indenture relating to the ability to declare the Aggregate Principal Amount of Bonds to be due and payable or shall materially adversely affect the rights of the Holders of Class II

Bonds without the consent of the Holders of a majority in Aggregate Principal Amount of Class II Bonds Outstanding, or shall materially adversely affect the rights of the Holders of Class III Bonds without the consent of the Holders of a majority in Aggregate Principal Amount of Class III Bonds then Outstanding, or shall materially adversely affect the rights of the Holders of Class IV Bonds without the consent of the Holders of a majority in Aggregate Principal Amount of Class IV Bonds then Outstanding; or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. If any such modification or amendment will, by its terms not take effect so long as any Bonds of any particular maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. The Trustee, relying upon a Counsel's Opinion, may determine whether or not in accordance with the foregoing powers of amendment Bonds of any particular maturity would be affected by any modification or amendment of the Indenture, and any such determination shall be binding and conclusive on UHC and the Bondholders.

Defeasance

If UHC shall pay or cause to be paid, or there shall otherwise be paid, to the Bondholders of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture, then the pledge of any Revenues, and other moneys and securities pledged under the Indenture and all covenants, agreements and other obligations of UHC to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by UHC to be prepared and filed with UHC and, upon the request of UHC, shall execute and deliver to UHC all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to or upon the order of UHC all moneys or securities held by them pursuant to the Indenture that are not required for the payment of principal, or Redemption Price, if applicable, of or interest on Bonds not theretofore surrendered to them for such payment or redemption.

Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee or the Paying Agent (through deposit by UHC of moneys for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the General Indenture. Outstanding Bonds shall be deemed, prior to the maturity or redemption date thereof, to have been paid within the meaning and with the effect expressed in the General Indenture if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, UHC shall have given to the Bond Registrar in form satisfactory to it irrevocable instructions to mail a notice of redemption of such Bonds on said date; (ii) there shall have been deposited with the Trustee either moneys in an amount sufficient, or Defeasance Obligations the principal of and the interest on which when due (whether at maturity or the prior redemption thereof at the option of the holder thereof) will provide moneys in an amount that, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price of and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, UHC shall have given to the Bond Registrar in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to the Bondholders of such Bonds that the deposit required by (ii) above has been made with the Trustee and that said Bonds are deemed to have been paid and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price of and interest on said Bonds.

SUMMARY OF CERTAIN PROVISIONS OF THE
CONTINUING DISCLOSURE CERTIFICATE

Definitions

"Annual Bond Disclosure Report" means any Annual Bond Disclosure Report provided by UHC pursuant to, and as described in, the Continuing Disclosure Certificate.

"Beneficial Owner" means (for purposes of the Continuing Disclosure Certificate) any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2015 Series A Bonds (including persons holding 2015 Series A Bonds through nominees, depositories or other intermediaries).

"Dissemination Agent" means UHC, or any successor Dissemination Agent designated in writing by UHC.

"Listed Events" means any of the events listed below under "Reporting of Significant Events."

"MSRB" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"Participating Underwriters" means the original underwriters of the 2015 Series A Bonds required to comply with the Rule in connection with offering of the 2015 Series A Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the Securities and Exchange Commission and any successor agency thereto.

Provision of Annual Bond Disclosure Reports

UHC shall provide, or shall cause the Dissemination Agent to provide, not later than six months after the end of each fiscal year, commencing with a report for the fiscal year ending June 30, 2015 to the MSRB an Annual Bond Disclosure Report in an electronic format which is consistent with the requirements of the Continuing Disclosure Certificate.

If an Annual Bond Disclosure Report has not been provided to the MSRB by the date specified in the preceding paragraph, UHC shall in a timely manner send, or cause to be sent, a notice to the MSRB stating that such Annual Bond Disclosure Report has not been timely provided and, if known, stating the date by which UHC anticipates such Annual Bond Disclosure Report will be provided.

Content of Annual Bond Disclosure Reports

Each Annual Bond Disclosure Report of UHC shall contain or include by reference the following:

1. The audited financial statements for UHC for the most recently ended fiscal year, currently prepared in accordance with generally accepted accounting principles.

2. Tables setting forth the following information, as of the end of such fiscal year:

   a. The interest rate on such Bonds, original aggregate principal amount of such Bonds and the principal amount of such Bonds remaining Outstanding.

   b. For each Series and Class of Bonds, the original aggregate principal amount of Bonds and the aggregate principal amount of Bonds remaining Outstanding.

c. The amounts credited to the Acquisition Account, the Revenue Account, the Debt Service Reserve Fund, the Class I Debt Service Fund, the Class II Debt Service Fund, the Class III Debt Service Fund, the Class IV Debt Service Fund (as applicable) the Redemption Fund (including all subaccounts) and the Short Term Bond Account.

d. With respect to each Series of Bonds, the number and aggregate principal amount of Mortgage Loans purchased and the number and aggregate principal balance of Mortgage Loans remaining outstanding.

e. The delinquency rates for Mortgage Loans securing each Series of the Bonds and the number of foreclosures on Mortgage Loans securing the Bonds for the preceding 12 months and on a cumulative basis.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of UHC or related public entities, which have been submitted to the MSRB or the SEC. UHC shall clearly identify each such other document so included by reference.

Reporting of Significant Events

Any of the following events shall be considered a Listed Event:

(1) Principal and interest payment delinquencies with respect to the 2015 Series A Bonds.

(2) Non-payment related defaults with respect to the 2015 Series A Bonds, if material.

(3) Unscheduled draws on any credit enhancement reflecting financial difficulties.

(4) Unscheduled draws on any debt service reserve reflecting financial difficulties.

(5) Substitution of any credit or liquidity providers, or their failure to perform.

(6) Issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB) or adverse tax opinions, or other material notices or determinations with respect to the tax status of the 2015 Series A Bonds or other material events affecting the tax status of the 2015 Series A Bonds.

(7) Modifications to rights of holders of the 2015 Series A Bonds, if material.

(8) (a) Bond calls, if material, and (b) tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of the 2015 Series A Bonds, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of UHC.

(13) The consummation of a merger, consolidation or acquisition involving UHC or the sale of all or substantially of the assets of UHC, other than in the ordinary course of business, the entry into a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(14) Appointment of a successor or additional trustee or the change in the name of the trustee, if material.

Whenever UHC obtains knowledge of the occurrence of a Listed Event, it shall determine if such event would be material under applicable federal securities laws, provided that Listed Events of the type specified above in paragraphs (1), (3), (4), (5), (6), (8)(b), (9), (11) and (12) will always be deemed to be material. If UHC determines that such event would be material under applicable federal securities laws, it shall, in a timely manner but in no event more than ten (10) Business Days after the occurrence of the Listed Event, file in an electronic format a notice of such occurrence with the MSRB.

Termination of Reporting Obligation

UHC's obligations under the Continuing Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2015 Series A Bonds. If such termination occurs prior to the final maturity of the 2015 Series A Bonds, UHC will give notice of such termination in the same manner as for an event described under the Section " – Reporting of Significant Events."

Dissemination Agent

UHC may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Continuing Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be UHC.

Amendment; Waiver

UHC may amend the Continuing Disclosure Certificate and any provision of the Continuing Disclosure Certificate may be waived provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions described in the first paragraph under "Provisions of Annual Bond Disclosure Reports" or under "Content of Annual Bond Disclosure Reports" or in the first paragraph under "Reporting of Significant Events", it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the 2015 Series A Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the 2015 Series A Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the 2015 Series A Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the 2015 Series A Bonds.

In the event of any amendment or waiver of a provision of the Continuing Disclosure Certificate, UHC shall describe such amendment in the next Annual Bond Disclosure Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by UHC. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in a filing with the MSRB, and (ii) the Annual Bond Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Additional Information

Nothing in the Continuing Disclosure Certificate shall be deemed to prevent UHC from disseminating any other information, using the means of dissemination set forth in the Continuing Disclosure Certificate or any other means of communication, or including any other information in any Annual Bond Disclosure Report or notice required to be filed pursuant to the Continuing Disclosure Certificate, in addition to that which is required by the Continuing Disclosure Certificate. If UHC chooses to include any information in any Annual Bond Disclosure Report or any other notice required by the Continuing Disclosure Certificate in addition to that which is specifically required by the Continuing Disclosure Certificate, UHC shall have no obligation under the Continuing Disclosure Certificate to update such information or include it in any future Annual Bond Disclosure Report or any other notice required to be filed.

Default

In the event of a failure of UHC to comply with any provision of the Continuing Disclosure Certificate, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount of Outstanding 2015 Series A Bonds, shall), or any Holder or Beneficial Owner of the 2015 Series A Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause UHC to comply with its obligations under the Continuing Disclosure Certificate. A default under the Continuing Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under the Continuing Disclosure Certificate in the event of any failure of UHC to comply with the Continuing Disclosure Certificate shall be an action to compel performance.

Beneficiaries

The Continuing Disclosure Certificate shall inure solely to the benefit of UHC, the Trustee, the Dissemination Agent, the Participating Underwriters, Holders and Beneficial Owners from time to time of the 2015 Series A Bonds, and shall create no rights in any other person or entity.

LEGALITY FOR INVESTMENT

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

LEGALITY AND TAX STATUS

Certain legal matters in connection with the issuance of the 2015 Series A Bonds are subject to the approval of Ballard Spahr LLP, Salt Lake City, Utah, Bond Counsel to UHC, and certain legal matters will be passed upon for the Underwriters by Orrick, Herrington & Sutcliffe LLP, San Francisco, California. The proposed form of opinion to be delivered by Bond Counsel on the date of delivery of the 2015 Series A Bonds is set forth in Appendix B.

In the opinion of Ballard Spahr LLP, Bond Counsel to UHC, interest on the 2015 Series A Bonds is taxable as ordinary income for federal income tax purposes. Bond Counsel is also of the opinion based on existing law that interest on the 2015 Series A Bonds is exempt from Utah individual income taxes. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the 2015 Series A Bonds.

If UHC defeases any 2015 Series A Bond, such 2015 Series A Bond may be deemed to be retired and "reissued" for federal income tax purposes as a result of the defeasance. In that event, the Beneficial Owner of the 2015 Series A Bond will recognize taxable gain or loss equal to the difference between the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and the Beneficial Owner's adjusted tax basis in the 2015 Series A Bond.

NO LITIGATION

There is no proceeding or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the 2015 Series A Bonds, or in any way contesting or affecting the validity of the 2015 Series A Bonds, any proceedings of UHC taken with respect to the issuance or sale thereof, the pledge or application of any money or security provided for the payment of the 2015 Series A Bonds, the existence or powers of UHC relating to the 2015 Series A Bonds or the title of any officers of UHC to their respective positions.

UNDERWRITING

The 2015 Series A Bonds will be purchased from UHC by Wells Fargo Securities ("Wells Fargo") and Zions First National Bank, N.A. (together, the "Underwriters"), under a Purchase Contract, pursuant to which the Underwriters, represented by Wells Fargo, agree, subject to certain conditions, to purchase all of such Bonds.

The initial public offering prices stated on the inside front cover of this Official Statement may be changed from time to time by the Underwriters. The Underwriters may offer and sell the 2015 Series A Bonds to certain dealers (including dealers depositing such Bonds into investment trusts), dealer banks, banks acting as agents and others at prices lower than said public offering prices.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association ("WFBNA"). WFBNA has entered into an agreement (the "Distribution Agreement") with its affiliate, Wells Fargo Advisors, LLC ("WFA"), for the distribution of certain municipal securities offerings, including the 2015 Series A Bonds. Pursuant to the Distribution Agreement, WFBNA will share a portion of its underwriting compensation with respect to the 2015 Series A Bonds with WFA. WFBNA also utilizes the distribution capabilities of its affiliates, Wells Fargo Securities, LLC ("WFSLLC") and Wells Fargo Institutional Securities, LLC ("WFIS"), for the distribution of municipal securities offerings, including the 2015 Series A Bonds. In connection with utilizing the distribution capabilities of WFSLLC, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, WFIS, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

WFBNA is serving as both Underwriter and Trustee, Paying Agent, and Bond Registrar for the 2015 Series A Bonds.

FINANCIAL STATEMENTS OF UHC

The audited financial statements of UHC for the fiscal year ending June 30, 2014 are included in Appendix D.

ADDITIONAL INFORMATION

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

The execution and delivery of this Official Statement by its Chair, Vice Chair, President or a Senior Vice President, have been duly authorized by UHC. Concurrently with the delivery of the 2015 Series A Bonds, UHC will furnish a certificate executed on behalf of UHC by its Chair, Vice Chair, President or Senior Vice President, to the effect that this Official Statement, as of the date of this Official Statement and as of the date of delivery of the 2015 Series A Bonds, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading.

UTAH HOUSING CORPORATION

By ____________________________
President

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APPENDIX A

INSURANCE, GUARANTEES AND FORECLOSURE

Federal Housing Administration Single Family Mortgage Insurance

The regulations governing the FHA single-family programs under which the Mortgage Loans may be insured provide that a mortgage loan will be considered to be in default if the mortgagor fails to make any payment or perform any other obligation under the mortgage, and such failure continues for a period of thirty days. Insurance benefits are payable to the mortgagee either upon foreclosure (or other acquisition of the property) and conveyance of mortgaged premises to HUD. In the event of a default on an FHA-insured single-family mortgage loan, the mortgagee must determine whether or not the default is caused by a circumstance or set of circumstances beyond the mortgagor's control which temporarily renders the mortgagor financially unable to cure the delinquency within a reasonable time or to make full mortgage payments. If the determination is made that the default is caused by such circumstances, the mortgagee generally is not permitted to initiate foreclosure proceedings unless and until it has offered the mortgagor appropriate loss mitigation alternatives. FHA insurance claims are paid in an amount equal to one hundred percent (100%) of the outstanding principal balance of the mortgage loan plus interest and certain additional costs and expenses. When entitlement to insurance benefits results from foreclosure (or other acquisition of the property) and conveyance, the insurance payment is computed as of the date of the default by the mortgagor. The insurance payment itself bears interest as provided under FHA regulations.

Payment for insurance claims may include reimbursement to the mortgagees for tax, insurance, and similar payments made by them, as well as deductions for amounts received or retained by them after default. Under most FHA insurance programs for single-family residences the Federal Housing Commissioner has the option of paying insurance claims in cash or in debentures. The HUD debenture rate may be less than the interest rate on the mortgage loans, and any such debentures would mature 20 years after the date of issue, pay interest semiannually and may be redeemable at par at the option of HUD. Current FHA policy, which is subject to change at any time, is to pay insurance claims in cash.

Department of Veterans Affairs Loan Guaranty Program

The Serviceman's Readjustment Act of 1944, as amended, permits a veteran (or in certain circumstances a veteran's spouse) to obtain a mortgage loan guaranty by the VA covering mortgage financing of the purchase of a one-to-four unit family dwelling at interest rates permitted by the VA.

Claims for the payment of a VA guaranty may be submitted after a loan has been terminated by foreclosure or the acceptance by the VA of a voluntary conveyance (deed-in-lieu of foreclosure). A mortgagee intending to institute foreclosure proceedings cannot do so until 30 days after notifying the Administrator of Veteran Affairs of this intention by registered mail.

The liability on the guaranty is reduced or increased pro rata with any reduction or increase in the amount of the indebtedness, but will in no event exceed the original amount of the guaranty. Notwithstanding the dollar and percentage limitations of the guaranty, a mortgagee will ordinarily suffer a monetary loss only when the difference between the unsatisfied indebtedness and the proceeds of any foreclosure sale of a mortgaged premises is greater than the original guaranty as adjusted. The VA may, at its option and without regard to the guaranty, make full payment to a mortgagee of unsatisfied indebtedness on a mortgage upon the mortgagee's obtaining title and conveying it to the VA.

Utah Foreclosure Procedures

The security instruments employed under UHC's Single Family Program generally take the form of trust deeds. The Utah Code permits the trustee under a trust deed to conduct a non-judicial foreclosure sale. The trustee institutes this process by sending a notice to the trustor (mortgagor) of its intent to file a notice of default stating the nature of the default, the total cure amount, the date by which the total cure amount is due and the contact name, telephone number and address of the beneficiary or servicer for information relating to foreclosure relief. If the total cure amount is not paid by the designated date, the Trustee may file for record a notice of default and election to sell; copies of this notice are mailed to the trustor (mortgagor) and to any persons who have requested such notice under applicable statutory procedures. The trustor or any subordinate lienholder may reinstate the trust deed at any time within three months after the notice of default is recorded by paying all delinquent installments plus costs, expenses, trustees' fees and attorneys' fees. The trustor may also apply for foreclosure relief within the 3-month period subsequent to the filing of the notice of default, and if such relief is requested, a notice of sale may not be filed until the beneficiary or servicer has determined that the trustor does not qualify for foreclosure relief.

After not less than three months have elapsed from the filing of the notice of default, the trustee may give written notice of sale. Notice of sale is given by publication at least three times, once a week for three consecutive weeks, the last publication to be at least ten days but not more than thirty days prior to the sale, by public posting at least twenty days before the date of sale, and by the mailing of a copy of the notice of sale to the trustor and to any person who has properly requested notice. No redemption is permitted after the sale.

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

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

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

<u>Servicemembers' Civil Relief Act</u>

The Servicemembers' Civil Relief Act (signed into law on December 19, 2003 to replace the Soldiers' and Sailors' Civil Relief Act of 1940) applies to anyone called to active military duty and who has debts (including mortgage debt) incurred before they were so activated. The Servicemembers' Civil Relief Act, as amended by the FHA Modernization Act of 2008, effectively provides that, upon activation and during the period of active duty and for a period of nine months thereafter such debts may not be foreclosed on. Additionally, during the period of active duty and for a period of one year thereafter any interest on such debts in excess of 6% must be forgiven.

