

TENNESSEE HOUSING DEVELOPMENT AGENCY
BOND FINANCE COMMITTEE
June 4, 2019

Pursuant to the call of the Chairman, the Bond Finance Committee of the Tennessee Housing Development Agency Board of Directors (the "Committee") met on Tuesday, June 4, 2019, at 4:30 P.M. in Conference Room G-11, State Capitol, Nashville, Tennessee. The following members were present: Jonathan Rummel (for Secretary of State Tre Hargett), Treasurer David Lillard, Samantha Wilson (for Commissioner of Finance & Administration Stuart McWhorter), and Comptroller Justin Wilson (*Secretary*). Kim Grant Brown (*Chair*) participated by conference call.

At the request of Chair Brown, Comptroller Wilson chaired the meeting. He noted a physical quorum was present and called the meeting to order. Comptroller Wilson indicated the Committee would consider the sale of Issue 2019-2 Bonds. Lynn Miller, THDA Chief Legal Counsel, presented the following documents that were circulated earlier for the Committee's consideration:

- Memo from CSG Advisors Incorporated ("CSG"), financial advisor for THDA, dated June 4, 2019, recommending approval of the described pricing for Issue 2019-2.
- Resolution of the Bond Finance Committee approving the issuance and sale of Issue 2019-2 (Non-AMT) in the aggregate principal amount of \$200,000,000 (the "Award Resolution"). The following documents were attached to the Award Resolution as exhibits and were incorporated by reference:
 - Bond Purchase Agreement for the sale of Issue 2019-2 Bonds to the underwriting syndicate, led by Citigroup Global Markets Inc. ("Citigroup"), the bookrunning senior manager;
 - Supplemental Resolution for the Issue 2019-2 Bonds; and
 - Final Bond Maturity Schedule showing the maturities and interest rates for the Issue 2019-2 Bonds.

Ms. Miller noted that, in general, the market was better than it was earlier in the year. She indicated that even though the market deteriorated during the day, there was excellent retail demand with over \$130 million in retail orders and good institutional demand, although some of the longer maturities were not fully subscribed. She called on Tim Rittenhouse and David Jones, with CSG, who participated by conference call, to provide additional information. Mr. Rittenhouse indicated the retail response was very strong and allowed for a five basis point reduction for all serial bonds from July 2022 through July 2027. He also indicated that the yield on the PAC bond was, generally, better than on any other PAC sold by a housing finance agency this year. He noted that the sale produced over \$30 million in new zero participations and a very attractive overall yield of about 3.05%. Mr. Jones indicated that CSG recommended approval of the pricing.

Comptroller Wilson asked if the process to determine whether to accelerate seemed to function properly. Mr. Rittenhouse indicated that it did from CSG's perspective. He noted that the form of the memo fit the process reasonably and allowed CSG to apply the particular circumstances of today's decision into a format that seemed to capture the key details. Ms. Miller added that staff thought it worked well. She also noted that staff appreciated Mr. Rittenhouse working through the list of factors with Citigroup during a conference call.

Upon motion by Comptroller Wilson, second by Treasurer Lillard, and with the following roll call vote, the motion carried to approve the Award Resolution:

Chairman Brown:	Yes
Mr. Rummel for Secretary Hargett:	Yes
Treasurer Lillard:	Yes
Ms. Wilson for Commissioner McWhorter:	Yes
Comptroller Wilson:	Yes

Comptroller Wilson asked if there were any other matters to come before the Committee. Ms. Miller indicated that the Issue 2019-2 reimbursement resolution was for an amount not to exceed \$60 million, given the rate of production, that amount may be exceeded by the time the Issue 2019-2 closes on June 27. She noted she confirmed with Bond Counsel that approval of an amended reimbursement resolution was not necessary because none of the purchased loans for which reimbursement was expected were purchased more than 60 days prior to the closing date.

There being no further business, Comptroller Wilson adjourned the meeting.

Respectfully submitted,


Assistant Secretary

Approved the 22nd day of July, 2019.



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MEMORANDUM

TO: THDA Bond Finance Committee, Office of State and Local Finance, and THDA

FROM: David Jones, Tim Rittenhouse, Mark Kaveny, and Eric Olson

SUBJECT: Negotiated Pricing Recommendations –
Residential Finance Program Bonds, Issue 2019-2

DATE: June 4, 2019

This memo reviews and provides market context for THDA's negotiated offering of the Issue 2019-2 bonds, to be completed today subject to THDA's acceptance. CSG recommends that THDA accept the terms achieved in the offering, as adjusted at the end of the institutional order period.

Purposes of Financing

THDA expects to use the proceeds from the bonds to: (i) refund certain bonds issued and outstanding under THDA General Resolutions, (ii) finance first lien single-family Program Loans (or participations therein) for single-family, owner-occupied housing (one to four dwelling units); (iii) pay capitalized interest, if any; (iv) pay Costs of Issuance, Underwriters' Fees and other transaction costs; and (v) make a deposit to the Bond Reserve Fund, if required.

Method of Sale

The Bonds were offered by negotiated sale with Citigroup serving as the senior managing underwriter and Raymond James and RBC Capital Markets acting as co-senior managers. J.P. Morgan, Wells Fargo Securities, and Wiley Brothers - Aintree Capital served as co-managers. Four firms participated in the selling group.

Pricing

Prior to commencing a retail order period Tuesday morning, representatives of THDA, the Office of State and Local Finance, THDA Bond Finance Committee, CSG, and Citi held a call to

review terms for offering the bonds during the retail order period and pre-marketing the PAC. Although the 10-year US Treasury benchmark yield was higher, Citi proposed to proceed with yields agreed to on Monday afternoon with one change to pare the premarketing level for the PAC by 0.02% to 2.08%. The understanding from Monday was that up to 50% of each of the 2034, 2039, and 2041 term bonds would be allotted to retail investors (subject to receiving orders) and Citi would continue to accept retail orders after the retail order period concluded.

The underwriters commenced a retail order period Tuesday morning, based on terms thoroughly discussed on Monday afternoon and reviewed this morning. By the midday call US Treasury bond yields were higher and the key municipal index (the General Obligation Municipal Market Daily Index or "MMD") was indicated 0.01% higher. The 10-year treasury was higher by 0.05%, as the MMD lagged behind. The treasuries appeared to be rebounding from the rise in trade war fears that had sharply depressed yields late last week.

In reviewing the status of the offering on an 11:30 AM CT call, the underwriters recommended accelerating the institutional order period due to the very strong retail order period showing, the weaker tone in the treasury and municipal markets, and risk that statements from Washington or Fed representatives could push yields higher. \$14.4 million in serial bonds from 1/1/2021 through 1/1/2022, in 2028, 1/1/2030, 1/1/2031 and 2032 were unsold during the retail order period. Fully subscribed maturities in 2020, from 7/1/2022 through 7/1/2027, 2029, 7/1/2030, and 7/1/2031 were subscribed from 1.1 to 4.1 times. At that time retail orders totaled more than \$131 million.

Citi recommended taking no more orders in the fully subscribed serial maturities during the institutional order period. Based on the retail reception and recognizing the weaker market tone, THDA agreed to accept the bankers' recommendation to proceed with the acceleration of the institutional order period.

An institutional order period was opened early this afternoon during which the balances were offered in the unsold serial maturities, in the term bonds, and in the PACs. On a 1:45 PM CT wrap-up call the results of the institutional order period were reviewed, and Citi offered to underwrite the unsold balances without further adjustments.

Results of the Sale

By the end of the order periods \$136.6 million in total retail orders and \$185.8 million in institutional orders were recorded (exclusive of manager orders for stock). Following up on Citi's commitment during the course of the midday discussion to review the offering and consider Citi's recommendation to accelerate the sale, Citi offered to underwrite the unsold balances with no further adjustments to the bond yields:

Maturity	5/31 Consensus Scale	Yield Change from Consensus Scale	6/4 Final Yield
1/1/20	1.40%	-	1.40%
7/1/20	1.45%	-	1.45%
1/1/21	1.55%	-	1.55%
7/1/21	1.60%	-	1.60%
1/1/22	1.65%	-	1.65%
7/1/22	1.70%	-0.05%	1.65%
1/1/23	1.75%	-0.05%	1.70%
7/1/23	1.80%	-0.05%	1.75%
1/1/24	1.85%	-0.05%	1.80%
7/1/24	1.85%	-0.05%	1.80%
1/1/25	1.90%	-0.05%	1.85%
7/1/25	1.95%	-0.05%	1.90%
1/1/26	2.00%	-0.05%	1.95%
7/1/26	2.00%	-0.05%	1.95%
1/1/27	2.05%	-0.05%	2.00%
7/1/27	2.10%	-0.05%	2.05%
1/1/28	2.15%	-	2.15%
7/1/28	2.20%	-	2.20%
1/1/29	2.30%	-	2.30%
7/1/29	2.35%	-	2.35%
1/1/30	2.40%	-	2.40%
7/1/30	2.45%	-	2.45%
1/1/31	2.50%	-	2.50%
7/1/31	2.55%	-	2.55%
1/1/32	2.60%	-	2.60%
7/1/32	2.65%	-	2.65%
7/1/34	2.80%	-	2.80%
7/1/39	3.00%	-	3.00%
7/1/41	3.10%	-	3.10%
1/48 PAC	2.10%	-0.02%	2.08%

Despite the softening bond market tone during the course of the day, Citi was successful in (1) holding the prices on the serial maturities, while underwriting \$6.6 million in unsold bonds from 1/1/2030 through 7/1/2032 and a \$5.9 million balance in the 2041 term bond (totaling \$12.5 million); (2) trimming 0.02% on the PAC yield to an outstandingly favorable 2.08%; and (3) maintaining attractive levels for the 2034, 2039, and 2041 term bonds – well below the yields and spreads achieved by the Maryland, North Dakota, and Maine offerings of last week.

The spreads to the MMD achieved on THDA's Issue 2019-2 Bonds equaled or beat the levels of other recent triple-rated state HFA issues. At the tightest spread to the relevant MMD yield in 2019, the performance on the PAC bonds was more favorable than the other recent PAC bond sales, though some of those issues had higher ratings and much smaller bond amounts. Overall, the final yields and spreads for the Issue 2019-2 Bonds were very competitive with the most attractive levels of other recent high quality housing bond offerings.

At the end of this memo are two tables providing additional information. Table 1 summarizes the pricing changes during the marketing period, and Table 2 shows listings of other recent HFA offerings for non-AMT single family housing bond financings.

Effect of the Sale

Issue 2019-2 is expected to generate a full spread to THDA with attractive mortgage rates, creating \$30.4 million in net zeros.

Key yield calculations are as follows:

Bond Yield Calculations:

- TIC Including Underwriter's Discount 3.102%
- TIC Excluding Underwriter's Discount 3.056%

Recommendation

CSG recommends approval of the transaction based on the attractive yields achieved in the offering relative both to expectations and comparable housing bond offerings.

TABLE 1: CHANGES DURING MARKETING

TABLE 1: CHANGES DURING MARKETING

	Initial Consensus Scale			Retail Pricing Wire						Institutional Pricing Wire						Final Pricing					
	5/31, 4:11 PM CDT			6/4, 8:12 AM CDT			Change from Initial			6/4, 12:52 PM CDT			Change from Retail Wire			6/4, 1:45 PM final pricing call			Change from Inst. Wire		
	iMMD	Yield	Spread to	iMMD	Yield	Spread	iMMD	Yield	Spread	iMMD	Yield	Spread	iMMD	Yield	Spread	iMMD	Yield	Spread	iMMD	Yield	Spread
5/31/19		5/31 iMMD	6/3/19		6/3 iMMD				6/3/19		6/3 iMMD				6/4/19		6/4 iMMD				
1/1/20	1.37	1.40	+3	1.35	1.40	+5	-2	-	+2	1.35	1.40	+5	-	-	-	1.35	1.40	+5	-	-	-
7/1/20	1.38	1.45	+7	1.36	1.45	+9	-2	-	+2	1.36	1.45	+9	-	-	-	1.36	1.45	+9	-	-	-
1/1/21	1.39	1.55	+16	1.37	1.55	+18	-2	-	+2	1.37	1.55	+18	-	-	-	1.37	1.55	+18	-	-	-
7/1/21	1.39	1.60	+21	1.37	1.60	+23	-2	-	+2	1.37	1.60	+23	-	-	-	1.37	1.60	+23	-	-	-
1/1/22	1.40	1.65	+25	1.38	1.65	+27	-2	-	+2	1.38	1.65	+27	-	-	-	1.38	1.65	+27	-	-	-
7/1/22	1.40	1.70	+30	1.38	1.70	+32	-2	-	+2	1.38	1.65	+27	-	-5	-5	1.38	1.65	+27	-	-	-
1/1/23	1.41	1.75	+34	1.39	1.75	+36	-2	-	+2	1.39	1.70	+31	-	-5	-5	1.39	1.70	+31	-	-	-
7/1/23	1.41	1.80	+39	1.39	1.80	+41	-2	-	+2	1.39	1.75	+36	-	-5	-5	1.39	1.75	+36	-	-	-
1/1/24	1.42	1.85	+43	1.40	1.85	+45	-2	-	+2	1.40	1.80	+40	-	-5	-5	1.40	1.80	+40	-	-	-
7/1/24	1.42	1.85	+43	1.40	1.85	+45	-2	-	+2	1.40	1.80	+40	-	-5	-5	1.40	1.80	+40	-	-	-
1/1/25	1.43	1.90	+47	1.41	1.90	+49	-2	-	+2	1.41	1.85	+44	-	-5	-5	1.42	1.85	+43	+1	-	-1
7/1/25	1.44	1.95	+51	1.42	1.95	+53	-2	-	+2	1.42	1.90	+48	-	-5	-5	1.43	1.90	+47	+1	-	-1
1/1/26	1.47	2.00	+53	1.45	2.00	+55	-2	-	+2	1.45	1.95	+50	-	-5	-5	1.46	1.95	+49	+1	-	-1
7/1/26	1.48	2.00	+52	1.46	2.00	+54	-2	-	+2	1.46	1.95	+49	-	-5	-5	1.47	1.95	+48	+1	-	-1
1/1/27	1.50	2.05	+55	1.48	2.05	+57	-2	-	+2	1.48	2.00	+52	-	-5	-5	1.49	2.00	+51	+1	-	-1
7/1/27	1.53	2.10	+57	1.51	2.10	+59	-2	-	+2	1.51	2.05	+54	-	-5	-5	1.52	2.05	+53	+1	-	-1
1/1/28	1.56	2.15	+59	1.54	2.15	+61	-2	-	+2	1.54	2.15	+61	-	-	-	1.55	2.15	+60	+1	-	-1
7/1/28	1.59	2.20	+61	1.57	2.20	+63	-2	-	+2	1.57	2.20	+63	-	-	-	1.58	2.20	+62	+1	-	-1
1/1/29	1.63	2.30	+67	1.61	2.30	+69	-2	-	+2	1.61	2.30	+69	-	-	-	1.62	2.30	+68	+1	-	-1
7/1/29	1.66	2.35	+69	1.64	2.35	+71	-2	-	+2	1.64	2.35	+71	-	-	-	1.65	2.35	+70	+1	-	-1
1/1/30	1.70	2.40	+70	1.68	2.40	+72	-2	-	+2	1.68	2.40	+72	-	-	-	1.69	2.40	+71	+1	-	-1
7/1/30	1.73	2.45	+72	1.71	2.45	+74	-2	-	+2	1.71	2.45	+74	-	-	-	1.72	2.45	+73	+1	-	-1
1/1/31	1.77	2.50	+73	1.75	2.50	+75	-2	-	+2	1.75	2.50	+75	-	-	-	1.76	2.50	+74	+1	-	-1
7/1/31	1.79	2.55	+76	1.77	2.55	+78	-2	-	+2	1.77	2.55	+78	-	-	-	1.78	2.55	+77	+1	-	-1
1/1/32	1.83	2.60	+77	1.81	2.60	+79	-2	-	+2	1.81	2.60	+79	-	-	-	1.83	2.60	+77	+2	-	-2
7/1/32	1.85	2.65	+80	1.83	2.65	+82	-2	-	+2	1.83	2.65	+82	-	-	-	1.85	2.65	+80	+2	-	-2
7/1/34	1.94	2.80	+86	1.92	2.80	+88	-2	-	+2	1.92	2.80	+88	-	-	-	1.94	2.80	+86	+2	-	-2
7/1/39	2.14	3.00	+86	2.12	3.00	+88	-2	-	+2	2.12	3.00	+88	-	-	-	2.14	3.00	+86	+2	-	-2
7/1/41	2.21	3.10	+89	2.20	3.10	+90	-1	-	+1	2.20	3.10	+90	-	-	-	2.22	3.10	+88	+2	-	-2
1/48 PAC	1.43	2.10	+67	1.41	2.08	+67	-2	-2	-	1.41	2.08	+67	-	-	-	1.41	2.08	+67	-	-	-

