This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1)). The information herein is subject to revision, completion or amendment in a final Official Statement. The Bonds may not be sold, nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 13, 2026

NEW ISSUE - BOOK ENTRY ONLY **See "RATINGS" herein**

In the opinion of Bond Counsel to the Issuer (the proposed form of which is attached hereto as Appendix I) and subject to the caveats below, under existing statutes, regulations, rulings and judicial decisions, and assuming compliance with certain covenants intended to assure compliance with the applicable provisions of the Code and the regulations thereunder, interest on the Bonds is excludable from the gross income of the holders thereof for federal income tax purposes, except that such exclusion does not apply with respect to interest on any Bond for any period during which such Bond is held by a person who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code and the regulations thereunder. Bond Counsel is further of the opinion that interest on the Bonds is not an item of tax preference for purposes of calculating the alternative minimum tax. See "TAX MATTERS" herein for a more complete discussion of the tax status of interest on the Bonds.

$10,630,000 *
Alabama Housing Finance Authority
Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured)
(Park Hill Place Project)
2026 Series G
Dated Date: November __, 2026
Initial Offering Price: 100%
Series G Bond Rate: ___%
CUSIP: _____
Bond Maturity Date: July 1, 2045*
Rating: Moody's "Aa1"

$4,370,000*
Alabama Housing Finance Authority
Multifamily Housing Revenue Bonds
(Park Hill Place Project)
2026 Series H
Dated Date: November __, 2026; Initial Offering Price: 100%
Initial Series H Bond Rate: ___%; CUSIP: _____
Optional Redemption Date: No earlier than August 1, 2029*
Initial Mandatory Tender Date: February 1, 2030*
Bond Maturity Date: February 1, 2031*
Rating: Moody's "Aa1"

The $10,630,000* Alabama Housing Finance Authority Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured) (Park Hill Place Project) 2026 Series G (the "Series G Bonds") and the $4,370,000* Alabama Housing Finance Authority Multifamily Housing Revenue Bonds (Park Hill Place Project) 2026 Series H (the "Series H Bonds," and together with the Series G Bonds, the "Bonds") will be issued under and pursuant to an Indenture of Trust, dated as of November 1, 2026 (the "Indenture"), between Alabama Housing Finance Authority (the "Issuer") and Regions Bank, an Alabama banking corporation, as trustee (in such capacity, the "Trustee").

The Bonds are issuable only as fully registered bonds without coupons and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), Brooklyn, New York. DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only, in the denominations of (i) with respect to the Series G Bonds, $5,000 or any integral multiple of $1,000 in excess thereof and (ii) with respect to the Series H Bonds, $5,000, or any integral multiple of $1,000 in excess thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. Principal and interest on the Bonds are payable by the Trustee to DTC, which will be responsible for remitting such principal and interest to its Participants, which will be responsible for remitting such principal and interest to the Beneficial Owners of the Bonds, as described under "APPENDIX F - BOOK-ENTRY SYSTEM" herein.

The Bonds will be issued to provide funding to Park Hill Place Housing, LLLP, an Alabama limited liability limited partnership (the "Borrower"), to enable the Borrower to pay a portion of the cost of acquiring, constructing and equipping a residential rental housing project. Pursuant to the Indenture and the Financing Agreement, dated as of November 1, 2026 (the "Financing Agreement"), by and among the Issuer, the Trustee, Regions Bank, an Alabama banking corporation, as originating lender (in such capacity, the "Originating Lender"), and the Borrower, the Borrower will cause, over time, Eligible Funds, including proceeds of the Construction Loan (as defined below) to be delivered to the Trustee for deposit into the Collateral Fund established under the Indenture, in order to make the Bond proceeds available to the Borrower to pay costs of the Project. It is anticipated that, prior to the delivery of the MBS (as defined below), the Series G Bonds will be secured by, and the principal of and interest thereon will be paid from, amounts on deposit in the Series G Revenue Fund Account, the Series G Bond Proceeds Fund Account and the Series G Collateral Fund Account along with the investment earnings thereon. At all times, the Series H Bonds will be secured by Eligible Investments or other Eligible Funds in the Series H Revenue Fund Account, the Series H Bond Proceeds Fund Account and the Series H Collateral Fund Account along with the investment earnings thereon sufficient, together with interest earnings thereon (without the need for reinvestment), to pay all of the interest and principal on the Series H Bonds when due, as further described herein. See "SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS" herein.

FannieMae

The Borrower has obtained a construction loan (the "Construction Loan") from Regions Bank, an Alabama banking corporation, as construction lender (in such capacity, the "Construction Lender"). From time to time, the Construction Lender will advance to the Trustee proceeds of the Construction Loan for deposit into the Collateral Fund in order to enable the Trustee to release Bond Proceeds to pay costs of the Project. On the Conversion Date (as defined herein), the Construction Loan is expected to be repaid with the proceeds of the Permanent Loan (as defined herein) and Tax Credit Equity (as defined herein). The Borrower has also received a Lender Commitment, dated as of _____, 2026 (the "Permanent Lender Commitment") from Regions Bank, an Alabama banking corporation, as permanent lender (in such capacity, the "Permanent Lender"), which has agreed to originate a Permanent Loan (as defined herein) upon and subject to satisfaction of certain conditions set forth in the Permanent Lender Commitment. In the event the Permanent Loan is originated, the Federal National Mortgage Association ("Fannie Mae") anticipates that it will deliver, or cause to be delivered, to the Trustee a single mortgage pass-through certificate (the "MBS") guaranteed as to timely payment of principal and interest by Fannie Mae, and concurrently therewith, pursuant to the terms of the Indenture, the Trustee will use Eligible Funds on deposit in the Series G Collateral Fund Account to purchase the MBS, if and when issued, and such MBS will then secure the payment of the principal of and interest on the Series G Bonds. If the MBS is not delivered on or before the MBS Delivery Date Deadline (as defined herein), or is delivered in an amount less than the full principal amount of the Series G Bonds, then the Eligible Funds in the Series G Collateral Fund Account will be used to redeem the Series G Bonds as set forth herein. The Borrower anticipates that the Project could support additional debt equal to the principal amount of the Series G Bonds on the Conversion Date if certain conditions of the Permanent Lender are satisfied.

The Series H Bonds are subject to mandatory tender for purchase, subject to satisfaction of the applicable terms and conditions set forth in the Indenture, on the Initial Mandatory Tender Date. All Bondholders of the Series H Bonds must tender their Series H Bonds for purchase on the Initial Mandatory Tender Date. The Series H Bonds may be remarketed and a new interest rate for the Series H Bonds may be determined on the Initial Mandatory Tender Date in accordance with the terms of the Indenture. If the Series H Bonds are remarketed on the Initial Mandatory Tender Date, the terms of the Series H Bonds after such date may differ materially from the description provided in this Official Statement. Therefore, prospective purchasers of the Series H Bonds on and after the Initial Mandatory Tender Date cannot rely on this Official Statement, but rather must rely upon any disclosure documents prepared in connection with such remarketing.

The Series G Bonds are also subject to mandatory redemption in whole or in part, and the Series H Bonds are subject to optional redemption in whole and part, as further described herein. See "DESCRIPTION OF THE BONDS – Redemption of Bonds" herein.

The aggregate principal amount, maturity date, interest rate and delivery date for the Bonds shall be as set forth above and in the Indenture.

The MBS is expected to be delivered on or before the MBS Delivery Date, initially defined as December 25, 2029*, or if such day is not a Business Day then the next succeeding Business Day. Prior to, and following the MBS Delivery Date, principal, if due, and interest on the Series G Bonds will be payable (i) semiannually on each January 1 and July 1, or the next succeeding Business Day if such 1st day is not a Business Day, commencing July 1, 2027*, (ii) on the stated maturity date for any of the Series G Bonds or (iii) any earlier date of redemption of any of the Series G Bonds.

The Series H Bonds shall bear interest on the outstanding principal amount thereof at the interest rate set forth above (the "Initial Series H Bond Rate") from their date of issuance to but not including the Initial Mandatory Tender Date set forth above, payable semiannually on each February 1 and August 1, or the next succeeding Business Day if such 1st day is not a Business Day, commencing August 1, 2027*.

* Preliminary; subject to change.

THE BONDS ARE ISSUED IN ACCORDANCE WITH THE ACT AND THE BONDS AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE 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) OR 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 WITH RESPECT THERETO EXCEPT AS SET FORTH IN THE INDENTURE, AND NONE OF THE BONDS 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 ISSUER HAS NO TAXING POWER.

The Bonds are offered for delivery when, as and if issued and received by Stifel, Nicolaus & Company, Incorporated (the "Underwriter") and subject to the approval of legality by Maynard Nexsen PC, Birmingham, Alabama, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C., for the Issuer by its counsel, Maynard Nexsen PC, Birmingham, Alabama, and for the Borrower by its counsel, Tanner & Guin Law Firm, Tuscaloosa, Alabama. It is expected that the Bonds will be available in book-entry form through the facilities of DTC in Brooklyn, New York, on or about November __, 2026.

STIFEL

Dated: November __, 2026

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

Prospective purchasers must read this entire Official Statement (including the cover page and all appendices hereto) to obtain all of the information essential to the making of an informed investment decision.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Neither the Issuer nor the Underwriter has verified the accuracy or completeness of the information contained in web site addresses set forth in this Official Statement or verified that such information is accurate and complete as of the date of this Official Statement. Investors reviewing such information must rely on the providers of such information for its accuracy and completeness in making any investment decisions regarding the Bonds. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

The information set forth herein has been obtained from the Borrower, the Issuer and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Borrower or the Issuer or any other parties described herein since the date as of which such information is presented.

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

Fannie Mae has not reviewed or undertaken to determine the accuracy of any of the information contained in this Official Statement, other than providing a link to the template Fannie Mae MBS Prospectus in Appendix A and the Additional Disclosure Addendum in Schedule I to Appendix A, and makes no representation or warranty, express or implied, as to any of the other matters contained in this Official Statement, including, but not limited to (i) the accuracy or completeness of such information, (ii) the suitability of the Bonds for any investor, (iii) the feasibility or performance of any project, (iv) the structure, provisions or terms of the Bonds and any cash flows related thereto, or (v) compliance with any securities, tax or other laws or regulations including but not limited to the validity of the Bonds and the tax-exempt status of the Bonds. Fannie Mae's role with respect to the Bonds is limited to issuing and discharging its obligations under the MBS if and when delivered.

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission (the "Commission") or with any state securities agency. The Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

CUSIP data herein are provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer and are included solely for the convenience of the holders of the Bonds. The Issuer is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions.

Regions Bank, an Alabama banking corporation, as Trustee, has not reviewed, provided or undertaken to determine the accuracy of any of the information contained in this Official Statement and makes no representation or warranty, express or implied, as to any matters contained in this Official Statement, including, but not limited to, (i) the accuracy or completeness of such information, (ii) the validity of the Bonds, or (iii) the tax-exempt status of the Bonds.

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OFFICIAL STATEMENT

relating to

$10,630,000*
Alabama Housing Finance Authority
Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured)
(Park Hill Place Project)
2026 Series G

$4,370,000*
Alabama Housing Finance Authority
Multifamily Housing Revenue Bonds
(Park Hill Place Project)
2026 Series H

INTRODUCTION

This Official Statement (which includes the cover page and appendices hereto) provides certain information in connection with the issuance and sale of the $10,630,000* Alabama Housing Finance Authority Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured) (Park Hill Place Project) 2026 Series G (the "Series G Bonds") and the $4,370,000* Alabama Housing Finance Authority Multifamily Housing Revenue Bonds (Park Hill Place Project) 2026 Series H (the "Series H Bonds," and together with the Series G Bonds, the "Bonds") issued by Alabama Housing Finance Authority (the "Issuer"), a public corporation and instrumentality duly organized and validly existing under the laws of the State of Alabama (the "State"). The Bonds will be issued pursuant to the provisions of Chapters 1A of Title 24 of the Code of Alabama 1975, as amended (the "Act"), and that certain resolution adopted on March 31, 2026 (the "Resolution") and secured by an Indenture of Trust, dated as of November 1, 2026 (the "Indenture"), between the Issuer and Regions Bank, an Alabama banking corporation, as trustee (in such capacity, the "Trustee"). Pursuant to the Indenture and the Financing Agreement, dated as of November 1, 2026 (the "Financing Agreement"), among the Issuer, the Trustee, Regions Bank, an Alabama banking corporation, as originating lender (in such capacity, the "Originating Lender"), and Park Hill Place Housing, LLLP, an Alabama limited liability limited partnership (the "Borrower"), the Issuer is issuing the Bonds to provide financing for a residential rental housing project known as Park Hill Place (the "Project") in Hazel Green, Alabama, as further described herein, by using the proceeds thereof to provide financing for the Project and, with respect to the Series G Bonds, to facilitate the delivery of the MBS (as defined below) guaranteed by the Federal National Mortgage Association ("Fannie Mae").

All capitalized terms used in this Official Statement that are defined in the Indenture shall have the respective meanings set forth in the Indenture. See "APPENDIX B — DEFINITIONS OF CERTAIN TERMS."

The Issuer, the Borrower and Stifel, Nicolaus & Company, Incorporated (the "Underwriter") have entered into a Bond Purchase Agreement (the "Bond Purchase Agreement"), pursuant to which the Issuer will agree to sell the Bonds to the Underwriter. The transaction entered into under the Bond Purchase Agreement will provide for the issuance and sale to the Underwriter of the Bonds in a specified principal amount, with a specified interest rate, on a specified date and at a specified price. The delivery of the Bonds is subject to the satisfaction of a number of conditions set forth in the Bond Purchase Agreement.

Prior to the date of delivery by Fannie Mae of the MBS (the "MBS Delivery Date"), the Series G Bonds will be secured by (i) the proceeds of the Series G Bonds delivered to the Trustee and deposited into the Series G Bond Proceeds Fund Account established under the Indenture, (ii) Eligible Funds, delivered to the Trustee and deposited into the Series G Revenue Fund Account established under the Indenture, in an amount equal to the interest on the Series G Bonds at the interest rate set forth on the cover page hereof (the "Series G Bond Rate") from the Bond Dated Date to, but not including, the date that is five (5) calendar days after the MBS Delivery Date Deadline (as defined herein), and (iii) Eligible Funds from time to time to be delivered to the Trustee at the direction of the Borrower and deposited into the Series G Collateral Fund Account established under the Indenture. Prior to the date of delivery by Fannie Mae of the MBS (the "MBS Delivery Date"), the principal of, premium, if any, and interest on the Series G Bonds will be paid from amounts on deposit in the Series G Revenue Fund Account, the Series G Collateral Fund Account and the Series G Bond Proceeds Fund Account along with the investment earnings thereon. Following the

* Preliminary; subject to change.

MBS Delivery Date, the Series G Bonds will be secured by, and the principal of and interest thereon will be paid from, payments made on the MBS. See "SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS" herein.

At all times, the Series H Bonds will be secured by Eligible Investments or other Eligible Funds in the Series H Revenue Fund Account, the Series H Bond Proceeds Fund Account and the Series H Collateral Fund Account along with the investment earnings thereon sufficient, together with interest earnings thereon (without the need for reinvestment), to pay all of the interest and principal on the Series H Bonds when due at the earlier of any Redemption Date or any Mandatory Tender Date, as further described herein. See "SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS" herein.

The Borrower has obtained a construction and bridge loan in the amount of up to $27,760,000* (together, the "Construction Loan") from Regions Bank, an Alabama banking corporation, as construction lender (in such capacity, the "Construction Lender"). From time to time, the Borrower will cause Eligible Funds, including proceeds of the Construction Loan, to be delivered to the Trustee for deposit into the Collateral Fund in order to enable the Trustee to release Bond Proceeds to pay costs of the Project. On the Conversion Date, the Construction Loan is expected to be repaid with the proceeds of the Permanent Loan and Tax Credit Equity (as defined herein). The Borrower has also received a commitment, dated as of _____, 2026 (the "Permanent Lender Commitment") from Regions Bank, an Alabama banking corporation, as permanent lender (in such capacity, the "Permanent Lender"), pursuant to which the Permanent Lender has agreed, subject to the satisfaction of the conditions set forth in the Permanent Lender Commitment, to originate a mortgage loan (the "Permanent Loan") to the Borrower secured by a mortgage constituting a first lien on the Project. See "THE PERMANENT LOAN" herein.

In the event the Permanent Loan is originated, the Trustee will use Eligible Funds on deposit under the Indenture, including in the Series G Bond Proceeds Fund Account and the Series G Collateral Fund Account, to purchase a single mortgage pass-through certificate (the "MBS") guaranteed as to principal and interest by Fannie Mae, if and when issued, and such MBS will then secure the payment of the principal of and interest on the Series G Bonds. See "APPENDIX A – FANNIE MAE MORTGAGE-BACKED SECURITIES PROGRAM" herein. The closing of the Construction Loan and the Permanent Loan and delivery of the MBS are subject to the satisfaction of certain requirements and preconditions and does not extend to the benefit of any other third party, including the beneficial owners of the Series G Bonds, the Issuer or the Trustee. No representations or assurances can be provided as to whether or not such conditions can or will be satisfied.

Taking into account market conditions in the market in which the Project will be located, the Borrower believes that on the Conversion Date, there is the possibility that the actual Permanent Loan to be issued may be in an amount up to the principal amount of Series G Bonds. There can be, however, no assurance that this will be the case. The actual Permanent Loan, if originated, shall be in an amount not to exceed the principal amount of the Series G Bonds. See "APPENDIX H – TERM SHEET" herein.

If the MBS is not delivered on or before the MBS Delivery Date Deadline, as such date may be extended pursuant to the terms of the Indenture, or is delivered in an amount less than the full principal amount of the Series G Bonds, then Eligible Funds in the Series G Collateral Fund Account and funds then on deposit in the Series G Bond Proceeds Fund Account will be used to redeem the Series G Bonds as set forth in the Indenture. The Series G Bonds are also subject to mandatory redemption in whole or in part as further described herein. See "DESCRIPTION OF THE BONDS —Redemption of Bonds."

On or after the Conversion Date, the Borrower, the Permanent Lender and Fannie Mae, collectively, have the ability to increase the amount of debt on the Project to exceed the outstanding principal amount of the Series G Bonds. Although such additional debt is not guaranteed to be either supportable by the Project or approved by the Permanent Lender or Fannie Mae, any security instrument issued in connection therewith will not relate to or serve as additional security for the Series G Bonds.

The Series H Bonds are subject to mandatory tender for purchase, subject to satisfaction of the applicable terms and conditions set forth in the Indenture, on the Initial Mandatory Tender Date (as defined below). All holders of the Series H Bonds must tender their Series H Bonds for purchase on the Initial Mandatory Tender Date. A new

* Preliminary; subject to change.

interest rate for the Series H Bonds may be determined on the Initial Mandatory Tender Date in accordance with the terms of the Indenture. If the Series H Bonds are remarketed on the Initial Mandatory Tender Date, the terms of the Series H Bonds after such date may differ materially from the description provided in this Official Statement. Therefore, prospective purchasers of the Series H Bonds on and after the Initial Mandatory Tender Date cannot rely on this Official Statement, but rather must rely upon any disclosure documents prepared in connection with such remarketing. The Series H Bonds are also subject to redemption prior to maturity as set forth herein. See "DESCRIPTION OF THE BONDS —Redemption of Bonds."

The Series G Bonds shall bear interest on the outstanding principal amount thereof at the Series G Bond Rate. Prior to, and following the MBS Delivery Date, principal, if due, and interest on the Series G Bonds will be payable (i) semiannually on each January 1 and July 1, or the next succeeding Business Day if such 1st day is not a Business Day, commencing July 1, 2027*, (ii) on the stated maturity date for any of the Series G Bonds or (iii) any earlier date of redemption of any of the Series G Bonds.

The Series H Bonds shall bear interest on the outstanding principal amount thereof at the Initial Series H Bond Rate from their date of issuance to, but not including, February 1, 2030* (the "Initial Mandatory Tender Date"), payable on each February 1 and August 1, beginning August 1, 2027* (each a "Series H Bond Payment Date") and on each Mandatory Tender Date and each Mandatory Redemption Date.

Principal and interest on the Bonds are payable by the Trustee to DTC, which will be responsible for remitting such principal and interest to its Participants, which will be responsible for remitting such principal and interest to the Beneficial Owners of the Bonds.

The Bonds are limited obligations of the Issuer, payable solely from and secured by the pledge pursuant to the Indenture of the Trust Estate, consisting of funds pledged therefor under the Indenture and, with respect to the Series G Bonds, revenues from the MBS (the "MBS Revenues"). See "SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS."

THE BONDS ARE ISSUED IN ACCORDANCE WITH THE ACT AND THE BONDS AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE TRUST ESTATE 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) OR 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 WITH RESPECT THERETO EXCEPT AS SET FORTH IN THE INDENTURE, AND NONE OF THE BONDS 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 ISSUER HAS NO TAXING POWER.

Descriptions, certain definitions and final terms of the Bonds, the Borrower, the Project, the Permanent Loan and the MBS, are included in this Official Statement. The information included herein assumes that the Permanent Loan is originated in an amount equal to the maximum amount available under the Permanent Lender Commitment and that all the conditions to conversion set forth in the Permanent Lender Commitment (the "Conditions to Conversion") have been satisfied and have not been waived or modified. All summaries or descriptions herein of documents and agreements are qualified in their entirety by reference to such documents and agreements and all summaries herein of the Bonds are qualified in their entirety by reference to the Indenture and the provisions with respect thereto included in the aforesaid documents and agreements. Copies of the Indenture and the Financing Agreement are available for inspection at the office of the Trustee. The Borrower will provide certain information on an ongoing basis to the Municipal Securities Rulemaking Board (the "MSRB"). For a description of the Borrower's undertaking with respect to ongoing disclosure, see "CONTINUING DISCLOSURE" herein.

* Preliminary; subject to change.

THE ISSUER

The following information has been provided by the Issuer for use herein. While the information is believed to be reliable, none of the Trustee, the Borrower, the Underwriter, the Permanent Lender, Fannie Mae nor any of their respective counsel, members, officers or employees makes any representations as to the accuracy or sufficiency of such information.

General

The Issuer is a public corporation and instrumentality of the State, created on August 25, 1980, pursuant to the Act. One of the Issuer's purposes is to issue bonds and use the proceeds therefrom to finance the acquisition, rehabilitation or construction of multi-family residential rental housing for occupancy by persons and families of low and moderate income. The principal office of the Issuer is located at 7460 Halcyon Pointe Drive, Suite 200, Montgomery, Alabama 36117, telephone (334) 244-9200. The Issuer's website may be accessed at www.ahfa.com.

Pursuant to the Act, the Issuer has the power to purchase mortgage loans from mortgage lenders and to contract with mortgage lenders with regard to the origination and servicing of mortgage loans. The Issuer is also empowered to issue bonds in order to provide funds for any of its corporate purposes, to grant security interests in any or all of its mortgage loans and mortgages and to pledge revenues from which its bonds are payable. In addition, the Issuer may take such other action as may be necessary or desirable to accomplish any purpose for which the Issuer is organized or to exercise any power granted under the Act. There are no debt ceilings imposed by State law on the Issuer.

Directors of the Issuer

The powers of the Issuer are vested in its Board of Directors (the "Board"). The Board has fifteen membership positions, one member from each of the seven congressional districts of the State being appointed by the Governor for staggered terms of office, one member being appointed by the Governor from the State at large, two members being appointed by the Speaker of the House of Representatives, two members being appointed by the Lieutenant Governor, and three State officials (i.e., the Director of Finance, the Superintendent of Banks and the State Treasurer) serving as ex-officio members. The Act requires that at the time of their initial appointment, two members be engaged in the business of home building, two members be licensed real estate brokers who are not in the business of home building, one member be engaged in the business of lending money on the security of residential mortgages or be an officer or employee of a mortgage lender, one member be an elected commissioner of a county and one member be an elected mayor of a municipality. The Act provides that each member (other than ex-officio members) shall hold office for a term of seven years and until his successor shall have been appointed and qualified. The Board members serve without salary. The Issuer has a staff of approximately 156 persons, including Robert Strickland, who serves as the Executive Director of the Issuer.

The present members of the Board, their occupations, residences and the expiration date of the terms for which they were appointed, are as follows:

Name	Occupation	Residence (all cities are in Alabama)	Expiration of Term
Robert L. Smith *Chairman*	Vice President Auburn Bank	Auburn	05/30/30
James W. Rutland, IV *Vice Chairman*	President Lowder New Homes	Montgomery	01/01/27
Thomas "Blake" Corder *Secretary*	President Crimson Properties, LLC	Tuscaloosa	01/01/30

Name	Occupation	Residence (all cities are in Alabama)	Expiration of Term
Carolyn Norman *Treasurer*	Broker/Owner Norman Realty, Inc.	Mobile	05/30/31
Craigory Kelley	President Lurleen B. Wallace Community College	Andalusia	05/31/32
Jeff Mims	Former Mayor, retired City of Clanton, Alabama	Clanton	05/31/32
Benjamin A. Byrd	President Byrd Builders, LLC	Prattville	12/31/29
Guirreck Walton	Owner, President Legacy Builders Construction	Dothan	05/31/29
Joshua Dean	President Precision HomeCrafters, LLC	Birmingham	05/30/28
Annie Furrer	Banker Citizens Bank & Trust	Guntersville	01/01/28
Glenn Horton	Broker Southern Properties Agency, Inc.	Fort Payne	05/30/27
Ray Long	Commissioner Morgan County, Alabama	Somerville	05/30/33
Young Boozer	State Treasurer State of Alabama	Montgomery	Ex officio
Doryan H. Carlton	Director of Finance State of Alabama	Montgomery	Ex officio
Mike Hill	Superintendent of Banks State of Alabama	Montgomery	Ex officio

Legislative Oversight Committee

The Act provides for a Legislative Oversight Committee, the function of which is to provide recommendations to the Board of Directors concerning the efficient operation of the Issuer. The Committee consists of seven members of the House of Representatives, one from each of the congressional districts, appointed by the Speaker of the House, and seven members of the Senate, one from each of the congressional districts, appointed by the Lieutenant Governor. The Governor, Lieutenant Governor and Speaker of the House or their designated representatives are ex-officio members of the Legislative Oversight Committee.

Multi-Family Financings of the Issuer

The Issuer has established several programs to finance the construction of multi-family housing for persons and families of low and moderate income within the State. As of December 31, 2025, the Issuer had issued approximately $1,408,000,000 in aggregate principal amount of bonds (the "Multi-Family Bonds") pursuant to such programs. Each such issue of Multi-Family Bonds was issued pursuant to, and secured by, a separate indenture of

trust. The revenues, moneys and assets pledged to the Bonds secure only the Bonds, and none of the revenues, moneys and assets pledged to any other series of Multi-Family Bonds secure the Bonds.

Multi-Family Low Income Housing Tax Credits

The Tax Reform Act of 1986 provides for (among other things) tax credits for the development of low income rental housing. Under an Executive Order promulgated by the Governor of the State in April 1987, the Issuer was given the responsibility of allocating tax credits for developers of residential rental projects in the State. A minimum of 20% of these units is designated for occupancy by low income tenants. As of December 31, 2025, there were 42,586 low income rental units in the Issuer's tax credit program, representing $442,847,462 in such tax credits.