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the 2015 Series A Bonds, Ballard Spahr LLP, Salt Lake City, Utah, Bond Counsel to UHC, proposes to issue an opinion in substantially the following form:

We have acted as bond counsel to Utah Housing Corporation ("UHC") in connection with the issuance by UHC of its $________ Single Family Mortgage Class 1 Refunding Bonds, 2015 Series A (Federally Taxable) (the "2015 Series A Bonds"). UHC is an independent body politic and corporate, constituting a public corporation, created by and existing under the Utah Housing Corporation Act, Title 35A, Chapter 8, Part 7, Utah Code Annotated 1953, as amended (the "Act"). The 2015 Series A Bonds are authorized to be issued under and secured by a General Indenture of Trust dated as of December 1, 2009 and a 2015 Series A Indenture also dated as of February 1, 2015 (collectively, the "Indenture"), between UHC and Wells Fargo Bank, National Association, as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture.

In such connection, we have reviewed the Indenture, an opinion of counsel to UHC, certificates of UHC, the Trustee and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by any parties other than UHC. We have not undertaken to verify independently, and have assumed, accuracy of the factual matters represented, warranted or certified in the documents and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. We call attention to the fact that the rights and obligations under the 2015 Series A Bonds and the Indenture may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases. We express no opinion with respect to any indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the foregoing documents. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the official statement or other offering material relating to the 2015 Series A Bonds and express no opinion with respect thereto.

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

1. UHC is an independent body politic and corporate, constituting a public corporation, validly existing under the laws of the State of Utah, and has lawful authority to issue the 2015 Series A Bonds.

2. The Indenture has been duly executed and delivered by, and is a valid and binding obligation of, UHC. The Indenture creates a valid pledge to secure the payment of the principal of and interest on Class I Bonds, and subordinate thereto, to secure the payment of the principal of and interest on Class II Bonds, and subordinate thereto, to secure the payment of the principal of and interest on Class III Bonds, and subordinate thereto, to secure the payment of the principal of and interest on Class IV Bonds, of the Revenues and any other amounts (including proceeds of the sale of the 2015 Series A Bonds) held by the Trustee in any fund or account established pursuant to the Indenture (except for amounts on deposit in the Rebate Account, the Bond Purchase Fund, the Short Term Bond Account and any UHC Payment Account, and except for the Rebate Requirement to be deposited in the Rebate Account), and of the rights and interests of UHC in and to the Mortgage Loans, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture. Except as set forth in the Indenture, Bonds of each Class issued under the Indenture are equally and ratably secured by the pledges and covenants contained therein.

3. The 2015 Series A Bonds constitute valid and binding special obligations of UHC, payable solely from the Revenues and other assets pledged therefor under the Indenture. The 2015 Series A Bonds do not constitute a debt or liability of the State of Utah or any political subdivision thereof.

4. Interest on the 2015 Series A Bonds is taxable as ordinary income for federal income tax purposes.

5. Based on existing law of the State of Utah, interest on the 2015 Series A Bonds is exempt from Utah individual income taxes.

Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the 2015 Series A Bonds.

APPENDIX C

OUTSTANDING INDEBTEDNESS

Single Family Issues:

Name of Issue	Dated	Principal Amount ($)[1] Issued	Outstanding as of January 1, 2015
Single Family Mortgage Purchase Bonds, 1977 Series A	July 1, 1977	75,000,000	-0-
Single Family Mortgage Purchase Bonds, 1978 Series A	April 1, 1978	70,000,000	-0-
Single Family Mortgage Purchase Bonds, 1979 Series A	January 1, 1979	56,980,000	-0-
Single Family Mortgage Purchase Bonds, 1980 Series A	February 1, 1980	100,000,000	-0-
Single Family Mortgage Purchase Bonds, 1980 Series B	June 1, 1980	50,000,000	-0-
Single Family Mortgage Bonds, June 1982	June 1, 1982	121,765,000	-0-
Single Family Mortgage Bonds, 1983 Series A	May 1, 1983 and May 19, 1983	51,190,000	-0-
Residential Mortgage Bonds, 1983 Series A	October 1, 1983 and November 9, 1983	147,059,960	-0-
Single Family Mortgage Bonds, 1984 Series A	November 1, 1984 and December 4, 1984	198,299,915	-0-
Home Improvement Loan Revenue Bonds, 1986 Series A	June 1, 1986	2,000,000	-0-
Single Family Mortgage Purchase Refunding Bonds, 1986 Series A	June 1, 1986 and July 1, 1986	91,014,793	-0-
Single Family Mortgage Purchase Refunding Bonds, 1986 Series B	December 1, 1986	13,360,000	-0-
Single Family Mortgage Purchase Refunding Bonds, 1987 Series A	February 1, 1987 and March 6, 1987	38,322,460	-0-
Single Family Mortgage Purchase Refunding Bonds, 1987 Series B	March 1, 1987 and April 8, 1987	28,386,371	-0-
Single Family Mortgage Purchase Refunding Bonds, 1987 Series C	April 8, 1987	2,249,375	-0-
Single Family Mortgage Bonds, 1987 Issue D	April 1, 1987	27,640,000	-0-
Single Family Mortgage Bonds, 1987 Issue E	June 1, 1987 and June 30, 1987	36,835,000	-0-
Single Family Mortgage Bonds, 1987 Issue F	October 1, 1987 and October 15, 1987	32,920,000	-0-
Single Family Mortgage Bonds, 1987 Issue G	November 1, 1987 and December 2, 1987	22,815,000	-0-
Single Family Mortgage Bonds, 1988 Issue A	January 1, 1988 and February 18, 1988	25,000,000	-0-
Single Family Mortgage Bonds, 1988 Issue B	March 1, 1988 and March 30, 1988	25,000,000	-0-
Single Family Mortgage Bonds, 1988 Issue C	April 1, 1988 and May 11, 1988	50,000,000	-0-
Single Family Mortgage Bonds, 1988 Issue D	June 1, 1988 and July 27, 1988	25,000,000	-0-
Single Family Mortgage Bonds, 1988 Issue E	July 1, 1988 and July 27, 1988	25,000,000	-0-
Single Family Mortgage Bonds, 1988 Issue F	August 1, 1988 and September 7, 1988	25,000,000	-0-
Single Family Mortgage Bonds, 1988 Issue G	November 1, 1988 and December 8, 1988	29,610,000	-0-
Single Family Mortgage Bonds, 1989 Issue A	February 1, 1989 and February 22, 1989	25,000,000	-0-
Single Family Mortgage Bonds, 1989 Issue B	March 1, 1989 and March 29, 1989	25,000,000	-0-
Single Family Mortgage Bonds, 1989 Issue C	May 1, 1989	25,000,000	-0-
Single Family Mortgage Purchase Bonds, 1989 Series D	June 1, 1989	20,160,000	-0-
Single Family Mortgage Bonds, 1988 Issue E	October 1, 1989	25,000,000	-0-
Single Family Mortgage Bonds, 1988 Issue F	December 1, 1989	25,000,000	-0-
Single Family Mortgage Bonds, 1990 Issue A	February 1, 1990	25,000,000	-0-
Single Family Mortgage Bonds, 1990 Issue B	April 1, 1990	30,000,000	-0-
Single Family Mortgage Bonds, 1990 Issue C	May 1, 1990 and May 30, 1990	38,215,000	-0-
Single Family Mortgage Bonds, 1990 Issue D	July 1, 1990	15,000,000	-0-
Single Family Mortgage Bonds, 1990 Issue E	September 1, 1990 and September 25, 1990	40,000,000	-0-
Single Family Mortgage Bonds, 1990 Issue F	December 20, 1990	21,985,000	-0-
Single Family Mortgage Bonds, 1991 Issue A	January 1, 1991	25,000,000	-0-
Single Family Mortgage Bonds, 1991 Issue B	March 1, 1991	25,000,000	-0-
Single Family Mortgage Bonds, 1991 Issue C	April 1, 1991	25,000,000	-0-
Single Family Mortgage Bonds, 1991 Issue D	May 1, 1991	49,260,000	-0-

Name of Issue	Dated	Principal Amount ($)[1] Issued	Outstanding as of January 1, 2015
Single Family Mortgage Bonds, 1991 Series E	December 1, 1991	23,840,000	-0-
Single Family Mortgage Bonds, 1992 Series A	April 1, 1992	23,800,000	-0-
Single Family Mortgage Bonds, 1992 Issue B	May 1, 1992	25,000,000	-0-
Single Family Mortgage Bonds, 1992 Issue C	June 1, 1992	25,000,000	-0-
Single Family Mortgage Purchase Refunding Bonds of 1992	June 1, 1992	64,455,000	-0-
Single Family Mortgage Bonds, 1992 Issue D	December 10, 1992	26,005,000	-0-
Single Family Mortgage Bonds, 1992 Issue E	April 1, 1993	26,000,000	-0-
Single Family Mortgage Bonds, 1992 Issue F	June 10, 1993	26,000,000	-0-
Single Family Mortgage Purchase Refunding Bonds, 1993 Issue A	June 1, 1993	27,855,000	-0-
Single Family Mortgage Refunding Bonds of 1993	June 29, 1993	50,000,000	-0-
Single Family Mortgage Bonds, 1993 Issue B	August 1, 1993	25,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1993 Issue C	December 30, 1993	25,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1993 Issue D	December 30, 1993	37,865,000	-0-
Single Family Mortgage Bonds, 1994 Issue A	January 1994	25,000,000	-0-
Single Family Mortgage Bonds, 1994 Issue B	April 1, 1994	25,000,000	-0-
Single Family Mortgage Bonds, 1994 Issue C	June 1, 1994	25,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1994 Series 1 and 2	June 30, 1994	100,000,000	-0-
Single Family Mortgage Bonds, 1994 Issue D	July 30, 1994	25,000,000	-0-
Single Family Mortgage Bonds, 1994 Issue E	September 1, 1994	25,000,000	-0-
Single Family Mortgage Bonds, 1994 Issue F	October 1, 1994	25,000,000	-0-
Single Family Mortgage Bonds, 1994 Issue G	November 1, 1994	25,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1994 Series 3 and 4	December 29, 1994	25,935,000	-0-
Single Family Mortgage Bonds, 1995 Issue A	January 1, 1995	25,000,000	-0-
Single Family Mortgage Bonds, 1995 Issue B	March 1, 1995	25,000,000	-0-
Single Family Mortgage Bonds, 1995 Issue C	April 1, 1995	25,000,000	-0-
Single Family Mortgage Bonds, 1995 Issue D	May 1, 1995	25,000,000	-0-
Single Family Mortgage Bonds, 1995 Issue E	June 1, 1995	25,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1995 Series 1 and 2	June 29, 1995	9,435,000	-0-
Single Family Mortgage Bonds, 1995 Issue F	August 1, 1995	25,000,000	-0-
Single Family Mortgage Bonds, 1995 Issue G	September 28, 1995	25,000,000	-0-
Single Family Mortgage Bonds, 1995 Issue H	October 1, 1995	25,000,000	-0-
Single Family Mortgage Bonds, 1995 Issue I	December 1, 1995	25,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1995 Series 3 and 4	December 28, 1995	33,340,000	-0-
Single Family Mortgage Bonds, 1996 Issue A	March 1, 1996	25,000,000	-0-
Single Family Mortgage Bonds, 1996 Series R, B and 1	May 1, 1996 and May 30, 1996	87,400,000	-0-
Single Family Mortgage Purchase Refunding Bonds, Series 1996	May 1, 1996	32,440,000	-0-
Single Family Mortgage Variable Rate Bonds, Series 2 and 3	June 27, 1996	36,530,000	-0-
Single Family Mortgage Bonds, 1996 Series C	July 1, 1996 and August 14, 1996	25,000,000	-0-
Single Family Mortgage Bonds, 1996 Series D	September 1, 1996 and October 10, 1996	25,000,000	-0-
Single Family Mortgage Bonds, 1996 Issue E	October 1, 1996	25,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1996 Series 4 and 5	December 31, 1996	36,610,000	-0-
Single Family Mortgage Bonds, 1997 Issue A	January 1, 1997	25,000,000	-0-
Single Family Mortgage Bonds, 1997 Series B	April 1, 1997	25,000,000	-0-
Single Family Mortgage Bonds, 1997 Series C	May 1, 1997	25,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1997 Series 1 and 2	June 26, 1997	42,000,000	-0-
Single Family Mortgage Bonds, 1997 Series D	July 11, 1997	25,000,000	-0-
Single Family Mortgage Bonds, 1997 Series E	August 1, 1997	25,000,000	-0-

Name of Issue	Dated	Principal Amount ($)[1] Issued	Outstanding as of January 1, 2015
Single Family Mortgage Bonds, 1997 Series F	September 1, 1997	25,000,000	-0-
Single Family Mortgage Bonds, 1997 Series G	November 1, 1997	25,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1997 Series 3 and 4	December 23, 1997	38,160,000	-0-
Single Family Mortgage Bonds, 1998 Series A	January 1, 1998	25,000,000	-0-
Single Family Mortgage Bonds, 1998 Series B	March 1, 1998	25,000,000	-0-
Single Family Mortgage Bonds, 1998 Series C	April 1, 1998 and June 2, 1998	25,000,000	-0-
Single Family Mortgage Bonds, 1998 Issue D	June 1, 1998	25,000,000	-0-
Single Family Mortgage Bonds, 1998 Issue E	July 1, 1998	25,000,000	-0-
Single Family Mortgage Bonds, 1998 Issue F	October 1, 1998	25,000,000	-0-
Single Family Mortgage Bonds, 1998 Series G	December 1, 1998 and January 12, 1999	30,000,000	-0-
Single Family Mortgage Bonds, 1999 Series A	March 1, 1999 and March 31, 1999	30,000,000	-0-
Single Family Mortgage Bonds, 1999 Series B	May 1, 1999 and June 2, 1999	27,500,000	-0-
Single Family Mortgage Variable Rate Bonds, 1999 Series 1 and 2	June 30, 1999	12,395,000	-0-
Single Family Mortgage Bonds, 1999 Series C	July 1, 1999 and July 22, 1999	30,000,000	-0-
Single Family Mortgage Bonds, 1999 Issue D	August 1, 1999	30,000,000	-0-
Single Family Mortgage Bonds, 1999 Series E	September 1, 1999 and October 7, 1999	30,000,000	-0-
Single Family Mortgage Bonds, 1999 Series F	November 1, 1999 and November 18, 1999	30,000,000	-0-
Single Family Mortgage Variable Rate Bonds, 1999 Series 3 and 4	December 29, 1999	26,745,000	-0-
Single Family Mortgage Bonds, 2000 Issue A	January 1, 2000	25,000,000	-0-
Single Family Mortgage Bonds, 2000 Issue B	April 1, 2000	25,000,000	-0-
Single Family Mortgage Bonds, 2000 Series C	May 1, 2000 and June 6, 2000	25,000,000	5,900,000
Single Family Mortgage Bonds, 2000 Series D	June 1, 2000 and June 29, 2000	25,000,000	5,975,000
Single Family Mortgage Variable Rate Bonds, 2000 Series 1 and 2	June 29, 2000	8,630,000	-0-
Single Family Mortgage Bonds, 2000 Series E	August 1, 2000 and August 31, 2000	25,000,000	6,115,000
Single Family Mortgage Bonds, 2000 Series F	October 1, 2000 and October 24, 2000	25,000,000	8,475,000
Single Family Mortgage Bonds, 2000 Series G	December 1, 2000 and January 4, 2001	25,000,000	8,420,000
Single Family Mortgage Bonds, 2000 Series 3 and 4	December 28, 2000	26,575,000	-0-
Single Family Mortgage Bonds, 2001 Series A	February 1, 2001 and March 8, 2001	25,000,000	3,730,000
Single Family Mortgage Bonds, 2001 Series B	May 1, 2001 and May 23, 2001	25,000,000	5,190,000
Single Family Mortgage Bonds, 2001 Series 1 and 2	June 21, 2001	16,925,000	-0-
Single Family Mortgage Bonds, 2001 Series C	July 1, 2001 and July 17, 2001	25,000,000	4,660,000
Single Family Mortgage Bonds, 2001 Series D	September 1, 2001 and September 5, 2001	25,000,000	6,645,000
Single Family Mortgage Bonds, 2001 Series E	October 1, 2001 and October 31, 2001	25,000,000	4,445,000
Single Family Mortgage Bonds, 2001 Series F	December 1, 2001 and December 13, 2001	25,000,000	6,475,000
Single Family Mortgage Bonds, 2001 Series 3 and 4	December 21, 2001	22,520,000	-0-
Single Family Mortgage Bonds, 2002 Series A	April 18, 2002	28,515,000	4,840,000
Single Family Mortgage Bonds, 2002 Series B	April 1, 2002 and April 18, 2002	25,000,000	6,130,000
Single Family Mortgage Bonds, 2002 Series C	May 1, 2002 and May 31, 2002	28,055,000	7,795,000
Single Family Mortgage Bonds, 2002 Series 1 and 2	June 20, 2002	31,965,000	-0-
Single Family Mortgage Bonds, 2002 Series D	July 1, 2002 and July 23, 2002	25,000,000	9,505,000
Single Family Mortgage Bonds, 2002 Series E	September 1, 2002 and September 5, 2002	25,000,000	4,245,000
Single Family Mortgage Bonds, 2002 Series F	October 1, 2002 and October 24, 2002	25,000,000	5,865,000
Single Family Mortgage Bonds, 2002 Series G	December 1, 2002 and December 17, 2002	28,500,000	8,230,000
Single Family Mortgage Bonds, 2002 Series 3 and 4	December 17, 2002	46,735,000	-0-
Single Family Mortgage Bonds, 2003 Series A	February 1, 2003 and February 27, 2003	25,000,000	5,580,000
Single Family Mortgage Bonds, 2003 Series B	April 1, 2003 and April 15, 2003	29,500,000	6,045,000
Single Family Mortgage Bonds, 2003 Series C	May 1, and June 5, 2003	25,000,000	6,110,000