TABLE 2: RECENT NON-AMT COMPARABLE ISSUES

STATE HFA SINGLE FAMILY NON-AMT PRICING COMPARABLES, PAST FOUR MONTHS PLUS EARLIER THDA

Pricing Date	6/4/19		5/23/19		5/22/19		5/21/19		5/15/19		5/15/19		5/7/19	
Amount	\$200,000,000		\$125,000,000		\$210,000,000		\$135,000,000		\$40,000,000		\$50,000,000		\$37,000,000	
Issuer	Tennessee HDA		Pennsylvania HFA		Maryland DHCD		North Dakota HFA		Maine SHA		Nevada HD		Colorado HFA	
Series	Issue 2019-2		Series 2019-129		2019 Series B		2019 Series C		2019 Series B		Series 2019A		2019 Series F	
Program	Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated	
Rating(s)	Aa1 / AA+ / -		Aa2 / AA+ / -		Aa2 / - / AA		Aa1 / - / -		Aa1 / AA+ / -		- / AA+ / -		Aaa / AAA / -	
Tax Status	Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT	
Maturity Year ('19 pricings)	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD
0 2019														1.600
1 2020	1.40 / 1.45	+5 / +9			1.50 / 1.55	+5 / +10	1.600	+15	1.600	+11	1.60 / 1.65	+11 / +16	1.625 / 1.65	+9 / +10
2 2021	1.55 / 1.60	+18 / +23			1.60 / 1.70	+14 / +23	1.70 / 1.75	+24 / +29	1.700	+20	1.70 / 1.75	+21 / +25	1.70 / 1.75	+15 / +19
3 2022	1.650	+27 / +27			1.70 / 1.75	+23 / +27	1.800	+33 / +33	1.800	+29	1.80 / 1.85	+30 / +34	1.80 / 1.85	+24 / +28
4 2023	1.70 / 1.75	+31 / +36			1.85 / 1.875	+37 / +39	1.850	+37 / +37	1.850	+33	1.90 / 1.95	+39 / +43	1.90 / 1.95	+33 / +37
5 2024	1.800	+40 / +40			1.950	+46 / +45	1.950	+46 / +46	1.950	+42	2.000	+48 / +47	2.000	+41 / +40
6 2025	1.85 / 1.90	+43 / +47			2.000	+47 / +46	2.050	+53 / +52	2.050	+50	2.10 / 2.125	+56 / +58	2.05 / 2.10	+44 / +48
7 2026	1.950	+49 / +48	2.10 / 2.15	+55 / +59	1.79 / 1.85	+22 / +27	2.10 / 2.15	+54 / +58	2.100	+53	2.15 / 2.20	+59 / +63	2.125 / 2.15	+50 / +51
8 2027	2.00 / 2.05	+51 / +53	2.20 / 2.25	+61 / +64	1.92 / 1.98	+32 / +35	2.20 / 2.25	+61 / +63	2.200	+58	2.25 / 2.30	+66 / +69	2.20 / 2.25	+54 / +56
9 2028	2.15 / 2.20	+60 / +62	2.35 / 2.40	+70 / +73	2.03 / 2.05	+37 / +36	2.35 / 2.40	+70 / +72	2.350	+68	2.35 / 2.40	+71 / +74	2.30 / 2.35	+59 / +61
10 2029	2.30 / 2.35	+68 / +70	2.450	+73 / +70	2.11 / 2.14	+38 / +38	2.450	+73 / +70	2.500	+77	2.45 / 2.50	+75 / +77	2.40 / 2.45	+62 / +64
11 2030	2.40 / 2.45	+71 / +73	2.55 / 2.60	+76 / +79	2.55 / 2.60	+75 / +77	2.55 / 2.60	+76 / +78	2.600	+80	2.55 / 2.60	+78 / +81	2.50 / 2.55	+64 / +66
12 2031	2.50 / 2.55	+74 / +77	2.650	+79	2.65 / 2.70	+78 / +81			2.700	+85				
13 2032	2.60 / 2.65	+77 / +80					2.800	+85	2.800	+88				
14 2033														
15 2034	2.800	+86	2.950	+91	3.000	+93	3.000	+93	2.950	+94	2.950	+94		
16 2035														
17 2036														
18 2037														
19 2038														
20 2039	3.000	+86	3.150	+91	3.200	+93	3.200	+93	3.150	+95	3.200	+100		
21 2040														
22 2041	3.100	+88												
23 2042					3.350	+98	3.350	+99						
24 2043														
25 2044									3.350	+104	3.300	+99		
26 2045			3.350	+97										
27 2046														
28 2047														
29 2048														
30 2049			3.400	+98							3.400	+104		
31 2050														
PAC 1	4.00C/2.08Y +67 to 5.5yr				4.00C/2.17Y +68 to 5yr		4.00C/2.22Y +69 to 6yr				4.00C/2.19Y +67 to 5yr		4.25C/2.30Y +71 to 5yr	
PAC 2														
Notes	1/1/48 PAC bond has 4% coupon priced at 109.793 to yield 2.08% and has an average life of 5.5 years from 100-400% PSA				3/1/26 - 9/1/29 have 5% coupons; 9/1/49 PAC has 4% coupon at 108.545 to yield 2.17% with 5 year avg. life from 100-400% PSA		1/1/50 PAC bond has 4% coupon priced at 109.802 to yield 2.22% and has an average life of 6 years from 90-400% PSA				4/1/49 PAC bond has 4% coupon priced at 108.440 to yield 2.19% and has an average life of 5 years from 100-500% PSA		11/1/49 PAC bond has 4.25% coupon priced at 109.087 to yield 2.30% and has an average life of 5 years from 100-400% PSA	
Maturity Dates	1/1 and 7/1		4/1 and 10/1		3/1 and 9/1		7/1 and 1/1		11/15		4/1 and 10/1		11/1 and 5/1	
Call Provisions	7/1/28 at par/102.482 PAC		10/1/28 at par		9/1/28 at par		7/1/28 at par		5/15/28 at par		10/1/28 at par		11/1/28 at par	
Mkt Index	BBI / RBI 3.51% / 4.00%		BBI / RBI 3.56% / 4.05%		BBI / RBI 3.57% / 4.05%		BBI / RBI 3.57% / 4.05%		BBI / RBI 3.63% / 4.11%		BBI / RBI 3.63% / 4.11%		BBI / RBI 3.73% / 4.21%	
Sr Manager	Citigroup		Jefferies		J.P. Morgan		RBC Capital Markets		Barclays		J.P. Morgan		Barclays	

STATE HFA SINGLE FAMILY NON-AMT PRICING COMPARABLES, PAST FOUR MONTHS PLUS EARLIER THDA

Pricing Date	4/30/19	4/29/19	4/23/19	4/10/19	4/9/19	4/2/19	3/27/19				
Amount	\$19,890,000	\$42,350,000	\$71,995,000	\$80,000,000	\$111,310,000	\$40,000,000	\$146,700,000				
Issuer	Massachusetts HFA	Iowa FA	Connecticut HFA	New Mexico MFA	Georgia HFA	Texas State AHC	North Carolina HFA				
Series	Series 207	2019 Series A	2019 Series B-1	2019 Series C	2019 Series A	Series 2019A	Series 41				
Program	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated				
Rating(s)	Aa1 / AA+ / -	Aaa / AAA / -	Aaa / AAA / -	Aaa / - / -	- / AAA / -	Aa1 / - / -	Aa1 / AA+ / -				
Tax Status	Non-AMT	Non-AMT	Non-AMT	Non-AMT	Non-AMT	Non-AMT	Non-AMT				
Maturity Year ('19 pricings)	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD			
0 2019											
1 2020					1.60 / 1.65	+7 / +12		1.60 / 1.65	+12 / +17		
2 2021			1.550	-3	1.70 / 1.75	+15 / +20		1.70 / 1.75	+18 / +22		
3 2022					1.80 / 1.85	+23 / +27		1.80 / 1.85	+27 / +30		
4 2023					1.90 / 1.95	+29 / +33		1.90 / 1.95	+33 / +36		
5 2024					2.00 / 2.05	+33 / +37		2.00 / 2.05	+39 / +41		
6 2025			2.050	+33	2.10 / 2.15	+40 / +43		2.10 / 2.15	+44 / +46		
7 2026			2.15 / 2.20	+39 / +42	2.20 / 2.25	+47 / +50	2.125 / 2.20	+38 / +43	2.25 / 2.30	+54 / +56	
8 2027			2.30 / 2.375	+50 / +55	2.35 / 2.40	+58 / +60	2.30 / 2.35	+51 / +53	2.35 / 2.40	+59 / +61	
9 2028			2.45 / 2.50	+58 / +60	2.50 / 2.55	+67 / +69	2.40 / 2.45	+55 / +56	2.50 / 2.55	+68 / +70	
10 2029			2.55 / 2.60	+60 / +62	2.60 / 2.65	+69 / +71	2.50 / 2.55	+57 / +58	2.60 / 2.65	+70 / +72	
11 2030			2.60 / 2.65	+66 / +68	2.70 / 2.75	+70 / +72	2.60 / 2.65	+58 / +60	2.75 / 2.80	+76 / +78	
12 2031					2.80 / 2.85	+72 / +75					
13 2032			2.950	+86							
14 2033			3.000	+78							
15 2034					3.050	+79	3.050	+77			
16 2035									3.000	+70	
17 2036											
18 2037	3.150	+84									
19 2038											
20 2039			3.300	+80	3.350	+86	3.350	+84			
21 2040									3.450	+93	
22 2041											
23 2042											
24 2043											
25 2044					3.600	+98	3.600	+96			
26 2045									3.600	+99	
27 2046											
28 2047											
29 2048											
30 2049					3.700	+103	3.700	+101			
31 2050									3.680	+103 to 30yr	
PAC 1	4.00C/2.36Y	+72 to 5yr	4.00C/2.45Y	+77 to 6yr	4.00C/2.47Y	+75 to 6yr	4.00C/2.41Y	+73 to 5yr			
PAC 2									4.25C/2.36Y	+74 to 5yr	
Notes	6/1/49 PAC bond has 4% coupon priced at 107.606 to yield 2.36% and has an average life of 5 years from 100-500% PSA	7/1/47 PAC bond has 4% coupon priced at 108.442 to yield 2.45% and has an average life of 6 years from 100-400% PSA	5/15/49 PAC bond has 4% coupon priced at 108.329 to yield 2.47% and has an average life of 6 years from 75-400% PSA	7/1/50 PAC bond has 4% coupon priced at 107.362 to yield 2.41% and has an average life of 5 years from 100-400% PSA					40 is 3.75%C/3.45%Y, 45 is 3.9%C/3.6%Y, 50 is 4%C/3.68%Y; 3/1/49 PAC is 4.25%C/2.39%Y at 108.645 w/ 5yr avg life 100-450% PSA		1/1/50 PAC bond has 4% coupon priced at 107.616 to yield 2.36% and has an average life of 5 years from 100-500% PSA
Maturity Dates	6/1	1/1 and 7/1	11/15 and 5/15	1/1 and 7/1	6/1 and 12/1	9/1 and 3/1	1/1 and 7/1				
Call Provisions	12/1/28 at par	7/1/28 at par	11/15/28 at par	7/1/28 at par	6/1/28 at par	3/1/29 at par	7/1/28 at par				
Mkt Index	BBI / RBI 3.79% / 4.27%	BBI / RBI 3.79% / 4.27%	BBI / RBI 3.86% / 4.33%	BBI / RBI 3.88% / 4.35%	BBI / RBI 3.88% / 4.35%	BBI / RBI 3.79% / 4.26%	BBI / RBI 3.92% / 4.39%				
Sr Manager	RBC Capital Markets	Morgan Stanley	BofA Merrill	RBC Capital Markets	Morgan Stanley	Raymond James	RBC Capital Markets				

STATE HFA SINGLE FAMILY NON-AMT PRICING COMPARABLES, PAST FOUR MONTHS PLUS EARLIER THDA

Pricing Date	3/27/19		3/26/19		3/22/19		3/13/19		3/12/19		3/7/19		3/7/19	
Amount	\$15,000,000		\$108,345,000		\$78,155,000		\$233,925,000		\$93,240,000		\$56,580,000		\$98,195,000	
Issuer	Escambia County HFA		Nebraska IFA		California Dept. Veterans		Michigan SHDA		Colorado HFA		Louisiana HC		Minnesota HFA	
Series	2019 Series A		2019 Series A		2019 Series A		2019 Series A		2019 Series E		Series 2019A-1,2		2019 Series B	
Program	Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated	
Rating(s)	Aaa / - / -		- / AA+ / -		Aa3 / AA / AA-		Aa2 / AA+ / -		Aaa / AAA / -		Aaa / - / -		Aa1 / AA+ / -	
Tax Status	Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT	
Maturity Year ('19 pricings)	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD
0 2019					1.450		1.700		1.600				1.600	
1 2020	1.750	+26	1.60 / 1.65	+9 / +13	1.500	-2 / -3	1.75 / 1.80	+18 / +22	1.65 / 1.70	+8 / +12	1.65 / 1.70	+8 / +12	1.650	+8
2 2021	1.80 / 1.85	+31 / +35	1.70 / 1.75	+18 / +22	1.55 / 1.60	+2 / +6	1.85 / 1.90	+27 / +31	1.75 / 1.80	+17 / +21	1.75 / 1.80	+17 / +21	1.750	+17
3 2022	1.90 / 1.95	+40 / +43	1.80 / 1.85	+27 / +30	1.70 / 1.75	+15 / +19	1.95 / 2.00	+35 / +39	1.850	+25 / +24	1.85 / 1.90	+25 / +29	1.800	+21
4 2023	2.050	+52 / +50	1.90 / 1.95	+34 / +37	1.85 / 1.95	+27 / +35	2.050	+42 / +40	1.95 / 2.00	+33 / +36	2.00 / 2.05	+38 / +41	1.950	+34
5 2024	2.10 / 2.15	+53 / +55	2.00 / 2.05	+39 / +41	2.00 / 2.05	+36 / +38	2.150	+46 / +43	2.050	+37 / +34	2.10 / 2.15	+42 / +43	2.050	+38
6 2025	2.20 / 2.25	+58 / +60	2.10 / 2.15	+44 / +46	2.15 / 2.20	+46 / +48	2.25 / 2.30	+49 / +51	2.15 / 2.20	+40 / +42	2.20 / 2.25	+44 / +46	2.15 / 2.20	+41 / +43
7 2026	2.35 / 2.40	+68 / +70	2.20 / 2.25	+49 / +51	2.35 / 2.40	+61 / +63	2.40 / 2.45	+58 / +60	2.30 / 2.35	+48 / +50	2.35 / 2.40	+52 / +54	2.35 / 2.375	+55 / +54
8 2027	2.45 / 2.50	+73 / +75	2.30 / 2.40	+54 / +61	2.45 / 2.50	+66 / +68	2.55 / 2.60	+65 / +67	2.45 / 2.50	+55 / +57	2.45 / 2.50	+54 / +56	2.50 / 2.55	+62 / +63
9 2028	2.60 / 2.65	+82 / +83	2.45 / 2.55	+63 / +70	2.60 / 2.65	+75 / +76	2.70 / 2.75	+73 / +74	2.60 / 2.65	+63 / +65	2.60 / 2.65	+61 / +62	2.65 / 2.70	+68 / +70
10 2029	2.75 / 2.80	+89 / +90	2.60 / 2.65	+70 / +72	2.70 / 2.75	+77 / +78	2.85 / 2.90	+79 / +80	2.750	+69	2.80 / 2.85	+71 / +72	2.85 / 2.90	+78 / +80
11 2030	2.90 / 2.95	+95 / +97	2.70 / 2.75	+71 / +73	2.80 / 2.85	+78 / +80	3.00 / 3.05	+83 / +85			3.000	+80 / +77	3.000	+82 / +79
12 2031			2.80 / 2.85	+71 / +74	2.95 / 3.00	+83 / +87	3.100	+83					3.10 / 3.15	+82 / +85
13 2032														
14 2033													3.300	+87
15 2034	3.250	+104	3.150	+89	3.150	+87	3.350	+92			3.350	+88		
16 2035														
17 2036														
18 2037														
19 2038														
20 2039	3.500	+106	3.400	+91	3.450	+94	3.650	+95	3.600	+90	3.650	+90		
21 2040														
22 2041														
23 2042														
24 2043					3.600	+99								
25 2044	3.650	+110	3.600	+100			3.850	+103			3.800	+93		
26 2045														
27 2046														
28 2047			3.700	+107										
29 2048														
30 2049	3.750	+115					3.950	+108			3.900	+98		
31 2050														
PAC 1	4.75C/2.46Y +90 to 4.6yr				4.00C/2.44Y +81 to 5yr		4.25C/2.51Y +83 to 5yr		4.25C/2.42Y +79 to 4.5yr		4.50C/2.43Y +76 to 4.9yr		4.25C/2.47Y +80 to 5yr	
PAC 2														
Notes	4/1/50 PAC bond has 4.75% coupon priced at 109.82 to yield 2.46% and has an average life of 4.61 years from 100-400% PSA				12/1/49 PAC bond has 4% coupon priced at 107.225 to yield 2.44% and has an average life of 5 years from 100-500% PSA		12/1/44 & 6/1/49 are 4% cpns at 3.85% & 3.95% yields; 12/1/49 PAC is 4.25% cpn at 108.021 to yld 2.51% w/ 5yr avg life 100-500% PSA		5/1/49 PAC bond has 4.25% coupon priced at 107.615 to yield 2.42% and has an average life of 4.5 years from 100-400% PSA		6/1/49 PAC bond has 4.50% coupon priced at 109.333 to yield 2.43% and has an average life of 4.9 years from 100-400% PSA		7/1/49 PAC bond has 4.25% coupon priced at 108.196 to yield 2.47% and has an average life of 5 years from 100-500% PSA	
Maturity Dates	10/1 and 4/1		3/1 and 9/1		12/1 and 6/1		12/1 and 6/1		11/1 and 5/1		6/1 and 12/1		7/1 and 1/1	
Call Provisions	10/1/28 at par		3/1/28 at par		6/1/28 at par		6/1/28 at par		5/1/28 at par		6/1/28 at par		7/1/28 at par	
Mkt Index	BBI / RBI 3.92% / 4.39%		BBI / RBI 3.92% / 4.39%		BBI / RBI 3.92% / 4.39%		BBI / RBI 4.09% / 4.56%		BBI / RBI 4.09% / 4.56%		BBI / RBI 4.09% / 4.56%		BBI / RBI 4.09% / 4.56%	
Sr Manager	RBC Capital Markets		J.P. Morgan		Academy Securities		RBC Capital Markets		RBC Capital Markets		George K. Baum		RBC Capital Markets	