Single Family Financings of the Issuer

Through its single-family mortgage programs, the Issuer has from time to time issued single-family mortgage revenue bonds ("Single-Family Bonds") to purchase single-family mortgage loans (or Ginnie Mae, Freddie Mac, and Fannie Mae Certificates representing such mortgage loans) to finance single-family residences in the State. As of September 30, 2026, the Issuer has expended the proceeds of Single-Family Bonds to purchase approximately $3.4 billion in aggregate principal amount of such single-family mortgage loans or the Ginnie Mae, Freddie Mac, or Fannie Mae Certificates representing them. In the fourth quarter of 2026, the Issuer expects to issue approximately $70 million of its Collateralized Single Family Mortgage Revenue Bonds, 2026 Series D for the purpose of purchasing additional single-family mortgage loans in the State (or Ginnie Mae, Freddie Mac, and Fannie Mae Certificates representing such mortgage loans). The revenues, moneys and assets separately pledged to such Single-Family Bonds are not available as security for payment of debt service on the Bonds.

Future Financings of the Issuer

Consistent with State and federal law, the Issuer may from time to time in the future issue additional single family mortgage revenue bonds and additional multifamily residential development revenue bonds.

The Issuer has not participated in the preparation of this Official Statement and makes no representation with respect to the accuracy or completeness of any of the material contained in this Official Statement, except for the information relating to the Issuer under the heading "THE ISSUER." The Issuer is not responsible for providing any purchaser of the Bonds with any information relating to the Bonds or any of the parties or transactions referred to in this Official Statement or for the accuracy or completeness of any such information obtained by any purchaser.

THE ISSUER SHALL NOT IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS, OR FOR THE PERFORMANCE OF ANY PLEDGE, MORTGAGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WHICH MAY BE UNDERTAKEN BY THE ISSUER EXCEPT FROM THE SOURCES SPECIFICALLY PLEDGED THERETO PURSUANT TO THE INDENTURE, AND NEITHER THE BONDS NOR ANY OF THE AGREEMENTS OR OBLIGATIONS OF THE ISSUER SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER. THE BONDS AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE OR TO CREATE IN ANY MANNER A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR OF ANY POLITICAL SUBDIVISION OR ANY AGENCY THEREOF OR A PLEDGE OR A GRANT OF THE FAITH AND CREDIT OF THE STATE OR ANY SUCH POLITICAL SUBDIVISION OR ANY SUCH AGENCY, BUT SHALL BE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE SECURITY AND OTHER FUNDS PLEDGED THEREFOR AND SHALL NOT BE PAYABLE FROM ANY OTHER ASSETS OR FUNDS OF THE ISSUER, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION OR ANY AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

EXCEPT FOR INFORMATION CONCERNING THE ISSUER IN THIS SECTION AND "NO LITIGATION" (WITH RESPECT TO THE ISSUER), NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT HAS BEEN SUPPLIED OR VERIFIED BY THE ISSUER, AND THE ISSUER MAKES NO

REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

DESCRIPTION OF THE BONDS

General

The Series G Bonds will be issued in the denominations of $5,000 or any integral multiple of $1,000 in excess thereof. The Series H Bonds will be issued in the denominations of $5,000 or any integral multiple of $1,000 in excess thereof. The Bonds are issuable only as fully registered bonds without coupons and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), Brooklyn, New York. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only. Purchasers will not receive bonds representing their interest in the Bonds purchased. See "APPENDIX F — BOOK-ENTRY SYSTEM."

The Series G Bonds will be dated and have a final maturity date and a final payment date on the respective date(s) identified on the cover page hereof. The Series G Bonds will bear interest from their dated date at the Series G Bond Rate. Interest on the Series G Bonds shall be computed on the basis of a 360-day year under the assumption that all months, regardless of length, are comprised of exactly 30 calendar days ("30/360"). The payment of interest on each January 1 and July 1 Series G Bond Payment Date shall relate to the interest accrued during the preceding six 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.

Prior to the MBS Delivery Date, all payments of interest with respect to the Series G Bonds will be paid to the Bondholders by the Trustee from funds held in the Revenue Fund under the Indenture. Following the MBS Delivery Date, the Trustee will pay to the holders of the Series G Bonds, from the applicable account of the Revenue Fund, the amounts listed in the applicable maturity, sinking fund and interest payment schedule set forth in the Indenture. All payments of principal and interest shall be made to the Bondholder of record as of the applicable Record Date.

The Series H Bonds shall be dated their date of delivery and shall bear interest at the Initial Series H Bond Rate, set forth on the cover page hereof, from their date of delivery, to but not including the Initial Mandatory Tender Date, payable on each Series H Bond Payment Date, commencing August 1, 2027*, on each Mandatory Tender Date and on each date the Series H Bonds are subject to redemption pursuant to the Indenture. Interest on the Series H Bonds shall be computed on the basis of a 360-day year consisting of 12 30-day months. The payment of interest on a Series H Bond Payment Date shall be in an amount equal to the interest accrued during the Interest Period ending on the day preceding such Series H Bond Payment Date.

So long as Cede & Co. or another nominee designated by DTC is the registered owner of the Bonds, principal and interest on the Bonds are payable by the Trustee to DTC, which will be responsible for remitting such principal and interest to its Participants, which will be responsible for remitting such principal and interest to the Beneficial Owners of the Bonds. See "APPENDIX F — BOOK-ENTRY SYSTEM." *So long as Cede & Co. is the registered owner of the Bonds, all references in this Official Statement to the owners or holders of the Bonds, means Cede & Co. and not the Beneficial Owners of the Bonds.*

Transfer of Bonds

While DTC is securities depository for book-entry Bonds, the transfer of beneficial ownership of Bonds shall take place as described in "APPENDIX F — BOOK-ENTRY SYSTEM." If DTC were to terminate its status as securities depository for the Bonds and, as a result, the Bonds were no longer book-entry securities, no transfer of a Bond will be made unless made upon the records of the Issuer kept for that purpose at the corporate trust office of the Trustee, by the registered owner of the Bond or by its attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee. Upon the transfer of any such Bond, the Issuer shall issue and the Trustee shall authenticate and deliver to and in the name of the transferee a new fully

* Preliminary; subject to change.

registered Bond, of the same series, aggregate principal amount, interest rate, maturity and other terms as the surrendered Bond.

At all times, the Issuer and the Trustee may deem and treat the person in whose name any Bond shall be registered upon the records of the Issuer as the absolute owner of such Bond, whether such Bond shall be a book-entry security or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Mandatory Tender of Series H Bonds

All Outstanding Series H Bonds shall be subject to mandatory tender by the holders thereof for purchase in whole and not in part on each Mandatory Tender Date. The purchase price for each such Series H Bond shall be payable in lawful money of the United States of America by check or draft, shall equal 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.

While tendered Series H 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 H Bonds through the day preceding the applicable Mandatory Tender Date is to be paid as if such Series H Bonds had not been tendered for purchase.

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

In the event the Series H Bonds must be redeemed as a result of the occurrence of any of the events listed in "Series H Bonds — Mandatory Redemption for Failure to Remarket" hereof, the remarketing shall be cancelled and all Bonds outstanding on the Mandatory Tender Date shall be redeemed in accordance with the terms described in "Series H Bonds — Mandatory Redemption for Failure to Remarket" hereof.

Series H Bonds shall be deemed to have been tendered for purposes of this heading whether or not the holders thereof shall have delivered such undelivered Series H Bonds to the Trustee, and subject to the right of the holders of such undelivered Bonds to receive the purchase price of such Series H Bonds and interest accrued thereon to the Mandatory Tender Date, such undelivered Series H Bonds shall be null and void. If such undelivered Series H Bonds are to be remarketed, the Trustee shall authenticate and deliver new Series H Bonds in replacement thereof pursuant to the remarketing of such undelivered Series H Bonds.

Redemption of Bonds

The Bonds shall be subject to redemption prior to maturity as stated below.

Series G Bonds — Mandatory Redemption Prior to MBS Delivery Date. On any Series G Bond Payment Date that occurs prior to or during the month in which the MBS is delivered to the Trustee, the Series G Bonds are subject to mandatory redemption in part in an amount equal to the amount due on that Payment Date, as shown in the Permanent Loan Amortization Schedule, payable with respect to principal first, from money on deposit in the Series G Collateral Fund Account and second, from money on deposit in the Series G Bond Proceeds Fund Account, and with respect to interest, from money on deposit in Series G Revenue Fund Account or other Eligible Funds.

Series G Bonds — Mandatory Redemption Upon Failure to Convert or Failure to Purchase the MBS by the MBS Delivery Date Deadline. The Series G Bonds are subject to mandatory redemption in whole five (5) calendar days after the MBS Delivery Date Deadline at a Redemption Price equal to 100% of the Outstanding principal amount thereof, plus interest accrued but unpaid from the first day of the month in which the last Payment Date occurred (or, if no 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 G Collateral Fund Account and second, from money on deposit in the Series G Bond Proceeds Fund Account, and with respect to premium, if any, and interest, from money on deposit in the Series G Revenue Fund Account.

Series G Bonds — Mandatory Redemption on the MBS Delivery Date. The Series G Bonds are subject to mandatory redemption in part on the MBS Delivery Date at a Redemption Price equal to 101% of the principal amount of the Series G Bonds to be redeemed, plus interest accrued but unpaid from the first day of the month in which the last 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 G 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 G Collateral Fund Account and second, from money on deposit in the Series G Bond Proceeds Fund Account, and with respect to interest and premium, if any, from money on deposit in the Series G Revenue Fund Account and other Eligible Funds.

Series G Bonds – Mandatory Sinking Fund Redemption. The Series G Bonds are subject to mandatory redemption on the respective dates set forth 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**
	$		$

Any scheduled principal payments received pursuant to the MBS shall be retained by the Trustee in the Bond Fund and used to make sinking fund payments as set forth in the Indenture.

Series G Bonds — Mandatory Redemption Following Unscheduled Prepayment of the Permanent Loan. The Series G Bonds are subject to mandatory redemption in whole or in part one 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 100% of the principal amount thereof, plus accrued interest and premium, if any, received pursuant to the MBS.

The Permanent Loan is subject to optional prepayment by the Borrower. Any yield maintenance or prepayment penalty in connection with 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.

Series H Bonds — Mandatory Redemption for Failure to Remarket. The Series H Bonds are subject to mandatory redemption in whole at a redemption price of 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 H Bonds; (ii) the conditions to remarketing set forth in the Indenture 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 H Bonds on such Mandatory Tender Date. Series H Bonds subject to redemption in accordance with this paragraph shall be redeemed from (i) amounts on deposit in the Series H Collateral Fund Account, (ii) amounts on deposit in the Series H Negative Arbitrage Subaccount of the Negative Arbitrage Account of the Revenue Fund, (iii) amounts on deposit in the Series H Bond Proceeds Fund Account, and (iv) any other Eligible Funds available or made available for such purpose at the written direction of the Borrower.

Series H Bonds — Optional Redemption of Series H Bonds. The Series H Bonds are subject to optional redemption, in whole or 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 for purposes of Section 42 of the Code and (ii) August 1, 2029* (the "Optional Redemption Date") at a redemption price equal to 100% of the principal amount of the Series H Bonds plus accrued interest, but without premium, to the Optional Redemption Date. After the Initial Remarketing Date, the Borrower, in consultation with the Remarketing Agent, may establish an optional redemption date with respect to any subsequent Remarketing Period and, thereafter, the Series H Bonds are subject to optional redemption 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 15 days prior to the proposed redemption date and, in the case of a redemption in part, specifying the principal amount of the Series H Bonds to be redeemed) on or after the applicable redemption date at a redemption price of 100% of the principal amount of such Series H Bonds to be redeemed plus accrued interest to the applicable redemption date.

Selection of Bonds for Redemption. If less than all of the Series G Bonds are redeemed pursuant to a mandatory sinking fund redemption, the Series G Bonds shall be redeemed in accordance with the respective schedules set forth in the Indenture. In the event the Series G Bonds are redeemed in part other than pursuant to a mandatory sinking fund redemption, the Series G Bonds shall be redeemed by lot across all maturities and the scheduled principal payments on the Series G Bonds to remain outstanding and the mandatory redemption requirements for each maturity described in the Indenture shall be adjusted so that the resulting debt service on the Series G Bonds (including scheduled mandatory redemption payments) during each six-month period commencing on each Payment Date is proportional, as nearly as practicable, to the payments on the MBS during each such six-month period, without exceeding the amount available from MBS Payments, and other available funds under the Indenture that may be used to pay debt service on the Bonds, during each such six-month period. All Series G Bonds to be redeemed within the same maturity shall be selected by lot. Any redemption in part shall be in Authorized Denominations, and the Permanent Lender shall furnish the Trustee with a revised Permanent Loan Amortization Schedule in connection with such redemption in part (other than pursuant to mandatory sinking fund redemption).

Except as otherwise described above, any Bond to be called for redemption shall be selected by the Trustee ratably among maturities and within a maturity 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).

* Preliminary; subject to change.

Notice of Redemption

Anytime the Bonds are subject to redemption in whole or in part pursuant to the Indenture (except for a redemption described in "Redemption of Bonds — Series G Bonds - Mandatory Redemption Prior to MBS Delivery Date," "Redemption of Bonds — Series G Bonds – Mandatory Sinking Fund Redemption" or "Redemption of Bonds — Series G Bonds — Mandatory Redemption Following Unscheduled Prepayment of the Permanent Loan" above), the Trustee, in accordance with the provisions of the Indenture, shall give at least five (5) calendar days' notice, in the name of the Issuer, of the redemption of the Series G Bonds and at least five (5) but not more than ten (10) calendar days' notice, in the name of the Issuer, of the redemption of the Series H Bonds, which notice shall specify the following: (i) the maturity and principal amounts of the Bonds to be redeemed; (ii) the CUSIP number, if any, of the Bonds to be redeemed; (iii) the date of such notice; (iv) the issuance date for such Bonds; (v) the interest rate on the Bonds to be redeemed; (vi) the redemption date; (vii) any conditions to the occurrence of the redemption; (viii) the place or places where amounts due upon such redemption 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 date, the Redemption Price shall be paid. Notice delivered as required in this heading "Notice of Redemption" with respect to a redemption described under the heading "Series G Bonds – Mandatory Redemption Upon Failure to Convert or Failure to Purchase the MBS by the MBS Delivery Date Deadline," above, 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 the Indenture. 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. Notwithstanding anything in the Indenture to the contrary, no notice of redemption shall be required with respect to redemptions described in "Redemption of Bonds — Series G Bonds - Mandatory Redemption Prior to MBS Delivery Date," "Redemption of Bonds — Series G Bonds — Mandatory Sinking Fund Redemption" or "Redemption of Bonds — Series G Bonds — Mandatory Redemption Following Unscheduled Prepayment of the Permanent Loan" above. With respect to a mandatory redemption as described in the section " Redemption of Bonds — Series H Bonds — Mandatory Redemption for Failure to Remarket," the notice of Mandatory Tender provided to Holders as described in the section "Notice of Mandatory Tender" shall serve as the notice of redemption required by this section and shall satisfy the requirements of this section, and no further notice of redemption will be required to the Bondholders.

The Bonds to be redeemed in part pursuant to the Indenture will be selected in accordance with the operational arrangements of DTC or any successor Substitute Depository.

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 the 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 Construction Lender, the Permanent Lender, the Issuer and the Underwriter.

Notices of optional redemption of the Series H Bonds shall be revocable in the event that there is not on deposit with the Trustee prior to the date of redemption money sufficient to pay the redemption price of the Series H Bonds to be redeemed or, in the case of any redemption premium on the Series H Bonds, there are not on deposit Eligible Funds (excluding, however, proceeds of the Bonds) sufficient to pay such redemption premium, or in the absence of any other event or condition specified in the original notice. Notice of such cancellation or rescission shall be given in the same manner as the original notice was given.

Notwithstanding this section, no prior notice shall be a prerequisite to the effectiveness of any redemption under the heading "Redemption" which redemption shall occur and be effective irrespective of whether the Trustee fulfills its obligation to provide the notice with respect to the heading "Redemption of Bonds" above, required under this heading "Notice of Redemption."

Payment of Redemption Price

With respect to any redemption pursuant to the heading "Redemption" above, notice having been given in the manner provided in the heading "Notice of Redemption" above (or not required to be given as a result of a redemption described in "Redemption of Bonds — Series G Bonds - Mandatory Redemption Prior to MBS Delivery Date," "Redemption of Bonds — Series G Bonds — Mandatory Sinking Fund Redemption" or "Redemption of Bonds — Series G Bonds — Mandatory Redemption Following Unscheduled Prepayment of the Permanent Loan" above),

and all conditions to the redemption contained in such notice, if applicable, having been met, the Bonds so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price specified in the heading "Redemption of Bonds" above, and (except in the case of a redemption described in "Redemption of Bonds — Series G Bonds - Mandatory Redemption Prior to MBS Delivery Date," "Redemption of Bonds — Series G Bonds — Mandatory Sinking Fund Redemption" or "Redemption of Bonds — Series G Bonds — Mandatory Redemption Following Unscheduled Prepayment of the Permanent Loan" above) 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 Bonds shall be made in accordance with the Representation Letter of the Issuer. If, on the redemption date, moneys for the redemption of all of the Bonds to be redeemed, together with all accrued interest on such Bonds (which, with respect to the Series G Bonds only, shall equal all interest accrued on the MBS), if delivered, to the redemption date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date, interest on the Bonds so called for redemption shall cease to accrue.

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 Rating Agency, the Issuer 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 G 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 G 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 G 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 G Bonds pursuant to the Indenture; provided, however, the MBS Delivery Date Deadline may not be extended to a date that is later than the fourth 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.

THE PERMANENT LOAN

General

The Permanent Lender Commitment sets forth certain Conditions to Conversion which must be satisfied by the Borrower prior to the origination of the Permanent Loan and the issuance of the MBS. Such conditions include, but are not limited to: the completion of improvements, confirmation that Minimum Occupancy Requirement (as defined in the Permanent Lender Commitment) has been met, the delivery of required transaction documents and certain other items required in connection with the Permanent Lender Commitment; the renewal and approval by Fannie Mae of all agreements, documents, instruments reports, surveys, papers and matters which are subject to Fannie Mae's review and approval in connection with the Permanent Lender Commitment; the payment of all fees required in connection with the Permanent Lender Commitment; that there be no event of default under any of the required transaction documents; and certain other conditions set forth in the Permanent Lender Commitment. The conditions described in the prior sentence represent only a limited summary of the Conditions to Conversion, and the Permanent Lender Commitment should be referenced for a full description of such conditions. Upon satisfaction of the Conditions to Conversion set forth in the Permanent Lender Commitment prior to December 1, 2029* (the "Initial Termination Date"), which date is subject to one six-month extension as set forth in the Permanent Lender

* Preliminary; subject to change.

Commitment and to further potential extension at the sole discretion of Fannie Mae, the Permanent Lender will originate the Permanent Loan.

If and when the Permanent Loan is originated, and the MBS is delivered, subject to (a) the conditions and requirements of the Permanent Lender Commitment and (b) the satisfaction of the conditions relating to the financing, construction and leasing of the Project, the Indenture authorizes the Trustee to use Eligible Funds to purchase the MBS, if and when the MBS is issued, and such MBS will then secure the payment of the interest on and principal of the Series G Bonds. If the MBS is not delivered, then the Eligible Funds held under the Indenture will be used to redeem the Series G Bonds as further herein.

The Permanent Lender has undertaken to certify that the MBS meets the requirements set forth in the Indenture, on which certification the Trustee may rely and act without further investigation. The Permanent Loan is to be evidenced by the Mortgage Note, executed by the Borrower in favor of the Lender and secured by the Multifamily Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (the "Mortgage"). The Borrower is required under the Mortgage Note to make monthly payments sufficient in the aggregate to pay debt service on the Permanent Loan.

MBS Payments

Following the MBS Delivery Date, if such date occurs, payments on the MBS will be made on the 25th day of each month (beginning with the month following the month in which the MBS is issued and delivered to the Trustee), or, if such 25th day is not a Business Day, on the first Business Day next succeeding such 25th day. With respect to the MBS, Fannie Mae will distribute to the Trustee an amount equal to the total of (i) the principal due on the Permanent Loan underlying the MBS during the period beginning on the second day of the month prior to the month of such distribution and ending on the first day of such month of distribution, (ii) the stated principal balance of the Permanent Loan that was prepaid in full during the calendar month next preceding the month of such distribution (including as prepaid for this purpose at Fannie Mae's election the Permanent Loan after it is delinquent, in whole or in part, with respect to four consecutive installments of principal and interest; or because of Fannie Mae's election to repurchase the Permanent Loan under certain other circumstances), (iii) the amount of any partial prepayment of the Permanent Loan received in the calendar month next preceding the month of distribution, and (iv) one month's interest at the Pass-Through Rate on the principal balance of the MBS as reported to the Trustee (assuming the Trustee is the registered holder) in connection with the previous distribution (or, respecting the first distribution, the principal balance of the MBS on its issue date).

For purposes of distribution, the Permanent Loan will be considered to have been prepaid in full if, in Fannie Mae's reasonable judgment, the full amount finally recoverable on account of the Permanent Loan has been received, whether or not such full amount is equal to the stated principal balance of the Permanent Loan. See also "APPENDIX A — FANNIE MAE MORTGAGE-BACKED SECURITIES PROGRAM."

FANNIE MAE

The MBS, if issued by Fannie Mae and acquired by the Trustee as described herein, will be an obligation of Fannie Mae. **The securities of Fannie Mae, including the MBS, if issued, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or any agency or instrumentality thereof other than Fannie Mae.**

Information on Fannie Mae and its financial condition are contained in periodic reports that are filed with the Securities and Exchange Commission (the "SEC"). Fannie Mae's SEC filings are available at the SEC's website at www.sec.gov and are also available on Fannie Mae's web site at http://www.fanniemae.com or from Fannie Mae at the Office of Investor Relations at 202-752-7115.

SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS

In order to secure the payment of the principal of and interest on the Bonds, the Issuer has pledged to the Trust Estate for the Bonds, subject to terms and provisions of the Indenture, the following:

(i) To (a) the Holders of the Series G Bonds, all right, title and interest of the Issuer in and to the Series G Bond Loan Note and (b) the Holders of the Series H Bonds, all right, title and interest of the Issuer in and to the Series H 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 G Bonds, all right, title and interest of the Issuer in and to amounts on deposit in the Series G Bond Proceeds Fund Account to be funded at closing in an amount equal to the principal amount of the Series G Bonds;

(iii) To the Holders of the Series H Bonds, all right, title and interest of the Issuer in and to amounts on deposit in the Series H Bond Proceeds Fund Account (except the Remarketing Proceeds Account) to be funded at closing in an amount equal to the principal amount of the Series H Bonds;

(iv) To the Holders of the Series G Bonds, all right, title and interest of the Issuer in and to amounts on deposit in the Series G Collateral Fund Account, Series G Revenue Fund Account and the Series G Negative Arbitrage Subaccount;

(v) To the Holders of the Series H Bonds, all right, title and interest of the Issuer in and to amounts on deposit in the Series H Collateral Fund Account, the Series H Revenue Fund Account and the Series H Negative Arbitrage Subaccount;

(vi) Solely with respect to the Series G 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, except Reserved Rights (as hereinafter defined); and

(viii) All other funds, accounts and property which by the express provisions of the Indenture is required to be subject to the lien of the Indenture, and any additional property that from time to time, by delivery or by writing of any kind, may be subjected to the lien of the Indenture, by the Issuer or by anyone on its behalf and the Trustee is authorized by the Indenture to receive the same at any time as additional security under the Indenture; provided, however, that the Trust Estate shall not include amounts on deposit in the Rebate Fund.

The foregoing pledge is made for the equal and proportionate benefit, security and protection of all present and future owners of the Bonds and for the benefit of Fannie Mae, as applicable.

Prior to the delivery of the MBS with respect to the Series G Bonds, and at all times with respect to the Series H Bonds, the Bonds will be secured by the deposit with the Trustee of the proceeds received from the sale of the Bonds and other Eligible Funds held under the Indenture by the Trustee in an aggregate amount equal to the outstanding principal amount of the Bonds. The Trustee will use Eligible Funds held under the Indenture along with interest earnings thereon to (a) pay principal, premium, if any, and interest on the Bonds when due, and (b) acquire, if and when issued, the MBS, upon satisfaction of the conditions set forth in the Indenture and the Permanent Lender Commitment.

It is anticipated that if the conditions to the issuance of the MBS are satisfied, the MBS will be available for acquisition by the Trustee on or before the MBS Delivery Date Deadline, as such date may be extended as provided in the Indenture. Following the delivery of the MBS to the Trustee, if delivered, payments of principal of and interest on the Series G Bonds will be payable from pass-through payments received by the Trustee on the MBS.

If the MBS is not acquired by the Trustee prior to the MBS Delivery Date Deadline (as such date may be extended pursuant to the Indenture), the Series G Bonds will be redeemed from Eligible Funds held under the Indenture as set forth herein.

Except with respect to the Series G Revenue Fund Account following the MBS Delivery Date, amounts on deposit in the Bond Proceeds Fund, the Collateral Fund, and the Revenue Fund shall at all times be invested in Eligible Investments.

PRIVATE PARTICIPANTS

The following information concerning the private participants has been provided by representatives of the private participants and has not been independently confirmed or verified by either the Underwriter or the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Borrower

The borrower for the Project is Park Hill Place Housing, LLLP, an Alabama limited liability limited partnership (the "Borrower"). The Borrower is a single-purpose entity formed to acquire, construct, rehabilitate and operate the Project. The Borrower's general partner is Park Hill Place GP, LLC, an Alabama limited liability company (the "General Partner"). The General Partner will have a 0.01% ownership interest in the Borrower.

The Borrower has not acquired and does not intend to acquire any substantial assets or engage in any substantial business activities other than those related to the Project. However, affiliates of the Borrower may engage in the acquisition, development, ownership and management of other similar types of projects that may be competitive with the Project.

The Investor Limited Partner

Contemporaneously with the issuance of the Bonds, RAH Investor 513 LLC, a Mississippi limited liability company, and its successors and/or assigns, as an Investor Limited Partner (the "Investor Limited Partner") expects to acquire a 99.98% ownership interest in the Borrower, while Sterling Corporate Services LLC, a New York limited liability company, and its successors and/or assigns (the "Special Limited Partner") expects to acquire a 0.01% interest in the Borrower in exchange for equity contributions based primarily on the receipt of certain benefits from the Project's federal and state low-income housing tax credits (the "LIHTCs"). The funding of the federal and state low income housing tax credit equity (the "Tax Credit Equity") by the Investor Limited Partner and Special Limited Partner is expected to total approximately $18,506,407*. The funding levels and the timing of the funding are subject to numerous adjustments and conditions that could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the projections set forth above and no representation is made as to the availability of such funds.

Limited Assets and Obligation of Borrower, General Partner and Investor Limited Partner

The Borrower and the General Partner have no substantial assets other than the Project and do not intend to acquire any other substantial assets or to engage in any substantial business activities other than those related to the ownership of the Project. However, the members of the General Partner, the Investor Limited Partner, and their affiliates are engaged in and will continue to engage in the acquisition, development, ownership and management of similar types of housing projects. They may be financially interested in, as officers, partners or otherwise, and devote substantial times to, business and activities that may be inconsistent or competitive with the interests of the Project.

The obligations and liabilities of the Borrower under the Financing Agreement and the Note are of a non-recourse nature and are limited to the Project and moneys derived from the operation of the Project. Neither the Borrower nor its partners have any personal liability for payments on the Note to be applied to pay the principal of and interest on the Bonds. Furthermore, no representation is made that the Borrower has substantial funds available

* Preliminary; subject to change.

for the Project. Accordingly, neither the Borrower's financial statements nor those of its partners are included in this Official Statement.

The Developer

The developer for the Project is WDM, L.L.C., an Alabama limited liability company (the "Developer"), located in Tuscaloosa, Alabama. The Developer was started in 2002 and has 24 years of experience in affordable housing development. The Developer has developed over 3,000 units in seven states.

