INDENTURE OF TRUST

between

CITY AND COUNTY OF SAN FRANCISCO,
as Issuer

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Dated as of May 1, 2025

Securing

$[_____]
City and County of San Francisco
Multifamily Housing Revenue Bonds (Fannie Mae MBS-Secured)
(Sunnydale HOPE SF Block 9)
Series 2025B-1

$[_____]
City and County of San Francisco
Multifamily Housing Revenue Bonds
(Sunnydale HOPE SF Block 9)
Series 2025B-2

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST, made and entered into as of May 1, 2025, by and between the **CITY AND COUNTY OF SAN FRANCISCO** (together with its successors and assigns, the "Issuer"), a municipal corporation and chartered city and county, organized and existing under the laws of the State of California (the "State") and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America and authorized to accept and execute trusts of the character herein set forth, including such entity's successors or any other corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee hereunder (the "Trustee");

W I T N E S S E T H:

WHEREAS, the Issuer is authorized to provide financing for multifamily rental housing pursuant to and in accordance with the Charter of the City and County of San Francisco, Article I of Chapter 43 of the Administrative Code of the City and County of San Francisco Municipal Code and Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code, as amended (the "Act"); and

WHEREAS, in order to provide the funds necessary for the acquisition, construction, and equipping of the Project (as hereinafter defined, along with any other capitalized term used but not defined in the Recitals or Granting Clauses of this Indenture, in Section 1.01), the Issuer has, pursuant to the Act, authorized the issuance of its Multifamily Housing Revenue Bonds (Fannie Mae MBS-Secured) (Sunnydale HOPE SF Block 9) Series 2025B-1 in the principal amount of $[_____] (the "Series B-1 Bonds") and its Multifamily Housing Revenue Bonds (Sunnydale HOPE SF Block 9) Series 2025B-2, in the aggregate principal amount of $[_____] (the "Series B-2 Bonds," and together with the Series B-1 Bonds, individually or collectively as context may dictate, the "Bonds"); and

WHEREAS, pursuant to the Financing Agreement dated as of the date hereof (the "Financing Agreement") among the Issuer, the Trustee and Sunnydale Block 9 Housing Partners, L.P., a California limited partnership (the "Borrower"), the Issuer will use the proceeds of the Bonds to make two (2) loans to the Borrower, each evidenced by a promissory note (collectively, the "Bond Loan Notes"), to finance the acquisition, construction and equipping of the Project; and

WHEREAS, to assist in the financing of the Project, the Borrower will cause Eligible Funds (as hereinafter defined) to be periodically delivered to the Trustee (i) for deposit into the Series B-1 Collateral Fund Account (as hereinafter defined) as security for the Series B-1 Bonds prior to the MBS Delivery Date (as hereinafter defined) and (ii) for deposit into the Series B-2 Collateral Fund Account (as hereinafter defined) as security for the Series B-2 Bonds prior to the Initial Mandatory Tender Date (as hereinafter defined); and

WHEREAS, pursuant to the Financing Agreement, the Borrower has agreed, among other things, to (a) make payments on the Bond Loan Notes, (b) make payments on the Mortgage Note

(as hereinafter defined), and (c) pay all required fees associated with the Bonds and the Permanent Loan (as hereinafter defined); and

WHEREAS, to assist in financing the Project, at the direction of the Borrower, amounts on deposit in the Series B-1 Collateral Fund Account and, to the extent amounts in the Series B-1 Collateral Fund Account are insufficient, amounts in the Series B-1 Bond Proceeds Fund Account, will be used on the MBS Delivery Date to acquire the MBS (as hereinafter defined) from Fannie Mae, which MBS will be backed by a mortgage loan (the "Permanent Loan") from Wells Fargo Bank, National Association (together with its successors and assigns, the "Permanent Lender") to the Borrower as evidenced by a multifamily note (the "Mortgage Note") and secured by the Mortgage (as hereinafter defined); and

WHEREAS, the MBS is to be held in trust by the Trustee and pledged under the terms of this Indenture to secure payment of the Series B-1 Bonds; and

WHEREAS, the Issuer has authorized the execution of this Indenture in order to secure the payment of the principal of, premium, if any, and interest on the Bonds and the observance of the covenants and conditions herein contained; and

WHEREAS, the Issuer has determined that all things necessary to make the Bonds, when executed and delivered by the Issuer and authenticated by the Trustee and issued as provided in this Indenture, the valid, binding and legal obligations of the Issuer according to the import thereof, and to constitute this Indenture a valid assignment and pledge of the MBS Revenues (as hereinafter defined) and other amounts pledged to the payment of the principal of, premium, if any, and interest on the Bonds and a valid and binding agreement for the uses and purposes herein set forth, have been duly taken, and the creation, execution and delivery of this Indenture and the creation, execution and delivery of the Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

The Issuer, in order to secure the payment of the principal of, the premium, if any, and the interest on all Bonds at any time issued and outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable consideration, the receipt whereof is hereby acknowledged, does hereby grant, bargain, sell, warrant, convey, confirm, assign, transfer in trust, grant a security interest in, pledge and set over unto the Trustee, the property of the Issuer, real and personal, hereinafter described, for the benefit of the Bondholders, subject only to the provisions hereof permitting the application thereof for or to the purposes and on the terms and conditions set forth herein (said property being herein sometimes referred to as the "Trust Estate"):

GRANTING CLAUSES

I.

To (a) the Holders of the Series B-1 Bonds, all right, title and interest of the Issuer in and to the Series B-1 Bond Loan Note and (b) the Holders of the Series B-2 Bonds, all right, title and interest of the Issuer in and to the Series B-2 Bond Loan Note (except, in each case, the Reserved Rights of the Issuer) including all payments and proceeds with respect thereto or replacement thereof;

II.

To the Holders of the Series B-1 Bonds, all right, title and interest of the Issuer in and to amounts on deposit in the Series B-1 Bond Proceeds Fund Account to be funded at closing in an amount equal to the principal amount of the Series B-1 Bonds;

III.

To the Holders of the Series B-2 Bonds, all right, title and interest of the Issuer in and to amounts on deposit in the Series B-2 Bond Proceeds Fund Account to be funded at closing in an amount equal to the principal amount of the Series B-2 Bonds;

IV.

To the Holders of the Series B-1 Bonds, all right, title and interest of the Issuer in and to amounts on deposit in the Series B-1 Collateral Fund Account, Series B-1 Revenue Fund Account and the Series B-1 Negative Arbitrage Subaccount;

V.

To the Holders of the Series B-2 Bonds, all right, title and interest of the Issuer in and to amounts on deposit in the Series B-2 Collateral Fund Account, the Series B-2 Revenue Fund Account and the Series B-2 Negative Arbitrage Subaccount;

VI.

Solely with respect to the Series B-1 Bonds, the MBS, if issued by Fannie Mae and acquired by the Trustee, and all MBS Revenues;

VII.

All right, title and interest of the Issuer now owned or hereafter acquired in, to and under the Financing Agreement and the Regulatory Agreement (as hereinafter defined), except Reserved Rights (as hereinafter defined); and

VIII.

All other funds, accounts and property which by the express provisions of this Indenture is required to be subject to the lien hereof, and any additional property that, from time to time, by

delivery or by writing of any kind, may be subjected to the lien hereof, by the Issuer or by anyone on its behalf, and the Trustee is hereby authorized to receive the same at any time as additional security hereunder; provided, however, that the Trust Estate shall not include amounts on deposit in the Rebate Fund;

TO HAVE AND TO HOLD all and singular with all privileges and appurtenances hereby given, granted, bargained, sold, conveyed, assigned, pledged, mortgaged and transferred or agreed or intended so to be, whether now owned or hereafter acquired, including any and all additional property that by virtue of any provision hereof or of any indenture supplemental hereto shall hereafter become subject to this Indenture and to the trusts hereby created, unto the Trustee and its successors in trust and assigns forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of the registered owners from time to time of any of the Bonds authenticated and delivered under this Indenture and issued by the Issuer and Outstanding, without preference, priority or distinction as to lien, or otherwise of any one Bond over any other Bond by reason of priority in the issue, sale or negotiation thereof, or of any other cause, and for the benefit of Fannie Mae as herein provided;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds due or to become due thereon, at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee the entire amount due or to become due thereon, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by it, and shall pay, cause to be paid or make provision for payment to the Trustee of all sums of money due or to become due in accordance with the terms and provisions hereof, then upon such final payment this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture shall remain in full force and effect;

AND IT IS HEREBY COVENANTED that all of the Bonds shall be issued, authenticated and delivered, and that the Trust Estate shall be held by the Trustee, subject to the further covenants, conditions, uses and trusts hereinafter set forth, and the Issuer agrees and covenants with the Trustee and with the registered owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Indenture and of any indenture supplemental hereto, have the following meanings:

"*30/360*" means a computation of interest accrual on the basis of a three hundred sixty (360) day year under the assumption that all months, regardless of length, are comprised of exactly thirty (30) calendar days.

"*Act*" has the meaning given to such term in the Recitals hereto.

"*Attesting Officer*" means such officer or official of the Issuer who in accordance with the Resolution, the laws of the State, the bylaws or other governing documents of the Issuer or practice or custom, regularly certifies official acts and records of the Issuer, and includes any assistant or deputy officer to the principal officer or officers exercising such responsibilities.

"*Authorized Borrower Representative*" means any person who, at any time and from time to time, is designated as the Borrower's authorized representative by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by or on behalf of any authorized general partner of the Borrower if the Borrower is a general or limited partnership, by any authorized managing member of the Borrower if the Borrower is a limited liability company, or by any authorized officer of the Borrower if the Borrower is a corporation, which certificate may designate an alternate or alternates. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Borrower Representative is an Authorized Borrower Representative until such time as the Borrower files with it (with a copy to the Issuer) a written certificate revoking such person's authority to act in such capacity. The initial Authorized Borrower Representative is Ann Silverberg, President of the administrative general partner of the Borrower.

"*Authorized Denomination*" means (a) with respect to the Series B-1 Bonds, $5,000 or any integral multiple of $1,000 in excess thereof, and (b) with respect to the Series B-2 Bonds, $5,000, or any integral multiple of $1,000 in excess thereof.

"*Authorized Officer*" means (a) the Mayor, the Director of the Mayor's Office of Housing and Community Development, the Director of Housing Development and the Deputy Director of the Mayor's Office of Housing and Community Development of the Issuer, and any other person designated to act on behalf of the Issuer by the Resolution, and (b) any Vice President or Assistant Vice President of the Trustee having regular responsibility for corporate trust matters.

"*Bankruptcy Code*" means the Federal Bankruptcy Code, Title 11 of the United States Code.

"*Beneficial Owner*" means, with respect to the Bonds, the purchaser of a beneficial interest in the Bonds.

"*Bond*" or "*Bonds*" means, individually or collectively as context may dictate, the Series B-1 Bonds and the Series B-2 Bonds.

"*Bond Counsel*" means (i) Kutak Rock LLP, (ii) Amira Jackmon, Attorney at Law, or (iii) an attorney at law or a firm of attorneys of recognized expertise in the field of federal income tax matters relating to municipal securities selected by the Issuer and acceptable to the Trustee.

"*Bond Dated Date*" means [_____].

"*Bond Loan Notes*" means, collectively, the Series B-1 Bond Loan Note and the Series B-2 Bond Loan Note.

"*Bond Maturity Date*" means (a) with respect to the Series B-1 Bonds, [_____], provided that the final payment of principal with respect to the MBS will be made on [_____], or the following Business Day if such day is not a Business Day, and will be passed through to the Bondholders on the next Business Day, and (b) with respect to the Series B-2 Bonds, [_____].

"*Bond Proceeds Fund*" means the Fund of that name established by Section 5.02 hereof.

"*Bond Purchase Agreement*" means the Bond Purchase Agreement, dated [_____], 2025, among the Underwriter, the Issuer and the Borrower.

"*Bond Register*" means the registration books of the Issuer maintained by the Trustee as provided in this Indenture on which registration and transfer of the Bonds is to be recorded.

"*Bond Registrar*" has the meaning given to such term in Section 2.08 hereof.

"*Bondholder*" or "*holder*" or "*owner*" of any Bond or any similar term shall mean the person in whose name any Bond is registered.

"*Book-Entry Bonds*" means the Bonds for which a Depository or its Nominee is the Bondholder.

"*Borrower*" has the meaning given to such term in the Recitals hereto, and any permitted successors or assigns of such entity.

"*Business Day*" means, with respect to the MBS and the Bonds, any day other than a Saturday or Sunday, a day when the fiscal agent or paying agent for the MBS is closed, a day when the Federal Reserve Bank of New York is closed, a State holiday when the Issuer is authorized or obligated to be closed or a day when the Federal Reserve Bank is closed in a district where a securities account is located if the related withdrawal is being made from that securities account, and, with respect to the Bonds, any such day that is also a day on which the Trustee is open for business.

"*Cash Flow Projection*" means cash flow projections prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm or other independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, establishing, to the satisfaction of the Rating Agency, as applicable, (1) that (a) the amounts on deposit with the Trustee in the applicable account of the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund, (b) projected investment income to accrue on amounts on deposit in the applicable account of the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund during the applicable period and (c) any additional Eligible Funds delivered to the Trustee by or on behalf of the Borrower are sufficient to pay, as applicable, (i) amounts due and payable on the Bonds on each Payment Date, (ii) the MBS Purchase Price on the MBS Delivery Date, (iii) the costs of any proposed remarketing of the Series B-2 Bonds, as provided in Section 3.07 hereof, (iv) the optional redemption or retirement price of the Series B-2 Bonds in connection with an optional redemption or retirement thereof as provided in Section 3.01(g) hereof, including in the event that the Trustee intends to sell or otherwise dispose of Eligible Investments prior to maturity at a price below par, as described in Section 5.12 hereof,

(v) the purchase, sale or exchange of Eligible Investments as provided in Section 5.12 hereof and (vi) the release of Excess Funds from the Series B-2 Negative Arbitrage Subaccount, as provided in Section 5.05 hereof and (2) following the release of Excess Funds from the Series B-1 Revenue Fund Account pursuant to this Indenture, that (i) there will remain on deposit in the Series B-1 Revenue Fund Account sufficient funds (without consideration of investment income or Eligible Funds not currently on deposit therein) together with scheduled MBS Payments coming due prior to the next Payment Date, to make the bond payment on such next Payment Date and (ii) the subsequent scheduled MBS Payments will be sufficient, together with any unreleased funds that are retained in the Series B-1 Revenue Fund Account, to pay the Series B-1 Bonds in the amount due on each subsequent Bond Payment Date. The cost and expense of obtaining such Cash Flow Projections shall be the sole responsibility of the Borrower.

"*Closing Date*" means May [___], 2025.

"*Code*" means the United States Internal Revenue Code of 1986, as amended, and the Regulations thereunder, or any successor statute, together with corresponding and applicable final, temporary or proposed regulations and revenue rulings issued or amended with respect thereto by the Treasury Department or Internal Revenue Service of the United States.

"*Collateral Fund*" means the Fund created and so designated in Section 5.02 hereof.

"*Construction Lender*" means Wells Fargo Bank, National Association.

"*Construction Loan*" means the loan made from the Construction Lender to the Borrower in the original principal amount of $[_____].

"*Construction Loan Documents*" means the documents executed and delivered in connection with the Construction Loan, including, without limitation, the promissory note and mortgage evidencing the Construction Loan.

"*Continuing Disclosure Agreement*" means the Continuing Disclosure Agreement dated as of May 1, 2025, between the Borrower and the Dissemination Agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"*Conversion Date*" has the meaning set forth for such term in the Fannie Mae Forward Commitment and as set forth in a notice of the occurrence thereof delivered by the Permanent Lender to the Trustee.

"*Costs of Issuance*" means costs to the extent incurred in connection with, and allocable to, the issuance of the Bonds within the meaning of Section 147(g) of the Code. For example, "issuance costs" include the following costs, but only to the extent incurred in connection with, and allocable to, the borrowing: Underwriter's fee; counsel fees; financial advisory fees; fees paid to an organization to evaluate the credit quality of an issue; trustee fees; paying agent fees; registrar, certification and authentication fees; accounting fees; printing costs for bonds and offering documents; public approval process costs; engineering and feasibility study costs; guarantee fees, other than qualified guarantees; and similar costs.

"*Costs of Issuance Deposit*" means the amount deposited on the Closing Date into the Costs of Issuance Fund.

"*Costs of Issuance Fund*" means the Fund created and so designated in Section 5.02 hereof.

"*Counsel's Opinion*," "*Opinion of Counsel*," or "*Opinion*" means a written opinion, including opinions supplemental thereto, signed by an attorney or firm of attorneys (who may be counsel for the Issuer, the Borrower or Fannie Mae) acceptable to the Trustee and the Issuer.

"*Depository*" means, initially, DTC and any replacement securities depository appointed under this Indenture.

"*Dissemination Agent*" means U.S. Bank Trust Company, National Association, or any successor, as Dissemination Agent under the Continuing Disclosure Agreement.

"*Dissemination Agent Fee*" means the fee payable to the Dissemination Agent as compensation for its services and the reimbursement to the Dissemination Agent of its expenses in performing its obligations under the Continuing Disclosure Agreement, which shall be payable by the Borrower and not from funds pledged to the benefit of the Trust Estate.

"*DTC*" means The Depository Trust Company, New York, New York.

"*Electronic Means*" means a facsimile transmission or any other electronic means of communication approved in writing by Fannie Mae.

"*Eligible Funds*" means:

(a) the proceeds of the Bonds or any other amounts received by the Trustee from the Underwriter;

(b) moneys drawn on a letter of credit;

(c) any amounts received by the Trustee representing advances to the Borrower of proceeds of the Construction Loan and the Permanent Loan;

(d) remarketing proceeds of the Series B-2 Bonds (including any additional amount paid to the Trustee as the purchase and or remarketing price thereof by the Remarketing Agent) received from the Remarketing Agent or any purchaser of the Series B-2 Bonds;

(e) any other amounts for which the Trustee has received an Opinion of Counsel to the effect that the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code (or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court) or be avoidable as preferential payments under Section 547 or 550 of the Bankruptcy Code should the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;

(f) any payments held by the Trustee for a continuous period of 123 days, provided that no act of bankruptcy with respect to the Borrower has occurred during such period; and

(g) investment income derived from the investment of the money described in (a) through (f) above.

"*Eligible Investments*" means, subject to the provisions of Section 5.12 hereof, any of the following obligations which mature (or are redeemable at the option of the Trustee without penalty) at such time or times as to enable timely disbursements to be made from the fund in which such investment is held or allocated in accordance with the terms of this Indenture:

(a) Government Obligations; and

(b) Shares or units in any money market mutual fund rated "Aaa-mf" by Moody's (or the equivalent Highest Rating Category given by the Rating Agency for that general category of security) including mutual funds of the Trustee or its affiliates or for which the Trustee or an affiliate thereof serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor that are registered under the Investment Company Act of 1940, as amended, whose investment portfolio consist solely of direct obligations of the government of the United States of America.

"*Event of Default*" means any occurrence or event specified in Section 8.01 hereof.

"*Excess Funds*" means an amount, (1) with respect to the Series B-1 Bonds, in excess of $[_____], or such other amount approved by the Rating Agency as calculated by a Cash Flow Projection, and (2) with respect to the Series B-2 Bonds, calculated by a Cash Flow Projection, equal to the excess of (i) the sum of (a) the amounts on deposit in the Series B-2 Negative Arbitrage Subaccount and (b) projected investment income to accrue on amounts on deposit in such account over (ii) the aggregate Series B-2 Bond payments, when due and payable on the Series B-2 Bonds.

"*Extension Deposit*" means the deposit of Eligible Funds (a) with respect to the Series B-1 Bonds, as described in Sections 3.04 and 5.05(b) hereof, and (b) with respect to the Series B-2 Bonds, the amount due, if any, to provide adequate additional funds for the payment of principal and interest due with respect to the Series B-2 Bonds during a Remarketing Period in connection with the change or extension of the Mandatory Tender Date pursuant to Section 3.07 hereof, and which shall be determined by a Cash Flow Projection.

"*Extraordinary Issuer Fees and Expenses*" means the expenses and disbursements payable to the Issuer under this Indenture for Extraordinary Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by the Issuer, Bond Counsel and counsel to the Issuer which are to be paid by the Borrower pursuant to Section 4.05 of the Financing Agreement.

"*Extraordinary Services*" and "*Extraordinary Expenses*" mean all services rendered and all reasonable expenses properly incurred by the Trustee or the Issuer under this Indenture or the Financing Agreement, other than Ordinary Services and Ordinary Expenses. Extraordinary

Services and Extraordinary Expenses shall specifically include but are not limited to services rendered or expenses incurred by the Trustee or the Issuer in connection with, or in contemplation of, an Event of Default.

"*Extraordinary Trustee Fees and Expenses*" means the expenses and disbursements payable to the Trustee under this Indenture for Extraordinary Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by the Trustee and the Trustee's counsel which are to be paid by the Borrower pursuant to Section 4.05 of the Financing Agreement.

"*Fannie Mae*" means the Federal National Mortgage Association, a corporation organized and existing under the Federal National Mortgage Association Charter Act, 12 U.S.C., § 1716 et seq., and its successors.

"*Fannie Mae Certificate*" means a guaranteed mortgage pass-through Fannie Mae mortgage-backed security issued by Fannie Mae in book-entry form, recorded in the name of the Trustee or its nominee, guaranteed as to timely payment of principal of and interest by Fannie Mae, and backed by the Permanent Loan.

"*Fannie Mae Forward Commitment*" means the Fannie Mae Forward Commitment, dated as of [_____], 2025, entered into between the Permanent Lender and Fannie Mae, as the same may be amended from time to time.

"*Financing Agreement*" has the meaning given to such term in the Recitals hereto.

"*Financing Documents*" means this Indenture, the Financing Agreement, the Regulatory Agreement, the Tax Certificate, the Bond Loan Notes and the Bond Purchase Agreement.

"*Fund*" or "*Account*" or "*Subaccount*" means a fund, account or subaccount created by or pursuant to this Indenture.

"*Government Obligations*" means (i) noncallable, non-redeemable direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, and (ii) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (i) or (ii) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

"*Highest Rating Category*" means, with respect to an Eligible Investment, that the Eligible Investment is rated by a Rating Agency in the highest rating given by that Rating Agency for that Rating Category, provided that such rating shall include but not be below "Aaa" or "Aaa/VMIG 1" if rated by Moody's or "A-1+" or "AA+" if rated by S&P.

"*Indenture*" means this Indenture of Trust as it may from time to time be amended, modified or supplemented by Supplemental Indentures.

"*Initial Mandatory Tender Date*" means [_____].

"*Initial Payment Date*" means [_____], on which date interest shall be due and payable for the period from the Closing Date to, but not including [_____].

"*Initial Remarketing Date*" means the Initial Mandatory Tender Date, but only if the conditions for remarketing the Series B-2 Bonds on such date, as provided in Section 3.07 hereof, are satisfied.

"*Initial Series B-2 Bond Rate*" means [_____] percent ([___]%).

"*Initial Termination Date*" means [_____].

"*Interest Period*" means with respect to the Series B-2 Bonds, initially, the period from the Closing Date to but not including [_____], and thereafter, the period commencing on each succeeding Series B-2 Bond Payment Date and ending on the day preceding the next Series B-2 Bond Payment Date.

"*Investor Limited Partner*" means Wells Fargo Bank, National Association, and its successors and/or assigns.

"*Issuer*" has the meaning given to such term in the Recitals hereto.

"*Issuer Fees and Expenses*" means, collectively, the Ordinary Issuer Fees and Expenses and the Extraordinary Issuer Fees and Expenses. The Issuer Fees and Expenses shall be payable by the Borrower, and not from funds pledged to the benefit of the Trust Estate.

"*Lender*" means, prior to the Conversion Date, the Construction Lender, and after the Conversion Date, the Permanent Lender.

"*Mandatory Redemption Date*" means any date on which the Bonds are subject to mandatory redemption or retirement pursuant to Section 3.01 hereof, as such date may be extended pursuant to Section 3.04 hereof.

"*Mandatory Tender Date*" means (a) the Initial Mandatory Tender Date and (b) if the Series B-2 Bonds Outstanding on such date or on any subsequent Mandatory Tender Date are remarketed pursuant to Section 3.05 hereof for a Remarketing Period that does not extend to the final maturity of the Series B-2 Bonds, the day after the last day of the Remarketing Period.

"*Maximum Interest Rate*" means the lesser of (i) twelve percent (12%) per annum and (ii) the maximum interest rate allowed by law.

"*MBS*" shall mean the Fannie Mae Certificate identified in Section 4.01 hereof that is pledged by the Issuer to the Trustee pursuant to this Indenture.

"*MBS Dated Date*" means the first (1st) day of the month in which the MBS is delivered.

"*MBS Delivery Date*" means the date on which the Trustee receives the MBS backed by the Permanent Loan, which shall occur not later than the MBS Delivery Date Deadline.

"*MBS Delivery Date Deadline*" means [_____], or, if such day is not a Business Day, the following Business Day, as such date may be extended pursuant to Section 3.04 hereof.

"*MBS Maturity Date*" means [_____]

"*MBS Purchase Price*" means the principal amount outstanding on the Permanent Loan as of the MBS Delivery Date plus accrued interest on the MBS from the MBS Dated Date to the MBS Delivery Date at the Pass-Through Rate.

"*MBS Revenues*" means all payments made under and pursuant to the MBS.

"*Moody's*" means Moody's Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency, designated by Fannie Mae, that assigns credit ratings.

"*Mortgage*" means the deed of trust securing the Permanent Loan, together with all riders and exhibits, executed by the Borrower for the benefit of the Permanent Lender, as the same may be amended from time to time.

"*Mortgage Note*" means the instrument evidencing the obligation to repay the Permanent Loan, dated the Conversion Date, if such Permanent Loan is originated, as the same may be amended from time to time.

"*Multifamily Loan and Security Agreement*" means the Multifamily Loan and Security Agreement (Non-Recourse) executed by the Borrower and the Permanent Lender and dated the Conversion Date, if such agreement is entered into.

"*Negative Arbitrage Account*" means the Negative Arbitrage Account of the Revenue Fund created pursuant to Section 5.02 hereof.

"*Negative Arbitrage Deposit*" means individually or collectively, as applicable, the Series B-1 Negative Arbitrage Deposit and the Series B-2 Negative Arbitrage Deposit.

"*Nominee*" means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant hereto.

"*Officer's Certificate*" means a certificate signed by an Authorized Officer or, if such certificate pertains to official action taken by the Issuer or official records of the Issuer, by an Attesting Officer.

"*Optional Redemption Date*" means any date the Series B-2 Bonds are subject to optional redemption or retirement pursuant to Section 3.01(g) hereof.