STATE HFA SINGLE FAMILY NON-AMT PRICING COMPARABLES, PAST FOUR MONTHS PLUS EARLIER THDA

Pricing Date	3/6/19		3/6/19		2/28/19		2/27/19		2/27/19		2/26/19		2/21/19	
Amount	\$48,655,000		\$11,345,000		\$65,000,000		\$68,620,000		\$115,000,000		\$140,000,000		\$58,740,000	
Issuer	Alaska HFC		Alaska HFC		Missouri HDC		SONYMA		Wisconsin HEDA		Maryland DHCD		Mississippi HC	
Series	2019 First Series		2019 Second Series		2019 Series A		Series 217		2019 Series A		2019 Series A		Series 2019A	
Program	Single Family / Competitive		Single Family / Competitive		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated	
Rating(s)	Aaa / AAA / -		Aaa / AAA / -		- / AA+ / -		Aa1 / - / -		Aa2 / AA+ / -		Aa2 / - / AA		Aaa / - / -	
Tax Status	Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT	
Maturity Year ('19 pricings)	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD
0 2019					1.600				1.650		1.550		1.600	
1 2020	1.60 / 1.65	+2 / +7			1.65 / 1.70	+7 / +12			1.70 / 1.75	+13 / +17	1.65 / 1.70	+8 / +12	1.65 / 1.70	+5 / +10
2 2021	1.70 / 1.75	+11 / +16			1.75 / 1.80	+16 / +21			1.80 / 1.85	+22 / +26	1.75 / 1.80	+17 / +21	1.80 / 1.85	+19 / +24
3 2022	1.80 / 1.85	+20 / +24			1.85 / 1.90	+25 / +29			1.90 / 1.95	+31 / +34	1.85 / 1.90	+26 / +29	1.90 / 1.95	+28 / +32
4 2023	1.90 / 1.95	+27 / +30			1.95 / 2.00	+32 / +35			2.00 / 2.05	+38 / +41	2.00 / 2.05	+38 / +41	2.00 / 2.05	+35 / +38
5 2024	2.00 / 2.05	+31 / +32			2.05 / 2.10	+36 / +38			2.150	+48 / +45	2.10 / 2.125	+43 / +43	2.10 / 2.15	+40 / +41
6 2025	2.15 / 2.20	+38 / +40			2.20 / 2.25	+42 / +44			2.20 / 2.25	+46 / +48	2.20 / 2.25	+46 / +48	2.20 / 2.25	+43 / +45
7 2026	2.30 / 2.35	+46 / +48			2.35 / 2.40	+50 / +52			2.35 / 2.45	+54 / +61	2.35 / 2.40	+54 / +56	2.35 / 2.40	+50 / +52
8 2027	2.45 / 2.50	+52 / +54			2.45 / 2.50	+51 / +53			2.55 / 2.60	+65 / +67	2.50 / 2.55	+60 / +62	2.50 / 2.55	+56 / +58
9 2028	2.60 / 2.65	+59 / +60			2.60 / 2.65	+57 / +59			2.75 / 2.80	+76 / +78	2.65 / 2.70	+66 / +68	2.65 / 2.70	+62 / +64
10 2029	2.70 / 2.75	+58 / +59			2.75 / 2.85	+61 / +68			2.90 / 2.95	+81 / +83	2.80 / 2.85	+71 / +73	2.80 / 2.85	+67 / +68
11 2030	2.80 / 2.85	+57 / +59			2.95 / 3.00	+70 / +72			3.00 / 3.05	+80 / +82	2.95 / 3.00	+75 / +77	2.95 / 3.00	+70 / +72
12 2031	2.90 / 2.95	+57 / +61			3.05 / 3.10	+70 / +74					3.10 / 3.125	+80 / +81		
13 2032	3.00 / 3.05	+60 / +64			3.15 / 3.20	+73 / +77					3.20 / 3.25	+83 / +86		
14 2033	3.10 / 3.15	+63 / +68												
15 2034	3.20 / 3.25	+69 / +74			3.350	+84	3.250	+76			3.375	+90	3.375	+84
16 2035	3.30 / 3.35	+73 / +78							3.500	+95				
17 2036	3.40 / 3.45	+77 / +82												
18 2037	3.50 / 3.55	+81 / +86												
19 2038														
20 2039	3.600	+80			3.650	+84	3.625	+84			3.750	+97	3.700	+87
21 2040														
22 2041	3.650	+78												
23 2042											3.850	+98		
24 2043	3.700	+79											3.875	+93
25 2044					3.850	+92								
26 2045							3.800	+88						
27 2046	3.750	+81												
28 2047														
29 2048														
30 2049	3.850	+88												
31 2050														
PAC 1			4.00C/2.33Y	+65 to 5yr	4.25C/2.45Y	+77 to 5yr	4.00C/2.49Y	+82 to 5yr	4.25C/2.50Y	+83 to 5yr	4.25C/2.48Y	+81 to 5yr	4.00C/2.45Y	+76 to 5yr
PAC 2														
Notes	99.02 UW purchase price		12/1/48 PAC bond has 4% coupon priced at 107.763 to yield 2.33% with average life of 5 years 50-600% PSA; 107.74 UW purchase price		5/1/47 PAC bond has 4.25% coupon priced at 108.319 to yield 2.45% and has an average life of 5 years from 100-400% PSA		10/1/49 PAC bond has 4% coupon priced at 106.989 to yield 2.49% and has an average life of 5 years from 75-500% PSA		3/1/49 PAC bond has 4.25% coupon priced at 108.047 to yield 2.50% and has an average life of 5 years from 100-500% PSA		9/1/49 PAC bond has 4.25% coupon priced at 108.169 to yield 2.48% and has an average life of 5 years from 100-400% PSA		10/1/49 PAC bond has 4.00% coupon priced at 107.167 to yield 2.45% and has an average life of 5 years from 100-500% PSA	
Maturity Dates	6/1 and 12/1		6/1 and 12/1		11/1 and 5/1		4/1 and 10/1		9/1 and 3/1		9/1 and 3/1		12/1 and 6/1	
Call Provisions	12/1/28 at par		12/1/28 at par		5/1/28 at par		4/1/28 at par		9/1/28 at par		3/1/28 at par		6/1/28 at par	
Mkt Index	BBI / RBI 4.19% / 4.66%		BBI / RBI 4.19% / 4.66%		BBI / RBI 4.19% / 4.66%		BBI / RBI 4.23% / 4.70%		BBI / RBI 4.23% / 4.70%		BBI / RBI 4.23% / 4.70%		BBI / RBI 4.23% / 4.70%	
Sr Manager	Fidelity		J.P Morgan		Stifel		BofA Merrill		RBC Capital Markets		RBC Capital Markets		Wells Fargo	

STATE HFA SINGLE FAMILY NON-AMT PRICING COMPARABLES, PAST FOUR MONTHS PLUS EARLIER THDA

Pricing Date	2/20/19		2/20/19		2/14/19		2/13/19		2/13/19		2/12/19		2/5/19	
Amount	\$66,750,000		\$35,000,000		\$78,210,000		\$202,720,000		\$70,160,000		\$175,000,000		\$72,980,000	
Issuer	Illinois HDA		West Virginia HDF		Washington SHFC		New Jersey HMFA		Wyoming CDA		Tennessee HDA		Connecticut HFA	
Series	2019 Series A		2019 Series A		2019 Series 1N		2019 Series C		2019 Series 1		Issue 2019-1		2019 Series A-1	
Program	Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated	
Rating(s)	Aaa / - / -		Aaa / AAA / -		Aaa / - / -		Aa3 / AA / -		Aa1 / AA+ / -		Aa1 / AA+ / -		Aaa / AAA / -	
Tax Status	Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT	
Maturity Year (*19 pricings)	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD
0 2019	1.600				1.550				1.55 / 1.60					
1 2020	1.65 / 1.70	+5 / +10	1.65 / 1.70	+5 / +10	1.65 / 1.70	+5 / +10			1.65 / 1.70	+4 / +9	1.60 / 1.65	+0 / +4		
2 2021	1.80 / 1.85	+19 / +24	1.75 / 1.80	+14 / +19	1.80 / 1.85	+19 / +24			1.80 / 1.85	+18 / +23	1.75 / 1.80	+14 / +18		
3 2022	1.90 / 1.95	+28 / +32	1.85 / 1.90	+23 / +27	1.90 / 1.95	+27 / +31			1.90 / 1.95	+26 / +30	1.85 / 1.90	+22 / +26		
4 2023	2.00 / 2.10	+35 / +44	2.00 / 2.05	+35 / +38	2.00 / 2.10	+34 / +42			2.00 / 2.10	+32 / +40	1.95 / 2.05	+29 / +38		
5 2024	2.15 / 2.20	+46 / +48	2.10 / 2.15	+41 / +43	2.15 / 2.20	+45 / +46			2.15 / 2.20	+43 / +44	2.15 / 2.20	+45 / +48		
6 2025	2.25 / 2.30	+50 / +52	2.20 / 2.25	+44 / +46	2.25 / 2.35	+48 / +55			2.25 / 2.35	+45 / +52	2.25 / 2.30	+49 / +51	2.300	+43
7 2026	2.45 / 2.50	+62 / +64	2.35 / 2.40	+51 / +53	2.45 / 2.50	+60 / +62	2.55 / 2.60	+68 / +70	2.45 / 2.55	+57 / +64	2.40 / 2.50	+57 / +63	2.45 / 2.50	+53 / +55
8 2027	2.60 / 2.65	+68 / +70	2.55 / 2.60	+62 / +64	2.60 / 2.65	+66 / +68	2.70 / 2.75	+74 / +76	2.65 / 2.70	+68 / +70	2.60 / 2.65	+68 / +69	2.65 / 2.70	+63 / +65
9 2028	2.75 / 2.80	+74 / +76	2.75 / 2.80	+73 / +75	2.75 / 2.80	+72 / +74	2.85 / 2.90	+80 / +82	2.80 / 2.85	+74 / +76	2.75 / 2.80	+73 / +75	2.800	+69 / +66
10 2029	2.85 / 2.90	+74 / +75	2.85 / 2.90	+73 / +75	2.85 / 2.90	+72 / +73	2.95 / 3.00	+80 / +81	2.90 / 2.95	+74 / +75	2.85 / 2.90	+73 / +75	2.90 / 2.95	+69 / +71
11 2030	2.95 / 3.00	+73 / +75	2.95 / 3.00	+72 / +74	3.00 / 3.05	+76 / +78	3.05 / 3.10	+79 / +81	3.000	+73	2.95 / 3.00	+72 / +74	3.00 / 3.05	+68 / +70
12 2031	3.10 / 3.15	+77 / +80			3.125 / 3.15	+78 / +79					3.10 / 3.15	+76 / +79	3.10 / 3.15	+67 / +71
13 2032											3.20 / 3.25	+78 / +82	3.20 / 3.25	+71 / +75
14 2033	3.300	+83												
15 2034			3.375	+86	3.375	+85	3.500	+94	3.450	+89	3.400	+86	3.450	+85
16 2035														
17 2036									3.600	+92				
18 2037														
19 2038									3.750	+95				
20 2039			3.750	+94	3.750	+93	3.850	+100			3.750	+92	3.800	+91
21 2040														
22 2041														
23 2042														
24 2043					3.875	+94								
25 2044			3.875	+94			3.950	+97			3.900	+94		
26 2045														
27 2046														
28 2047														
29 2048														
30 2049			3.950	+96			3.960	+93						
31 2050														
PAC 1	4.25C/2.50Y	+82 to 5yr			4.00C/2.46Y	+77 to 5yr	4.75C/2.55Y	+84 to 4.9yr	4.00C/2.46Y	+76 to 5yr	4.25C/2.46Y	+76 to 5yr	4.00C/2.53Y	+78 to 5yr
PAC 2														
Notes	10/1/49 PAC bond has 4.25% coupon priced at 108.069 to yield 2.50% and has an average life of 5 years from 100-400% PSA				6/1/49 PAC bond has 4.00% coupon priced at 107.126 to yield 2.46% and has an average life of 5 years from 100-500% PSA		4/1/49 is 4% coupon at 100.30 to yield 3.96%; 10/1/50 PAC has 4.75% coupon at 109.919 to yield 2.55% with 4.9 year avg. life from 100-400% PSA		12/1/48 PAC bond has 4.00% coupon priced at 106.900 to yield 2.46% and has an average life of 4.8 years from 100-500% PSA		2044 split: 3.90% at par and 4.00% coupon at 100.716 to yield 3.90%; 1/1/50 PAC has 4.25% coupon at 108.272 to yield 2.46% with 5 year avg. life from 100-400% PSA		11/15/45 PAC bond has 4.00% coupon priced at 106.787 to yield 2.53% and has an average life of 5 years from 75-500% PSA	
Maturity Dates	10/1 and 4/1		5/1 and 11/1		12/1 and 6/1		4/1 and 10/1		6/1 and 12/1		1/1 and 7/1		11/15 and 5/15	
Call Provisions	4/1/28 at par		11/1/27 at par		6/1/28 at par		4/1/28 at par		6/1/28 at par		7/1/28 at par		5/15/28 at par	
Mkt Index	BBI / RBI 4.24% / 4.71%		BBI / RBI 4.24% / 4.71%		BBI / RBI 4.24% / 4.71%		BBI / RBI 4.23% / 4.70%		BBI / RBI 4.23% / 4.70%		BBI / RBI 4.23% / 4.70%		BBI / RBI 4.22% / 4.69%	
Sr Manager	BofA Merrill		Raymond James		RBC Capital Markets		RBC Capital Markets		BofA Merrill		RBC Capital Markets		Citigroup	