The Architect

The architect for the Project is McKean & Associates, Architects, LLC (the "Architect"). The Architect is not an affiliate of the Developer. The Architect started in 2003 and demonstrates considerable affordable, LIHTC, HUD and senior housing experience. The Architect has designed the new construction or renovation of many rehabilitation, civic and commercial projects, with a focus on affordable multifamily housing. The Architect's clients include community groups and nonprofit organizations whose patronage accounts for a significant percentage of the projects in its office.

The General Contractor

The general contractor for the Project is Bob Morrow Construction Company, Inc. (the "General Contractor"). The General Contractor is an affiliate of the Developer. Based out of Tuscaloosa, Alabama, the General Contractor was formed in 1974 and is an Alabama-licensed contractor. Since inception, the General Contractor has built or rehabilitated over 3,500 units of affordable apartments.

The Property Manager

The Borrower has entered into a management agreement with Morrow Realty Company, Inc. (the "Property Manager") to manage the day-to-day operations of the Project. The Property Manager is an affiliate of the Developer. The Property Manager has been involved in the management of affordable housing since 1991. The Property Manager currently manages over 5,500 apartment units in Alabama, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.

THE PROJECT

The following information concerning the Project has been provided by representatives of the Borrower and has not been independently confirmed or verified by either the Underwriter or the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Project, known as Park Hill Place, is located in Hazel Green, Alabama, on an approximately 9-acre site. The Project contains 96 apartment units in four buildings located at Black Walnut Drive. Common area improvements will include: community building with management office, gathering area, community television, community laundry, computer center, and exercise room, picnic pavilion with grills, playground, gazebo, and bike racks. Unit amenities include: energy efficient appliances, including a refrigerator with icemaker, stove, dishwasher, garbage disposal, and microwave, central heat and air, washer/dryer connections, mini-blinds, carpet and vinyl flooring, and cable outlets throughout the unit. There are 195 parking spaces for resident use only.

It is anticipated that construction will commence promptly upon the issuance of the Bonds and funding of the initial installment of the Tax Credit Equity and will be completed in approximately 20* months.

* Preliminary; subject to change.

The unit type, the unit mix and approximate square footage and unit mix of the Project will be as follows:

Unit Type	Average Square Feet	Number of Units
2 Bedrooms	1,083	48
3 Bedrooms	1,235	48
TOTAL		**96**

Plan of Financing

The estimated sources and uses of funds for the Project are projected to be approximately as follows:

Sources of Funds*	
Series G Bonds	$10,630,000
Series H Bonds	4,370,000
Tax Credit Equity	18,506,407
AHFA HOME Loan	5,400,000
Deferred Developer Fee	2,107,254
Investment Income	2,079,000
Total	**$43,092,661**
Uses of Funds*	
Acquisition	$2,250,000
Construction	21,475,558
Hard Cost Contingency	1,046,360
Developer Fee	5,034,000
Soft Costs	6,977,906
Financing Costs	384,403
Tax Credit & Syndication Costs	377,983
Reserves	671,451
Repayment of Series H Bonds	4,875,000
Total	**$43,092,661**

All costs of issuance of the Bonds, including the underwriter's fee, will be paid by the Borrower.

The Construction Loan. The Project will utilize construction and bridge loans in the total principal amount of up to $27,760,000* (the "Construction Loan"). The obligation to repay the Construction Loan will be set forth in two promissory notes (collectively, the "Construction Loan Note") from the Borrower to the Construction Lender and will be repayable with the proceeds of the Permanent Loan and Tax Credit Equity. The Construction Loan Note will be secured by a mortgage against the Project, an assignment of the General Partner's interest in the Borrower and a security interest in the capital contributions of the Investor Limited Partner. The Construction Loan Note will have a term of 36* months with a six-month extension option, and bear interest at a rate equal to the SOFR plus 285* basis points (2.85%) per annum, with principal and interest not otherwise paid, due at maturity. The Construction Loan proceeds will be disbursed from time to time by the Construction Lender to the Trustee for deposit into the Collateral Fund to allow for a corresponding amount of Bond proceeds to be disbursed to the Project.

The Permanent Loan and the Series G Bonds. The Project will utilize a mortgage loan (the "Permanent Loan") from the Permanent Lender. Upon satisfaction of the Conditions to Conversion, the Permanent Lender will make the Permanent Loan to the Borrower, the proceeds of which will be used to pay off a portion of the Construction Loan. The obligation to repay the Permanent Loan will be set forth in a promissory note (the "Mortgage Note") from the Borrower to the Permanent Lender, which Mortgage Note will have a term of not less than 180* months, will bear interest at a rate of 6.13%* and will amortize over 40* years. Following the MBS Delivery Date, payments on the Series G Bonds will be payable by the Trustee from payments received by the Trustee pursuant to the MBS.

* Preliminary; subject to change.

The Low-Income Housing Tax Credit Proceeds. Prior or simultaneous to the issuance of the Bonds, the Borrower admitted the Investor Limited Partner and the Special Limited Partner as partners with a collective 99.99% ownership interest in the Borrower. Pursuant to the admission of the Limited Partners the sale, the funding of the Federal Low-Income Housing Tax Credit equity will total approximately $18,506,407* with an initial capital contribution of $2,592,377*. The funding levels and the timing of the funding are subject to numerous adjustments and conditions which could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the projections set forth above and neither the Issuer nor the Underwriter makes any representation as to the availability of such funds.

The AHFA HOME Loan. The Project will also utilize a HOME loan in the principal amount of $5,400,000* (the "HOME Loan"). The obligation to repay the HOME Loan will be set forth in a promissory note (the "HOME Note") from the Borrower to the Alabama Housing Finance Authority (the "HOME Lender"). The HOME Note will be secured by a subordinate mortgage against the Project subordinate to the Mortgage Loan. The HOME Note will have a term of 20* years and will bear interest at a rate of 0.50%* per annum, with annual principal and interest not otherwise paid, due at maturity.

Deferred Developer Fee. The Project will also utilize a deferred developer fee in the amount of $2,107,254* as a source of funding. The deferred developer fee will be repaid through surplus cash flow received from the operation of the Project.

Sources and Uses of Funds of the Bonds

The sources and uses of funds to be applied under the Indenture are projected to be approximately as follows:

Sources of Funds*	
Bond Proceeds	$15,000,000
Total	**$**
Uses of Funds*	
Project Fund	$15,000,000
Negative Arbitrage Account	
Total	**$**

Project Regulation

The Borrower intends to operate the Project as a qualified residential rental project in accordance with the provisions of Section 142(d) of the Code. Concurrently with the issuance of the Bonds, the Borrower, the Trustee and the Issuer will enter into the Regulatory Agreement. Under the Regulatory Agreement, the Borrower will agree that, at all times during the qualified project period (as defined in the Regulatory Agreement), the Borrower will rent at least 20% of the units in the Project to persons whose adjusted family income (determined in accordance with the provisions of the Code) is no more than 50% of the area median income (adjusted for family size) ("AMI"). See "APPENDIX E – SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT" herein.

In addition to the rental restrictions imposed upon the Project by the Regulatory Agreement, the Project will be further encumbered by a tax credit restrictive covenants, to be executed by the Borrower in connection with the LIHTCs and the workforce tax credit from the state of Alabama anticipated to be granted for the Project and in compliance with the requirements of Section 42 of the Code. Section 42 of the Code will restrict the income levels of 100% of the residential units in the Project (the "Tax Credit Units"). 65% of the Tax Credit Units shall be held available for rental to persons whose adjusted family income is equal to or less than 60% of the AMI adjusted for family size.

* Preliminary; subject to change.

CERTAIN BONDHOLDERS' RISKS

The purchase of the Bonds will involve a number of risks. The following is a summary, which does not purport to be comprehensive or definitive, of some of such risk factors.

Limited Security; Investment of Funds

The Bonds are special limited obligations of the Issuer payable solely from the Trust Estate, which includes certain funds pledged to and held by the Trustee pursuant to the Indenture.

The Bonds are offered solely on the basis of the amounts pledged to and held by the Trustee under the Indenture, together with investment earnings thereon, and, with respect to the Series G Bonds, the MBS, if issued and delivered to the Trustee, and are not offered on the basis of the credit of the Borrower, the feasibility of the Project or any other security. As a consequence, limited information about the Project and no information about the financial condition or results of operations of the Borrower is included in this Official Statement. The Bonds are offered only to investors who, in making their investment decision, rely solely on the amounts held under the Indenture, together with investment earnings thereon, and not on the credit of the Borrower, the feasibility of the Project or any other security.

The principal of and interest on the Bonds are payable from and secured by certain revenues and funds pledged thereto under the Indenture, together with investment earnings thereon and, with respect to the Series G Bonds, following the MBS Delivery Date, from payments on the MBS. On the date of delivery of the Bonds, an amount equal to the principal amount of the Bonds is to be deposited into the Bond Proceeds Fund. The Trustee is required to invest amounts held in the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund in Eligible Investments, as defined in the Indenture. See "APPENDIX C — SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE — Investment of Funds." Failure to receive a return of the amounts so invested could affect the ability to pay the principal of and interest on the Bonds.

No Acceleration or Early Redemption Upon Loss of Tax Exemption on the Bonds

The Borrower will covenant and agree, pursuant to a Regulatory Agreement and Declaration of Restrictive Covenants by and among the Issuer, the Trustee and the Borrower (the "Regulatory Agreement"), to comply with the provisions of the Code relating to the exclusion from gross income for federal income tax purposes of the interest payable on the Bonds. In particular, the Borrower is required to rent at least forty percent (40%) of the Project apartment units to certain qualified tenants whose income does not exceed sixty percent (60%) of the area average median income where the Project is located. The Borrower's failure to comply with such provisions will not constitute a default under the Bonds and will not, in and of itself, give rise to a redemption or acceleration of the Bonds and is not the basis for an increase in the rate of interest payable on the Bonds. Furthermore, the Borrower's failure to comply with the Regulatory Agreement will not give rise to a prepayment or acceleration of amounts due under the MBS or the Mortgage, unless directed by Fannie Mae in its sole discretion. Consequently, interest on the Bonds may become includable in gross income for purposes of federal income taxation retroactive to the date of issuance of the Bonds by reason of the Borrower's failure to comply with the requirements of federal tax law.

Payments on Series G Bonds Prior to MBS Delivery Date

Prior to the MBS Delivery Date, payment of principal and interest, and the Borrower's obligations with respect to principal and interest on the Series G Bonds, will be primarily secured by and payable from Series G Bond proceeds held in the Series G Bond Proceeds Fund Account and moneys deposited into the Series G Collateral Fund Account, the Series G Revenue Fund Account and the Series G Negative Arbitrage Subaccount. Although the Borrower will execute the Series G Bond Loan Note to evidence its obligation to repay the loan evidenced thereby, it is not expected, prior to the MBS Delivery Date, that any revenues from the Project or other amounts, except moneys on deposit in the Series G Bond Proceeds Fund Account, the Series G Collateral Fund Account and the Series G Revenue Fund Account, will be available to satisfy that obligation. The Indenture requires the Trustee to verify, before any disbursement of funds from the Series G Bond Proceeds Fund Account, that the sum of the funds on deposit in the Series G Bond Proceeds Fund Account and the Series G Collateral Fund Account is at least equal to the then-

outstanding principal amount of the Series G Bonds. Prior to the MBS Delivery Date, moneys on deposit in the Series G Bond Proceeds Fund Account and the Series G Negative Arbitrage Subaccount, and the interest earnings thereon will be sufficient to pay the debt service on the Series G Bonds.

Failure to Satisfy Conditions to Conversion

The Borrower is required to satisfy, prior to the Termination Date, the Conditions to Conversion set forth in the Permanent Lender Commitment. If the Borrower fails to satisfy the Conditions to Conversion, the MBS will not be delivered, resulting in the mandatory redemption of the Bonds pursuant to the Indenture. See "DESCRIPTION OF THE BONDS - Redemption of Bonds" herein.

Mandatory Redemption of Bonds Prior to Maturity

Pursuant to the Indenture, under certain circumstances, the Bonds may be subject to mandatory redemption prior to maturity. Please see "DESCRIPTION OF THE BONDS –Redemption of Bonds" herein.

Eligible Investments

Proceeds of the Bonds deposited into the Bond Proceeds Fund and Eligible Funds received by the Trustee for deposit into the Collateral Fund are required to be invested in Eligible Investments. See "APPENDIX B — DEFINITIONS OF CERTAIN TERMS" hereto for the definition of Eligible Investments. There can be no assurance that there will not be a loss resulting from any investment held for the credit of the Bond Proceeds Fund or the Collateral Fund, and any failure to receive a return of the amounts so invested could affect the ability to pay the principal of and interest on the Bonds.

Rating Based on Eligible Investments and MBS

Prior to the MBS Delivery Date with respect to the Series G Bonds and at all times with respect to the Series H Bonds, the rating on the Bonds is based on the investment in Eligible Investments of amounts on deposit in the applicable accounts of the Bond Proceeds Fund, the Collateral Fund and the Revenue Fund. If one or more of such investments fail to meet the rating standards for Eligible Investments after their acquisition and prior to maturity, such a change may result in a downgrade or withdrawal of the rating on the Bonds. Following the MBS Delivery Date, the rating on the Series G Bonds will be based primarily on the credit rating of Fannie Mae. If any event occurs that causes an adverse change to the credit rating of Fannie Mae, such a change may result in a downgrade or withdrawal of the rating on the Series G Bonds. If any event occurs that causes a positive change to the credit rating of Fannie Mae, there can be no assurance that such a change would result in an upgrade of the rating on the Series G Bonds.

Series G Bonds — Repayment of Permanent Loan

The ability of the Borrower to pay the Permanent Loan is dependent on the revenues derived from the Project. Due to the inherent uncertainty of future events and conditions, no assurance can be given that revenues generated by the Project will be sufficient to pay expenses of the Project, including without limitation, debt service on the Permanent Loan, operating expenses, servicing fees, fees due to Fannie Mae, Trustee fees, and fees owed to the Issuer. The ability of the Project to generate sufficient revenues may be affected by a variety of factors including, but not limited to, completion of repairs to such Project, the maintenance of a sufficient level of occupancy, the ability to achieve increases in rents, limitations and requirements imposed by the Regulatory Agreement and other restrictive covenants, the level of operating expenses, project management, adverse changes in applicable laws and regulations, general economic conditions and other factors in the surrounding market area for the Project. The Borrower intends to rent all of the units in the Project to persons or families of moderate and low income and the amount of rent that may be charged for such units may be materially less than market rates. In addition to these factors, other adverse events may occur from time to time which may have a negative impact on the occupancy level and rental income of the Project.

Failure of the Borrower to make payments when due under the Permanent Loan will result in an event of default under the Permanent Loan and the Financing Agreement and may result in a mandatory prepayment of all or a portion of the Series G Bonds. The Permanent Loan will not be accelerated unless directed by Fannie Mae in its

sole discretion in which case the Series G Bonds will remain outstanding and will remain secured by the MBS guaranteed as to timely payment of principal and interest by Fannie Mae. See "SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS" herein. If Fannie Mae accelerates the Permanent Loan as a result of any event of default under the Permanent Loan, the Permanent Loan will be paid in full, and the stated principal balance of the MBS will be passed through to the holder of the MBS. In this case, no yield maintenance or other prepayment premiums will be payable to the Trustee as holder of the MBS.

The Permanent Loan is a non-recourse obligation of the Borrower with respect to which neither the Borrower nor its partners have personal liability and as to which the Borrower and its partners have not pledged for the benefit of the Permanent Lender any of their respective assets, other than the Project and its rents, profits and proceeds.

Payments on the Series G Bonds Made From Payments Received on MBS

As described elsewhere herein, following the MBS Delivery Date, principal and interest on the Series G Bonds will be paid to registered owners thereof from principal and interest payments received by the Trustee pursuant to the MBS. Although interest accrues on the MBS during a calendar month, the Trustee will not receive such payment on the MBS until the 25th day in the following calendar month, or the next succeeding Business Day if such day is not a Business Day.

Permanent Loan Amount

The Permanent Lender Commitment permits the actual Permanent Loan to be issued in an amount up to the principal amount of Series G Bonds if certain conditions are satisfied upon Conversion however, there is no assurance that the underwriting will support the Permanent Lender Commitment amount, or an amount greater than the Permanent Lender Commitment amount if the other conditions to originating the Permanent Loan are satisfied. There will be a partial redemption of Series G Bonds in the event that the Permanent Loan is originated and the MBS is delivered to the Trustee in an amount less than the then-outstanding principal amount of Series G Bonds. See "DESCRIPTION OF THE BONDS — Redemption of Bonds – Series G Bonds Mandatory Redemption on the MBS Delivery Date."

MBS Certificate

If the MBS is issued by Fannie Mae and acquired by the Trustee as collateral for the Series G Bonds, Fannie Mae's obligations will be solely as provided in the MBS and in the Fannie Mae MBS Prospectus and the related form of Prospectus Supplement for MBS Certificate. The obligations of Fannie Mae under the MBS will be obligations solely of Fannie Mae, a federally chartered corporation, and will not be backed by the full faith and credit of the United States of America. The Series G Bonds are not and will not be a debt of the United States of America or any other agency or instrumentality of the United States of America or of Fannie Mae. The Series G Bonds are not and will not be guaranteed by the full faith and credit of Fannie Mae or the United States of America.

It is possible, in the event of the insolvency of Fannie Mae, or the occurrence of some other event precluding Fannie Mae from honoring its obligations to make payments as stated in the MBS, if issued, that the financial resources of the Borrower will be the only source of payment on the Series G Bonds. There can be no assurance that the financial resources of the Borrower will be sufficient to pay the principal of, premium if any, and interest on the Series G Bonds in such event. See "SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS" herein.

Performance of the Project and Estimated Rental Revenue Vacancies

The economic feasibility of the Project depends in large part upon the Project's being substantially occupied as rentals adequate to maintain substantial occupancy throughout the term of the Bonds at sufficient rents and to cover all operating expenses of the Project and debt service on the Permanent Loan. Although representatives of the Borrower believe, based on surveys of the area where the Project is located, that a substantial number of persons currently need housing facilities such as the Project, occupancy of the Project may be affected by competition from existing housing facilities or from housing facilities which may be constructed in the area served by the Project. While the Borrower believes the Project is needed, there may be difficulties in keeping it substantially occupied.

Furthermore, no assurance can be given that the low-income tenants are able to afford the rental rates of the Project, notwithstanding the below-market rental rates. Restrictions imposed under the Code and related regulations, the Regulatory Agreement and other restrictive covenants, relating to tenant income and the rent that can be charged could have an adverse effect on the Borrower's ability to satisfy its obligations under the Financing Agreement, especially if operating expenses should increase beyond what was anticipated.

Limited Liability of Issuer

Notwithstanding anything in the Indenture or in the Bonds, the Issuer shall not be required to advance any money derived from any source other than, with respect to the Series G Bonds, the MBS Revenues, and with respect to all Bonds, other assets pledged under the Indenture for any of the purposes of the Indenture.

No agreements or provisions contained in the 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, with respect to the Series G Bonds, the application of MBS Revenues, and with respect to all Bonds, 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 in the Indenture 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, with respect to the Series G Bonds, the MBS Revenues and with respect to all Bonds, other assets pledged to the payment of the Bonds or the proceeds of the Bonds. THE ISSUER HAS NO TAXING POWER.

Secondary Markets and Prices

No representation is made concerning the existence of any secondary market for the Bonds. The Underwriter will not be obligated to repurchase any of the Bonds, nor can any assurance be given that any secondary market will develop following the completion of the offering of the Bonds. Further, there can be no assurance that the initial offering prices for the Bonds will continue for any period of time. Furthermore, the Bonds should be purchased for their projected returns only and not for any resale potential, which may or may not exist.

Future Legislation; IRS Examination

The Project, its operation and the treatment of interest on the Bonds are subject to various laws, rules and regulations adopted by the local, State and federal governments and their agencies. There can be no assurance that relevant local, State or federal laws, rules and regulations will not be amended or modified or interpreted in the future in a manner that could adversely affect the Bonds, the Trust Estate created under the Indenture, the Project, or the financial condition of or ability of the Borrower to comply with its obligations under the various transaction documents.

In recent years, the Internal Revenue Service (the "IRS") has increased the frequency and scope of its examination and other enforcement activity regarding tax exempt bonds. Currently, the primary penalty available to the IRS under the Code is a determination that interest on bonds is subject to federal income taxation. Such event could occur for a variety of reasons, including, without limitation, failure to comply with certain requirements imposed by the Code relating to investment restrictions, periodic payments of arbitrage profits to the United States of America, the timely and proper use of Bond proceeds and the facilities financed therewith and certain other matters. See "TAX MATTERS" herein. No assurance can be given that the IRS will not examine the Issuer, the Borrower, the Project or the Bonds. If the Bonds are examined, it may have an adverse impact on their price and marketability.

Potential Impact of Pandemics or Public Health Crises

The spread of the strain of a virus and resulting disease could alter the behavior of businesses and people in a manner that could have negative effects on global, state and local economies. There can be no assurances that the spread of a pandemic would not materially impact both local and national economies and, accordingly, have a

materially adverse impact on the Project's operating and financial viability. The effects of a pandemic could include, among other things, an increase in the time necessary to complete the construction and/or rehabilitation of the Project, suspension or delay of site inspections and other on-site meetings, interruption in the engagement of material participants in the Project, increase in the time necessary to conduct lease-up at the Project, and increased delinquencies and/or vacancies, all of which could impact the Borrower's ability to make payments on the loans and result in a default and acceleration thereof.

Limitation of Remedies

Remedies available under the Indenture, the Financing Agreement, and the Regulatory Agreement are limited in certain respects. See "ENFORCEABILITY OF REMEDIES" herein.

Summary

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Appendices hereto.

TAX MATTERS

General

In the opinion of Bond Counsel (the proposed form of which is attached hereto as APPENDIX I) and subject to the caveats below, under existing statutes, regulations, rulings and judicial decisions, and assuming compliance with certain covenants intended to assure compliance with the applicable provisions of the Code and the regulations thereunder, interest on the Bonds is excludable from the gross income of the holders thereof for federal income tax purposes, except that such exclusion does not apply with respect to interest on any Bond for any period during which such Bond is held by a person who is a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code and the regulations thereunder. Bond Counsel is further of the opinion that interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Under Section 148 of the Code, interest on the Bonds will not be excluded from gross income for federal income tax purposes unless (i) the investment of the proceeds of the Bonds meets certain arbitrage requirements and (ii) certain "excess" earnings on such investments are rebated to the United States of America (collectively, the "Arbitrage Restrictions").

The Code imposes various restrictions, conditions and requirements (including the Arbitrage Restrictions) relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Issuer and the Borrower have covenanted to comply with certain requirements designed to assure that interest paid on the Bonds will not become includable in gross income for federal income tax purposes. In concluding that the interest on the Bonds is not includable in gross income for federal income tax purposes, Bond Counsel will (i) rely as to certain factual matters upon representations and certifications of the Borrower with respect to the use of the proceeds of the Bonds and the design, scope, function, cost, reasonably expected remaining economic useful life and use of the facilities constituting the Project, without undertaking to verify the same by independent investigation, and (ii) assume the continued compliance by the Borrower with its covenants relating to the use of the proceeds of the Bonds and compliance with other requirements of the Code. The inaccuracy of any such representations, or noncompliance with such covenants, may cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel also will rely on the opinion of Tanner & Guin Law Firm, Tuscaloosa, Alabama, counsel to the Borrower, with respect to certain issues.

Bond Counsel has not undertaken to determine or to inform any person, as to whether any actions are taken (or not taken) or events occur (or do not occur) after the date of delivery of the Bonds which may affect exclusion from gross income of interest on the Bonds for federal income tax purposes.

From time to time, there have been legislative proposals in Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted, it would apply to bonds issued prior to enactment. Each purchaser of the Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The accrual or receipt of interest on the Bonds may otherwise affect a Holder's income tax liability. The nature and extent of these other tax consequences will depend upon the Holder's particular tax status and the Holder's other items of income and deduction. Bond Counsel expresses no opinion regarding such consequences. Purchasers of the Bonds, particularly purchasers that are corporations (including S corporations, and United States branches of foreign corporations), property and casualty insurance companies, banks, thrifts or other financial institutions, recipients of Social Security or Railroad Retirement benefits, or taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors concerning their tax consequences of purchasing and holding the Bonds.

Bond Counsel is also of the opinion that, under the Act, interest on the Bonds is exempt from present income taxation by the State of Alabama.

Premium

An amount equal to the excess of the purchase price of a Bond over its stated redemption price at maturity constitutes premium on such Bond. A purchaser of a Bond must amortize any premium over such Bond's term using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the purchaser's basis in such Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Bonds at a premium, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Bonds.

Collateral Tax Consequences

Except as expressly stated above, Bond Counsel expresses no opinion regarding any other federal or state tax consequences of acquiring, carrying, owning, or disposing of the Bonds, or the accrual or receipt of interest on, the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

NO LITIGATION

The Issuer

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

The Borrower

There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or, to the best knowledge of the Borrower, threatened against or affecting the Borrower in its capacity as such, nor, to the knowledge of the Borrower, any basis

therefor, (i) which would restrain or enjoin the issuance or delivery of the Bonds, the use of this Official Statement in the marketing of the Bonds or the collection of revenues pledged under or pursuant to the Indenture or (ii) which would in any way contest or affect the organization or existence of the Borrower or the entitlement of any officer of the Borrower to its position or (iii) which would contest or have a material and adverse effect upon (A) the due performance by the Borrower of the transactions contemplated by the Official Statement, (B) the validity or enforceability of the Bonds or any other agreement or instrument to which the Borrower is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby and thereby, (C) the exclusion from gross income for federal income tax purposes of the interest on the Bonds or (D) the financial condition or operations of the Borrower, (iv) which contests in any way the completeness or accuracy of the Official Statement or (v) which questions the power or authority of the Borrower to carry out the transactions on its part contemplated by the Official Statement, or the power of the Borrower to own or operate the Project. The Borrower is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

CERTAIN LEGAL MATTERS

Certain legal matters relating to the authorization and validity of the Bonds will be subject to an approving opinion of Maynard Nexsen PC, Birmingham, Alabama, as Bond Counsel to the Issuer. Certain legal matters will be passed upon for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C., for the Issuer by its counsel, Maynard Nexsen PC, Birmingham, Alabama, and for the Borrower by its counsel, Tanner & Guin Law Firm, Tuscaloosa, Alabama. Payment of the fees of certain counsel to the transaction is contingent upon the issuance and delivery of the Bonds.

UNDERWRITING

Pursuant and subject to the terms and conditions set forth in the Bond Purchase Agreement (the "Bond Purchase Agreement"), among Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), the Issuer and the Borrower, the Underwriter has agreed to purchase the Bonds at the price set forth on the cover page hereof. For its services relating to the transaction, the Underwriter will receive a fee of $_____ plus $_____, payable in immediately available funds on the Closing Date, from which the Underwriter shall pay certain fees and expenses relating to the issuance of the Bonds. The Underwriter's fee shall not include the fee of its counsel. [The Underwriter also hereby agrees to advance an additional amount equal to $_____ as set forth under the Indenture (the "Underwriter's Advance"). The Underwriter will be reimbursed on or before the Closing Date by the Borrower for the Underwriter's Advance.]

The Underwriter's obligations are subject to certain conditions precedent, and the Underwriter will purchase all the Bonds, if any are purchased. Pursuant to the Bond Purchase Agreement, the Borrower has agreed to indemnify the Underwriter and the Issuer against certain civil liabilities, including liabilities under federal securities laws. It is intended that the Bonds will be offered to the public initially at the offering prices set forth on the cover page hereof and that such offering prices subsequently may change without any requirement of prior notice. The Underwriter may offer the Bonds to other dealers at prices lower than those offered to the public.