Name of Issue	Dated	Principal Amount ($)[1] Issued	Outstanding as of January 1, 2015
Single Family Mortgage Bonds, 2003 Series 1 and 2	June 26, 2003	66,105,000	-0-
Single Family Mortgage Bonds, 2003 Series D	July 1, 2003	25,000,000	2,145,000
Single Family Mortgage Bonds, 2003 Series E	September 1, 2003 and September 16, 2003	25,000,000	8,680,000
Single Family Mortgage Bonds, 2003 Series F	October 1, 2003 and October 23, 2003	25,000,000	4,830,000
Single Family Mortgage Bonds, 2003 Series G	December 1, 2003 and December 2, 2003	25,000,000	440,000
Single Family Mortgage Bonds, 2003 Series 3 and 4	December 23, 2003	48,585,000	-0-
Single Family Mortgage Bonds, 2004 Series A	March 1, 2004 and March 11, 2004	25,000,000	95,000
Single Family Mortgage Bonds, 2004 Series B	May 1, 2004 and May 27, 2004	25,000,000	775,000
Single Family Mortgage Bonds, 2004 Series 1	June 24, 2004	19,350,000	-0-
Single Family Mortgage Bonds, 2004 Series C	June 1, 2004 and June 24, 2004	25,000,000	1,140,000
Single Family Mortgage Bonds, 2004 Series D	July 1, 2004 and July 29, 2004	25,000,000	1,280,000
Single Family Mortgage Bonds, 2004 Series E	August 1, 2004 and August 12, 2004	25,000,000	1,375,000
Single Family Mortgage Bonds, 2004 Series F	September 1, 2004 and September 2, 2004	30,000,000	1,700,000
Single Family Mortgage Bonds, 2004 Series G	October 1, 2004 and October 14, 2004	30,000,000	1,670,000
Single Family Mortgage Bonds, 2004 Series H	November 1, 2004 and November 23, 2005	30,000,000	1,595,000
Single Family Mortgage Bonds, 2004 Series 2	December 17, 2004	25,320,000	-0-
Single Family Mortgage Bonds, 2004 Series I	January 1, 2005 and January 6, 2005	25,000,000	1,720,000
Single Family Mortgage Bonds, 2005 Series A	February 1, 2005 and February 24, 2005	25,000,000	1,435,000
Single Family Mortgage Bonds, 2005 Series B	April 1, 2005 and April 8, 2005	25,000,000	1,615,000
Single Family Mortgage Bonds, 2005 Series C	May 1, 2005 and May 3, 2005	30,000,000	1,935,000
Single Family Mortgage Bonds, 2005 Series D	June 1, 2005 and June 9, 2005	30,000,000	2,235,000
Single Family Mortgage Bonds, 2005 Series 1	June 29, 2005	24,125,000	-0-
Single Family Mortgage Bonds, 2005 Series E	August 1, 2005 and August 4, 2005	30,000,000	2,580,000
Single Family Mortgage Bonds, 2005 Series F	September 1, 2005 and September 8, 2005	30,000,000	2,615,000
Single Family Mortgage Bonds, 2005 Series G	November 1, 2005 and November 3, 2005	30,000,000	2,810,000
Single Family Mortgage Bonds, 2005 Series 2	December 22, 2005	23,005,000	-0-
Single Family Mortgage Bonds, 2005 Series H	December 1, 2005 and December 28, 2005	30,000,000	2,815,000
Single Family Mortgage Bonds, 2006 Series A	February 1, 2006 and February 16, 2006	30,000,000	2,450,000
Single Family Mortgage Bonds, 2006 Series B	April 1, 2006 and April 27, 2006	30,000,000	1,430,000
Single Family Mortgage Bonds, 2006 Series C	June 1, and June 22, 2006	30,000,000	2,170,000
Single Family Mortgage Bonds, 2006 Series 1	June 29, 2006	21,455,000	-0-
Single Family Mortgage Bonds, 2006 Series D	July 1, 2006 and July 20, 2006	35,000,000	2,105,000
Single Family Mortgage Bonds, 2006 Series E	September 1, 2006 and September 7, 2006	35,000,000	2,065,000
Single Family Mortgage Bonds, 2006 Series F	October 1, 2006 and October 5, 2006	35,000,000	2,690,000
Single Family Mortgage Bonds, 2006 Series G	December 1, 2006 and December 7, 2006	30,000,000	730,000
Single Family Mortgage Bonds, 2006 Series 2	December 21, 2006	24,650,000	-0-
Single Family Mortgage Bonds, 2006 Series H	January 1, 2007 and Jan. 25, 2007	30,000,000	2,140,000
Single Family Mortgage Bonds, 2007 Series A	April 1, 2007 and April 5, 2007	30,000,000	2,675,000
Single Family Mortgage Bonds, 2007 Series B	May 1, 2007 and May 16, 2007	30,000,000	2,730,000
Single Family Mortgage Bonds, 2007 Series C	June 1, 2007 and June 14, 2007	35,000,000	2,745,000
Single Family Mortgage Bonds, 2007 Series 1	June 28, 2007	24,250,000	-0-
Single Family Mortgage Bonds, 2007 Series D	August 1, 2007 and August 16, 2007	35,000,000	1,940,000
Single Family Mortgage Bonds, 2007 Series E	September 1, 2007 and September 13, 2007	35,000,000	2,680,000
Single Family Mortgage Bonds, 2007 Series F	October 1, 2007 and October 11, 2007	35,000,000	2,850,000
Single Family Mortgage Bonds, 2007 Series G	November 1, 2007 and November 15, 2007	35,000,000	3,065,000
Single Family Mortgage Bonds, 2007 Series H	December 1, 2007 and December 20, 2007	35,000,000	2,530,000
Single Family Mortgage Bonds, 2007 Series 2	December 20, 2007	31,560,000	-0-

Name of Issue	Dated	Principal Amount ($)[1] Issued	Outstanding as of January 1, 2015
Single Family Mortgage Bonds, 2008 Series A	March 1, 2008 and March 6, 2008	35,000,000	3,345,000
Single Family Mortgage Bonds, 2008 Series B	April 1, 2008 and April 10, 2008	35,000,000	3,285,000
Single Family Mortgage Bonds, 2008 Series C	May 1, 2008 and May 15, 2008	35,000,000	3,595,000
Single Family Mortgage Bonds, 2008 Series D	June 1, 2008 and June 26, 2008	35,000,000	2,890,000
Single Family Mortgage Bonds, 2008 Series 1	June 20, 2008	22,445,000	-0-
Single Family Mortgage Bonds, 2008 Series E	October 1, 2008 and October 7, 2008	35,000,000	3,385,000
Single Family Mortgage Bonds, 2008 Series 2	December 23, 2008	17,515,000	-0-
Single Family Mortgage Bonds, 2009 Series 1&2	June 29, 2009	37,960,000	-0-
Single Family Mortgage Bonds, 2009 Series A	July 1, 2009 and July 15, 2009	89,635,000	-0-
Single Family Mortgage Bonds, 2009 Series B	July 1, 2009 and July 15, 2009	74,460,000	-0-
Single Family Mortgage Bonds, 2009 Series 3&4	October 1, 2009	55,475,000	-0-
Single Family Mortgage Bonds, 2009 Series C	December 1, 2009 and December 23, 2009	60,000,000	12,650,000
Single Family Mortgage Bonds, 2009 Series D	December 21, 2009	125,300,000	-0-
Single Family Mortgage Bonds, 2009 Series 5&6	December 18, 2009	81,935,000	-0-
Single Family Mortgage Bonds, 2009 Series D-1/2010 Series A	May 1, 2010 and May 27, 2010	70,000,000	13,375,000
Single Family Mortgage Bonds, 2010 Series 1 and 2	June 29, 2010	16,600,000	-0-
Single Family Mortgage Bonds, 2009 Series D-2/2010 Series B	October 1, 2010 and October 26, 2010	107,015,000	65,235,000
Single Family Mortgage Bonds, 2010 Series 3 and 4	December 22, 2010	12,985,000	-0-
Single Family Mortgage Bonds, 2011 Series A/ 2009 Series D-3	February 1, 2011 and February 17, 2011	74,070,000	16,195,000
Single Family Mortgage Class I Refunding Bonds 2012 Series A	August 1, 2012	150,880,000	129,105,000
Single Family Mortgage Class I Refunding Bonds 2012 Series B	August 1, 2012	86,455,000	76,480,000
Single Family Mortgage Bonds, 2012 Series C	August 6, 2012	9,900,000	7,713,000
Single Family Mortgage Bonds, 2012 Series D	October 18, 2012	15,000,000	12,766,000
Single Family Mortgage Class I Refunding Bonds 2013 Series A	May 1, 2013	146,305,000	130,760,000
Single Family Mortgage Class I Refunding Bonds 2013 Series B	May 1, 2013	80,745,000	77,335,000
Single Family Mortgage Bonds, 2013 Series C	March 30, 2013	22,000,000	19,995,000
Single Family Mortgage Bonds, 2013 Series D	April 11, 2013	20,000,000	18,025,000
Single Family Mortgage Bonds, 2013 Series E	May 15, 2013	106,400,000	79,020,000
Single Family Mortgage Bonds, 2013 Series F	September 25, 2013	20,000,000	18,050,000
Single Family Mortgage Certificates - HOMES 2013 Series A	October 21, 2013	10,985,678	10,557,515
Single Family Mortgage Bonds, 2013 Series G	December 17, 2013	17,000,000	16,618,000
Single Family Mortgage Bonds, 2014 Series A	March 18, 2014	20,000,000	19,415,000
Single Family Mortgage Certificates - HOMES 2014 Series A	April 22, 2014	10,000,450	9,883,751
Single Family Mortgage Certificates - HOMES 2014 Series B	May 20, 2014	9,000,127	8,805,343
Single Family Mortgage Bonds, 2014 Series B	June 24, 2014	14,450,000	14,360,000
Single Family Mortgage Certificates - HOMES 2014 Series C	June 19, 2014	10,000,711	9,724,078
Single Family Mortgage Certificates - HOMES 2014 Series D	June 19, 2014	9,999,608	9,802,937
Single Family Mortgage Certificates - HOMES 2014 Series E	July 21, 2014	12,999,967	12,895,283
Single Family Mortgage Certificates - HOMES 2014 Series F	August 21, 2014	23,999,937	23,679,669
Single Family Mortgage Certificates - HOMES 2014 Series G	September 18, 2014	20,001,177	19,906,228
Single Family Mortgage Certificates - HOMES 2014 Series H	October 23, 2014	26,999,513	26,779,017
Single Family Mortgage Certificates - HOMES 2014 Series I	November 20, 2014	19,999,758	19,969,444
Single Family Mortgage Certificates - HOMES 2014 Series J	December 18, 2014	21,999,915	21,999,915
Single Family Mortgage Bonds, 2014 Series C	December 30, 2014	20,000,000	20,000,000
	TOTAL:	$7,801,219,715	$1,150,455,180

(footnotes appear at end of appendix)

Multifamily and 501(c)3 Issues[2]:

Name of Issue	Dated	Principal Amount ($)[1] Principal Amount Issued	Outstanding as of January 1, 2015
Multifamily Mortgage Purchase Bonds, 1978 Series A	June 1, 1978	3,295,000	-0-
Multifamily Housing Bonds, 1979 Series A	October 1, 1979	9,375,000	-0-
Multifamily Housing Development Bonds, 1982 Series A	May 1, 1982	17,015,000	-0-
Multifamily Housing Development Bonds, 1982 Series B	October 1, 1982	5,565,000	-0-
Multifamily Housing Revenue Bonds, April 1983 Series 7	April 14, 1983	7,540,000	-0-
Multifamily Housing Revenue Bonds, April 1983 Series 9	April 14, 1983	670,000	-0-
Multifamily Housing Development Bonds, 1983 Series A	April 20, 1983	1,420,000	-0-
Multifamily Housing Revenue Bonds, 1985 Series A	March 15, 1985 and April 18, 1985	31,305,454	-0-
Multifamily Housing Revenue Bonds, 1985 Series B	August 15, 1985 and August 28, 1985	6,499,908	-0-
Multifamily Housing Revenue Bonds, 1985 Series C	December 1, 1985	1,530,000	-0-
Variable Rate Demand Multifamily Housing Revenue Refunding Bonds, 1988 Series A	March 31, 1988	7,000,000	-0-
Multifamily Housing Refunding Bonds, 1991 Issue A	October 1, 1991	1,290,000	-0-
Multifamily Housing Refunding Bonds, 1992 Issue A	April 2, 1992	22,130,000	-0-
Multifamily Housing Refunding Bonds, 1993 Issue A	April 2, 1993	1,350,000	-0-
Multifamily Mortgage Revenue Refunding Bonds, 1994 Series A	April 1, 1994	3,710,000	-0-
Multifamily Housing Revenue Refunding Bonds (Cottonwood Apts.) Issue 1995	February 1, 1995	7,400,000	-0-
Multifamily Housing Revenue Refunding Bonds, (Candlestick apts.)	April 12, 1995	6,400,000	-0-
Multifamily Housing Revenue Bonds, (Colonial Pointe Apts.) Issue 1995	July 1, 1995	4,695,000	-0-
Variable Rate Multifamily Housing Revenue Bonds, (Aspen Villa Apts 95A&B)	October 6, 1995	6,400,000	-0-
Variable Rate Multifamily Housing Revenue Bonds, (Heather Estates Apts.) 1996 Issue A and B	June 7, 1996	6,300,000	-0-
Variable Rate Multifamily Housing Revenue Bonds, (Heather Estates Apts.) 1996 Issue C and D	June 7, 1996	3,500,000	-0-
Variable Rate Multifamily Housing Revenue Bonds, (Vine Villas pts.) 1996 A, B, and C	December 19, 1996	4,540,000	-0-
Multifamily Housing Refunding Bonds, 1996 Issue A	December 1, 1996	10,320,000	-0-
Revenue Bonds (RHA Community Services of Utah, Inc. Project) Series 1997 A and B	October 1, 1997	9,320,000	6,435,000
Multifamily Housing Revenue Refunding Bonds, (Heather Estates Apts.) Series 1998	January 8, 1998	9,800,000	-0-
Multifamily Housing Revenue Bonds, (Hartland Apartments Projects) 1998 Series A, B, and C	May 14, 1998	10,710,000	-0-
Multifamily Housing Revenue Refunding Bonds, (Aspen Villa Apts.)	June 11, 1998	6,360,000	-0-
Multifamily Housing Revenue Bonds, (Mayflower Harbor at Pilgrims Landing)	December 23, 1998	10,434,000	7,567,000
Multifamily Housing Revenue Bonds (Ridge at Jordan Landing)	August 1, 1999	13,795,000	-0-
GNMA Collateralized Mortgage Revenue Bonds (Country Oaks Apartments Project)	September 15, 1999	3,195,000	-0-

Name of Issue	Dated	Principal Amount ($)[1] Principal Amount Issued	Outstanding as of January 1, 2015
Multifamily Housing Mortgage Revenue Bonds (Bay Harbor Apartments at Slate Canyon Project)	December 17, 1999	3,600,000	2,570,000
Multifamily Housing Mortgage Revenue Bonds (Todd Hollow Apartments at Deer Mountain Project)	December 17, 1999	12,195,000	-0-
Multifamily Housing Mortgage Revenue Bonds (Riverview Apartments) Series 2000	March 30, 2000	6,150,000	-0-
Multifamily Housing Mortgage Revenue Bonds (Holiday Village Apartments) 2000 Series A	July 28, 2000	4,030,000	2,858,000
Multifamily Housing Revenue Bonds (Shaleh Meadows Apartments) 2000 Series A	November 1, 2000	6,600,000	-0-
Multifamily Housing Revenue Bonds (Tooele Gateway Project) Series 2000	December 15, 2000	3,263,000	-0-
Multifamily Housing Revenue Refunding Bonds, (Candlestick Apartments Project) Issue 2001	March 29, 2001	6,400,000	6,400,000
Multifamily Housing Mortgage Revenue Bonds (King's Row Apartments Project) Series 2001	March 30, 2001	7,500,000	6,165,000
Multifamily Housing Revenue Bonds (Diamond Fork Project) Series 2001	June 21, 2001	3,525,000	-0-
Multifamily Housing Revenue Bonds (Rose Cove Project) Series 2001	June 21, 2001	6,705,000	-0-
GNMA Collateralized Mortgage Revenue Bonds (Haven Point Project)	August 1, 2001	11,100,000	-0-
Multifamily Housing Revenue Bonds (Mill Creek II Project) Series 2001	September 21, 2001	1,850,000	1,420,000
GNMA Collateralized Mortgage Revenue Bonds (Holly Haven, Stonehedge I, Village Square II) Series 2001 A	December 1, 2001	6,895,000	-0-
GNMA Collateralized Mortgage Revenue Bonds (The Bluffs Apartments Project) Series 2002	June 1, 2002	11,700,000	-0-
GNMA Collateralized Mortgage Revenue Bonds (Bountiful Retreat Project) Series 2002	June 1, 2002	4,635,000	4,170,000
Multifamily Housing Revenue Bonds (City Front Apartments Project) Series 2002	July 10, 2002	9,700,000	-0-
GNMA Collateralized Mortgage Revenue Bonds (Canyon View Apartments Project) Series 2002	August 1, 2002	4,100,000	3,700,000
GNMA Collateralized Mortgage Revenue Bonds (Sunset Ridge Apartments Project)) Series 2003	February 1, 2003	15,500,000	-0-
GNMA Collateralized Mortgage Revenue Bonds (Coppergate Apartments Project) Series 2003	April 1, 2003	14,100,000	-0-
Multifamily Housing Mortgage Revenue Bonds (Layton Pointe Apartments Project) Series 2003	May 21, 2003	3,800,000	3,250,000
Multifamily Housing Revenue Refunding Bonds (Rose Cove Project) Series 2004	February 26, 2004	6,705,000	6,296,000
Multifamily Housing Revenue Refunding Bonds (Diamond Fork Project) Series 2004	February 26, 2004	3,525,000	-0-
Multifamily Housing Revenue Bonds (Tanglewood Apartments Project) Series 2004	April 14, 2004	9,400,000	9,400,000
Multifamily Housing Revenue Bonds	May 1, 2004	10,000,000	9,230,000