STATE HFA SINGLE FAMILY NON-AMT PRICING COMPARABLES, PAST FOUR MONTHS PLUS EARLIER THDA

Pricing Date	2/5/19		2/5/19		2/5/19		1/24/19		1/23/19		1/17/19		1/16/19	
Amount	\$99,000,000		\$148,840,000		\$17,510,000		\$48,780,000		\$150,000,000		\$70,000,000		\$39,465,000	
Issuer	South Dakota HDA		Texas DHCA		Texas DHCA		Indiana HCDA		Ohio HFA		New Mexico MFA		Maine SHA	
Series	2019 Series A		Series 2019A Par Bonds		Series 2019A Premium Bonds		2019 Series A		2019 Series A		2019 Series A		2019 Series A	
Program	Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated	
Rating(s)	Aaa / AAA / -		Aaa / AA+ / -		Aaa / AA+ / -		Aaa / - / AAA		Aaa / - / -		Aaa / - / -		Aa1 / AA+ / -	
Tax Status	Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT		Non-AMT	
Maturity Year (*19 pricings)	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD
0 2019	1.500								1.600					
1 2020	1.60 / 1.65	-2 / +3			1.740	+12	1.70 / 1.80	+3 / +12	1.65 / 1.75	-4 / +5	1.70 / 1.80	+1 / +10	1.750	+5
2 2021	1.75 / 1.80	+10 / +15	1.850	+21	1.800	+15	1.85 / 1.90	+16 / +20	1.80 / 1.85	+9 / +13	1.850	+15 / +14	1.850	+13
3 2022	1.85 / 1.90	+17 / +21	1.950	+28	1.850	+17	1.95 / 2.00	+24 / +27	2.00 / 2.05	+27 / +29	2.00 / 2.05	+28 / +31	2.050	+29
4 2023	2.00 / 2.10	+29 / +36	2.050	+35	1.930	+21	2.10 / 2.15	+34 / +37	2.15 / 2.20	+37 / +39	2.15 / 2.20	+38 / +41	2.200	+39
5 2024	2.20 / 2.25	+44 / +46	2.200	+45	2.010	+24	2.20 / 2.25	+38 / +41	2.25 / 2.30	+41 / +43	2.25 / 2.30	+42 / +45	2.300	+43
6 2025	2.30 / 2.35	+46 / +48	2.350	+53	2.100	+25	2.40 / 2.45	+52 / +54	2.40 / 2.45	+50 / +52	2.40 / 2.45	+52 / +54	2.450	+52
7 2026	2.45 / 2.55	+53 / +60	2.500	+61	2.210	+28	2.55 / 2.60	+60 / +61	2.50 / 2.55	+53 / +54	2.55 / 2.60	+61 / +62	2.550	+55
8 2027	2.65 / 2.70	+63 / +65	2.650	+66	2.330	+30	2.65 / 2.75	+61 / +68	2.65 / 2.70	+59 / +61	2.70 / 2.75	+68 / +70	2.700	+63
9 2028	2.80 / 2.85	+69 / +71	2.750	+66	2.440	+32	2.80 / 2.85	+67 / +69	2.80 / 2.85	+65 / +67	2.80 / 2.85	+69 / +71	2.850	+69
10 2029	2.90 / 2.95	+69 / +71	2.900	+71	2.560	+34	3.000	+77 / +74	2.95 / 3.00	+70 / +72	3.000	+80 / +77	3.000	+75
11 2030	3.00 / 3.10	+68 / +75	3.000	+70	2.700	+37	3.10 / 3.15	+75 / +78	3.05 / 3.10	+68 / +71	3.100	+81 / +79	3.050	+72
12 2031	3.15 / 3.20	+72 / +76			2.81 / 2.83	+40 / +40					3.200	+82 / +80		
13 2032					2.88 / 2.89	+40 / +40								
14 2033														
15 2034	3.450	+85	3.500	+90			3.500	+86	3.500	+85	3.450	+87	3.450	+87
16 2035														
17 2036														
18 2037														
19 2038														
20 2039	3.800	+91	3.800	+91			3.850	+91	3.850	+90	3.850	+97	3.800	+92
21 2040														
22 2041														
23 2042	3.900	+93					3.967	+95						
24 2043														
25 2044			3.900	+90									4.000	+101
26 2045														
27 2046														
28 2047														
29 2048														
30 2049									4.000	+89	4.000	+96		
31 2050			3.950	+90 to 30yr										
PAC 1	4.00C/2.51Y	+76 to 5yr	4.75C/2.52Y	+77 to 4.9yr			4.25C/2.62Y	+80 to 5yr	4.50C/2.60Y	+76 to 5yr	4.25C/2.61Y	+78 to 5yr	4.00C/2.60Y	+77 to 5yr
PAC 2														
Notes	5/1/49 PAC bond has 4.00% coupon priced at 106.884 to yield 2.51% and has an average life of 5 years from 100-400% PSA		1/1/49 PAC bond has 4.75% coupon priced at 110.128 to yield 2.52% and has an average life of 4.9 years from 100-400% PSA		All 5% coupons and were sold at premiums ranging from 104 to 121; YTM's 2029 are 2.749%, 3.024%, 3.179%, 3.25%, 3.34%, and 3.393%		7/1/42 is 4% coupon at 100.25 for 3.967% yield to call; 7/1/48 PAC is 4.25% coupon at 107.514 for 2.62% yield and has an average life of 5 years from 100-500% PSA		9/1/49 PAC bond has 4.50% coupon priced at 108.747 to yield 2.60% and has an average life of 5 years from 100-500% PSA		1/1/50 PAC bond has 4.25% coupon priced at 107.541 to yield 2.61% and has an average life of 5 years from 100-400% PSA		11/15/49 PAC bond has 4.00% coupon priced at 106.462 to yield 2.60% and has an average life of 5 years from 75-500% PSA	
Maturity Dates	11/1 and 5/1		1/1 and 7/1		7/1 and 1/1		1/1 and 7/1		9/1 and 3/1		1/1 and 7/1		11/15	
Call Provisions	5/1/28 at par		7/1/28 at par		7/1/28 at par		7/1/28 at par		3/1/28 at par/100.904 PAC		7/1/28 at par		5/15/28 at par	
Mkt Index	BBI / RBI 4.22% / 4.69%		BBI / RBI 4.22% / 4.69%		BBI / RBI 4.22% / 4.69%		BBI / RBI 4.23% / 4.70%		BBI / RBI 4.19% / 4.66%		BBI / RBI 4.19% / 4.66%		BBI / RBI 4.20% / 4.67%	
Sr Manager	BofA Merrill		Jefferies		Jefferies		RBC Capital Markets		Citigroup		RBC Capital Markets		Citigroup	

STATE HFA SINGLE FAMILY NON-AMT PRICING COMPARABLES, PAST FOUR MONTHS PLUS EARLIER THDA

Pricing Date	1/15/19	1/8/19	12/12/18	10/3/18	8/7/18	5/8/18	2/27/18								
Amount	\$100,000,000	\$60,000,000	\$40,000,000	\$225,000,000	\$149,900,000	\$160,000,000	\$99,900,000								
Issuer	Pennsylvania HFA	North Dakota HFA	Montana BOH	Tennessee HDA	Tennessee HDA	Tennessee HDA	Tennessee HDA								
Series	Series 2019-128B	2019 Series A	2019 Series A	Issue 2018-4	Issue 2018-3	Issue 2018-2	Issue 2018-1								
Program	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated								
Rating(s)	Aa2 / AA+ / -	Aa1 / - / -	Aa1 / AA+ / -	Aa1 / AA+ / -	Aa1 / AA+ / -	Aa1 / AA+ / -	Aa1 / AA+ / -								
Tax Status	Non-AMT	Non-AMT	Non-AMT	Non-AMT	Non-AMT	Non-AMT	Non-AMT								
Maturity Year (*19 pricings)	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD	Coupon/ Yield	Spread to iMMD							
0 2019															
1 2020			1.75 / 1.85	+4 / +13	1.850	+7	1.875	+1	1.500	+3	1.75 / 1.85	+4 / +8	1.40 / 1.50	+5 / +7	
2 2021			1.90 / 1.95	+17 / +21	1.90 / 1.95	+10 / +12	2.00 / 2.10	+5 / +11	1.65 / 1.75	+10 / +12	1.95 / 2.05	+11 / +18	1.625 / 1.75	+11 / +20	
3 2022			2.05 / 2.10	+29 / +31	2.10 / 2.15	+25 / +26	2.20 / 2.25	+18 / +20	1.90 / 2.00	+20 / +23	2.20 / 2.25	+30 / +32	1.85 / 2.00	+18 / +30	
4 2023			2.20 / 2.25	+38 / +41	2.25 / 2.30	+34 / +34	2.35 / 2.40	+26 / +27	2.05 / 2.15	+22 / +27	2.30 / 2.35	+34 / +35	2.05 / 2.15	+23 / +29	
5 2024			2.300	+41 / +39	2.35 / 2.40	+37 / +37	2.45 / 2.50	+28 / +28	2.20 / 2.25	+27 / +27	2.40 / 2.45	+37 / +38	2.25 / 2.375	+29 / +38	
6 2025			2.45 / 2.50	+52 / +54	2.50 / 2.55	+45 / +45	2.60 / 2.65	+34 / +35	2.35 / 2.40	+30 / +30	2.55 / 2.60	+41 / +42	2.45 / 2.55	+38 / +44	
7 2026			2.600	+61 / +57	2.65 / 2.70	+52 / +52	2.75 / 2.80	+41 / +42	2.55 / 2.65	+38 / +44	2.65 / 2.70	+43 / +44	2.60 / 2.65	+41 / +42	
8 2027			2.750	+68 / +65	2.85 / 2.90	+62 / +64	2.90 / 2.95	+47 / +48	2.80 / 2.85	+50 / +51	2.80 / 2.85	+51 / +53	2.800	+49 / +45	
9 2028			2.850	+70 / +67	2.95 / 3.00	+64 / +67	3.05 / 3.10	+54 / +56	2.900	+52 / +49	2.95 / 3.00	+60 / +62	2.90 / 2.95	+50 / +51	
10 2029			3.000	+77 / +75	3.050	+67 / +65	3.15 / 3.20	+56 / +59	3.000	+55 / +52	3.00 / 3.05	+60 / +62	3.00 / 3.05	+53 / +54	
11 2030			3.100	+79 / +77	3.150	+69 / +67	3.25 / 3.30	+59 / +62	3.050	+53 / +51	3.10 / 3.15	+65 / +67	3.15 / 3.25	+61 / +68	
12 2031			3.200	+82 / +80	3.250	+73 / +71	3.35 / 3.40	+62 / +65	3.200	+62 / +60	3.25 / 3.30	+75 / +77	3.30 / 3.35	+70 / +72	
13 2032							3.500	+70 / +68	3.300	+67 / +65	3.35 / 3.40	+79 / +82	3.45 / 3.50	+79 / +82	
14 2033			3.375	+86											
15 2034	3.500	+93			3.550	+85	3.650	+74	3.450	+70	3.500	+82	3.600	+83	
16 2035			3.500	+85											
17 2036															
18 2037															
19 2038	3.850	+103													
20 2039					3.800	+83	3.900	+75	3.750	+80	3.700	+85	3.850	+91	
21 2040															
22 2041															
23 2042															
24 2043											3.850	+94	3.900	+90	
25 2044							4.000	+78	3.850	+84					
26 2045															
27 2046					4.000	+87									
28 2047	4.000	+99													
29 2048															
30 2049															
31 2050							4.050	+78 to 30yr	3.950	+89 to 30yr					
PAC 1			4.25C/2.66Y	+77 to 5yr	4.25C/2.83Y	+80 to 5yr	4.50C/2.86Y	+60 to 5yr	4.25C/2.68Y	+68 to 5yr	4.00C/2.71Y	+65 to 5yr	4.00C/2.61Y	+63 to 5yr	
PAC 2															
Notes			7/1/49 PAC bond has 4.25% coupon priced at 107.307 to yield 2.66% and has an average life of 5 years from 100-400% PSA		12/1/45 PAC bond has 4.25% coupon priced at 106.536 to yield 2.83% and has an average life of 5 years from 100-500% PSA		7/1/49 PAC bond has 4.50% coupon priced at 107.475 to yield 2.86% and has an average life of 5 years from 100-400% PSA		7/1/49 PAC bond has 4.25% coupon priced at 107.219 to yield 2.68% and has an average life of 5 years from 100-400% PSA		1/1/49 PAC bond has 4% coupon priced at 105.911 to yield 2.71% and has an average life of 5 years from 100-400% PSA		1/1/43 PAC bond has 4% coupon priced at 106.390 to yield 2.61% and has an average life of 5 years from 100-400% PSA		
Maturity Dates	10/1 and 4/1		1/1 and 7/1		12/1 and 6/1		7/1 and 1/1		7/1 and 1/1		1/1 and 7/1		1/1 and 7/1		
Call Provisions	10/1/27 at par		7/1/28 at par		6/1/28 at par		1/1/28 at par		7/1/27 at par		7/1/27 at par		7/1/27 at par		
Mkt Index	BBI / RBI 4.09% / 4.56%		BBI / RBI 4.09% / 4.56%		BBI / RBI 4.18% / 4.65%		BBI / RBI 4.18% / 4.69%		BBI / RBI 3.95% / 4.45%		BBI / RBI 3.89% / 4.38%		BBI / RBI 3.86% / 4.35%		
Sr Manager	RBC Capital Markets		RBC Capital Markets		RBC Capital Markets		Raymond James		Citigroup		RBC Capital Markets		Raymond James		

A RESOLUTION OF THE BOND FINANCE COMMITTEE
OF THE TENNESSEE HOUSING DEVELOPMENT AGENCY
PROVIDING FOR THE SALE OF
\$200,000,000 RESIDENTIAL FINANCE PROGRAM BONDS, ISSUE 2019-2 (Non-AMT)
TO BE SECURED PURSUANT TO THE GENERAL
RESIDENTIAL FINANCE PROGRAM BOND RESOLUTION
June 4, 2019

WHEREAS, the Bond Finance Committee (the “Committee”) of the Tennessee Housing Development Agency (“THDA”) Board of Directors (“THDA Board”) approved a Plan of Financing on March 25, 2019 (the “Plan of Financing”) with respect to the issuance and sale of Residential Finance Program Bonds, Issue 2019-2 (the “Bonds”) in an aggregate principal amount not to exceed \$200,000,000, with the exact amount to be determined upon the recommendation of the Financial Advisor, Executive Director and the Secretary of the Bond Finance Committee and approved by THDA’s Bond Counsel and the Committee; and

WHEREAS, the THDA Board adopted a resolution authorizing the issuance and sale of the Bonds (the “Supplemental Resolution”) on March 26, 2019, pursuant to the Plan of Financing and based upon an appropriate determination of the Housing Cost Index; and

WHEREAS, the Supplemental Resolution provides for the terms of the Bonds, including certain terms to be determined or modified by the Committee prior to the sale of the Bonds in a manner consistent with the Supplemental Resolution as may be determined to be necessary or convenient to better achieve the purposes of the THDA enabling act at Tennessee Code Annotated 13-23-101 et seq. or otherwise determined to be in the best interest of THDA; and

WHEREAS, pursuant to the Plan of Financing, the Executive Director of THDA and the Assistant Secretary of the Committee have prepared for a negotiated sale of the Bonds; and

WHEREAS, the Committee has determined to issue and sell the Bonds by negotiated sale to Citigroup Global Markets Inc. (“Citigroup”) on the terms and conditions set forth herein and, as authorized by the THDA Board, to modify all relevant documents accordingly; and

WHEREAS, the Preliminary Official Statement dated May 28, 2019, was prepared and distributed; and

WHEREAS, all consents, proceedings and approvals necessary for the issuance, sale and delivery of the Bonds, respectively, other than those of the Committee have been taken or received.

NOW, THEREFORE, BE IT RESOLVED BY THE BOND FINANCE COMMITTEE OF THE TENNESSEE HOUSING DEVELOPMENT AGENCY:

1. The Committee hereby ratifies, confirms and approves the preparation, distribution and publication of the Preliminary Official Statement dated May 28, 2019.
2. The Committee hereby ratifies, confirms and approves the issuance of the Bonds as long term, fixed rate, tax-exempt bonds in the original principal amount of \$200,000,000.
3. The Committee hereby ratifies, confirms and approves the sale of the Bonds by negotiated sale to Citi, all in accordance with the Bond Purchase Agreement attached hereto as Exhibit A (the “Purchase Agreement”), and the Supplemental Resolution as modified and attached hereto as

Exhibit B and in accordance with the production table showing maturities, initial principal amounts, prices and approximate yields attached hereto as Exhibit C (the “Final Bond Maturity Schedule”).

4. The Chair, the Secretary or Assistant Secretary of the Committee or the Treasurer, the Vice Chair or Executive Director of THDA is hereby authorized to execute the Purchase Agreement.
5. The Chair, the Secretary or Assistant Secretary of the Committee and the Vice Chair or Executive Director of THDA are each hereby authorized to execute the final Official Statement for the Bonds. The Assistant Secretary of the Committee, Bond Counsel and Chief Legal Counsel to THDA are hereby authorized to prepare the final Official Statement for the Bonds for printing and distribution in substantially the form presented at this meeting, as conformed to reflect the terms and conditions of the Bonds as herein authorized, and are authorized to correct any typographical errors and to conform the final Official Statement to the executed Purchase Agreement and the Final Bond Maturity Schedule.
6. The Supplemental Resolution authorizes the Committee to make such changes or modifications in the principal amounts, maturities and interest rates for the Bonds and in the application of the proceeds thereof, paying agents, terms of redemption and the schedule of prepayment amounts to be used for accrued principal installments in such manner as the Committee determines to be necessary to give effect to the terms of sale of the Bonds. Pursuant to this authority, the Committee hereby approves the Supplemental Resolution, a copy of which is attached hereto as Exhibit B, and authorizes and directs the Assistant Secretary of the Committee and the Chief Legal Counsel of THDA to make, with the approval of Bond Counsel, prior to the delivery of the Bonds, such changes or modifications, if any, as may be necessary in their opinion and in the opinion of Bond Counsel to conform the terms thereof to the Final Bond Maturity Schedule and the Purchase Agreement
7. This resolution shall take effect immediately.

AWARD RESOLUTION

EXHIBIT A

BOND PURCHASE AGREEMENT

TENNESSEE HOUSING DEVELOPMENT AGENCY

**RESIDENTIAL FINANCE PROGRAM BONDS
\$200,000,000 ISSUE 2019-2 (Non-AMT)**

BOND PURCHASE AGREEMENT

June 4, 2019

Tennessee Housing Development Agency,
acting by and through its
Bond Finance Committee
Andrew Jackson Building, 3rd Floor
502 Deaderick Street
Nashville, TN 37243-0273

Ladies and Gentlemen:

The undersigned, Citigroup Global Markets Inc. (the “Representative”) acting for itself and on behalf of the other underwriters designated herein (the “Underwriters”), offers to enter into this Bond Purchase Agreement (this “Agreement”) with you, the Tennessee Housing Development Agency (“THDA”), acting by and through its Bond Finance Committee (the “Committee”). This offer is made subject to the written acceptance and delivery of an executed counterpart hereof to the Underwriters at or prior to 6:00 p.m., New York City time on the date hereof. Upon your acceptance of this offer, this Agreement will be binding upon you and upon the Underwriters.

The Representative hereby represents that (a) it is duly authorized to execute this Agreement and has full authority to take such action as it may deem advisable with respect to all matters pertaining to this Agreement and (b) it is registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as a municipal securities dealer.

1. (a) Upon the terms and conditions and upon the basis of the representations and warranties and agreements hereinafter set forth, the Underwriters hereby agree to purchase, and the Committee on behalf of THDA hereby agrees to sell, and THDA hereby agrees to issue and deliver to the Underwriters, all (but not less than all) of THDA’s \$200,000,000 Residential Finance Program Bonds, Issue 2019-2 (Non-AMT) (the “Bonds”) maturing on the dates and in the principal amounts, bearing interest at the rates and at the initial prices set forth in Exhibit B. The Bonds shall be dated the date of delivery thereof. The Bonds shall be sold to the Underwriters at the price of \$206,179,383.00, representing the par amount of the Bonds

(\$200,000,000.00), plus original issue premium of \$6,179,383.00 on the Bonds maturing on January 1, 2048. As compensation in connection herewith, the Underwriters shall receive a fee at closing in the amount of \$1,161,298.10.