The Underwriter does not guarantee a secondary market for the Bonds and is not obligated to make any such market in the Bonds. No assurance can be made that such a market will develop or continue. Consequently, investors may not be able to resell Bonds should they need or wish to do so for emergency or other purposes.

The Underwriter and its affiliates comprise a full-service financial institution engaged in activities which may include securities sales and trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the Issuer and/or the Borrower and to persons and entities with relationships with the Issuer and/or the Borrower, for which they received or will receive customary fees and expenses. The Underwriter is not acting as financial advisor to the Issuer or the Borrower in connection with the offer and sale of the Bonds.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for

their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer and/or the Borrower (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and/or the Borrower.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer.

In addition to serving as Underwriter, Stifel, Nicolaus & Company, Incorporated has been designated to serve as Remarketing Agent and will receive a fee for its remarketing services in connection with the remarketing, if any, of the Series H Bonds on the Initial Mandatory Tender Date; conflicts of interest could arise.

RATINGS

Moody's Investors Service, Inc. (the "Rating Agency") has assigned to the Bonds the ratings set forth on the cover page hereof. An explanation of the significance of such ratings may be obtained from the Rating Agency. The ratings of the Bonds reflect only the views of the Rating Agency at the time such ratings were given, and neither the Issuer nor the Borrower nor the Underwriter makes any representation as to the appropriateness of the ratings. The ratings are not a recommendation to buy, sell, or hold the Bonds. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by the Rating Agency, if in its judgment, circumstances so warrant. Any such downward revision or withdrawal of the ratings may have an adverse effect on the market price of the Bonds. If any event occurs that causes a positive change to the credit rating of Fannie Mae, there can be no assurance that such a change would result in an upgrade of the rating on the Bonds.

Prior to the MBS Delivery Date, the rating on the Bonds is based on the investment in Eligible Investments of amounts on deposit in the Bond Proceeds Fund, Collateral Fund and the Revenue Fund. If one or more of such investments fail to meet the rating criteria established in the definition of Highest Rating Category for Eligible Investments after their acquisition and prior to the MBS Delivery Date, such a change may result in a downgrade or withdrawal of the rating on the Series G Bonds. Following the MBS Delivery Date, the rating on the Series G Bonds is based on multiple factors, including the credit rating of Fannie Mae. Such rating reflects only the views of the Rating Agency, and an explanation of the significance of such rating may be obtained only from the Rating Agency. As of the Closing Date, the rating of Fannie Mae and the cashflow structure of the Series G Bonds, as reviewed by the Rating Agency, meet the Rating Agency's criteria necessary to obtain the rating set forth on the cover page hereof. In addition, as of the Closing Date, the cashflow structure of the Series G Bonds does not meet the Rating Agency's criteria for a higher rating on the Series G Bonds in the event that Fannie Mae were rated at such higher level. No assurance can be made that the Rating Agency's criteria will remain the same after the Closing Date. Any change (negative or positive) to the credit rating of Fannie Mae could result in a downgrade, upgrade or withdrawal of the rating on the Series G Bonds based on the applicable criteria of the Rating Agency at such time. See "CERTAIN BONDHOLDERS' RISKS — Rating Based on Eligible Investments and MBS."

CONTINUING DISCLOSURE

The Borrower, as the only "obligated person" with respect to the Bonds, will enter into a Continuing Disclosure Agreement, dated as of November 1, 2026 (the "Continuing Disclosure Agreement"), with Regions Bank, an Alabama banking corporation, acting as Dissemination Agent, pursuant to which the Borrower will agree to provide ongoing disclosure pursuant to the applicable requirements of Rule 15c2-12 of the United States Securities and Exchange Commission (the "Rule"). Financial statements will be provided at least annually to the Municipal Securities Rulemaking Board (the "MSRB") and notices of certain events will be issued pursuant to the Rule. Information will be filed with the MSRB through its Electronic Municipal Market Access ("EMMA") system, unless otherwise directed by the MSRB. A form of the Continuing Disclosure Agreement is attached hereto as Appendix G.

A failure by the Borrower to comply with the provisions of the Continuing Disclosure Agreement will not constitute a default under the Financing Agreement (although Bondholders will have any available remedy at law or in equity for obtaining necessary disclosures). Nevertheless, such a failure to comply is required to be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before

recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds.

The Borrower has not previously been subject to the continuing disclosure requirements of the Rule.

THE TRUSTEE

The information under this heading has been provided solely by the Trustee and is believed to be reliable, but has not been verified independently by the Issuer or the Underwriter. No representation whatsoever as to the accuracy, adequacy or completeness of such information is made by the Borrower, the Issuer or the Underwriter.

The Issuer has appointed Regions Bank as Trustee under the Indenture. The Trustee is an Alabama banking corporation, having all of the powers of a bank, including fiduciary powers, and is a member of the Federal Deposit Insurance Corporation and the Federal Reserve System.

The Trustee is to carry out such duties as are assigned to it under the Indenture, the Financing Agreement, and the other Financing Documents. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Official Statement and assumes no responsibility for the nature, contents, accuracy or completeness of the information set forth in this Official Statement or for the recitals contained in the Indenture or the Bonds (except for the certificate of authentication on each Bond), or for the validity, sufficiency, or legal effect of any of such documents.

Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application of any of the Bonds authenticated or delivered pursuant to the Indenture or for the use or application of the proceeds of such Bonds. The Trustee has not evaluated the risks, benefits, or propriety of any investment in the Bonds and makes no representation, and has reached no conclusions, regarding the value or condition of any assets or revenues pledged or assigned as security for the Bonds, the technical or financial feasibility of the expected uses of proceeds of the Bonds or the investment quality of the Bonds, about all of which the Trustee expresses no opinion and expressly disclaims the expertise to evaluate.

ENFORCEABILITY OF REMEDIES

The remedies available to the Trustee, the Issuer and the Bondholders upon an Event of Default under the Indenture, the Financing Agreement or the Regulatory Agreement are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, including specifically the Federal Bankruptcy Code, the remedies provide for under the Indenture, the Financing Agreement or the Regulatory Agreement may not be readily available or may be limited.

In addition, the Financing Agreement provides that the payment obligations of the Borrower contained therein (other than certain obligations to the Issuer and the Trustee) will be limited obligations payable solely from the income and assets of the Borrower, and that no partner of the Borrower will have any personal liability for the satisfaction of any payment obligation of the Borrower under such agreements or of any claim against the Borrower arising out of such agreements or the Indenture.

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State and the United States of America and bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

RELATIONSHIP AMONG PARTIES

In connection with the issuance of the Bonds, the Issuer, the Borrower, and the Underwriter are being represented by the attorneys or law firms identified herein. In other transactions not related to the Bonds, each of these attorneys or law firms may have acted as bond counsel or represented the Issuer, the Underwriter, the Borrower,

or their affiliates, in capacities different from those described herein, and there will be no limitations imposed as a result of the issuance of the Bonds on the ability of any of those attorneys or firms to act as bond counsel or represent any of these parties in any future transactions. Potential purchasers of the Bonds should not assume that the Issuer, the Underwriter, the Borrower, or their respective counsel or Bond Counsel have not previously engaged in, or will not after the issuance of the Bonds engage in, other transactions with each other or with affiliates of any of them, and no assurance can be given that there are or will be no past or future relationships or transactions between or among any of these parties or these attorneys or law firms.

ADDITIONAL INFORMATION

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or holders of any of the Bonds.

This Official Statement has been deemed final in accordance with the Rule. The execution and delivery of this Official Statement has been duly authorized by the Borrower.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

[Signature page to follow]

IN WITNESS WHEREOF, the foregoing Official Statement has been executed by the undersigned as of the date first written above.

PARK HILL PLACE HOUSING, LLLP,
an Alabama limited liability limited partnership

By: Park Hill Place GP, LLC
Its General Partner

By: _____
W. David Morrow
President

APPENDIX A
FANNIE MAE MORTGAGE-BACKED SECURITIES PROGRAM

This summary of the Fannie Mae Mortgage Backed Securities Program, the Fannie Mae Certificates and the documents referred to herein has not been provided or approved by Fannie Mae, does not purport to be comprehensive and is qualified in its entirety by reference to the Fannie Mae MBS Prospectus (Multifamily Fixed-Rate Yield Maintenance) for Guaranteed Mortgage Pass-Through Certificates (the "Fannie Mae MBS Prospectus") which will be available and can be found, if and when the MBS is issued, by inputting, when available, the CUSIP for the MBS into Fannie Mae's multifamily disclosure system, DUS Disclose (https://mfdusdisclose.fanniemae.com/#/home). The template for the Fannie Mae MBS Prospectus, as of the date of this Official Statement can be found at https://capitalmarkets.fanniemae.com/media/26581/display. The template for the Fannie Mae MBS Prospectus may change from time to time. The Fannie Mae MBS Prospectus, if and when available, will consist of the template for the Fannie Mae MBS Prospectus applicable at the time of the issuance of the MBS with the cover page completed with the MBS-specific information, an Additional Disclosure Addendum substantially in the form attached as Schedule I to this Appendix A, and an Annex A containing information substantially consistent with the Term Sheet attached hereto as Appendix H, assuming that the Permanent Loan is originated in the maximum amount of the Permanent Lender Commitment without any modification or amendment to any of the conditions to the origination of the Permanent Loan in the Permanent Lender Commitment. **THERE CAN BE NO ASSURANCE, GUARANTEE OR REPRESENTATION, HOWEVER, AS TO THE FORM OF THE FANNIE MAE MBS OR THE CONTENTS OF THE FANNIE MAE PROSPECTUS OR EVEN WHETHER OR NOT A PROSPECTUS OR ANY DISCLOSURE RELATING TO THE FANNIE MAE MBS WILL BE PROVIDED IF AND WHEN THE FANNIE MAE MBS IS ISSUED, WHICH COULD BE THIRTY-SIX (36) MONTHS OR MORE FROM THE DATE OF THIS OFFICIAL STATEMENT. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE ORIGINATION OF THE PERMANENT LOAN AND THE ISSUANCE OF THE FANNIE MAE MBS, ARE SUBJECT TO SIGNIFICANT CONDITIONS RELATING TO THE CONSTRUCTION, FINANCING AND LEASING OF THE PROJECT BY NO LATER THAN THE TERMINATION DATE.**

Security.....	Guaranteed Mortgage Pass-Through Certificates (Multifamily Residential Mortgage Loans).
General	Fannie Mae is a government-sponsored enterprise that was established by the U.S. Congress in 1938 under the name "Federal National Mortgage Association" to support liquidity and stability in the secondary mortgage market, where existing mortgage loans are purchased and sold. The address of its principal office is 1100 15th Street, NW, Washington, DC 20005; the telephone number is 800-2FANNIE (800-232-6643). Fannie Mae has been under conservatorship since September 6, 2008. The conservator, the Federal Housing Finance Agency ("FHFA"), succeeded to all rights, titles, powers and privileges of Fannie Mae and of any shareholder, officer or director of the company with respect to the company and its assets. For additional information on the conservatorship, see **"FANNIE MAE — Regulation and Conservatorship"** in the Fannie Mae MBS Prospectus. Fannie Mae's regulators include FHFA, the U.S. Department of Housing and Urban Development ("HUD"), the Securities and Exchange Commission (the "SEC"), and the U.S. Department of the Treasury (the "Treasury"). The Office of Federal Housing Enterprise Oversight, the predecessor of FHFA, was Fannie Mae's safety and soundness regulator prior to enactment of the Federal Housing Finance Regulatory Reform Act of 2008.

	On September 7, 2008, Fannie Mae entered into a senior preferred stock purchase agreement with the Treasury pursuant to which Fannie Mae issued to it one million shares of senior preferred stock and a warrant to purchase, for a nominal price, shares of common stock equal to 79.9% of the outstanding common stock of Fannie Mae. **Nevertheless, Fannie Mae alone is responsible for making payments under its guaranty. The MBS if issued by Fannie Mae and acquired by the Trustee and payments of principal and interest on the MBS will not be guaranteed by the United States and do not constitute a debt or obligation of the United States or any of its agencies or instrumentalities other than Fannie Mae.**
Sponsor and Depositor	Fannie Mae is the sponsor of this offering of certificates and the depositor of the mortgage loans into the trust.
Description of MBS.....	The MBS if issued by Fannie Mae and acquired by the Trustee will represent a pro rata undivided beneficial ownership interest in (i) the Permanent Loan or (ii) the pool of mortgage loan participation interests that comprise the trust. See "THE PERMANENT LOAN" in the Official Statement. Fannie Mae will issue the MBS in book-entry form on the book-entry system of the U.S. Federal Reserve Banks. The book-entry MBS will not be convertible into physical certificates.
Minimum Denomination	Fannie Mae will issue the MBS in minimum denominations of $1,000, with additional increments of $1.
Issue Date	The date specified on the front cover page, which is the first day of the month in which the MBS is issued.
Settlement Date	The date specified on the front cover page, which is a date no later than the last business day of the month in which the issue date occurs.
Distribution Date	The "Distribution Date" is the 25th day of each month which is the date designated for payments to the Trustee as holder of the MBS, if issued. If that day is not a Business Day, payments will be made on the next Business Day. The first Distribution Date for the MBS will occur in the month following the month in which the MBS is issued. For example, if the issue date is January 1st, the first distribution date is February 25th or, if February 25th is not a Business Day, the first Business Day following February 25th.
Maturity Date	The date specified on the front cover page, which is the date that the final payment is due on the last mortgage loan remaining in the pool.
Use of Proceeds	The MBS is backed by a pool of one or more mortgage loans that Fannie Mae recently acquired or already owned. Fannie Mae is issuing the MBS either in exchange for the recently acquired mortgage loans or for cash proceeds that are generally used for purchasing other mortgage loans or for general corporate purposes.
Interest	On each Distribution Date, Fannie Mae will pass through on the MBS, if issued, one month's interest at the fixed "Pass-Through Rate".

Because Fannie Mae's guaranty requires it to supplement amounts received by the trust as required to permit timely payment of interest, the amount of interest distributed to certificateholders on a Distribution Date will not be affected by any loss mitigation measure, taken with respect to, or other loan modification made to, the Permanent Loan while it remains in the trust.

As described under the caption "**MATERIAL FEDERAL INCOME TAX CONSEQUENCES"** which can be found at *https://capitalmarkets.fanniemae.com/media/26581/display*, the MBS and payments on the MBS, including interest payments thereon, are subject to federal income taxation. Such interest payments only become excludable from gross income for federal income tax purposes and excluded from taxation by the State, to the extent described elsewhere herein, when applied by the Trustee to pay interest due on the Series G Bonds. See "TAX MATTERS" in the Official Statement herein.

Principal ..... Fannie Mae will receive collections on the Permanent Loan on a monthly basis. The period Fannie Mae uses to differentiate between collections in one month and collections in another month is called the due period. The due period is the period from and including the second calendar day of the preceding month in which the Distribution Date occurs to and including the first calendar day of the month in which the Distribution Date occurs.

On each Distribution Date, Fannie Mae will pass through principal of the MBS, if issued, as follows:

- the aggregate amount of the scheduled principal due on the Permanent Loan in the pool during the related due period; and
- the aggregate amount of all unscheduled principal payments received as specified below:
    - the stated principal balance of the Permanent Loan as to which prepayments in full were received during the calendar month immediately preceding the month in which that Distribution Date occurs;
    - the stated principal balance of the Permanent Loan if it was purchased from the pool during the calendar month immediately preceding the month in which that Distribution Date occurs; and
    - the amount of any partial prepayments on the Permanent Loan that were received during the calendar month immediately preceding the month in which that Distribution Date occurs.

Because Fannie Mae's guaranty requires it to supplement amounts received by the trust as required to permit timely payment of the principal amounts specified above, the amount of principal distributed to certificateholders on a Distribution Date will **not** be affected by any loss mitigation measure, taken with respect to, or other loan modification made to, the Permanent Loan while it remains in the trust.

Fannie Mae may treat a prepayment in full received on the first Business Day of a month as if the prepayment were received on the last Business Day of the preceding month. If Fannie Mae does so, it passes through these prepayments on the Distribution Date in the same month in which the prepayment actually was received. For example, if a prepayment on the Permanent Loan in full is actually received on the first Business Day of January, it would be treated as if it had been received on the last Business Day of December and, therefore, would be passed through on January 25 (or the next Business Day, if January 25 is not a Business Day).

The Permanent Loan permits the reamortization of principal after a permitted voluntary prepayment or an involuntary partial prepayment caused by the receipt of proceeds from insurance or condemnation. A reamortization of the Permanent Loan will cause a change in the amount of principal that is passed through to holders of the MBS.

Monthly Pool Factors ..... On or about the fourth Business Day of each month, Fannie Mae publishes the monthly pool factor for each issuance of its certificates. If an investor multiplies the monthly pool factor by the original principal balance of the MBS, the investor will obtain the current principal balance of the MBS, after giving effect to the monthly principal payment to be passed through on the Distribution Date in that month. The most current pool factor is generally available through DUS Disclose on Fannie Mae's website at https://mfdusdisclose.fanniemae.com/#/home.

Guaranty ..... Fannie Mae guarantees to each trust that on each Distribution Date it will supplement amounts received by the trust as required to permit payments on the MBS in an amount equal to:

- the aggregate amounts of scheduled and unscheduled principal payments described in "—Principal" above, and
- an amount equal to one month's interest on the MBS, as described in "—Interest" above.

In addition, Fannie Mae guarantees to the related trust that it will supplement amounts received by the trust as required to make the full and final payment of the unpaid principal balance of the related certificates on the Distribution Date in the month of the maturity date specified in the prospectus supplement.

Certificateholders have certain limited rights to bring proceedings against the Treasury if Fannie Mae fails to pay under its guaranty. The total amount that may be recovered from the Treasury is subject to limits imposed in the senior preferred stock purchase agreement. For a description of certificateholders' rights to proceed against Fannie Mae and the Treasury, see **"FANNIE MAE—Certificateholders' Rights Under the Senior Preferred Stock Purchase Agreement"** in the Fannie Mae MBS Prospectus.

Prepayments	A borrower may voluntarily prepay the loan in full. Except during the open period, each mortgage loan in the pool requires payment of a prepayment premium if the loan is prepaid voluntarily, as disclosed on Annex A. A portion of the prepayment premium, if collected, may be shared with certificateholders under the circumstances described in "**YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS—Maturity and Prepayment Considerations – Prepayment of a Mortgage Loan**" in the Fannie Mae MBS Prospectus. **Fannie Mae does not guarantee to any trust the payment of any prepayment premiums**.
Master Servicing/Servicing	Fannie Mae is responsible as master servicer for certain duties. Fannie Mae has contracted with the mortgage servicer identified on Annex A to perform servicing functions for us subject to our supervision. Fannie Mae refers to this servicer or any successor servicer as its primary servicer. In certain limited circumstances, Fannie Mae may act as primary servicer. For a description of Fannie Mae's duties as master servicer and the responsibilities of its primary servicer, see "**THE TRUST DOCUMENTS-Collections and Other Servicing Practices**" and "**FANNIE MAE PURCHASE PROGRAM – Servicing Arrangements**" in the Fannie Mae MBS Prospectus.
Business Day	Any day other than a Saturday or Sunday, a day when the fiscal agent or paying agent is closed or is authorized or obligated by law or executive order to remain closed, a day when the Federal Reserve Bank of New York is closed or is authorized or obligated by law or executive order to remain closed, or, for purposes of withdrawals from a certificate account, a day when the Federal Reserve Bank is closed or is authorized or obligated by law or executive order to remain closed in the district where the certificate account is maintained if the related withdrawal is being made from that certificate account.
Trust Documents	If issued, the MBS will be issued pursuant to the applicable Trust Agreement relating to the MBS issued at that time, as supplemented by a trust issue supplement for that issuance. Certain pertinent provisions of the trust agreement in the Fannie Mae MBS Prospectus will apply. Investors should refer to the trust agreement and the related trust issue supplement for a complete description of their rights and obligations as well as those of Fannie Mae in its various capacities. The current form of the trust agreement, as of the date hereof, may be found on Fannie Mae's website http://www.fanniemae.com.
Trustee	Fannie Mae serves as the trustee for the trust pursuant to the terms of the trust agreement and the related trust issue supplement.
Paying Agent	An entity designated by Fannie Mae to perform the functions of a paying agent. The Federal Reserve Bank of New York currently serves as Fannie Mae's paying agent for certificates such as the MBS.
Fiscal Agent.....	An entity designated by Fannie Mae to perform certain administrative functions for the trust. The Federal Reserve Bank of New York currently serves as Fannie Mae's fiscal agent for certificates such as the MBS.

Multifamily Mortgage Loan Pool. Each mortgage loan in the pool is a fixed-rate loan included in one of the following categories:

- Fixed-rate loans with monthly payments of interest only during their entire loan terms, with a balloon payment of all outstanding principal at maturity;
- Fixed-rate loans with monthly payments of interest only during specified initial periods, followed by monthly payments of principal and interest for their remaining loan terms, with a balloon payment of all outstanding principal at maturity;
- Fixed-rate loans with monthly payments of interest only during specified initial periods, followed by monthly payments of principal and interest that fully amortize over their remaining loan terms;
- Fixed-rate loans with monthly payments of interest and principal during their entire loan terms, with a balloon payment of all outstanding principal at maturity; and
- Fixed-rate loans with monthly payments of interest and principal that fully amortize over their loan terms.

Multifamily Mortgage Loans..... Each mortgage loan in the pool was acquired from a multifamily mortgage loan seller that Fannie Mae has approved. A mortgage loan may have been originated by the seller or may have been acquired by the seller from the originator of the loan, which may or may not be an approved mortgage loan seller. Each mortgage loan that Fannie Mae acquires either meets its published standards or is reviewed by Fannie Mae before delivery to determine its suitability. Fannie Mae may modify its standards or permit waivers on specific transactions from time to time.

Types of Property ..... Each mortgage loan in the pool is secured by a lien on one or more of the following types of property:

- Multifamily residential properties;
- Cooperative housing projects;
- Dedicated student housing;
- Manufactured housing communities;
- Military housing; or
- Seniors housing

Annex A discloses the type of property securing each mortgage loan in the pool and the priority of each lien. Any type of property may also be considered affordable housing; Annex A discloses certain affordable housing characteristics.

Termination ..... The trust will terminate when the certificate balance of the certificates has been reduced to zero, and all required distributions have been passed through to certificateholders. Fannie Mae has no unilateral option to cause an early termination of the trust other than by purchasing a mortgage loan from the pool for a reason permitted by the trust documents.

Federal Income Tax Consequences	The mortgage pool will be classified as a fixed investment trust. Unless otherwise disclosed in the Additional Disclosure Addendum, Fannie Mae will file an election to treat the mortgage pool as a being included in the assets of a real estate mortgage investment conduit ("REMIC"). In that case, for federal income tax purposes the related certificate will represent ownership of a REMIC regular interest and an interest in any associated prepayment premiums, in each case, in respect of each mortgage loan in the pool. See "**MATERIAL FEDERAL INCOME TAX CONSEQUENCES**" in the Fannie Mae MBS Prospectus.
Whole Pool Certificates.....	Fannie Mae's counsel, Katten Muchin Rosenman LLP, has advised Fannie Mae that certificates issued under the trust documents that represent 100% of the beneficial interests in a pool of mortgage loans (or participation interests therein) held in the related trust and with respect to which REMIC elections are made will qualify as "whole pool certificates" to the same extent as certificates that represent 100% of the beneficial interests in a pool of mortgage loans (or participation interests therein) held in a trust with respect to which no REMIC elections are made.
Resecuritization	Following the assignment of mortgage loans to a trust, the related certificates upon issuance will represent the initial securitization of the mortgage loans. Any further assignment of the certificates to a REMIC trust or other issuance vehicle will represent the initial resecuritization of the mortgage loans. Certificates backed by mortgage loans with respect to which a REMIC election is made may be resecuritized to the same extent as, and may be commingled freely with, certificates backed by mortgage loans with respect to which no REMIC election is made.
Legal Investment Considerations .	Under the Secondary Mortgage Market Enhancement Act of 1984, the certificates offered by this prospectus will be considered "securities issued or guaranteed by … the Federal National Mortgage Association." Nevertheless, investors should consult their own legal advisor to determine whether and to what extent the certificates of an issuance constitute legal investments for them.
ERISA Considerations.....	For the reasons discussed in "**ERISA CONSIDERATIONS**" in the Fannie Mae MBS Prospectus, an investment in the certificates by a plan subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), will not cause the assets of the plan to include the mortgage loans underlying the certificates or the assets of Fannie Mae under the fiduciary provisions of ERISA or the prohibited transaction provisions of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"). Nevertheless, fiduciaries of such plan investors should consult with counsel regarding the applicability of the provisions of ERISA and Section 4975 of the Code before purchasing the certificates.

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SCHEDULE I

FORM OF PROPOSED ADDITIONAL DISCLOSURE ADDENDUM

The following information supplements the information in the Fannie Mae MBS Prospectus. In the event of any inconsistency between the information provided in this Addendum and the information in the Fannie Mae MBS Prospectus, the information in this Addendum shall prevail.

The mortgage loan is an affordable housing loan and, accordingly, the mortgaged property is subject to affordable housing regulatory agreements that impose income and rent restrictions on tenants of the mortgaged property. In addition, the mortgaged property has received an allocation of low income housing tax credits, and the borrower has selected the occupancy option under the Consolidated Appropriations Act of 2018 referred to as "income averaging." The borrower has also covenanted to meet all requirements necessary to cause issuance and completion of IRS Form(s) 8609 for the mortgaged property in a timely fashion and in compliance with Section 42(1) of the Internal Revenue Code. Failure to comply with these covenants is an event of default under the loan agreement. See "THE MORTGAGE LOANS — Affordable Housing Loans"; "RISK FACTORS — RISKS RELATING TO YIELD AND PREPAYMENT — Prepayments Relating to Specific Types of Mortgage Loans and Mortgaged Properties — The successful operation of a mortgaged property securing an affordable housing mortgage loan may depend upon additional factors" and "RISK FACTORS — RISKS RELATING TO YIELD AND PREPAYMENT — Prepayments Relating to Specific Types of Mortgage Loans and Mortgaged Properties — An affordable housing mortgage loan may be secured by a mortgaged property that has received an allocation of low-income housing tax credits but that fails to remain in compliance with the requirements for maintaining eligibility to receive the tax credits due to operations of the property or a casualty on the property" in the Fannie Mae MBS Prospectus for additional information.

The MBS certificates will serve as collateral for a tax-exempt issue of multifamily housing bonds (the "Bonds") issued by the Alabama Housing Finance Authority (the "Issuer") pursuant to and secured by an indenture of trust between the Issuer and Regions Bank, as trustee. The mortgage loan documents provide that the mortgage loan is cross-defaulted with certain agreements relating to the Bonds entered into at the time of the issuance of the Bonds, including but not limited to the indenture authorizing the Bonds and any housing regulatory agreements that limit rents, impose income restrictions or otherwise restrict the use of the property.

Because the mortgage loan documents provide that the mortgage loan is cross-defaulted with certain of the agreements entered into at the time of the issuance of the Bonds, a default under any of the cross-defaulted documents may trigger an event of default on the mortgage loan. If Fannie Mae accelerates the mortgage loan as a result of any event of default under the mortgage loan, the mortgage loan will be paid in full, and the stated principal balance of the MBS certificates will be passed through to the holder of the MBS certificates. In this case, no yield maintenance or other prepayment premiums will be payable to the holder of the MBS certificates.