"*Ordinary Issuer Fees and Expenses*" means the ordinary fees and expenses of the Issuer in connection with the Bonds, Bond Loan Notes and Regulatory Agreement, including the ongoing fee of the Issuer as set forth in Section 17 of the Regulatory Agreement.

"*Ordinary Services*" and "*Ordinary Expenses*" mean those services normally rendered, and those expenses normally incurred, by an issuer or a trustee under instruments similar to this Indenture.

"*Ordinary Trustee Fees and Expenses*" means amounts due to the Trustee for the Ordinary Services and the Ordinary Expenses of the Trustee incurred in connection with its duties under this Indenture, payable annually in advance on the Closing Date and on each May 1 thereafter in the amount of $[_____] (together with an acceptance fee of $[____] payable upon execution of this Indenture); provided, however, the amount of Ordinary Trustee Fees and Expenses payable under this Indenture is limited to money withdrawn from the Costs of Issuance Fund and the Borrower will be responsible to pay the remaining amount of the Ordinary Trustee Fees and Expenses pursuant to Section 4.05 of the Financing Agreement. In addition, all amounts due to the Trustee for Extraordinary Services and all Extraordinary Expenses of the Trustee will be paid directly by the Borrower pursuant to Section 4.05 of the Financing Agreement.

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

(a) any Bond cancelled by the Trustee or delivered to the Trustee for cancellation;

(b) any Bond for the payment, redemption or retirement of which either (i) moneys equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity, redemption or retirement date, or (ii) specified types of Eligible Investments or moneys in the amounts, of the maturities and otherwise as described and required under the provisions of Sections 3.01 and 3.03, shall have theretofore been deposited with the Trustee in trust (whether upon or prior to maturity or the redemption or retirement date of such Bond) and, except in the case of a Bond to be paid at maturity, as to which a redemption or retirement notice shall have been given or provided for in accordance with Section 3.02, and

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

"*Participant*" means a member of, or a participant in, the Depository.

"*Pass-Through Rate*" means [_____] percent ([___]%) per annum with respect to the MBS.

"*Payment Date*" means the Series B-1 Bond Payment Date and the Series B-2 Bond Payment Date, as applicable.

"*Permanent Lender*" has the meaning given to such term in the Recitals hereto.

"*Permanent Loan*" means the interest-bearing loan for multifamily housing relating to the Bonds, if originated on the Conversion Date, which is evidenced by the Mortgage Note and secured by the Mortgage and the Multifamily Loan and Security Agreement.

"*Permanent Loan Amortization Schedule*" means the mortgage loan amortization schedule delivered to the Trustee on the Closing Date, as may be subsequently modified by the Permanent Lender on the Conversion Date.

"*Permanent Loan Documents*" means, collectively, the Mortgage Note, the Mortgage, the Multifamily Loan and Security Agreement, and all other documents, agreements and instruments delivered on the Conversion Date and evidencing, securing or otherwise relating to the Permanent Loan, as each such document, agreement or instrument may be amended, supplemented or restated from time to time. Neither the Financing Agreement nor the Regulatory Agreement is a Permanent Loan Document and neither document is secured by the Mortgage.

"*Project*" means the multifamily rental housing development, known as Sunnydale HOPE SF Block 9, located in San Francisco, California, on the site described in the Mortgage.

"*Project Costs*" means the following costs of the Project:

(a) Costs incurred directly or indirectly for or in connection with the acquisition (including the acquisition of a fee simple interest), construction, improvement and equipping of the Project, including costs incurred in respect of the Project for preliminary planning and studies; architectural, legal, engineering, accounting, consulting, supervisory and other services; labor, services and materials; and recording of documents and title work and insurance.

(b) Premiums attributable to any surety bonds and insurance required to be taken out and maintained during the construction period with respect to the Project.

(c) Taxes, assessments and other governmental charges in respect of the Project that may become due and payable during the construction period.

(d) Costs incurred directly or indirectly in seeking to enforce any remedy against any contractor or subcontractor in respect of any actual or claimed default under any contract relating to the Project.

(e) Subject to the limitations set forth in the Tax Certificate, Costs of Issuance, including, financial, legal, accounting, cash flow verification, printing and engraving fees, charges and expenses, and all other such fees, charges and expenses incurred in connection with the authorization, sale, issuance and delivery of the Bonds, including, without limitation, the fees and expenses of the Trustee properly incurred under this Indenture that may become due and payable during the construction period.

(f) Any other costs, expenses, fees and charges properly chargeable to the cost of acquisition, construction, improvement and equipping of the Project.

(g) Payment of interest on the Bonds during the construction period.

"*Rating Agency*" means Moody's, S&P or any other nationally recognized securities rating agency rating the Bonds, or such rating agency's successors or assigns, and initially means Moody's so long as Moody's is rating the Bonds.

"*Rating Category*" means one of the rating categories of the Rating Agency for the specific type and duration of the applicable Eligible Investment.

"*Rebate Amount*" means, with respect to the Bonds, the amount of rebatable arbitrage as computed in accordance with the Code.

"*Rebate Analyst*" means a certified public accountant, financial analyst or attorney, or any firm of the foregoing, or a financial institution (which may include the Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code and retained by the Borrower to make the computations and give the directions required pursuant to the Tax Certificate. The initial Rebate Analyst will be Kutak Rock LLP.

"*Rebate Fund*" means the Fund created and so designated in Section 5.02 hereof.

"*Record Date*" means (a) with respect to the Series B-1 Bonds, the close of business on the last day of the calendar month prior to the calendar month in which a payment occurs, and (b) with respect to the Series B-2 Bonds, the fifteenth (15th) day of the calendar month immediately preceding each Series B-2 Bond Payment Date.

"*Redemption Price*" means the amount required to be delivered to pay principal of, interest on, and redemption or retirement premium, if any, in connection with a redemption or retirement of the Bonds in accordance with the provisions of Article III hereof.

"*Regulations*" means the Income Tax Regulations promulgated or proposed under the Code by the Department of the Treasury, as the same may hereafter be amended, including without limitation regulations promulgated by the Department of the Treasury to implement the requirements of Section 148 of the Code.

"*Regulatory Agreement*" means the Regulatory Agreement and Declaration of Restrictive Covenants relating to the Project, dated as of May 1, 2025, by and between the Issuer and the Borrower, as it may be amended, supplemented or restated from time to time.

"*Remarketing Agent*" means, initially, Wells Fargo Bank, National Association, and thereafter any successor Remarketing Agent (which meets the requirements of Section 9.15 hereof) that may be appointed by the Borrower.

"*Remarketing Agent's Fee*" means the fee of the Remarketing Agent for its remarketing services. The Remarketing Agent's Fee shall be payable by the Borrower, and not from funds pledged to the benefit of the Trust Estate.

"*Remarketing Agreement*" means the Remarketing Agreement, dated as of May 1, 2025, by and between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

"*Remarketing Date*" means the Initial Remarketing Date and, if the Series B-2 Bonds Outstanding on such date or on any subsequent Remarketing Date are remarketed pursuant to Section 3.07 for a Remarketing Period that does not extend to the final maturity of the Series B-2 Bonds, the day after the last day of the Remarketing Period.

"*Remarketing Expense Account*" means the Remarketing Expense Account within the Costs of Issuance Fund created in Section 5.02 hereof.

"*Remarketing Expenses*" means the costs and expenses, other than those set forth in Section 4.04 of the Financing Agreement, incurred by the Trustee and its counsel, the Remarketing Agent and its counsel and the Dissemination Agent in connection with the remarketing of the Series B-2 Bonds, including bond printing and registration costs, costs of funds advanced by the Remarketing Agent, registration and filing fees, the cost of any Cash Flow Projections or other verification reports, rating agency fees and other costs and expenses incurred in connection with or properly attributable to the remarketing of Series B-2 Bonds as certified to the Trustee by the Remarketing Agent in writing.

"*Remarketing Notice Parties*" means the Borrower, the Issuer, the Trustee, the Remarketing Agent, the Investor Limited Partner and the Lender.

"*Remarketing Period*" means the period beginning on a Remarketing Date and ending on the last day of the term for which Series B-2 Bonds are remarketed pursuant to Section 3.07 or the final Bond Maturity Date of the Series B-2 Bonds, as applicable.

"*Remarketing Proceeds Account*" means the Remarketing Proceeds Account of the Revenue Fund created in Section 5.02 hereof.

"*Remarketing Rate*" means the interest rate or rates established pursuant to Section 3.07(c) and borne by the Series B-2 Bonds Outstanding from and including each Remarketing Date to, but not including, the next succeeding Remarketing Date or the final Bond Maturity Date of the Series B-2 Bonds, as applicable.

"*Representation Letter*" has the meaning given to such term in Section 2.12 hereof.

"*Reserved Rights*" means those certain rights of the Issuer under the Financing Documents to which the Issuer is a party to indemnification and to payment or reimbursement of fees and expenses of the Issuer, its right to receive notices and to enforce notice and reporting requirements, its right to inspect and audit the books, records and premises of the Borrower and of the Project, its right to collect attorneys' fees and related expenses, its right to specifically enforce the Borrower's covenant to comply with applicable federal tax law and State law (including the Act and the rules and regulations of the Issuer, if any), and its right to give or withhold consent to amendments, changes, modifications and alterations to the Financing Documents relating to the Reserved Rights.

"*Resolution*" means, collectively, the resolution of the Issuer adopted on [_____], 2025, authorizing the issuance and sale of the Bonds.

"*Revenue Fund*" means the Fund created and so designated in Section 5.02 hereof.

"*S&P*" means S&P Global Ratings, and its successors and assigns, or if it shall for any reason no longer perform the functions of a securities rating agency, then any other nationally recognized rating agency designated by the Borrower and acceptable to the Trustee and the Remarketing Agent.

"*Series B-1 Bond Loan Note*" means, with respect to the Series B-1 Bonds, the promissory note dated the Closing Date from the Borrower to the Issuer and assigned by the Issuer to the Trustee on the Closing Date, in substantially the form attached as an exhibit to the Financing Agreement, together with any amendments, supplements or modifications thereto.

"*Series B-1 Bond Payment Date*" means (i) with respect to interest, [_____] 1 and [_____] 1 of each year, commencing on the Initial Payment Date, and (ii) with respect to principal and interest, the stated maturity date for any of the Bonds or any earlier date of redemption or retirement of any of the Bonds.

"*Series B-1 Bond Proceeds Fund Account*" means the Series B-1 Account of the Bond Proceeds Fund created pursuant to Section 5.02 hereof.

"*Series B-1 Bonds*" means the Issuer's Multifamily Housing Revenue Bonds (Fannie Mae MBS-Secured) (Sunnydale HOPE SF Block 9) Series 2025B-1 in the aggregate principal amount of $[_____] authorized under, secured by and issued pursuant to this Indenture.

"*Series B-1 Collateral Fund Account*" means the Series B-1 Account of the Collateral Fund created pursuant to Section 5.02 hereof.

"*Series B-1 Negative Arbitrage Deposit*" means Eligible Funds in the amount of $[0.00] to be deposited on the Closing Date into the Series B-1 Negative Arbitrage Subaccount and as otherwise set forth in Section 5.04 hereof.

"*Series B-1 Negative Arbitrage Subaccount*" means the Series B-1 Negative Arbitrage Subaccount of the Negative Arbitrage Account of the Revenue Fund created pursuant to Section 5.02 hereof.

"*Series B-1 Negative Arbitrage Transfer*" means the transfer by the Trustee, on the Closing Date, in the amount of $[_____], from the Series B-2 Bond Proceeds Fund Account into the Series B-1 Negative Arbitrage Subaccount, as set forth in the Cash Flow Projection provided on the Closing Date in connection with the issuance of the Bonds.

"*Series B-1 Revenue Fund Account*" means the Series B-1 Account of the Revenue Fund created pursuant to Section 5.02 hereof.

"*Series B-2 Bond Loan Note*" means, with respect to the Series B-2 Bonds, the promissory note dated the Closing Date from the Borrower to the Issuer and assigned by the Issuer to the Trustee on the Closing Date, in substantially the form attached as an exhibit to the Financing Agreement, together with any amendments, supplements or modifications thereto.

"*Series B-2 Bond Payment Date*" means (i) [_____] 1 and [_____] 1 of each year, beginning on [_____], (ii) each Mandatory Redemption Date described in Section 3.01(f)

hereof, (iii) each Mandatory Tender Date, (iv) the Bond Maturity Date and (v) the date of acceleration of the Series B-2 Bonds.

"*Series B-2 Bond Proceeds Fund Account*" means the Series B-2 Account of the Bond Proceeds Fund created pursuant to Section 5.02 hereof.

"*Series B-2 Bonds*" means the Issuer's Multifamily Housing Revenue Bonds (Sunnydale HOPE SF Block 9) Series 2025B-2 in the aggregate principal amount of $[_____] authorized under, secured by and issued pursuant to this Indenture.

"*Series B-2 Collateral Fund Account*" means the Series B-2 Account of the Collateral Fund created pursuant to Section 5.02 hereof.

"*Series B-2 Negative Arbitrage Deposit*" means Eligible Funds in the amount of $[0.00] to be deposited on the Closing Date into the Series B-2 Negative Arbitrage Subaccount and as otherwise set forth in Section 5.04 hereof.

"*Series B-2 Negative Arbitrage Subaccount*" means the Series B-2 Negative Arbitrage Subaccount of the Negative Arbitrage Account of the Revenue Fund created pursuant to Section 5.02 hereof.

"*Series B-2 Revenue Fund Account*" means the Series B-2 Account of the Revenue Fund created pursuant to Section 5.02 hereof.

"*State*" has the meaning given to such term in the Recitals hereto.

"*Substitute Depository*" means a securities depository appointed as successor to DTC hereunder.

"*Supplemental Indenture*" means any indenture hereafter duly authorized and entered into between the Issuer and the Trustee amending or supplementing this Indenture in accordance with the provisions hereof.

"*Tax Certificate*" means the Tax Certificate as to Arbitrage and the Provisions of Section 103 and 141-150 of the Internal Revenue Code of 1986, dated the Closing Date, executed by the Issuer and the Borrower, as amended, supplemented or otherwise modified from time to time.

"*Termination Date*" means (a) initially, the Initial Termination Date and (b) if the Borrower exercises its extension option, [_____], in accordance with the Fannie Mae Forward Commitment and as set forth in a notice of the occurrence of such extension delivered by the Lender to the Trustee, subject to such additional extensions which have not been considered or agreed upon but may nevertheless be granted in the sole discretion of Fannie Mae.

"*Trust Estate*" means all the property, rights, moneys, securities and other amounts pledged and assigned to the Trustee pursuant to the Granting Clauses hereof.

"*Trustee*" has the meaning given to such term in the Recitals hereto.

"*Trustee Fees and Expenses*" means, collectively, the Ordinary Trustee Fees and Expenses and the Extraordinary Trustee Fees and Expenses.

"*Underwriter*" means Wells Fargo Bank, National Association.

Section 1.02. Rules of Construction.

(a) The singular form of any word used herein, including the terms defined in Section 1.01, shall include the plural, and vice versa, unless the context otherwise requires. The use herein of a pronoun of any gender shall include the correlative words of other genders.

(b) Except as otherwise stated herein, all references herein to "Articles," "Sections" and other subdivisions hereof are to the corresponding Articles, Sections or subdivisions of this Indenture as originally executed; and the words "herein," "hereof," "hereunder," and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

(c) The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not limit or otherwise affect the meaning, construction or effect of this Indenture or describe the scope or intent of any provisions hereof.

(d) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

(e) Every "request," "order," "demand," "application," "appointment," "notice," "statement," "certificate," "consent" or similar action hereunder by any party shall, unless the form thereof is specifically provided, be in writing signed by a duly authorized representative of such party with a duly authorized signature.

(f) The parties hereto acknowledge that each such party and their respective counsel have participated in the drafting and revision of this Indenture and the Financing Agreement. Accordingly, the parties agree that any rule of construction which disfavors the drafting party shall not apply in the interpretation of this Indenture or the Financing Agreement or any amendment or supplement or exhibit hereto or thereto.

(g) Whenever Fannie Mae is required to give its consent or approval to any matter, whether stated as "consent," "written consent," "prior written consent," "approval," "written approval," "prior written approval" or otherwise, the giving of such consent or approval by Fannie Mae shall be in its sole and complete discretion.

(h) Whenever Fannie Mae shall have any right or option to exercise any discretion, to determine any matter, to accept any presentation or to approve or consent to any matter, such exercise, determination, acceptance, approval or consent shall, without exception, be in Fannie Mae's sole and absolute discretion.

ARTICLE II

THE BONDS

Section 2.01. Authorization of Bonds. Bonds of the Issuer, to be entitled Multifamily Housing Revenue Bonds (Fannie Mae MBS-Secured) (Sunnydale HOPE SF Block 9) Series 2025B-1 are hereby authorized to be issued in an aggregate principal amount of $[_____] and Multifamily Housing Revenue Bonds (Sunnydale HOPE SF Block 9) Series 2025B-2 are hereby authorized to be issued in an aggregate principal amount of $[_____] and shall be issued subject to the terms, conditions and limitations established in this Indenture as hereinafter provided. The Bonds may be executed by or on behalf of the Issuer, authenticated by the Trustee and delivered or caused to be delivered by the Trustee to the original purchasers thereof upon compliance with the requirements set forth in this Indenture.

Section 2.02. Terms of Bonds.

(a) The Series B-1 Bonds shall be dated as of the Bond Dated Date and shall be payable on each Series B-1 Bond Payment Date. Interest on the Series B-1 Bonds shall be calculated on the basis of a year of 30/360. Except as otherwise provided in Section 3.01(e) hereof, the payment of interest on a Series B-1 Bond Payment Date shall be in an amount equal to the interest accrued during the preceding six (6) calendar months; provided that the payment of interest on the Initial Payment Date shall relate to the interest accrued from the Bond Dated Date to and including the calendar day immediately preceding the Initial Payment Date.

(b) The Series B-2 Bonds shall be dated as of the Bond Dated Date, shall bear interest, payable on each Series B-2 Bond Payment Date, from the date of issuance to but not including the Initial Mandatory Tender Date at a rate per annum equal to the Initial Series B-2 Bond Rate and thereafter shall bear interest at the Remarketing Rate for each subsequent Remarketing Period, and shall mature (subject to prior redemption or retirement as set forth herein) on the Bond Maturity Date. The payment of interest on a Series B-2 Bond Payment Date shall be in an amount equal to the interest accrued during the Interest Period ending on the day preceding such Series B-2 Bond Payment Date; provided, however, that in no event shall interest paid on the Series B-2 Bonds exceed the Maximum Interest Rate. Interest on the Series B-2 Bonds shall be calculated on the basis of a year of 30/360.

(c) The Series B-1 Bonds shall mature (subject to prior redemption set forth herein) at the dates, and shall bear interest at the rates per annum (not to exceed the Maximum Interest Rate), set forth below:

Maturity Date	Principal Amount	Interest Rate	CUSIP Number
[_____]	$[_____]	[___]%	[_____]

(d) The Bonds shall be issued as registered bonds without coupons in Authorized Denominations. The Bonds shall be lettered "R" and shall be numbered

separately from "1" consecutively upwards. The Bonds shall be issued initially as Book-Entry Bonds.

(e) On each Payment Date, payment of the principal of and interest or premium, if any, on any Bond shall be made to the person appearing on the Bond Register as the registered owner thereof on the applicable Record Date. The principal of and the interest on the Bonds shall be payable in coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts of the United States of America. Unless the Bonds are Book-Entry Bonds, the principal of the Bonds shall be payable to the registered owners thereof upon presentation (except in connection with a redemption of Bonds pursuant to Section 3.01(e) hereof) at the designated corporate trust office of the Trustee or its successors. Unless the Bonds are Book-Entry Bonds, payments of interest on the Bonds and redemption of the Bonds pursuant to Section 3.01(e) hereof and a maturity of the Series B-1 Bonds pursuant to Section 2.02(c) hereof shall be paid by check or draft mailed to the registered owner thereof at such owner's address as it appears on the registration books maintained by the Trustee on the applicable Record Date or at such other address as is furnished to the Trustee in writing by such owner. The Trustee shall cause CUSIP number identification with appropriate dollar amounts for each CUSIP number to accompany all payments of interest, principal or Redemption Price made to such owners, whether such payment is made by check or wire transfer. All payments of principal of and interest on Book-Entry Bonds shall be made and given at the times and in the manner set out in the Representation Letter, as more fully specified in Sections 2.11 and 2.12 hereof.

(f) The Bonds shall be subject to redemption or retirement prior to maturity as provided in Article III.

(g) The date of authentication of each Bond shall be the date such Bond is registered.

Section 2.03. Execution; Limited Obligation. The Bonds shall be signed by, or bear the facsimile or manual signature of, an Authorized Officer of the Issuer. In case any one or more of the officers of the Issuer who shall have signed any of the Bonds or whose signature appears on any of the Bonds shall cease to be such officer before the Bonds so signed shall have been actually authenticated or delivered or caused to be delivered by the Trustee or issued by the Issuer, such Bonds may, nevertheless, be authenticated and issued and, upon such authentication, delivery and issue, shall be as binding upon the Issuer as if the persons who signed such Bonds or whose signatures appear on any of the Bonds had not ceased to hold such offices until such delivery. Any Bond may be signed on behalf of the Issuer by such persons as at the actual time of execution of the Bonds shall be duly authorized or hold the proper office in the Issuer, although at the date of issuance and delivery of the Bonds such persons may not have been so authorized or have held such office.

Notwithstanding anything to the contrary herein or to the contrary in any Financing Document:

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE. NONE OF THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE ISSUER TO THE LIMITED EXTENT AUTHORIZED BY THE ACT AND SET FORTH HEREIN) NOR ANY PUBLIC AGENCY SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE BONDS OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH HEREIN, AND, NOTWITHSTANDING ANYTHING HEREIN OR IN ANY OTHER INSTRUMENT TO THE CONTRARY, NONE OF THE BONDS OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS THEREUNDER SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER.

Neither the faith and credit nor the taxing power of the State, the Issuer, any public agency or any political subdivision of the State is pledged to the payment of the principal of, premium, if any, purchase price of or interest on the Bonds, nor is the State, the Issuer, any public agency or any political subdivision of the State, in any manner obligated to make any appropriation for such payment.

Notwithstanding anything herein or in any other instrument to the contrary, no recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained (except from the Trust Estate), against the Issuer, any past, present or future member of its governing body, its officers, attorneys, accountants, financial advisors, agents or staff, or the officers, attorneys, accountants, financial advisors, agents or staff of any successor public entity, as such, either directly or through the Issuer or any successor public entity, under any rule of law or penalty or otherwise, and all such liability of the Issuer, any member of its governing body and its officers, attorneys, accountants, financial advisors, agents and staff is hereby expressly waived and released as a condition of, and in consideration for, the execution of this Indenture.

Section 2.04. Authentication. The Bonds shall each bear thereon a certificate of authentication, substantially in the forms set forth in Exhibit A-1 and Exhibit A-2 hereto, as applicable, and executed by the Trustee. Only Bonds which bear thereon such executed certificate of authentication shall be entitled to any right or benefit under this Indenture, and no Bond shall be valid for any purpose under this Indenture until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of authentication upon any Bond shall be conclusive evidence that the Bond so authenticated has been duly issued under this Indenture and that the holder thereof is entitled to the benefits of this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds issued hereunder. The certificate of authentication on all Bonds delivered by the Trustee hereunder shall be dated the date of its authentication.

Section 2.05. Form of Bonds. The form of the Bonds issued pursuant to this Indenture shall be in substantially the forms set forth in Exhibit A-1 and Exhibit A-2 hereto, as applicable with such variations, omissions or insertions as are permitted by this Indenture.

Section 2.06. Delivery of Bonds. After the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Bonds and deliver them to the Underwriter as directed by the Issuer.

Prior to the delivery by the Trustee of any of the Bonds, there shall be filed with the Trustee:

(a) an executed copy of the Resolution;

(b) executed counterparts of this Indenture, the Financing Agreement, the Regulatory Agreement, the Tax Certificate and the original, fully executed Bond Loan Notes;

(c) an opinion of Bond Counsel or counsel to the Issuer, dated the Closing Date, stating that the Issuer has duly adopted the Resolution and has duly executed and delivered this Indenture and that this Indenture and the Bonds each constitute a valid and binding limited obligation of the Issuer, subject to any applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors;

(d) an opinion of Bond Counsel, dated the Closing Date, to the effect that, subject to any exceptions or qualifications stated therein, the interest on the Bonds is excluded from gross income for federal income tax purposes under existing laws and is exempt from State personal income taxes;

(e) a request and authorization to the Trustee by the Issuer to authenticate and deliver the Bonds to or at the direction of the Underwriter upon payment to the Trustee, but for the account of the Issuer, of a sum specified in such request and authorization, plus accrued interest thereon, if any, to the date of delivery. The proceeds of such payment shall be paid over to the Trustee and deposited in the various Funds and Accounts pursuant to, and as specified in, Article V hereof;

(f) evidence from the Rating Agency that the Bonds have been rated the Highest Rating Category by the Rating Agency; and

(g) executed counterparts of the Construction Loan Documents.

Upon receipt of these documents, the Trustee shall authenticate and deliver the Bonds to or upon the order of the Underwriter but only upon payment to the Trustee of the purchase price of the Bonds, together with accrued interest thereon, if any.

Section 2.07. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Issuer, at the expense of the owner of such Bond shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the

order of, the Issuer. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence shall be satisfactory to it and indemnity satisfactory to the Trustee shall be given, the Issuer, at the expense of the owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Bond authenticated and delivered under this Section and of the expenses which may be incurred by the Issuer and the Trustee in connection therewith. Any Bond authenticated and delivered under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Issuer whether or not the Bond so alleged to be lost, destroyed or stolen shall be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture. If any such Bond shall have matured, or is about to mature, instead of issuing a new Bond the Trustee may pay the same without surrender thereof upon receipt of the aforementioned indemnity.

Section 2.08. Registration, Transfer and Exchange of Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration, transfer and exchange of the Bonds as provided in this Indenture to be kept by the Trustee, which is hereby constituted and appointed the bond registrar with respect to the Bonds (the "Bond Registrar"). At reasonable times and under reasonable regulations established by the Trustee, said books may be inspected and copied by the Issuer or by owners (or a designated representative thereof) of a majority in aggregate principal amount of the Bonds Outstanding. The Trustee is also hereby appointed as paying agent for the Bonds.

The registration of each Bond is transferable by the registered owner thereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Trustee. Upon surrender for registration of transfer of any Bond at such office, the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond of the same maturity or maturities and Authorized Denomination for the same aggregate principal amount. Bonds to be exchanged shall be surrendered at said designated corporate trust office of the Trustee, and the Trustee shall authenticate and deliver in exchange therefor a Bond of equal aggregate principal amount of the same maturity and Authorized Denomination.