(b) The Bonds shall be subject to redemption, shall mature on the dates and in the amounts and shall bear interest at the rate or rates per annum, payable at the times and in the manner, all as provided in the General Residential Finance Program Bond Resolution adopted by THDA on January 29, 2013, as amended and supplemented (the “General Resolution”) and a Resolution adopted by THDA on March 26, 2019, as amended and supplemented by the Bond Finance Committee of THDA on June 4, 2019 (as so amended and supplemented, the “Issue 2019-2 Supplemental Resolution”). The General Resolution and the Issue 2019-2 Supplemental Resolution are herein collectively referred to as the “Resolutions.” The Preliminary Official Statement, including the cover page, inside cover page and appendices thereto and matters incorporated by reference thereby, of THDA dated May 28, 2019, with respect to the Bonds (the “Preliminary Official Statement”), as amended to conform to the terms of this Agreement and to reflect the offering terms of the Bonds and the other changes marked or otherwise indicated on Exhibit A hereto, and which shall be completed in a manner satisfactory to the Underwriters, and which may contain such further additions as shall be approved by the Underwriters, is hereinafter referred to as the “Official Statement.”

2. It shall be a condition of the obligations of the Committee on behalf of THDA to sell, and of THDA to deliver, the Bonds to the Underwriters and of the obligations of the Underwriters to purchase and accept delivery of the Bonds, that the entire \$200,000,000 principal amount of the Bonds shall be sold by the Committee on behalf of THDA, delivered by THDA and accepted and paid for by the purchasers thereof on the date described in Paragraph 6 hereof (such payment and delivery being referred to herein as the “Closing”). Subject to the terms of Paragraph 3 hereof, the Underwriters agree to make a bona fide offering of all the Bonds, at prices not in excess of the initial offering prices set forth on the inside cover page of the Official Statement.

In the event that the Underwriters fail (other than for a reason permitted hereunder) to purchase, accept delivery of and pay for the Bonds at the Closing as herein provided, the parties hereby agree that the damages to THDA shall be fixed at one percent (1%) of the aggregate principal amount of the Bonds, and, upon such failure of the Underwriters to accept and pay for the Bonds, the Underwriters shall be obligated to pay to THDA such amount as and for full liquidated damages for such failure and for any and all defaults hereunder on the part of the Underwriters, and, except as set forth in Paragraph 15 hereof, no party will have any further rights against the other hereunder. The Underwriters understand that in such event THDA’s actual damages may be greater or may be less than such amount. Accordingly, the Underwriters hereby waive any right to claim that THDA’s actual damages are less than such amount, and THDA’s acceptance of this offer will constitute a waiver of any right THDA may have to additional damages from the Underwriters.

3. Establishment of Issue Price:

(a) The Representative, on behalf of the Underwriters, agrees to assist THDA in establishing the issue price of the Bonds and shall execute and deliver to THDA at Closing an

“issue price” certificate substantially in the form attached as Exhibit C hereto, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, THDA and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. As applicable, all actions to be taken by THDA under this section to establish the issue price of the Bonds may be taken on behalf of THDA by THDA’s municipal advisor and any notice or report to be provided to THDA may be provided to THDA’s municipal advisor.

(b) Except as otherwise set forth in Exhibit B attached hereto, THDA will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Agreement, the Representative shall report to THDA the price or prices at which the Underwriters have sold to the public each maturity of Bonds.

(c) The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Exhibit B attached hereto, except as otherwise set forth therein. Exhibit B also sets forth, as of the date of this Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which THDA and the Representative, on behalf of the Underwriters, agree that (i) the Representative will retain all unsold Bonds of each maturity for which the 10% test has not been satisfied and not allocate any such Bonds to any other Underwriter and (ii) the restrictions set forth in the next sentence shall apply, which will allow THDA to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Representative will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative shall promptly advise THDA after the close of the fifth (5th) business day after the sale date whether the Underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Representative confirms that:

- (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is

a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to:

(A) (1) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing has occurred, until either all Bonds of that maturity have been sold to the public or it is notified by the Representative that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing, if any, may be at reasonable periodic intervals or otherwise upon request of the Representative, and (2) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(B) promptly notify the Representative of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party (as defined below) to an Underwriter, and

(C) acknowledge that, unless otherwise advised by an Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by an Underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing has occurred, until all Bonds of that maturity have been sold to the public or it is notified by the Representative or such Underwriter or dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing, if any, may be at reasonable periodic intervals or otherwise upon request of the Representative or such Underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter or the dealer and as set forth in the related pricing wires.

(e) THDA acknowledges that, in making the representations set forth in this section, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to any of the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to any of the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was

employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to any of the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. THDA further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to any of the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(f) The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with THDA (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Agreement by all parties.

4. THDA has authorized the Resolutions and has delegated to the Committee the authority to authorize, and pursuant to such delegation the Committee has authorized, the Official Statement in the form attached as Exhibit A hereto, as the same may be supplemented or

amended as hereinafter provided, and the information therein contained to be used by the Underwriters in connection with the public offering and the sale of the Bonds.

THDA hereby approves the use by the Underwriters of the Preliminary Official Statement and consents to the use by the Underwriters of the final Official Statement. THDA agrees to deliver to the Underwriters printed, conformed copies of the Official Statement as soon as practical but not later than the earlier to occur of (a) seven business days from the date hereof, (b) the date required to accompany money or trade confirmations of the sale of the Bonds or (c) the date of Closing, in such reasonable amount as may be requested by the Underwriters, not to exceed an amount agreed to between THDA and the Underwriters.

The form of Preliminary Official Statement delivered to the Underwriters and made available on the Internet at "www.i-dealprospectus.com" has, in good faith, been deemed final for purposes of Rule 15c2-12 promulgated under the Exchange Act (the "Rule"), as of the date thereof, except for the omissions permitted by the Rule. The Issue 2019-2 Supplemental Resolution contains the undertaking to provide continuing disclosure as required by the Rule.

Unless THDA is otherwise notified in writing by the Representative on or prior to the date of the Closing, the "end of the underwriting period" for the Bonds for all purposes of the Rule is the date of the Closing. In the event such notice is given in writing by the Representative, the Representative agrees to notify THDA in writing following the occurrence of the "end of the underwriting period" as defined in the Rule for the Bonds identified in such notice.

5. As of the date hereof, THDA represents, warrants and agrees as follows:

(a) THDA is a body politic and corporate, and a political subdivision and instrumentality of the State of Tennessee and, except as otherwise disclosed in the Official Statement, has complied, and will on the date of Closing be in compliance, in all respects with the Tennessee Housing Development Agency Act, constituting Chapter 23 of Title 13 of the Tennessee Code Annotated (T.C.A. § 13-23-101 *et seq.*), as amended (the "Act") and has, and on the date of Closing will have, full legal right, power and authority to (i) enter into this Agreement, (ii) adopt the Resolutions, (iii) delegate to the Committee the authority on its behalf to sell the Bonds, and to issue and deliver the Bonds to the Underwriters and (iv) carry out and consummate all other transactions contemplated by the Resolutions and this Agreement;

(b) By official action of THDA prior to or concurrently with the acceptance hereof, THDA has duly adopted the Resolutions, has duly authorized and approved the execution and delivery of, and the performance by THDA of the obligations contained in the Bonds and this Agreement and has duly authorized and approved the performance by THDA of its obligations contained in the Resolutions;

(c) On the date of Closing, the Resolutions shall be in full force and effect, and shall not have been amended or modified, and the Official Statement shall not have been amended, modified or supplemented except as may have been agreed to by the Underwriters and THDA;

(d) To the best knowledge of the Chair, Vice-Chair, Executive Director, Chief Legal Counsel, Chief Financial Officer and Division Directors of THDA, after due inquiry, and except as otherwise disclosed in the Official Statement, THDA is not in material breach of or material default under any applicable law or administrative regulation of the State of Tennessee or the United States or any applicable judgment or decree or any loan agreement, note, resolution, agreement or other instrument to which THDA is a party or is otherwise subject; and the execution and delivery of this Agreement by THDA and the delivery of the Bonds and the adoption of the Resolutions by THDA and compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree or any agreement or other instrument to which THDA is a party or is otherwise subject;

(e) All approvals, consents and orders of any governmental authority or agency having jurisdiction of the matter which would constitute a condition precedent to the performance by THDA of its obligations hereunder have been obtained, except for certain approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the issuance and sale of the Bonds;

(f) At the time of THDA's acceptance hereof, neither the Preliminary Official Statement nor the Official Statement contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and as of the date of delivery of the Official Statement pursuant to Paragraph 4 hereof and as of the date of the Closing, the Official Statement, as supplemented or amended in accordance with subparagraph (l) of this Paragraph 5, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(g) Except as otherwise described in or contemplated by the Official Statement, between the date of this Agreement and the Closing, THDA will not, without the prior written consent of the Representative (i) issue any bonds, notes or other obligations for borrowed money or (ii) incur any material liabilities, direct or contingent;

(h) No litigation is pending or, to the best knowledge of the Chair, Vice-Chair, Executive Director, Chief Legal Counsel and Division Directors of THDA, threatened in any court affecting the corporate existence of THDA, the title of its officers to their respective offices, or seeking to restrain or enjoin the issuance and delivery of the Bonds or the collection of receipts or assets of THDA, in a material amount, pledged or to be pledged to pay the principal of and interest on the Bonds or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Resolutions, or this Agreement, or contesting the powers of THDA or any authority for the Bonds, the Resolutions, or this Agreement, or contesting in any way the completeness, accuracy or fairness of the Preliminary Official Statement or the Official Statement;

(i) THDA will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may deem necessary in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and

regulations of such states and other jurisdictions of the United States as the Underwriters may designate, provided that THDA shall not be required to register as a broker or dealer in any jurisdiction or comply with any other requirements reasonably deemed by it to be unduly burdensome;

(j) The financial statements of THDA incorporated by reference in the Preliminary Official Statement or attached as an Appendix to the Official Statement fairly present the financial position and results of operation of THDA as of the dates and for the periods therein set forth, and such financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board; and, except as otherwise disclosed in the Official Statement, THDA has no knowledge of any material adverse change in its financial position, results of operation or financial condition from that set forth in the Official Statement;

(k) The Bonds and the Resolutions conform to the descriptions thereof contained in the Official Statement, and the Bonds, when issued, authenticated and delivered in accordance with the Resolutions and sold to the related purchasers thereof, will be validly issued and outstanding obligations of THDA entitled to the benefits of the Resolutions; and this Agreement constitutes the valid and binding obligation of THDA, enforceable against THDA in accordance with its terms;

(l) If, during the period from the date hereof to and including the date which is 25 days following the “end of the underwriting period” (as determined in accordance with Paragraph 4 hereof), any event occurs affecting THDA which is materially adverse to the purpose for which the Official Statement (as then supplemented or amended) is to be used and is not disclosed in the Official Statement, THDA shall notify the Underwriters, and if in the reasonable opinion of THDA or the Underwriters such event requires a supplement or amendment to the Official Statement, THDA will supplement or amend the Official Statement at THDA’s cost and expense in a form and in a manner approved by the Underwriters, counsel to the Underwriters and Bond Counsel to THDA. Copies of any such supplement or amendment shall be provided to the Underwriters.

(m) On the date of the Closing all official action of THDA, the Committee and the State Funding Board of the State of Tennessee related to the Resolutions and the issuance of the Bonds shall be in full force and effect and shall not have been amended, modified or supplemented;

(n) THDA has not failed to pay principal or interest when due on any of its obligations; and

(o) THDA has not failed to comply, in any material respect, with any undertaking in a written contract or agreement specified in paragraph (b)(5)(i) of the Rule since at least a date five years preceding the date of this Agreement.

6. The Closing shall occur at 10:00 a.m., New York Time, on June 27, 2019, or on such other time and date as may be mutually agreed upon by THDA and the Representative. Prior to the Closing, THDA will deliver to the Representative the documents hereinafter

mentioned at the offices of THDA, Andrew Jackson Building, 3rd Floor, 502 Deaderick Street, Nashville, Tennessee or at such other place as we may mutually agree upon. At the Closing, THDA shall deliver or cause to be delivered the Bonds to the Trustee as agent for The Depository Trust Company (“DTC”) pursuant to the DTC FAST delivery program in definitive form, duly executed, registered in the name of “Cede & Co.,” and the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in Paragraph 1 hereof by wire transfer payable in immediately available funds to the Trustee for the account of THDA.

7. The Underwriters have entered into this Agreement in reliance upon the representations and warranties of the Committee and THDA contained herein and to be contained in the documents and instruments to be delivered at the Closing, and upon the performance by the Committee and THDA of their obligations hereunder, both as of the applicable date of execution of this Agreement and as of the date of Closing. Accordingly, the Underwriters’ obligations under this Agreement to purchase and pay for the Bonds shall be subject to the performance by the Committee and THDA of their obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following conditions:

(a) The representations and warranties of the Committee and THDA contained herein shall be true, complete and correct in all material respects at the applicable effective date hereof and on and as of the date of Closing as if made on the date of Closing;

(b) At the time of the Closing, the Resolutions shall be in full force and effect, and shall not have been amended or modified, and the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to by the Underwriters and THDA;

(c) At the time of the Closing, all official action of THDA and the Committee related to the Resolutions and all official action of THDA, the Committee and the State Funding Board of the State of Tennessee related to and constituting a pre-requisite to the sale of the Bonds shall be in full force and effect and shall not have been amended, modified or supplemented;

(d) THDA shall not have failed to pay principal or interest when due on any of its obligations nor, except as otherwise disclosed in the Official Statement, shall there have been any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of THDA;

(e) The Underwriters shall have the right to terminate this Agreement by notifying the Committee and THDA of their election to do so if, after the execution hereof and prior to the Closing:

(i) legislation shall have been introduced in or enacted by the Congress of the United States or legislation shall have been enacted by the State of Tennessee, or legislation pending in the Congress of the United States shall have been amended, or a decision shall have been rendered by a court of the United States or the State of Tennessee, including the United States Tax Court, or a ruling shall have been

made or a regulation shall have been proposed or made or a press release or other form of notice shall have been issued by the Department of the Treasury of the United States or the Internal Revenue Service or other Federal or Tennessee authority, with respect to Federal or Tennessee taxation upon revenues or other income of the general character to be derived by THDA or by any similar body, or upon interest on obligations of the general character of the Bonds, which may have the purpose or effect, directly or indirectly, of affecting the tax status of THDA, its property or income, its securities (including the Bonds) or the interest thereon, or any tax exemption granted or authorized by the Act, or, in the reasonable opinion of the Representative, affects materially and adversely the market for the Bonds, or the market price generally of obligations of the general character of the Bonds or the ability of the Underwriters to enforce contracts, at the contemplated offering prices, for the Bonds;

(ii) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the general character of the Bonds (including any related underlying obligations) is in violation or would be in violation of any provisions of the Securities Act of 1933, as amended (the “Securities Act”), the Exchange Act, or the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”);

(iii) legislation is enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final or temporary), press release or other form of notice issued or made by the Securities and Exchange Commission, a formal notice issued or made by any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying obligations, are not exempt from registration under or other requirements of the Securities Act, or that the General Resolution is not exempt from qualification under or other requirements of the Trust Indenture Act, or that the issuance, offering or sale of obligations of the general character of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is, or would be on the date of the Closing, in violation of the federal securities law as amended and then in effect;

(iv) the United States shall have become engaged in hostilities which have resulted in declaration of war or a national emergency or other unforeseen national or international calamity (economic or otherwise), including a downgrade of the sovereign debt rating of the United States by any major credit rating agency or payment default on United States Treasury obligations, shall have occurred or accelerated to such an extent as, in the reasonable opinion of the Representative, affects materially and adversely the market for the Bonds, or the market price generally of obligations of the general character of the Bonds or the ability of the Underwriters to enforce contracts, at the contemplated offering prices, for the Bonds;

(v) there shall have occurred a general suspension of trading on the New York Stock Exchange or the declaration of a general banking moratorium by United

States, New York or Tennessee authorities or a material disruption in commercial banking or securities settlement or clearances services shall have occurred and, in the reasonable opinion of the Representative, such material disruption has a material adverse effect on the market price or marketability of the Bonds or the ability of the Underwriters to enforce contracts, at the contemplated offering prices, for the Bonds;

(vi) minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental agency having jurisdiction or any national securities exchange shall have imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Bonds or similar obligations, which affects materially and adversely the market for the Bonds, or the market price generally of obligations of the general character of the Bonds or the ability of the Underwriters to enforce contracts, at the contemplated offering prices, for the Bonds;

(vii) an event described in subparagraph (l) of Paragraph 5 hereof occurs prior to the Closing and (1) THDA refuses to permit the Official Statement to be supplemented to supply such information in a manner satisfactory to the Underwriters or (2) the effect of the Official Statement as so supplemented, in the reasonable opinion of the Representative, has a material adverse effect on the market price for or marketability of the Bonds or the ability of the Underwriters to enforce contracts, at the contemplated offering prices, for the Bonds; or

(viii) any rating agency maintaining a rating on THDA's Residential Finance Program Bonds at the request of THDA formally announces that such Residential Finance Program Bonds have been downgraded or placed on "credit watch" with negative implications or any similar formal credit alert and in the reasonable opinion of the Representative such announcement has a material adverse effect on the market price for or marketability of the Bonds or the ability of the Underwriters to enforce contracts, at the contemplated offering prices, for the Bonds;