The mortgage loan is a bifurcated mortgage loan, divided between two separate mortgage notes: the mortgage note for $10,125,000* that is held in this pool, and the mortgage note for $[TBD] that is held in another pool for its applicable MBS certificate. The total debt secured by the mortgaged property is $[TBD]. Both mortgage notes are documented under the same mortgage loan documents, including the same loan agreement, are equal in priority of payment and are secured by one consolidated security instrument, but may have different terms. Information about the other mortgage note may be found in Annex A and in the disclosure documents for the MBS certificate backing the other mortgage note. **The other mortgage note is not part of this pool and does not back the certificate being offered hereunder.**

Because the mortgage note for this pool and the mortgage note for the other pool are secured by the same mortgaged property and documented under the same mortgage loan documents, including the same loan agreement and security instrument, the mortgage note for this pool and the mortgage note for the other pool are effectively cross defaulted with each other. If an event of default occurs and is continuing under the loan documents, Fannie Mae may declare the defaulted mortgage loan evidenced by the mortgage note for this pool and the mortgage note for the other

* Preliminary, subject to change

pool immediately due and payable. See "THE MORTGAGE LOANS — General Characteristics of the Mortgage Loans — Bifurcated Loans" in the Fannie Mae MBS Prospectus for additional information.

The borrower may obtain a supplemental loan secured by a lien on the mortgaged property. Any such supplemental loan is expected to be subordinate to the mortgage loan. Generally, however, the supplemental loan will be cross-defaulted with the mortgage loan. As a result, an event of default on the supplemental loan may cause an event of default on the mortgage loan, which may result in acceleration of the mortgage loan. See "THE MORTGAGE LOANS — General Characteristics of the Mortgage Loans — Existing and Future Supplemental Mortgage Loans — Future Supplemental Mortgage Loans" and "— Cross-Default; Existing Mortgage Loans; Future Supplemental Mortgage Loans" in the Fannie Mae MBS Prospectus for additional information.

In addition to the matters described above, the eligible multifamily lender originating the mortgage loan may request the disclosure of additional matters relating to the mortgage loan or, upon delivery of the mortgage loan to Fannie Mae, in Fannie Mae's discretion, it may determine that matters identified in the Term Sheet attached as APPENDIX H hereto or otherwise may need to be disclosed in the Additional Disclosure Addendum provided in connection with the issuance of the MBS certificates.

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APPENDIX B
DEFINITIONS OF CERTAIN TERMS

Certain capitalized terms used in this Official Statement are defined below. The following is subject to all the terms and provisions of the Indenture, to which reference is hereby made and copies of which are available from the Issuer or the Trustee.

"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 30 calendar days.

"Act" means Chapters 1A of Title 24 of the Code of Alabama 1975, as amended.

"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 David Morrow.

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

"Authorized Officer" means, as applicable, (a) with respect to the Issuer, individually or collectively, the Chairman, Vice Chairman, Secretary, or Assistant Secretary, or a duly designated delegate in writing for such purpose by the Board of Directors of the Issuer, or such other authorized delegate under the prevailing resolution of the Issuer providing for such authority, and (b) with respect to the Trustee any Senior Vice President, 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 the owner of a beneficial interest in the Bonds.

"Bond" or "Bonds" means, individually or collectively as context may dictate, the Series G Bonds and the Series H Bonds.

"Bond Counsel" means Maynard Nexsen, PC or another 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.

"Bond Dated Date" means the Closing Date.

"Bond Loan Mortgage" means the Mortgage and Security Agreement dated as of November 1, 2026, from the Borrower to the Lender, as amended or supplemented from time to time, and assigned to the Issuer and then to the Trustee.

"Bond Loan Notes" means, collectively, the Series G Bond Loan Note and the Series H Bond Loan Note.

"Bond Maturity Date" means (a) with respect to the Series G Bonds, July 1, 2045*, and (b) with respect to the Series H Bonds, February 1, 2031*.

"Bond Proceeds Fund" means the Fund of that name established by the Indenture.

"Bond Purchase Agreement" means the Bond Purchase Agreement, dated November __, 2026, among the Underwriter, the Issuer and the Borrower.

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

"Bond Registrar" has the meaning given to such term in the Indenture.

"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" means Park Hill Place Housing, LLLP, an Alabama limited liability limited partnership, and any permitted successors or assigns of such entity.

"Business Day" means 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 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 and, with respect to any action to be taken by the Issuer, shall also exclude any State holiday when the Issuer is authorized or required to be closed.

"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 H Bonds, as provided in the Indenture, (iv) the redemption price of the Series H Bonds in connection with an optional redemption thereof as provided in the Indenture, 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 the Indenture, (v) the purchase, sale or exchange of Eligible Investments as provided in the Indenture and (vi) the release of Excess Funds from the Series H Negative Arbitrage Subaccount, as provided in the Indenture, and (2) following the release of Excess Funds from the Series G Revenue Fund Account pursuant to the Indenture, that (i) there will remain on deposit in the Series G 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 Series G Bond Payment Date, to make the Bond payment on such next Series G Payment Date; and (ii) the subsequent scheduled MBS Payments will be sufficient, together with any unreleased funds that are retained in the Series G Revenue Fund Account, to pay the Series G Bonds in the amount due on each subsequent Series G Bond Payment Date. The cost and expense of obtaining such Cash Flow Projections shall be the sole responsibility of the Borrower.

"Closing Date" means November __, 2026.

* Preliminary; subject to change.

"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 the Indenture.

"Construction Lender" means Regions Bank, an Alabama banking corporation, in its capacity as maker of the Construction Loan, and its successors and assigns.

"Construction Loan" means the loan made from the Construction Lender to the Borrower in the original principal amount of up to $27,760,000*.

"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 November 1, 2026, 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" has the meaning set forth for such term in the Tax Agreement.

"Costs of Issuance Fund" means the Fund created and so designated in the Indenture.

"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 the Indenture.

"Dissemination Agent" means Regions Bank, or any successor, as Dissemination Agent under the Continuing Disclosure Agreement.

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

"Electronic Means" means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services under the Indenture 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) moneys received by the Trustee representing advances to the Borrower of proceeds of the Construction Loan, and the Permanent Loan;

* Preliminary; subject to change.

(d) remarketing proceeds of the Series H 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 H 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 the Indenture, 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 the 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 consists solely of direct obligations of the government of the United States of America.

"Event of Default" means any occurrence or event specified in the Indenture.

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

"Extension Deposit" means the deposit of Eligible Funds (a) with respect to the Series G Bonds, as described in and pursuant to the Indenture and (b) with respect to the Series H Bonds, the amount due, if any, to provide adequate additional funds for the payment of principal and interest due with respect to the Series H Bonds during a Remarketing Period in connection with the change or extension of the Mandatory Tender Date pursuant to the Indenture 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 the 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 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 the 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 the 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 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 November __, 2026, entered into between the Permanent Lender and Fannie Mae, as the same may be amended from time to time.

"Financing Agreement" means the Financing Agreement dated as of November 1, 2026, among the Issuer, the Borrower, the Originating Lender and the Trustee.

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

"Fund" or "Account" or "Subaccount" means a fund, account, or subaccount created by or pursuant to the 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 and the Bonds, that the Eligible Investment or the Bonds, as applicable, are 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 "Aa1" or "Aa1/VMIG 1" if rated by Moody's or "A-1+" or "AA+" if rated by S&P.

"Indenture" means the Indenture of Trust dated as of November 1, 2026, by and between the Issuer and the Trustee, as it may from time to time be amended, modified or supplemented by Supplemental Indentures.

"Initial Mandatory Tender Date" means February 1, 2030*.

"Initial Payment Date" means July 1, 2027*, on which date interest shall be due and payable for the period from the Closing Date to, but not including, July 1, 2027*.

"Initial Remarketing Date" means the Initial Mandatory Tender Date, but only if the conditions for remarketing the Series H Bonds on such date, as provided in the Indenture, are satisfied.

"Initial Series H Bond Rate" means ___%.

* Preliminary; subject to change.

"Initial Termination Date" means December 1, 2029*.

"Interest Period" means with respect to the Series H Bonds, initially, the period from the Closing Date to and including July 31, 2027*, and thereafter, the period commencing on each succeeding Series H Bond Payment Date and ending on the day preceding the next Series H Bond Payment Date.

"Investor Limited Partner" means RAH Investor 513 LLC, a Mississippi limited liability company, and its successors and/or assigns.

"Issuer" means the Alabama Housing Finance Authority, a public corporation and instrumentality organized under the laws of the State of Alabama.

"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 pursuant to the Indenture, as such date may be extended pursuant to the Indenture.

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

"MBS" shall mean the Fannie Mae Certificate identified in the Indenture that, from and after the MBS Delivery Date, is pledged by the Issuer to the Trustee pursuant to the Indenture.

"MBS Dated Date" means the 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 December 25, 2029*, or, if such day is not a Business Day, the following Business Day, as such date may be extended pursuant to the Indenture.

"MBS Maturity Date" means June 1, 2045*.

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

"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.

"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.

* Preliminary; subject to change.

"Mortgage" means the Multifamily Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated as of the Conversion Date, together with all riders and exhibits, securing the Permanent Loan, executed by the Borrower in favor 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.

"Multifamily Loan and Security Agreement" means the Multifamily Loan and Security Agreement executed by the Borrower and the Permanent Lender, 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 the Indenture.

"Negative Arbitrage Deposit" means individually or collectively, as applicable, the Series G Negative Arbitrage Deposit and the Series H Negative Arbitrage Deposit.

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

"Optional Redemption Date" means any date the Series H Bonds are subject to optional redemption pursuant to the Indenture.

"Ordinary Issuer Fees" means the annual administrative fee of the Issuer payable on or before October 1 of each year so long as the Bonds or any portion thereof is outstanding (and notwithstanding the definition of "Bonds outstanding" in the Indenture, for purposes of the definition of "Ordinary Issuer Fees" in the Indenture, Bonds "outstanding" or "outstanding" Bonds shall include any Bond described in clauses (b) or (c) of the definition of "Outstanding" in the Indenture, e.g., defeased Bonds shall be considered as outstanding for purposes of "Ordinary Issuer Fees"), in an amount equal to 1/8th of 1% of the principal amount of the Bonds outstanding on such date; such fee is payable in full on such date (in advance without proration or refund); in the event of prepayment of the Loan with the result that the Bonds are redeemed in whole prior to the final maturity date of the Bonds (other than in connection with a refunding of which the Issuer acts as issuer and with respect to which the Borrower agrees to pay an administrative fee satisfactory to the Issuer), then the Borrower shall pay (on the date of redemption) to the Issuer, as a prepayment penalty, an amount equal to the present value (as a prepayment and at a discount rate of 6% per annum) of the Issuer's 1/8th of 1% annual administrative fee which otherwise would have been payable on January 1 of each year thereafter through the final maturity date of the Bonds; provided however, in any event, the Borrower shall pay an annual administrative fee to the Issuer of at least $1,000.00 (less any amounts otherwise required to be paid with respect thereto) payable in advance (without proration or refund) on each January 1 until the end of the Qualified Project Period (as defined in the Land Use Restriction Agreement); provided further, however, if no Bonds are outstanding (other than as a result of a refunding of which the Issuer acts as issuer and with respect to which the Borrower agrees to pay an administrative fee satisfactory to the Issuer), the Borrower also shall pay (on the date the Bonds are paid in full) to the Issuer, as a prepayment penalty, an amount equal to the present value (as a prepayment and at a discount rate of 6% per annum) of the Issuer's said $1,000 annual administrative fee through the end of the Qualified Project Period (as referred to in the immediately preceding clause) (less any amounts otherwise required to be paid with respect thereto), and in connection therewith, if the end of the Qualified Project Period cannot be determined because assistance is provided with respect to the Project under section 8 of the United States Housing Act, as amended, then said payment shall be calculated to reflect the portion of the Qualified Project Period ending on the date to be determined in clause (i) of the definition thereof (relating to the 15 year period), and if such section 8 project assistance exists when such date arrives, the Borrower shall resume paying the Issuer's $1,000 annual administrative fee through the end of the Qualified Project Period; further provided, however, that the Borrower shall not pay any amount described in this sentence which would cause the "yield" on the Loan to be "materially higher" than the "yield" on the Bonds, within the meaning of Treasury Regulation Section 1.148-2(d) and the Borrower, and not the Issuer, is solely responsible for compliance with the foregoing provision and for the payment of all expenses associated therewith.

"Ordinary Issuer Fees and Expenses" means the Ordinary Issuer Fees and all costs, expenses or other amounts due to Issuer in performing its obligations under the Indenture; provided, however, the amount of Ordinary Issuer Fees

and Expenses payable under the 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 Issuer Fees and Expenses pursuant to the Financing Agreement. In addition, all amounts due to the Issuer for Extraordinary Services and all Extraordinary Expenses of the Issuer will be paid directly by the Borrower pursuant to the Financing 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 the 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 the Indenture, payable annually in advance on the Closing Date and on each anniversary thereof in the amount of $8,000 (together with an acceptance fee of $4,000 and a Trustee's counsel fee of $6,000 each payable upon execution of the Indenture); as well as the annual sum of $1,000 in connection with its duties as Dissemination Agent under the Continuing Disclosure Agreement. The Ordinary Trustee Fees and Expenses payable under the 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 the Financing Agreement, and 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 the Financing Agreement.

"Originating Lender" means Regions Bank, an Alabama banking corporation.

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

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

(b) any Bond for the payment or redemption 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 or redemption date, or (ii) specified types of Eligible Investments or moneys in the amounts, of the maturities and otherwise as described and required under the Indenture, shall have theretofore been deposited with the Trustee in trust (whether upon or prior to maturity or the redemption date of such Bond) and, except in the case of a Bond to be paid at maturity, as to which a redemption notice shall have been given or provided for in accordance with the Indenture, and

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

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

"Pass-Through Rate" means ___% per annum with respect to the MBS.

"Payment Date" means the Series G Bond Payment Date and the Series H Bond Payment Date, as applicable.

"Permanent Lender" means Regions Bank, an Alabama banking corporation, and its successors and assigns.

"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 Park Hill Place, located in Hazel Green, Alabama, on the site described in the Mortgage.

"Project Costs" means the following costs of the Project, subject to the limitations set forth in the Tax Agreement:

(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 Agreement, 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 the 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 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 Agreement. Initially, the Rebate Analyst will be Tiber Hudson LLC.

"Rebate Fund" means the Fund created and so designated in the Indenture.

"Record Date" means (a) with respect to the Series G 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 H Bonds, the fifteenth (15th) day of the calendar month immediately preceding each Series H Bond Payment Date.

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

"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 November 1, 2026, by and among the Issuer, the Trustee and the Borrower, as it may be amended, supplemented or restated from time to time.

"Remarketing Agent" means, initially, Stifel, Nicolaus & Company, Incorporated, and thereafter any successor Remarketing Agent (which meets the requirements of the Indenture) that may be appointed by the Borrower.

"Remarketing Agreement" means the Remarketing Agreement, dated as of November 1, 2026, 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 H Bonds Outstanding on such date or on any subsequent Remarketing Date are remarketed pursuant to the Indenture for a Remarketing Period that does not extend to the final maturity of the Series H Bonds, the day after the last day of the Remarketing Period.

"Remarketing Proceeds Account" means the Remarketing Proceeds Account of the Revenue Fund created pursuant to the Indenture.

"Representation Letter" has the meaning given to such term in the Indenture.

"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 give and receive notices and to enforce notice and reporting requirements, and restrictions on transfer of ownership, 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, the Regulatory Agreement, 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 the resolution of the Issuer adopted on March 31, 2026, authorizing the issuance and sale of the Bonds.

"Revenue Fund" means the Fund created and so designated in the Indenture.

"S&P" means S&P Global Ratings, a division of S&P Global, Inc., and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency designated by Fannie Mae, that assigns credit ratings.

"Series G Bond Loan Note" means, with respect to the Series G Bonds, the promissory note dated the Closing Date from the Borrower to the Originating Lender and assigned by the Originating Lender to the Issuer and 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 G Bond Payment Date" means (i) with respect to interest, January 1 and July 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 Series G Bonds or any earlier date of redemption of any of the Series G Bonds.

"Series G Bond Proceeds Fund Account" means the Series G Account of the Bond Proceeds Fund created pursuant to the Indenture.

"Series G Bonds" means the Issuer's Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured) (Park Hill Place Project) 2026 Series G in the aggregate principal amount of $10,630,000* authorized under, secured by and issued pursuant to the Indenture.

"Series G Collateral Fund Account" means the Series G Account of the Collateral Fund created pursuant to the Indenture.

"Series G Negative Arbitrage Deposit" means Eligible Funds in the amount of $_____ to be deposited on the Closing Date into the Series G Negative Arbitrage Subaccount and as otherwise set forth in the Indenture.

"Series G Negative Arbitrage Transfer" means the transfer by the Trustee, on the Closing Date, in the amount of $_____, from the Series H Bond Proceeds Fund Account into the Series G 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 G Revenue Fund Account" means the Series G Account of the Revenue Fund created pursuant to the Indenture.

"Series H Bond Loan Note" means, with respect to the Series H Bonds, the promissory note dated the Closing Date from the Borrower to the Originating Lender and assigned by the Originating Lender to the Issuer and 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 H Bond Payment Date" means (i) January 1 and July 1 of each year, commencing on the Initial Payment Date, (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 H Bonds.

"Series H Bonds" means the Issuer's Multifamily Housing Revenue Bonds (Park Hill Place Project) 2026 Series H in the aggregate principal amount of $4,370,000* authorized under, secured by and issued pursuant to the Indenture.

"Series H Collateral Fund Account" means the Series H Account of the Collateral Fund created pursuant to the Indenture.

"Series H Negative Arbitrage Deposit" means Eligible Funds in the amount of $___ to be deposited on the Closing Date into the Series H Negative Arbitrage Subaccount and as otherwise set forth in the Indenture.

"Series H Negative Arbitrage Subaccount" means the Series H subaccount of the Negative Arbitrage Account of the Revenue Fund created pursuant to the Indenture.

"Series H Revenue Fund Account" means the Series H Account of the Revenue Fund created pursuant to the Indenture.

"State" means the State of Alabama.

"Substitute Depository" means a securities depository appointed as successor to DTC under the Indenture.

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

* Preliminary; subject to change.

"Tax Agreement" means the Tax Exemption Agreement and Non-Arbitrage Certificate dated as of the Bond Dated Date and executed by the Issuer, Trustee and the Borrower, as amended, supplemented or otherwise modified from time to time.

"Termination Date" means (i) initially, the Initial Termination Date and (ii) if the Borrower exercises its extension option, June 1, 2030*, in each case 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 Indenture.

"Trustee" means Regions Bank, an Alabama banking corporation.

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

"Underwriter" means Stifel, Nicolaus & Company, Incorporated.

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* Preliminary, subject to change.

APPENDIX C
SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a summary of certain provisions of the Indenture which are not described elsewhere in the Official Statement. This summary does not purport to be comprehensive, and reference should be made to the Indenture for a full and complete statement of its provisions.

Authorization, Transfer and Registration, and Terms of Bonds

Authorization of Bonds. The Bonds of the Issuer are authorized by the Indenture to be issued in an aggregate principal amount set forth in the Indenture and shall be issued subject to the terms, conditions and limitations established in the Indenture as provided therein. 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 the Indenture.

Execution; Limited Obligation. The Bonds shall be signed by, or bear the facsimile or manual signature of, an Authorized Officer of the Issuer, and attested to by the manual or facsimile signature of an Authorized Officer of the Trustee. 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.

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 the Indenture with all other Bonds secured by the 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.

Registration, Transfer and Exchange of Bonds; Persons Treated as Owners. The Trustee shall keep books for the registration, transfer and exchange of the Bonds as provided in the Indenture. The Trustee is 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 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 and in Authorized Denominations 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 in Authorized Denominations.

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 as provided in the Indenture. No charge shall be made to any Bondholder for the privilege of registration of transfer as provided in the Indenture, 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 the Indenture and shall be entitled to all of the security and benefits of the Indenture 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 in the Indenture to the contrary, to the extent the Bonds are Book Entry Bonds, the provisions of the Indenture shall govern the exchange and registration of Bonds.

Conversion on or Prior to Termination Date; Delivery of MBS

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.

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 25th day of each month, commencing on the 25th day of the month following the month in which the Trustee purchases the MBS, or if any such 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. 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.

Pledge of Trust Estate

The pledge and assignment of and the security interest granted in the Trust Estate pursuant to the granting clauses of the Indenture 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 under the Indenture, 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.

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 authorized in the Indenture:

(a) Revenue Fund, including therein (i) a Series G Revenue Fund Account, (ii) a Series H Revenue Fund Account, (iii) a Negative Arbitrage Account, including therein a Series G Negative Arbitrage Subaccount and Series H Negative Arbitrage Subaccount; (iv) a Remarketing Proceeds Account;

(b) Bond Proceeds Fund, including therein (i) a Series G Bond Proceeds Fund Account and (ii) a Series H Bond Proceeds Fund Account;

(c) Collateral Fund, including therein (i) a Series G Collateral Fund Account and (ii) a Series H 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 and the Tax Agreement, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of the Indenture with respect to a deposit or use of money in the respective Funds, or result in commingling of funds not permitted under the Indenture.

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 G Collateral Fund Account and, to the extent sufficient funds are not otherwise available in the Series G Collateral Fund Account, from the Series G 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 G Revenue Fund Account, and, to the extent amounts in the Series G Revenue Fund Account are insufficient for such purposes, from the Series G Negative Arbitrage Subaccount).

Revenue Fund

(a) (i) On any Series G 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 G Revenue Fund Account (and, to the extent amounts in the Series G Revenue Fund Account, are insufficient for such purposes, from the Series G Negative Arbitrage Subaccount), an amount equal to the amount of interest due on the Series G Bonds. On the first Business Day following the first Payment Date following the MBS Delivery Date, the Trustee shall release to the Borrower any remaining balance in the Series G Revenue Fund Account (including the Series G Negative Account therein) that exceeds a total of $20,000.

(b) There shall be deposited into the Series G Negative Arbitrage Subaccount and the Series H Negative Arbitrage Subaccount, as applicable, the Series G Negative Arbitrage Deposit and the Series H Negative Arbitrage Deposit. Any Extension Deposit shall be deposited into the Series G Negative Arbitrage Subaccount or the Series H Negative Arbitrage Subaccount, as applicable.

(c) There shall be deposited into the Series G Revenue Fund Account, as and when received, (i) following the MBS Delivery Date, all moneys received by the Trustee representing principal payments or prepayments, and premium, if any, under the MBS, together with all other amounts required pursuant to the Indenture to be deposited therein, (ii) any other amounts specified in the 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 of the Indenture.

(d) There shall be deposited into the Series H Revenue Fund Account all amounts paid by the Borrower pursuant to the Financing Agreement.

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

(f) On each Series H Bond Payment Date, the Trustee shall disburse from the Series H Revenue Fund Account (and, to the extent amounts in the Series H Revenue Fund Account are insufficient for such purposes, from the Series H Negative Arbitrage Subaccount) an amount equal to the amount of principal, if any, and interest due on the Series H Bonds. Following Redemption of the Series H Bonds, any remaining balance in the Series H Revenue Fund Account shall be paid to the Borrower.

(g) On each Payment Date, the Trustee shall pay to the Bond owners, from the applicable account of Revenue Fund, the amount listed in the applicable maturity, sinking fund and interest payment schedule set forth in the Indenture. 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 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 promptly notify Fannie Mae and promptly 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 G 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 H Negative Arbitrage Subaccount to or upon the direction of the Borrower, upon receipt by the Trustee of (1) written direction from the Borrower to the Trustee to release such Excess Funds, and (2) a Cash Flow Projection.

Bond Proceeds Fund

Except in the case of the Series G Negative Arbitrage Transfer, upon (a) deposit of Eligible Funds into the applicable Account of the Collateral Fund, if any, as provided under the heading "Collateral Fund" below, (b) delivery of a corresponding requisition executed by an Authorized Borrower Representative (and approved by the Lender and the Issuer) in the form of an exhibit attached to the Financing Agreement and (c) subject to the provisions of the Indenture, the Trustee shall disburse proceeds of the Series G Bonds or Series H 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 G Bonds and the Series H 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 H Bond Proceeds Fund Account (including projected investment earnings thereon), any transfer permitted at closing under the Indenture, will at least equal the Outstanding principal amount of the Series G Bonds and the Series H 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 the Indenture and (2) to pay amounts due on the Bonds pursuant to the Indenture), 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 authorized by the Indenture 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 Subaccount 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 G Bonds or Series H 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 Business Day of receipt of such deposit to the party that made such deposit as set forth in the requisition.

On the Closing Date, the Trustee shall transfer amounts permitted under the Indenture, if any, and no additional amounts shall be disbursed from the Bond Proceeds Fund except in accordance with this section.

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 G Bonds or Series H Bonds, as applicable, pursuant to the Indenture.

On the MBS Delivery Date, amounts remaining in the Series G 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 G Collateral Fund Account, to pay the MBS Purchase Price, (ii) to transfer funds to the Series G Revenue Fund Account in an amount equal to the difference, if any, between (x) the aggregate principal amount of and interest due on the 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 the Indenture, and (iii) to pay any remaining Project Costs as approved by the Lender and the Issuer in writing.

Collateral Fund

The Trustee shall deposit into the applicable Account of the Collateral Fund all Eligible Funds received pursuant to the Financing Agreement and any other Eligible Funds received by the Trustee for deposit into the applicable Account of the Collateral Fund. Except as otherwise permitted under the Indenture and with respect to the Series G Negative Arbitrage Transfer, 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 G Bond proceeds and Series H 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 of the Indenture, (i) until the purchase of the MBS on the MBS Delivery Date, each deposit into the Series G Collateral Fund Account shall constitute an irrevocable deposit solely for the benefit of the holders of the Series G Bonds, and (ii) each deposit into the Series H Collateral Fund Account shall constitute an irrevocable deposit solely for the benefit of the holders of the Series H 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 the Indenture and (ii) on the MBS Delivery Date the Trustee shall use money in the Series G Collateral Fund Account (and, to the extent there are not sufficient funds on deposit in the Series G Collateral Fund Account, from the Series G Bond Proceeds Fund Account) to pay for the principal amount of 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 price of any of the Bonds, all as provided in the Indenture.

Notwithstanding anything in the Indenture to the contrary, the Trustee is authorized to make the Series G Negative Arbitrage Transfer without a corresponding deposit of Eligible Funds into the Collateral Fund.

Investment of Funds

The moneys held by the Trustee shall constitute trust funds for the purposes of the Indenture. Any moneys attributable to each of the Funds and Accounts under the Indenture shall be invested by the Trustee at the written direction of the Borrower in Eligible Investments which, except as otherwise provided in the Indenture, mature or are redeemable at par, without penalty, on the date on which such funds are expected to be needed for the purposes for which they are held. Written direction may include written direction by Electronic Means. Notwithstanding anything in the Indenture to the contrary, except as otherwise set forth in this sentence, all amounts in the Revenue Fund, the Bond Proceeds Fund and the Collateral Fund shall be invested solely in Eligible Investments as directed in writing by the Borrower; 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 which shall mature or be redeemable at par without penalty at the times set forth in the Indenture. 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, which shall mature or be redeemable at par without penalty at the times set forth in the Indenture. The Trustee may make any and all such investments through its own banking department or the banking department of any affiliate and may invest in its own proprietary money market funds or deposit products.

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 G Bonds, prior to the MBS Delivery Date, at the 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 H 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 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. 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 by the Indenture as an investment of moneys in that Fund. Following the Closing Date, at the written direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything in the Indenture 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 to the Indenture shall be purchased in the name of the Trustee and shall be held for the benefit of the Bondholders pursuant to the terms of the Indenture. The Trustee shall take such actions as shall be necessary to ensure that such Eligible Investments are held pursuant to the terms of the Indenture and are subject to the trust and security interest created in the Indenture.

The Trustee shall not be liable or responsible for any loss resulting from any investment made in accordance with the Indenture. 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 under the Indenture, but shall account for each separately. The Trustee does not have any obligation to monitor the ratings of any Eligible Investments.