All Bonds presented for registration of transfer, exchange or payment (if so required by the Issuer or the Trustee) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Trustee, duly executed by the registered owner or by its duly authorized attorney.

The Issuer, the Bond Registrar and the Trustee shall not be required (i) to issue, register the transfer of or exchange any Bonds during a period beginning at the Trustee's opening of business on the applicable Record Date and ending at the Trustee's close of business on the applicable Payment Date; or (ii) to register the transfer of or exchange any Bond selected, called or being called for redemption or retirement as provided herein. No charge shall be made to any Bondholder for the privilege of registration of transfer as herein provided, but any Bondholder requesting any such registration of transfer shall pay any tax or governmental charge required to be paid therefor.

New Bonds delivered upon any registration of transfer or exchange shall be valid obligations of the Issuer, evidencing the same debt as the Bonds surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

The person in whose name any Bond is registered shall be deemed the owner thereof by the Issuer and the Trustee, and any notice to the contrary shall not be binding upon the Issuer or the Trustee. Notwithstanding anything herein to the contrary, to the extent the Bonds are Book-Entry Bonds, the provisions of Section 2.11 shall govern the exchange and registration of Bonds.

Section 2.09. Cancellation of Bonds. Whenever any Outstanding Bond shall be delivered to the Trustee for cancellation pursuant to this Indenture, upon payment of the principal amount and interest represented thereby, for replacement pursuant to Section 2.07 or for transfer or exchange pursuant to Section 2.08, such Bond shall be canceled and destroyed by the Trustee and, upon written request of the Issuer, counterparts of a certificate of destruction evidencing such destruction shall be furnished by the Trustee to the Issuer.

Section 2.10. Pledge Effected by Indenture. All amounts held in any Fund or Account under this Indenture are hereby ratably pledged to secure the payment of the principal of and the interest on the Bonds (except the Reserved Rights), subject only to the provisions of this Indenture permitting the application thereof for other purposes, provided that (i) the Series B-1 Bond Proceeds Fund Account, the Series B-1 Collateral Fund Account, the Series B-1 Revenue Fund Account, and the Series B-1 Negative Arbitrage Subaccount secure only the Series B-1 Bonds and (ii) the Series B-2 Bond Proceeds Fund Account, the Series B-2 Collateral Fund Account, the Series B-2 Revenue Fund Account and the Series B-2 Negative Arbitrage Subaccount shall secure only the Series B-2 Bonds. Additionally, following the MBS Delivery Date, the MBS held pursuant to this Indenture, all amounts that may be received under a Fannie Mae trust agreement, all rights of the Issuer or the Trustee under a Fannie Mae trust agreement and the MBS Revenues are hereby exclusively and ratably pledged to secure the payment of the principal of and the interest on the Series B-1 Bonds (except the Reserved Rights), subject only to the provisions of this Indenture permitting the application thereof for other purposes. Each of the foregoing pledges shall be valid and binding and immediately effective, upon its being made or granted, without any physical delivery, filing, recording or further act, and shall be valid and binding as against, and superior to any claims of all others having claims of any kind against the Issuer or any other person, irrespective of whether such other parties have notice of the pledge. Fannie Mae is not responsible for the application of MBS payments to Bondholders. Fannie Mae has made no representation as to whether the scheduled MBS payments will be sufficient in amounts to provide for the scheduled payments on the Bonds, including interest payments, sinking fund payments pursuant to Section 3.01(d), or prepayments pursuant to Section 3.01(e).

Section 2.11. Book-Entry System; Limited Obligation. The Bonds shall be initially issued in the form of a separate single fully registered Bond (which may be typewritten) for each maturity of the Bonds. Upon initial execution, authentication and delivery, the ownership of each such global Bond shall be registered in the Bond Register in the name of the Nominee as nominee of the Depository. Except as provided in Section 2.13, all of the Outstanding Bonds shall be registered in the Bond Register kept by the Trustee in the name of the Nominee and the Bonds

may be transferred, in whole but not in part, only to the Depository, to a Substitute Depository or to another nominee of the Depository or of a Substitute Depository. Each global Bond shall bear a legend substantially to the following effect: "UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THIS INDENTURE OF TRUST) TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

With respect to Bonds registered in the Bond Register in the name of the Nominee, the Issuer and the Trustee shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds a beneficial interest in the Bonds. Without limiting the immediately preceding sentence, the Issuer and the Trustee shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any beneficial ownership interest in the Bonds, (b) the delivery to any Participant, Beneficial Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any redemption or retirement notice with respect to the Bonds, including any redemption notice following a failure to purchase the MBS, (c) the selection by the Depository and the Participants of the beneficial interests in the Bonds to be redeemed or retired in part in accordance with the operational arrangements of DTC and as set forth in Section 3.02(b), or (d) the payment to any Participant, Beneficial Owner or any other person, other than the Depository, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The Issuer and the Trustee may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on such Bond, for the purpose of giving redemption or retirement notices pursuant to Section 3.02 and other notices with respect to such Bond, and for all other purposes whatsoever, including, without limitation, registering transfers with respect to the Bonds.

The Trustee shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Bondholders, as shown in the Bond Register kept by the Trustee, or their respective attorneys duly authorized in writing, and all such payments shall be valid hereunder with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Bondholder, as shown in the Bond Register, shall receive a Bond evidencing the obligation to make payments of principal of, premium, if any, and interest pursuant to this Indenture. Upon delivery by the Depository to the Trustee and the Issuer of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Indenture shall refer to such new nominee of the Depository.

The Issuer and the Trustee will recognize the Depository or its nominee as the Bondholder of Book-Entry Bonds for all purposes, including receipt of payments, notices and voting, provided the Trustee may recognize votes by or on behalf of Beneficial Owners as if such votes were made by the Bondholders of a related portion of the Bonds when such votes are received in compliance with an omnibus proxy of the Depository or otherwise pursuant to the rules of the Depository or the provisions of the Representation Letter or other comparable evidence delivered to the Trustee by the Bondholders.

SO LONG AS A BOOK-ENTRY SYSTEM OF EVIDENCE OF TRANSFER OR OWNERSHIP OF ALL THE BONDS IS MAINTAINED IN ACCORDANCE HEREWITH, THE PROVISIONS OF THIS INDENTURE RELATING TO THE DELIVERY OF PHYSICAL BONDS SHALL BE DEEMED TO GIVE FULL EFFECT TO SUCH BOOK-ENTRY SYSTEM AND ALL DELIVERIES OF ANY SUCH BONDS SHALL BE MADE PURSUANT TO THE DELIVERY ORDER PROCEDURES OF DTC, AS IN EFFECT FROM TIME TO TIME.

Section 2.12. Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, if necessary, any Authorized Officer is hereby authorized to execute, countersign and deliver on behalf of the Issuer to such Depository a letter from the Issuer in substantially the Depository's standard form representing such matters as shall be necessary to so qualify the Bonds (the "Representation Letter"). The Representation Letter includes such letter as it may be amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor. The execution by the Issuer and delivery of the Representation Letter shall not in any way limit the provisions of Section 2.11 or in any other way impose upon the Issuer any obligation whatsoever with respect to persons having beneficial interests in the Bonds other than the registered owners, as shown in the Bond Register kept by the Trustee. In the written acceptance by the Trustee of the Representation Letter, the Trustee shall agree, and hereby agrees, to take all actions necessary for all representations of the Issuer in the Representation Letter with respect to the Trustee to at all times be complied with. In addition to the execution and delivery of the Representation Letter, any Authorized Officer is hereby authorized to take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

The terms and provisions of the Representation Letter shall govern in the event of any inconsistency between the provisions of this Indenture and the Representation Letter. The Representation Letter may be amended without Bondholder consent.

Section 2.13. Transfers Outside Book-Entry System. If at any time the Issuer determines that continuation of the book-entry system through DTC (or a successor securities Depository) is not in the best interest of the owners of the Bonds, if at any time the Depository notifies the Issuer and the Trustee that it is unwilling or unable to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation and a Substitute Depository is not appointed by the Issuer within ninety (90) days after the Issuer and the Trustee receive notice or become aware of such condition, as the case may be, the provisions of Section 2.11 shall no longer be applicable and the Issuer shall execute and the Trustee shall authorize and deliver bonds representing the Bonds as provided below. In addition, the Issuer may determine at any time that the Bonds shall no longer be represented by global certificates and that the provisions of Section 2.11 shall no longer apply to the Bonds. In any such

event, the Issuer shall execute and the Trustee shall authenticate and deliver certificates representing the Bonds as provided below. Bonds issued in exchange for global certificates pursuant to this Section shall be registered in such names and delivered in such authorized denominations as the Depository, pursuant to instructions from the Participants or otherwise, shall instruct the Issuer and the Trustee. The Trustee shall deliver such certificates representing the Bonds to the persons in whose names such Bonds are so registered.

If the Issuer determines to replace the Depository with another qualified securities depository, the Issuer shall prepare or cause to be prepared a new fully registered global certificate for each of the maturities of each type of Bond, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the Issuer, the Trustee and such securities depository and not inconsistent with the terms of this Indenture.

Section 2.14. Payments and Notices to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository.

Section 2.15. Initial Depository and Nominee. The initial Depository under this Indenture shall be DTC. The initial Nominee shall be Cede & Co., as nominee of DTC.

ARTICLE III

REDEMPTION, RETIREMENT, MANDATORY TENDER AND REMARKETING OF BONDS

Section 3.01. Terms of Redemption or Retirement. The Bonds shall be subject to redemption or retirement prior to maturity as stated in this Section. Any redemption or retirement in part shall be in Authorized Denominations. The Permanent Lender shall furnish the Trustee and the Issuer with a revised Permanent Loan Amortization Schedule in connection with any redemption in part of the Series B-1 Bonds.

(a) ***Series B-1 Bonds - Mandatory Redemption Prior to MBS Delivery Date***. On any Series B-1 Bond Payment Date that occurs prior to or during the month in which the MBS is delivered to the Trustee, the Series B-1 Bonds are subject to mandatory redemption in part in an amount equal to the amount due on the first day of the month in which such Series B-1 Bond Payment Date occurs as shown in the Permanent Loan Amortization Schedule, payable with respect to principal first, from money on deposit in the Series B-1 Collateral Fund Account and second, from money on deposit in the Series B-1 Bond Proceeds Fund Account, and with respect to interest, from money on deposit in the Series B-1 Revenue Fund Account.

(b) ***Series B-1 Bonds – Mandatory Redemption Upon Failure to Convert or Failure to Purchase the MBS by the MBS Delivery Date Deadline***. The Series B-1 Bonds are subject to mandatory redemption in whole five (5) calendar days after the MBS

Delivery Date Deadline at a Redemption Price equal to one hundred percent (100%) of the Outstanding principal amount thereof, plus interest accrued but unpaid from the first (1st) day of the month in which the last Series B-1 Bond Payment Date occurred (or, if no Series B-1 Bond Payment Date has occurred, from the Bond Dated Date) to, but not including, such redemption date, if either the Conversion Date or the MBS Delivery Date has not occurred on or prior to the MBS Delivery Date Deadline, as such date may be extended, payable with respect to principal first, from money on deposit in the Series B-1 Collateral Fund Account and second, from money on deposit in the Series B-1 Bond Proceeds Fund Account, and with respect to premium, if any, and interest, from money on deposit in the Series B-1 Revenue Fund Account.

(c) ***Series B-1 Bonds – Mandatory Redemption on the MBS Delivery Date***. The Series B-1 Bonds are subject to mandatory redemption in part on the MBS Delivery Date at a Redemption Price equal to [one hundred percent] ([100]%) of the principal amount of the Series B-1 Bonds to be redeemed, plus interest accrued but unpaid from the first day of the month in which the last Series B-1 Payment Date occurred to, but not including, the MBS Delivery Date, in an amount equal to the difference between (i) the principal amount of the MBS purchased on the MBS Delivery Date and (ii) the aggregate principal amount of the Series B-1 Bonds Outstanding as of the first day of the month in which the MBS Delivery Date occurred, payable with respect to principal first, from money on deposit in the Series B-1 Collateral Fund Account and second, from money on deposit in the Series B-1 Bond Proceeds Fund Account, and with respect to interest and premium, if any, from money on deposit in the Series B-1 Revenue Fund Account and other Eligible Funds.

(d) ***Series B-1 Bonds – Mandatory Sinking Fund Redemption***. The Series B-1 Bonds are subject to mandatory redemption on the respective dates set forth in the schedule below, at the Redemption Price equal to the principal amount thereof, plus accrued interest to, but not including the redemption date.

Sinking Fund Payment Date	**Amount**	**Sinking Fund Payment Date**	**Amount**	**Sinking Fund Payment Date**	**Amount**

(e) ***Series B-1 Bonds – Mandatory Redemption Following Unscheduled Prepayment of the Permanent Loan***.

(i) The Series B-1 Bonds are subject to mandatory redemption in whole or in part one (1) Business Day after the date on which any unscheduled MBS principal payment or prepayment is received by the Trustee, at a Redemption Price equal to [one hundred] percent ([100])% of the principal amount thereof, plus accrued interest and premium, if any, received pursuant to the MBS. Any scheduled principal payments made pursuant to the Permanent Loan Amortization Schedule shall be retained by the Trustee and used to make sinking fund payments as set forth in Section 3.01(d) hereof.

(ii) The Permanent Loan is subject to optional prepayment by the Borrower. Any yield maintenance or prepayment penalty in connection with the prepayment of the Permanent Loan that is received by the Trustee as holder of the MBS will be distributed to Bondholders, as applicable; however, no assurance can be given that all or any portion of such yield maintenance or prepayment penalty will be received by the Trustee as holder of the MBS.

(f) ***Series B-2 Bonds – Mandatory Redemption or Retirement for Failure to Remarket***. The Series B-2 Bonds are subject to mandatory redemption or retirement in whole at a redemption or retirement price of one hundred percent (100%) of the Outstanding principal amount thereof, plus accrued interest to the Redemption Date, on any Mandatory Tender Date upon the occurrence of any of the following events: (i) the Borrower has previously elected not to cause the remarketing of the Series B-2 Bonds; (ii) the conditions to remarketing set forth in Section 3.07(b) or Section 3.07(f) hereof have not been met by the dates and times set forth therein; or (iii) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Series B-2 Bonds being remarketed on such Mandatory Tender Date. Series B-2 Bonds subject to redemption or retirement in accordance with this paragraph shall be redeemed or retired from (i) amounts on deposit in the Series B-2 Collateral Fund Account, (ii) amounts on deposit in the Series B-2 Negative Arbitrage Subaccount of the Negative Arbitrage Account of the Revenue Fund, (iii) amounts on deposit in the Series B-2 Bond Proceeds Fund Account, and (iv) any other Eligible Funds available or made available for such purpose at the written direction of the Borrower.

(g) ***Series B-2 Bonds – Optional Redemption or Retirement of Series B-2 Bonds***. The Series B-2 Bonds are subject to optional redemption or retirement, in whole but not in part, by the Issuer at the written direction of the Borrower on any date on or after the later to occur of (i) the date the Project is complete and placed in service by the Borrower (as evidenced by a certificate of occupancy for the Project delivered by the Borrower to the Trustee), accompanied by a letter from the Borrower confirming that the Project is placed in service for purposes of Section 42 of the Code and (ii) the Initial

Mandatory Tender Date (the "Optional Redemption Date") at a redemption or retirement price equal to one hundred percent (100%) of the principal amount of the Series B-2 Bonds plus accrued interest, but without premium, to the Optional Redemption Date. On and after the Initial Remarketing Date, the Borrower, in consultation with the Remarketing Agent, may establish an optional redemption or retirement date with respect to any subsequent Remarketing Period (which optional redemption or retirement date shall be (i) a Mandatory Tender Date, (ii) the date which is equivalent to fifty percent (50%) of the Remarketing Period, or (iii) a date for which there has been delivered an opinion of Bond Counsel to the effect that the establishment of such optional redemption or retirement date will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series B-2 Bonds) and, thereafter, the Series B-2 Bonds are subject to optional redemption or retirement in whole or in part by the Issuer at the written direction of the Borrower (with delivery of a Cash Flow Projection and written notice to the Trustee at least thirty (30) days prior to the proposed redemption or retirement date and, in the case of a redemption or retirement in part, specifying the principal amount of the Series B-2 Bonds to be redeemed or retired) on or after the applicable redemption or retirement date at a redemption or retirement price of one hundred percent (100%) of the principal amount of such Series B-2 Bonds to be redeemed or retired plus accrued interest to the applicable redemption or retirement date.

Notwithstanding anything to the contrary herein, the Series B-1 Bonds are not subject to optional redemption, but are subject to redemption at a redemption price equal to one hundred percent (100%) of the principal amount of the Series B-1 Bonds prior to maturity in connection with a prepayment of the Permanent Loan as set forth herein.

(h) ***Selection of Bonds for Redemption***. If less than all of the Series B-1 Bonds are redeemed pursuant to Section 3.01(d), the Series B-1 Bonds shall be redeemed in accordance with the respective schedules set forth in this Indenture. In the event the Series B-1 Bonds are redeemed in part other than pursuant to Section 3.01(d), the Series B-1 Bonds shall be redeemed ratably across all maturities and the scheduled principal payments on the Series B-1 Bonds to remain outstanding and the mandatory redemption requirements for each maturity described in this Indenture shall be adjusted so that the resulting debt service on the Series B-1 Bonds (including scheduled mandatory redemption payments) during each six (6)-month period commencing on each Series B-1 Bond Payment Date is proportional, as nearly as practicable, to the payments on the MBS during each such six (6)-month period, without exceeding the amount available from MBS payments, and other available funds under this Indenture that may be used to pay debt service on the Bonds, during each such six (6)-month period. All Series B-1 Bonds to be redeemed within the same maturity shall be selected ratably.

Except as otherwise described above, any Bond to be called for redemption shall be selected by the Trustee by lot, such selection to be made prior to the date on which notice of such redemption must be given and Bonds shall be redeemed as soon as practicable after an event causing a redemption shall have occurred. The Trustee shall have no liability for such selections made without gross negligence or willful misconduct.

If it is determined that less than all of the principal amount represented by any Bond is to be called for redemption, then, following notice of intention to redeem such principal amount, the holder thereof shall surrender such Bond to the Trustee on or before the applicable redemption date for (a) payment on the redemption date to such Bondholder of the Redemption Price of the amount called for redemption and (b) delivery to such Bondholder of a new Bond or Bonds of such Series in an aggregate principal amount equal to the unredeemed balance of such Bond. A new Bond representing the unredeemed balance of such Bond shall be issued to the registered owner thereof, without charge therefor. If the registered owner of any Bond selected for redemption shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the amount called for redemption (and to that extent only).

Section 3.02. Notice of Redemption or Retirement.

(a) Anytime the Bonds are subject to redemption or retirement in whole or in part pursuant to Section 3.01 hereof (except for a redemption pursuant to Sections 3.01(a), (d) and (e)), the Trustee, in accordance with the provisions of this Indenture, shall give at least five (5) calendar days' notice (or such greater number of days as required by the Depository), in the name of the Issuer, at the written direction of the Issuer, upon written request of the Borrower, of the redemption of the Series B-1 Bonds and at least five (5) but not more than ten (10) calendar days' notice (or such greater number of days as required by the Depository), in the name of the Issuer, at the written direction of the Issuer, at the written request of the Borrower, of the redemption or retirement of the Series B-2 Bonds, which notice shall specify the following: (i) the maturity and principal amounts of the Bonds to be redeemed or retired; (ii) the CUSIP number, if any, of the Bonds to be redeemed or retired; (iii) the date of such notice; (iv) the issuance date for such Bonds; (v) the interest rate on the Bonds to be redeemed or retired; (vi) the redemption or retirement date; (vii) any conditions to the occurrence of the redemption or retirement; (viii) the place or places where amounts due upon such redemption or retirement will be payable; (ix) the Redemption Price; (x) the Trustee's name and address with a contact person and a phone number; and (xi) that on the redemption or retirement date, the Redemption Price shall be paid. Notice delivered as required in this Section 3.02(a) with respect to a redemption pursuant to Section 3.01(b) hereof may be rescinded and annulled on or before the redemption date set forth in such notice if (i) the MBS is delivered on or prior to such redemption date or (ii) the MBS Delivery Date Deadline is extended pursuant to Section 3.04 hereof. Neither the giving of such notice by the Trustee nor the receipt of such notice by the Bondholders shall be a condition precedent to the effectiveness of any such redemption or retirement. Notwithstanding anything herein to the contrary, no notice of redemption shall be required with respect to redemptions pursuant to Sections 3.01(a), (d) or (e) hereof. With respect to a mandatory redemption or retirement pursuant to Section 3.01(f) or an optional redemption or retirement of the Bonds on a Mandatory Tender Date, the notice of mandatory tender provided to Holders pursuant to Section 3.06 hereof shall serve as the notice of redemption or retirement required by this Section 3.02 and shall satisfy the requirements of this Section 3.02, and no further notice of redemption or retirement will be required to the Bondholders.

(b) The Bonds to be redeemed or retired in part pursuant to Section 3.01 hereof will be selected in accordance with the operational arrangements of DTC or any successor Substitute Depository, and any partial prepayments pursuant thereto shall be made in accordance with the "Pro Rata Pass-Through Distributions of Principal" procedures of DTC or comparable procedures of any successor Substitute Depository.

(c) In the event that the MBS has not been purchased by, and delivered to, the Trustee, ten (10) Business Days prior to the MBS Delivery Date Deadline (as such date may be extended under this Indenture), the Trustee shall provide, ten (10) Business Days prior to the MBS Delivery Date Deadline, written notice of such non-purchase to the Borrower, the Lender, the Issuer and the Underwriter.

(d) Notices of optional redemption or retirement of the Series B-2 Bonds shall be revocable in the event that there is not on deposit with the Trustee prior to the date of redemption or retirement money sufficient to pay the redemption or retirement price of the Series B-2 Bonds to be redeemed or retired or, in the case of any redemption or retirement premium on the Series B-2 Bonds, there are not on deposit Eligible Funds sufficient to pay such redemption or retirement premium.

Notwithstanding this Section 3.02, no prior notice shall be a prerequisite to the effectiveness of any redemption or retirement under Section 3.01 hereof which redemption or retirement shall occur and be effective irrespective of whether the Trustee fulfills its obligation to provide the notice with respect to Section 3.01 hereof required by this Section 3.02.

Section 3.03. Payment of Redemption or Retirement Price. With respect to any redemption or retirement pursuant to Section 3.01 hereof, notice having been given in the manner provided in Section 3.02 hereof (or not required to be given as a result of a redemption pursuant to Sections 3.01(a), (d) or (e) hereof), and all conditions to the redemption or retirement contained in such notice, if applicable, having been met, the Bonds so called for redemption or retirement shall become due and payable on the redemption or retirement date so designated at the Redemption Price specified in Section 3.01 hereof, and (except in the case of a redemption pursuant to Sections 3.01 (a), (d) or (e) hereof) upon presentation and surrender thereof at the offices specified in such notice, together with, in the case of Bonds presented by other than the registered owner, a written instrument of transfer duly executed by the registered owner or its duly authorized attorney; provided, however, that so long as the Bonds are registered in the name of the Depository, payment for such redeemed or retired Bonds shall be made in accordance with the Representation Letter of the Issuer. If, on the redemption or retirement date, moneys for the redemption or retirement of all of the Bonds to be redeemed or retired, together with all accrued interest on such Bonds (which, with respect to the Series B-1 Bonds only, shall equal all interest accrued on the MBS), if delivered, to the redemption or retirement date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption or retirement shall have been given as aforesaid, then, from and after the redemption or retirement date, interest on the Bonds so called for redemption or retirement shall cease to accrue.

Section 3.04. Extension of MBS Delivery Date Deadline. At any time prior to the MBS Delivery Date Deadline, the Borrower may extend the MBS Delivery Date Deadline by (i) providing to the Trustee, the Lender, the Issuer, the Rating Agency and the Underwriter written

notice of any extension of the MBS Delivery Date Deadline, (ii) depositing with the Trustee Eligible Funds for the credit of the Series B-1 Negative Arbitrage Subaccount of the Negative Arbitrage Account of the Revenue Fund in an amount, taking into account amounts already on deposit therein, sufficient to pay interest due on the Series B-1 Bonds to the date that is five (5) calendar days after the extended MBS Delivery Date Deadline (the "Extension Deposit"), (iii) delivering to the Trustee and the Rating Agency a Cash Flow Projection establishing the sufficiency of the Extension Deposit, and (iv) delivering to the Trustee confirmation by the Rating Agency of the then-current rating on the Series B-1 Bonds. Extension Deposits may continue to be made by or on behalf of the Borrower until the MBS Delivery Date occurs or the Borrower declines to make an Extension Deposit resulting in a mandatory redemption of the Series B-1 Bonds pursuant to Sections 3.01(b) or (c), as applicable; provided, however, the MBS Delivery Date Deadline may not be extended to a date that is later than the fourth (4th) anniversary of the Bond Dated Date unless, prior to any extension beyond such date, there shall be filed with the Trustee and the Issuer an opinion of Bond Counsel to the effect that such extension will not, in and of itself, adversely affect the exclusion of interest on the Bonds from gross income for Federal income tax purposes. The cost of such opinion shall be the sole responsibility of the Borrower.

Section 3.05. Mandatory Tender of Series B-2 Bonds.

(a) ***Purchase of Series B-2 Bonds on Mandatory Tender Dates***. All Outstanding Series B-2 Bonds shall be subject to mandatory tender (with no right of retention) by the Bondholders for purchase in whole and not in part on each Mandatory Tender Date. The purchase price for each such Series B-2 Bond shall be payable in lawful money of the United States of America by wire, check or draft, shall equal one hundred percent (100%) of the principal amount to be purchased and accrued interest, if any, to the Mandatory Tender Date, and shall be paid in full on the applicable Mandatory Tender Date.

(b) ***Holding of Tendered Series B-2 Bonds***. While tendered Series B-2 Bonds are in the custody of the Trustee pending purchase pursuant hereto, the tendering Bondholders thereof shall be deemed the owners thereof for all purposes, and interest accruing on tendered Series B-2 Bonds through the day preceding the applicable Mandatory Tender Date is to be paid as if such Series B-2 Bonds had not been tendered for purchase.

(c) ***Purchase of Tendered Series B-2 Bonds***. The Trustee shall utilize amounts representing proceeds of remarketed Series B-2 Bonds on deposit in the Remarketing Proceeds Account to pay the principal amount, plus accrued interest, of Series B-2 Bonds tendered for purchase not later than 11:30 a.m. Local Time on the Mandatory Tender Date.

(d) ***Cancellation of Remarketing***. In the event the Series B-2 Bonds must be redeemed or retired as a result of the occurrence of any of the events listed in Section 3.01(f), the remarketing shall be cancelled and all Bonds outstanding on the Mandatory Tender Date shall be redeemed or retired in accordance with Section 3.01(f).