(f) At or prior to the Closing, the Representative shall have received each of the following documents:

(i) The Preliminary Official Statement of THDA and the Official Statement of THDA together with any supplements or amendments thereto in the event either has been supplemented or amended, the Official Statement having been executed on behalf of THDA by its Chair, its Executive Director or other authorized officer;

(ii) The Resolutions certified by the Secretary of THDA under its seal as having been duly adopted by THDA as being in full force and effect, with such changes or amendments as may have been agreed to by the Representative;

(iii) The unqualified opinion, dated the date of Closing, addressed to THDA, of Kutak Rock LLP, Bond Counsel to THDA, in substantially the form included

as Appendix I to the Official Statement, and a letter of such counsel, dated the date of Closing and addressed to the Underwriters, to the effect that their opinion addressed to THDA may be relied upon by the Underwriters to the same extent as if such opinion were addressed to them;

(iv) An opinion, dated the date of Closing, addressed to the Underwriters, of Kutak Rock LLP, Bond Counsel to THDA, to the effect that (A) the Bonds and the Resolutions conform to the descriptions thereof contained in the Official Statement, and the Bonds are validly issued and outstanding obligations of THDA entitled to the benefits of the Resolutions; (B) this Agreement has been duly authorized, executed and delivered by the Committee on behalf of THDA and constitutes a valid and binding agreement of THDA enforceable against THDA in accordance with its terms; (C) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and (D) the statements contained in the Official Statement under the captions “DESCRIPTION OF OFFERED BONDS” and “SECURITY AND SOURCES OF PAYMENT OF BONDS,” insofar as such statements contained under such captions purport to summarize certain provisions of the Resolutions and describe the terms of the Bonds, present a fair summary of such provisions and conform to the terms and provisions of the Bonds and the statements contained under the caption “TAX MATTERS” with respect to the opinion of Bond Counsel and the law, including the Internal Revenue Code of 1986, as amended, are accurate statements of such opinion and the law. In addition, such counsel shall state in its letter containing the foregoing opinion, or in a separate letter, addressed to the Underwriters and dated the date of Closing, that, based upon its participation in the preparation of the Preliminary Official Statement and the Official Statement as Bond Counsel and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Preliminary Official Statement and the Official Statement, nothing has come to the attention of such counsel to lead it to believe (1) that the Preliminary Official Statement, as of its date (except for any information permitted to be omitted from the Preliminary Official Statement pursuant to the Rule or any financial and statistical data included in the Preliminary Official Statement, as to which no view need be expressed) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (2) that the Official Statement, as of its date (except for any financial and statistical data included therein, as to which no view need be expressed) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or (3) that the Official Statement (as it may have been amended or supplemented pursuant to subparagraph (l) of Paragraph 5 hereof), as of the date of Closing (except for any financial and statistical data included therein, as to which no view need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(v) An opinion, dated the date of Closing, addressed to the Underwriters, of Hawkins Delafield & Wood LLP, counsel to the Underwriters, to the effect that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and that the Resolutions are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; in addition, such counsel shall state in its letter containing the foregoing opinion, or in a separate letter, addressed to the Underwriters and dated the date of Closing, that, based upon their participation in the preparation of the Official Statement as counsel to the Underwriters and assuming the accuracy, completeness and fairness of and without taking responsibility for, the statements contained in the Official Statement, nothing has come to the attention of such counsel to lead it to believe (A) that the Preliminary Official Statement, as of its date (except for any financial and statistical data included in the Preliminary Official Statement, and other matters expressed in such letter to the Underwriters, and also except for any information permitted to be omitted from the Preliminary Official Statement pursuant to the Rule, as to which no view need be expressed) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (B) that the Official Statement, as of its date (except for any financial and statistical data included in the Official Statement, and other matters specified in such letter to the Underwriters, as to which no view need be expressed) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or (C) that the Official Statement (as it may have been amended or supplemented pursuant to subparagraph (l) of Paragraph 5 hereof) as of the date of Closing (except for any financial and statistical data included in the Official Statement, and other matters specified in such letter to the Underwriters, as to which no view need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(vi) An opinion, dated the date of Closing, addressed to the Underwriters, of the Chief Legal Counsel to THDA, to the effect that the performance of THDA's obligations under the Resolutions has been duly authorized and has not and will not violate, to the best of such counsel's knowledge, any applicable judgment, order or regulation of any court or any public or governmental agency or authority of the State or any rule or regulation of THDA, or any statute, order, rule or regulation applicable to THDA and, to the best of such counsel's knowledge, will not conflict with or result in the breach of the provisions of or constitute a default under any agreement or instrument to which THDA is a party or by which THDA or any of its properties is or may be bound; in addition, such counsel shall state in the foregoing opinions, or in a separate letter addressed to the Underwriters and dated the date of Closing, that based upon such counsel's participation in the preparation of the Official Statement as Chief Legal Counsel to THDA and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, such counsel has no reason to believe (A) that the Preliminary Official Statement, as of its date (except for any information permitted to be omitted from the Preliminary Official

Statement pursuant to the Rule or any financial and statistical data included in the Preliminary Official Statement, as to which no view need be expressed) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (B) that the Official Statement, as of its date (except for the financial and statistical data included therein, as to which no view need be expressed) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or (C) that the Official Statement (as it may have been amended or supplemented pursuant to subparagraph (l) of Paragraph 5 hereof) as of the date of Closing (except for the financial and statistical data included therein, as to which no view need be expressed) contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(vii) A certificate, dated the date of Closing, signed by the Chair, Vice-Chair or other authorized officer of THDA and the Executive Director of THDA, to the effect that (A) the representations and warranties of THDA contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing; (B) no litigation is pending or, to the knowledge of either the Chair or other authorized officer of THDA or Executive Director, threatened in any court to restrain or enjoin the issuance or delivery of the Bonds, or the collection of revenues and assets of THDA, in a material amount, pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity of the Bonds, the Resolutions or this Agreement, or contesting the powers of THDA or any authority for the Bonds or the Resolutions, or contesting in any way the accuracy, completeness or fairness of the Preliminary Official Statement, the Official Statement, or the Official Statement as the same may be supplemented or amended (but in lieu of or in conjunction with such certificate the Representative may, in its sole discretion, accept certificates or opinions of the Chief Legal Counsel of THDA, that in such counsel's opinion no such litigation, in any one case or in the aggregate, materially adversely affects the finances, operations, properties or business of THDA, the Bonds or the ability of THDA to perform its obligations under the Bonds, the Resolutions, or this Agreement); (C) to the best of either of such officer's knowledge, no event affecting THDA has occurred since the date of the Official Statement which should be disclosed in the Official Statement, as the same may be supplemented or amended, in order that the Official Statement not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (D) THDA has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing; (E) they believe that the procedures and documentation requirements established for the purpose of fulfilling THDA's tax covenant in the General Resolution are sufficient to assure that the proceeds of the Bonds will be applied in accordance with the requirements of the Internal Revenue Code of 1986, as amended, so as to assure that interest on the Bonds will be excludable from gross income for purposes of Federal income taxation; and (F) as of its date and as of the

date of Closing (1) the information and statements of or pertaining to THDA and its programs contained in the Official Statement were and are correct in all material respects; and (2) insofar as THDA and its affairs are concerned, the Official Statement did not and as of the date of Closing does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no separate certificate need be rendered as to the audited financial statements of THDA attached as an exhibit to the Official Statement, and, provided further, that insofar as the descriptions and statements, including financial data, of or pertaining to other governmental bodies, nongovernmental bodies, and their respective activities contained in the Official Statement are concerned, THDA may state in such Certification that such descriptions, statements, and data have been obtained from sources believed by THDA to be reliable, and THDA has no reason to believe that they are untrue or incomplete in any material respect;

(viii) A letter from the Director, Division of State Audit of the Comptroller of the Treasury of the State of Tennessee, dated the date of the Closing (or dated a date not more than five days prior to the Closing) and addressed to the Underwriters, setting forth, as of the date of such letter (or, with respect to matters involving changes or developments since the date as of which specified financial information is given in the Official Statement, as of a date not more than five days prior to the date of such letter), certain agreed upon procedures in connection with the financial information included in the Official Statement;

(ix) A copy of a transcript of all proceedings relating to the authorization and issuance of the Bonds;

(x) Evidence satisfactory to the Representative that the Bonds have been rated not less than “Aa1” and “AA+” by Moody’s Investors Service, Inc. and Standard and Poor’s Ratings Services, a Standard & Poor’s Financial Services LLP business, respectively;

(xi) An arbitrage certificate, dated as of the date of Closing, in form and substance satisfactory to the Representative, Bond Counsel and counsel to the Underwriters;

(xii) A certificate, dated the date of Closing, signed by the Attorney General of the State of Tennessee to the effect that no litigation or other judicial proceedings have been served upon the State, or are pending against THDA or to the best of his knowledge, threatened (either in State or Federal Courts in the State of Tennessee) (A) restraining or enjoining or seeking to restrain or enjoin the issuance of the Bonds, or (B) in any way questioning or affecting (1) the validity of any provision of the Resolutions authorizing the Bonds and approving the form, terms and provisions of this Agreement, or (2) the pledge or application of any moneys or securities provided for the payment of the Bonds, or (C) in any way questioning or affecting the validity of the proceedings or authority for the issuance of the Bonds, or the security provided for the payment of the Bonds, or (D) in any way questioning or affecting the organization or

existence of THDA or its powers, or the title of the present officers or members of THDA, or any of them, to their respective offices; and

(xiii) Such additional legal opinions, certificates, instruments and other documents as the Representative may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of Closing, of THDA's representations and warranties contained herein and of the statements and information contained in the Official Statement, as the same may be supplemented or amended, and the due performance and satisfaction by THDA at or prior to the date of Closing of all agreements then to be performed and all conditions then to be satisfied by THDA.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Representative.

If the Committee and THDA shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriters, the Committee nor THDA shall be under further obligation hereunder, except that the respective obligations of the Committee, THDA and the Underwriters set forth in Paragraph 15 hereof shall continue in full force and effect.

8. The Underwriters shall not be liable or responsible in any respect for any (a) error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with this Agreement in which the Underwriters have exercised reasonable care, or (b) action, inaction or omission which it may take in good faith after the exercise of reasonable care in connection with this Agreement.

9. The Underwriters, may in good faith, buy, sell, own, hold and deal in any of the Bonds offered and sold by such Underwriters pursuant to this Agreement, and may join in any action which any Bondholder may be entitled to take with like effect as if it did not act in any capacity hereunder. The Underwriters, either as principal or agent, may also engage in or be interested in any financial or other transaction with THDA, and may act as depository, trustee, or agent for any committee or body of owners of Bonds sold hereby or other obligations of THDA as freely as if it did not act in any capacity hereunder.

10. It is the express intention of the parties hereto that any purchase, sale or transfer of any Bonds, as herein provided, shall not constitute or be construed to be the extinguishment of any Bonds or the indebtedness represented thereby or a reissuance of the Bonds.

11. THDA agrees to perform the duties and covenants set forth for it in the Supplemental Resolution insofar as they apply to the issuance and sale of the Bonds.

12. THDA and the Underwriters agree that this Agreement may be amended, changed, supplemented, waived, discharged or terminated only with the prior written consent of each party hereto.

13. This Agreement shall be governed by the laws of the State of Tennessee.

14. (a) Except as otherwise specifically provided in this Agreement, all notices, demands and formal actions under this Agreement shall be in writing and mailed, telecopied or delivered to the Underwriters, THDA and the Committee as follows:

If to the Underwriters: Citigroup Global Markets Inc.
390 Greenwich St., 6th Floor
New York, NY
Attention: Mr. Michael Koessel
Telephone: (212) 723-4967
Facsimile: (212) 723-8939

If to THDA: Tennessee Housing Development Agency
Andrew Jackson Building, 3rd Floor
502 Deaderick Street
Nashville, TN 37243-0273
Attention: Ms. Lynn E. Miller, Esq.,
Chief Legal Counsel
Telephone: (615) 815-2025
Facsimile: (615) 741-9634

If to the Committee: Tennessee Housing Development Agency
Bond Finance Committee
c/o Office of State and Local Finance
425 Fifth Avenue North, 4th Floor
Nashville, TN 37243-0273
Attention: Ms. Sandi Thompson
Telephone: (615) 747-5369
Facsimile: (615) 741-5986

The Representative, THDA and the Committee may, by notice given under this Agreement, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

(b) If any provision of this Agreement shall be held, deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

15. (a) The Underwriters shall be under no obligation to pay, and THDA shall pay, any expenses incident to the performance of THDA's obligations hereunder, including but not limited to: (i) the cost of the preparation, printing and distributing of the Resolutions, the Preliminary Official Statement, the Official Statement (including any supplements or amendments thereto) and this Agreement; (ii) the cost of the preparation and printing of the Bonds; (iii) the fees and disbursements of Kutak Rock LLP, Bond Counsel to THDA; (iv) the

fees and disbursements of THDA's accountants, advisers, local counsel and of any other experts or consultants retained by THDA; and (v) fees for bond ratings. THDA acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(b) The Underwriters shall pay: (i) the cost of preparation and printing of Blue Sky memoranda; (ii) all advertising expenses in connection with the public offering of the Bonds; (iii) the fees charged by The Depository Trust Company and the CUSIP Service Bureau; and (iv) all other expenses incurred by it in connection with their public offering and distribution of the Bonds, including the fees and disbursements of counsel retained by the Underwriters, the fees of Digital Assurance Certification, L.L.C. for a continuing disclosure compliance review. Certain payments may be in the form of inclusion of such expenses in the expense component of the Underwriters' fee.

16. THDA acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between THDA and the Underwriters, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as the agent, advisor or fiduciary of THDA, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of THDA with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to THDA on other matters) and the Underwriters have no obligation to THDA with respect to the offering contemplated hereby other than those arising out of their role as Underwriters pursuant to the terms of this Agreement, (iv) THDA has consulted its own legal, financial and other advisors to the extent it has deemed appropriate, and (v) the Underwriters have financial and other interests that differ from those of THDA.

17. This Agreement is made solely for the benefit of THDA and the Underwriters (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof. The Committee's and THDA's representations, warranties and agreements contained in this Agreement shall remain operative and in full force and effect, regardless of (a) any investigations made by or on behalf of the Underwriters; (b) delivery of and payment for the Bonds hereunder; and (iii) any termination of this Agreement.

18. This Agreement may be executed in multiple counterparts, each of which shall constitute an original and which together shall constitute one and the same Agreement.

19. This Agreement shall become effective upon the execution of the acceptance hereof by the Chair, Vice-Chair, Secretary or Assistant Secretary of the Committee or the Executive Director of THDA and shall be valid and enforceable as of the time of such acceptance.

20. This Agreement embodies the entire agreement and understanding between the parties relating to the subject matter hereof and supersedes all prior agreements and understandings related to such subject matter, and it is agreed that there are no terms,

understandings, representations or warranties, express or implied, other than those set forth herein.

[Remainder of page intentionally left blank]

[Issue 2019-2 Bond Purchase Agreement Execution Page]

Dated: June 4, 2019

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.
RAYMOND JAMES & ASSOCIATES, INC.
RBC CAPITAL MARKETS, LLC
J.P. MORGAN SECURITIES LLC
WELLS FARGO BANK, NATIONAL ASSOCIATION
WILEY BROTHERS—AINTREE CAPITAL, LLC

By: CITIGROUP GLOBAL MARKETS INC.,
as representative on behalf of the
Underwriters, including themselves

By: _____
Michael Koessel
Director

ACCEPTED at _____ p.m. Central Time
this 4th of June, 2019:

TENNESSEE HOUSING DEVELOPMENT
AGENCY, acting by and through its
Bond Finance Committee

By _____
Authorized Officer

EXHIBIT A
OFFICIAL STATEMENT

EXHIBIT B

MATURITY SCHEDULE

ISSUE 2019-2 (Non-AMT)

\$70,950,000 Serial Bonds

Maturity Date	Principal Amount	Interest Rate	Maturity Date	Principal Amount	Interest Rate
January 1, 2020	\$ 900,000	1.40%	July 1, 2026	\$2,830,000	1.95%
July 1, 2020	2,405,000	1.45	January 1, 2027	2,870,000	2.00
January 1, 2021	2,480,000	1.55	July 1, 2027	2,910,000	2.05
July 1, 2021	2,505,000	1.60	January 1, 2028	2,885,000	2.15
January 1, 2022	2,530,000	1.65	July 1, 2028	2,880,000	2.20
July 1, 2022	2,560,000	1.65	January 1, 2029	2,915,000	2.30
January 1, 2023	2,590,000	1.70	July 1, 2029	2,960,000	2.35
July 1, 2023	2,620,000	1.75	January 1, 2030	2,990,000	2.40
January 1, 2024	2,655,000	1.80	July 1, 2030	3,000,000	2.45
July 1, 2024	2,685,000	1.80	January 1, 2031	3,050,000	2.50
January 1, 2025	2,720,000	1.85	July 1, 2031	3,100,000	2.55
July 1, 2025	2,755,000	1.90	January 1, 2032	3,155,000	2.60
January 1, 2026	2,790,000	1.95	July 1, 2032	3,210,000	2.65

\$129,050,000 Term Bonds

Maturity Date	Principal Amount	Interest Rate
July 1, 2034	\$13,420,000	2.80%
July 1, 2039	38,270,000	3.00
July 1, 2041	14,260,000	3.10
January 1, 2048 (PAC)	63,100,000	4.00

Price of Issue 2019-2 Bonds due January 1, 2048: 109.793%

Price of all other Issue 2019-2 Bonds: 100%

HOLD-THE-OFFERING-PRICE MATURITIES

None

GENERAL RULE MATURITIES (10% TEST)

January 1, 2020
July 1, 2020
January 1, 2021
July 1, 2021
January 1, 2022
July 1, 2022
January 1, 2023
July 1, 2023
January 1, 2024
July 1, 2024
January 1, 2025
July 1, 2025
January 1, 2026
July 1, 2026
January 1, 2027
July 1, 2027
January 1, 2028
July 1, 2028
January 1, 2029
July 1, 2029
January 1, 2030
July 1, 2030
January 1, 2031
July 1, 2031
January 1, 2032
July 1, 2032
July 1, 2034
July 1, 2039
July 1, 2041
January 1, 2048

EXHIBIT C

FORM OF ISSUE PRICE CERTIFICATE

TENNESSEE HOUSING DEVELOPMENT AGENCY RESIDENTIAL FINANCE PROGRAM BONDS \$200,000,000 ISSUE 2019-2 (Non-AMT)

The undersigned, on behalf of Citigroup Global Markets Inc. (the “Representative”), on behalf of itself and Raymond James & Associates, Inc., RBC Capital Markets, LLC, J.P. Morgan Securities LLC, Wells Fargo Bank, National Association and Wiley Brothers—Aintree Capital, LLC (together, the “Underwriting Group”), hereby certifies as set forth below based upon the information available to it with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule I.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities, if any, to the Public for purchase at the respective initial offering prices listed in Schedule II (the “Initial Offering Prices”) on or before the Sale Date. If any Hold-the-Offering-Price Maturities are identified in Schedule A, a copy of the pricing wire or equivalent communication for the Bonds will be attached to this certificate as Schedule III.