Name of Issue	Dated	Principal Amount ($)[1] Principal Amount Issued	Outstanding as of January 1, 2015
(Foxboro Terrace Apartments Project) Series 2004			
Multifamily Housing Revenue Bonds	May 13, 2004	4,510,000	-0-
(Laurelwood Apartments Project) Series 2004			
Multifamily Housing Revenue Refunding Bonds	October 6, 2004	12,061,000	-0-
(Todd Hollow Apartments at Deer Mountain Project) Series 2004			
Multifamily Housing Revenue Bonds	January 14, 2005	8,100,000	6,540,000
(Cedar Pointe Project) Series 2004			
GNMA Collateralized Mortgage Revenue Bonds	January 1, 2005	5,710,000	5,280,000
(Park Gate Apartments Project) Series 2005			
GNMA Collateralized Mortgage Revenue Bonds	February 1, 2005	10,500,000	-0-
(Green Grove Apartments Project) Series 2005			
Multifamily Housing Revenue Refunding Bonds	July 1, 2005	5,800,000	5,215,000
(Riverview Apartments Project) Series 2005			
Multifamily Housing Revenue Bonds	September 27, 2005	8,485,000	8,485,000
(Springwood Apartments Project) Series 2005 A			
Military Housing Taxable Revenue Bonds	September 29, 2005	41,000,000	39,785,000
(Boyer Hill Military Housing Project) 2005 Series A			
Multifamily Housing Revenue Bonds	November 22, 2005	18,530,000	16,614,000
(Town Gate Apartments Project) Series 2005			
Multifamily Housing Revenue Bonds	October 23, 2006	17,510,000	-0-
(Liberty Commons Apartments Project) Series 2006			
Multifamily Housing Revenue Bonds Series 2007	July 25, 2007	11,100,000	10,745,000
(The Pointe Apartments Project)			
Multifamily Housing Revenue Refunding Bonds	June 12, 2008	12,061,000	11,168,000
(Todd Hollow Apartments at Deer Mountain Project)			
Multifamily Housing Revenue Bonds Series 2009	April 24, 2009	25,000,000	25,000,000
(Timbergate)			
Multifamily Housing Revenue Bonds Series 2009	September 21, 2009	18,880,000	18,880,000
Florentine Villas			
Multifamily Housing Revenue Bonds Series 2009	December 9, 2009	31,800,000	-0-
2009 A			
Multifamily Housing Revenue Bonds Series 2009	June 18, 2010	17,040,000	16,211,000
(Liberty Commons Apartments Project) Series 2010			
Multifamily Housing Revenue Bonds Series 2010	November 3, 2010	13,840,000	13,740,000
(Liberty Peak Apartments Project)			
Multifamily Housing Revenue Bonds Series 2009	December 1, 2010	9,790,000	9,490,000
(Providence Place)			
Multifamily Housing Revenue Bonds Series 2009 A/2011A	December 2, 2011	26,980,000	26,580,000
(Fireclay II Apartments Project)			
Multifamily Housing Revenue Bonds Series 2012	April 3, 2012	19,055,000	19,055,000
(State Street Plaza Project)			

Name of Issue	Dated	Principal Amount ($)[1] Principal Amount Issued	Outstanding as of January 1, 2015
Multifamily Housing Revenue Bonds Series 2012	October 17, 2012	17,200,000	17,200,000
(Beacon Hill Apartments Project)			
Multifamily Housing Revenue Bonds Series 2013	November 27, 2013	18,600,000	18,600,000
(Canyon Crossing at Riverwalk Project)			
Multifamily Housing Revenue Bonds Series 2014	June 24, 2014	18,085,000	18,085,000
(Enclave Apartment Project)			
	TOTAL	$777,479,362	$356,134,000

[1] As of January 1, 2015, $72,055,000 aggregate principal amount of UHC's outstanding single family mortgage revenue bonds were payable out of UHC's general revenues or moneys legally available thereof, subject only to agreements made or to be made with holders of notes, bonds or other obligations pledging particular revenues or moneys for the payment thereof.

[2] In addition, in August 1980, UHC issued its $8,000,000 Construction Loan Notes, 1980 Series A, and, during 2004 and 2005, UHC issued as draw down bonds its $4,545,000 General Revenue Office Building Bonds, Series 2004, all of which have been paid.

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UHC FINANCIAL STATEMENTS

Utah Housing Corporation

(A Component Unit of the State of Utah)

Financial Statements and Combining Supplemental Schedules as of and for the Year Ended June 30, 2014, and Independent Auditors' Report

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

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INDEPENDENT AUDITOR’S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of Utah Housing Corporation (the “Corporation”), a component unit of the State of Utah, which comprise the balance sheet as of June 30, 2014, and the related statement of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Corporation’s financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Utah Housing Corporation as of June 30, 2014, and the results of its operations and, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, listed in the foregoing table of contents be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the Corporation's financial statements. The supplemental schedules listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2014 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Deloitte & Touche LLP

September 19, 2014

This section of the Utah Housing Corporation's (the "Corporation") annual financial report presents the Corporation management's discussion and analysis of the Corporation's financial performance during the fiscal year ended June 30, 2014. It is intended to be read in conjunction with the Corporation's financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

The financial highlights of the Corporation as of June 30, 2014 compared with prior year balances are as follows:

- Cash and cash equivalents decreased $15.5 million (-16.0%)
- Investments increased $47.5 million (10.1%)
- Total mortgage loans receivable decreased $7.1 million (-0.7%)
- Total assets and deferred outflows decreased $9.4 million (-0.6%)
- Current maturities on bonds and notes payable decreased $1.8 million (-1.7%)
- Bonds payable decreased $10.5 million (-0.9%)
- Note payable increased $23.9 million (14.0%)
- Interest on cash and investments decreased $463 thousand (-5.5%)
- Interest on mortgage loans receivable decreased $2.8 million (-5.6%)
- Gain on sale of loans decreased $1.1 million (-5.1%)
- Total net position increased $2.8 million (1.2%)

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of three parts: Management's Discussion and Analysis; the Financial Statements, including Notes to the Financial Statements; and Supplemental Schedules. The Corporation is an independent public corporation, is self-supporting, and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Corporation. These statements are presented in a manner similar to a private business, such as mortgage banking, mortgage servicing, real estate development, commercial lending, construction management, and private consulting. Summary information is presented for separate mortgage revenue bond programs in the Supplemental Schedules. More detailed information is not presented in this report, however separate accounts are maintained for each activity to control and manage those designated financial transactions.

FINANCIAL ANALYSIS OF THE CORPORATION

The following table summarizes the changes in net position between June 30, 2014 and 2013 (in thousands):

	Unaudited			
	2014	2013	$ Change	% Change
CURRENT ASSETS:				
Cash and cash equivalents	$ 81,227	$ 96,694	$ (15,467)	(16.0)%
Investments	321,809	303,764	18,045	5.9 %
Current maturities of loans receivable	21,067	19,851	1,216	6.1 %
Interest receivable	4,793	4,953	(160)	(3.2)%
Other current assets	1,110	1,427	(317)	(22.2)%
Total current assets	430,006	426,689	3,317	0.8 %
NONCURRENT ASSETS:				
Investments	196,611	167,120	29,491	17.6 %
Loans receivable	940,157	948,516	(8,359)	(0.9)%
Capital assets — net	6,031	5,734	297	5.2 %
Other assets	10,827	8,682	2,145	24.7 %
Bond financing costs	-	11,417	(11,417)	(100.0)%
Derivative instruments	-	3,250	(3,250)	(100.0)%
Total noncurrent assets	1,153,626	1,144,719	8,907	0.8 %
DEFERRED OUTFLOWS				
Accumulated decrease in fair value of hedging derivatives	7,477	25,373	(17,896)	(70.5)%
Deferred loss on refunding	68,771	72,463	(3,692)	(5.1)%
Total deferred outflows	76,248	97,836	(21,588)	(22.1)%
TOTAL	$ 1,659,880	$ 1,669,244	$ (9,364)	(0.6)%

(Continued)

	Unaudited			
	2014	2013	$ Change	% Change
CURRENT LIABILITIES:				
Interest payable	$ 23,400	$ 24,100	$ (700)	(2.9)%
Current maturities of bonds payable	77,299	85,846	(8,547)	(10.0)%
Current maturities of notes payable	29,350	22,599	6,751	29.9 %
Other current liabilities	4,641	4,232	409	9.7 %
Total current liabilities	134,690	136,777	(2,087)	(1.5)%
NONCURRENT LIABILITIES:				
Bonds payable	1,034,105	1,036,019	(1,914)	(0.2)%
Notes payable	164,685	147,563	17,122	11.6 %
Unearned revenue	5,138	5,635	(497)	(8.8)%
Derivative liability	66,444	76,733	(10,289)	(13.4)%
Other liabilities	527	513	14	2.7 %
Total noncurrent liabilities	1,270,899	1,266,463	4,436	0.4 %
Total liabilities	1,405,589	1,403,240	2,349	0.2 %
DEFERRED INFLOWS				
Accumulated increase in fair value of hedging derivatives	9,804	24,353	(14,549)	(59.7)%
NET POSITION				
Invested in capital assets — net of related debt	6,031	5,154	877	17.0 %
Restricted — expendable	161,835	159,693	2,142	1.3 %
Unrestricted	76,621	76,804	(183)	(0.2)%
Total net position	244,487	241,651	2,836	1.2 %
TOTAL	$ 1,659,880	$ 1,669,244	$ (9,364)	(0.6)%

(Concluded)

The following table summarizes the changes in operating income before fair value adjustments and changes in net position between the years ended June 30, 2014 and 2013 (in thousands):

	Unaudited			
	2014	**2013**	**$ Change**	**% Change**
OPERATING REVENUES:				
Interest on loans receivable	$ 47,370	$ 50,183	$ (2,813)	(5.6)%
Interest on cash and investments	7,963	8,426	(463)	(5.5)%
Servicing revenues	7,020	5,885	1,135	19.3 %
Gain on sale of loans	20,622	21,736	(1,114)	(5.1)%
Other revenues	2,769	1,587	1,182	74.5 %
Total operating revenues	85,744	87,817	(2,073)	(2.4)%
OPERATING EXPENSES:				
Interest	50,762	55,704	(4,942)	(8.9)%
Salaries and benefits	7,903	6,833	1,070	15.7 %
General operating expense	3,944	3,168	776	24.5 %
Loan servicing fees	3,180	3,279	(99)	(3.0)%
Amortization of other assets	3,302	4,983	(1,681)	(33.7)%
Bond issuance expenses	1,181	-	1,181	
Net provision for loan losses	1,560	2,030	(470)	(23.2)%
Depreciation of capital assets	328	243	85	35.0 %
Total operating expenses	72,160	76,240	(4,080)	(5.4)%
OPERATING INCOME BEFORE FAIR VALUE ADJUSTMENTS	13,584	11,577	2,007	17.3 %
Net increase (decrease) in fair value of investments	669	(3,834)	4,503	(117.4)%
CHANGE IN NET POSITION	14,253	7,743	6,510	84.1 %
NET POSITION — Beginning of year	241,651	233,908		
Prior period adjusment - GASB 65	(11,417)	-		
NET POSITION — End of year	$ 244,487	$ 241,651	$ 2,836	1.2 %

OTHER FINANCIAL ANALYSIS

Over the past several years the Corporation has worked to reinvent its business due to the inherent financial challenges within the Corporation's traditional source of capital to fund its programs. The Corporation has issued mortgage backed securities (MBS) as part of this new model, and has worked with its business partners to find additional capital sources to fund its new mortgage loan production.

The current year operations reflects the Corporation's very successful shift away from tax exempt mortgage revenue bonds as the only source of capital for the affordable housing programs. The Corporation produced a record $540 million of new single family loans during the fiscal year. These loans were funded by new and innovative capital sources. The Corporation sold $439.4 million of loans as Ginnie Mae (GNMA) mortgage backed securities (MBS) to investors. In addition, $43.2 million of loans were funded from the proceeds of collateralized notes payable under its Community Reinvestment Act (CRA) Participation Program, $71.5 million of loans were funded from taxable single family mortgage revenue bond proceeds, and $50.0 million of loans were funded through a new tax-exempt MBS backed pass-through bond structure.

The Corporation produced a substantial amount of operating income before fair value adjustment for the second year in a row. Operating income for the fiscal year ended June 30, 2014 of $13,584,000 is higher, as compared to $11,577,000 for the previous year. This represents a $2.0 million increase over the prior year. This increase was generated from an increase in servicing and other revenues of $2.3 million, and a decrease in interest expense and provision for loan losses of $4.9 million and $0.5 million, respectively.

Several of the single family bond indentures continue to experience losses due to the bond structures and the extensive disruption of the municipal bond market and the housing segments of the financial markets. This disruption greatly impacts the single family program's earnings and the fees it pays on bond liquidity agreements. During the current year, the Corporation was successful in replacing all existing liquidity providers with lower cost providers, saving approximately 50 basis points (bps) on outstanding variable rate demand obligation (VRDO) bonds.

The Corporation's interest revenues continue to be reduced due to the extremely low interest rate environment. Short-term money market rates have continued to be at near zero throughout the entire fiscal year ended June 30, 2014. The Corporation is forced to carry a larger amount of short term investments as mortgage loans prepay and the bonds are held to match the interest rate swaps; therefore this low interest rate environment severely impacts interest income on investments, which is a major revenue source. In addition, interest revenues on the Corporation's mortgage loan portfolio decreased by $2.8 million due to increased loan payoffs, refinances, and sale of new loan production to MBS investors during the fiscal year.

The Corporation decreased its interest expense on bonds by $4.9 million or -8.9 percent mainly due to the decreased interest paid on redeemed bonds, elimination of liquidity facilities with refunded bonds in the prior year and replacement of remaining liquidity facilities with lower rate contracts. See the debt administration section below for more details.

The Corporation also continues to reevaluate the allowance for loan loss reserves as it relates to its uninsured second mortgage and repurchased loan portfolio. Due to the continued level of write offs and delinquencies this allowance was maintained at rates consistent with the prior year.

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

The Corporation's *Adjusted Debt to Equity Ratio* (defined as total liabilities divided by the total net position) is 5.75 times. This ratio is interpreted as having $5.75 of debt for every dollar of equity. The Corporation's ratio is lower than last year's ratio of 5.81 as the Corporation had a larger portion of bonds paid off during the year. The Corporation's ratio has trended downwards from a high of 18.3 times at the beginning of fiscal year 1993 as the Corporation's Net Position has grown and stabilized, and as the Corporation has issued more MBS's as compared to bonds in the current financial environment.

The Corporation's *Net Interest Spread Ratio* (defined as total interest revenues less interest expense divided by total interest revenues) is 8.3 percent. This ratio is up from 5.0 percent last fiscal year and down from a high of 20.7 percent in 2008. It is a reflection of the distressed financial markets and low interest rate environment in which the Corporation must now operate. It is important to highlight that this ratio indicates that the Corporation's major bond programs, taken as a whole, continue to earn a small spread, even though it has been reduced over the past several years.

The fiscal year general and administrative budget of $8,242,000 was adequate to fund operations.

DEBT ADMINISTRATION

At fiscal year-end June 30, 2014, the Corporation had total debt outstanding of $1,305 million, an increase of $13.4 million or 1.04 percent during the fiscal year, as shown in the table below. The Corporation issued $71.5 million of taxable Single Family bonds and $50.0 million of Single Family tax-exempt pass through bonds. More detailed information about the Corporation's debt is presented in Notes 8 and 10 to the financial statements.

The Corporation has sold variable rate bonds to meet the demands of its overall funding strategy. These variable rate bonds are subject to tender by the bondholders upon surrender to the remarketing agent. In the event the remarketing agent is unable to remarket these bonds, the variable rate bonds will be, subject to certain conditions, purchased by a liquidity facility provider. Such purchase by the provider would require the Corporation to pay an increased predetermined interest rate on the bonds. As of June 30, 2014 the Corporation had $141.4 million in variable rate bonds subject to liquidity agreements.

During the fiscal year the Corporation's variable rate bonds have been remarketed on a normal basis, where the interest paid on variable rate bonds, closely follows the receipt of revenues from the index based swaps. Nevertheless, in this current environment the Corporation's new liquidity agreements have required higher fees which weaken the profitability of the single family program. Fees that were projected to be in the 15 bps range over the life of the bond issue have been as high as 95 bps. During the year ended June 30, 2014, the Corporation was able to find alternative sources of liquidity for its remaining weekly adjusted variable rate bonds associated with various single-family programs as necessary, reducing the liquidity fees to 33–43 bps.

The Corporation issued these variable rate bonds to decrease the mortgage rate and increase the volume of funding available to purchase qualified homes under the Corporation's low to moderate-income programs. Risks inherently associated with these variable rate bonds are largely mitigated by the use of pay-fixed, receive-variable interest rate swap contracts.

The swap agreements have notional amounts that amortize in accordance with the scheduled and or anticipated reduction in the related bond liability. The Corporation is potentially exposed to loss in the event of non-performance by the counter-party under the agreements or from early termination of the swap agreements. However, the Corporation does not anticipate such non-performance and expects to hold its swap agreements until it can exercise various call options to reduce the notional amounts, or until the stated termination dates. Additional information about the Corporation's swap contracts is presented in Note 9 to the financial statements.