(e) ***Undelivered Bonds***. Series B-2 Bonds shall be deemed to have been tendered for purposes of this Section 3.05 whether or not the Bondholders shall have delivered such undelivered Series B-2 Bonds to the Trustee, and subject to the right of the

holders of such undelivered Series B-2 Bonds to receive the purchase price of such undelivered Series B-2 Bonds on the Mandatory Tender Date, such undelivered Series B-2 Bonds shall be null and void. If such undelivered Series B-2 Bonds are to be remarketed, the Trustee shall authenticate and deliver new Series B-2 Bonds in replacement thereof pursuant to the remarketing of such undelivered Series B-2 Bonds.

Section 3.06. Notice of Mandatory Tender.

(a) ***Notice to Holders***. No later than the thirtieth (30th) day prior to a Mandatory Tender Date, the Trustee shall give written notice of a mandatory tender on the Mandatory Tender Date to the Holders of the Series B-2 Bonds Outstanding (with a copy to the Borrower, the Issuer, the Investor Limited Partner, and the Remarketing Agent) by first class mail, postage prepaid, at their respective addresses appearing on the Register stating:

(i) the Mandatory Tender Date and that (A) if certain conditions are met, all Outstanding Series B-2 Bonds are subject to mandatory tender for purchase on the Mandatory Tender Date, (B) all Outstanding Series B-2 Bonds must be tendered for purchase no later than 9:00 a.m., Local Time, on the Mandatory Tender Date and (C) Bondholders will not have the right to elect to retain their Series B-2 Bonds;

(ii) the address of the designated corporate trust office of the Trustee at which Bondholders should deliver their Series B-2 Bonds for purchase and the date of the required delivery;

(iii) that all Outstanding Series B-2 Bonds will be purchased on the Mandatory Tender Date at a price equal to the principal amount of the Outstanding Bonds plus interest accrued to the Mandatory Tender Date;

(iv) that if, in the event that the conditions to remarketing set forth in Section 3.07(b) or Section 3.07(d) hereof are not met as set forth therein, or, if proceeds from the remarketing are insufficient to pay the purchase price of the Series B-2 Bonds on the Mandatory Tender Date, all of the Series B-2 Bonds will be redeemed or retired, without further notice, on the Mandatory Tender Date; and

(v) that any Series B-2 Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date.

(b) ***Second Notice***. In the event that any Series B-2 Bond required to be delivered to the Trustee for payment of the purchase price of such Series B-2 Bond shall not have been delivered to the Trustee on or before the thirtieth (30th) day following a Mandatory Tender Date, the Trustee shall mail a second notice to the holder of the Bond at its address as shown on the Register setting forth the requirements set forth in this Indenture for delivery of the Series B-2 Bond to the Trustee and stating that delivery of the Series B-2 Bond to the Trustee (or compliance with the provisions of this Indenture

concerning payment of lost, stolen or destroyed Bonds) must be accomplished as a condition to payment of the purchase price applicable to the Series B-2 Bond.

(c) ***Failure to Give Notice***. Neither failure to give or receive any notice described in this Section 3.06, nor the lack of timeliness of such notice or any defect in any notice (or in its content) shall affect the validity or sufficiency of any action required or provided for in this Section 3.06.

Section 3.07. Remarketing of Series B-2 Bonds.

(a) ***Notice of Mandatory Tender***. No later than 11:00 a.m. Local Time on the 35th day prior to each Mandatory Tender Date, the Trustee shall give notice to the Borrower and the Remarketing Agent by telephone or electronic mail, confirmed on the same day in writing, which states that all Outstanding Series B-2 Bonds shall be tendered or deemed to be tendered pursuant to Section 3.05 hereof.

(b) ***Preliminary Conditions to Remarketing***. No later 11:00 a.m. Local Time on the thirtieth (30th) day prior to the Mandatory Tender Date then in effect, if the Borrower elects to cause the Series B-2 Bonds to be remarketed, the Borrower must give notice to the Remarketing Notice Parties by telephone or telecopy, confirmed on the same day in writing, of such election. A remarketing of the Series B-2 Bonds shall be permitted only if the following conditions are satisfied no later than the time the foregoing election notice is given:

(i) notice by the Borrower to the Remarketing Agent of the Remarketing Period, approved in writing by the Remarketing Agent;

(ii) delivery to the Trustee and the Remarketing Agent of a preliminary Cash Flow Projection with respect to the proposed Remarketing Period; and

(iii) the Borrower shall have notified the Trustee in writing that it has approved as to form and substance any disclosure document or offering materials which, in the opinion of counsel to the Remarketing Agent, are necessary to be used in connection with the remarketing of the Outstanding Series B-2 Bonds or that no such disclosure document or offering material are required.

If the foregoing conditions are not satisfied by 11:00 a.m. Local Time on the 15th day prior to the Mandatory Tender Date then in effect, the remarketing shall be cancelled and the Series B-2 Bonds shall be redeemed or retired in accordance with Section 3.01(f).

(c) ***Establishment of Remarketing Rate***. The Remarketing Agent shall establish the interest rate on the Series B-2 Bonds Outstanding for each Remarketing Period at the Remarketing Rate in accordance with this Section 3.07. Not less than ten (10) Business Days preceding each Remarketing Date, the Remarketing Agent, taking into consideration prevailing market conditions, shall, using its best professional judgment, determine the minimum rate(s) of interest which, if borne by the Series B-2 Bonds Outstanding for the Remarketing Period specified by the Remarketing Agent at the

direction of the Borrower as provided in this Section 3.07. The rate of interest determined in accordance with the previous sentence shall be the Remarketing Rate for the specified Remarketing Period; provided that if the rate of interest so determined for such period would exceed the maximum interest rate per annum permitted by applicable State law, the Series B-2 Bonds Outstanding shall be remarketed for the longest Remarketing Period for which the minimum rate of interest that would enable such Bonds to be remarketed at a price equal to one hundred percent (100%) of the principal amount of such Series B-2 Bonds that would not exceed the maximum interest rate permitted by applicable State law. Notwithstanding the foregoing, if the rate of interest so determined for any Remarketing Period would exceed the maximum interest rate permitted by applicable State law, the Series B-2 Bonds Outstanding shall not be remarketed.

(d) ***Notice of Remarketing Rate***. The Remarketing Agent shall, upon determination of the Remarketing Rate and Remarketing Period, immediately (and in no event later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate and the Remarketing Period) give notice of its determination by telephone or telecopy, promptly confirmed in writing, to the Trustee, the Issuer, the Investor Limited Partner, and the Borrower. The Remarketing Rate and the Remarketing Period shall be conclusive and binding upon the Trustee, the Issuer, the Borrower and the Holders for the purposes of this Indenture.

(e) ***Remarketing***. No later than the tenth (10th) day prior to each Mandatory Tender Date, the Remarketing Agent shall offer for sale and use its best efforts to sell the Series B-2 Bonds Outstanding on the Mandatory Tender Date at a price equal to one hundred percent (100%) of the principal amount of such Series B-2 Bonds plus accrued interest on such Series B-2 Bonds. No later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate and the Remarketing Period, the Remarketing Agent shall give notice, by Electronic Means, promptly confirmed in writing, to the Remarketing Notice Parties specifying the principal amount of Series B-2 Bonds, if any, it has remarketed (including Series B-2 Bonds to be purchased on the Mandatory Tender Date for its own account), the Remarketing Rate(s) and the Remarketing Period applicable to the Series B-2 Bonds.

The Remarketing Agent shall have the right to remarket the Series B-2 Bonds tendered pursuant to Section 3.05 hereof; provided, however, that no Series B-2 Bond shall be remarketed unless all of the Outstanding Series B-2 Bonds are remarketed and all such Series B-2 Bonds shall be remarketed at a price not less than the amount equal to one hundred percent (100%) of the principal amount thereof plus accrued interest (if any). The Remarketing Agent shall have the right to purchase any Series B-2 Bond tendered or deemed tendered pursuant to Section 3.05 hereof at the purchase price thereof, and to thereafter sell such Series B-2 Bond. Any such purchase shall constitute a remarketing hereunder.

The Remarketing Agent shall not remarket any Series B-2 Bond to the Issuer, the Borrower, any guarantor of the Bonds or any person which is an "insider" of the Issuer, the Borrower, or any such guarantor within the meaning of the Bankruptcy Code.

(f) ***Final Conditions to Remarketing.*** (A) If, no later than four (4) Business Days prior to a Mandatory Tender Date (i) the Remarketing Agent shall have notified the Trustee in writing of the remarketing of the Outstanding Series B-2 Bonds and that the proceeds from the remarketing (including proceeds of remarketing of Outstanding Series B-2 Bonds to be purchased by the Remarketing Agent on the Mandatory Tender Date for its own account) or other funds equal to the amount needed to purchase the remarketed Series B-2 Bonds on the Mandatory Tender Date are expected to be available to the Trustee on the Mandatory Tender Date for deposit into the Remarketing Proceeds Account; and (ii) the Trustee shall have received written notice from the Remarketing Agent that the Remarketing Agent has received written confirmation from the Rating Agency that the then-current rating assigned to the Outstanding Series B-2 Bonds will continue to be effective on the Remarketing Date; and (B) if, no later than two (2) Business Days prior to a Mandatory Tender Date, there shall be on deposit with the Trustee, from funds provided by or on behalf of the Borrower, any additional amount required to pay the Extension Deposit and the estimated Remarketing Expenses as determined by the Remarketing Agent and certified to the Trustee; then the Trustee shall immediately give notice, by Electronic Means which notice shall be immediately confirmed in writing, to the Remarketing Agent, the Borrower and the Investor Limited Partner that (a) all conditions precedent to the remarketing of the Outstanding Series B-2 Bonds have been satisfied and (b) the sale and settlement of the Outstanding Series B-2 Bonds is expected to occur on the Mandatory Tender Date. Following the Trustee's notice, the Outstanding Series B-2 Bonds shall be sold to the purchasers identified by the Remarketing Agent for delivery and settlement on the Mandatory Tender Date, and the Trustee shall apply (i) the funds in the Remarketing Proceeds Account of the Revenue Fund on the Remarketing Date to payment of the purchase price of the Outstanding Series B-2 Bonds and (ii) the funds in the Remarketing Expense Account to payment of the Remarketing Expenses.

(g) ***Remarketing Proceeds***. On or before the Business Day next preceding each Remarketing Date, the Remarketing Agent shall pay to the Trustee, in immediately available funds, the proceeds theretofore received by the Remarketing Agent from the remarketing of Series B-2 Bonds tendered for purchase on such Mandatory Tender Date. The proceeds from the remarketing of the Series B-2 Bonds shall be deposited into the Remarketing Proceeds Account, segregated from any funds of the Borrower and the Issuer and shall in no case be considered to be or be assets of the Borrower or the Issuer. Funds representing remarketing proceeds received by the Remarketing Agent after 10:00 a.m. Local Time on each Mandatory Tender Date shall be paid to the Trustee as soon as practicable upon such receipt.

(h) ***Delivery of Purchased Bonds***. No later than the tenth (10th) day prior to each Mandatory Tender Date, the Remarketing Agent, by Electronic Means, shall notify the Trustee of (i) the principal amount of Series B-2 Bonds to be sold by the Remarketing Agent pursuant to this Section 3.07 and the purchase price, and, unless the Series B-2 Bonds are then in the book-entry system, the names, addresses and social security numbers or other tax identification numbers of the proposed purchasers thereof and (ii) the principal amount of Series B-2 Bonds tendered for purchase on such Mandatory Tender Date which will not be sold by the Remarketing Agent pursuant to this Section 3.07. Such telephonic

advice shall be confirmed by written notice delivered or electronically communicated at the same time as the telephonic advice.

Series B-2 Bonds purchased by the Trustee on a Mandatory Tender Date that have been remarketed shall be delivered to the purchasers thereof as directed by the Remarketing Agent. Series B-2 Bonds delivered as provided in this Section shall be registered in the manner directed by the recipient thereof.

Section 3.08. Cancellation. All Bonds which have been redeemed, paid or retired or received by the Trustee for exchange shall not be reissued but shall be canceled and held by the Trustee in accordance with Section 2.09 hereof.

ARTICLE IV

DELIVERY OF MBS

Section 4.01. Conversion on or Prior to Termination Date; Delivery of MBS.

(a) ***Conversion on or Prior to Termination Date***. If the Conversion Date occurs on or prior to the Termination Date, the Borrower shall cause to be delivered to the Trustee (i) a Cash Flow Projection and (ii) Eligible Funds, if any, as set forth in the Cash Flow Projection.

(b) ***Delivery of MBS***. The obligation of the Trustee to purchase the MBS on the MBS Delivery Date shall be subject to receipt by the Trustee of written notification from the Permanent Lender upon which the Trustee may rely and act without further investigation certifying that the MBS duly executed by Fannie Mae is available for purchase by the Trustee at the MBS Purchase Price, and the Trustee shall confirm that such MBS meets the following requirements:

(i) the MBS shall bear interest at the Pass-Through Rate payable on the twenty-fifth (25th) day of each month, commencing on the twenty-fifth (25th) day of the month following the month in which the Trustee purchases the MBS, or if any such twenty-fifth (25th) day is not a Business Day, the next succeeding Business Day, and shall mature on the MBS Maturity Date; and

(ii) the MBS shall be acquired by the Trustee on behalf of the Issuer, shall be held at all times by the Trustee in trust for the benefit of the Bondholders and shall be held only in book-entry form through the United States Federal Reserve Bank book-entry system, pursuant to which the MBS shall have been registered on the records of the Federal Reserve Bank in the name of the Trustee.

The MBS shall be registered in the name of the Trustee or its designee. The Trustee shall receive confirmation in writing that the United States Federal Reserve Bank is holding the MBS on behalf of, and has identified the MBS on its records as belonging to, the Trustee. Upon purchase of the MBS on the MBS Delivery Date, the Trustee shall post a notification to this effect on the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board.

ARTICLE V

TRUST ESTATE AND FUNDS

Section 5.01. Pledge of Trust Estate. The pledge and assignment of and the security interest granted in the Trust Estate pursuant to the Granting Clauses hereof for the payment of the principal of, premium, if any, and interest on the Bonds, in accordance with their terms and provisions, and for the payment of all other amounts due hereunder, shall attach, be perfected and be valid and binding from and after the time of the delivery of the Bonds by the Trustee or by any person authorized by the Trustee to deliver the Bonds. The Trust Estate so pledged and then or thereafter received by the Trustee shall immediately be subject to the lien of such pledge and security interest without any physical delivery thereof or further act, and the lien of such pledge and security interest shall be valid and binding and prior to the claims of any and all parties having claims of any kind in tort, contract or otherwise against the Issuer irrespective of whether such parties have notice thereof.

Section 5.02. Establishment of Funds. The Trustee shall establish, maintain and hold in trust the following funds, each of which shall be maintained by the Trustee as a separate and distinct fund or account, and each of which shall be disbursed and applied only as herein authorized:

(a) Revenue Fund, including therein (i) a Series B-1 Revenue Fund Account, (ii) a Series B-2 Revenue Fund Account, (iii) a Negative Arbitrage Account, including therein a Series B-1 Negative Arbitrage Subaccount and a Series B-2 Negative Arbitrage Subaccount; and (iv) a Remarketing Proceeds Account;

(b) Bond Proceeds Fund, including therein (i) a Series B-1 Bond Proceeds Fund Account and (ii) a Series B-2 Bond Proceeds Fund Account;

(c) Collateral Fund, including therein (i) a Series B-1 Collateral Fund Account and (ii) a Series B-2 Collateral Fund Account;

(d) Costs of Issuance Fund, and therein, a Remarketing Expense Account; and

(e) Rebate Fund.

The Trustee shall, at the written direction of an Authorized Borrower Representative and may, in its discretion, establish such additional accounts within any fund, and subaccounts within any of the accounts, as the Issuer or the Trustee may deem necessary or useful for the purpose of identifying more precisely the sources of payments into and disbursements from that fund and its accounts, or for the purpose of complying with the requirements of the Code, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of this Indenture with respect to a deposit or use of money in the respective Funds, or result in commingling of funds not permitted hereunder.

Section 5.03. Application of Funds on MBS Delivery Date. On the MBS Delivery Date, the Trustee shall remit to the Permanent Lender as payment for the MBS, an amount equal to the aggregate principal amount of the MBS (from amounts on deposit in the Series B-1 Collateral

Fund Account and, to the extent sufficient funds are not otherwise available in the Series B-1 Collateral Fund Account, from the Series B-1 Bond Proceeds Fund Account), plus accrued and unpaid interest on the MBS at the Pass-Through Rate from the first of the month in which the MBS was delivered to, but not including, the MBS Delivery Date (from amounts on deposit in the Series B-1 Revenue Fund Account, and, to the extent amounts in the Series B-1 Revenue Fund Account are insufficient for such purposes, from the Series B-1 Negative Arbitrage Subaccount).

Section 5.04. Initial Deposits. On the Closing Date, the Trustee shall make the following deposits:

(a) $[_____], representing an initial deposit of Eligible Funds, shall be deposited into the Series B-1 Revenue Fund Account;

(b) $[0], representing the Costs of Issuance Deposit, shall be deposited into the Costs of Issuance Fund;

(c) $[_____], representing the principal amount of the Series B-1 Bonds, shall be deposited into the Series B-1 Bond Proceeds Fund Account to be used as set forth in this Article V;

(d) $[_____], representing the principal amount of the Series B-2 Bonds, shall be deposited into the Series B-2 Bond Proceeds Fund Account to be used as set forth in this Article V;

(e) $[0], representing the Series B-1 Negative Arbitrage Deposit, shall be delivered to the Trustee for deposit into the Series B-1 Negative Arbitrage Subaccount;

(f) $[_____], representing the Series B-1 Negative Arbitrage Transfer, shall be transferred from the Series B-2 Bond Proceeds fund Account into the Series B-1 Negative Arbitrage Subaccount; and

(g) $[0], representing the Series B-2 Negative Arbitrage Deposit shall be delivered to the Trustee for deposit into the Series B-2 Negative Arbitrage Subaccount.

Section 5.05. Revenue Fund.

(a) (i) On any Series B-1 Bond Payment Date that occurs prior to or during the month in which the MBS is delivered to the Trustee, the Trustee shall disburse from the Series B-1 Revenue Fund Account (and, to the extent amounts in the Series B-1 Revenue Fund Account, are insufficient for such purposes, from the Series B-1 Negative Arbitrage Subaccount), an amount equal to the amount of interest due on the Series B-1 Bonds and (ii) on each Series B-2 Bond Payment Date, the Trustee shall disburse from the Series B-2 Revenue Fund Account (and, to the extent amounts in the Series B-2 Revenue Fund Account are insufficient for such purposes, from the Series B-2 Negative Arbitrage Subaccount) an amount equal to the amount of principal, if any, and interest due on the Series B-2 Bonds.

(b) There shall be deposited into the Series B-1 Negative Arbitrage Subaccount and the Series B-2 Negative Arbitrage Subaccount, as applicable, the Series B-1 Negative Arbitrage Deposit and the Series B-2 Negative Arbitrage Deposit. Any Extension Deposit shall be deposited into the Series B-1 Negative Arbitrage Subaccount or the Series B-2 Negative Arbitrage Subaccount, as applicable.

(c) There shall be deposited into the Series B-1 Revenue Fund Account, as and when received, (i) following the MBS Delivery Date, all moneys received by the Trustee representing principal payments or repayments, and premium, if any, under the MBS, together with all other amounts required pursuant to this Indenture to be deposited therein, (ii) any other amounts specified in this Indenture, and (iii) all moneys received by the Trustee representing interest payments under the MBS, to be held therein pending distribution in accordance with the terms hereof.

(d) There shall be deposited into the Series B-2 Revenue Fund Account all amounts paid by the Borrower pursuant to Section 4.03 of the Financing Agreement, to the extent such payments are attributable to the Series B-2 Bonds.

(e) On the MBS Delivery Date, the Trustee shall remit from the Series B-1 Revenue Fund Account (and, to the extent amounts in the Series B-1 Revenue Fund Account, other than amounts on deposit of the Series B-1 Negative Arbitrage Subaccount therein, are insufficient for such purposes, from the Series B-1 Negative Arbitrage Subaccount) to the Permanent Lender accrued and unpaid interest on the MBS at the Pass-Through Rate from and including the first (1st) calendar day of the month in which the MBS was delivered to, but not including, the MBS Delivery Date.

(f) On any Series B-1 Bond Payment Date that occurs prior to or during the month in which the MBS is delivered to the Trustee, the Trustee shall disburse from the Series B-1 Revenue Fund Account (and to the extent amounts in the Series B-1 Revenue Fund Account, other than amounts in the Series B-1 Negative Arbitrage Subaccount therein, are insufficient for such purposes), from the Series B-1 Negative Arbitrage Subaccount, an amount equal to the amount of principal, if any, and interest due on the Series B-1 Bonds on such Series B-1 Bond Payment Date. On the first (1st) Business Day following the first Series B-1 Bond Payment date following the MBS Delivery Date, the Trustee shall release to the Borrower any remaining balance in the Series B-1 Revenue Fund Account (including the Series B-1 Negative Arbitrage Account therein) that exceeds a total of $20,000.

(g) On each Payment Date, the Trustee shall pay to the Bond owners, from the applicable account of the Revenue Fund, the amount listed in the applicable maturity, sinking fund and interest payment schedule set forth herein. All payments of principal and interest shall be paid to Bond owners in proportion to the principal amount of Bonds owned by each Bond owner as set forth on the records of the Trustee at the close of business on the applicable Record Date.

(h) If the Trustee does not receive a scheduled payment on the MBS by 5:00 p.m. Eastern Time on the twenty-fifth (25th) day of any month (or the next succeeding

Business Day if such day of the month is not a Business Day), the Trustee shall immediately notify Fannie Mae and immediately demand payment under the terms of the guaranty thereof.

(i) Following the MBS Delivery Date, the Trustee is authorized to release Excess Funds from the Series B-1 Revenue Fund Account to or upon the direction of the Borrower, upon receipt by the Trustee of a Cash Flow Projection. The Trustee is authorized to release Excess Funds from the Series B-2 Negative Arbitrage Subaccount to or upon the direction of the Borrower, upon receipt by the Trustee of (1) a written notice from the Borrower to the Trustee to release such Excess Funds, and (2) a Cash Flow Projection.

Section 5.06. Rebate Fund. The Rebate Fund shall not be subject to the lien or encumbrance of this Indenture, but shall be held in trust for the benefit of the United States of America, and shall be subject to the claim of no other person, including that of the Trustee and Bondholders. The interest on any Eligible Investments representing an investment of moneys in the Rebate Fund and any profit arising from the sale thereof shall be retained in the Rebate Fund. Any moneys deposited therein in accordance with the provisions of this Indenture shall be used for no other purpose than to make payments to the United States Treasury, at the time and in the manner and amount specified in Section 9.12.

Section 5.07. Costs of Issuance Fund. On or before the Closing Date, the Borrower shall deliver to the Trustee the Costs of Issuance Deposit, from amounts other than Bond proceeds, to be deposited to the Costs of Issuance Fund to pay Costs of Issuance incurred in connection with the issuance of Bonds. The Trustee shall use amounts in the Costs of Issuance Fund on the Closing Date or as soon as practicable thereafter in accordance with written instructions to be given to the Trustee by the Borrower, upon delivery to the Trustee of appropriate invoices for such expenses. Any unexpended amounts attributable to deposits made by the Borrower remaining on deposit in the Costs of Issuance Fund three (3) months after the Closing Date shall be returned to the Borrower and the Costs of Issuance Fund shall be closed.

Any funds received by the Trustee in connection with an extension of the Mandatory Tender Date pursuant to Section 3.07 hereof designated in writing for the payment of Remarketing Expenses shall be deposited into the Remarketing Expense Account of the Costs of Issuance Fund. The Trustee shall apply money on deposit in the Remarketing Expense Account solely for the purpose of paying Remarketing Expenses. To the extent money in the Remarketing Expense Account is not sufficient to pay the foregoing fees and expenses, such deficiency shall be paid by the Borrower pursuant to Section 4.05 of the Financing Agreement immediately upon written demand.

Section 5.08. Bond Proceeds Fund. Except as otherwise set forth in Section 5.04 hereof, upon (a) deposit of Eligible Funds into the applicable Account of the Collateral Fund, if any, as provided in Section 5.09 hereof, (b) delivery of a corresponding requisition executed by an Authorized Borrower Representative (and approved by the Lender) in the form of Exhibit A attached to the Financing Agreement and (c) subject to the provisions of this Section 5.08, the Trustee shall disburse proceeds of the Series B-1 Bonds or Series B-2 Bonds, as applicable, in an amount equal to such corresponding deposit made into the applicable Account of the Collateral Fund to fund Project Costs pursuant to such requisition. Prior to making any such disbursement

from the applicable Account of the Bond Proceeds Fund, the Trustee shall confirm that, with respect to each of the Series B-1 Bonds and the Series B-2 Bonds, as applicable, the aggregate principal amount that will be held in both (a) the applicable Account of the Collateral Fund and (b) the applicable Account of the Bond Proceeds Fund, after the requested disbursement, and, with respect to the Series B-2 Bond Proceeds Fund Account (including projected investment earnings thereon), any transfer permitted at closing under Section 5.04 hereof, will at least equal the Outstanding principal amount of the Series B-1 Bonds and the Series B-2 Bonds, as applicable. Notwithstanding anything to the contrary, the Trustee shall not disburse money from the Bond Proceeds Fund (other than (1) as permitted pursuant to Section 5.04 hereof and (2) to pay amounts due on the Bonds pursuant to Section 3.01 hereof), unless and until Eligible Funds in an amount equal to or greater than the requested disbursement amount have been deposited into the applicable Account of the Collateral Fund; provided, however, that the Trustee shall transfer funds from the applicable Account of the Bond Proceeds Fund to the applicable Account of the Collateral Fund upon receipt of an opinion of Bond Counsel to the effect that such transfer shall not cause the interest on any of the Bonds to be or become includible in the gross income of the owners thereof for federal income tax purposes. To the extent money on deposit in the applicable Account of the Bond Proceeds Fund is invested in Eligible Investments that have not yet matured, the Trustee is hereby authorized to make the following sale and exchange, which sale and exchange shall occur prior to the disbursement of amounts on deposit in the applicable Account of the Bond Proceeds Fund to pay Project Costs without the need to sell or terminate such Eligible Investments prior to their stated maturity date: (i) sell all or a portion of the Eligible Investments in the applicable Account of the Bond Proceeds Fund, in the amount specified in the request for disbursement, to the applicable Account of the Collateral Fund for a price of par and (ii) transfer a like amount of available funds from the applicable Account of the Collateral Fund to the applicable Account of the Bond Proceeds Fund representing proceeds of the Series B-1 Bonds or Series B-2 Bonds, as applicable, as the purchase price thereof.