(b) As set forth in the Bond Purchase Agreement dated June 4, 2019, the members of the Underwriting Group have agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, the Representative would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), (ii) unsold Bonds of the Hold-the-Offering Price Maturities shall be retained by the Representative and not allocated to any of the other Underwriters, and (iii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. In compliance with applicable provisions described in the Bond Purchase Agreement, the Representative has not offered or sold unsold Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule I hereto as the “General Rule Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule II hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (June 11, 2019), or (ii) the date on which the Underwriters have sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Tennessee Housing Development Agency.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is June 4, 2019.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Kutak Rock LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any purpose. Notwithstanding anything set forth herein, the Representative is not engaged in the practice of law. Accordingly, the Representative makes no representation as to the legal sufficiency of the factual matters set forth herein. The certifications and representations contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth

herein. Although certain information furnished in this certificate has been derived from other Underwriters and cannot be independently verified by the Representative, the Representative has no reason to believe it to be untrue in any material respect.

CITIGROUP GLOBAL MARKETS INC.

By: _____
Michael Koessel
Director

Dated: June 27, 2019

[Issue Price Certificate, THDA Issue 2019-2]

SCHEDULE I TO ISSUE PRICE CERTIFICATE

GENERAL RULE MATURITIES (10% TEST)

Maturity	Price
January 1, 2020	100.000%
July 1, 2020	100.000
January 1, 2021	100.000
July 1, 2021	100.000
January 1, 2022	100.000
July 1, 2022	100.000
January 1, 2023	100.000
July 1, 2023	100.000
January 1, 2024	100.000
July 1, 2024	100.000
January 1, 2025	100.000
July 1, 2025	100.000
January 1, 2026	100.000
July 1, 2026	100.000
January 1, 2027	100.000
July 1, 2027	100.000
January 1, 2028	100.000
July 1, 2028	100.000
January 1, 2029	100.000
July 1, 2029	100.000
January 1, 2030	100.000
July 1, 2030	100.000
January 1, 2031	100.000
July 1, 2031	100.000
January 1, 2032	100.000
July 1, 2032	100.000
July 1, 2034	100.000
July 1, 2039	100.000
July 1, 2041	100.000
January 1, 2048	109.793

SCHEDULE II TO ISSUE PRICE CERTIFICATE
HOLD-THE-OFFERING-PRICE MATURITIES

None

SCHEDULE III TO ISSUE PRICE CERTIFICATE
PRICING WIRE OR EQUIVALENT COMMUNICATION

[TO BE PROVIDED IF ANY HOLD-THE-OFFERING-PRICE MATURITIES]

**AWARD RESOLUTION
EXHIBIT B**

SUPPLEMENTAL RESOLUTION

TENNESSEE HOUSING DEVELOPMENT AGENCY

A Supplemental Resolution
Authorizing the Sale of
Residential Finance Program Bonds
\$200,000,000 Issue 2019-2 (Non-AMT)

Adopted March 26, 2019
as amended and supplemented
by the Bond Finance Committee
of THDA on June 4, 2019

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**A SUPPLEMENTAL RESOLUTION AUTHORIZING THE SALE OF
RESIDENTIAL FINANCE PROGRAM BONDS
\$200,000,000 ISSUE 2019-2 (Non-AMT)**

BE IT RESOLVED by the Board of Directors of the **TENNESSEE HOUSING DEVELOPMENT AGENCY** (“THDA”) as follows:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 1.01. Short Title. This resolution may hereafter be cited by THDA as the Issue 2019-2 Supplemental Residential Finance Program Bond Resolution.

Section 1.02. Definitions.

(a) All terms which are defined in Section 1.2 of the resolution of THDA adopted January 29, 2013, as amended and supplemented by the Bond Finance Committee on April 18, 2013, and entitled “General Residential Finance Program Bond Resolution” (the “General Resolution”) have the same meanings in this Resolution as such terms are given in Section 1.2 of the General Resolution.

(b) In addition, as used in this Resolution, unless the context otherwise requires, the following terms have the following respective meanings:

“*400% PSA Prepayment Amount*” means the cumulative amount of principal prepayments on the Program Loans allocable to the Issue 2019-2 Bonds (including the Transferred Program Loans) at a rate equal to 400% PSA, as set forth in Exhibit B hereto.

“*Bond Purchase Agreement*” means the contract for the purchase of the Issue 2019-2 Bonds between THDA and the Underwriters, in substantially the form attached hereto as Exhibit A.

“*Business Day*” shall mean any day except for a Saturday, Sunday or any day on which banks in Tennessee or New York are required or authorized to be closed.

“*Co-Managers*” means J.P. Morgan Securities LLC, Wells Fargo Bank, National Association and Wiley Brothers–Aintree Capital, LLC.

“*Code*” shall mean the Internal Revenue Code of 1986, as amended.

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

“*Excess 2019-2 Principal Payments*” means, as of any date of computation, 100% of all regularly scheduled principal payments and prepayments on Program Loans, or portions thereof, allocable to the Issue 2019-2 Bonds (including the Transferred Program Loans) to the extent such regularly scheduled principal payments and prepayments are not required to make regularly scheduled principal payments, including Sinking Fund Payments, on the Issue 2019-2 Bonds.

“*Issue 2019-2 Bonds*” means the Issue 2019-2 Bonds of THDA authorized by this Resolution pursuant to the Plan of Financing.

“*Issue Date*” means the date on which the Issue 2019-2 Bonds are issued by THDA and delivered to the Underwriters, expected to occur on June 27, 2019.

“*MSRB*” means the Municipal Securities Rulemaking Board by operation of its Electronic Municipal Market Access System.

“*Official Statement*” means the Official Statement dated June 4, 2019 used in connection with the sale of the Issue 2019-2 Bonds.

“*PAC Bonds*” means the Issue 2019-2 Bonds in the aggregate principal amount of \$63,100,000 maturing January 1, 2048.

“*PAC Bonds Planned Amortization Amount*” means the cumulative amount of PAC Bonds expected to be redeemed upon the receipt of Excess 2019-2 Principal Payments at a rate equal to 100% PSA, as set forth in Exhibit B hereto.

“*Preliminary Official Statement*” means the Preliminary Official Statement dated May 28, 2019 used in connection with the offering of the Issue 2019-2 Bonds.

“*Rating Agency*” shall mean Moody’s Investors Service, Inc. (or any successor thereto), and Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLP business (or any successor thereto).

“*Refunded Bonds*” means the bonds of THDA set forth in a certificate of THDA delivered on or prior to the date of issuance of the Issue 2019-2 Bonds.

“*Resolution*” means this Supplemental Resolution adopted by THDA on March 26, 2019, as amended and supplemented by the Bond Finance Committee on June 4, 2019.

“*Serial Bonds*” means the Issue 2019-2 Bonds which are not Term Bonds.

“*Term Bonds*” means, collectively, the Issue 2019-2 Bonds maturing July 1, 2034, July 1, 2039, July 1, 2041, and January 1, 2048.

“*Transferred Investments*” means amounts on deposit in certain funds and accounts of THDA allocated to the Refunded Bonds which are allocated to the Issue 2019-2 Bonds upon the refunding of the Refunded Bonds.

“*Transferred Proceeds*” means the amount on deposit in the Issue 2019-2 Bond Subaccount of the Loan Fund subsequent to the refunding of the Refunded Bonds, as set forth in a certificate of THDA to be delivered on or before the date of issuance of the Issue 2019-2 Bonds.

“*Transferred Program Loans*” means the Program Loans allocable to the Refunded Bonds which are allocated to the Issue 2019-2 Bonds upon the refunding of the Refunded Bonds.

“*Underwriters*” means, collectively, Citigroup Global Markets Inc., Raymond James & Associates, Inc., and RBC Capital Markets, LLC, their respective successors and assigns, and the Co-Managers as purchasers of the Issue 2019-2 Bonds.

(c) Unless the context otherwise indicates, words of the masculine gender will be deemed and construed to include correlative words of feminine and neuter genders, words importing the singular number include the plural number and vice versa, and words importing persons include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(d) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms as used in this Resolution refer to this Resolution and such terms used in the form of registered bond herein refer to such bonds.

(e) Unless the context otherwise indicates, the term “Program Loan” as used herein shall include Transferred Program Loans and Program Securities and the phrase “Program Loans allocable to the Issue 2019-2 Bonds” shall include the Transferred Program Loans as well as any new Program Loans and Program Securities acquired with proceeds of the Issue 2019-2 Bonds.

Section 1.03. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Act and the General Resolution.

ARTICLE II

TERMS AND ISSUANCE

Section 2.01. Issue Amount and Designation. In order to provide funds necessary for the Residential Finance Program in accordance with and subject to the terms, conditions and limitations established herein and in the General Resolution, Residential Finance Program Bonds, Issue 2019-2 are hereby authorized to be issued in the aggregate principal amount of \$200,000,000. In addition to the title “Residential Finance Program Bond,” the Issue 2019-2 Bonds will bear the additional designation “Issue 2019-2 (Non-AMT).” The Issue 2019-2 Bonds

shall be issued only in fully registered form. The Issue 2019-2 Bonds will consist of \$70,950,000 principal amount of Serial Bonds and \$129,050,000 principal amount of Term Bonds.

Section 2.02. Purposes. The Issue 2019-2 Bonds are being issued (a) to refund the Refunded Bonds, (b) to finance Program Loans, or participations therein, on single family residences located within the State, (c) if required, to pay capitalized interest on the Issue 2019-2 Bonds, (d) if required, to make a deposit in the Bond Reserve Fund, and (e) if required, to pay certain costs of issuance relating to the Issue 2019-2 Bonds. As a result of the refunding of the Refunded Bonds, the Transferred Proceeds, the Transferred Program Loans and the Transferred Investments will become allocated to the Issue 2019-2 Bonds.

The proceeds of the Issue 2019-2 Bonds, the Transferred Proceeds and the Transferred Investments shall be applied in accordance with Article IV hereof.

Section 2.03. Amounts, Maturities and Interest Rates.

(a) The Issue 2019-2 Bonds will mature on the dates, in the principal amounts and bear interest from their Issue Date, calculated on the basis of a 360-day year of twelve 30-day months, payable semi-annually on each January 1 and July 1, commencing January 1, 2020, at the rate set opposite such date in the following tables:

Issue 2019-2 Bonds

Serial Bonds

Maturity Date	Principal Amount	Interest Rate	Maturity Date	Principal Amount	Interest Rate
January 1, 2020	\$ 900,000	1.40%	July 1, 2026	\$ 2,830,000	1.95%
July 1, 2020	2,405,000	1.45	January 1, 2027	2,870,000	2.00
January 1, 2021	2,480,000	1.55	July 1, 2027	2,910,000	2.05
July 1, 2021	2,505,000	1.60	January 1, 2028	2,885,000	2.15
January 1, 2022	2,530,000	1.65	July 1, 2028	2,880,000	2.20
July 1, 2022	2,560,000	1.65	January 1, 2029	2,915,000	2.30
January 1, 2023	2,590,000	1.70	July 1, 2029	2,960,000	2.35
July 1, 2023	2,620,000	1.75	January 1, 2030	2,990,000	2.40
January 1, 2024	2,655,000	1.80	July 1, 2030	3,000,000	2.45
July 1, 2024	2,685,000	1.80	January 1, 2031	3,050,000	2.50
January 1, 2025	2,720,000	1.85	July 1, 2031	3,100,000	2.55
July 1, 2025	2,755,000	1.90	January 1, 2032	3,155,000	2.60
January 1, 2026	2,790,000	1.95	July 1, 2032	3,210,000	2.65

Term Bonds

Maturity Date	Principal Amount	Interest Rate
July 1, 2034	\$ 13,420,000	2.80%
July 1, 2039	38,270,000	3.00
July 1, 2041	14,260,000	3.10
January 1, 2048 (PAC)	63,100,000	4.00

(b) Whenever the due date for payment of interest on or principal of the Issue 2019-2 Bonds or the date fixed for redemption of any Issue 2019-2 Bond shall be a day which is not a Business Day, then payment of such interest, principal or Redemption Price need not be made on such date, but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date for payment of principal, interest or Redemption Price and no additional interest shall be payable on such Business Day which, merely by operation of this paragraph, may have accrued after the original due date.

Section 2.04. Denominations, Numbers and Letters.

(a) The Issue 2019-2 Bonds maturing in each year are to be issued in denominations of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount of Issue 2019-2 Bonds maturing in such year. The Issue 2019-2 Bonds are to be lettered “R” and numbered separately from 1 consecutively upwards.

(b) The Issue 2019-2 Bonds, when issued, will be registered in the name of Cede & Co., as nominee of DTC. Only one Issue 2019-2 Bond will be outstanding for each maturity and interest rate of the Issue 2019-2 Bonds in the aggregate principal amount of such maturity and interest rate. Subject to the provisions of the General Resolution, purchases of ownership interests in the Issue 2019-2 Bonds will be made in book-entry form only in authorized denominations set forth in Section 2.04(a). Beneficial owners of the Issue 2019-2 Bonds will not receive certificates representing their interest in the Issue 2019-2 Bonds. So long as Cede & Co. shall be the registered owner of the Issue 2019-2 Bonds, THDA will deem and treat Cede & Co. as the sole and exclusive owner of the Issue 2019-2 Bonds and THDA will have no responsibility to any DTC participant or beneficial owner thereof.

Section 2.05. Paying Agent. The Trustee is hereby appointed as paying agent for the Issue 2019-2 Bonds pursuant to Section 11.2 of the General Resolution. The Trustee may appoint an agent for presentation of transfers in New York, New York and DTC may act as such agent.

Section 2.06. Execution of Bonds. The Issue 2019-2 Bonds shall be executed by the manual or facsimile signature of the Chairperson or Vice Chairperson and the seal of THDA or a facsimile thereof shall be imprinted, impressed or otherwise reproduced on the Issue 2019-2 Bonds and attested by the manual or facsimile signature of the Executive Director or Secretary of

THDA. The Issue 2019-2 Bonds shall be delivered to the Trustee for proper authentication and delivered to DTC pursuant to the DTC FAST delivery program, as the registered owner of the Issue 2019-2 Bonds upon instructions from THDA to that effect.

Section 2.07. Place of Payment; Record Date. While the Issue 2019-2 Bonds are registered in book-entry only form in the name of Cede & Co. as nominee of DTC, payments of principal, Redemption Price and interest on the Issue 2019-2 Bonds shall be made in accordance with the procedures of DTC. In the event the Issue 2019-2 Bonds are no longer held in book-entry only form, the principal and Redemption Price of all Issue 2019-2 Bonds shall be payable at the designated corporate trust office of the Trustee. Interest on the Issue 2019-2 Bonds will be paid by check mailed by the Trustee to the registered owner thereof. Any registered owner of the Issue 2019-2 Bonds in a principal amount equal to or exceeding \$1,000,000 may receive payments of interest by wire transfer if written notice is given to the Trustee at least ten Business Days before an applicable Interest Payment Date. The Record Date for payment of interest on the Issue 2019-2 Bonds shall be the 15th day of the month next preceding an Interest Payment Date.

Section 2.08. Sinking Fund Redemption Provisions.