The following table summarizes the changes in debt between fiscal years 2014 and 2013 (in thousands):

	2014	2013	% Increase (Decrease)
Notes payable	$ 194,035	$ 170,162	14.03 %
Taxable bonds payable	685,197	662,925	3.36 %
Subordinate GO bonds payable	81,990	94,195	(12.96)%
All other bonds payable	344,217	364,745	-5.63%
Total debt	$ 1,305,439	$ 1,292,027	1.04 %

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

CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

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

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

BALANCE SHEET
AS OF JUNE 30, 2014
(In thousands)

ASSETS AND DEFERRED OUTFLOWS

CURRENT ASSETS:	
Cash and cash equivalents	$ 81,227
Investments (Partially Restricted, See Note 3)	321,809
Current maturities of loans receivable (Partially Restricted, See Note 4)	21,067
Interest receivable	4,793
Other current assets	1,110
Total current assets	430,006
NONCURRENT ASSETS:	
Investments (Partially Restricted, See Note 3)	196,611
Loans receivable (Partially Restricted, See Note 4)	940,157
Capital assets — net	6,031
Other assets	10,827
Total noncurrent assets	1,153,626
Total assets	1,583,632
DEFERRED OUTFLOWS	
Accumulated decrease in fair value of hedging derivatives	7,477
Deferred loss on refunding	68,771
Total deferred outflows	76,248
TOTAL	$ 1,659,880

(Continued)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

BALANCE SHEET
AS OF JUNE 30, 2014
(In thousands)

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

CURRENT LIABILITIES:	
Interest payable	$ 23,400
Current maturities of bonds payable	77,299
Current maturities of notes payable	29,350
Other current liabilities	4,641
Total current liabilities	134,690
NONCURRENT LIABILITIES:	
Bonds payable	1,034,105
Notes payable	164,685
Unearned revenue	5,138
Derivative instruments	66,444
Other liabilities	527
Total noncurrent liabilities	1,270,899
Total liabilities	1,405,589
DEFERRED INFLOWS — Accumulated increase in fair value of hedging derivatives	9,804
NET POSITION:	
Invested in capital assets — net of related debt	6,031
Restricted — expendable	161,835
Unrestricted	76,621
Total net position	244,487
TOTAL	$ 1,659,880

See notes to financial statements. (Concluded)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014
(In thousands)

OPERATING REVENUES:	
Interest on loans receivable	$ 47,370
Interest on cash and investments	7,963
Servicing revenues	7,020
Gain on sale of loans	20,622
Other revenues	2,769
Net increase in the fair value of investments	669
Total operating revenues	86,413
OPERATING EXPENSES:	
Interest	50,762
Salaries and benefits	7,903
General operating expense	3,944
Loan servicing fees	3,180
Amortization of other assets	3,302
Bond issuance expenses	1,181
Net provision for loan losses	1,560
Depreciation of capital assets	328
Total operating expenses	72,160
CHANGE IN NET POSITION	14,253
NET POSITION — Beginning of year	230,234
NET POSITION — End of year	$ 244,487

See notes to financial statements.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014
(In thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from interest on loans receivable	$ 47,659
Cash received from payments on loans receivable	167,899
Cash received from loan servicing	7,020
Cash received from other revenues	2,526
Cash received from sale of loan securities and other assets	464,243
Purchase of loans receivable	(606,555)
Cash payments for servicing fees	(3,180)
Cash payments for general operating expenses	(3,365)
Cash payments for issuance of bonds	(1,181)
Cash payments for salaries and benefits	(7,768)
Net cash provided by operating activities	67,298
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Proceeds from bonds payable	124,162
Proceeds from notes payable	43,247
Principal paid on notes payable	(19,374)
Principal paid on bonds payable	(134,018)
Proceeds from revolving credit agreement	144,145
Principal paid on revolving credit agreement	(144,145)
Interest paid on bonds payable/notes payable/revolving credit agreement	(51,107)
Proceeds from interest rate swap agreements	1,450
Payments made on interest rate swap agreements	(1,683)
Purchase of other assets	(5,185)
Net cash used in non-capital financing activities	(42,508)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases of capital assets	(626)
Principal paid on capital debt	(580)
Interest paid on capital debt	(18)
Net cash used in capital and related financing activities	(1,224)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investments	(641,724)
Proceeds from sales and maturities of investments	594,857
Interest and dividends on investments	7,834
Net cash used in investing activities	(39,033)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(15,467)
CASH AND CASH EQUIVALENTS — Beginning of year	96,694
CASH AND CASH EQUIVALENTS — End of year	$ 81,227

(Continued)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014
(In thousands)

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Change in net position	$ 14,253
Adjustments to reconcile operating income to net cash provided by operating activities — adjustments for operating activities:	
Depreciation	328
Interest on cash and investments	(7,963)
Net increase in the fair value of investments	(669)
Interest expense	50,762
Amortization of other assets	3,302
Changes in assets and liabilities:	
Decrease in receivables	7,303
Increase in other assets	56
Increase in other liabilities	400
Decrease in unearned revenue	(474)
Total adjustments	53,045
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 67,298

See notes to financial statements. (Concluded)

1. DESCRIPTION OF CORPORATION AND PROGRAMS

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

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

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

The Corporation is a component unit of the State of Utah and its financial statements are included in the general purpose financial statements of the State of Utah.

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

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

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

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

Multi-Family Mortgage Purchase Funds — These funds are established under the Multi-Family Mortgage Purchase Bond Resolutions adopted at various dates. They account for the proceeds from the sale of the Multi-Family Mortgage Purchase Bonds, the debt service requirements of the bond indebtedness, and the mortgage loans on eligible multi-family housing being financed from bond proceeds.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accounting and reporting policies of the Corporation conform with generally accepted accounting principles and follow the accrual basis of accounting as prescribed by Governmental Accounting Standards Board (GASB). Financial activities of the Corporation are recorded in funds established under various bond resolutions. The administrative and operational activities, including the operating expenses of various programs, are recorded in the General Operating Fund and are not allocated to the various funds, except for fiduciary and other miscellaneous expenditures.

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

Investments — Investments are presented at fair value. The fair value of investments is based on published market prices and quotations from major investment brokers at current exchange rates, as available. Guaranteed investment contracts (GICs) are recorded at current carrying amount.

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

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

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

Capital Assets — Capital assets with an initial cost greater than $1,000 are carried at cost. Office equipment, furniture and fixtures, and vehicles are depreciated using the straight-line method over their estimated useful lives of 3 to 7 years. The building is depreciated using the straight-line method over an estimated useful life of 40 years.

Bond Financing Costs — Costs of issuing bonds were previously capitalized in the respective bond funds and amortized over the term of the bonds using the bonds outstanding method or were expensed upon early redemption of the bonds. Due to the adoption of GASB No. 65, *Items Previously Reported as Assets and Liabilities*, all previous costs capitalized have been recognized against net position and all costs incurred during the current year have been expensed in the current period.

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

Debt Refundings — For current refundings and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense over the remaining life of the old or new debt, whichever is shorter. The difference is amortized using the effective interest method. The deferred refunding amounts are classified as a component of deferred outflows in the Balance Sheet.

Derivative Instruments — The Corporation has entered into various interest rate swap contracts and forward sales contracts as part of its overall funding strategy. The objective of these financial instruments is to increase the volume of funding available to purchase qualified homes under the Corporation's low to moderate-income programs. The Corporation has recorded the fair market value of its derivative investments on the financial statements and has evaluated and measured their effectiveness. All of the Corporation's derivative instruments were deemed to be effective, and the Corporation has deferred the changes in fair value for these derivatives and has reported them as deferred outflows and deferred inflow of resources in the Balance Sheet (see Note 9).

Transfers — The Corporation may make transfers among the various funds to meet the cash flow requirements of the individual programs or to account for equity and working capital contributions. The Corporation may also contribute amounts from the Operating Funds to provide assistance on certain bond issues or transfer from unrestricted Single Family programs to provide resources for the Corporation's general and administrative expenses.

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

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

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

New Accounting Principles — As of June 30, 2014 the Corporation implemented GASB statement No. 65, *Items Previously Reported as Assets and Liabilities*, which is effective for financial statement periods beginning after December 15, 2012. The standard includes new requirements related to the proper classification of certain items that were previously reported as assets, or liabilities as deferred outflows/inflows of resources. or the recognition of certain items that were previously reported as liabilities as outflows (expenses)/inflows (revenues) of resources. These determinations are based on the definitions of those elements in GASB Concepts Statement No. 4, *Elements of Financial Statements*. Accounting changes adopted to conform to the provisions of this statement were applied retroactively by restating the basic financial statements for all prior periods. The Corporation's July 1, 2013 net position, based on Statement No. 65 accounting adjustments, was reduced by $11,417,000 from $241,651,000 reported in the prior year to $230,234,000 for bond issuance costs that are now expensed when incurred. In addition, the deferred loss on refunding was reclassified from bonds payable to deferred outflows.

Future Accounting Principles — In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. This statement replaces the requirements of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, and Statement No. 50, *Pension Disclosures*, as they relate to government entities that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement No. 68 requires entities providing defined benefit pension to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). This Statement is effective for the Corporation's fiscal year beginning July 1, 2014.

3. CASH AND INVESTMENTS

Cash and investments at June 30, 2014, are summarized as follows (in thousands):

	Single-Family	Multi-Family	Operating	Housing Development	Total
Cash and cash equivalents	$ 68,763	$ 1,699	$ 401	$ 10,364	$ 81,227
Investments	518,365	-	-	55	518,420
Total	$ 587,128	$ 1,699	$ 401	$ 10,419	$ 599,647

Cash deposits at June 30, 2014, are summarized as follows (in thousands):

Fund	Bank Balances	Book Balances
Single-family	$ 2,766	$ 6,779
Operating	4,531	178
Housing development	8	8
	$ 7,305	$ 6,965

The Corporation also invests in the Utah Public Treasurer's Investment Pool (PTIF) which is a voluntary external local governmental investment pool managed by the Utah State Treasurer's Office and is audited by the Utah State Auditor. No separate report as an external investment pool has been issued for the PTIF. The PTIF is not registered with the SEC as an investment company and is not rated. The PTIF is authorized and regulated by the Utah Money Management Act, (Utah Code Title 51, and Chapter 7). The PTIF invests in high-grade securities which are delivered to the custody of the Utah State Treasurer, assuring a perfected interest in the securities, and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. The maximum weighted average life of the portfolio does not exceed 90 days. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated to participants on the ratio of the participant's share of the total funds in the PTIF based on the participant's average daily balance. The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor. Additional information is available at the Utah State Treasurer's Office.

Investments — As of June 30, 2014, the Corporation had the following investments and maturities (in thousands):

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less than 1**	**1–5**	**6–10**	**More than 10**
Money market mutual funds*	$ 325,926	$ 325,926	$ -	$ -	$ -
Negotiable certificates of deposit	55	55	-	-	-
Guaranteed investment contracts	102,279	-	15,773	-	86,506
U.S. treasuries	816	-	816	-	-
U.S. agencies	93,522	-	-	-	93,516
Utah State Public Treasurer's Investment Fund*	70,151	70,151	-	-	-
Total	$ 592,749	$ 396,132	$ 16,589	$ -	$ 180,022

* Investments in the Utah State Public Treasurer's Investment Fund and Money Markets from checking sweep accounts are included in cash and cash equivalents in the financial statements.

Of the total investment balance, $514,564,000 of single family investments as of June 30, 2014 are restricted under bond indentures or other debt agreements, or are otherwise pledged as collateral for borrowings.

Interest Rate Risk — The Corporation's policy for investment maturities is determined by various bond indentures and bond resolutions adopted by the Corporation. Excess cash is invested in the Utah State Public Treasurer's Investment Fund.

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

The Corporation's deposits at times exceed federally insured limits. At June 30, 2014, the Corporation had $7,055,000 of uninsured deposits. All other cash deposits were insured or collateralized as of June 30, 2014.

The Corporation's investments were held in the Corporation's name by their custodian except $4,773,000 in a money market sweep account where the underlying securities were uninsured and held by the investment's counterparty, not in the name of the Corporation, but are collateralized.

Credit Risk — Investments for each bond issue are those permitted by the various bond indentures and bond resolutions adopted by the Corporation, which also enable the underlying bonds to maintain their credit ratings. The investment activities are not subject to state statutes. As of June 30, 2014, the Corporation holds investments in money market mutual funds, securities issued and guaranteed by U.S. agencies (FNMA) are rated AAA by Standard & Poor's or Fitch, and Aaa by Moody's Investors Service. The underlying investments of the Corporation's sweep accounts are invested in a money market fund that is rated AAA by Standard & Poor's or Fitch, and Aaa by Moody's Investors Service. The Corporation's investment in Ginnie Mae (GNMA) securities are unrated and uninsured, however they are guaranteed by the full faith and credit of the Federal government. The Corporation's remaining investments are uninsured and unrated.

Concentration of Credit Risk — The Corporation places no limit on the amount the Corporation may invest in any one issuer. More than five percent of the Corporation's investments are in Nataxis (CDC) Guaranteed Investment Contracts (GICs), Trinity investments GICs, and Ginnie Mae (GNMA) investments. These investments are 8.7%, 8.0%, and 11.8%, respectively, of the Corporation's total investments at June 30, 2014.

4. LOANS RECEIVABLE

As of June 30, 2014, loans receivable consisted of the following (in thousands):

	Current Maturities	Long-Term Portion	Total
Single-Family Mortgage Purchase Funds	$ 20,844	$ 934,725	$ 955,569
Housing Development Funds	189	10,562	10,751
Multi-Family Mortgage Purchase Funds	34	142	176
Unamortized loan costs and fees	-	(1,714)	(1,714)
Allowance for loan losses	-	(3,558)	(3,558)
Total	$ 21,067	$ 940,157	$ 961,224

The weighted average mortgage rates for the Single-Family Mortgage Program Funds, Multi-Family Mortgage Purchase Funds, and Housing Development Funds were 4.90%, 7.00%, and 3.01%, respectively, as of June 30, 2014.

The Corporation issues bonds and note payables and applies the proceeds to fund the purchase of qualified loans originated from certified lenders. The receipt of payments from these loans is restricted principally for the purpose of paying the related principal and interest. Of the total loans receivable balance, $817,747,000 of the single family program loans are restricted under bond indentures or other debt agreements, or are otherwise pledged as collateral for borrowings as of June 30, 2014.

The Corporation has $3,442,000 in loans that have completed the foreclosure proceedings as of June 30, 2014, and are in the process of being conveyed to the Department of Housing and Urban Development. The amount is included in the Single-Family Mortgage Program Funds loans receivable.

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014, was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated — land	$ 1,472	$ -	$ -	$ 1,472
Total capital assets, not being depreciated	1,472	-	-	1,472
Capital assets, being depreciated:				
Buildings and improvements	5,075	263	-	5,338
Furniture and fixtures	369	48	-	417
Equipment	1,294	285	(131)	1,448
Vehicles	160	29	-	189
Total capital assets being depreciated	6,898	625	(131)	7,392
Less accumulated depreciation for:				
Buildings and improvements	(1,024)	(124)	-	(1,148)
Furniture and fixtures	(296)	(28)	-	(324)
Equipment	(1,204)	(160)	131	(1,233)
Vehicles	(112)	(16)	-	(128)
Total accumulated depreciation	(2,636)	(328)	131	(2,833)
Total capital assets, being depreciated — net	4,262	297	-	4,559
Capital assets — net	$ 5,734	$ 297	$ -	$ 6,031

6. BOND RESERVE FUNDS

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

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

As of June 30, 2014, these reserve requirements and the resulting balance of investments was as follows (in thousands):

	Minimum Requirement	Balance
Single-Family Mortgage Bond Funds	$ 85,166	$ 88,752

7. REVOLVING CREDIT NOTES

The Corporation has a revolving credit agreement with a financial institution dated July 15, 2010, for the acquisition of mortgage loans receivable. During the current year the amount available was $75,000,000. This revolving credit agreement was scheduled to mature on July 11, 2014. There was no current outstanding balance as of June 30, 2014. Interest paid on amounts drawn is calculated at 1 month LIBOR + .6%; with the 1 month LIBOR rate not to be less than .25%. Subsequent to the year ended June 30, 2014, this revolving line of credit was renewed and extended through July 10, 2015.

Total interest expense incurred on this revolving credit agreement for the year ended June 30, 2014, was $44,000.

Changes in Short-Term Liabilities — Short-term debt for the year ended June 30, 2014, was as follows (in thousands)

	Beginning Balance	Additions	Reductions	Ending Balance
Short-term debt revolving credit agreement	$ -	$ 144,145	$ (144,145)	$ -

8. LONG-TERM DEBT

Single-Family Mortgage Purchase Bonds — Bonds payable in each series or issue generally consist of both serial and term bonds maturing at annual or semi-annual intervals. Bonds payable consisted of the following at June 30, 2014 (in thousands):

Bond Issue	Interest Rate Range	Final Maturity Date	Outstanding Fixed	Outstanding Variable	Total
1998 Series D	5.350%–5.400%	2030	$ 65	$ -	$ 65
1998 Series F	5.000%–5.100%	2030	270	-	270
2000 Series C	5.610%–6.350%*	2031	390	6,560	6,950
2000 Series D	5.370%–7.470%*	2031	505	6,590	7,095
2000 Series E	5.380%–7.300%*	2032	495	6,650	7,145
2000 Series F	5.340%–7.150%*	2032	520	8,250	8,770
2000 Series G	5.070%–6.530%*	2032	560	8,140	8,700
2001 Series A	4.910%–5.650%*	2032	160	3,945	4,105
2001 Series B	4.860%–5.750%*	2032	620	5,030	5,650
2001 Series C	4.910%–5.650%*	2033	635	4,825	5,460
2001 Series D	4.840%–5.500%*	2033	1,235	5,695	6,930
2001 Series E	4.770%–5.500%*	2033	850	4,185	5,035
2001 Series F	4.580%–5.300%*	2033	1,110	6,535	7,645
2002 Series A	5.030%–5.600%*	2033	1,260	3,925	5,185
2002 Series B	4.980%–5.600%*	2033	995	5,320	6,315
2002 Series C	4.860%–5.250%*	2033	1,230	7,180	8,410
2002 Series D	4.795%–5.350%*	2033	1,390	8,400	9,790
2002 Series E	4.930%–4.950%*	2034	360	4,085	4,445
2002 Series F	4.310%–4.625%*	2034	660	5,950	6,610
2002 Series G	4.220%–4.875%*	2034	855	8,095	8,950
2003 Series A	4.200%–5.125%*	2034	1,075	5,385	6,460
2003 Series B	3.939%–4.950%*	2034	1,380	5,905	7,285
2003 Series C	4.300%–5.000%*	2034	1,150	5,725	6,875
2003 Series D	3.875%–4.600%	2034	2,580	-	2,580
2003 Series E	4.990%–5.600%*	2034	1,505	8,005	9,510
2003 Series F	4.620%–5.300%*	2034	815	4,535	5,350
2003 Series G	5.100%–5.150%	2032	480	-	480
2004 Series A	4.800%–4.900%	2032	110	-	110
2004 Series B	5.100%–5.100%	2026	855	-	855
2004 Series C	5.350%–5.350%	2026	1,255	-	1,255
2004 Series D	5.250%–5.250%	2026	1,410	-	1,410
2004 Series E	5.125%–5.125%	2027	1,500	-	1,500
2004 Series F	5.050%–5.050%	2027	1,850	-	1,850
2004 Series G	4.900%–4.900%	2027	1,820	-	1,820
2004 Series H	4.750%–4.750%	2027	1,750	-	1,750
2004 Series I	4.700%–4.900%	2027	1,860	-	1,860
2005 Series A	4.400%–4.700%	2027	1,545	-	1,545
2005 Series B	4.500%–4.750%	2027	1,730	-	1,730
2005 Series C	4.800%–4.900%	2027	2,085	-	2,085
2005 Series D	4.600%–4.750%	2027	2,415	-	2,415
2005 Series E	4.400%–4.600%	2028	2,660	-	2,660