Upon the satisfaction of the provisions set forth in this Section, the Trustee shall be irrevocably and unconditionally obligated to disburse Bond proceeds from the applicable Account of the Bond Proceeds Fund equal to the amount deposited to the applicable Account of the Collateral Fund, as set forth in the corresponding requisition and to the extent the Trustee is unable to do so, the Trustee shall return the amount deposited into the applicable Account of the Collateral Fund, within one (1) Business Day of receipt of such deposit, to the party that made such deposit as set forth in the requisition.

The Trustee shall not disburse any amounts on deposit in the Series B-1 Bond Proceeds Fund Account until all amounts on deposit in the Series B-2 Bond Proceeds Fund Account have been applied to pay Project Costs.

On the Closing Date, after the investment of Eligible Funds in Eligible Investments, but without the corresponding deposit of Eligible Funds into the Collateral Fund, the Trustee shall transfer amounts permitted under Section 5.04 hereof, if any, and no additional amounts shall be disbursed from the Bond Proceeds Fund except in accordance with this Section 5.08.

To the extent sufficient funds are not otherwise available to the Trustee, including money on deposit in the applicable Account of the Revenue Fund, the applicable Account of the Collateral Fund or the applicable Subaccount of the Negative Arbitrage Account, the Trustee shall transfer

from the applicable Account of the Bond Proceeds Fund to the applicable Account of the Revenue Fund sufficient money to pay amounts due on the Series B-1 Bonds or Series B-2 Bonds, as applicable, pursuant to Section 3.01 hereof.

On the MBS Delivery Date, amounts remaining in the Series B-1 Bond Proceeds Fund Account shall be used by the Trustee in the following order: (i) to the extent sufficient funds are not otherwise available in the Series B-1 Collateral Fund Account, to pay the MBS Purchase Price, (ii) to transfer funds to the Series B-1 Revenue Fund Account in an amount equal to the difference, if any, between (x) the aggregate principal amount of and interest due on the Series B-1 Bonds Outstanding as of the first day of the month in which the MBS Delivery Date occurs and (y) the principal amount of the MBS purchased on the MBS Delivery Date, plus interest accrued but unpaid to the redemption date, for redemption pursuant to Section 3.01(c) hereof, and (iii) to pay any remaining Project Costs as approved by the Lender in writing.

Section 5.09. Collateral Fund. The Trustee shall deposit into the applicable Account of the Collateral Fund all Eligible Funds received pursuant to Section 4.07 of the Financing Agreement and any other Eligible Funds received by the Trustee for deposit into the applicable Account of the Collateral Fund. Except as permitted under Section 5.04 and 5.08 hereof, Section 4.07 of the Financing Agreement requires the Borrower to cause Eligible Funds to be paid to the Trustee for deposit into the applicable Account of the Collateral Fund in a principal amount equal to, and as a prerequisite to the disbursement of, the corresponding amount of Series B-1 Bond proceeds and Series B-2 Bond proceeds, as applicable, on deposit in the applicable Account of the Bond Proceeds Fund to be disbursed by the Trustee to pay Project Costs.

Subject to the provisions hereof, (i) until the purchase of the MBS on the MBS Delivery Date, each deposit into the Series B-1 Collateral Fund Account shall constitute an irrevocable deposit solely for the benefit of the Holders of the Series B-1 Bonds, and (ii) each deposit into the Series B-2 Collateral Fund Account shall constitute an irrevocable deposit solely for the benefit of the Holders of the Series B-2 Bonds.

Money in the Collateral Fund shall be used by the Trustee as follows: (i) to the extent money is not otherwise available, the Trustee shall transfer from the applicable Account of the Collateral Fund to the applicable Account of the Revenue Fund an amount necessary to pay amounts due on the applicable Bonds pursuant to Section 3.01 hereof, and (ii) on the MBS Delivery Date, the Trustee shall use money in the Series B-1 Collateral Fund Account (and, to the extent there are not sufficient funds on deposit in the Series B-1 Collateral Fund Account, from the Series B-1 Bond Proceeds Fund Account) to pay for the principal amount of the MBS.

The Bonds shall not be, and shall not be deemed to be, paid or prepaid by reason of any deposit into the Collateral Fund unless and until the amount on deposit in the applicable Subaccount of the Collateral Fund is transferred to the applicable Subaccount of the Revenue Fund and applied to the payment of the principal of any of the Bonds, or the principal component of the redemption or retirement price of any of the Bonds, all as provided in this Indenture.

Notwithstanding anything herein to the contrary, the Trustee is authorized to transfer amounts permitted under Section 5.04 hereof, if any, without a corresponding deposit of Eligible Funds into the Collateral Fund.

Section 5.10. Accounting Records. The Trustee shall maintain accurate books and records for all Funds and Accounts established hereunder.

Section 5.11. Amounts Remaining in Funds. After full payment of the Bonds (or provision for payment thereof having been made in accordance with Section 7.01 hereof) and full payment of the fees and expenses of the Trustee and other amounts required to be paid hereunder and under the Financing Agreement including fees payable to the Issuer and Fannie Mae, any amounts remaining in any Fund hereunder other than the Rebate Fund shall be paid to the Lender for the payment of any amounts due and payable to the Lender and/or Fannie Mae and thereafter, to the Borrower; provided, however, that if a default shall have occurred and remain uncured under the Permanent Loan of which the Trustee shall have received written notice from Fannie Mae or the Lender, then any such amounts remaining in any Fund or Account hereunder shall be paid to Fannie Mae.

Section 5.12. Investment of Funds. The moneys held by the Trustee shall constitute trust funds for the purposes hereof. Any moneys attributable to each of the Funds and Accounts hereunder shall be invested by the Trustee at the written direction or telephonic direction (promptly confirmed in writing) of the Borrower in Eligible Investments which, except as otherwise provided in this Section 5.12, mature or are redeemable at par without penalty on or before the date on which such funds are expected to be needed for the purposes for which they are held. Notwithstanding anything herein to the contrary except as otherwise set forth in this sentence, all amounts in the Bond Proceeds Fund, the Revenue Fund and the Collateral Fund shall be invested solely in Eligible Investments; provided, however, that following the MBS Delivery Date, payments received with respect to the MBS shall be held in Eligible Investments described in clause (b) of the definition of Eligible Investments herein. All investment earnings from amounts on deposit in the Bond Proceeds Fund, the Revenue Fund and the Collateral Fund shall be credited to the applicable Account of the Revenue Fund. If the Trustee does not receive written direction or telephonic directions (promptly confirmed in writing) from the Borrower regarding the investment of funds, the Trustee shall invest solely in Eligible Investments described in clause (b) of the definition of Eligible Investments herein, which shall mature or be redeemable at par without penalty at the times set forth in this Section 5.12. The Trustee may make any and all such investments through its own banking department or the banking department of any affiliate.

Eligible Investments representing an investment of moneys attributable to any Fund or Account shall be deemed at all times to be a part of such Fund. Subject to the following sentence, investments shall be sold at the best price obtainable (at least par) whenever it shall be necessary to do so in order to provide moneys to make any transfer, withdrawal, payment or disbursement from such Fund. With respect to the Series B-1 Bonds, prior to the MBS Delivery Date, at the written direction of the Borrower, the Trustee is permitted to invest in Eligible Investments that mature on or before the MBS Delivery Date Deadline but is not permitted to sell or otherwise dispose of such Eligible Investment prior to maturity at a price below par without first receiving (i) a Cash Flow Projection and (ii) Eligible Funds, if any, as set forth in the Cash Flow Projection. With respect to the Series B-2 Bonds, prior to the Initial Mandatory Tender Date, at the written direction of the Borrower, the Trustee is permitted to invest in Eligible Investments that mature on or before the Initial Mandatory Tender Date but is not permitted to sell or otherwise dispose of such Eligible Investments prior to maturity at a price below par without first receiving (i) a Cash Flow Projection and (ii) Eligible Funds, if any, as set forth in the Cash Flow Projection. In the

case of any required transfer of moneys to another such Fund, such investments may be transferred to that Fund in lieu of the required moneys if permitted hereby as an investment of moneys in that Fund. Following the Closing Date, at the direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything herein to the contrary, (i) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying debt service on the Bonds shall be held uninvested and (ii) Bond proceeds and the Negative Arbitrage Deposit shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments.

All Eligible Investments acquired by the Trustee pursuant hereto shall be purchased in the name of the Trustee and shall be held for the benefit of the Bondholders pursuant to the terms of this Indenture. The Trustee shall take such actions as shall be necessary to ensure that such Eligible Investments are held pursuant to the terms of this Indenture and are subject to the trust and security interest herein created.

The Trustee shall not be liable or responsible for any loss resulting from any investment made in accordance herewith. The Trustee or its affiliates may act as sponsor, principal or agent in the acquisition or disposition of investments. The Trustee may commingle investments made under the Funds and Accounts established hereunder, but shall account for each separately.

In computing for any purpose hereunder the amount in any Fund or Account on any date, obligations so purchased shall be valued at the lower of cost or par exclusive of accrued interest, and may be so valued as of any time within four (4) days prior to such date.

The Issuer acknowledges that regulations of the Comptroller of the Currency grant the Borrower the right to receive brokerage confirmations of the security transactions as they occur. The Borrower specifically waives such notification to the extent permitted by law and will receive periodic cash transaction statements that will detail all investment transactions.

Section 5.13. Moneys Held for Particular Bonds. The amounts held by the Trustee for the payment of the interest, principal or premium, if any, due on any date with respect to particular Bonds shall, pending such payment, be set aside and held in trust by it for the Bondholders entitled thereto, and for the purposes hereof such interest, principal or premium, if any, after the due date thereof, shall no longer be considered to be unpaid.

Section 5.14. Funds Held in Trust. All moneys held by the Trustee, as such, at any time pursuant to the terms of this Indenture shall be and hereby are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 5.15. Reports From the Trustee. The Trustee shall furnish to the Borrower (and, upon request, to Fannie Mae, the Permanent Lender, the Construction Lender (but only prior to the Conversion Date), the Investor Limited Partner and the Issuer) quarterly statements of the activity and assets held in each of the Funds and Accounts maintained by the Trustee hereunder. Upon the written request of the owner of a Bond, the Trustee, at the cost of the Borrower, shall provide a copy of such statement to the owner of the Bond.

Section 5.16. Covenants Respecting Arbitrage and Rebate. The Trustee shall keep and make available to the Borrower and the Issuer such records concerning the investment of the gross

proceeds of the Bonds and the investments of earnings from those investments as may be requested by the Borrower in order to enable the Borrower to fulfill the requirements of Section 148(f) of the Code. The Trustee expressly covenants and agrees to all document retention and reporting requirements contained in the Tax Certificate.

Section 5.17. Conflict with Tax Certificate. In the event of a conflict between the provisions of this Article V and the Tax Certificate, the provisions of the Tax Certificate shall control.

ARTICLE VI

COVENANTS OF ISSUER

Section 6.01. Payment of Bonds. Subject to the other provisions of this Indenture, the Issuer shall duly and punctually pay or cause to be paid, solely from amounts available in the Trust Estate, the principal of, premium, if any, and interest on the Bonds, at the dates and places and in the manner described in the Bonds, according to the true intent and meaning thereof. The Bonds are not a general obligation of the Issuer and are payable solely from the Trust Estate.

The payment and other obligations of the Issuer with respect to the Bonds are intended to be, and shall be, independent of the payment and other obligations of the issuer or maker of the Bond Loan Notes, the Mortgage Note and the MBS, even though the principal amount of all three instruments is expected to be identical, except in the case of a default with respect to one or more of the instruments.

Section 6.02. Performance of Covenants by Issuer.

(a) ***In General***. The Issuer covenants that it will faithfully perform on its part at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining thereto; provided, however, that, except for the matters set forth in Section 6.01 hereof relating to payment of the Bonds, the Issuer will not be obligated to take any action or execute any instrument pursuant to any provision hereof until it has been requested to do so by the Borrower or by the Trustee, or has received the instrument to be executed and, at the option of the Issuer, has received from the party requesting such execution assurance satisfactory to the Issuer that the Issuer will be reimbursed for its reasonable expenses incurred or to be incurred in connection with taking such action or executing such instrument. The Issuer covenants that it is duly authorized under the Constitution and the laws of the State, including particularly the Act and the Resolution, to issue the Bonds authorized hereby and to execute this Indenture, to grant the security interest herein provided, to assign and pledge the Trust Estate (except as otherwise provided herein) and to assign and pledge the amounts hereby assigned and pledged in the manner and to the extent herein set forth, that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken and that the Bonds in the hands of the owners thereof are and will be valid and enforceable limited obligations of the Issuer according to the terms thereof and hereof. Anything contained in this Indenture to the contrary notwithstanding, it is hereby understood that

none of the covenants of the Issuer contained in this Indenture are intended to create a general or primary obligation of the Issuer.

(b) ***Prohibited Activities***. Subject to the limitations on its liability as stated herein, the Issuer represents, warrants, covenants and agrees that it has not knowingly engaged and will not knowingly engage in any activities and that it has not knowingly taken and will not knowingly take any action which might result in any interest on the Bonds becoming includable in the gross income of the owners thereof for purposes of federal income taxation.

(c) ***Rights Under Financing Agreement***. The Financing Agreement sets forth covenants and obligations of the Issuer and the Borrower, and reference is hereby made to the same for a detailed statement of said covenants and obligations. The Issuer agrees to cooperate in the enforcement of all covenants and obligations of the Borrower under the Financing Agreement and agrees that the Trustee, in its name, may enforce all rights of the Issuer (other than the Reserved Rights) and all obligations of the Borrower under and pursuant to the Financing Agreement and on behalf of the Bondholders, whether or not the Issuer has undertaken to enforce such rights and obligations.

(d) ***Issuer's Further Assurance***. The Issuer covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered by the parties within its control, such instruments supplemental hereto and such further acts, instruments, and transfers as the Trustee may reasonably require for the better assuring, transferring, mortgaging, conveying, pledging, assigning, and confirming unto the Trustee, the Issuer's interest in and to all interests, revenues, proceeds, and receipts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds in the manner and to the extent contemplated herein. The Issuer shall be under no obligation to prepare, record, or file any such instruments or transfers.

(e) ***Unrelated Bond Issues***. The Issuer, prior to the issuance of the Bonds, has issued, and subsequent to the issuance of the Bonds, the Issuer expects to issue various series of bonds in connection with the financing of other projects (said bonds together with any bonds issued by the Issuer between the date hereof and issuance of the Bonds shall be referred to herein as the "Other Bonds"). Any pledge, mortgage, or assignment made in connection with any Other Bonds shall be protected, and any funds pledged or assigned for the payment of principal, premium, if any, or interest on the Other Bonds shall not be used for the payment of principal, premium, if any, or interest on the Bonds. Correspondingly, any pledge, mortgage, or assignment made in connection with the Bonds shall be protected, and any funds pledged or assigned for the payment of the Bonds shall not be used for the payment of principal, premium, if any, or interest on the Other Bonds.

Section 6.03. Tax Covenants. The Issuer shall not take any action that will cause the interest paid on the Bonds to be includable in gross income for federal income tax purposes or to be subject to personal income taxation by the State. In furtherance of the foregoing covenant, the Issuer hereby particularly covenants and agrees with the Holders of the Bonds as follows:

(a) No part of the proceeds of the Bonds or any other funds of the Issuer shall be used by the Issuer at any time directly or indirectly to acquire securities or obligations,

the acquisition of which, or which in any other manner, would cause any Bond to be an arbitrage bond as defined in Section 148 of the Code and any applicable Regulations promulgated thereunder.

(b) The Issuer will not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code and any applicable Regulations promulgated thereunder.

In the event of a conflict between the provisions of this Section 6.03 and the Tax Certificate, the provisions of the Tax Certificate shall control.

Section 6.04. Compliance with Conditions Precedent. Upon the Closing Date, all conditions, acts and things required by law regarding the Issuer to exist, to have happened or to have been performed precedent to or in the issuance of such Bonds shall exist, shall have happened and shall have been performed, and such Bonds, together with all other indebtedness of the Issuer, shall be within every debt and other limit prescribed by law.

Section 6.05. Extension of Payment of Bonds. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of the principal due on any of the Bonds or the time of payment of interest due on the Bonds, and if the time for payment of any such claims for interest shall be extended through any other means, such Bonds or claims for interest shall not be entitled in case of any default hereunder to any payment out of the Trust Estate or the funds (except funds held in trust for the payment of particular Bonds pursuant hereto) held by the Trustee, except subject to the provisions of Section 7.02 hereof and subject to the prior payment of the principal of all Bonds issued and Outstanding the maturity of which has occurred and has not been extended and of such portion of the accrued interest on the Bonds which is not represented by such extended claims for interest.

If an Extension Deposit has not been made pursuant to Sections 3.04 and 5.05(b) hereof, such that the aggregate balance in the Series B-1 Bond Proceeds Fund Account, the Series B-1 Collateral Fund Account and the Series B-1 Revenue Fund Account is equal to one hundred percent (100%) of the principal amount of the Series B-1 Bonds plus interest accrued on the Series B-1 Bonds to the date which is five (5) calendar days following the MBS Delivery Date Deadline (as such date may be extended hereunder), then the Series B-1 Bonds shall be subject to mandatory redemption as set forth in Section 3.01(b) hereof.

Section 6.06. Further Assurances. At any time and at all times the Issuer shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances and enter into such further agreements as may be necessary or desirable for the better assuring, conveying, granting, assigning or confirming all and singular the rights in, pledge and grant of a security interest in the Trust Estate hereby pledged or assigned in trust, or intended so to be, or which the Issuer may hereafter become bound to pledge or assign in trust.

Section 6.07. Powers as to Bonds and Pledge. The Issuer is duly authorized pursuant to law to authorize and issue the Bonds, to enter into this Indenture and to pledge, assign, transfer

and set over unto the Trustee in trust the Trust Estate herein purported to be so pledged, assigned, transferred and set over unto the Trustee in trust hereby in the manner and to the extent provided herein. The Trust Estate so pledged, assigned, transferred and set over in trust is and will be free and clear of any pledge, lien, charge or encumbrance thereon with respect thereto prior to, or of equal rank with, the pledge and assignment in trust created hereby, and all action on the part of the Issuer to that end has been duly and validly taken. The Bonds and the provisions hereof are and will be the valid and binding limited obligations of the Issuer in accordance with their terms and the terms hereof. The Trustee shall at all times, to the extent permitted by law, defend, preserve and protect the pledge and assignment in trust of the Trust Estate created hereby and all the rights of the Bondholders hereunder against all claims and demands of all persons whomsoever. The Bonds shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof, other than the Issuer to the limited extent herein provided, or a pledge of the faith and credit or the taxing power of the State or of any such political subdivision, but shall be payable solely from funds provided therefor pursuant hereto.

Section 6.08. Preservation of MBS Revenues; Amendment of Agreements. The Issuer shall not take any action to interfere with or impair the pledge and assignment hereunder of the Trust Estate, or the Trustee's enforcement of any rights hereunder or under the Financing Agreement or the Regulatory Agreement without the prior written consent of the Trustee. The Trustee may give such written consent, and may itself take any such action or consent to an amendment or modification to the Financing Agreement, the Regulatory Agreement or the MBS, only with the written consent of Fannie Mae, and the Construction Lender (but only prior to the Conversion Date), and following receipt by the Trustee of written confirmation from the Rating Agency that the taking of such action or the execution and delivery of such amendment or modification will not adversely affect the rating then assigned to the Bonds by the Rating Agency, and if the Trustee shall have received an opinion of Bond Counsel to the effect that such action or such amendment or modification will not affect adversely the validity of the Bonds or the exclusion from gross income for federal income tax purposes of interest on the Bonds. Notwithstanding the foregoing, Fannie Mae and the Borrower may amend the Mortgage Note and the Mortgage without the consent of the Issuer, the Trustee or the Holders of the Bonds so long as any such amendment does not change the amount of principal due under, or the rate of interest payable on the unpaid principal amount of, the MBS or otherwise reduce or modify the payments due under the MBS or adversely impact the tax-exempt status of the Bonds.

Section 6.09. Assignment. Any assignment of the Issuer's rights in favor of the Trustee shall not include Reserved Rights.

Section 6.10. Request and Indemnification. Where the consent of or other action on the part of the Issuer is required in this or any other document, the Issuer shall have no obligation to act unless first requested to do so, and the Issuer shall have no obligation to expend time or money or to otherwise incur any liability unless indemnity satisfactory to the Issuer has been furnished to it.

The Issuer shall be entitled to the advice of counsel, and the Issuer shall be wholly protected as to action taken or omitted in reliance on such advice. The Issuer may rely conclusively on any written notice or other document furnished to it hereunder or under the Financing Agreement and reasonably believed by it to be genuine. The Issuer shall in no event be liable for the application

or misapplication of funds or for other acts or defaults by any person, except its own officers and employees. When any payment or consent or other action by it is called for hereby, it may defer such action pending receipt of such evidence (if any) as it may require in support thereof (excluding the payment of any principal, interest or premium, if any, on the Bonds to the extent the Borrower has properly paid such amounts to the Issuer). The Issuer shall not be required to take any remedial action (other than the giving of notice) hereunder or under any of the other Financing Documents unless indemnity in a form acceptable to the Issuer is furnished for any expense or liability to be incurred in connection with such remedial action. The Issuer shall be entitled to reimbursement from the Borrower for its expenses reasonably incurred or advances reasonably made, with interest at the Maximum Interest Rate, in the exercise of its rights or the performance of its obligations hereunder, to the extent that it acts without previously obtaining indemnity. No permissive right or power to act which the Issuer may have shall be construed as a requirement to act; and no delay in the exercise of a right or power shall affect its subsequent exercise of the right or power.

A default by the Borrower in any of its covenants, representations and agreements in the Financing Agreement, Regulatory Agreement or Tax Certificate on which the Issuer is relying in the various sections of this Article VI shall not be considered a default hereunder by the Issuer.

The Borrower has indemnified the Issuer against certain acts and events as set forth in Financing Agreement and the Regulatory Agreement. Such indemnities shall survive payment of the Bonds and discharge of this Indenture.

Section 6.11. Limitations on Liability. Notwithstanding anything in this Indenture or in the Bonds, the Issuer shall not be required to advance any money derived from any source other than the Trust Estate, consisting of MBS Revenues and other assets pledged under this Indenture for any of the purposes of this Indenture.

No agreements or provisions contained in this Indenture, nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with the Project, or the issuance, sale and delivery of the Bonds shall give rise to any pecuniary liability of the Issuer or a charge against its general credit, or shall obligate the Issuer financially in any way except from the application of the Trust Estate (excluding the Reserved Rights), consisting of MBS Revenues and other proceeds pledged to the payment of the Bonds and the proceeds of the Bonds. No failure of the Issuer to comply with any term, condition, covenant or agreement herein or in any document executed by the Issuer in connection with the Project, or the issuance, sale and delivery of the Bonds shall subject the Issuer to liability for any claim for damages, costs or other financial and pecuniary charge except to the extent that the same can be paid or recovered from the Financing Agreement or the Trust Estate (excluding the Reserved Rights), consisting of MBS Revenues and other assets pledged to the payment of the Bonds or the proceeds of the Bonds.

ARTICLE VII

DISCHARGE OF INDENTURE

Section 7.01. Defeasance.

(a) If all Bonds shall be paid and discharged as provided in this Section, then all obligations of the Trustee and the Issuer under this Indenture with respect to all Bonds shall cease and terminate, except only (i) the obligation of the Trustee to pay or cause to be paid to the owners thereof all sums due with respect to the Bonds and to register, transfer and exchange Bonds pursuant to Section 2.08, (ii) the obligation of the Issuer to pay the amounts owing to the Trustee under Section 9.02 from the Trust Estate, and (iii) the obligation of the Issuer to comply with Sections 6.03 and 9.12. Any funds held by the Trustee at the time of such termination which are not required for payment to Bondholders or for payment to be made by the Issuer, shall be paid as provided in Section 5.11.

Any Bond or portion thereof in an Authorized Denomination shall be deemed no longer Outstanding under this Indenture if paid or discharged in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of, premium, if any, and interest on such Bond which have become due and payable; or

(ii) by depositing with the Trustee, in trust, cash which, together with the amounts then on deposit in the Revenue Fund and dedicated to this purpose, is fully sufficient to pay when due all principal of, and premium, if any, and interest on such Bond to the maturity or earlier redemption or retirement date thereof; or

(iii) by depositing with the Trustee, in trust, any investments listed under the definition of Eligible Investments in Section 1.01, or a combination of cash and such investments, in such amount as in the written opinion of a certified public accountant or nationally recognized verification agent will, together with the interest to accrue on such Eligible Investments without the need for reinvestment, be fully sufficient to pay when due all principal of, and premium, if any, and interest on such Bond to the maturity or earlier redemption or retirement date thereof, notwithstanding that such Bond shall not have been surrendered for payment.

(b) Notwithstanding the foregoing, no deposit under clauses (ii) and (iii) of subsection (a) above shall be deemed a payment of such Bond until the earlier to occur of:

(i) if such Bond is by its terms subject to redemption or retirement within 45 days, proper notice of redemption or retirement of such Bond shall have been previously given in accordance with Section 3.02 to the holder thereof or, in the event such Bond is not by its terms subject to redemption or retirement within 45 days of making the deposit under clauses (ii) and (iii) of subsection (a) above, the Issuer shall have given the Trustee irrevocable written instructions to mail by first-class mail, postage prepaid, notice to the holder of such Bond as soon as

practicable stating that the deposit required by clauses (ii) or (iii) of subsection (a) above, as applicable, has been made with the Trustee and that such Bond is deemed to have been paid and further stating such redemption or retirement date or dates upon which money will be available for the payment of the principal and accrued interest thereon; or

(ii) the maturity of such Bond.

(c) The Trustee shall be entitled to receive and reply upon a report from a nationally recognized accounting firm to provide for the payment of all Bonds to be defeased pursuant to this Section.

Section 7.02. Unclaimed Moneys. Anything herein to the contrary notwithstanding, and subject to applicable escheatment laws of the State, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years after the date when such Bonds have become due and payable, either at maturity or by call for redemption or retirement, if such moneys are held by the Trustee at said date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee after the date when such Bonds became due and payable, shall be paid by the Trustee to the Issuer as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Holders of such Bonds shall look only to the Issuer for the payment thereof; provided, however, that before being required to make any such payment to the Issuer, the Trustee shall cause to be mailed to the Holders of such Bonds, at their addresses shown on the Bond Register, notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than thirty (30) nor more than sixty (60) days after the date of mailing such notice, the balance of such moneys then unclaimed will be paid to the Issuer; and provided further, that the provisions of this Section shall not apply to the extent disposition of any moneys so held by the Trustee shall be governed by any laws applicable to the Trustee or the Issuer dealing with the disposition of such unclaimed property.