In computing for any purpose under the Indenture 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.

Particular Covenants

Payment of Bonds. Subject to the other provisions of the 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.

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. In furtherance of the foregoing covenant, the Issuer 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 set forth under this sub-heading "Tax Covenants" and the Tax Agreement, the provisions of the Tax Agreement shall control.

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. 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 under the Indenture to any payment out of the Trust Estate or the

funds (except funds held in trust for the payment of particular Bonds pursuant to the Indenture) held by the Trustee, except subject to the provisions of the Indenture 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 the Indenture, such that the aggregate balance in the Series G Bond Proceeds Fund Account, the Series G Collateral Fund Account and the Series G Revenue Fund Account is equal to 100% of the principal amount of the Series G Bonds plus interest accrued on the Series G Bonds to the date which is five (5) calendar days following the MBS Delivery Date Deadline (as such date may be extended under the Indenture), then the Series G Bonds shall be subject to mandatory redemption as set forth in the Indenture.

Discharge of Indenture

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 the 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 the Indenture, (ii) the obligation of the Issuer to pay the amounts owing to the Trustee under the Indenture from the Trust Estate, and (iii) the obligation of the Issuer to comply with the Indenture. 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 the Indenture. Notwithstanding the defeasance of the Bonds, the Borrower shall remain obligated to pay the amounts owing to the Trustee under the Indenture.

Any Bond or portion thereof in an Authorized Denomination shall be deemed no longer Outstanding under the 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 date thereof; or

(iii) by depositing with the Trustee, in trust, any investments listed under the definition of Eligible Investments, 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 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 within 45 days, proper notice of redemption of such Bond shall have been previously given in accordance with the Indenture to the holder thereof or, in the event such Bond is not by its terms subject to redemption 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 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 a report from a nationally recognized accounting firm or other nationally recognized verification agent to provide for the payment of all Bonds to be defeased pursuant to this section.

Defaults and Remedies

Events of Default. Each of the following events shall constitute an Event of Default under the 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 G Bonds when the same shall become due; or (ii) failure to pay any interest or principal on the Series H 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 the Indenture and the continuation of such default for a period of 90 days after written notice to the Issuer from the Trustee or the registered owners of at least 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 promptly 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 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.

Acceleration; Rescission of Acceleration.

(a) Upon (i) the occurrence of an Event of Default under item (a) under the heading "Defaults and Remedies – Events of Default," above, (ii) prior to the MBS Delivery Date, the occurrence of an Event of Default under item (b) under the heading "Defaults and Remedies – Events of Default," above, with respect to the Series G Bonds, or (iii) the occurrence of an Event of Default under item (b) under the heading "Defaults and Remedies – Events of Default," above with respect to the Series H Bonds, the Trustee may, and upon the written request of the applicable holders of not less than seventy-five percent (75%) in aggregate principal amount of the 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 G Bonds Outstanding, premium, if any, and the interest accrued thereon immediately due and payable.

(b) An Event of Default (i) following the MBS Delivery Date, under item (b) under the heading "Defaults and Remedies – Events of Default," above, or (ii) under item (c) under the heading "Defaults and Remedies – Events of Default," above, shall not give rise to an acceleration of the Series G Bonds pursuant to this section, provided, however, that following such an Event of Default, the holder(s) of one hundred percent (100%) of the Series G 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 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 (A) delivery to the Trustee (via DTC withdrawal or otherwise) of the Series G Bonds being exchanged, and (B) payment by the requesting owner of the Trustee's exchange fee ($1,000) with respect to such Series G 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 the Series G Bonds from the requesting Beneficial Owner, the Trustee will promptly cancel all Series G Bonds, which will not be reissued;

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

(vi) The MBS delivered in such an exchange will also be subject to any applicable disclosure requirements concerning the mortgage-backed securities 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 G Bonds should consult their own tax advisors concerning that and other tax consequences of any exchange of a Series G Bond for the MBS.

(c) The acceleration of the Series G Bonds will not constitute a default under, or by itself cause the acceleration of, the MBS. If at any time after the Series G 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 G Bonds then due (other than solely by reason of such declaration) and all unpaid installments of interest (if any) on all the Bonds then due with interest at the rate borne by the Series G 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 under the Indenture have been made good or cured or waived in writing by the holders of a majority in principal amount of the Series G Bonds Outstanding, then and in every case, the Trustee on behalf of the holders of all the Series G 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 item (b) under the heading "Defaults and Remedies – Events of Default," above, with respect to the Series H 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 H Bonds Outstanding, by a notice in writing delivered to the Issuer and the Borrower, shall, declare the principal of all of the Series H 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 H Bonds described in under item (c) under the heading "Defaults and Remedies — Events of Default" above, the Trustee may, with the written consent of all Holders of the Series H Bonds Outstanding, declare by a notice in writing delivered to the Issuer and the Borrower, the principal of all Series H 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 H Bonds Outstanding shall continue to accrue from such date through but not including the tender of payment to the Holders of those Series H Bonds.

Other Remedies; Rights of Bondholders. Subject to the Indenture, 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 G Bonds or the Series H 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 the 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 G Bonds;

(b) Upon an Event of Default under paragraph (a) under the heading "Events of Default" above only, by realizing or causing to be realized through sale or otherwise upon the security pledged under the Indenture (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 75% (or 100% as set forth in paragraph (b) under "Acceleration; Rescission of Acceleration" above) in aggregate principal amount of the Series G Bonds or the Series H Bonds Outstanding, and upon being indemnified to its satisfaction, the Trustee shall be obligated to exercise one or more of the rights and powers conferred by the Indenture 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 the Indenture.

No right or remedy by the terms of the 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 under the Indenture, 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 under the Indenture, 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 G Bonds shall, on its own, constitute an Event of Default with respect to the Series H Bonds, and vice versa.

Waivers of Events of Default. The Trustee shall waive any Event of Default under the Indenture and its consequences and rescind any declaration of maturity of principal of, premium, if any, and interest on the Series G Bonds or the Series H Bonds, as applicable, upon the written request of the holders of a majority in aggregate principal amount of all of the Series G Bonds or the Series H Bonds, as applicable, Outstanding 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 (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) 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 under the Indenture 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.

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 under the Indenture, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

No Interference or Impairment of MBS. Notwithstanding any other provision of the 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 the Indenture with respect to the Series G Bonds other than to (a) enforce rights under the MBS, (b) enforce the tax covenants in the Indenture, the Tax Agreement and the Financing Agreement, or (c) enforce rights of specific performance under the Regulatory Agreement; 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.

Concerning the Trustee

Trustee. Regions Bank is appointed by the Indenture as Trustee. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Indenture by executing the Indenture.

Acceptance of the Trusts. The Trustee shall not be responsible for any recital in the Indenture, 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 the Indenture or the Mortgage or any financing statements relating to the Indenture or the Mortgage or for the validity of the execution by the Issuer of the Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued under the Indenture or intended to be secured thereby, or for the value or title of the Project or otherwise as to the maintenance of the security thereof. 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 set forth in the Indenture; 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.

Fees, Charges and Expenses of Trustee. Notwithstanding any provision to the contrary in the Indenture, but subject to the limitations set forth in the definition of Ordinary Trustee Fees and Expenses, the Trustee shall be entitled to payment for reasonable fees for its services rendered under the Indenture and 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 Trust Estate (including, but not limited to, the proceeds of the MBS). Upon an Event of Default under paragraph (a) under the heading "Events of Default" above 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 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 under the Indenture, the Financing Agreement and the Regulatory Agreement which are not due to its own gross negligence or willful misconduct, and to reimburse the Trustee for any fees and expenses of the Trustee (including counsel fees and expenses) to the extent they exceed funds available under the 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 under the Indenture until such time as its resignation or removal is effective pursuant to the Indenture.

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 under the Indenture 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 to the Indenture, anything in the Indenture to the contrary notwithstanding.

Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts created by the Indenture by giving 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, pursuant to the Indenture, of, 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.

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 then 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).

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 a 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 under the Indenture, by the holders of a majority in aggregate principal amount of the Bonds then 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 the Indenture or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Bondholder may 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 and 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 by the Indenture, if there be such an institution meeting such qualifications willing to accept such appointment.

Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under the Indenture 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 in the Indenture 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 the Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions set forth in the Indenture. 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.

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 under the Indenture subject to the provisions of the Indenture. 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.

Supplemental Indentures

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 G Bonds), 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 contained in the Indenture other covenants or agreements to be observed by the Issuer or to otherwise revise or amend the Indenture in a manner which are/is not materially adverse to the interests of the Bondholders;

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

(c) To surrender any right, power or privilege reserved to or conferred upon the Issuer in the Indenture, 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 in the Indenture and is not materially adverse to the interests of the Bondholders;

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

(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 in the Indenture; and

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

Supplemental Indentures Requiring Consent of Bondholders. In addition to those amendments to the Indenture which are authorized under the heading "Supplemental Indentures Effective Upon Acceptance" above, any modification or amendment of the Indenture may be made by a Supplemental Indenture with the written consent, given as hereinafter provided under the heading "Consent of Bondholders" below, of Fannie Mae (but only in connection with the Series G Bonds, the Bond Loan Mortgage, or any lien or property encumbered by the Mortgage) and the holders of at least two thirds 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 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 the Indenture prior to or on a parity with the lien of the Indenture, (d) deprive the holders of the Bonds of the lien created by the Indenture upon the Trust Estate (except as expressly provided in the Indenture), without (with respect to (b) through (d)) the consent of the holders of all Bonds then Outstanding, or (e) change or modify any of the immunities, indemnities, rights, protections, privileges, limitations on liability or obligations of the Trustee without the written consent thereto of the Trustee. All fees, costs and expenses (including reasonable attorneys' fees, costs and expenses) incurred in connection with any modification, amendment or Supplemental Indenture shall be payable by the Borrower

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 under the heading "Supplemental Indentures Requiring Consent of Bondholders" above, 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 G Bonds, the Bond Loan Mortgage, or any property encumbered by the Mortgage) and the holders of the proportion of Outstanding Bonds specified under the heading "Supplemental Indentures Requiring Consent of Bondholders" above, 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 the Indenture, is authorized or permitted by the provisions of the 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 the Indenture. A certificate or certificates by the Trustee that it has examined such proof and that such proof is sufficient under the provisions of the Indenture shall be conclusive that the consents have been given by the holders of the Bonds described in such certificate or certificates. Any such consent shall be binding upon the holder of the Bonds 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 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. The Trustee shall provide confirmation to 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 delivery 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.

Modification by Unanimous Consent. Notwithstanding anything contained in the foregoing provisions of the Indenture, the terms and provisions of the Indenture and the rights and obligations of the Issuer and the Bondholders under the Indenture, 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 G Bonds), the Permanent Lender, the Construction Lender (but only prior to the Conversion Date) and the holders of all of the Bonds then Outstanding, such consent to be given and proved as provided under the heading "Consent of Bondholders" above 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.

Miscellaneous Provisions

No Recourse on Bonds. All covenants, stipulations, promises, agreements and obligations of the Issuer contained in the Indenture shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer and not of any of its officers or employees or members of its governing body, past, present or future, in his or her individual capacity, and no recourse shall be had for the payment of the principal of, premium, if any, or Redemption Price or purchase price of or interest on the Bonds or for any claim based thereon or under the Indenture or any other Issuer Documents or the Financing Documents against any such member, officer, employee or agent of the Issuer, past, present or future, or any natural person executing the Bonds.

Volume Cap Recycling Transactions. Notwithstanding any provisions of the 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, under the Indenture, 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 designated by the Issuer and specified in such written direction. For purposes of effectuating the foregoing, the Trustee is, under the Indenture, 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.

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APPENDIX D
SUMMARY OF CERTAIN PROVISIONS OF THE FINANCING AGREEMENT

The following is a summary of certain provisions of the Financing Agreement which are not described elsewhere in the Official Statement. This summary does not purport to be comprehensive, and reference should be made to the Financing Agreement for a full and complete statement of its provisions.

Definitions

Capitalized terms used but not defined herein shall have the meanings given them in the Indenture and the Financing Agreement.

Issuance of Bonds

To provide funds to purchase the Bond Loans for purposes of assisting the Borrower in paying Project Costs, the Issuer has authorized the issuance of the Bonds in the aggregate principal amounts set forth in the Financing Agreement and Bonds in such amounts shall be issued and Outstanding as of the Closing Date. The obligations of the Issuer, the Trustee, the Originating Lender and the Borrower under the Financing Agreement are expressly conditioned upon (i) the sale, issuance and delivery of the Bonds, (ii) receipt by the Trustee of the amounts set forth in the Indenture, (iii) the making of the Construction Loan by the Construction Lender and (iv) the making of the Permanent Loan on the Conversion Date. None of the Issuer, the Originating Lender, the Trustee nor Fannie Mae shall have any liability for any fees, costs or expenses, including, without limitation, issuance costs relating to the Bonds; all of such fees, costs and expenses shall be paid by the Borrower.

The Bonds will be issued pursuant to the Indenture in the aggregate principal amount, will bear interest, will mature and will be subject to redemption, mandatory tender and remarketing as set forth therein. The Borrower has approved the terms and conditions of the Indenture and the Bonds, and the terms and conditions under which the Bonds will be issued, sold and delivered and will comply with those provisions of the Indenture that contemplate action by the Borrower, all as if the Borrower were a party to the Indenture.

The Originating Lender and Borrower consent to the application of the proceeds of the Bonds as provided in the Indenture.

Sources, Deposits and Uses

The Trustee shall apply the amounts deposited into the Series G Bond Proceeds Fund Account and the Series G Collateral Fund Account as provided in the Indenture to secure the Series G Bonds until the MBS Delivery Date and then to purchase the MBS. The Trustee shall apply the amounts deposited into the Series H Bond Proceeds Fund Account and the Series H Collateral Fund Account as provided in the Indenture to secure the Series H Bonds until the Initial Mandatory Tender Date and then to redeem the Series H Bonds unless the conditions to remarketing set forth in the Indenture are satisfied. The Borrower accepts the Construction Loan from the Construction Lender, upon the terms and conditions set forth in the Construction Loan Documents. The Borrower accepts the Permanent Loan from the Permanent Lender, upon the terms and conditions set forth in the Financing Agreement, in the Permanent Loan Documents and in the Indenture, and subject to the terms and conditions of the Regulatory Agreement. The Issuer has caused the proceeds of the Bonds to be provided to the Trustee for deposit in accordance with the Indenture. The Borrower acknowledges its obligation to pay all amounts necessary to pay principal of, premium, if any, and interest on the Bonds as provided in the Indenture. The Borrower has made arrangements for the delivery to the Trustee of the Bond proceeds, the MBS and of certain other Eligible Funds and proceeds of the Bonds as contemplated in the Financing Agreement and the Indenture. Payments on the MBS received by the Trustee shall be credited to amounts due from the Borrower for payment of principal of, premium, if any, and interest on the Series G Bonds.

Notification of Prepayment of Bond Loan Notes and Mortgage Note

The Issuer and Originating Lender, as applicable, shall notify the Trustee promptly in writing of the receipt of any prepayment of the Series G Bond Loan Note and the Mortgage Note, whether upon acceleration, by reason of

application of insurance or condemnation proceeds, optional prepayment or otherwise. If such prepayment of the Series G Bond Loan Note or the Mortgage Note results in revisions to the Permanent Loan Amortization Schedule, the Borrower shall direct the Permanent Lender to provide the revised Permanent Loan Amortization Schedule to the Trustee.

Collateral Payments

In consideration of and as a condition to the disbursement of Bond proceeds in the Bond Proceeds Fund to pay Project Costs (but not as a condition to or except as otherwise permitted under the Indenture), and to secure the Borrower's obligation to make payments on the Bond Loan Notes, the Borrower shall cause the delivery of Eligible Funds equal to the amount of the proposed disbursement to the Trustee on or before each such disbursement. All such Eligible Funds shall be paid to the Trustee for the account of the Issuer and shall be held in applicable Account of the Collateral Fund and disbursed in accordance with the provisions of the Indenture.

Disbursements from the Bond Proceeds Fund

Subject to the provisions below and so long as no Event of Default under the Financing Agreement has occurred and is continuing for which the principal amount of the Bonds has been declared to be immediately due and payable pursuant to the Financing Agreement and the Indenture, and no Determination of Taxability has occurred with respect to the Bonds, disbursements from the Bond Proceeds Fund shall be made only to pay any of the Project Costs.

Except as otherwise permitted under the Indenture, any disbursements from the Bond Proceeds Fund for the payment of Project Costs shall be made by the Trustee only upon the receipt by the Trustee of: (a) a signed requisition in the form attached to the Financing Agreement as an exhibit, on which the Trustee may conclusively rely; and (b) the receipt by the Trustee of Eligible Funds in an amount equal to the amount of any such disbursement request for deposit in the Collateral Fund as described under the heading "Collateral Payments" above. The Borrower acknowledges and agrees that it shall submit disbursement requests to the Trustee no more frequently than once each calendar month. Each such disbursement request shall be consecutively numbered and accompanied by a copy of the approval of the Lender of the payments or reimbursements requested. Except as otherwise set forth in the Indenture, proceeds of the Bonds disbursed pursuant to the provisions of the Financing Agreement may only be used to pay the Project Costs or as otherwise permitted under the Indenture.

Any disbursement of the proceeds of the Bonds for any item not described in, or the cost for which item is other than as described in, the information statement filed by the Issuer in connection with the issuance of the Bonds as required by Section 149(e) of the Code, and in the notice of public hearing pertaining to the Bonds shall be accompanied by an opinion of Bond Counsel to the effect that such disbursement will not adversely affect the status of the interest on the Bonds as excludible from gross income for federal income tax purposes of the Bondholders (except on Bonds while held by a substantial user or related person, each as defined in the Code).

Any money in the Bond Proceeds Fund remaining after the MBS Delivery Date shall be applied as set forth under the Indenture.

Notwithstanding any provision of the Financing Agreement or any provision of the Indenture to the contrary, except as set forth in the Indenture and the Financing Agreement, the Trustee shall not disburse funds from the Bond Proceeds Fund unless and until the Trustee confirms that Eligible Funds in the applicable Account of the Collateral Fund plus Eligible Funds in the applicable Account of the Bond Proceeds Fund, less the amount of the requested disbursement from the applicable Account of the Bond Proceeds Fund, is at least equal to the then-Outstanding principal amount of the Series G Bonds or Series H Bonds, as applicable; provided, however, that the Trustee shall be permitted to transfer funds from the applicable Account of the Bond Proceeds Account 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, provided, further that the result of any such transfer is that as set forth under the Indenture, provided that, as a result of any such transfer, with respect to (i) the Series G Bonds, the amount of Eligible Funds remaining on deposit in the Series G Bond Proceeds Fund Account plus Eligible Funds on deposit in the Series G Collateral Fund Account is at least equal to the then Outstanding principal amount of the Series G Bonds and (ii) the Series H

Bonds, the amount of Eligible Funds remaining on deposit in the Series H Bond Proceeds Fund Account plus Eligible Funds on deposit in the Series H Collateral Fund Account, plus scheduled investment earnings on Eligible Investments in such accounts, is at least equal to the then-Outstanding principal amount of the Series H Bonds.

The Bonds will be issued pursuant to the Indenture in the aggregate principal amounts, will bear interest, will mature and will be subject to redemption, mandatory tender and remarketing as set forth therein. The Borrower approves the terms and conditions of the Indenture and the Bonds, and the terms and conditions under which the Bonds will be issued, sold and delivered and will comply with those provisions of the Indenture that contemplate action by the Borrower, all as if the Borrower were a party to the Indenture. Without limiting the foregoing, the Borrower consents to the application of the proceeds of the Bonds as provided in the Indenture.

Events of Default

Each of the following shall constitute an event of default under the Financing Agreement, and the term "Event of Default" shall mean, whenever used in the Financing Agreement, any one or more of the following events:

(i) Failure by the Borrower to pay any amounts due under the Financing Agreement at the times and in the amounts required by the Financing Agreement; or

(ii) Failure by the Borrower to observe or perform any covenants, agreements or obligations in the Financing Agreement on its part to be observed or performed (other than as provided in clause (i) above) for a period of thirty (30) days after receipt of written notice specifying such failure and requesting that it be remedied, given to the Borrower by any party to the Financing Agreement; provided, however, that if said failure shall be such that it cannot be corrected within such period, it shall not constitute an Event of Default if the failure is correctable without material adverse effect on the Bonds and if corrective action is instituted by the Borrower within such period and diligently pursued until the failure is corrected, and provided further that any such failure shall have been cured within ninety (90) days of receipt of notice of such failure; or

(iii) Breach of any of the covenants, agreements or obligations of the Borrower under or the occurrence of a default which is continuing under the Regulatory Agreement after any applicable notice and cure period, including any exhibits to any of the foregoing; or

(iv) The occurrence of an Event of Default caused by the Borrower under and as defined in the Indenture or under any of the other Financing Documents.

Nothing contained in this section is intended to amend or modify any of the provisions of the Construction Loan Documents or the Permanent Loan Documents or to bind the Borrower, the Lender or Fannie Mae to any notice and cure periods other than as expressly set forth in the Construction Loan Documents or the Permanent Loan Documents.

Remedies Upon an Event of Default

(a) Subject to subsection (d) below, and if prior to the MBS Delivery Date, with the consent of the Construction Lender, whenever any Event of Default shall have occurred and be continuing, the Issuer or the Trustee may take any one or more of the following remedial steps:

(i) By any suit, action or proceeding, pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under the Financing Agreement and the Bond Loan Notes, to enforce the performance of any covenant, obligation or agreement of the Borrower under the Financing Agreement and the Bond Loan Notes (subject to the nonrecourse provisions of the Financing Agreement and the Regulatory Agreement), or to enjoin acts or things which may be unlawful or in violation of the rights of the Issuer or the Trustee.

(ii) Take whatever other action at law or in equity may appear necessary or desirable to enforce any monetary obligation of the Borrower under the Financing Agreement and the Bond Loan Notes or to enforce any other covenant, obligation or agreement of the Borrower under (1) the Financing Agreement, (2) the Regulatory Agreement, or (3) the Bond Loan Notes.

(iii) Have access to and inspect, examine, audit and make copies of the books and records and any and all accounts, data and income tax and other tax returns of the Borrower.

(b) The provisions of subsection (a) of this section are subject to the condition that if, after any Event of Default, except a default under the Regulatory Agreement, (i) all amounts which would then be payable under the Financing Agreement by the Borrower if such Event of Default had not occurred and was not continuing shall have been paid by or on behalf of the Borrower, and (ii) the Borrower shall have also performed all other obligations in respect of which it is then in default under the Financing Agreement and shall have paid the reasonable charges and expenses of the Issuer and the Trustee, including reasonable attorney fees and expenses paid or incurred in connection with such default, then and in every such case, such Event of Default may be waived and annulled by the Trustee, but no such waiver or annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereon.

(c) Subject to the limitations of the Regulatory Agreement and the Financing Agreement, the Issuer, without the consent of the Trustee, but only after written notice to the Trustee, the Borrower, the Construction Lender, the Permanent Lender and Fannie Mae, may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any Reserved Right of the Issuer; including without limitation rights of specific performance and fulfillment of reporting obligations to governmental bodies or agencies; provided that, the Issuer may not (i) terminate the Financing Agreement or cause the Construction Loan or Permanent Loan to become due and payable, (ii) cause the Trustee to declare the principal of all Bonds then Outstanding and the interest accrued thereon to be immediately due and payable, or cause the Trustee to accelerate, foreclose or take any other action or seek other remedies under the Financing Documents, the Construction Loan Documents, Permanent Loan Documents or any other documents contemplated thereby or by the Financing Agreement to obtain such performance or observance, (iii) cause the acceleration, foreclosure or taking of any other action or the seeking of any remedies under the Construction Loan Documents or the Permanent Loan Documents, (iv) initiate or take any action which may have the effect, directly or indirectly, of impairing the ability of the Borrower to timely pay the principal, interest and other amounts due under the Construction Loan or the Permanent Loan, or (v) interfere with or attempt to influence the exercise by Fannie Mae of any of its rights under the Financing Documents, the Construction Loan Documents or the Permanent Loan Documents.

(d) Except as required to be deposited in the Rebate Fund pursuant to the Tax Agreement, any amounts collected pursuant to action taken under this section shall, after the payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, the Issuer, the Lender or Fannie Mae and their respective counsel, be applied in accordance with the provisions of the Indenture. No action taken pursuant to this section shall relieve the Borrower from the Borrower's obligations pursuant to the Financing Agreement.

(e) No remedy conferred upon or reserved to the Issuer or the Trustee in the Financing Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing pursuant to any other agreement at law or in equity or by statute.

(f) Notwithstanding any other provision of the Financing Agreement to the contrary, after the MBS Delivery Date, so long as Fannie Mae is not in default under the MBS, none of the Issuer, the Trustee or any Person under their control shall exercise any remedies or direct any proceedings under the Financing Agreement or the Permanent Loan Documents, other than to (i) enforce rights under the MBS, (ii) enforce the tax covenants in the Indenture, the Tax Agreement and the Financing Agreement, or (iii) enforce rights of specific performance under the Regulatory Agreement; provided, however, that any enforcement under (ii) or (iii) above shall not include seeking monetary damages.

Notice of Default: Rights to Cure

The Issuer and the Trustee shall each give notice to the other and to the Investor Limited Partner, the Construction Lender (but only prior to Conversion Date) and the Originating Lender of the occurrence of any Event of Default by the Borrower under the Financing Agreement of which it has actual knowledge. The Construction Lender (but only prior to Conversion Date) and the Investor Limited Partner shall each have the right, but not the obligation, to cure any such default by the Borrower, and upon performance by the Construction Lender (but only prior to Conversion Date) or the Investor Limited Partner to the satisfaction of the Issuer and the Trustee of the covenant, agreement or obligation of the Borrower with respect to which an Event of Default has occurred, the parties to the Financing Agreement shall be restored to their former respective positions, it being agreed that the Originating Lender, Construction Lender (but only prior to Conversion Date) and the Investor Limited Partner shall each have the right to repayment from the Borrower of moneys it has expended and any other appropriate redress for actions it has taken to cure any default by the Borrower; provided that the Borrower's reimbursement obligation shall be non-recourse to the same extent as the underlying obligation is non-recourse to the Borrower.

Amendment

The Financing Agreement and all other documents contemplated by the Financing Agreement to which the Issuer is a party may be amended or terminated only if permitted by the Indenture, and no amendment to the Financing Agreement shall be binding upon any party to the Financing Agreement until such amendment is reduced to writing and executed by the parties thereto; provided that no amendment, supplement or other modification to the Financing Agreement or any other Financing Document shall be effective without the prior written consent of the Construction Lender (but only prior to the Conversion Date), the Permanent Lender and Fannie Mae, provided, further, that after giving effect to the Originating Lender's assignment of its rights under the Financing Agreement to the Issuer, execution by Originating Lender shall not be required for amendments to the Financing Agreement that do not affect Originating Lender's rights under the Financing Agreement.

Limited Liability of the Issuer

The Issuer shall not be obligated to pay the principal (or Redemption Price) of, premium, if any, or interest on the Bonds, except from the Trust Estate. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof, nor the faith and credit of the Issuer or any member is pledged to the payment of the principal (or Redemption Price) of, premium, if any, or interest on the Bonds. The Issuer shall not be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with the Financing Agreement, the Bonds or the Indenture, except only to the extent amounts are received for the payment thereof from the Borrower under the Financing Agreement or from the MBS.