(Continued)

Bond Issue	Interest Rate Range	Final Maturity Date	Outstanding Fixed	Outstanding Variable	Total
2005 Series F	0.150%–4.755%	2028	$ 2,695	$ 505	$ 3,200
2005 Series G	0.150%–4.800%	2028	2,900	890	3,790
2005 Series H	0.150%–4.950%	2028	2,905	1,055	3,960
2006 Series A	4.875%–4.950%	2028	2,580	-	2,580
2006 Series B	5.000%–5.980%	2031	1,565	-	1,565
2006 Series C	5.200%–6.450%	2032	2,345	-	2,345
2006 Series D	5.100%–6.410%	2032	2,280	-	2,280
2006 Series E	5.000%–6.410%	2032	2,245	-	2,245
2006 Series F	5.000%–6.320%	2032	2,925	-	2,925
2006 Series G	4.700%–4.700%	2028	795	-	795
2006 Series H	4.700%–4.800%	2032	2,315	-	2,315
2007 Series A	4.625%–4.750%	2035	2,750	-	2,750
2007 Series B	4.850%–5.000%	2035	2,790	-	2,790
2007 Series C	4.850%–5.000%	2035	2,770	-	2,770
2007 Series D	5.250%–5.250%	2036	1,940	-	1,940
2007 Series E	5.200%–5.350%	2036	2,765	-	2,765
2007 Series F	5.250%–5.400%	2036	2,980	-	2,980
2007 Series G	5.000%–5.250%	2036	3,140	-	3,140
2007 Series H	5.150%–5.450%	2036	2,570	-	2,570
2008 Series A	5.250%–5.450%	2036	3,430	-	3,430
2008 Series B	5.800%–5.900%	2036	3,395	-	3,395
2008 Series C	5.700%–5.750%	2036	3,660	-	3,660
2008 Series D	5.500%–5.625%	2036	2,930	-	2,930
2008 Series E	6.050%–6.100%	2034	3,475	-	3,475
2009 Series C	2.250%–4.500%	2031	16,055	-	16,055
2010 Series A	2.000%–4.950%	2032	18,310	-	18,310
2010 Series B	2.250%–4.625%	2041	77,675	-	77,675
2011 Series A	3.000%–5.750%	2041	21,515	-	21,515
2012 Series A	3.989%–5.060%*	2030	-	138,015	138,015
2012 Series B	3.484%–4.464%*	2028	-	83,745	83,745
2012 Series C	2.500%–2.500%	2039	9,229	-	9,229
2012 Series D	2.100%–2.100%	2039	14,402	-	14,402
2013 Series A	3.970%–4.620%*	2029	-	141,075	141,075
2013 Series B	3.713%–5.545%*	2036	-	80,660	80,660
2013 Series C	2.150%–2.150%	2043	21,716	-	21,716
2013 Series D	2.050%–2.050%	2043	19,650	-	19,650
2013 Series E	2.200%–2.200%	2041	93,880	-	93,880
2013 Series F	3.100%–3.100%	2043	20,000	-	20,000
2013 Series G	2.650%–2.650%	2043	17,000	-	17,000
2013 HOMES Series A	4.000%–4.000%	2043	10,862	-	10,862
2014 Series A	2.900%–2.900%	2044	20,000	-	20,000
2014 HOMES Series A	3.500%–3.500%	2044	9,971	-	9,971
2014 HOMES Series B	3.500%–3.500%	2044	8,987	-	8,987
2014 Series B	2.850%–2.850%	2044	14,450	-	14,450
2014 HOMES Series C	3.500%–3.500%	2044	10,001	-	10,001
2014 HOMES Series D	4.000%–4.000%	2044	10,000	-	10,000
Single-Family Mortgage Purchase Bonds Total			$ 523,843	$ 584,860	$ 1,108,703

(Concluded)

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

Interest on the above bonds is payable semi-annually, or for HOMES Series, principal and interest is paid monthly based on receipts from the underlying pass-through security.

Of the bonds described in the bonds payable listing, $685,197,000 is not excluded from gross income for federal income tax purposes and is therefore taxable. There are also $57,970,000 of Mezzanine and Class II bonds. Additionally, there are $81,990,000 of Subordinate and Class III bonds, which carry the Corporation's general obligation rating.

If the variable rate bonds cannot be remarketed, the Corporation has entered into various irrevocable standby bond purchase agreements (Liquidity Facility). The Corporation has a liquidity facility with the Bank of New York Mellon (BNY) at an original commitment amount of $60,850,000 and an outstanding commitment amount of $60,850,000 at June 30, 2014, and a liquidity facility with JP Morgan (JPM) at an original commitment amount of $80,515,000, and an outstanding commitment amount of $80,515,000 as of June 30, 2014. These agreements provide that these institutions will provide funds to purchase the variable rate bonds that have been tendered and not remarketed. These liquidity providers receive a fee ranging from 32.5 to 42.5 bps of the outstanding amount of the variable rate bonds paid quarterly. As of June 30, 2014, none of the original commitments listed above were available for replacement of existing liquidity facilities or to issue new variable rate bonds.

Additionally, the 2012A, 2012B, 2013A, and 2013B variable bonds require a spread of additional interest in addition to the underlying index. The spread is based on the maturity of the underlying bonds ranging from 45 to 65 bps annually.

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

Scheduled amounts of future debt service requirements, for the Single-Family Bond issues including principal maturities and sinking fund requirements for the years subsequent to June 30, 2014, are as follows (in thousands):

Years Ending June 30	**Principal Amount**	**Interest Amount**	**Total**
2015	$ 77,165	$ 41,892	$ 119,057
2016	53,722	40,397	94,119
2017	60,188	38,126	98,314
2018	63,129	35,572	98,701
2019	62,951	32,953	95,904
2020–2024	275,945	127,358	403,303
2025–2029	221,482	73,977	295,459
2030–2034	150,718	35,177	185,895
2035–2039	93,092	13,031	106,123
2040–2044	50,311	2,540	52,851
	$ 1,108,703	$ 441,023	$ 1,549,726

See Note 9 for debt service requirements for the Corporation's variable-rate debt and net swap payments.

General Revenue Office Building Bonds — The Corporation has issued revenue office building bonds in the amount of $4,545,000 to finance the construction of an office building. The bonds bear interest at 4.10% and are due in semi-annual installments. As of June 30, 2014, there was no balance outstanding on these bonds.

Changes in Long-Term Liabilities — Long-term debt activity for the year ended June 30, 2014, was as follows (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Single-family mortgage purchase bonds	$ 1,121,285	$ 121,437	$ (134,019)	$ 1,108,703	$ 77,165
General revenue office building bonds	580	-	(580)	-	-
Premium on bonds	-	2,726	(25)	2,701	134
Total bonds payable	1,121,865	124,163	(134,624)	1,111,404	77,299
Notes payable	170,162	43,247	(19,374)	194,035	29,350
Arbitrage payable	512	53	(38)	527	20
Total long-term debt	$ 1,292,539	$ 167,463	$ (154,036)	$ 1,305,966	$ 106,669

Total interest expense incurred on long-term debt for the year ended June 30, 2014, was $50,762,000 of which none was capitalized.

Under the Internal Revenue Code, arbitrage earnings on certain bond issues may be subject to rebate. At June 30, 2014, the accumulated accrual for estimated arbitrage rebates payable was $527,000. Any expense or changes in the accrual for the year ended June 30, 2014, were included with interest income on cash and investments on the statement of revenues, expenses, and changes in net position.

9. DERIVATIVE INSTRUMENTS

The Corporation has entered into two types of derivative instruments to hedge against interest rate or cash flow risks; swaps and forward commitments on MBS's.

Objective of the Swaps — The Corporation has entered into synthetic fixed rate structures (variable rate debt combined with fixed interest rate swaps) to provide a lower cost of fixed rated financing versus issuing fixed rate bonds. In order to protect against the potential of rising interest rates on its variable rate debt, the Corporation has entered into 70 separate pay-fixed, receive-variable interest rate swaps as of June 30, 2014.

Terms, Fair Value, and Credit Risk — The terms, including the fair value of the outstanding swaps as of June 30, 2014, are shown below. The notional amounts of the swaps matched the principal amounts of the associated debt at the time of issuance. Except as discussed under rollover risk, the Corporation's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to approximately follow scheduled or anticipated reductions in the associated "bonds payable" category.

Interest Rate Swap Agreements (in thousands)

Associated Single-Family Bond Issue	Outstanding Notional Amount	Effective Date	Fixed Rate Paid by the Corporation	Variable Rate Received from Counterparty	Fair Values	Swap Termination Date
2000C	$ 6,560	November 20, 2008	5.610 %	SIFMA plus 0.27%	$ (948)	July 1, 2022
2000D-1	6,030	November 20, 2008	5.370	SIFMA plus 0.27%	(890)	July 1, 2022
2000D-2	560	November 20, 2008	7.470	LIBOR plus 0.15%	(27)	January 1, 2016
2000E-1	6,195	November 20, 2008	5.380	SIFMA plus 0.27%	(923)	July 1, 2022
2000E-2	455	November 20, 2008	7.300	LIBOR plus 0.15%	(18)	January 1, 2016
2000F-2	5,200	November 20, 2008	5.340	SIFMA plus 0.27%	(832)	January 1, 2023
2000F-3	1,585	November 20, 2008	7.150	LIBOR plus 0.15%	(191)	January 1, 2019
2000G-2	4,690	November 20, 2008	5.070	SIFMA plus 0.27%	(707)	January 1, 2023
2000G-3	2,100	November 20, 2008	6.530	LIBOR plus 0.15%	(264)	January 1, 2020
2001A-2	6,670	November 20, 2008	4.910	SIFMA plus 0.27%	(879)	July 1, 2023
2001B	6,630	November 20, 2008	4.860	SIFMA plus 0.27%	(893)	July 1, 2023
2001C-1	6,660	November 20, 2008	4.910	SIFMA plus 0.27%	(926)	January 1, 2024
2001D-1	6,910	November 20, 2008	4.840	SIFMA plus 0.27%	(963)	January 1, 2024
2000E-1	6,960	November 18, 2008	4.770	SIFMA plus 0.27%	(951)	January 1, 2024
2001F-1	7,205	November 18, 2008	4.580	SIFMA plus 0.27%	(1,006)	January 1, 2026
2002A-1	7,570	November 20, 2008	5.030	SIFMA plus 0.27%	(1,134)	January 1, 2024
2002B	7,370	November 20, 2008	4.980	SIFMA plus 0.27%	(1,121)	January 1, 2025
2002C-2	7,815	November 20, 2008	4.860	SIFMA plus 0.27%	(1,175)	January 1, 2025
2002D-2	6,320	November 20, 2008	4.795	SIFMA plus 0.27%	(1,021)	July 1, 2025
2002D-3	940	November 20, 2008	5.148	LIBOR plus 0.15%	(76)	January 1, 2019
2002E-2	3,865	November 20, 2008	4.930	SIFMA plus 0.27%	(603)	January 1, 2026
2002F-1	5,005	November 20, 2008	4.310	SIFMA plus 0.27%	(616)	January 1, 2026
2002G-2	8,365	November 20, 2008	4.220	SIFMA plus 0.27%	(991)	July 1, 2026
2003A	7,485	November 20, 2008	4.200	SIFMA plus 0.27%	(905)	July 1, 2026
2003B-2	8,170	November 18, 2008	3.939	SIFMA plus 0.27%	(792)	July 1, 2025
2003C	7,170	November 18, 2008	4.300	SIFMA plus 0.27%	(881)	January 1, 2027
2003E-2	7,515	November 18, 2008	4.990	SIFMA plus 0.27%	(1,212)	January 1, 2027
2003F	4,610	November 18, 2008	4.620	SIFMA plus 0.27%	(511)	July 1, 2022
2003G	4,610	August 8, 2012	4.415	LIBOR	(464)	July 1, 2022
2004A	4,095	August 8, 2012	4.225	LIBOR	(368)	July 1, 2021
2004B	6,880	August 8, 2012	4.459	LIBOR	(905)	July 1, 2027
2004C	8,280	August 8, 2012	4.594	LIBOR	(1,159)	January 1, 2028
2004D	8,400	August 8, 2012	4.552	LIBOR	(1,158)	January 1, 2028
2004E	8,905	August 8, 2012	4.437	LIBOR	(1,144)	January 1, 2028
2004F	10,715	August 8, 2012	4.329	LIBOR	(1,307)	January 1, 2028
2004G	10,780	August 8, 2012	4.230	LIBOR	(1,255)	January 1, 2028
2004H	10,925	August 8, 2012	3.989	LIBOR	(1,124)	January 1, 2028
2004I	9,180	November 19, 2008	4.370	SIFMA plus 0.27%	(477)	July 1, 2028
2005A	9,500	November 19, 2008	4.215	SIFMA plus 0.27%	(473)	July 1, 2028
2005B	9,650	November 19, 2008	4.295	SIFMA plus 0.27%	(492)	July 1, 2028
2005C	11,715	November 19, 2008	4.360	SIFMA plus 0.27%	(610)	July 1, 2028
2005D	11,850	November 19, 2008	4.010	SIFMA plus 0.27%	(682)	July 1, 2028
2005E	12,120	November 19, 2008	3.970	SIFMA plus 0.27%	(681)	July 1, 2028
2005F	12,160	November 19, 2008	4.165	SIFMA plus 0.27%	(1,064)	July 1, 2028
2005G	12,445	November 19, 2008	4.230	SIFMA plus 0.27%	(1,118)	January 1, 2029

(Continued)

Associated Single-Family Bond Issue	Outstanding Notional Amount	Effective Date	Fixed Rate Paid by the Corporation	Variable Rate Received from Counterparty	Fair Values	Swap Termination Date
2005H	$ 12,765	November 19, 2008	4.424 %	SIFMA plus 0.27%	$ (1,077)	January 1, 2029
2006A	7,450	August 8, 2012	4.176	LIBOR	(950)	January 1, 2026
2006A-2	3,595	November 19, 2008	5.060	LIBOR plus 0.15%	(275)	July 1, 2020
2006B	7,350	August 8, 2012	4.203	LIBOR	(702)	January 1, 2023
2006C	10,420	November 19, 2008	4.620	SIFMA plus 0.27%	(207)	July 1, 2025
2006D	13,400	November 19, 2008	4.490	SIFMA plus 0.27%	(990)	July 1, 2029
2006E	13,170	November 19, 2008	4.520	SIFMA plus 0.27%	(1,717)	July 1, 2029
2006F	13,180	August 8, 2012	4.350	LIBOR	(1,929)	July 1, 2029
2006G	12,000	August 8, 2012	4.230	LIBOR	(1,661)	January 1, 2030
2006H	9,000	August 8, 2012	4.124	LIBOR	(1,114)	July 1, 2026
2007A	11,850	August 8, 2012	4.146	LIBOR	(1,541)	July 1, 2030
2007B	11,925	August 8, 2012	4.144	LIBOR	(1,205)	July 1, 2026
2007C	13,285	August 8, 2012	4.161	LIBOR	(1,630)	July 1, 2028
2007D	10,420	August 8, 2012	4.464	LIBOR	(1,482)	July 1, 2026
2007E	8,750	August 8, 2012	4.345	LIBOR	(1,148)	January 1, 2026
2007F	13,480	August 8, 2012	4.089	LIBOR	(1,297)	January 1, 2026
2007G	13,945	August 8, 2012	4.157	LIBOR	(1,391)	January 1, 2026
2007H	13,960	June 17, 2013	4.168	LIBOR	(1,404)	January 1, 2026
2008A	16,410	June 17, 2013	4.006	LIBOR	(1,647)	July 1, 2028
2008B	12,945	June 17, 2013	4.191	LIBOR	(1,595)	July 1, 2027
2008C-1	11,325	June 17, 2013	4.061	LIBOR	(1,517)	July 1, 2032
2008C-2	4,265	November 19, 2008	5.301	LIBOR plus 0.01%	(378)	May 1, 2016
2008D-1	11,325	June 17, 2013	4.347	LIBOR	(1,816)	July 1, 2032
2008D-2	4,265	November 19, 2008	5.545	LIBOR plus 0.01%	(397)	May 1, 2016
2008E	11,940	August 8, 2012	3.484	LIBOR	(779)	July 1, 2023
	$ 591,240				$ (65,786)	

(Concluded)

Fair Value — The fair value of swaps are a function of market interest rates and the remaining term on the swap contracts. The fair values of the swap contracts were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

Credit Risk — The Corporation’s swap contracts do not require it to post collateral at anytime. The Corporation believes that the high credit rating of the counter parties will mitigate most credit risk associated with the derivatives’ fair value in the event that the derivative instruments have a positive fair value.

Basis Risk — The Corporation’s tax-exempt variable-rate bond coupon payments have historically been substantially the same as the SIFMA rate. Its taxable variable-rate bond coupon payments have historically been substantially the same as the LIBOR rate plus any required spread, as applicable. At June 30, 2014, the weighted average interest rate on the Corporation’s variable-rate hedged debt is .53%, while the SIFMA swap index is 0.06% and the 1 month LIBOR is 0.15%. As the interest rate swaps pay a variable rate based on the SIFMA rate (tax-exempt debt) or the LIBOR rate (taxable debt), the Corporation therefore has limited exposure to basis risk except as disclosed below under the cross-over risk.

Cross-Over Risk — Thirty-one of the Corporation's SIFMA-based swaps are exposed to additional basis risk if the LIBOR rate is 3.5% or greater and in some cases 4.0% or greater. When the LIBOR rate is greater than 3.5% or 4.0%, the counterparty will pay the Corporation 68% of the LIBOR rate, rather than the SIFMA rate. Historically, on average, 68% of the LIBOR rate has been substantially the same as the Corporation's tax-exempt variable-rate bond coupon payments. However, this relationship has been subject to more basis risk than the relationship between SIFMA and the Corporation's tax-exempt variable-rate bond payments.