Section 7.03. No Release of MBS. Except as provided in this Section and in Section 7.04, the Trustee shall not release and discharge the MBS from the lien of this Indenture until the principal of, premium, if any, and interest on the Bonds shall have been paid or duly provided for under this Indenture. The Trustee shall not release or assign the MBS to any person other than a successor Trustee so long as Fannie Mae shall not be in default thereunder.

Section 7.04. Transfer of MBS. While the Bonds are Outstanding, the Trustee shall maintain the MBS in book-entry form in the name of the Trustee and may not sell, assign, transfer or otherwise dispose of the MBS.

Section 7.05. Issuance of Additional Obligations. The Issuer shall not hereafter create or permit the creation of or issue any obligations or create any additional indebtedness secured by a charge and lien on the Trust Estate, consisting of MBS Revenues and other moneys, securities, funds and property pledged by this Indenture, other than the Bonds authorized under Section 2.01.

ARTICLE VIII

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 8.01. Events of Default. Each of the following shall constitute an Event of Default under this Indenture:

(a) On and after the MBS Delivery Date, failure by Fannie Mae to pay principal, interest or premium, if any, due under the MBS (upon such failure, the Trustee shall notify Fannie Mae not later than the next Business Day (all such notices to be promptly confirmed in writing) and require the failure to be remedied);

(b) (i) Failure to pay the principal, interest or premium, if any, on the Series B-1 Bonds when the same shall become due, or (ii) failure to pay any interest or principal on the Series B-2 Bonds when the same shall become due; or

(c) Default in the observance or performance of any other covenant, agreement or condition on the part of the Issuer in this Indenture and the continuation of such default for a period of ninety (90) days after written notice to the Issuer from the Trustee or the registered owners of not less than seventy-five percent (75%) in aggregate principal amount of the Bonds Outstanding at such time specifying such default and requiring the same to be remedied.

The Trustee will immediately notify in writing the Issuer, the Bondholders, the Investor Limited Partner, the Permanent Lender, the Construction Lender (but only prior to the Conversion Date) and Fannie Mae after an Authorized Officer obtains actual knowledge or receives written notice of the occurrence of an Event of Default or an event which would become an Event of Default with the passage of time or the giving of notice, or both.

Section 8.02. Acceleration; Rescission of Acceleration.

(a) Upon (i) the occurrence of an Event of Default under Section 8.01(a) or (ii) prior to the MBS Delivery Date, the occurrence of an Event of Default under Section 8.01(b) with respect to the Series B-1 Bonds, the Trustee may, and upon the written request of the Holders of not less than seventy-five percent (75%) in aggregate principal amount of the Series B-1 Bonds Outstanding, shall declare (and shall deliver written notice of such declaration to the Issuer, the Lender, the Borrower and Fannie Mae) the principal of all Series B-1 Bonds Outstanding, premium, if any, and the interest accrued thereon immediately due and payable.

(b) An Event of Default with respect to the Series B-1 Bonds (i) following the MBS Delivery Date, under Section 8.01(b) hereof, or (ii) under Section 8.01(c) hereof shall not give rise to an acceleration pursuant to this Section 8.02(a), provided, however, that following such an Event of Default, the holder of one hundred percent (100%) of the Series B-1 Bonds Outstanding may direct the Trustee in writing to transfer the MBS to it or its designee, in which case, the Trustee shall transfer and deliver to such requesting Beneficial Owner the Trustee's beneficial ownership interest in the MBS. The transfer

described in this Section 8.02(b) shall take effect as set forth in, and shall be governed by, the following terms:

(i) The Trustee shall transfer and deliver to such requesting owner the Trustee's beneficial ownership interest in the MBS promptly following (i) delivery to the Trustee (via DTC withdrawal of the Series B-1 Bonds being exchanged), and (ii) payment by the requesting owner of the Trustee's exchange fee ($1,000) with respect to such Series B-1 Bonds;

(ii) The MBS will be in book-entry form;

(iii) Transfers of the MBS will be made in accordance with current market practices, including the applicable provisions of the SIFMA's Uniform Practices for the Clearance and Settlement of Mortgage Backed Securities and Other Related Securities;

(iv) Upon receipt of such Series B-1 Bonds from the requesting Beneficial Owner, the Trustee will promptly cancel the Series B-1 Bonds being exchanged, which will not be reissued;

(v) An MBS delivered in such an exchange will not be exchangeable for Series B-1 Bonds;

(vi) The MBS delivered in such an exchange will also be subject to any applicable disclosure requirements concerning MBSs that have been issued in connection with the multifamily mortgage lending program of a governmental housing finance agency and financed by tax-exempt obligations; and

(vii) Interest on such MBS is not excludable from gross income for federal income tax purposes. Owners of Series B-1 Bonds should consult their own tax advisors concerning that and other tax consequences of any exchange of a Series B-1 Bond for the MBS.

(c) The acceleration of the Series B-1 Bonds will not constitute a default under, or by itself cause the acceleration of, the MBS. If at any time after the Series B-1 Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the money due shall have been obtained or entered, the Issuer, the Borrower, the Investor Limited Partner or Fannie Mae, as applicable, shall pay to or deposit with the Trustee a sum sufficient to pay all principal of the Series B-1 Bonds then due (other than solely by reason of such declaration) and all unpaid installments of interest (if any) on all the Series B-1 Bonds then due with interest at the rate borne by the Series B-1 Bonds on such overdue principal and (to the extent legally enforceable) on such overdue installments of interest, and the reasonable expenses of the Trustee shall have been made good or cured or adequate provisions shall have been made therefor, and all other defaults hereunder have been made good or cured or waived in writing by the holders of a majority in principal amount of the Series B-1 Bonds Outstanding, then and in every case, the Trustee on behalf of the holders of all the Series B-1 Bonds shall rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any

subsequent Event of Default, nor shall it impair or exhaust any right or power consequent thereon.

(d) Upon the occurrence of an Event of Default under Section 8.01(b)(i), with respect to the Series B-2 Bonds, the Trustee may, and upon the written request of the Holders of not less than a majority in aggregate principal amount of the Series B-2 Bonds Outstanding, by a notice in writing delivered to the Issuer and the Borrower, shall, declare the principal of all of the Series B-2 Bonds Outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately. Upon the occurrence of any Event of Default with respect to the Series B-2 Bonds described in Section 8.01(b)(ii), the Trustee may, with the written consent of all Holders of the Series B-2 Bonds Outstanding, declare by a notice in writing delivered to the Issuer and the Borrower, the principal of all Series B-2 Bonds Outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately. Following such declaration, interest on any unpaid principal or Redemption Price of Series B-2 Bonds Outstanding shall continue to accrue from such date through but not including the tender of payment to the Holders of those Series B-2 Bonds.

Section 8.03. Other Remedies; Rights of Bondholders. Subject to Section 8.13, upon the happening and continuance of an Event of Default the Trustee in its own name and as trustee of an express trust, on behalf and for the benefit and protection of the Holders of the Series B-1 Bonds or the Series B-2 Bonds, as applicable, may also proceed to protect and enforce any rights of the Trustee and, to the full extent that the Holders of such Bonds themselves might do, the rights of such Bondholders under the laws of the State or under this Indenture by such of the following remedies as the Trustee shall deem most effectual to protect and enforce such rights:

(a) By pursuing any available remedies under the Financing Agreement, the Regulatory Agreement or the MBS; provided, that available remedies under the MBS may only be pursued following an Event of Default under paragraph (a) under the heading "Events of Default," above, or paragraph (b) under the heading "Events of Default," above, with respect to the Series B-1 Bonds;

(b) Upon an Event of Default under Section 8.01(a) only, by realizing or causing to be realized through sale or otherwise upon the security pledged hereunder (including the sale or disposition of the MBS); and

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

If an Event of Default shall have occurred, and if requested by the holders of not less than seventy-five percent (75%) (or one hundred percent (100%) as set forth in Section 8.02(b) hereof) in aggregate principal amount of the Series B-1 Bonds or the Series B-2 Bonds Outstanding, as applicable, and upon being indemnified to its satisfaction, the Trustee shall be obligated to exercise one or more of the rights and powers conferred by this Article as the Trustee, being advised by

counsel, shall deem to be in the best interests of the Bondholders subject to the limitations set forth above and in this Indenture.

No right or remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other right or remedy, but each and every such right and remedy shall be cumulative and shall be in addition to any other right or remedy given to the Trustee or to the Bondholders hereunder or under the Financing Agreement, the Regulatory Agreement or the MBS or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein and every such right and power may be exercised from time to time as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

For avoidance of doubt, no Event of Default with respect to the Series B-1 Bonds shall, by itself, constitute an Event of Default with respect to the Series B-2 Bonds, and vice versa.

Section 8.04. Representation of Bondholders by Trustee. The Trustee is hereby irrevocably appointed (and the Bondholders, by accepting and holding their Bonds, shall be conclusively deemed to have so appointed the Trustee and to have mutually covenanted and agreed, each with the other, not to revoke such appointment) the true and lawful attorney in fact of the Bondholders with power and authority, in addition to any other powers and rights heretofore granted the Trustee, at any time in the Trustee's discretion to make and file, in any proceeding in bankruptcy or judicial proceedings for reorganization or liquidation of the affairs of the Issuer, either in the respective names of the Bondholders or on behalf of all the Bondholders as a class, any proof of debt, amendment of proof of debt, petition or other document, to receive payment of any sums becoming distributable to the Bondholders, and to execute any other papers and documents and do and perform any and all such acts and things as may be necessary or advisable in the opinion of the Trustee in order to have the respective claims of the Bondholders against the Issuer allowed in any bankruptcy or other proceeding.

In the enforcement of any rights and remedies hereunder, the Trustee in its own name and as trustee of an express trust on behalf of and for the benefit of the holders of all Bonds, shall be entitled to sue for, enforce payment on and receive any and all amounts then or during any Event of Default becoming, and at any time remaining, due from the Issuer for principal, premium, if any, interest or other moneys, under any provision hereof or of the Bonds, and unpaid, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders.

Section 8.05. Action by Trustee. All rights of action hereunder or upon any of the Bonds enforceable by the Trustee may be enforced by the Trustee without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such

suit, action or proceeding instituted by the Trustee may be brought in its name for the ratable benefit of the holders of such Bonds subject to the provisions hereof.

In any action, suit or other proceeding by the Trustee, the Trustee shall be paid fees, counsel fees and expenses in accordance with Section 9.02.

Section 8.06. Accounting and Examination of Records After Default. The Issuer covenants with the Trustee and the Bondholders that, if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the Issuer relating to the Bonds and the Project shall at all times during normal business hours be subject to the inspection and use of the Trustee and of its agents and attorneys.

Section 8.07. Restriction on Bondholder Action. No holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of any provision hereof or for the execution of any trust hereunder or for any other remedy hereunder, unless (a)(i) such holder previously shall have given to the Issuer and the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, and (ii) after the occurrence of such Event of Default, a written request shall have been made of the Trustee to institute such suit, action or proceeding by the holders of not less than twenty-five percent (25%) in aggregate principal amount of the Series B-1 Bonds or the Series B-2 Bonds Outstanding, as applicable, and there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs and liabilities to be incurred therein or thereby, and (iii) the Trustee shall have been enjoined or restrained from complying or shall have refused or neglected or otherwise failed to comply with such request within a reasonable time; or (b)(i) such holder previously shall have obtained the written consent of the Trustee to the institution of such suit, action or proceeding, and (ii) such suit, action or proceeding is brought for the ratable benefit of the Bondholders subject to the provisions hereof.

Nothing contained in this Article shall affect or impair the right of any Bondholder to enforce the payment of the principal of, premium, if any, and interest on his or her Bonds or the obligation of the Issuer to pay the principal of, premium, if any, and interest on each Bond to the holder thereof, at the time and place and from the source expressed in such Bonds and pursuant to the terms of the Bonds and this Indenture.

No holder of any Bond shall have any right in any manner whatever by his or her action to affect, disturb or prejudice the pledge of the Trust Estate, consisting of MBS Revenues and any other moneys, funds or securities hereunder, or, except in the manner and on the conditions in this Section provided, to enforce any right or duty hereunder.

Section 8.08. Application of Moneys After Default. All moneys collected by the Trustee at any time pursuant to this Article shall, except to the extent, if any, otherwise directed by a court of competent jurisdiction, be credited by the Trustee to the Revenue Fund. Such moneys so credited to the Revenue Fund and all other moneys from time to time credited to the Revenue Fund shall at all times be held, transferred, withdrawn and applied as prescribed by the provisions of Article V and this Section.

Subject in all instances to the provisions of Section 8.11, in the event that at any time the moneys credited to the Revenue Fund, or any other funds held by the Issuer or the Trustee available for the payment of interest or principal then due with respect to the Series B-1 Bonds or the Series B-2 Bonds, as applicable, shall be insufficient for such payment, such moneys and funds (other than funds held for the payment or redemption or retirement of particular Bonds as provided in Section 5.13) shall be applied as follows:

(a) Only in the event that there has been an Event of Default hereunder pursuant to Section 8.01(a) as a result of a failure by Fannie Mae to make payments under the MBS, for payment of all amounts due to the Trustee incurred in performance of its duties under this Indenture and the other documents executed in connection therewith, including, without limitation, the payment of all reasonable fees and expenses of the Trustee incurred in exercising any remedies under this Indenture and the other documents executed in connection herewith;

(b) Unless the principal of all of the Series B-1 Bonds or the Series B-2 Bonds, as applicable, 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 in the order of the maturity of such installments, and, if the amount available is not sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any Bonds which shall have become due, whether at maturity or by call for redemption or retirement, in the order in which they became due and payable, and, if the amount available is not sufficient to pay in full all the principal of and premium, if any, on the Bonds so due on any date, then to the payment of principal ratably, according to the amounts due on such date, to the persons entitled thereto, without any discrimination or preference and then to the payment of any premium due on the Bonds, ratably, according to the amounts due on such date, to the persons entitled thereto, without any discrimination or preference; and

(c) If the principal of all of the Series B-1 Bonds or the Series B-2 Bonds, as applicable, shall have become or have been declared due and payable, to the payment of the principal of, premium, if any, and interest then due and unpaid upon the Series B-1 Bonds or the Series B-2 Bonds, as applicable, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series B-1 Bonds or the Series B-2 Bonds, as applicable.

Section 8.09. Control of Proceedings. In the case of an Event of Default pursuant to Section 8.01(a) or Section 8.01(b), the holders of at least seventy-five percent (75%) in aggregate principal amount of the Series B-1 Bonds Outstanding or the Series B-2 Bonds Outstanding, as applicable, shall have the right, subject to the provisions of Section 8.07, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting

any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee; provided, however, that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not be taken lawfully, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or otherwise adversely affect the Trustee or be unjustly prejudicial to Bondholders not parties to such direction.

Section 8.10. Waivers of Events of Default. The Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of, premium, if any, and interest on the Series B-1 Bonds or the Series B-2 Bonds, as applicable, upon the written request of the holders of a majority in aggregate principal amount of all of the Series B-1 Bonds or the Series B-2 Bonds Outstanding, as applicable, with respect to which there is an Event of Default; provided, however, that there shall not be waived (a) any default in the payment of the principal amount of any Bonds at the date of maturity specified therein or upon proceedings for mandatory redemption or retirement, or (b) any default in the payment when due of the interest or premium, if any, on any such Bonds, unless prior to such waiver or rescission all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest or all arrears of payments of principal or premium, if any, when due (whether at the stated maturity thereof or upon proceedings for mandatory redemption or retirement) as the case may be, and all expenses of the Trustee in connection with such monetary default, shall have been paid or provided for, and in case of any such waiver or rescission, the Issuer, the Borrower, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively.

No such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereto; and no delay or omission of the Trustee or of any Bondholders to exercise any right or power accruing upon any Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default, or acquiescence therein.

Section 8.11. Subordination. No claim for interest on any of the Series B-1 Bonds or the Series B-2 Bonds, as applicable, which claim in any way at or after maturity shall have been transferred or pledged by the holder thereof separate and apart from the Bond to which it relates, unless accompanied by such Bond, shall be entitled in case of an Event of Default hereunder to any benefit by or from this Indenture except after the prior payment in full of the principal of and premium, if any, on all of the Series B-1 Bonds or the Series B-2 Bonds, as applicable, then due and of all claims for interest then due not so transferred or pledged.

Section 8.12. Termination of Proceedings. In case any proceeding taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason or determined adversely to the Trustee, then in every such case the Issuer, the Borrower, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 8.13. No Interference or Impairment of MBS. Notwithstanding any other provision of this Indenture to the contrary, following the MBS Delivery Date, so long as the MBS remains outstanding and Fannie Mae is not in default in its payment obligations thereunder, neither

the Issuer, the Trustee nor any person under their control shall, without the prior written consent of Fannie Mae, exercise any remedies or direct any proceedings under this Indenture with respect to the Series B-1 Bonds other than to (a) enforce rights under the MBS, (b) enforce the tax covenants in this Indenture and the Financing Agreement, (c) enforce rights of specific performance under the Regulatory Agreement or (d) enforce the Reserved Rights; provided, however, that any enforcement under subsections (b) or (c) above shall not include seeking monetary damages other than actions for the Issuer Fees and Expenses or the Trustee Fees and Expenses.

Nothing contained in this Indenture shall affect or impair the right of any Bondholder to enforce the payment of the principal of, the premium, if any, and interest on any Bond at the maturity thereof or the obligation of the Trustee to pay the principal of, premium, if any, and interest on the Bonds issued hereunder to the respective holders thereof, at the time, in the place, from the sources and in the manner expressed herein and in said Bonds.

ARTICLE IX

THE TRUSTEE AND THE REMARKETING AGENT

Section 9.01. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions and no implied covenants or conditions shall be read into this Indenture against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured or waived) the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a reasonable person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall not be answerable for the conduct of the same if appointed with reasonable care, and shall be entitled to the advice of counsel concerning all matters of the trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation and fees to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorneys (who may be the attorney or attorneys for the Issuer, the Borrower or Fannie Mae) approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action taken in good faith in reliance upon such opinion or advice.

(c) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or for insuring the Project or collecting any insurance moneys, or for the registration, filing or recording

or re registration, re-filing or re-recording of this Indenture or the Mortgage or any financing statements relating hereto or thereto or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the Project or otherwise as to the maintenance of the security hereof. The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer or on the part of the Borrower under the Financing Agreement, except as hereinafter set forth; but the Trustee may require of the Issuer or the Borrower full information and advice as to their performance of the covenants, conditions and agreements aforesaid. The Trustee acknowledges it has assumed certain duties of the Issuer under the Financing Agreement and the Regulatory Agreement.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if it were not Trustee hereunder. To the extent permitted by law, the Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not any such committee shall represent the holders of a majority in aggregate principal amount of the Bonds Outstanding.

(e) The Trustee shall be protected in acting under any notice, request, consent, certificate, order, affidavit, letter, facsimile transmission, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request, authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely (unless other evidence in respect thereof is herein specifically prescribed) upon an Officer's Certificate as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in subsection (h) of this Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept an Officer's Certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate signed by an Attesting Officer of the Issuer as conclusive evidence that a resolution of the governing body of the Issuer has been duly adopted and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and it shall not be answerable for other than its own negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default or Event of Default hereunder except a default in payment when due of the principal of, premium, if any, or interest on any Bond or the failure of the Issuer or the Borrower to file with the Trustee any documents required by this Indenture, the Financing Agreement or the Regulatory Agreement to be so filed subsequent to the issuance of the Bonds unless the Trustee shall be specifically notified in writing of such default or Event of Default by the Issuer or by the holders of at least seventy-five percent (75%) in aggregate principal amount of Series B-1 Bonds or Series B-2 Bonds Outstanding, as applicable, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the designated office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no default or Event of Default except as aforesaid.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right to fully inspect any and all of the property herein conveyed, including the Project and all books, papers and records of the Issuer pertaining to the Project and the Bonds, and to take such memoranda from and in regard thereto as may be desired, provided that such inspection be made and any such memoranda be taken and used on a basis that will insure the confidentiality thereof and of any results thereof.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the trusts and powers or otherwise in respect of the premises granted in this Indenture.

(k) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property or any action whatsoever within the purview of this Indenture (other than enforcement of the Regulatory Agreement), any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee, deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, the release of any property or the taking of any other action by the Trustee, but the resolutions, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warranty, protection and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

(l) Before taking any action under Article VIII of this Indenture, the Trustee may require that a satisfactory indemnity bond or other indemnity satisfactory to the Trustee be furnished for the reimbursement of all expenses (including legal fees and expenses) to which it may be put and to protect it against all liability, except liability which

is adjudicated to have resulted from its negligence or willful misconduct in conjunction with any action so taken.

(m) All moneys received by the Trustee, until used, applied or invested as herein provided, shall be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law.

(n) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(o) The Trustee's rights to immunities and protection from liability hereunder and its rights to payment of its fees and expenses shall survive its resignation or removal and the final payment or the defeasance of the Bonds (or the discharge of the Bonds or the defeasance of the lien of this Indenture).

(p) None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

(q) The Trustee shall have no responsibility, opinion or liability with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(r) The Trustee shall at all times, to the extent permitted by law, defend, preserve and protect the pledge and assignment in trust of the Trust Estate created hereby and all the rights of the Bondholders hereunder against all claims and demands of all persons whomsoever.

(s) In no event shall the Trustee be liable for any special, punitive, indirect or consequential damages of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(t) The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, pandemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources or energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(u) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured email, facsimile transmission or other similar unsecured

electronic methods, provided however, that the Trustee will have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate will be amended and replaced whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Trustee email or facsimile instructions (or instructions by a similar electronic method) and the Trustee acts upon such instructions, the Trustee's understanding of such instructions will be deemed controlling. The Trustee will not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 9.02. Fees, Charges and Expenses of Trustee. Notwithstanding any provision to the contrary herein, but subject to the limitations set forth in the definition of Extraordinary Trustee Fees and Expenses as defined in Section 1.01 hereof, the Trustee shall be entitled to payment for reasonable fees for its services rendered hereunder and under the Financing Agreement and reimbursement for all advances, counsel fees and other expenses reasonably made or incurred by the Trustee (including any co-Trustee) in connection with such services which shall be paid from time to time as provided in the Financing Agreement; provided that no such amounts shall be paid to the Trustee from the proceeds of the MBS. Upon an Event of Default under Section 8.01(a) as a result of a failure by Fannie Mae to make payment under the MBS, but only upon such an Event of Default, the Trustee shall have a lien upon the Trust Estate for extraordinary fees, charges and expenses incurred by it. The Issuer shall require the Borrower to indemnify and save harmless the Trustee against any liabilities which the Trustee may incur in the exercise and performance of its powers and duties hereunder, under the Financing Agreement and under the Regulatory Agreement which are not due to its own negligence or willful misconduct, and to reimburse the Trustee for any fees and expenses of the Trustee to the extent they exceed funds available under this Indenture for the payment thereof, subject only to the right of the Borrower to contest the reasonableness of any such fees or the necessity for any such expenses. The Trustee shall continue to perform its duties and obligations hereunder until such time as its resignation or removal is effective pursuant to Section 9.05 or Section 9.06 hereof, respectively.

Section 9.03. Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of owners of the Bonds, the Trustee may intervene on behalf of the Bondholders and shall do so if requested in writing by the owners of at least seventy-five percent (75%) in aggregate principal amount of Series B-1 Bonds or Series B-2 Bonds Outstanding, as applicable, subject to receipt of indemnity as provided in Section 9.01(l). The rights and obligations of the Trustee under this Section are subject to receipt of any approval of a court of competent jurisdiction which may be required by law as a condition to such intervention.

Section 9.04. Merger or Consolidation of Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or

transfer to which it is a party, ipso facto shall be and become successor Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 9.05. Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving thirty (30) days' written notice to the Issuer, the Construction Lender (but only prior to the Conversion Date) and Fannie Mae, and such resignation shall only take effect upon the appointment of, pursuant to Section 9.07, and acceptance by, a successor Trustee. The successor Trustee shall give notice of such succession by first class mail, postage prepaid, to each Bondholder at the address of such Bondholder shown on the Bond Register.

Section 9.06. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee, Fannie Mae, and the Construction Lender (but only prior to the Conversion Date), and signed by the Issuer (or if an Event of Default shall have occurred and be continuing, by the owners of a majority in aggregate principal amount of the Bonds Outstanding, in which event such instrument or instruments in writing shall also be delivered to the Issuer) provided that such removal shall not take effect until the appointment of a successor Trustee by the Issuer (or by the Bondholders).

Section 9.07. Appointment of Successor Trustee. In case at any time the Trustee or any successor thereto shall resign or shall be removed or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or if a receiver, liquidator or conservator of such Trustee or of its property shall be appointed, or if any public officer shall take charge or control of such Trustee or of its property or affairs, a successor may be appointed by the Issuer with the approval of Fannie Mae (if it is not in default in its obligations under the MBS), or if Fannie Mae does not approve a successor the Issuer proposes to appoint, or if the Issuer is in default hereunder, by the holders of a majority in aggregate principal amount of the Bonds Outstanding, excluding any Bonds held by or for the account of the Issuer, by an instrument or concurrent instruments in writing signed by such Bondholders, or their attorneys duly authorized in writing, and delivered to such successor Trustee, notification thereof being given to the Issuer, Fannie Mae, the Borrower, the Investor Limited Partner and the predecessor Trustee. If in a proper case no appointment of a successor Trustee shall have been made pursuant to the foregoing provisions of this Section within 45 days after the Trustee shall have given to the Issuer written notice as provided in Section 9.05 or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Bondholder may, at the expense of the Borrower, apply to any court of competent jurisdiction to appoint a successor. The court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Any Trustee appointed under the provisions of this Section shall be a bank, trust company or national banking association, having a designated office within the State, having trust powers, with prior experience as trustee under indentures under which multifamily housing revenue bonds of public agencies or authorities are issued, and having a capital and surplus acceptable to the Issuer, the Permanent Lender, the Construction Lender (but only prior to the Conversion Date) and Fannie Mae, willing and able to accept the office on reasonable and customary terms in light of

the circumstances under which the appointment is tendered and authorized by law to perform all the duties imposed upon it hereby, if there be such an institution meeting such qualifications willing to accept such appointment.

Section 9.08. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Issuer, the Borrower, Fannie Mae, and any Bondholder which shall request the same, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if named herein as such Trustee, but the Trustee ceasing to act shall nevertheless, on the written request of the Issuer, Fannie Mae or the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as reasonably may be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any properties held by it under this Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Issuer be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such moneys, estates, properties, rights, powers and duties, any and all such deeds, conveyances and instruments in writing, on request, and so far as may be authorized by law, shall be executed, acknowledged and delivered by the Issuer.