The Borrower acknowledges that the Issuer's sole source of moneys to repay the Bonds will be provided by the Trust Estate, and agrees that if the payments to be made under the Financing Agreement shall ever prove insufficient to pay all principal (or Redemption Price) of, premium, if any, and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise), then upon notice from the Trustee, the Borrower shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal (or Redemption Price) of, premium, if any, or interest, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the Borrower, the Issuer or any third party, subject to any right of reimbursement from the Trustee, the Issuer or any such third party, as the case may be, therefor.

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APPENDIX E
SUMMARY OF CERTAIN PROVISIONS OF THE REGULATORY AGREEMENT

The following is a summary of certain provisions of the Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement"). The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Regulatory Agreement, copies of which are on file with the Issuer and the Trustee.

Definitions

As used herein:

"Bond Loans" means the two loans originated by the Originating Lender to the Borrower to provide financing for the Project that are evidenced by the Bond Loan Notes, secured by the Bond Loan Mortgage and purchased by the Authority from the Originating Lender with proceeds of the Bonds.

"Bond Loan Documents" means the Bond Loan Mortgage, the Bond Loan Notes and all other documents required by the Originating Lender in connection with the Bond Loans.

"Bond Loan Mortgage" means the Mortgage and Security Agreement dated as of November 1, 2026 from the Borrower, as mortgagor, to the Originating Lender, as mortgagee, as thereafter amended or supplemented, as assigned, amended, or supplemented.

"Bond Loan Notes" means the two promissory notes made by the Borrower in favor of the Originating Lender that evidences the Owner's obligation to repay the Bond Loans, as assigned, endorsed, amended, or supplemented.

"Lower-Income Tenants" means and includes individuals and families whose adjusted gross income (computed in the manner prescribed in Treasury Regulation 1.167(k)-3(b)(3) or any successor thereto) does not exceed 60% of the Median Gross Income for the Area, with adjustments made for family size in a manner consistent with determinations made under Section 8 of the United States Housing Act of 1937. With respect to Units occupied by students, the determination of whether such a Unit is occupied by Lower-Income Tenants shall be determined by the rules of Section 42(i)(3)(D) of the Code.

"Median Gross Income for the Area" means the median income for the area where the Project is located as determined by the Secretary of Housing and Urban Development under Section 8(f)(3) of the United States Housing Act of 1937, as amended, or if programs under Section 8(f) are terminated, median income determined under the method used by the Secretary prior to the termination.

"Originating Lender" means Regions Bank, an Alabama banking corporation, and any successors thereto in its capacity as originating lender under the Origination Agreement.

"Qualified Project Period" means the period beginning on the later of the Issue Date or the first day on which ten percent (10%) of the Units in the Project are first occupied and ending on the latest of (i) the date which is fifteen (15) years after the date on which at least fifty percent (50%) of the Units in the Project are first occupied (or after the Issue Date, if later), or (ii) the first day on which no tax-exempt obligation issued with respect to the Project is outstanding (for purposes of this definition of "Qualified Project Period," the definition of "outstanding" in the Indenture shall not apply), or (iii) the date on which any assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937, as amended, terminates.

"Unit" means an individual residential dwelling unit contained within the Project.

All other capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture and the Regulatory Agreement.

Term of Agreement

The Regulatory Agreement (including the restrictive covenants established in the Regulatory Agreement) shall become effective upon the Closing Date and terminate upon the earlier of the (a) termination of the Occupancy Restrictions as provided in paragraph (a) of "Term of Restrictions — Occupancy Restrictions" below, or (b) an early termination pursuant to the provisions of paragraph (b) of "Term of Restrictions — Early Termination of Restrictions" below.

Term of Restrictions

(a) Occupancy Restrictions. The term of the Occupancy Restrictions set forth in each Regulatory Agreement shall remain in effect during the Qualified Project Period. It is expressly agreed and understood that the provisions in the Regulatory Agreement are intended to survive the payment and retirement of the Bonds and the termination of the financing documents relating thereto, if such payment, retirement or termination occurs prior to the end of the Qualified Project Period.

(b) Early Termination of Restrictions. The Regulatory Agreement and the restrictions thereunder shall cease to apply to the Project in the event of involuntary noncompliance as a result of unforeseen events such as fire, seizure, requisition, foreclosure, transfer of title by a deed in lieu of foreclosure or other similar event, change in a federal law or an action of a federal agency after the date of issue that prevents the Issuer from enforcing the provisions of the Regulatory Agreement, or condemnation or similar event but only if, within a reasonable period, either (i) the Bonds are retired or (ii) any insurance proceeds or condemnation awards or other amounts received as a consequence of such event are used to provide a development (a) which meets the requirements of Section 142(d) of the Code and Regulation Section 1.103-8(b) as amended, or any successor law or regulation; (b) with respect to which a regulatory agreement substantially similar to the Regulatory Agreement is recorded; and (c) which meets the requirements of Section 148 of the Code; provided, however, that the provisions of the Regulatory Agreement and the restrictions thereunder shall not cease to apply to the Project by reason of the aforementioned foreclosure, transfer of title by deed in lieu of foreclosure or other similar event if, at any time during that part of the Qualified Project Period subsequent to such event, the obligor on the Bond Loan Notes or a "related person", as defined in Regulation Section 1.103-10(e), obtains an ownership interest in the Project for tax purposes; provided further, however, that if the provisions of the Regulatory Agreement cease to apply to the Project by reason of the aforementioned foreclosure, transfer of title by deed in lieu of foreclosure or other similar event, and the Bonds used to provide the Project then outstanding are retired within a reasonable period and the Project thereafter ceases to comply with Section 142(d) of the Code, the Borrower or any related person, as defined in Treasury Regulation Section 1.103-10(e), during the period in which the Occupancy Restrictions are or would be in effect, covenants and agrees not to obtain an ownership interest in the Project for federal tax purposes.

Project Restrictions

The Borrower has represented, warranted and covenanted that:

(a) The Project will be acquired, constructed, owned, managed and operated for the purpose of providing a qualified residential rental project, as such term is used in Section 142(d) of the Code. All of the Units (except for not more than one unit set aside for resident manager or other administrative use) will be available for rental during the Qualified Project Period on a continuous basis to members of the general public, and the Borrower will not give preference to any particular class or group in renting the Units in the Project except to the extent Units are required to be leased or rented to Lower Income Tenants and/or subject to certain age restrictions as provided herein or any preferences approved by the Authority or required by HUD.

(b) The Project will consist of a building or structure or several proximate buildings or structures that are located on a single tract of land or contiguous tracts of land that will be owned, for federal tax purposes, at all times by one person, has similarly constructed units and may include facilities functionally related and subordinate thereto. As used in the Regulatory Agreement, "tract" means any parcel or parcels of land which are contiguous except for the interposition of a road, street, stream or similar property. Parcels shall be considered contiguous if their boundaries meet at one or more points.

(c) If a Unit within a building or structure is occupied by the Borrower, or any person who is related to the Borrower under the Code, the building or structure must include no fewer than four Units not occupied by the Borrower or such related person.

(d) All Units in the Project will contain complete living, sleeping, eating, cooking and sanitation facilities for a single person or family.

(e) None of the Units in the Project will at any time prior to the expiration of the Qualified Project Period be used on a transient basis, or used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, nursing home, sanitarium, rest home or as trailer parks and courts for use on a transient basis.

(f) Units to be occupied by Lower-Income Tenants shall be of comparable quality and offer a range of sizes and number of bedrooms comparable to those Units which are available to other tenants.

(g) Restrictions on use of proceeds:

(1) none of the proceeds of the Bond Loans or the Bonds (including investment earnings) shall be used to provide a golf course, a country club, a massage parlor, a tennis club, a skating facility, a racquet sports facility, a hot tub facility, a suntan facility or a racetrack;

(2) none of the proceeds of the Bond Loans or the Bonds (including investment earnings) shall be used to provide a facility the primary purpose of which is any of the following: retail food and beverage services, automobile sales or service; or the provision of recreation or entertainment;

(3) none of the proceeds of the Bond Loans or the Bonds (including investment earnings) shall be used to provide a health club facility, an airplane, a skybox or any other private luxury box, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises; and

(4) less than twenty-five percent (25%) of the net proceeds of the Bond Loans or the Bonds shall be used directly or indirectly for the acquisition of land or any interest therein.

(h) All office space within the Project is located on the Real Estate described in an exhibit attached to the Regulatory Agreement and on the premises of the Project and not more than a de minimis amount of the functions to be performed at such office is not directly related to the day-to-day operations at such facility. All of the Project will be used in connection with the provision of multi-family residential housing.

Occupancy Restrictions

The Issuer and the Borrower have elected the "40-60 test" of Section 142(d)(1) of the Code. The Borrower further represents, warrants and covenants that:

(a) At least forty percent (40%) of the Units of the Project shall be occupied (or treated as occupied as provided in the Regulatory Agreement) on a continuous basis by Lower-Income Tenants. The forty percent (40%) set-aside requirement applies to the total number of "available Units," which means, as described in Revenue Procedure 2004-39, Units in the Project that are actually occupied and Units in the Project that are unoccupied and have been leased at least once after becoming available for occupancy, provided that (a) in the case of an acquisition of an existing residential rental project, a residential unit that is unoccupied on the later of (i) the date the project is acquired or (ii) the issue date of the first bonds is not an available Unit and does not become an available Unit until it has been leased for the first time after such date, and (b) a residential Unit that is not available for occupancy due to renovations is not an available Unit and does not become an available Unit until it has been leased for the first time after the renovations are

completed. The determination of whether an individual or family qualifies as a Lower-Income Tenant shall be made at the time the tenancy commences and annually thereafter as of each anniversary of the commencement date of the tenancy. Any Unit occupied by an individual or family who is a Lower-Income Tenant at the commencement of occupancy shall continue to be treated as if occupied by a Lower-Income Tenant during his or her tenancy in such Unit even though such individual or family subsequently ceases to satisfy the applicable income limit. The preceding sentence shall cease to apply to any resident of the Project whose income as of the most recent annual determination exceeds 140% of the applicable income limit if after such determination, but before the next determination, any Unit of comparable or smaller size in the (i) same building (within the meaning of Section 42 of the Code) if the Project is allowed credits under said Section 42 or (ii) Project if the Project is not allowed credits under said Section 42, is occupied by a new resident whose income exceeds the applicable income limit for qualifying as a Lower-Income Tenant. Any Unit vacated by a Lower-Income Tenant shall be treated as being occupied by such prior Lower-Income Tenant until reoccupied, other than for a temporary period not to exceed thirty-one (31) days, at which time the character of the Unit shall be redetermined. If necessary, in order to comply with the Occupancy Restrictions, the next available Unit or Units in the Project shall be made available only to individuals or families qualifying as a Lower-Income Tenant.

(b) As a condition to occupancy, any prospective Lower-Income Tenant shall sign and deliver to the Borrower an Eligibility Certificate in the form substantially of that attached to the Regulatory Agreement as an exhibit or in such other form and manner (but only if the Borrower has delivered to the Issuer and the Trustee an opinion of nationally recognized bond counsel acceptable to the Issuer stating that the use of the form of Eligibility Certificate proposed in lieu of the form appearing as an exhibit to the Regulatory Agreement will not adversely affect the exclusion from gross income of the interest on the Bonds for federal income tax purposes) as may be required or permitted by applicable rules, regulations or policies promulgated or proposed by the Department of the Treasury, the Internal Revenue Service or the Issuer with respect to obligations issued under Section 142(d) of the Code, in which the prospective Lower-Income Tenant certifies that he or she and his or her family qualify as a Lower-Income Tenant. Each prospective Lower-Income Tenant shall also agree to provide updated Eligibility Certificates to the Borrower on an annual basis on such dates as shall enable the Borrower to make the annual income determinations referred to in the immediately preceding paragraph. In addition, such individual shall provide whatever other information, documents or certifications are deemed necessary by the Issuer or the Trustee to substantiate the Eligibility Certificate. The form for the Eligibility Certificate shall be revised from time to time to reflect changes in the Median Gross Income for the Area and any related family size adjustments that are pertinent to the determination of whether particular individuals or families qualify as Lower-Income Tenants.

(c) The form of lease to be used by the Borrower in renting any Unit in the Project to a Lower-Income Tenant shall provide for termination of the lease and consent by such person or family to immediate eviction for failure to qualify as a Lower-Income Tenant as a result of any material misrepresentation made by such person or family with respect to the Eligibility Certificate, or failure or refusal to supply the annual income certification required by Section 142(d)(3) of the Code.

(d) Eligibility Certificates will be maintained on file at the Project with respect to each Lower-Income Tenant who resides in a Unit or resided therein during the immediately preceding calendar year, and the Borrower will, promptly upon request by the Issuer or Trustee, file a copy thereof with the requesting party.

(e) On the 30th day of each calendar quarter (or such other period as the Issuer may subsequently establish with the approval of nationally recognized bond counsel), the Borrower will submit to the Issuer an Occupancy Certificate in the form substantially of that attached to the Regulatory Agreement as an exhibit (or in such other form as may be required by the Issuer from time to time), executed by the Borrower, stating, inter alia, the percentage of Units of the Project which were occupied by Lower-Income Tenants at all times during the preceding calendar quarter and identifying Lower-Income Tenants who commenced or terminated occupancy of the Project during such calendar quarter. On May 1 of each year, the Borrower shall submit to the Issuer a list of all Lower-Income Tenants and copies of the Eligibility Certificates from such Lower-Income Tenants.

(f) The Borrower will make such annual certifications with respect to the Project as shall be needed to satisfy the requirements of Section 142(d)(7) of the Code.

Transfer Restrictions

In addition to any other requirement imposed by the Bond Loan Mortgage, the Financing Agreement, the Bond Loan Notes or the Regulatory Agreement, the Borrower further represents, covenants and agrees not to (a) sell, transfer or otherwise dispose of the Project or (b) permit any transfer by any party owning fifty percent (50%) or more of the ownership interest in the Borrower's general partner, of such ownership interest, nor any other similarly significant change in the ownership interest, control or relative distribution thereof, of the Borrower's general partner by any other method or means including, but not limited to, increased capitalization, merger, corporate or other amendments, issuance of additional or new stock or classification of stock, or otherwise, in each case without obtaining the prior written consent of the Issuer, which consent shall be conditioned upon (1) receipt of evidence satisfactory to the Issuer that the Borrower's purchaser or transferee has assumed in writing the Borrower's duties and obligations under the Regulatory Agreement, the Loan Documents and any other financing documents to which the Borrower is a party with respect to the Project, (2) the Issuer's reasonable satisfaction that the proposed purchaser or transferee is capable (both financially and operationally) of performing such duties and obligations, (3) payment of any transfer charges then imposed by the Issuer, and (4) an opinion of nationally recognized bond counsel acceptable to the Issuer stating in effect that the proposed action, together with any other changes with respect to the Bonds made or to be made in connection with such action, will not adversely affect the exclusion from gross income of the interest on the Bonds for federal income tax purposes. It is thereby expressly stipulated and agreed that any sale, transfer or other disposition of the Project in violation of the Regulatory Agreement shall to the extent permitted by law be null, void and without effect, shall cause a reversion of title to the Borrower and shall be ineffective to relieve the Borrower of its obligations under the Regulatory Agreement. Notwithstanding anything to the contrary contained in the Regulatory Agreement, (y) expressly permitted under the Regulatory Agreement, without obtaining the prior written consent of the Authority, is the transfer by the Investor Limited Partner of limited partnership interests in the Borrower to any other entity which is an affiliate of or controlled by Enterprise Community Asset Management, Inc., and (z) the condition set forth in subsection (2) above shall not apply to a removal and replacement of the General Partner by the Investor Limited Partner, or by an entity that is controlled, directly or indirectly, by the same parent that controls the Investor Limited Partner, as the result of the Investor Limited Partner's exercise of its rights under the terms and conditions of the Organizational Documents, provided that the Borrower shall promptly notify the Authority of any Transfer described in this sentence and provide such information as is necessary to update the Authority's records of ownership with respect to the Borrower. Nothing contained in the Regulatory Agreement shall affect any provision of the Bond Loan Mortgage, the Loan Documents or any other financing documents with respect to the Project that requires the Borrower to obtain the consent of any other person as a precondition to sale, transfer or other disposition of the Project.

Covenants to Run with the Land

The Borrower subjects the Project to the covenants, reservations and restrictions set forth in the Regulatory Agreement. In the Regulatory Agreement, the Issuer, the Trustee and the Borrower declare their express intent that the covenants, reservations and restrictions set forth therein shall be deemed covenants running with the land to the extent permitted by law and shall pass to and be binding upon the Borrower's successors in title to the Project during the term of the Regulatory Agreement. Each and every contract, deed or other instrument executed after the date of the Regulatory Agreement covering or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations or restrictions are set forth in such contract, deed or other instrument.

Enforcement

(a) The Borrower shall permit any duly authorized representative of the Issuer, the Trustee, the Department of the Treasury or the Internal Revenue Service at all reasonable times to inspect any books and records of the Borrower regarding the Project and with respect to the incomes of Lower-Income Tenants which pertain to

compliance with the provisions of the Regulatory Agreement, Section 142(d) of the Code, the Regulations or the Issuer's policies and procedures applicable to the Bonds.

(b) In addition to the information specifically requested in the Regulatory Agreement, the Borrower shall submit any other information, documents or certifications requested by the Issuer or the Trustee that the Issuer or the Trustee deems reasonably necessary to substantiate the Borrower's continuing compliance with the provisions of the Regulatory Agreement, Section 142(d) of the Code, the Regulations or the Issuer's policies and procedures applicable to the Bonds.

(c) The Issuer, the Borrower and the Trustee, in its capacity as such, each covenants that it will not knowingly take or permit any action to be taken that would adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes. Moreover, each covenants to take any lawful action (including amendment of the Regulatory Agreement as may be necessary, in the opinion of nationally recognized bond counsel) to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury, the Internal Revenue Service or the Issuer from time to time pertaining to obligations issued under Section 142(d) of the Code and affecting the Project.

(d) The Borrower further covenants and agrees to inform the Issuer and the Trustee by written notice of any violation of the Borrower's obligations under the Regulatory Agreement within five (5) days of first discovering any such violation. If any such violation is not corrected to the satisfaction of the Issuer and the Trustee within the period of time specified by the Issuer or the Trustee, which shall be at least thirty (30) days after the date any notice to the Borrower is mailed, or within such further time as the Issuer or the Trustee, or both of them, determine is necessary to correct the violation without loss of the exclusion from gross income of interest on the Bonds, not, in any event, to exceed any limitations set by applicable Regulations, then, without further notice, the Issuer or the Trustee may declare a default under the Regulatory Agreement effective on the date of such declaration of default (which shall constitute an "Event of Default" under the Regulatory Agreement) and, upon such default, the Issuer or the Trustee may, but shall not be obligated to, take any one or more of the following steps, at their option:

(i) by mandamus or other suit, action or proceeding at law or in equity, require the Borrower to perform its obligations and covenants in the Regulatory Agreement, or enjoin the acts or things that may be unlawful or in violation of the rights of the Issuer or the Trustee thereunder;

(ii) have access to and inspect, examine and make copies of all the books and records of the Borrower pertaining to the Project; and

(iii) take whatever other action necessary or desirable to enforce the obligations, covenants and agreements of the Borrower thereunder.

The Trustee shall have the right, but not the obligation, in accordance with this subparagraph (d) and the provisions of the Indenture, to exercise any or all of the Issuer's rights or remedies under this subparagraph (d).

(e) The Borrower, the Issuer and the Trustee each acknowledge that the primary purpose for requiring compliance by the Borrower with the restrictions provided in each Regulatory Agreement is to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds, and that the Trustee on behalf of the registered owners from time to time of the Bonds, who are declared to be third-party beneficiaries of the Regulatory Agreement, shall be entitled, for any breach of the provisions in the Regulatory Agreement, to all remedies both at law and in equity in the event of any default thereunder.

Fannie Mae Rider

Pursuant to the requirements of Fannie Mae, the Fannie Mae Rider is set forth as an exhibit to the Regulatory Agreement and is made a part of the Regulatory Agreement. Without limiting the foregoing, the Issuer and the Trustee acknowledge and agree that none of the Issuer, the Trustee or any Person under their control shall exercise any remedies or direct any proceedings under the Regulatory Agreement without prior written consent of Fannie Mae

other than to enforce rights of specific performance or injunctive relief under the Regulatory Agreement or to fulfill reporting obligations to the Internal Revenue Service.

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APPENDIX F
BOOK-ENTRY SYSTEM

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer and the Borrower believe to be reliable, but neither the Issuer, the Underwriter nor the Borrower take responsibility for the accuracy thereof.

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

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

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

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

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

Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, the amount of the interest of each Direct Participant in such issue to be redeemed shall be determined in accordance with the applicable procedures of DTC.

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

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

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

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the bonds will be printed and delivered.

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

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APPENDIX G
FORM OF CONTINUING DISCLOSURE AGREEMENT

$10,630,000*
Alabama Housing Finance Authority
Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured)
(Park Hill Place Project)
2026 Series G

$4,370,000*
Alabama Housing Finance Authority
Multifamily Housing Revenue Bonds
(Park Hill Place Project)
2026 Series H

This Continuing Disclosure Agreement, dated as of November 1, 2026 (this "Continuing Disclosure Agreement"), is executed and delivered by Park Hill Place Housing, LLLP, an Alabama limited liability limited partnership (the "Borrower"), and Regions Bank, an Alabama banking corporation, as dissemination agent (the "Dissemination Agent"). The above-captioned bonds (the "Bonds") are being issued pursuant to an Indenture of Trust, dated as of November 1, 2026 (the "Indenture"), between Alabama Housing Finance Authority (the "Issuer") and Regions Bank, an Alabama banking corporation (the "Trustee"). Pursuant to the Indenture and Financing Agreement, dated as of November 1, 2026, among the Issuer, the Trustee, Regions Bank, an Alabama banking corporation, as originating lender, and the Borrower (the "Financing Agreement"), the Dissemination Agent and the Borrower covenant and agree as follows:

Section 1. Purpose of this Continuing Disclosure Agreement. This Continuing Disclosure Agreement is being executed and delivered by the Borrower and the Dissemination Agent for the benefit of the holders of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (defined below). The Borrower and the Dissemination Agent acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Continuing Disclosure Agreement, and has no liability to any person, including any holder of the Bonds or Beneficial Owner, with respect to any such reports, notices or disclosures.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

"*Annual Report*" shall mean any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Continuing Disclosure Agreement and Exhibit A attached hereto.

"*Audited Financial Statements*" means, in the case of the Borrower, the annual audited financial statements prepared in accordance with generally accepted accounting principles, if any.

"*Beneficial Owner*" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"*Disclosure Representative*" shall mean the administrator of the Project or his or her designee, or such other person as the Borrower shall designate in writing to the Dissemination Agent from time to time.

"*Dissemination Agent*" shall mean Regions Bank, an Alabama banking corporation, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Borrower and which has filed with the Trustee a written acceptance of such designation.

"*Listed Events*" shall mean any of the events listed in Section 5(a) of this Continuing Disclosure Agreement.

"*MSRB*" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934. All documents provided to the MSRB shall be in an electronic format and accompanied by identifying information, as prescribed by the MSRB. Initially, all document submissions to the

* Preliminary; subject to change.

MSRB pursuant to this Continuing Disclosure Agreement shall use the MSRB's Electronic Municipal Market Access (EMMA) system at www.emma.msrb.org.

"*Participating Underwriter*" means Stifel, Nicolaus & Company, Incorporated, and its successors and assigns.

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

Section 3. Provision of Annual Reports.

(a) The Borrower will, or will cause the Dissemination Agent to, not later than 180 days following the end of the Borrower's fiscal year, commencing with the fiscal year ending on December 31, 2027, provide to the MSRB an Annual Report which is consistent with the requirements described below. No later than 15 Business Days prior to said date, the Borrower will provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross reference other information, provided that the audited financial statements for the prior calendar year of the Borrower may be submitted separately from the balance of the Annual Report.

(b) If by 15 Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent will contact the Disclosure Representative to determine if the Borrower is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent will send in a timely manner a notice to the MSRB in substantially the form attached as Exhibit B to this Continuing Disclosure Agreement.

(d) The Dissemination Agent will file a report with the Borrower and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided.

Section 4. Content of Annual Reports. The Borrower's Annual Report will contain or incorporate by reference the financial information with respect to the Project, provided at least annually, of the type included in Exhibit A hereto, which Annual Report may, but is not required to, include Audited Financial Statements. If the Borrower's Audited Financial Statements are not available by the time the Annual Report is required to be filed, the Annual Report will contain unaudited financial statements, and the Audited Financial Statements will be filed in the same manner as the Annual Report when and if they become available.

Any or all of the items described in Exhibit A may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Borrower is an "Obligated Person" (as defined by the Rule), which have been filed with the MSRB. The Borrower will clearly identify each such other document so incorporated by reference.

Each annual report submitted hereunder shall be in readable portable document format ("PDF") or other acceptable electronic form.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events (each, a "Listed Event"):

(i) Principal and interest payment delinquencies;

(ii) Non-payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulty;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulty;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(vii) Modifications to rights of holders of the Bonds, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution or sale of property securing repayment of the Bonds, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the Borrower. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower;

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

(xiv) Appointment of a successor or additional trustee or paying agent or the change of the name of a trustee or paying agent, if material;

(xv) Incurrence of a financial obligation of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Borrower, any of which affect security holders, if material;

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Borrower, any of which reflect financial difficulties;

(xvii) Delivery of the MBS;

(xviii) Any extension of the MBS Delivery Date Deadline; and

(xix) The Project being placed in service for purposes of qualifying the property for low income housing tax credits. Notice of the Project being placed in service from the Borrower to the Dissemination Agent shall be in the form attached as Exhibit F or such other form as may be approved by the Dissemination Agent. Notice of the Project being placed in service from the Dissemination Agent to the Municipal Securities Rulemaking Board shall be in the form attached as Exhibit C or such other form as may be approved by the Dissemination Agent.

For purposes of clauses (xv) and (xvi) of this Section 5(a), "financial obligation" is as contemplated by Exchange Act Release No. 34-83885; File No. S7-01-17 (the "Adopting Release").

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any potential Listed Event, pursuant to subsection (c) of this Section 5 or otherwise, provide the Disclosure Representative with notice (by email). While the Dissemination Agent is also the Trustee, the Dissemination Agent shall be deemed to have actual knowledge of those items listed in clauses (i), (iii) (solely with respect to funds held by the Trustee), (iv), (v), (vii), (viii), (ix), (x) and (xiv), (xvii) and (xviii) above without the Dissemination Agent's having received notice of such event. While the Dissemination Agent is not also the Trustee, the Dissemination Agent shall not be deemed to have actual knowledge of any items listed in clauses (i) - (xix) above without the Dissemination Agent having received written notice of such event. For purposes of providing notice to the Disclosure Representative, the Dissemination Agent shall assume that the unscheduled draws described in clauses (iii) and (iv) reflect financial difficulty.

(c) Whenever the Borrower obtains knowledge of the occurrence of a potential Listed Event, the Borrower shall, within five (5) Business Days of obtaining such knowledge and in any event no more than eight (8) Business Days after the occurrence of such event, determine if such event is in fact a Listed Event that is required by the Rule to be disclosed and provide the Dissemination Agent with notice and written instructions pursuant to subsections (d) below.

(d) If the Borrower has determined that a Listed Event is required to be disclosed then the Borrower shall prepare a written notice describing the Listed Event and provide the same to the Dissemination Agent along with instructions to file the same pursuant to subsection (e) below.