Termination Risk — The Corporation or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the contract. In addition, the Corporation has the option to terminate at any time at market rates (i.e., fair value adjusted for the counterparty's transaction costs).

Rollover Risk — The Corporation is exposed to rollover risk on swaps that mature or may be terminated prior to the maturity of the associated debt. When these swaps terminate, or in the case of the termination option, the Corporation will not realize the synthetic rate offered by the swaps on the underlying debt issues.

The following debt is exposed to rollover risk:

Associated Debt Issuance	Debt Maturity Date	Swap Termination Date
UHCSFMB2000C1	July 1, 2031	July 1, 2022
UHCSFMB2000D2	July 1, 2031	January 1, 2016
UHCSFMB2000D1	July 1, 2031	July 1, 2022
UHCSFMB2000E2	January 1, 2032	January 1, 2016
UHCSFMB2000E1	July 1, 2031	July 1, 2022
UHCSFMB2000F3	January 1, 2032	January 1, 2019
UHCSFMB2000F2	January 1, 2030	January 1, 2023
UHCSFMB2000G3	July 1, 2032	January 1, 2020
UHCSFMB2000G2	July 1, 2030	January 1, 2023
UHCSFMB2001A2	July 1, 2032	July 1, 2023
UHCSFMB2001B	July 1, 2032	July 1, 2023
UHCSFMB2001C1	January 1, 2033	January 1, 2024
UHCSFMB2001D1	January 1, 2033	January 1, 2024
UHCSFMB2001E1	January 1, 2033	January 1, 2024
UHCSFMB2001F1	July 1, 2033	January 1, 2026
UHCSFMB2002A1	July 1, 2033	January 1, 2024
UHCSFMB2002B	July 1, 2033	January 1, 2025
UHCSFMB2002C2	July 1, 2033	January 1, 2025
UHCSFMB2002D3	July 1, 2033	January 1, 2019
UHCSFMB2002D2	January 1, 2033	July 1, 2025
UHCSFMB2002E2	January 1, 2034	January 1, 2026
UHCSFMB2002F	January 1, 2034	January 1, 2026
UHCSFMB2002G	January 1, 2034	July 1, 2026
UHCSFMB2003A	January 1, 2034	July 1, 2026
UHCSFMB2003B	July 1, 2034	July 1, 2025
UHCSFMB2003C	July 1, 2034	January 1, 2027

(Continued)

Associated Debt Issuance	Debt Maturity Date	Swap Termination Date
UHCSFMB2003E	July 1, 2034	January 1, 2027
UHCSFMB2003F	July 1, 2034	July 1, 2022
UHCSFMB2012A	July 1, 2030	July 1, 2022
UHCSFMB2012A	July 1, 2030	July 1, 2021
UHCSFMB2012A	July 1, 2030	July 1, 2027
UHCSFMB2012A	July 1, 2030	January 1, 2028
UHCSFMB2012A	July 1, 2030	January 1, 2028
UHCSFMB2012A	July 1, 2030	January 1, 2028
UHCSFMB2012A	July 1, 2030	January 1, 2028
UHCSFMB2012A	July 1, 2030	January 1, 2028
UHCSFMB2012A	July 1, 2030	January 1, 2028
UHCSFMB2013A	July 1, 2029	July 1, 2028
UHCSFMB2013A	July 1, 2029	July 1, 2028
UHCSFMB2013A	July 1, 2029	July 1, 2028
UHCSFMB2013A	July 1, 2029	July 1, 2028
UHCSFMB2013A	July 1, 2029	July 1, 2028
UHCSFMB2013A	July 1, 2029	July 1, 2028
UHCSFMB2013A	July 1, 2029	July 1, 2028
UHCSFMB2013A	July 1, 2029	January 1, 2029
UHCSFMB2013A	July 1, 2029	January 1, 2029
UHCSFMB2012A	July 1, 2030	July 1, 2020
UHCSFMB2012A	July 1, 2030	January 1, 2026
UHCSFMB2012A	July 1, 2030	January 1, 2023
UHCSFMB2013A	July 1, 2029	July 1, 2025
UHCSFMB2013A	July 1, 2029	July 1, 2029
UHCSFMB2013A	July 1, 2029	July 1, 2029
UHCSFMB2012A	July 1, 2030	July 1, 2026
UHCSFMB2012A	July 1, 2030	July 1, 2030
UHCSFMB2012B	July 1, 2028	July 1, 2026
UHCSFMB2012B	July 1, 2028	July 1, 2028
UHCSFMB2012B	July 1, 2028	July 1, 2026
UHCSFMB2012B	July 1, 2028	January 1, 2026
UHCSFMB2012B	July 1, 2028	January 1, 2026
UHCSFMB2012B	July 1, 2028	January 1, 2026
UHCSFMB2013B	January 1, 2036	January 1, 2026
UHCSFMB2013B	January 1, 2036	July 1, 2028
UHCSFMB2013B	January 1, 2036	July 1, 2027
UHCSFMB2013B	January 1, 2036	July 1, 2032
UHCSFMB2013B	January 1, 2036	May 1, 2016
UHCSFMB2013B	January 1, 2036	July 1, 2032
UHCSFMB2013B	January 1, 2036	May 1, 2016
UHCSFMB2012B	July 1, 2028	July 1, 2023

(Concluded)

Swap Payments and Associated Debt — Using rates as of June 30, 2014, debt service requirements of the Corporation's outstanding variable-rate debt and net swap payments are as follows (in thousands):

Fiscal Years Ending June 30	Variable-Rate Bonds Principal	Variable-Rate Bonds Interest	Interest Rate Swaps — Net	Total
2015	$ 36,305	$ 3,105	$ 24,003	$ 63,413
2016	32,960	2,901	23,031	58,892
2017	38,620	2,695	21,641	62,956
2018	40,975	2,453	20,013	63,441
2019	41,780	2,197	18,337	62,314
2020–2024	186,560	7,374	67,200	261,134
2025–2029	141,720	2,567	31,242	175,529
2030–2034	62,780	432	7,922	71,134
2035–2039	3,160	22	130	3,312
2040–2044	-	-	-	-
	$ 584,860	$ 23,746	$ 213,519	$ 822,125

Forward Sales Contracts — Forward sales securities commitments and private sales commitments are utilized to hedge changes in fair value of mortgage loan inventory and commitments to originate mortgage loans. At June 30, 2014, the Corporation had executed 24 forward sales transactions with a $78,000,000 notional amount and a ($518,000) fair market value for GNMA securities, and 10 forward sales transactions with a $20,000,000 notional amount and ($140,000) fair market value for FNMA securities. The forward sales settled by September 18, 2014.

The following is a summary of the forward commitments for GNMA entered into as of June 30, 2014:

Count	Par	Exposure	Original Premium	June 30, 2014 Premium	Fair Value
7	$ 20,000	26 %	$ 20,800	$ 20,941	$ (141)
5	16,000	21	16,600	16,685	(85)
1	6,000	8	6,375	6,414	(39)
8	23,500	30	24,415	24,634	(219)
3	12,500	16	13,283	13,317	(34)
	$ 78,000	101 %	$ 81,473	$ 81,991	$ (518)

The following is a summary of the forward commitments for FNMA entered into as of June 30, 2014:

Count	Par	Exposure	Original Premium	June 30, 2014 Premium	Fair Value
10	$ 20,000	100 %	$ 20,892	$ 21,032	$ (140)

Credit Risk — Several of the Corporation's forward agreements require it to post collateral in the event that the fair market value of the contract has decreased. No collateral was required to be posted at June 30, 2014.

10. NOTES PAYABLE

The Corporation has entered into several different agreements with financial institutions to provide a source of capital for the purchase of single family mortgage loans. Under the terms of these agreements the Corporation is obligated to make a scheduled monthly principal and interest payment based on the 6-Year Libor Swap Rate, plus any principal curtailments received on the underlying loans receivable. The rates applicable to the outstanding balance as of June 30, 2014, were between 2.111% - 3.165%.

There are $191,649,000 of single-family loans receivable which are pledged to provide the corresponding principal and interest payments related to these agreements. Payments made under these agreements will occur until the maturity of the underlying loans receivable mature or are paid in full.

The future expected debt service payments as of June 30, 2014, were (in thousands):

Years Ending June 30	Principal Amount	Interest Amount	Total
2015	$ 29,350	$ 4,866	$ 34,216
2016	30,081	4,135	34,216
2017	30,830	3,386	34,216
2018	31,598	2,618	34,216
2019	32,386	1,831	34,217
2020–2024	39,790	1,219	41,009
	$ 194,035	$ 18,055	$ 212,090

There was $264,190,000 of available capital under the existing agreements as of June 30, 2014.

11. CONDUIT DEBT

The Corporation has issued Multi-Family Mortgage Purchase Bonds as conduit debt obligations. The Corporation is not obligated in any manner for repayment of the conduit debt. The Corporation has not included the activity of these bonds in the financial statements for the current year. Conduit debt consisted of the following issues at June 30, 2014 (in thousands):

Bond Issue	Interest Rate Range	Final Maturity Date	Outstanding Fixed	Outstanding Variable	Total
1997 Series A & B, RHA	6.875%–6.875%	2027	$ 6,735	$ -	$ 6,735
1998 Series B, Mayflower Harbor	5.400%–5.400%	2031	7,846	-	7,846
1999 Series A & B, Bay Harbour	6.300%–6.300%	2031	2,672	-	2,672
2000 Series A, Holiday Village	7.500%–7.500%	2032	2,943	-	2,943
2001 Series, Kings Row	6.550%–7.950%	2033	6,330	-	6,330
2001 Issue C, Candlestick	Variable weekly rate	2025	-	6,400	6,400
2001 Series, Millcreek II	6.000%–6.000%	2019	1,448	-	1,448
2002A Series, Bountiful Retreat	6.000%–6.000%	2043	4,195	-	4,195
2002A Series, Canyon View	4.870%–5.350%	2044	3,725	-	3,725
2003 Series, Layton Pointe	6.500%–6.500%	2035	3,290	-	3,290
2004 A & B Series, Tanglewood	Variable weekly rate	2035	-	9,400	9,400
2004 A Series, Foxboro Terrace	4.300%–5.150%	2046	9,285	-	9,285
2004 Series, Cedar Pointe	5.300%–5.300%	2032	6,770	-	6,770
2004 Series, Rose Cove	6.600%–6.600%	2046	6,326	-	6,326
2005 Series, Park Gate	4.850%–5.100%	2046	5,315	-	5,315
2005 Series, Riverview	6.200%–7.375%	2023	5,295	-	5,295
2005 A Series, Springwood	Variable weekly rate	2035	-	8,485	8,485
2005 A Series, Boyer Hill Military Housing	5.392%–5.442%	2050	40,160	-	40,160
2005 A & B Series, Towne Gate	5.440%–7.000%	2037	16,806	-	16,806
2006 A-1 & A-2 Series, Liberty Commons	5.590%–6.500%	2041	16,332	-	16,332
2007 Series, The Pointe	Variable weekly rate	2024	-	10,785	10,785
2008 Series, Todd Hollow	5.300%–6.250%	2043	11,295	-	11,295
2009 A Series, Timbergate	Variable weekly rate	2042	-	25,000	25,000
2009 A Series, Florentine Villas	Variable weekly rate	2049	-	18,880	18,880
2010 A Series, Providence Place	3.01%–3.01%	2052	9,610	-	9,610
2010 A Series, Liberty Peak	1.550%–4.250%	2028	13,840	-	13,840
2011 A Series, Fireclay II	1.250%–4.000%	2051	26,980	-	26,980
2012 A Series, State Street	1.700%–4.100%	2030	19,055	-	19,055
2012 B Series, Beacon Hill	1.00%–3.40%	2030	17,200	-	17,200
2013 Series, Canyon Crossing	0.650%–0.650%	2016	18,600	-	18,600
			$ 262,053	$ 78,950	$ 341,003

12. COMMITMENT AND CONTINGENCY

As of June 30, 2014, the Corporation is committed to purchase mortgages under the warehouse loans and the Single-Family Mortgage Purchase Funds in the amount of $77,860,000. These mortgage commitments will be funded through cash and cash equivalents or revolving credit agreements and are expected to be purchased by the end of September 2014.

The Corporation is currently involved in a lawsuit with Lehman Brothers related to the termination and replacement of swap counterparties in December 2008. The Corporation disputes the issue and intends to vigorously defend their position. The amount in dispute is $27,424,000 plus accrued interest at June 30, 2014.

13. RETIREMENT PLANS

Plan Description — Utah Housing Corporation contributes to the State and School Contributory Retirement Tier 1 and Tier 2 System, and the State and School Noncontributory Retirement System Tier 1 cost sharing multiple employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). The Systems provide refunds, retirement benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries in accordance with the retirement statutes.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the State and School Contributory Retirement System and State and School Noncontributory Retirement System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102 or by calling 1-800-365-8772.

Funding Policy — Plan members in the State and School Contributory Retirement Tier 1 System are required to contribute 6.00% of their annual covered salary (all or part may be paid by the employer for the employee) and the Corporation is required to contribute 15.97% of their annual covered salary. The Corporation is required to contribute 16.75% of the employees' annual covered salary for members in the State and School Contributory Retirement Tier 2 System. In the State and School Noncontributory Retirement System, the Corporation is required to contribute 20.46% of their annual covered salary. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

The Corporation contributions to the State and School Contributory Retirement System for the year ending June 30, 2014, 2013, and 2012, were $165,000, $125,000, and $82,000, respectively, and for the Noncontributory Retirement System the contributions for June 30, 2014, 2013, and 2012, were $817,000, $684,000, and $574,000, respectively. The contributions were equal to the required contributions for each year.

The Corporation's full-time employees also participate in a 401(k) plan administered by the System. The Corporation's contributions to the plan for the years ending June 30, 2014, 2013, and 2012, were $111,000, $80,000, and $67,000, respectively. Employees' contributions under this plan for the years ended June 30, 2014, 2013, and 2012, were $196,000, $181,000, and $168,000, respectively.

14. DIVERSITY OF CREDIT RISK

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

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

15. RELATED PARTY TRANSACTIONS

At June 30, 2014, the Corporation had $70,151,000 in an investment pool maintained by the Utah State Treasurer and had earned interest income for the year then ended of $366,000. During the year ended June 30, 2014, the Corporation recorded expenses of $2,164,000 in the General Operating Fund for retirement plan and health insurance expenses paid to the State of Utah or agencies thereof.

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

16. UNRESTRICTED NET POSITION DESIGNATIONS

The Corporation's board and management have designated the unrestricted net positions of the Operating Fund and Single Family Program funds for the following purposes at June 30, 2014 (in thousands):

Future operating expenses	$ 17,787
Down payment assistance	12,000
Swap liquidity reserve	10,000
Debt service shortfall and maintenance of bond ratings	36,834
Total	$ 76,621

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

17. MORTGAGE LOAN SERVICING

The Corporation's mortgage servicing department serviced a total of 26,438 loans with unpaid principal balances of $1,959,416,000 as of June 30, 2014. Escrow cash balances for these loans were $21,290,000 at June 30, 2014. These escrow balances are not included in the accompanying financial statements.

During the year ended June 30, 2014, the Corporation purchased and capitalized loan servicing rights of $5,186,000 for $540,020,000 of loans. The Corporation also amortized $3,302,000 of servicing rights during the year ended June 30, 2014.

During the year ended June 30, 2014, the Corporation issued 53 Ginnie Mae loan pools with security proceeds of $345,957,000. Additionally, the Corporation was servicing 148 Ginnie Mae loan pools with an outstanding security balance of $873,402,000 as of June 30, 2014.

Additionally, during the year ended June 30, 2014, the Corporation issued $97,668,000 of FNMA securities directly to FNMA under the FNMA Risk Share Program. As of June 30, 2014, the Corporation was servicing $118,268,000 of FNMA securities.

18. LOANS SOLD WITH RECOURSE

During the year ended June 30, 2014, the Corporation sold no mortgage loans with full recourse to any financial institution. As of June 30, 2014, the unpaid principal balance on loans sold in prior years with recourse was $24,467,000, of this amount $21,523,000 is FHA insured.

During the year ended June 30, 2014, the Corporation sold $97,668,000 under the FNMA risk share program. Loans sold under this program bear recourse risk during the first year, upon occurrence of certain events. UHC experienced no events during the year requiring repurchase of loans or extending recourse obligations on any loans in the FNMA risk share program.

19. SUBSEQUENT EVENTS

Subsequent to the year ended June 30, 2014, the Corporation has issued $57,001,000 of tax-exempt pass through bonds (HOMES).