Section 9.09. Successor Trustee as Bond Registrar, Custodian of Funds and Paying Agent. In the event of a change in the Trustee, the Trustee which has resigned or been removed shall cease to be Bond Registrar, custodian of the Funds and Accounts created under this Indenture and paying agent for the Bonds, and the successor Trustee shall become such Bond Registrar, custodian and paying agent.

Section 9.10. Collection of MBS Payments. Following the MBS Delivery Date, the Trustee shall cause the MBS to be registered in the name of the Trustee or in the name of the nominee of the Trustee with such additional recitals as appropriate to indicate that the MBS is to be held by the Trustee in its capacity as Trustee hereunder subject to the provisions of Sections 7.03 and 7.04. In the event that any amount payable to the Trustee under the MBS is not received by the Trustee within one Business Day of the date such payment is due, the Trustee shall notify Fannie Mae or (if directed by Fannie Mae) the paying agent for the MBS by telephone (such notification to be immediately confirmed by Electronic Means) that such payment has not been received in a timely manner and request that such payment be made by wire transfer of immediately available funds to the account of the Trustee or such custodian, as the case may be.

Section 9.11. Requests from Rating Agency. The Trustee shall promptly respond in writing, or in such other manner as may be reasonably requested, to requests from the Rating Agency for information deemed necessary by the Rating Agency in order to maintain the rating assigned thereby to the Bonds. The Trustee shall promptly furnish any such requested information in its possession to the Rating Agency and shall, as may be reasonably requested by the Rating Agency, assist in efforts to obtain any necessary information from the Issuer or the Borrower or Fannie Mae as applicable.

Section 9.12. Arbitrage Covenants.

(a) Moneys and securities held by the Trustee in the Rebate Fund are not pledged or otherwise subject to any security interest in favor of the Trustee to secure the Bonds or any other payments required to be made hereunder or any other document executed and delivered in connection with the issuance of the Bonds.

(b) Moneys in the Rebate Fund shall be held separate and apart from all other Funds and Accounts established under this Indenture and shall be separately invested and reinvested by the Trustee in Eligible Investments. The interest accruing thereon and any profit realized therefrom shall be credited to the Rebate Fund, and any loss resulting therefrom shall be charged to the Rebate Fund. The Trustee shall sell and reduce to cash a sufficient amount of such Eligible Investments whenever the cash balance in the Rebate Fund is insufficient for its purposes.

(c) The Trustee covenants that it will invest funds held under this Indenture in accordance with the covenants and terms of this Indenture and the Tax Certificate (this covenant shall extend through the Bond Maturity Date to all Funds and Accounts created under this Indenture and all money on deposit to the credit of any such Fund or Account). The Trustee covenants that, notwithstanding any other provisions of this Indenture or of any other Financing Document, it will not knowingly make or cause to be made any investment or other use of the money in the funds or accounts created hereunder which would cause the Bonds to be classified as "arbitrage bonds" within the meaning of Sections 103(b) and 148 of the Code or would cause the interest on the Bonds to be includable in gross income for federal income tax purposes (this covenant shall extend through the Bond Maturity Date to all Funds and Accounts created under this Indenture and all money on deposit to the credit of any such Fund or Account). Pursuant to this covenant, with respect to the investments of the Funds and Accounts under this Indenture, the Trustee obligates itself to comply, so long as any Bonds remain Outstanding, with the requirements of Sections 103(b) and 148 of the Code; provided that the Trustee shall be deemed to have complied with such requirements and shall have no liability to the extent it reasonably follows the written directions of the Borrower, the Issuer, Bond Counsel or the Rebate Analyst. The Trustee further covenants that should the Issuer or the Borrower file with the Trustee (it being understood that neither the Issuer nor the Borrower has an obligation to so file), or should the Trustee receive, an opinion of Bond Counsel to the effect that any proposed investment or other use of proceeds of the Bonds would cause the Bonds to become "arbitrage bonds," then the Trustee will comply with any written instructions of the Issuer, the Borrower or Bond Counsel regarding such investment (which shall, in any event, be an Eligible Investment) or use so as to prevent the Bonds from becoming "arbitrage bonds," and the Trustee will bear no liability to the Issuer or the Borrower for investments made in accordance with such instructions.

(d) The Issuer hereby covenants to provide, or to cause the Borrower to provide, at the Borrower's expense, for the calculation by the Rebate Analyst, and rebate to the federal government, in accordance with the Code, of excess investment earnings with respect to the Bonds to the extent required by Section 148(f) of the Code.

(e) The determination of the Rebate Amount shall be made by the Rebate Analyst in accordance with the Tax Certificate and the Rebate Amount shall be paid at such times and in such installments as provided therein. As further provided in the Tax Certificate, the Borrower shall be responsible for calculating or causing to be calculated and paying the Rebate Amount.

(f) In order to provide for the administration of this Section, the Trustee may provide for the employment of independent attorneys, accountants and consultants compensated on a reasonable basis and in addition and without limitation of the provisions of Section 9.01, the Trustee may rely conclusively upon and be fully protected from all liability in relying upon the opinions, determinations, calculations and advice of such attorneys, accountants and consultants employed hereunder.

(g) The Borrower shall be responsible for any fees and expenses incurred by the Issuer or the Trustee under or pursuant to this Section.

(h) Withdrawals from the Rebate Fund may be made to the extent the Rebate Analyst determines that amounts on deposit therein exceed amounts required to be on deposit therein pursuant to this Section. All amounts so withdrawn shall be transferred to the Revenue Fund.

(i) The provisions of this Section may be amended or deleted from this Indenture upon receipt by the Issuer and the Trustee of an Opinion of Bond Counsel that such amendment or deletion will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes. Any moneys on deposit in the Rebate Fund may be applied by the Trustee as permitted in such Opinion. Fees and expenses incurred in connection with the determination of rebatable arbitrage shall be paid by the Borrower pursuant to the provisions of the Financing Agreement.

(j) In the event of a conflict between the provisions of this Section 9.12 and the Tax Certificate, the provisions of the Tax Certificate shall control.

Section 9.13. Compliance of Borrower Under Regulatory Agreement. The Trustee shall give written notice to the Issuer, the Permanent Lender, the Construction Lender (but only prior to the Conversion Date), the Investor Limited Partner and Fannie Mae of any failure by the Borrower to comply with the terms of the Regulatory Agreement.

Section 9.14. Concerning the Remarketing Agent. The Remarketing Agent identified in Section 1.01 hereof shall serve as the Remarketing Agent for the Bonds. The Remarketing Agent shall designate to the Trustee its designated corporate trust office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower and the Trustee. In addition, the Remarketing Agent will agree particularly to:

(a) keep such records relating to its computations of interest rates for the Series B-2 Bonds as shall be consistent with prudent industry practice and to make such records available for inspection by the Issuer, the Trustee, the Borrower and the Investor Limited Partner at all reasonable times; and

(b) perform all of its functions and duties under this Indenture.

The Remarketing Agent shall be entitled to advice of legal counsel on any matter relating to the Remarketing Agent's obligations hereunder and shall be entitled to act upon the opinion of such counsel in the exercise of reasonable care in fulfilling such obligations.

The Remarketing Agent shall be entitled to appoint additional co-Remarketing Agents to assist in the performance of the Remarketing Agent's obligations under this Indenture, and any such appointment shall be effective without any action by the Issuer or the Borrower being necessary; provided that any such co-Remarketing Agent, shall have a capitalization of at least $15,000,000, or shall have a line of credit with a commercial bank in the amount of at least $15,000,000, shall be in conformity with all standards and requirements of the Municipal Securities Rulemaking Board and the Securities and Exchange Commission, and shall be authorized by law to perform all the duties imposed upon it by this Indenture. The Remarketing Agent shall take responsibility for any co-Remarketing Agent it appoints.

Section 9.15. Qualification of Remarketing Agent. The Remarketing Agent shall be a member in good standing of the Financial Industry Regulatory Authority having a capitalization of at least $15,000,000, or shall have a line of credit with a commercial bank in the amount of at least $15,000,000, and shall be authorized by law to perform all the duties imposed upon it by this Indenture. Subject to the terms of the Remarketing Agreement, the Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least thirty (30) days' notice of such resignation to the Issuer, the Borrower, the Investor Limited Partner, the General Partner (as such term is defined in the Financing Agreement) and the Trustee. The Remarketing Agent may be removed, with prior notice to the Issuer, at any time by the Borrower, with at least thirty (30) days' notice of such removal to the Remarketing Agent.

Upon any resignation or removal of the Remarketing Agent, the departing Remarketing Agent shall pay over, assign and deliver any money and Bonds held by it in such capacity to its successor.

The Trustee, within thirty (30) days of the resignation or removal of the Remarketing Agent or the appointment of a successor Remarketing Agent, shall give notice thereof by registered or certified mail to the Rating Agency (if the Series B-2 Bonds are then rated) and to the Holders of the Series B-2 Bonds.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.01. Supplemental Indentures Effective Upon Acceptance. For any one or more of the following purposes and at any time or from time to time, the Issuer and the Trustee may enter into a Supplemental Indenture which, upon the execution and delivery thereof by the Issuer and by the Trustee, and with the prior written consent of Fannie Mae (but only in connection with the Series B-1 Bonds), the Investor Limited Partner, the Permanent Lender, and the Construction Lender (but only prior to the Conversion Date), but without the necessity of consent of the Bondholders, shall be fully effective in accordance with its terms:

(a) To add to the covenants or agreements of the Issuer herein contained other covenants or agreements to be observed by the Issuer or to otherwise revise or amend this Indenture in a manner which are/is not materially adverse to the interests of the Bondholders;

(b) To add to the limitations or restrictions herein contained other limitations or restrictions to be observed by the Issuer which are not contrary to or inconsistent with the provisions hereof as theretofore in effect;

(c) To surrender any right, power or privilege reserved to or conferred upon the Issuer herein, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Issuer contained herein and is not materially adverse to the interests of the Bondholders;

(d) To confirm, as further assurance, any pledge of the Trust Estate hereunder and the subjection to any lien on or pledge of the Trust Estate created or to be created hereby;

(e) To appoint a co-trustee or successor Trustee or successor co-trustee;

(f) To cure any ambiguity, supply any omission or cure or correct any defect or inconsistent provision herein;

(g) To insert such provisions clarifying matters or questions arising hereunder as are necessary or desirable and are not materially adverse to the interests of the Bondholders; and

(h) To make such changes and modifications that are necessary or desirable to provide for all interest, principal and premium, if any, paid with respect to the Bonds are in the exact respective amounts of the payments of interest, principal and premium, if any, paid under and pursuant to the MBS.

Section 10.02. Supplemental Indentures Requiring Consent of Bondholders. In addition to those amendments to this Indenture which are authorized by Section 10.01, any modification or amendment of this Indenture may be made by a Supplemental Indenture with the written consent, given as hereinafter provided in Section 10.03, of Fannie Mae (but only in connection with the Series B-1 Bonds), the Construction Lender (but only prior to the Conversion Date), and the holders of at least two thirds (2/3) in aggregate principal amount of the Bonds Outstanding at the time such consent is given; provided, however, that no such modification or amendment shall (a) permit a change in the terms of redemption, retirement or maturity of the principal amount of any Outstanding Bond or an extension of the date for payment of any installment of interest thereon or a reduction in the principal amount of, premium, if any, or the rate of interest on any Outstanding Bond without the consent of the holder of such Bond, (b) reduce the proportion of Bonds the consent of the holders of which is required to effect any such modification or amendment or to effectuate an acceleration of the Bonds prior to maturity, (c) permit the creation of a lien on the Trust Estate pledged under this Indenture prior to or on a parity with the lien of this Indenture, (d) deprive the holders of the Bonds of the lien created by this Indenture upon the Trust Estate (except as expressly provided in this Indenture), without (with

respect to (b) through (d)) the consent of the holders of all Bonds Outstanding, or (e) change or modify any of the rights or obligations of the Trustee without the written consent thereto of the Trustee.

Section 10.03. Consent of Bondholders. The Issuer and the Trustee may, at any time, execute and deliver a Supplemental Indenture making a modification or amendment permitted by the provisions of Section 10.02, to take effect when and as provided in this Section. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in a form approved by the Trustee), together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Trustee to the Bondholders. Such Supplemental Indenture shall not be effective unless there shall have been filed with the Trustee (a) the written consents of Fannie Mae (but only in connection with the Series B-1 Bonds) and the holders of the proportion of Outstanding Bonds specified in Section 10.02, and (b) an Opinion of Bond Counsel stating that such Supplemental Indenture has been duly and lawfully entered into by the Issuer in accordance with the provisions of this Indenture, is authorized or permitted by the provisions of this Indenture, and, when effective, will be valid and binding upon the Issuer. Each such consent of the Bondholders shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 11.01. A certificate or certificates by the Trustee that it has examined such proof and that such proof is sufficient under the provisions of Section 11.01 shall be conclusive that the consents have been given by the Bondholders described in such certificate or certificates. Any such consent shall be binding upon the Bondholder giving such consent and upon any subsequent holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent holder thereof has notice thereof). At any time after the holders of the required proportion of Bonds shall have filed their consents to such Supplemental Indenture, the Trustee shall make and file with the Issuer a written statement that the holders of such required proportion of Bonds have filed and given such consents. Such written statement shall be conclusive that such consents have been so filed and have been given. Within ninety (90) days after filing such statement, the Trustee shall mail to the Bondholders a notice stating in substance that such Supplemental Indenture (which may be referred to as a Supplemental Indenture executed by the Issuer on a stated date, a copy of which is on file with the Trustee) has been consented to by the holders of the required proportion of Bonds and will be effective as provided in this Section, but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as provided in this Section 10.03. The Trustee shall file with the Issuer proof of the mailing of such notice to the Bondholders. A record, consisting of the papers required or permitted by this Section to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Indenture making such modification or amendment shall be deemed conclusively binding upon the Issuer, the Trustee and the Holders of all Bonds upon the execution thereof and the filing by the Trustee with the Issuer of the statement that the required proportion of Bondholders have consented thereto.

The Issuer may conclusively rely upon the Trustee's determination that the requirements of this Section have been satisfied.

Section 10.04. Modification by Unanimous Consent. Notwithstanding anything contained in the foregoing provisions of this Article, the terms and provisions hereof and the rights and obligations of the Issuer and the Bondholders hereunder, in any particular, may be modified

or amended in any respect upon execution and delivery of a Supplemental Indenture by the Issuer and the Trustee making such modification or amendment and the consent to such Supplemental Indenture of Fannie Mae (but only in connection with the Series B-1 Bonds), the Permanent Lender, the Construction Lender (but only prior to the Conversion Date) and the holders of all of the Bonds Outstanding, such consent to be given and proved as provided in Section 10.03 except that no notice to Bondholders shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of the Trustee without the written assent thereto of the Trustee, in addition to the consent of the Bondholders.

Section 10.05. Exclusion of Bonds. Bonds owned or held by or for the account of the Issuer or the Borrower shall be excluded and shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article, unless all of the Bonds are owned or held by or for the account of the Issuer or the Borrower. In the event that not all of the Bonds are owned or held by or for the account of the Issuer or the Borrower, then neither the Issuer nor the Borrower, as the case may be, shall be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action under this Article, in the event that any Bonds (but not all of the Bonds) are then owned by or for the account of the Issuer, the Issuer shall furnish to the Trustee an Officer's Certificate, upon which the Trustee may rely, describing all Bonds so to be excluded. The Trustee shall be obligated to exclude as aforesaid only such Bonds as are shown by the Bond Register or are otherwise known by the Trustee to be so owned or held.

Section 10.06. Notation on Bonds. Bonds delivered after the effective date of any action taken as provided in this Article may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Issuer and the Trustee as to such action, and in that case upon demand of the holder of any Bond Outstanding at such effective date and presentation of such Bond for such purpose at the principal office of the Trustee, suitable notation shall be made on such Bond by the Trustee as to any such action. If the Issuer or the Trustee shall so determine, new Bonds notated as in the opinion of the Trustee and the Issuer may be required to conform to such action shall be prepared and delivered, and upon demand of the holder of any Bond Outstanding, shall be exchanged, without cost to such Bondholder, for Bonds of the same series, designation, maturity and interest rate Outstanding upon surrender of such Bonds.

Section 10.07. Additional Contracts or Indentures. The Issuer, so far as it may be authorized by law, may enter, and if requested by the Trustee, shall enter into additional contracts or indentures with the Trustee giving effect to any modification or amendment of this Indenture as provided in this Article.

Section 10.08. Opinion of Bond Counsel Concerning Supplemental Indentures. The Trustee shall not execute or consent to any Supplemental Indenture unless prior to the execution and delivery thereof the Trustee shall have received the written Opinion of Bond Counsel to the effect that the modifications or amendments effected by such Supplemental Indenture will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or adversely affect the exemption of interest of the Bonds from personal income taxation by the State and are authorized and permitted under the provisions of this Indenture.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Evidence of Signatures of Bondholders and Ownership of Bonds. Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys duly authorized in writing. Proof of the execution of any such instrument, or of an instrument appointing or authorizing any such attorney, or the holding by any person of any Bonds, shall be sufficient for any purpose hereof if made in the following manner or in any other manner satisfactory to the Trustee which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(a) The fact and date of the execution by any Bondholder or his or her attorney of any such instrument (other than the Bond) may be proved (i) by the certificate of a notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he or she purports to act that the person signing such instrument acknowledged to him or her the execution thereof, or by the affidavit of a witness of such execution, duly sworn to before such a notary public or other officer, or (ii) by the certificate, which need not be acknowledged or verified, of an officer of a bank, trust company or duly licensed securities broker or dealer satisfactory to the Trustee that the person signing such instrument acknowledged to such bank, trust company, broker or dealer the execution thereof;

(b) The authority of a person or persons to execute any such instrument on behalf of a corporate Bondholder may be established without further proof if such instrument is authorized by a corporate resolution (a copy of which shall be delivered to the Trustee) and signed by a person purporting to be the president or a vice president of such corporation; and

(c) The holding of Bonds, the amount, numbers and other identification thereof, and the date of holding the same, shall be proved by the Bond Register.

Any request, consent or other instrument executed by the registered owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done hereunder by the Issuer or the Trustee in accordance herewith in reliance on such request, consent or other instrument.

Section 11.02. Details of Documents Delivered to Trustee. Matters required to be stated in any document signed by any Authorized Officer or in any accountant's certificate, Counsel's Opinion or Officer's Certificate may be stated in separate documents of the required description or may be included in one or more thereof.

Section 11.03. Preservation and Inspection of Documents. All reports, certificates, statements and other documents received by the Trustee under the provisions hereof shall be retained in its possession and shall be available at all reasonable times for the inspection of the

Issuer, Fannie Mae or any Bondholder and their agents and representatives, any of whom may make copies thereof, but any such reports, certificates, statements or other documents may, at the election of the Trustee, be destroyed or otherwise disposed of at any time six (6) years after such date as the pledge of the Trust Estate created hereby shall be discharged as provided in Section 7.01 hereof.

Section 11.04. No Recourse on Bonds. Notwithstanding anything to the contrary herein or to the contrary in any Financing Document, no recourse under or upon any obligation, covenant or agreement contained in this Indenture or in the Bonds shall be had against any member, officer, commissioner, director or employee (past, present or future) of the Issuer, either directly or through the Issuer or its governing body or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Bondholders, or otherwise, of any sum that may be due and unpaid by the Issuer or its governing body upon the Bonds. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such member, officer, commissioner, director or employee, as such, to respond by reason of any act of omission on his/her part or otherwise, for the payment for or to the Bondholders or otherwise of any sum that may remain due and unpaid with respect to the Bonds hereby secured is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of this Indenture and the delivery of the Bonds. The Bondholders remedies in the event of a default under the Bonds shall be limited to those remedies set forth herein and, if an Event of Default also exists under the Financing Agreement, the Series B-1 Bond Loan Note or the Series B-2 Bond Loan Note, to commence foreclosure under the Mortgage and the other Financing Documents and to exercise of the power of sale or other rights granted thereunder. In the event of a default hereunder or under the Bonds, the Bondholders shall not have the right to proceed directly against the Issuer or the right to obtain a deficiency judgment from the Issuer after foreclosure. Nothing contained in the foregoing shall limit any rights or remedies the Issuer, the Bondholder or the Trustee may have against the Borrower.

Section 11.05. Severability. If any one or more of the provisions, covenants or agreements in this Indenture on the part of the Issuer or the Trustee to be performed should be illegal, inoperative, unenforceable or contrary to law, then such provision or provisions, covenant or covenants, agreement or agreements, shall be deemed severable from the remaining provisions, covenants and agreements, and shall in no way affect the validity of the other provisions hereof or of the Bonds.

Section 11.06. Notices. Unless otherwise specified in this Indenture, it shall be sufficient service or giving of any notice, request certificate, demand or other communication if the same is sent by (and all notices required to be given by mail will be given by) first-class registered or certified mail, postage prepaid, return receipt requested, or by private courier service which provides evidence of delivery, or sent by Electronic Means which produces evidence of transmission, and in each case will be deemed to have been given on the date evidenced by the postal or courier receipt or other written evidence of delivery or electronic transmission. Unless a different address is given by any party as provided in this Section, all such communications will be addressed as follows:

To the Issuer:	City and County of San Francisco Mayor's Office of Housing and Community Development 1 South Van Ness Avenue, 5th Floor San Francisco, CA 94103 Attention: Daniel Adams, Director
with a copy to:	Office of the City Attorney City Hall, Room 234 1 Carlton B. Goodlett Place San Francisco, CA 94102-4682 Attention: Finance Team: Email: cityattorney@sfgov.org
To the Trustee:	U.S. Bank Trust Company, National Association One California Street, Suite 1000 Mail Code: SF-CA-SFCT San Francisco, CA 94111 Attention: Global Trust Services/Andrew Fung Facsimile: (415) 677-3769 Email: andrew.fung@usbank.com
To the Borrower:	Sunnydale Block 9 Housing Partners, L.P. c/o The Related Companies of California 44 Montgomery Street, Suite 1310 San Francisco, CA 94104 Attention: Ann Silverberg Email: asilverberg@related.com
with a copy to:	Sunnydale Block 9 Housing Partners, L.P. c/o The Related Companies of California 18201 Von Karman Ave, Suite 900 Irvine, CA 92612 Attention: Asset Management
And to:	Sunnydale Block 9 Housing Partners, L.P. c/o Mercy Housing California 1256 Market Street San Francisco, CA 94102 Attention: Elizabeth Kuwada Email: elizabeth.kuwada@mercyhousing.org

And to:	Gubb & Barshay 235 Montgomery Street, Suite 1110 San Francisco, CA 94104 Attention: Erica Williams Orcharton Email: ewilliams@gubbandbarshay.com Bocarsly Emden Cowan Esmail & Arndt LLP 633 West Fifth Street, Suite 5880 Los Angeles, CA 90071 Attention: Nicole Deddens Email: ndeddens@bocarsly.com
To the Rating Agency:	[Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street, 16th Floor New York, NY 10007 Attention: Public Finance Group – Housing Team Email: Housing@moodys.com]
To Fannie Mae:	Fannie Mae 1100 15th Street, NW Washington, DC 20005 Attention: Director, Multifamily Asset Management Telephone: (202) 752-6634 Facsimile: (240) 699-3880 RE: Sunnydale Block 9 [Wells Fargo Bank, National Association]
with a copy to:	[_____] [_____] [_____] Attention: [_____] Telephone: [_____] Email: [_____]
To the Underwriter:	Wells Fargo Bank, National Association 30 Hudson Yards, 15th Floor New York, NY 10001 Attention: Patrice Mitchell Telephone: (212) 214-5341 Email: Patrice.mitchell@wellsfargo.com

with a copy to:	Tiber Hudson LLC 1800 M Street, NW Suite 350 South Washington, DC 20036 Attention: Lauren Marcus Telephone: (202) 973-0122 Email: lauren@tiberhudson.com
To the Lender (prior to Conversion Date):	Wells Fargo Bank, National Association 550 South Tryon Street 23rd Floor, D1086 239 Charlotte, NC 28202-4200 Attention: CLI Deal Management
with a copy to:	KMO Partners, LLP 3777 Long Beach Boulevard, Suite 280 Long Beach, CA 90807 Attention: Caroline Woolsey Telephone: (213) 457-7226 Email: cwoolsey@kmoplaw.com
To the Lender (on and after Conversion Date):	Wells Fargo Bank, National Association 550 South Tryon Street 23rd Floor, D1086 239 Charlotte, NC 28202-4200 Attention: CLI Deal Management
with a copy to:	KMO Partners, LLP 3777 Long Beach Boulevard, Suite 280 Long Beach, CA 90807 Attention: Caroline Woolsey Telephone: (213) 457-7226 Email: cwoolsey@kmoplaw.com
To the Investor Limited Partner:	Wells Fargo Bank, National Association 550 South Tryon Street 23rd Floor, MAC D1086-239 Charlotte, NC 28202-4200 Attention: Director of Tax Credit Asset Management
With a copy to:	Sidley Austin LLP One South Dearborn Chicago, IL 60603 Attention: Philip Spahn

Copies of all notices given to Fannie Mae must be given concurrently to the Permanent Lender, and the Construction Lender (but only prior to the Conversion Date). By notice given under this Indenture, any entity whose address is listed in this Section may designate any different address to which subsequent notices, certificates, requests, demands or other communications shall be sent, but no notice directed to any one such entity (except for Fannie Mae) will be required to be sent to more than two addresses. All approvals required under this Indenture will be given in writing. In addition, any notification received by the Trustee from the Lender shall be sent by the Trustee to the Bondholders as soon as practical after receipt thereof.

Section 11.07. Certain Notices to be Provided to the Rating Agency. In addition, the Trustee shall provide notice to the Rating Agency under the following circumstances: (i) prepayments with respect to the MBS, in whole or in part; (ii) defeasance or discharge of this Indenture; (iii) release from the Trust Estate of (A) the pledge of the MBS or (B) the assignment of the MBS Revenues received; (iv) supplements or amendments to the Financing Documents or Mortgage Note; (v) extension of the MBS Delivery Date Deadline; (vi) remarketing of the Series B-2 Bonds; (vii) appointment of a successor Trustee; (viii) sale of Eligible Investments at a price below par; (ix) any change in the investment of funds subject to the lien of this Indenture; (x) Events of Default of which the Trustee has actual notice; and (xi) delivery of the MBS.

Section 11.08. Action Required to be Taken on a Non-Business Day. In any case where any Payment Date, any other date fixed for the payment of interest on or principal of the Bonds, any maturity date or any date fixed for redemption or retirement of any Bonds, shall be a day other than a Business Day, then any payment of interest or principal (and premium, if any) required to be made on such date need not be taken or made on such date but may be taken or made on the next succeeding Business Day with the same force and effect as if made or taken on the date herein otherwise provided and, in the case of any Payment Date, no interest shall accrue for the period from and after such date.