(e) If the Dissemination Agent has been provided with a written notice describing a Listed Event pursuant to subsection (c) of this Section 5 or otherwise, and is instructed by the Borrower to report the occurrence of such Listed Event, the Dissemination Agent shall, within two (2) Business Days of its receipt of such written notice and in any event no more than ten (10) Business Days after the occurrence of the Listed Event, file the notice with the MSRB and send a copy to the Borrower.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Borrower and the Dissemination Agent may amend this Continuing Disclosure Agreement (and the Dissemination Agent will agree to any amendment so requested by the Borrower unless such amendment adversely affects its rights, duties, protections, immunities, indemnities or standard of care, as determined by the Dissemination Agent) and any provision of this Continuing Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions described under paragraph (a) under "Provision of Annual Reports," "Contents of Annual Reports" or paragraph (a) under "Reporting of Listed Events," it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of an Obligated Person (as defined in the Rule) with respect to the Bonds or the type of business conducted;

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

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

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Borrower will describe such amendment in the next Annual Report and will include, as applicable, a narrative

explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change will be given in the same manner as for a Listed Event under Section 5(e) hereof and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Default. In the event of a failure of the Borrower or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, and such failure to comply continues beyond a period of thirty (30) days following written notice to the Borrower, the Borrower or any Holder or Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking, or specific performance by court order, to cause the Borrower or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement will not be deemed an Event of Default under the Indenture or the Financing Agreement, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Continuing Disclosure Agreement will be an action to compel performance.

Section 8. Beneficiaries. This Continuing Disclosure Agreement will inure solely to the benefit of the Borrower, the Dissemination Agent, the Participating Underwriter and Holders from time to time of the Bonds and will create no rights in any other person or entity.

Section 9. Reserved.

Section 10. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Borrower shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Borrower has provided such information to the Dissemination Agent as required by this Continuing Disclosure Agreement. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the Borrower and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the Borrower's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Borrower has complied with this Continuing Disclosure Agreement. The Dissemination Agent may conclusively rely upon Certifications of the Borrower at all times.

The obligations of the Borrower under this Section 11 shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Borrower.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Continuing Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

Section 12. Notices. All notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been duly given or made when delivered personally or by mail (including electronic mail) to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Continuing Disclosure Agreement and addressed as set forth below:

If to the Borrower:

Park Hill Place Housing, LLLP
c/o Morrow Realty Company
809 22nd Avenue
Tuscaloosa, AL 35401
Attention: David Morrow
Email: davidm@morrowrealty.com

With a copy to:

Regions Bank
1900 5th Avenue North, 14th Floor
Birmingham, AL 35203
Attention: Chase Simpson
Email: chase.simpson@regions.com

And a copy to:

Tanner & Guin Law Firm
2711 University Boulevard
Tuscaloosa, AL 35401
Attention: Jonathan Guin
Email: jonathan@tannerguin.law

If to the Dissemination Agent:

Regions Bank
1900 5th Avenue North, 26th Floor
Birmingham, AL 35203
Attention: Angela Doyle
Email: angela.doyle@regions.com

Section 13. Governing Law. This Continuing Disclosure Agreement shall be governed by the laws of the State of Alabama.

Section 14. Termination of this Continuing Disclosure Agreement. The Borrower or the Dissemination Agent may terminate this Continuing Disclosure Agreement by giving written notice to the other party at least 30 days prior to such termination. The Dissemination Agent shall be fully discharged at the time any such termination is effective. The Borrower's and the Dissemination Agent's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Borrower shall give notice of such termination in a filing with the MSRB.

Section 15. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Continuing Disclosure Agreement to be executed by their duly authorized representatives as of the date set forth above.

PARK HILL PLACE HOUSING, LLLP,
an Alabama limited liability limited partnership

By: Park Hill Place GP, LLC
Its General Partner

By: _____
W. David Morrow
President

[Signatures continue on following page]

[Dissemination Agent's Signature Page to Continuing Disclosure Agreement]

REGIONS BANK,
as Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

ANNUAL REPORT

$10,630,000*
Alabama Housing Finance Authority
Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured)
(Park Hill Place Project)
2026 Series G
CUSIP: _____

$4,370,000*
Alabama Housing Finance Authority
Multifamily Housing Revenue Bonds
(Park Hill Place Project)
2026 Series H
CUSIP: _____

Annual report for the period ending December 31, _____

THE PROJECT

Name of the Project:	Park Hill Place
Address:	116 Black Walnut Drive, Hazel Green, Alabama 35750
Number of Units:	96

INFORMATION ON THE BONDS AND THE MBS

Original principal amount of Bonds:	
Outstanding principal amount of Bonds:	
MBS Pool Number:	
MBS CUSIP Number:	
Original principal amount of the MBS:	
Outstanding principal amount of the MBS:	

OPERATING HISTORY OF THE PROJECT

The tables set forth below offer a summary of the operating results of the Project for fiscal year ended December 31, _____, as derived from the Borrower's audited financial statements [or unaudited financial statements].

Financial Results for Fiscal Year Ending December 31, _____	
Revenues	
Operating Expenses[1]	
Net Operating Income	
Debt Service on the Series 2026 GH Bonds	
Net Income (Loss)	
Debt Service Coverage Ratio	

1 Excludes depreciation and other non-cash expenses.

Occupancy Results for Fiscal Year Ending December 31, _____	
Physical Occupancy	____%
Economic Occupancy[1]	____%

1 The physical occupancy rate is the proportion of units that are occupied or leased by tenants. The economic occupancy rate is the proportion of the gross potential rent that is actually collected. As such, the economic occupancy takes into consideration items such as model units, employee units, discounted units, rent incentives, loss to lease and bad debt expense.

* Preliminary; subject to change.

AUDITED FINANCIAL STATEMENTS

____ Attached

____ Audited financial statements of the Borrower for the period ending December 31, 20__ are not yet completed; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements. Audited financial statements will be filed when available.

____ No audited financial statements of the Borrower were prepared for the period ending December 31, 20__; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements.

EXHIBIT B

NOTICE OF FAILURE TO
FILE ANNUAL DISCLOSURE REPORT

Name of Issuer:	Alabama Housing Finance Authority
Name of Issue:	Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured) (Park Hill Place Project) 2026 Series G and Multifamily Housing Revenue Bonds (Park Hill Place Project) 2026 Series H
Name of Borrower:	Park Hill Place Housing, LLLP
CUSIP:	_____ (2026 Series G) _____ (2026 Series H)
Date of Issuance:	November __, 2026

NOTICE IS HEREBY GIVEN that the above-referenced borrower (the "Borrower") has not provided an Annual Report with respect to the above-named Bonds as required by its Continuing Disclosure Agreement. The undersigned has been informed by the Borrower that it anticipates that Annual Report will be filed by _____.

DATED: _____

REGIONS BANK,
as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT C

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF PROJECT PLACED IN SERVICE

Name of Issuer:	Alabama Housing Finance Authority
Name of Bond Issue:	Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured) (Park Hill Place Project) 2026 Series G and Multifamily Housing Revenue Bonds (Park Hill Place Project) 2026 Series H
Name of Borrower:	Park Hill Place Housing, LLLP
Name of Project:	Park Hill Place
Address of Project:	116 Black Walnut Drive, Hazel Green, Alabama 35750
Date of Issuance:	November __, 2026

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of November 1, 2026, between the above-referenced borrower (the "Borrower") and Regions Bank, as Dissemination Agent, that the Borrower has certified that the above-referenced project (the "Project") is complete and placed in service by the Borrower as evidenced by a certificate from the Borrower confirming that the Project is placed in service for purposes of Section 42 of the Code.

Dated:

REGIONS BANK,
as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT D

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF EXTENSION OF MBS DELIVERY DATE DEADLINE

Name of Issuer: Alabama Housing Finance Authority

Name of Bond Issue: Multifamily Tax-Exempt Bonds (Park Hill Place Project) (M-TEMS) 2026 Series G

Name of Borrower: Park Hill Place Housing, LLLP

Date of Issuance: November __, 2026

Original MBS Delivery Date Deadline: December 25, 2029*

Extended MBS Delivery Date Deadline:

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of November 1, 2026, between the above-referenced borrower (the "Borrower") and Regions Bank, as Dissemination Agent, that the Borrower has extended the MBS Delivery Date Deadline from the Original MBS Delivery Date Deadline to the Extended MBS Delivery Date Deadline, pursuant to the Indenture of Trust, dated as of November 1, 2026, between the Issuer and Regions Bank, as trustee.

Dated:

REGIONS BANK,
as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

* Preliminary; subject to change.

EXHIBIT E

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF DELIVERY OF THE MBS

Name of Issuer:	Alabama Housing Finance Authority
Name of Bond Issue:	Multifamily Tax-Exempt Bonds (Park Hill Place Project) (M-TEMS) 2026 Series G
Name of Borrower:	Park Hill Place Housing, LLLP
Name of Project:	Park Hill Place
Address of Project:	116 Black Walnut Drive, Hazel Green, Alabama 35750
Date of Issuance:	November __, 2026

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of November 1, 2026, between the above-referenced borrower (the "Borrower") and Regions Bank, as Dissemination Agent, that the Borrower has certified that the MBS related to the above-referenced Bond Issue has been delivered by Fannie Mae to Regions Bank, as Trustee.

Dated:

REGIONS BANK,
as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT F

FORM OF NOTICE OF PLACED IN SERVICE

**$10,630,000*
Alabama Housing Finance Authority
Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured)
(Park Hill Place Project)
2026 Series G**

**$4,370,000*
Alabama Housing Finance Authority
Multifamily Housing Revenue Bonds
(Park Hill Place Project)
2026 Series H**

The undersigned hereby provides notice to Regions Bank, an Alabama banking corporation, as dissemination agent (the "Dissemination Agent") that the multifamily rental housing facility known as Park Hill Place (the "Project") has been placed in service in accordance with the Indenture of Trust, dated as of November 1, 2026, between Alabama Housing Finance Authority (the "Issuer") and Regions Bank, an Alabama banking corporation, as trustee (the "Trustee"), pursuant to which the above-captioned bonds were issued, as further evidenced by the attached Certificate of Occupancy.

PARK HILL PLACE HOUSING, LLLP,
an Alabama limited liability limited partnership

By: Park Hill Place GP, LLC
Its General Partner

By: _____
W. David Morrow
President

* Preliminary; subject to change.

ATTACHMENT

Certificate of Occupancy

APPENDIX H
TERM SHEET*

This Term Sheet assumes the related Mortgage Loan is originated in an amount equal to the maximum amount available under the Lender Commitment and that all the conditions to delivery of the MBS have been satisfied and have not been waived or modified. See "Multifamily Schedule of Loan Information" *herein*.

$10,630,000 **Alabama Housing Finance Authority** **Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured)** **(Park Hill Place Project)** **2026 Series G** **POOL STATISTICS (AS OF CLOSING DATE)**	
TAX-EXEMPT BOND AND MBS INFORMATION *(Information provided by Issuer for this Official Statement)*	
BOND ISSUER NAME	Alabama Housing Finance Authority ("Issuer")
BOND ISSUE SERIES	Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured) 2026 Series G (Park Hill Place Project)
BOND ISSUE PAR	$10,630,000
BOND DATED DATE	November __, 2026
BOND MATURITY DATE	July 1, 2045
BOND ISSUE TAX STATUS	See "TAX MATTERS" in the Official Statement.
BOND ISSUE CUSIP	_____
BLOOMBERG SERIES NAME	MFMB 2026-20FN
COLLATERAL FOR THE BOND ISSUE	Fannie Mae DUS MBS (see pool info below)
MBS DELIVERY DATE DEADLINE	December 25, 2029, or, if such day is not a Business Day, the following Business Day, which may be extended in accordance with terms of the Indenture
BOND ISSUE CREDIT RATING	Moody's "Aa1"
BOND CLOSING DATE	November __, 2026
BOND PAYMENT DATES	January 1 and July 1
BOND FIRST PAYMENT DATE	July 1, 2027
BOND INTEREST-ONLY PERIOD	From the Closing Date to, but not including, July 1, 2030
BOND FIRST PRINCIPAL PAYMENT DATE	January 1, 2031, or, if such day is not a Business Day, the next Business Day.
BOND FINAL PAYMENT DATE	July 1, 2045
BOND INTEREST ACCRUAL	30/360
BOND PREPAYMENT TERMS	See "DESCRIPTION OF THE BONDS —Redemption of Bonds" in the Official Statement.
BOND OFFERING PRICE	100%

* Preliminary; subject to change.

BOND UNDERWRITER	Stifel, Nicolaus & Company, Incorporated
MANDATORY REDEMPTION OF BONDS	See "DESCRIPTION OF THE BONDS —Redemption of Bonds" in the Official Statement.
OPTIONAL REDEMPTION OF BONDS	The Bonds are not subject to optional redemption other than in connection with a prepayment of the Mortgage Loan.
BOND TRUSTEE	Regions Bank

UNDERLYING FANNIE MAE POOL STATISTICS (AS OF ISSUE DATE)

(Information provided by Lender for this Official Statement)

POTENTIAL UNDERLYING FANNIE MAE POOL STATISTICS ASSUMING THE ORIGINATION OF THE ENTIRE PERMANENT LOAN AMOUNT SUBJECT TO THE PERMANENT LENDER COMMITMENT AND NO WAIVER OR MODIFICATION OF ANY CONDITION TO THE ORIGINATION OF THE PERMANENT LOAN IN THE PERMANENT LENDER COMMITMENT ON OR PRIOR TO THE TERMINATION DATE.

NOTWITHSTANDING THE AMOUNT OF THE PERMANENT LOAN COMMITMENT, THE PERMANENT LOAN MAY BE ORIGINATED AT CONVERSION IN AN AMOUNT NOT TO EXCEED 110% OF THE PERMANENT LOAN COMMITMENT AMOUNT (NOT TO EXCEED $11,231,000 IN THE AGGREGATE), SUBJECT TO SATISFYING ALL OTHER REQUIREMENTS TO CONVERSION.

FANNIE MAE LOAN TYPE	Forward M.TEB
NOTE RATE	___%
POOL/LOAN MATURITY DATE	June 1, 2045
EXPECTED MBS DELIVERY DATE	December 25, 2029, which may be extended to June 25, 2030 in accordance with the Permanent Loan Commitment
NUMBER OF LOANS	1
POOL SECURITY FUNDS TRANSFER TYPE	Fed Wire
TRANSACTION TYPE	DUS
POOL FIRST PAYMENT DATE	25th day of the month following the month in which the MBS is delivered, or the following Business Day if such day is not a Business Day
POOL FINAL PAYMENT DATE	June 25, 2045, or the following Business Day if such day is not a Business Day
SECURITY TYPE	Fannie Mae MBS
POOL NUMBER	TBD at Conversion
% OF INITIAL POOL BALANCE	100%
POOL PREFIX	TBD at Conversion

MULTIFAMILY SCHEDULE OF LOAN INFORMATION

(Information provided by Lender for this Official Statement)

POTENTIAL UNDERLYING FANNIE MAE POOL STATISTICS ASSUMING THE ORIGINATION OF THE ENTIRE PERMANENT LOAN AMOUNT SUBJECT TO THE PERMANENT LENDER COMMITMENT AND NO WAIVER OR MODIFICATION OF ANY CONDITION TO THE ORIGINATION OF THE PERMANENT LOAN IN THE PERMANENT LENDER COMMITMENT ON OR PRIOR TO THE TERMINATION DATE.

NOTWITHSTANDING THE AMOUNT OF THE PERMANENT LOAN COMMITMENT, THE PERMANENT LOAN MAY BE ORIGINATED AT CONVERSION IN AN AMOUNT NOT TO EXCEED 110% OF THE PERMANENT LOAN COMMITMENT AMOUNT (NOT TO EXCEED $11,231,000 IN THE AGGREGATE), SUBJECT TO SATISFYING ALL OTHER REQUIREMENTS TO CONVERSION.

FANNIE MAE LOAN NUMBER	TBD at Conversion
TIER	2
TIER DROP ELIGIBLE	No
LIEN PRIORITY	First
WEIGHTED AVERAGE ISSUANCE UW NCF DSCR(x)	___x
BALLOON	Yes
OTHER DEBT NOT DISCLOSED HEREIN	No
ISSUANCE UPB/UNIT	$106,354
PREPAYMENT PREMIUM OPTION	Yield Maintenance — CMT as defined in the Fannie Mae Multifamily MBS Prospectus
PREPAYMENT PREMIUM TERM	Fannie Mae yield maintenance premium from closing through November 30, 2044 (174 months).1 Thereafter, a 1% prepayment penalty shall apply through February 28, 2045 (3 months)2. Thereafter, no prepayment premium shall apply.
FIRST LOAN PRINCIPAL PAYMENT DATE	July 1, 2030
ORIGINAL TERM (MONTHS)	No less than 180 months
WEIGHTED AVERAGE AMORTIZATION TERM (MONTHS)	40 years (480 months)
INTEREST TYPE	Fixed
INTEREST ACCRUAL METHOD	Actual/360
INTEREST ONLY TERM (MONTHS)	From the Conversion Date until June 1, 2030
NOTE DATE	The Conversion Date
LOAN PURPOSE	New Construction
MONTHLY DEBT SERVICE	$TBD
MONTHLY DEBT SERVICE AMOUNT PARTIAL IO	$TBD

COLLATERAL INFORMATION

(Information provided by Lender for this Official Statement)

PROPERTY ID/DEAL ID	346618
PROPERTY NAME	Park Hill Place
PROPERTY STREET ADDRESS	116 Black Walnut Drive
PROPERTY CITY	Hazel Green
PROPERTY STATE	Alabama
PROPERTY ZIP CODE	35750
PROPERTY COUNTY	Madison
MSA	Huntsville, AL

1 A portion of this prepayment premium, if collected, may be shared with Certificateholders under the circumstances described in "YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS—Maturity and Prepayment Considerations—Prepayment of a Mortgage Loan—Prepayment Premiums" in the Fannie Mae MBS Prospectus.

2 No portion of this prepayment premium, if collected, will be shared with Certificateholders under any circumstances as is described in "YIELD, MATURITY AND PREPAYMENT CONSIDERATIONS—Maturity and Prepayment Considerations—Prepayment of a Mortgage Loan—Prepayment Premiums" in the Fannie Mae MBS Prospectus.

YEAR BUILT	2027
PHYSICAL OCCUPANCY	0% (New Construction)
UNDERWRITTEN ECONOMIC OCCUPANCY	93%
REMAINING AMORTIZATION TERM TO MATURITY	From July 1, 2030, to June 1, 2045
ISSUANCE LTV	61.9%, which LTV is based on an underwritten value that is less than the purchase price
ALL-IN ISSUANCE LTV	61.9%, which LTV is based on an underwritten value that is less than the purchase price
UNDERWRITTEN EFFECTIVE GROSS INCOME	$1,542,308
UNDERWRITTEN TOTAL OPERATING EXPENSES	$671,499
UNDERWRITTEN REPLACEMENT RESERVES	$300 per unit per year
UW NCF ($)	$842,009
CROSS-COLLATERALIZED (Y/N)	No
CROSS-DEFAULTED (Y/N)	No
GENERAL PROPERTY TYPE	Multifamily
SPECIFIC PROPERTY TYPE	Garden Style
LAND OWNERSHIP RIGHTS	Fee Simple
PROPERTY VALUE	$16,500,000 (as of July 16, 2026)
SEISMIC RISK	The Project meets Fannie Mae seismic requirements, if any.
TERRORISM INSURANCE COVERAGE (Y/N)	Yes
TOTAL NUMBER OF UNITS	96
AFFORDABLE HOUSING TYPE	Low Income Housing Tax Credit ("LIHTC") (96 units)
TAXES CURRENTLY ESCROWED	Yes
PROPERTY OWNER	Park Hill Place Housing, LLLP, an Alabama limited liability limited partnership
SPONSOR	W. David Morrow
PROPERTY MANAGER	See "PRIVATE PARTICIPANTS — The Property Manager" in the Official Statement.
PROPERTY MANAGER EXPERIENCE	See "PRIVATE PARTICIPANTS — The Property Manager" in the Official Statement.
UNIT OF MEASURE	Units
CRA INFORMATION *(Information provided by Borrower for this Official Statement)*	
UNITS AT OR BELOW 30% OF MEDIAN INCOME	0% (0 units)
UNITS AT OR BELOW 50% OF MEDIAN INCOME	21% (20 units)
UNITS AT OR BELOW 60% OF MEDIAN INCOME	79% (76 units)
UNITS WITH LOW INCOME HOUSING TAX CREDIT INCOME OR RENT RESTRICTION %	100% (96 units)
AGE RESTRICTED INDICATOR	No
TAX ABATEMENT	No
FEDERAL TAX CREDIT INVESTOR	At Closing: RAH Investor 513, LLC and Sterling Corporate Services, LLC At Conversion: Regions Bank
REGULATORY AGREEMENTS OVERSEER	Alabama Housing Finance Authority

REGULATORY AGREEMENT SET-ASIDES	LIHTC: 100% of units rented to tenants whose income is at or below 60% of AMI for an initial 15-year compliance period. See above. Under the Declaration of Land Use Restrictive Covenants for Alabama's HOME Program, the Borrower is required to rent at least 420% of the Project apartment units to certain qualified tenants whose income does not exceed 50% of the area AMI where the Project is located. BOND REGULATORY AGREEMENT: The Regulatory Agreement stipulates that at least 40% of the units shall be occupied on a continuous basis by 60% AMI or lower households. The project restrictions shall remain in effect for the Qualified Project Period which is defined as the period beginning on the later of the first date on which 10% of the units in the project are first occupied and ending on the latest of (i) the date on which is 15 years after 50% of the units in the project are first occupied, (ii) the first date on which no tax-exempt bond remains outstanding, (iii) or the date on which any assistance provided with respect to the project under Section 8 of the Housing Act terminates.

APPENDIX I
PROPOSED FORM OF OPINION OF BOND COUNSEL

The form of the approving legal opinion of Maynard Nexsen PC, Bond Counsel, is set forth below. The actual opinion will be delivered on the date of delivery of the bonds referred to herein and may vary from the form set forth below to reflect circumstances both factual and legal at the time of such delivery. Recirculation of the Official Statement shall create no implication that Maynard Nexsen PC has reviewed any of the matters set forth in such opinion subsequent to the date of such opinion.

November __, 2026

Alabama Housing Finance Authority
Montgomery, Alabama

Regions Bank
Birmingham, Alabama

$10,630,000*
Alabama Housing Finance Authority
Multifamily Tax-Exempt Bonds (Fannie Mae MBS Secured)
(Park Hill Place Project)
2026 Series G

$4,370,000*
Alabama Housing Finance Authority
Multifamily Housing Revenue Bonds
(Park Hill Place Project)
2026 Series H

Ladies and Gentlemen:

We have acted as bond counsel to Alabama Housing Finance Authority (the "Issuer") in connection with the issuance by the Issuer of its $10,630,000* Multifamily Tax-Exempt Bonds (Park Hill Place Project) (M-TEMS) 2026 Series G (the "Series G Bonds") and its $4,370,000* Multifamily Housing Revenue Bonds (Park Hill Place Project) 2026 Series H (the "Series H Bonds" and together with the Series G Bonds, the "Bonds"). In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion. Capitalized terms not otherwise defined herein have the meaning given to them in the Indenture (hereinafter defined) and, if not in the Indenture, in the Regulatory Agreement (hereinafter defined).

The Bonds are issued pursuant to Act No. 80-585 enacted at the 1980 Regular Session of the Legislature of Alabama, as heretofore amended, codified as Chapter 1A of Title 24 of the Code of Alabama 1975 (the "Act"), an Indenture of Trust dated as of November 1, 2026 (the "Indenture"), between the Issuer and Regions Bank, as Trustee (the "Trustee"), and a resolution of the Issuer authorizing the issuance of the Bonds.

The Bonds are being issued for the purpose of financing the acquisition, construction, installation and equipping of a residential rental housing facility (the "Project") known as Park Hill Place, located in Hazel Green, Alabama, and owned by Park Hill Place Housing, LLLP, an Alabama limited liability limited partnership (the "Owner"). Pursuant to the terms of an Origination and Sale Agreement dated as of November 1, 2026 (the "Origination Agreement") between the Issuer and Regions Bank, an Alabama banking corporation (the "Lender"), the proceeds from the sale of the Bonds will be applied to purchase a new mortgage loan (the "Loan") being originated by the Lender pursuant to a Financing Agreement dated as of November 1, 2026 (the "Financing Agreement") among the Issuer, the Trustee, the Lender and the Owner. Pursuant to the Origination Agreement, the Lender will sell and assign to the Issuer its rights in and to the promissory note (the "Note") executed by the Owner in favor of the Lender and the Financing Agreement. The Issuer will assign its rights in and to the Financing Agreement, the Note and other property constituting the Trust Estate (other than the Reserved Rights) to the Trustee. The Issuer also has entered into a Regulatory Agreement and Declaration of Restrictive Covenants dated as of November 1, 2026, with the Trustee and the Owner relating to the Project (the "Regulatory Agreement").

* Preliminary; subject to change.

We note that various legal issues are addressed in the opinions of Tanner & Guin Law Firm, counsel to the Owner, and Jones Walker LLP, counsel to the Lender, and we express no opinion with respect to those issues.

Regarding questions of fact material to our opinion, we have relied on certifications, representations and covenants of the Issuer, the Owner, the Lender and other parties contained in the documents underlying the issuance of the Bonds and the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

On the basis of the foregoing and subject to the assumptions, qualifications, limitations and exceptions stated herein, we are of the opinion that, under existing law:

1. The Issuer is validly existing as a public corporation under the laws of the State of Alabama with the corporate power to enter into and perform its obligations under the Indenture and the Regulatory Agreement and to issue the Bonds.

2. The Indenture and the Regulatory Agreement have been duly authorized, executed, and delivered by the Issuer and are valid and binding obligations of the Issuer enforceable against the Issuer. The Indenture creates a valid lien on the Trust Estate.

3. The Bonds have been duly authorized and executed by the Issuer, and are valid and binding limited obligations of the Issuer, payable from the Trust Estate.

4. Interest on the Bonds (a) is excludable from gross income for federal income tax purposes, except for interest on the Bonds for any period during which the Bonds are held by a "substantial user" of a Project or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and (b) is not an item of tax preference for purposes of the federal alternative minimum tax ; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in this paragraph is subject to the condition that the Issuer and the Owner comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

5. Interest on the Bonds is exempt from present income taxation by the State of Alabama.

The opinions expressed above are also subject to the following assumptions, qualifications, limitations and exceptions:

(i) The Bonds, the rights of the holders of the Bonds, the Indenture and the Regulatory Agreement and the enforceability of all of the foregoing may be limited by provisions of the Federal Bankruptcy Code and any applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, sovereign immunity or other similar laws affecting creditors' rights and general principles of equity, including the exercise of judicial discretion in appropriate cases.

(ii) We express no opinion with respect to the enforceability of any provision of the Indenture or the Regulatory Agreement relating to (a) waiver or severability, (b) the availability of "self-help" remedies, (c) rights granted to any party which are in contravention of, or which modify or waive, the right to receive notice or any other right prescribed by the Alabama Uniform Commercial Code, as adopted and in effect from time to time, or other applicable law, (d) perfection or priority of or title to the Trust Estate, or (e) indemnification, contribution, penalty, foreclosure, choice of law, waiver of jury trial, choice of forum or venue.

(iii) We express no opinion herein regarding the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

(iv) Our opinions expressed herein are limited to the application of the laws of the State of Alabama and the federal laws of the United States of America, and do not extend to any laws of any other state or nation.

(v) This opinion is (a) limited to matters stated herein and no opinion may be inferred or implied beyond the matters expressly stated, (b) given for your use and benefit only and may not be relied upon by any other parties or in any other opinion of any other parties, including any counsel or accountant of any other parties, without our prior written consent, (c) given as of the date hereof and only with respect to the particular transaction described in this opinion and no other and (d) given with the express understanding that we have no obligation to advise you of changes in law or fact even though such changes may affect the opinions expressed herein.

Respectfully submitted,