* * * * * *

SUPPLEMENTAL SCHEDULES

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING BALANCE SHEET
AS OF JUNE 30, 2014
(In thousands)

	General Operating Fund	Single-Family Mortgage Program Funds	Multi-Family Mortgage Purchase Funds	Housing Development Funds	Total
ASSETS AND DEFERRED OUTFLOWS					
CURRENT ASSETS:					
Cash and cash equivalents	$ 401	$ 68,763	$ 1,699	$ 10,364	$ 81,227
Investments	-	321,754	-	55	321,809
Current maturities of loans receivable	-	20,844	34	189	21,067
Interest receivable	-	4,731	3	59	4,793
Other current assets	948	152	-	10	1,110
Total current assets	1,349	416,244	1,736	10,677	430,006
NONCURRENT ASSETS:					
Investments	-	196,611	-	-	196,611
Loans receivable	-	929,453	142	10,562	940,157
Capital assets — net	6,031	-	-	-	6,031
Other assets	9,450	-	-	1,377	10,827
Total noncurrent assets	15,481	1,126,064	142	11,939	1,153,626
Total assets	16,830	1,542,308	1,878	22,616	1,583,632
DEFERRED OUTFLOWS:					
Accumulated decrease in fair value of hedging derivatives	-	7,477	-	-	7,477
Deferred loss on refunding	-	68,771	-	-	68,771
Total deferred outflows	-	76,248	-	-	76,248
TOTAL	$ 16,830	$ 1,618,556	$ 1,878	$ 22,616	$ 1,659,880
LIABILITIES, DEFERRED INFLOWS AND NET POSITION					
CURRENT LIABILITIES:					
Interest payable	$ -	$ 23,400	$ -	$ -	$ 23,400
Current maturities of bonds payable	-	77,299	-	-	77,299
Current maturities of notes payable	-	29,350	-	-	29,350
Other current liabilities	1,583	182	-	2,876	4,641
Total current liabilities	1,583	130,231	-	2,876	134,690
NONCURRENT LIABILITIES:					
Bonds payable	-	1,034,105	-	-	1,034,105
Notes payable	-	164,685	-	-	164,685
Unearned revenue	1,391	3,747	-	-	5,138
Derivative instruments	-	66,444	-	-	66,444
Other liabilities	-	527	-	-	527
Interfund payable (receivable)	(8,475)	20,475	-	(12,000)	-
Total noncurrent liabilities	(7,084)	1,289,983	-	(12,000)	1,270,899
Total liabilities	(5,501)	1,420,214	-	(9,124)	1,405,589
DEFERRED OUTFLOWS — Accumulated increase in fair value of hedging derivatives	-	9,804	-	-	9,804
NET POSITION:					
Invested in capital assets — net of related debt	6,031	-	-	-	6,031
Restricted — expendable	-	128,217	1,878	31,740	161,835
Unrestricted	16,300	60,321	-	-	76,621
Total net position	22,331	188,538	1,878	31,740	244,487
TOTAL	$ 16,830	$ 1,618,556	$ 1,878	$ 22,616	$ 1,659,880

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014
(In thousands)

	General Operating Fund	Single-Family Mortgage Program Funds	Multi-Family Mortgage Purchase Funds	Housing Development Funds	Total
OPERATING REVENUES:					
Interest on loans receivable	$ -	$ 46,984	$ 14	$ 372	$ 47,370
Interest on cash and investments	3	7,959	1	-	7,963
Servicing revenues	7,020	-	-	-	7,020
Gain on sale of loans	-	20,622	-	-	20,622
Other revenues	2,473	58	-	238	2,769
Net increase in the fair value of investments	-	669	-	-	669
Total operating revenues	9,496	76,292	15	610	86,413
OPERATING EXPENSES:					
Interest	6	50,756	-	-	50,762
Salaries and benefits	7,903	-	-	-	7,903
General operating expense	2,691	1,216	-	37	3,944
Loan servicing fees	-	3,180	-	-	3,180
Amortization of other assets	3,302	-	-	-	3,302
Bond issuance expenses	-	1,181	-	-	1,181
Net provision for loan losses	-	1,560	-	-	1,560
Depreciation of capital assets	328	-	-	-	328
Total operating expenses	14,230	57,893	-	37	72,160
OPERATING INCOME (LOSS)	(4,734)	18,399	15	573	14,253
TRANSFERS IN (OUT)	5,099	(5,099)	-	-	-
CHANGE IN NET POSITION	365	13,300	15	573	14,253
NET POSITION — Beginning of year	21,966	175,238	1,863	31,167	230,234
NET POSITION — End of year	$ 22,331	$ 188,538	$ 1,878	$ 31,740	$ 244,487

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014
(In thousands)

	General Operating Fund	Single-Family Mortgage Program Funds	Multi-Family Mortgage Purchase Funds	Housing Development Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from interest on loans receivable	$ -	$ 47,258	$ 14	$ 387	$ 47,659
Cash received from payments on loans receivable	-	164,932	30	2,937	167,899
Cash received from loan servicing	7,020	-	-	-	7,020
Cash received from other revenues	2,222	66	-	238	2,526
Cash received from sale of loan securities and other assets	-	464,243	-	-	464,243
Purchase of loans receivable	-	(602,720)	-	(3,835)	(606,555)
Cash payments for servicing fees	-	(3,180)	-	-	(3,180)
Cash payments for general operating expenses	(2,594)	(1,373)	-	602	(3,365)
Cash payments for issuance of bonds	-	(1,181)	-	-	(1,181)
Cash payments for salaries and benefits	(7,768)	-	-	-	(7,768)
Net cash provided by (used in) operating activities	(1,120)	68,045	44	329	67,298
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Proceeds from bonds payable	-	124,162	-	-	124,162
Proceeds from notes payable	-	43,247	-	-	43,247
Principal paid on notes payable	-	(19,374)	-	-	(19,374)
Principal paid on bonds payable	-	(134,018)	-	-	(134,018)
Proceeds from revolving credit agreement	-	144,145	-	-	144,145
Principal paid on revolving credit agreement	-	(144,145)	-	-	(144,145)
Interest paid on bonds/notes/revolving credit	-	(51,107)	-	-	(51,107)
Proceeds from interest rate swap agreements	-	1,450	-	-	1,450
Payments made on interest rate swap agreements	-	(1,683)	-	-	(1,683)
Purchase of other assets	(5,185)	-	-	-	(5,185)
Transfers	5,099	(5,099)	-	-	-
Interfund payable (receivables)	1,582	418	-	(2,000)	-
Net cash provided by (used in) non-capital financing activities	1,496	(42,004)	-	(2,000)	(42,508)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Purchases of capital assets	(626)	-	-	-	(626)
Principal paid on capital debt	(580)	-	-	-	(580)
Interest paid on capital debt	(18)	-	-	-	(18)
Net cash used in capital and related financing activities	(1,224)	-	-	-	(1,224)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of investments	-	(641,724)	-	-	(641,724)
Proceeds from sales and maturities of investments	-	594,857	-	-	594,857
Interest and dividends on investments	3	7,830	1	-	7,834
Net cash provided by (used in) investing activities	3	(39,037)	1	-	(39,033)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(845)	(12,996)	45	(1,671)	(15,467)
CASH AND CASH EQUIVALENTS — Beginning of year	1,246	81,759	1,654	12,035	96,694
CASH AND CASH EQUIVALENTS — End of year	$ 401	$ 68,763	$ 1,699	$ 10,364	$ 81,227

(Continued)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014
(In thousands)

	General Operating Fund	Single-Family Mortgage Program Funds	Multi-Family Mortgage Purchase Funds	Housing Development Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Operating income (loss)	$ (4,734)	$ 18,399	$ 15	$ 573	$ 14,253
Adjustments to reconcile operating income to net cash provided by	-	-	-	-	-
operating activities — adjustments for operating activities:	-	-	-	-	-
Depreciation	328	-	-	-	328
Interest revenue on cash and investments	(3)	(7,959)	(1)	-	(7,963)
Net increase in the fair value of investments	-	(669)	-	-	(669)
Interest expense	6	50,756	-	-	50,762
Amortization of other assets	3,302	-	-	-	3,302
Changes in assets and liabilities:	-	-	-	-	-
(Increase) decrease in receivables	-	7,898	30	(625)	7,303
(Increase) decrease in other assets	184	130	-	(258)	56
Increase (decrease) in other liabilities	48	(287)	-	639	400
Decrease in unearned revenue	(251)	(223)	-	-	(474)
Adjustments for operating activities	3,614	49,646	29	(244)	53,045
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ (1,120)	$ 68,045	$ 44	$ 329	$ 67,298

(Concluded)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PROGRAM FUNDS
BALANCE SHEETS
AS OF JUNE 30, 2014
(In thousands)

	General Obligation	Single Family Mortgage Loans	98D Issue	98F Issue	98G Issue
ASSETS AND DEFERRED OUTFLOWS					
CURRENT ASSETS:					
Cash and cash equivalents	$ 6,494	$ 49,313	$ (8)	$ (8)	$ 805
Investments	791	2,194	7	11	491
Current maturities of loans receivable	2,375	241	53	79	6
Interest receivable	720	24	9	10	1
Other current assets	4	2	1	1	1
Total current assets	10,384	51,774	62	93	1,304
NONCURRENT ASSETS:					
Investments	816	-	126	135	-
Loans receivable	127,306	2,628	1,143	1,726	142
Total noncurrent assets	128,122	2,628	1,269	1,861	142
Total assets	138,506	54,402	1,331	1,954	1,446
DEFERRED OUTFLOWS					
Accumulated decrease in fair value of hedging derivatives	658	-	-	-	-
Deferred loss on refunding	-	-	-	-	-
Total deferred outflows	658	-	-	-	-
TOTAL	$ 139,164	$ 54,402	$ 1,331	$ 1,954	$ 1,446
LIABILITIES, DEFERRED INFLOWS AND NET POSITION					
CURRENT LIABILITIES:					
Interest payable	$ -	$ -	$ 2	$ 7	$ -
Current maturities of bonds payable	-	-	65	105	-
Current maturities of notes payable	-	-	-	-	-
Other current liabilities	-	41	-	-	-
Total current liabilities	-	41	67	112	-
NONCURRENT LIABILITIES:					
Bonds payable	-	-	-	165	-
Notes payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Derivative instruments	658	-	-	-	-
Other liabilities	-	-	1	-	-
Interfund payable (receivable)	78,185	(52,343)	3	3	(269)
Total noncurrent liabilities	78,843	(52,343)	4	168	(269)
Total liabilities	78,843	(52,302)	71	280	(269)
DEFERRED INFLOWS — Accumulated increase in fair value of hedging derivatives	-	-	-	-	-
NET POSITION:					
Restricted — expendable	-	106,704	1,260	1,674	1,715
Unrestricted	60,321	-	-	-	-
Total net position	60,321	106,704	1,260	1,674	1,715
TOTAL	$ 139,164	$ 54,402	$ 1,331	$ 1,954	$ 1,446

(Continued)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PROGRAM FUNDS
BALANCE SHEETS
AS OF JUNE 30, 2014
(In thousands)

	00B Issue	2000 Indenture Series	2001 Indenture Series	2007 Indenture Series
ASSETS AND DEFERRED OUTFLOWS				
CURRENT ASSETS:				
Cash and cash equivalents	$ -	$ 877	$ 1,808	$ 1,141
Investments	71	165,738	1,078	96,461
Current maturities of loans receivable	5	5,901	575	2,051
Interest receivable	1	1,179	259	551
Other current assets	1	96	9	12
Total current assets	78	173,791	3,729	100,216
NONCURRENT ASSETS:				
Investments	-	97,325	20,270	10,436
Loans receivable	133	200,399	22,712	90,093
Total noncurrent assets	133	297,724	42,982	100,529
Total assets	211	471,515	46,711	200,745
DEFERRED OUTFLOWS				
Accumulated decrease in fair value of hedging derivatives	-	2,079	4,740	-
Deferred loss on refunding	-	41,281	-	27,490
Total noncurrent assets	-	43,360	4,740	27,490
TOTAL	$ 211	$ 514,875	$ 51,451	$ 228,235
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
CURRENT LIABILITIES:				
Interest payable	$ -	$ 11,700	$ 952	$ 5,051
Current maturities of bonds payable	-	30,295	1,930	11,380
Current maturities of notes payable	-	-	-	-
Other current liabilities	-	116	24	-
Total current liabilities	-	42,111	2,906	16,431
NONCURRENT LIABILITIES:				
Bonds payable	-	433,400	28,790	188,870
Notes payable	-	-	-	-
Unearned revenue	-	3,003	652	92
Derivative instruments	-	43,360	4,740	17,686
Other liabilities	-	441	85	-
Interfund payable (receivable)	2	(4,869)	26	(268)
Total noncurrent liabilities	2	475,335	34,293	206,380
Total liabilities	2	517,446	37,199	222,811
DEFERRED INFLOWS — Accumulated increase in fair value of hedging derivatives	-	-	-	9,804
NET POSITION:				
Restricted — expendable	209	(2,571)	14,252	(4,380)
Unrestricted	-	-	-	-
Total net position	209	(2,571)	14,252	(4,380)
TOTAL	$ 211	$ 514,875	$ 51,451	$ 228,235

(Continued)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PROGRAM FUNDS
BALANCE SHEETS
AS OF JUNE 30, 2014
(In thousands)

	2009 Indenture Series	2012 Indenture Series	CRA Participation	HOMES Series	Total
ASSETS AND DEFERRED OUTFLOWS					
CURRENT ASSETS:					
Cash and cash equivalents	$ 2,621	$ 415	$ 5,313	$ (8)	$ 68,763
Investments	33,488	21,424	-	-	321,754
Current maturities of loans receivable	3,648	2,064	3,846	-	20,844
Interest receivable	860	408	555	154	4,731
Other current assets	12	7	-	6	152
Total current assets	40,629	24,318	9,714	152	416,244
NONCURRENT ASSETS:					
Investments	8,913	6,031	-	52,559	196,611
Loans receivable	184,574	110,794	187,803	-	929,453
Total noncurrent assets	193,487	116,825	187,803	52,559	1,126,064
Total noncurrent assets	234,116	141,143	197,517	52,711	1,542,308
DEFERRED OUTFLOWS:					
Accumulated decrease in fair value of hedging derivatives	-	-	-	-	7,477
Deferred loss on refunding	-	-	-	-	68,771
Total deferred outflows	-	-	-	-	76,248
TOTAL	$ 234,116	$ 141,143	$ 197,517	$ 52,711	$ 1,618,556
LIABILITIES, DEFERRED INFLOWS AND NET POSITION					
CURRENT LIABILITIES:					
Interest payable	$ 3,733	$ 1,400	$ 401	$ 154	$ 23,400
Current maturities of bonds payable	21,275	5,751	-	6,498	77,299
Current maturities of notes payable	-	-	29,350	-	29,350
Other current liabilities	-	-	-	1	182
Total current liabilities	25,008	7,151	29,751	6,653	130,231
NONCURRENT LIABILITIES:					
Bonds payable	206,160	130,696	-	46,024	1,034,105
Notes payable	-	-	164,685	-	164,685
Unearned revenue	-	-	-	-	3,747
Derivative instruments	-	-	-	-	66,444
Other liabilities	-	-	-	-	527
Interfund payable (receivable)	5	-	-	-	20,475
Total noncurrent liabilities	206,165	130,696	164,685	46,024	1,289,983
Total liabilities	231,173	137,847	194,436	52,677	1,420,214
DEFERRED INFLOWS — Accumulated increase in fair value of hedging derivatives	-	-	-	-	9,804
NET POSITION:					
Restricted — expendable	2,943	3,296	3,081	34	128,217
Unrestricted	-	-	-	-	60,321
Total net position	2,943	3,296	3,081	34	188,538
TOTAL	$ 234,116	$ 141,143	$ 197,517	$ 52,711	$ 1,618,556

(Concluded)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PROGRAM FUNDS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014
(In thousands)

	General Obligation	Single Family Mortgage Loans	98D Issue	98F Issue	98G Issue
OPERATING REVENUES:					
Interest on loans receivable	$ 6,299	$ 254	$ 81	$ 112	$ 59
Interest on cash and investments	62	311	10	13	6
Gain on sale of loans	20,622	-	-	-	-
Other revenues	58	-	-	-	-
Net increase (decrease) in the fair value of investments	8	-	-	-	-
Total operating revenues	27,049	565	91	125	65
OPERATING EXPENSES:					
Interest	44	-	8	19	-
General operating expense	341	86	4	4	4
Loan servicing fees	418	12	4	8	4
Bond issuance expenses	-	-	-	-	-
Net provision for loan losses	1,491	2	-	-	-
Total operating expenses	2,294	100	16	31	8
OPERATING INCOME (LOSS)	24,755	465	75	94	57
TRANSFERS IN (OUT)	(24,426)	(6,151)	-	-	-
CHANGE IN NET POSITION	329	(5,686)	75	94	57
NET POSITION — Beginning of year	59,992	112,390	1,185	1,580	1,658
NET POSITION — End of year	$ 60,321	$ 106,704	$ 1,260	$ 1,674	$ 1,715

(Continued)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PROGRAM FUNDS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014
(In thousands)

	00B Issue	2000 Indenture Series	2001 Indenture Series	2007 Indenture Series
OPERATING REVENUES:				
Interest on loans receivable	$ 12	$ 12,250	$ 1,173	$ 6,018
Interest on cash and investments	1	4,862	1,020	579
Gain on sale of loans	-	-	-	-
Other revenues	-	-	-	-
Net increase (decrease) in the fair value of investments	-	34	2	144
Total operating revenues	13	17,146	2,195	6,741
OPERATING EXPENSES:				
Interest	-	23,923	1,996	9,821
General operating expense	4	493	56	131
Loan servicing fees	1	742	55	353
Bond issuance expenses	-	-	-	-
Net provision for loan losses	-	21	7	(15)
Total operating expenses	5	25,179	2,114	10,290
OPERATING INCOME (LOSS)	8	(8,033)	81	(3,549)
TRANSFERS IN (OUT)	-	11,614	10,040	1,111
CHANGE IN NET POSITION	8	3,581	10,121	(2,438)
NET POSITION — Beginning of year	201	(6,152)	4,131	(1,942)
NET POSITION — End of year	$ 209	$ (2,571)	$ 14,252	$ (4,380)

(Continued)

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PROGRAM FUNDS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014
(In thousands)

	2009 Indenture Series	2012 Indenture Series	CRA Participation	HOMES Series	Total
OPERATING REVENUES:					
Interest on loans receivable	$ 9,996	$ 3,588	$ 7,142	$ -	$ 46,984
Interest on cash and investments	413	152	-	$ 530	7,959
Gain on sale of loans	-	-	-	-	20,622
Other revenues	-	-	-	-	58
Net increase (decrease) in the fair value of investments	(63)	224	-	320	669
Total operating revenues	10,346	3,964	7,142	850	76,292
OPERATING EXPENSES:					
Interest	7,796	2,118	4,526	505	50,756
General operating expense	81	12	-	-	1,216
Loan servicing fees	689	285	609	-	3,180
Bond issuance expenses	-	870	-	311	1,181
Net provision for loan losses	(16)	48	22	-	1,560
Total operating expenses	8,550	3,333	5,157	816	57,893
OPERATING INCOME (LOSS)	1,796	631	1,985	34	18,399
TRANSFERS IN (OUT)	1,425	1,288	-	-	(5,099)
CHANGE IN NET POSITION	3,221	1,919	1,985	34	13,300
NET POSITION — Beginning of year	(278)	1,377	1,096	-	175,238
NET POSITION — End of year	$ 2,943	$ 3,296	$ 3,081	$ 34	$ 188,538

(Concluded)

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