Section 11.09. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person, other than the Issuer, the Trustee, Fannie Mae and the Holders of the Bonds, any right, remedy or claim under or by reason hereof, and any covenants, stipulations, obligations, promises and agreements in this Indenture contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Trustee, Fannie Mae and the Bondholders.

Section 11.10. Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.11. Notification of Issuer of Amount of Outstanding Bonds. On or before each anniversary of the Closing Date, the Trustee shall promptly notify the Issuer, via mutually acceptable Electronic Means or by mail, of the aggregate principal amount of Outstanding Bonds as of the date of such notice.

Section 11.12. Tax Certificate. In the event of any conflict between this Indenture and the Tax Certificate, the requirements of the Tax Certificate shall control.

Section 11.13. Applicable Provisions of Law; Venue. This Indenture and the Bonds are contracts made under the laws of the State and shall be construed in accordance with and governed by the Constitution and the laws of the State applicable to contracts made and performed in the State. Venue for any action in which the Issuer is a named party shall be San Francisco County, California, unless the Issuer waives this requirement in writing.

Section 11.14. Patriot Act Notice. The Trustee hereby notifies the Issuer that to help the government fight the funding of terrorism and money laundering activities pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies the Issuer, which information includes the name and address of the Issuer and other information that will allow the Trustee to identify the Issuer in accordance with the Patriot Act. The Issuer hereby agrees that it shall promptly provide such information upon request by the Trustee.

Section 11.15. Volume Cap Recycling Transactions. Notwithstanding any provisions of this Indenture or the Bonds to the contrary, prior to the MBS Delivery Date, the Issuer shall be permitted to direct that payments representing prepayments or repayments of principal on the Bond Loan Notes, as applicable, be delivered to a custodian or trustee selected by the Issuer, in lieu of application to repay a like portion of the Bonds, so long as the Issuer simultaneously causes other funds to be applied to repay such portion of the Bonds. The preceding provisions shall apply only for purposes of preserving or "recycling" private activity bond volume cap in accordance with Section 146(i)(6) of the Code. In connection with such recycling and Bond prepayment, if so directed in a written direction of the Issuer provided to the Trustee prior to any prepayment date, the Trustee is hereby authorized and directed to receive any such Bond prepayment or amounts corresponding thereto and to hold such amounts, uninvested, for such period of time and to transfer such amounts to the Issuer, or to such custodian, fiscal agent or trustee designed by the Issuer and specified in such written direction. For purposes of effectuating the foregoing, the Trustee is hereby authorized and directed to open and create such funds or accounts, which may be temporary in nature, as may be necessary or desirable, and to close such funds or accounts following the completion of the transfers set forth in such written direction.

Section 11.16. City Contracting Provisions. The Trustee covenants and agrees to comply with the provisions set forth in Exhibit G to the Regulatory Agreement, which is incorporated in and made a part of this Indenture by this Reference.

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be executed on its behalf by its Authorized Officers and the Trustee, to evidence its acceptance of the trusts created hereunder, has caused this Indenture to be executed in its name by its duly authorized signatories, all as of the day and year first above written.

CITY AND COUNTY OF SAN FRANCISCO,
as Issuer

By _____
Daniel Adams, Director
Mayor's Office of Housing and Community Development

APPROVED AS TO FORM:

DAVID CHIU
City Attorney

By _____
Deputy City Attorney

[Issuer Signature page to Indenture of Trust]

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By _____
Name Andrew Fung
Title Vice President

[Trustee Signature page to Indenture of Trust]

EXHIBIT A-1

FORM OF SERIES B-1 BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE INDENTURE OF TRUST) TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. R-B1-1 $[_____]

CITY AND COUNTY OF SAN FRANCISCO
MULTIFAMILY HOUSING REVENUE BONDS (FANNIE MAE MBS-SECURED)
(SUNNYDALE HOPE SF BLOCK 9)
SERIES 2025B-1

Bond Interest Rate	Bond Maturity Date	Bond Dated Date	Bond CUSIP Number
[___]%	[_____]	[_____] 1, 2025	[_____]

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT: [_____] MILLION [_____] THOUSAND DOLLARS ($[_____])

The City and County of San Francisco (together with its successors and assigns, the "Issuer"), a municipal corporation and chartered city and county, organized and existing under the laws of the State of California, for value received, hereby promises to pay by check (but only from the sources specified in the Indenture hereinafter referred to) to the Registered Owner named above or registered assigns, on the Bond Maturity Date stated above subject to the provisions of the Indenture, including, but not limited to, the definition of Payment Date therein and as hereinafter defined (unless this Series B-1 Bond shall have been previously called for redemption and payment of the Redemption Price shall have been made or duly provided for) the Principal Amount stated above in lawful money of the United States of America, and to pay interest thereon in like lawful money at the Bond Interest Rate specified above in the amounts as accrued and for the periods interest is paid (except in connection with a redemption of Series B-1 Bonds upon failure to

purchase the MBS as described in the Indenture), payable on each Payment Date. Interest shall be calculated on the basis of a year of 30/360.

The payment of interest on a Payment Date is the interest accrued during the preceding six (6) calendar months; provided that the payment of interest on the Initial Payment Date shall relate to the interest accrued from the Bond Dated Date to and including the calendar day immediately preceding the Initial Payment Date. If the Bonds are redeemed upon failure of the Conversion Date or the MBS Delivery Date to occur on or prior to the MBS Delivery Date Deadline as described in the Indenture, interest payable on the Bonds will be paid on the redemption date.

"Payment Date" means (i) with respect to interest [_____] 1 and [_____] 1 of each year, commencing on the Initial Payment Date, and (ii) with respect to principal and interest, the stated maturity date for any of the Bonds or any earlier date of redemption of any of the Bonds.

Interest hereon is payable by U.S. Bank Trust Company, National Association (the "Trustee"). On each Payment Date, payment of the principal of and interest or premium, if any, on any Series B-1 Bond shall be made to the person appearing on the Bond Register as the registered owner thereof on the applicable Record Date. The principal of and the interest on the Series B-1 Bonds shall be payable in coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts of the United States of America. Unless the Series B-1 Bonds are Book-Entry Bonds, the principal of the Series B-1 Bonds shall be payable to the registered owners thereof upon presentation (except in connection with a redemption of Series B-1 Bonds from principal payments or prepayments on the MBS) at the designated corporate trust office of the Trustee or its successors. Unless the Series B-1 Bonds are Book-Entry Bonds, payments of interest on the Series B-1 Bonds and redemption of Series B-1 Bonds from principal payments or prepayments on the MBS shall be paid by check or draft mailed to the registered owner thereof at such owner's address as it appears on the registration books maintained by the Trustee on the applicable Record Date or at such other address as is furnished to the Trustee in writing by such owner. All payments of principal of and interest on Book-Entry Bonds shall be made and given at the times and in the manner set out in the representation letter of The Depository Trust Company, New York, New York and the provisions of the Indenture related thereto, or any replacement securities depository appointed under the Indenture.

The date of authentication of each Series B-1 Bond shall be the date such Series B-1 Bond is registered.

The Series B-1 Bonds shall be subject to redemption prior to maturity in such manner and with notice, if applicable, as set forth in the Indenture. Notices in connection with any redemption of Series B-1 Bonds shall be required as set forth in the Indenture.

This Bond is one of the duly authorized bonds of the Issuer designated as City and County of San Francisco Multifamily Housing Revenue Bonds (Fannie Mae MBS Secured) (Sunnydale HOPE SF Block 9) Series 2025B-1 (the "Series B-1 Bonds"), limited in aggregate principal amount to $[_____] issued pursuant to the Act and pursuant to an Indenture of Trust, dated as of May 1, 2025, by and between the Issuer and the Trustee (the "Indenture") and a resolution duly

adopted by the governing body of the Issuer. The Series B-1 Bonds are limited obligations of the Issuer payable from and all equally secured by the lien of the Indenture, and the other security pledged thereby, including certain funds and accounts created pursuant thereto. The proceeds of the Series B-1 Bonds are used for the purpose of financing a loan to be made to Sunnydale Block 9 Housing Partners, L.P., a California limited partnership (the "Borrower"). The loan will be used by the Borrower to pay a portion of the costs of acquiring, constructing, and equipping a multifamily rental housing development within the City of San Francisco, California, known as Sunnydale HOPE SF Block 9 (the "Project"), as further provided in the Financing Agreement dated as of even date with the Indenture (the "Financing Agreement") by and among the Issuer, the Borrower and the Trustee. Capitalized terms used herein and not otherwise defined shall have the meanings assigned in the Indenture.

The payment and other obligations of the Issuer with respect to the Series B-1 Bonds are intended to be, and shall be, independent of the payment and other obligations of the Issuer or maker of the Series B-1 Bond Loan Note, the Mortgage Note and the MBS (as hereafter defined), even though the principal amount of all three instruments is expected to be identical, except in the case of a default with respect to one or more of the instruments.

The Series B-1 Bonds are secured by certain funds held under the Indenture as described therein, and after the MBS Delivery Date, if any, by (i) the pledge of a MBS (the "MBS") issued by the Federal National Mortgage Association ("Fannie Mae") and delivered to the Trustee, under the terms of which timely payment of principal of and interest on the MBS is guaranteed by Fannie Mae regardless of whether corresponding payments on the Permanent Loan are paid when due, and (ii) amounts payable under and pursuant to the MBS. After the MBS Delivery Date, the MBS is held in trust and pledged under the Indenture to secure the payment of the Series B-1 Bonds.

Reference is hereby made to the Act and to the Indenture, a copy of which is on file at the principal office of the Trustee, and all indentures supplemental thereto for a description of the rights thereunder of the registered owners of the Series B-1 Bonds, of the payments and funds pledged and assigned as security for payment of the Series B-1 Bonds and the nature and extent thereof, of the terms on which the Series B-1 Bonds are issued and the terms and conditions on which the Series B-1 Bonds will be deemed to be paid at or prior to maturity or redemption upon provision for payment thereof in the manner set forth in the Indenture, of the rights, duties and immunities of the Trustee and of the rights and obligations of the Issuer thereunder, to all of the provisions of which Indenture the registered owner of this Series B-1 Bond, by acceptance hereof, assents and agrees.

Notwithstanding any provisions of the Indenture or the Series B-1 Bonds to the contrary, the Issuer shall be permitted to direct that payments representing prepayments or repayments of principal on the Series B-1 Bond Loan Note, as applicable, be delivered to a custodian or trustee selected by the Issuer, in lieu of application to repay a like portion of the Series B-1 Bonds, so long as the Issuer simultaneously causes other funds to be applied to repay such portion of the Series B-1 Bonds. The preceding provisions shall apply only for purposes of preserving or "recycling" private activity bond volume cap in accordance with Section 146(i)(6) of the Code.

THIS SERIES B-1 BOND IS A LIMITED OBLIGATION OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED AND ASSIGNED UNDER THE INDENTURE. NONE OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE ISSUER, TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) NOR ANY PUBLIC AGENCY SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THIS SERIES B-1 BOND OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH IN THE INDENTURE, AND NEITHER THIS SERIES B-1 BOND OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER.

The Series B-1 Bonds are subject to redemption in the amounts and on the dates, in whole or in part, in the event of optional prepayment of amounts payable under the Permanent Loan and a corresponding prepayment of the MBS.

The registered owner of this Series B-1 Bond shall have no right to enforce the provisions of the Indenture or to institute actions to enforce the pledge, assignments in trust or covenants made therein or to take any action with respect to an Event of Default under the Indenture or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

If an Event of Default shall occur, the principal of all Series B-1 Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture. The Indenture provides that in certain events such declaration and its consequences may be rescinded by the holders of at least a majority in aggregate principal amount of the Series B-1 Bonds Outstanding.

The Series B-1 Bonds are issuable only as fully registered Series B-1 Bonds without coupons in denominations of $5,000.00 or any integral multiple of $1,000 in excess thereof (an "Authorized Denomination"). Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Series B-1 Bonds may be exchanged at the designated corporate trust office of the Trustee for Series B-1 Bonds in the same aggregate principal amount.

The registration of this Series B-1 Bond is transferable by the registered owner hereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Trustee. Upon surrender for registration of transfer of this Series B-1 Bond at such office, the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Series B-1 Bond of the same maturity or maturities and Authorized Denomination for the same aggregate principal amount. Series B-1 Bonds to be exchanged shall be surrendered at said designated corporate trust office of the Trustee, and the Trustee shall authenticate and deliver in exchange therefore a Series B-1 Bond of equal aggregate principal amount of the same maturity and Authorized Denomination.

In any case where any Payment Date, any other date fixed for the payment of interest on or principal of the Series B-1 Bonds, any maturity date or any date fixed for redemption of any Series B-1 Bonds, shall be a day other than a Business Day, then any payment of interest or principal (and premium, if any) required to be made on such date need not be taken or made on such date but may be taken or made on the next succeeding Business Day with the same force and effect as if made or taken on the date herein otherwise provided and, in the case of any Payment Date, no interest shall accrue for the period from and after such date.

The Issuer and the Trustee shall treat the registered owner of this Series B-1 Bond as the owner hereof for all purposes, and any notice to the contrary shall not be binding on the Issuer and the Trustee.

The Indenture contains provisions permitting the Issuer and the Trustee, with the written consent of Fannie Mae and the registered owners of not less than two thirds(2/3) in aggregate principal amount of the Series B-1 Bonds Outstanding, as specified in the Indenture, and in certain instances without such consent, to execute supplemental indentures adding any provisions to, or changing in any manner, or eliminating any of the provisions of, the Indenture; provided, however, that no such supplemental indenture shall (a) permit a change in the terms of redemption or maturity of the principal amount of any Outstanding Series B-1 Bond or an extension of the date for payment of any installment of interest thereon or a reduction in the principal amount of, premium, if any, or the rate of interest on any Outstanding Series B-1 Bond without the consent of the holder of such Series B-1 Bond, (b) reduce the proportion of Series B-1 Bonds the consent of the holders of which is required to effect any such modification or amendment or to effectuate an acceleration of the Bonds prior to maturity, (c) permit the creation of a lien on the Trust Estate pledged under the Indenture prior to or on a parity with the lien of the Indenture, (d) deprive the holders of the Series B-1 Bonds of the lien created by the Indenture upon such Trust Estate (except as expressly provided in the Indenture), without (with respect to clauses (b) through (d)) the consent of the holders of all Series B-1 Bonds Outstanding, or (e) change or modify any of the rights or obligations of the Trustee without the written consent thereto of the Trustee.

Neither the members of the governing body of the Issuer nor any past, present or future member, officer, commissioner, director, or employee of the Issuer nor any person executing this Series B-1 Bond shall be subject to any personal liability by reason of the issuance hereof, whether by virtue of any Constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly waived as a condition of and in consideration for the execution of the Indenture and the issuance of the Series B-1 Bonds.

This Series B-1 Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

It is hereby certified and recited by the Issuer that all conditions, acts and things required by the Indenture or by the laws of the State of California, including the Act, to exist, to have happened or to have been performed precedent to or in the issuance of this Series B-1 Bond do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Series B-1 Bond and the issue of which it forms a part is within every debt and other limit prescribed by said Constitution or statutes.

In the event of any inconsistencies between the provisions of this Series B-1 Bond and the provisions of the Indenture, the provisions of the Indenture shall control.

IN WITNESS WHEREOF, the City and County of San Francisco, has caused this Series B-1 Bond to be executed on its behalf by the manual or facsimile signature of its duly authorized officer as of the date set forth above.

CITY AND COUNTY OF SAN FRANCISCO,
CALIFORNIA, as Issuer

By _____
Daniel Lurie
Mayor

CERTIFICATE OF AUTHENTICATION

This Series B-1 Bond is one of the bonds described in the within mentioned Indenture.

Date of Authentication:_____

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within registered Series B-1 Bond and do(es) hereby irrevocably constitute and appoint, attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in the premises.

Dated:_____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor.	NOTICE: The signature on this assignment must correspond with the name(s) as written on the face of the within Series B-1 Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT A-2

FORM OF SERIES B-2 BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE INDENTURE OF TRUST) TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REGISTERED
No. R-B2-1

REGISTERED
$[_____]

CITY AND COUNTY OF SAN FRANCISCO
MULTIFAMILY HOUSING REVENUE BONDS
(SUNNYDALE HOPE SF BLOCK 9)
SERIES 2025B-2

INITIAL SERIES B-2 BOND RATE	MATURITY DATE	DATED AS OF	CUSIP
[___]%	[_____]	May [___], 2025	[_____]

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT: [_____] MILLION [_____] HUNDRED [_____] THOUSAND DOLLARS ($[_____])

INITIAL MANDATORY TENDER DATE: [_____]

The City and County of San Francisco (together with its successors and assigns, the "Issuer"), a municipal corporation and chartered city and county, organized and existing under the laws of the State of California, for value received, promises to pay to the Registered Owner specified above or registered assigns, but solely from the sources and in the manner referred to herein, the Principal Amount specified above on the Maturity Date specified above (subject to the rights of redemption, retirement and tender set forth herein), and to pay from those sources interest on the unpaid principal balance of said Principal Amount calculated at the aforesaid Initial Series B-2 Bond Rate (a) [_____] 1 and [_____] 1 of each year, beginning on [_____], (ii) each

Mandatory Redemption Date described in the Indenture, (iii) each Mandatory Tender Date, (iv) the Bond Maturity Date and (v) the date of acceleration of the Series B-2 Bonds (the "Payment Dates") until the principal amount is paid or duly provided for. This Series B-2 Bond will bear interest from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from its above dated as of date.

This Series B-2 Bond shall be dated as of the Bond Dated Date, shall bear interest, payable on each Payment Date, from the date of issuance to but not including the Initial Mandatory Tender Date at a rate per annum equal to the Initial Series B-2 Bond Rate and thereafter shall bear interest at the Remarketing Rate for each subsequent Remarketing Period; provided, however, that I no event shall interest paid on this Series B-2 Bond exceed the Maximum Interest Rate, and shall mature (subject to prior redemption or retirement as set forth herein) on the Bond Maturity Date. Interest on this Series B-2 Bond shall be calculated on the basis of a 360-day year consisting of twelve (12) thirty (30)-day months.

On each Payment Date, payment of the principal of and interest or premium, if any, on any Series B-2 Bond shall be made to the person appearing on the Bond Register as the registered owner thereof on the applicable Record Date. The principal of and the interest on the Series B-2 Bonds shall be payable in coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts of the United States of America. Unless the Series B-2 Bonds are Book-Entry Bonds, the principal of the Series B-2 Bonds shall be payable to the registered owners thereof upon presentation at the designated corporate trust office of the Trustee or its successors. Unless the Series B-2 Bonds are Book-Entry Bonds, payments of interest on the Series B-2 Bonds and redemption or retirement of the Series B-2 Bonds pursuant to the Indenture shall be paid by check or draft mailed to the registered owner thereof at such owner's address as it appears on the registration books maintained by the Trustee on the applicable Record Date or at such other address as is furnished to the Trustee in writing by such owner. The Trustee shall cause CUSIP number identification with appropriate dollar amounts for each CUSIP number to accompany all payments of interest and/or principal made to such owners, whether such payment is made by check or wire transfer.

THIS SERIES B-2 BOND IS A LIMITED OBLIGATION OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED AND ASSIGNED UNDER THE INDENTURE. NONE OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF (EXCEPT THE ISSUER, TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE) NOR ANY PUBLIC AGENCY SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THIS SERIES B-2 BOND OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER EXCEPT AS SET FORTH IN THE INDENTURE, AND NEITHER THIS SERIES B-2 BOND OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE FOREGOING WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER.

This Series B-2 Bond is one of a duly authorized issue of City and County of San Francisco Multifamily Housing Revenue Bonds (Sunnydale HOPE SF Block 9) Series 2025B-2 (the

"Series B-2 Bonds"), limited in aggregate principal amount to $[_____] issued pursuant to the Act and pursuant to an Indenture of Trust dated as of May 1, 2025, by and between the Issuer and the Trustee (the "Indenture"), and a resolution duly adopted by the governing body of the Issuer. The Series B-2 Bonds are limited obligations of the Issuer payable from and all equally secured by the lien of the Indenture, and the other security pledged thereby, including certain funds and accounts created pursuant thereto. The proceeds of the Series B-2 Bonds are used for the purpose of financing a loan to be made to Sunnydale Block 9 Housing Partners, L.P., a California limited partnership (the "Borrower"). The loan will be used by the Borrower to pay a portion of the costs of acquiring, constructing, and equipping a multifamily rental housing development within the City of San Francisco, California, known as Sunnydale HOPE SF Block 9 (the "Project"), as further provided in the Financing Agreement dated as of even date with the Indenture (the "Financing Agreement") by and among the Issuer, the Borrower and the Trustee. Capitalized terms used herein and not otherwise defined shall have the meanings assigned in the Indenture.

The Series B-2 Bonds are subject to redemption, retirement and tender prior to their stated maturity as set forth in the Indenture.

Reference is made to the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Series B-2 Bonds, the rights, duties and obligations of the Issuer, the Trustee and the holders of the Series B-2 Bonds, and the terms and conditions upon which the Series B-2 Bonds are issued and secured. Each Holder assents, by its acceptance hereof, to all of the provisions of the Indenture.

Notwithstanding any provisions of the Indenture or the Series B-2 Bonds to the contrary, the Issuer shall be permitted to direct that payments representing prepayments or repayments of principal on the Series B-2 Bond Loan Note, as applicable, be delivered to a custodian or trustee selected by the Issuer, in lieu of application to repay a like portion of the Series B-2 Bonds, so long as the Issuer simultaneously causes other funds to be applied to repay such portion of the Series B-2 Bonds. The preceding provisions shall apply only for purposes of preserving or "recycling" private activity bond volume cap in accordance with Section 146(i)(6) of the Code.

The Borrower is required by the Financing Agreement to cause the Construction Lender to deposit, on its behalf, Eligible Funds with the Trustee in the amounts and at the times necessary to pay the principal of and interest (the "Bond Service Charges") on the Series B-2 Bonds. In the Indenture, the Issuer has assigned to the Trustee, to provide for the payment of the Bond Service Charges on the Series B-2 Bonds, the Issuer's right, title and interest in and to the Financing Agreement, except for Reserved Rights. To secure its compliance with certain covenants in the Financing Agreement and in the Tax Certificate, the Borrower has executed and delivered the Regulatory Agreement.

Copies of the Indenture, the Financing Agreement, the Regulatory Agreement and the Tax Certificate are on file in the designated corporate trust office of the Trustee.

The Bond Service Charges on the Series B-2 Bonds are payable solely from the Trust Estate, as defined and as provided in the Indenture, and are an obligation of the Issuer only to the extent of amounts pledged under the Trust Estate. The Series B-2 Bonds are not secured by an

obligation or pledge of any money raised by taxation and do not represent or constitute a debt or pledge of the faith and credit of the Issuer.

The Series B-2 Bonds are issuable only as fully registered bonds and, except as hereinafter provided, in printed or typewritten form, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), which shall be considered to be the Holder for all purposes of the Indenture, including, without limitation, payment by the Issuer of Bond Service Charges, and receipt of notices to, giving of consents by and exercise of rights of, holders. There shall be a single Bond representing each maturity, and all Series B-2 Bonds shall be immobilized in the custody of DTC with the owners of beneficial interests in those Series B-2 Bonds (the "Book-Entry interests") having no right to receive from the Issuer Series B-2 Bonds in the form of physical securities or certificates. Ownership of Book-Entry interests in the Series B-2 Bonds shall be shown by Book-Entry on the system maintained and operated by DTC, its participants (the "Participants") and certain persons acting through the Participants, and transfers of ownership of Book-Entry interests shall be made only by that Book-Entry system, the Issuer and the Trustee having no responsibility therefor. DTC is to maintain records of the positions of Participants in the Series B-2 Bonds, and the Participants and persons acting through Participants are to maintain records of the purchasers and owners of Book-Entry interests in the Series B-2 Bonds. The Series B-2 Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the Issuer and otherwise at the expense of the Borrower.

If any Depository determines not to continue to act as a Depository for the Series B-2 Bonds for use in a Book-Entry system, the Issuer may attempt to have established a securities depository/Book-Entry system relationship with another qualified Depository under the Indenture. If the Issuer does not or is unable to do so, the Issuer and the Trustee, after the Trustee has made provision for notification of the owners of Book-Entry interests by the then Depository, shall permit withdrawal of the Series B-2 Bonds from the Depository, and authenticate and deliver Bond certificates in fully registered form (in Authorized Denominations of $5,000, or any integral multiple of $1,000 in excess thereof) to the assignees of the Depository or its nominee, all at the cost and expense (including costs of printing or otherwise preparing and delivering replacement Bond certificates) of those persons requesting such authentication and delivery, if the event is not the result of Issuer action or inaction (including action at the request of the Borrower).

The Indenture permits certain amendments or supplements to the Indenture, the Financing Agreement, the Tax Certificate, the Regulatory Agreement and the Series B-2 Bond Loan Note not prejudicial to the Holders to be made without the consent of or notice to the Holders, and certain other amendments or supplements thereto to be made with the consent of the Holders of not less than a majority in aggregate principal amount of the Series B-2 Bonds Outstanding.

The Holder of each Series B-2 Bond has only those remedies provided in the Indenture.

Neither the members of the governing body of the Issuer nor any past, present or future member, officer, commissioner, director, or employee of the Issuer nor any person executing this Series B-2 Bond shall be subject to any personal liability by reason of the issuance hereof, whether by virtue of any Constitution, statute or rule of law, or by the enforcement of any assessment or

penalty, or otherwise, all such liability being expressly waived as a condition of and in consideration for the execution of the Indenture and the issuance of the Series B-2 Bonds.

This Series B-2 Bond shall not be entitled to any security or benefit under the Indenture or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed.

IN WITNESS OF THE ABOVE, the City and County of San Francisco has caused this Series B-2 Bond to be to be executed and delivered by the manual or facsimile signature of its duly authorized officer as of the date set forth above.

CITY AND COUNTY OF SAN FRANCISCO,
CALIFORNIA, as Issuer

By _____
Daniel Lurie
Mayor

CERTIFICATE OF AUTHENTICATION

This Series B-2 Bond is one of the Series B-2 Bonds described in the within-mentioned Indenture.

Date of Registration and Authentication: _____.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Series B-2 Bond and irrevocably constitutes and appoints _____ attorney to transfer that Series B-2 Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ _____

Signature Guaranteed:

_____

Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agent Medallion Program or in such other guarantee program acceptable to the Registrar.

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Series B-2 Bond in every particular, without alteration or any change whatever.

Please insert social security number or other tax identification number of transferee

_____

_____

DTC FAST RIDER

Each Series B-2 Bond shall remain in the Trustee's custody subject to the provisions of the FAST Balance Certificate Agreement currently in effect between the Trustee and DTC.