(a) The Issue 2019-2 Bonds that are Term Bonds are subject to redemption in part by lot on the dates set forth below for such maturity of Issue 2019-2 Bonds at a Redemption Price equal to 100% of the principal amount thereof from mandatory Sinking Fund Payments in the principal amounts for each of the dates set forth below:

Issue 2019-2 Term Bonds due July 1, 2034

Date	Amount Due	Date	Amount Due
January 1, 2033	\$3,265,000	January 1, 2034	\$3,385,000
July 1, 2033	3,325,000	July 1, 2034*	3,445,000

*Maturity

Issue 2019-2 Term Bonds due July 1, 2039

Date	Amount Due	Date	Amount Due
January 1, 2035	\$3,505,000	July 1, 2037	\$3,855,000
July 1, 2035	3,575,000	January 1, 2038	3,930,000
January 1, 2036	3,645,000	July 1, 2038	4,010,000
July 1, 2036	3,715,000	January 1, 2039	4,085,000
January 1, 2037	3,785,000	July 1, 2039*	4,165,000

*Maturity

Issue 2019-2 Term Bonds due July 1, 2041

Date	Amount Due	Date	Amount Due
January 1, 2040	\$4,245,000	January 1, 2041	\$3,880,000
July 1, 2040	4,185,000	July 1, 2041*	1,950,000

*Maturity

Issue 2019-2 Term Bonds due January 1, 2048 (PAC)

Date	Amount Due	Date	Amount Due
July 1, 2041	\$ 1,995,000	January 1, 2045	\$ 4,680,000
January 1, 2042	4,025,000	July 1, 2045	4,800,000
July 1, 2042	4,130,000	January 1, 2046	4,920,000
January 1, 2043	4,235,000	July 1, 2046	5,045,000
July 1, 2043	4,340,000	January 1, 2047	5,170,000
January 1, 2044	4,450,000	July 1, 2047	5,305,000
July 1, 2044	4,565,000	January 1, 2048*	5,440,000

*Maturity

(b) Upon the purchase or redemption of Issue 2019-2 Bonds of any maturity for which Sinking Fund Payments have been established other than by application of Sinking Fund Payments, each future Sinking Fund Payment for such Issue 2019-2 Bonds and maturity will be credited by an amount bearing the same ratio to such Sinking Fund Payment as the total principal amount of such Issue 2019-2 Bonds of such maturity to be purchased or redeemed bears to the total amount of all Sinking Fund Payments for such maturity of Issue 2019-2 Bonds, unless otherwise directed by THDA in accordance with the General Resolution.

Section 2.09. Optional Redemption. Other than the PAC Bonds, the Issue 2019-2 Bonds maturing on and after January 1, 2029, are subject to redemption at the option of THDA prior to their respective maturities, either as a whole or in part at any time, on or after July 1, 2028 (any such date to be determined by THDA or selected by the Trustee subject to the provisions of and in accordance with the General Resolution, and when so determined or selected will be deemed and is hereby set forth as the redemption date), upon notice as provided in Article VI of the General Resolution, at a Redemption Price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption.

The PAC Bonds are subject to redemption at the option of THDA prior to their maturity, either as a whole or in part, at any time or on or after July 1, 2028 (any such date to be determined by THDA or selected by the Trustee subject to the provisions of and in accordance

with the General Resolution, and when determined or selected will be deemed and is hereby set forth as the redemption date), upon notice as provided in Article VI of the General Resolution, at the respective Redemption Prices set forth below (expressed as a percentage of the principal amount of such PAC Bonds to be redeemed), plus accrued interest to the redemption date:

<u>Period</u>	<u>PAC Bonds Redemption Price</u>
July 1, 2028 to December 31, 2028	102.482%
January 1, 2029 to June 30, 2029	102.096
July 1, 2029 to December 31, 2029	101.694
January 1, 2030 to June 30, 2030	101.280
July 1, 2030 to December 31, 2030	100.870
January 1, 2031 and thereafter	100.000

Section 2.10. Special Optional Redemption. The Issue 2019-2 Bonds are subject to redemption, at the option of THDA, as a whole or in part at any time prior to maturity, in accordance with the provisions of the General Resolution in an amount equal to amounts available for such purpose from (i) proceeds of the Issue 2019-2 Bonds not expected to be applied to the financing of Program Loans, (ii) repayments and prepayments of Program Loans allocated to the Issue 2019-2 Bonds not otherwise required to be applied to the special mandatory redemption of the Issue 2019-2 Bonds as described in Sections 2.11(b) or 2.11(c) hereof or to make regularly scheduled principal payments, including Sinking Fund Payments, on the Issue 2019-2 Bonds, (iii) repayments and prepayments of Program Loans made with the proceeds of any other Bonds issued under the General Resolution, subject to limitations contained in the Code, (iv) other amounts on deposit in the Revenue Fund in excess of the amounts required for the payment of Debt Service and Program Expenses, and (v) amounts on deposit in the Bond Reserve Fund in excess of the Bond Reserve Requirement; provided however, that the PAC Bonds (A) are only subject to redemption as described in clause (ii) above as described in Section 2.11(b) hereof and (B) shall not be subject to redemption as described in clauses (iii), (iv) and (v) above if such redemption would cause amortization of a PAC Bond to exceed the PAC Bonds Planned Amortization Amount.

The date of redemption pursuant to this Section 2.10 shall be determined by the Trustee upon the direction of THDA subject to the provisions of and in accordance with the General Resolution (and when so determined such date will be deemed and is hereby set forth as the redemption date). The Issue 2019-2 Bonds to be so redeemed shall be redeemed at a Redemption Price of 100% of the principal amount thereof, plus interest accrued to the redemption date, if applicable; provided, however, that the Redemption Price for the PAC Bonds in the event of a redemption described in clause (i) of the paragraph above shall be the issue price thereof (par plus premium), plus accrued interest to the redemption date.

The Issue 2019-2 Bonds to be redeemed pursuant to this Section 2.10 shall be selected by THDA in its sole discretion; provided, however, that the PAC Bonds may not be redeemed in an amount in excess of their proportionate amount of all Issue 2019-2 Bonds then Outstanding in the event of any redemption pursuant to clause (i) of the first paragraph of this Section 2.10.

Section 2.11. Special Mandatory Redemptions.

(a) ***Unexpended Proceeds.*** The Issue 2019-2 Bonds are subject to mandatory redemption on February 1, 2020 in the event and to the extent that there are unexpended proceeds of the Issue 2019-2 Bonds on deposit in the Issue 2019-2 Subaccount of the Loan Fund on January 1, 2020; provided that such redemption date may be extended, at the option of THDA, and subject to the satisfaction of the conditions set forth in Section 4.02 hereof.

Notwithstanding any extension of the redemption date described above, in order to satisfy requirements of the Code, the Issue 2019-2 Bonds are subject to mandatory redemption on December 1, 2022, to the extent any amounts (other than Transferred Proceeds) remain on deposit in the Issue 2019-2 Subaccount of the Loan Fund on November 1, 2022.

The redemption price of the Issue 2019-2 Bonds to be so redeemed shall be 100% of the principal amount thereof plus interest accrued to the date of redemption, if applicable; provided, however, that the redemption price for the PAC Bonds shall be the issue price thereof (par plus premium) plus accrued interest to the redemption date. The Issue 2019-2 Bonds to be redeemed shall be selected by THDA in its sole discretion; provided, however, that the PAC Bonds may not be redeemed in an amount in excess of their proportionate amount of all Issue 2019-2 Bonds then Outstanding.

(b) ***Excess 2019-2 Principal Payments (PAC Bonds).*** The PAC Bonds are subject to redemption prior to their maturity, in whole or in part at a Redemption Price of 100% of the principal amount of such PAC Bonds to be redeemed, plus interest accrued to the date of redemption, from amounts transferred to the Redemption Account representing Excess 2019-2 Principal Payments. Any Excess 2019-2 Principal Payments so deposited in the Redemption Account shall be applied to the redemption of PAC Bonds on any Interest Payment Date commencing January 1, 2020; provided, however, that PAC Bonds may be redeemed between Interest Payment Dates on the first Business Day of any month for which adequate notice of redemption may be given.

While any PAC Bonds remain Outstanding, Excess 2019-2 Principal Payments shall be used as follows:

FIRST, if principal prepayments on the Program Loans allocable to the Issue 2019-2 Bonds (including the Transferred Program Loans) are equal to or less than the 400% PSA Prepayment Amount, as determined by THDA, then available Excess 2019-2 Principal Payments shall first be applied to redeem the PAC Bonds up to an amount correlating to the PAC Bonds Planned Amortization Amount and, subject to Section 2.11(c) below, the remainder may be applied by THDA for any purpose permissible under the Resolution, including the redemption of any Bonds under the Resolution, other than the PAC Bonds.

SECOND, if principal prepayments on the Program Loans allocable to the Issue 2019-2 Bonds (including the Transferred Program Loans) are in excess of the 400% PSA

Prepayment Amount, as determined by THDA, then available Excess 2019-2 Principal Payments shall first be applied to redeem PAC Bonds up to an amount correlating to the PAC Bonds Planned Amortization Amount (as set forth in “FIRST” above) and, subject to Section 2.11(c) below, the remainder may be applied by THDA for any purpose permissible under the Resolution, including the redemption of any Bonds issued under the Resolution, including the PAC Bonds (any such remainder used to redeem PAC Bonds being an “Excess Principal PAC Bond Redemption”); provided, however, that (i) the source of an Excess Principal PAC Bond Redemption is restricted to that portion of available Excess 2019-2 Principal Payments which is in excess of 400% PSA and (ii) the principal amount of an Excess Principal PAC Bond Redemption may not be an amount in excess of the PAC Bonds’ proportionate amount of all Issue 2019-2 Bonds then Outstanding.

The PAC Bonds Planned Amortization Amount and the 400% PSA Prepayment Amount set forth in Exhibit B hereto are each subject to proportionate reduction to the extent PAC Bonds are redeemed from amounts on deposit in the Issue 2019-2 Subaccount of the Loan Fund which are not applied to finance Program Loans in accordance with Section 2.11(a) hereof.

(c) Ten Year Rule.

(i) To the extent not required to make regularly scheduled principal payments on the Issue 2019-2 Bonds (including Sinking Fund Payments) or otherwise required to be used to redeem the PAC Bonds as described in Section 2.11 (b) above, repayments and prepayments of principal on the Program Loans, or portions thereof, financed with proceeds of the Issue 2019-2 Bonds (directly or through a series of refundings) received more than ten years after the Issue Date of the Issue 2019-2 Bonds (or the date of original issuance of the bonds refunded by the Issue 2019-2 Bonds, directly or through a series of refundings) shall be applied to redeem the Issue 2019-2 Bonds on or before the next Interest Payment Date with respect to the Issue 2019-2 Bonds, which Interest Payment Date is at least six months from the date of receipt of such Program Loan principal payments, in such principal amounts as required to satisfy requirements of the Code. The Redemption Price of Issue 2019-2 Bonds so redeemed shall be 100% of the principal amount thereof, plus interest accrued to the redemption date, if applicable.

(ii) THDA shall advise the Trustee of the appropriate Redemption Date for any redemption pursuant to this Section 2.11(c). The Issue 2019-2 Bonds to be redeemed shall be selected by THDA in its sole discretion; provided however, that the PAC Bonds may be redeemed in an amount that exceeds the PAC Bonds Planned Amortization Amount only if there are no other Issue 2019-2 Bonds Outstanding.

Section 2.12. Selection by Lot. If less than all of the Issue 2019-2 Bonds of like maturity are to be redeemed, the particular bonds of such maturity to be redeemed shall be selected by lot in accordance with Section 6.4 of the General Resolution.

Section 2.13. Purchase of Bonds by THDA or Trustee. Whenever moneys are available for redemption of Bonds under Sections 2.08, 2.09, 2.10 or 2.11 above, THDA or the Trustee is authorized to purchase Bonds at a price not to exceed the applicable Redemption Price.

ARTICLE III

SALE AND DELIVERY

Section 3.01. Sale.

(a) The Issue 2019-2 Bonds are hereby authorized to be sold to the Underwriters at the prices and on the terms and conditions set forth in the Bond Purchase Agreement and upon the basis of the representations, warranties and agreements therein set forth. The Chair, Secretary or Assistant Secretary of the Bond Finance Committee and the Executive Director of THDA are hereby authorized to execute the Bond Purchase Agreement. The Board of Directors of THDA hereby authorizes the Committee to adopt a resolution approving the purchase price of the Issue 2019-2 Bonds.

(b) The Secretary of the Bond Finance Committee of THDA is hereby authorized to make public and to authorize distribution of the Official Statement relating to the Issue 2019-2 Bonds in substantially the form presented to THDA with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Chair, Vice Chair, Executive Director and Secretary of the Bond Finance Committee are hereby authorized to sign and deliver such Official Statement to the Underwriters. The distribution of the Preliminary Official Statement relating to the Issue 2019-2 Bonds to the public is hereby authorized and approved.

(c) The Issue 2019-2 Bonds shall be delivered to the Underwriters in accordance with the terms of the Bond Purchase Agreement and this 2019-2 Supplemental Resolution.

ARTICLE IV

DISPOSITION OF PROCEEDS AND OTHER MONEYS

Section 4.01. Proceeds of the Issue 2019-2 Bonds. Upon receipt of the proceeds of the sale of the Issue 2019-2 Bonds, THDA shall deposit such proceeds, together with any contribution from THDA of available THDA funds, in the Issue 2019-2 Bond Subaccount of the Loan Fund and in the Bond Reserve Fund, if applicable, as shall be set forth in a certificate of THDA delivered on or prior to the date of issuance of the Issue 2019-2 Bonds. On the Issue Date, an amount equal to the principal amount of the Refunded Bonds on deposit in the Issue 2019-2 Bond Subaccount of the Loan Fund (representing a portion of the proceeds of the Issue 2019-2 Bonds) shall be allocated to the refunding of the principal of the Refunded Bonds; interest due on the Refunded Bonds on their redemption date will be paid from funds on deposit in the Redemption Account of the Refunded Bonds. On such date, the Transferred Proceeds and the Transferred Program Loans shall be credited to the Issue 2019-2 Bond Subaccount of the

Loan Fund and the Transferred Investments shall be deposited in such Funds or Accounts as shall be set forth in a certificate of THDA delivered on or prior to the Issue Date.

Section 4.02. Loan Fund; Bond Reserve Fund Requirement. Subsequent to the refunding of the Refunded Bonds, amounts on deposit in the Issue 2019-2 Bond Subaccount of the Loan Fund (including the Transferred Proceeds) shall be applied to (i) the financing of Program Loans, or participations therein, in accordance with the provisions of the General Resolution and Section 4.03 hereof, (ii) deposits to the Bond Reserve Fund and the Debt Service and Expense Account of the Revenue Fund, (iv) payment of Costs of Issuance and (v) payment of capitalized interest to the extent, if any, specified by written instructions of an Authorized Officer.

Amounts on deposit in the Issue 2019-2 Subaccount of the Loan Fund shall be withdrawn therefrom and applied to the mandatory redemption of Issue 2019-2 Bonds pursuant to Section 2.11(a) hereof, as set forth in the certificate of THDA delivered on or prior to the date of issuance of the Issue 2019-2 Bonds. The date of such redemption provided in Section 2.11(a) may be extended upon the delivery by THDA to the Trustee and the Rating Agency of a Projected Cash Flow Statement which satisfies the requirements of Section 7.11 of the General Resolution; provided further that the date of such redemption shall not be extended beyond the date set forth in the second paragraph of Section 2.11(a) unless THDA is in receipt of an opinion of Bond Counsel to the effect that such extension will not adversely affect the exclusion of interest on the Issue 2019-2 Bonds from the income of the owners thereof for federal income tax purposes. The amount of funds on deposit in the Issue 2019-2 Bond Subaccount of the Loan Fund to be used to pay Costs of Issuance with respect to the Issue 2019-2 Bonds shall not exceed 2% of the proceeds of the Issue 2019-2 Bonds.

THDA hereby covenants that an amount equal to twenty percent (20%) of the funds deposited in the Issue 2019-2 Bond Subaccount of the Loan Fund in excess of the Transferred Proceeds and which are to be used to finance Program Loans (or other available funds of THDA), shall be made available for owner financing of “targeted area residences” (as defined in Section 143(j) of the Code) until June 27, 2020.

The Bond Reserve Fund Requirement with respect to the Issue 2019-2 Bonds shall be an amount equal to 3% of the then current balance of Program Loans (other than Program Loans underlying Program Securities) allocable to the Issue 2019-2 Bonds plus the amount on deposit in the Issue 2019-2 Subaccount of the Loan Fund which has not been designated to provide for the payment of Costs of Issuance or capitalized interest. On the Issue Date, THDA shall deposit an amount in the Bond Reserve Fund which, together with any excess amounts on deposit in the Bond Reserve Fund, shall satisfy the Bond Reserve Requirement.

Section 4.03. Program Loan Determinations. No Program Loan shall be financed with proceeds of the Issue 2019-2 Bonds (including the Transferred Proceeds) unless (i) such Program Loan is made for the acquisition of residential housing for occupancy by not more than four families and (ii) the deed of trust securing such Program Loan shall constitute and create a first lien subject only to Permitted Encumbrances, on the fee simple or leasehold estate, of real property located in the State or on the interest in the real property constituting a part of the residential housing with respect to which the Program Loan secured thereby is made and on the

fixtures acquired with the proceeds of the Program Loan attached to or used in connection with such residential housing.

In addition, the Program Loan must either:

- (a) have been pooled into a Program Security; or
- (b) have been insured or guaranteed or have a commitment for insurance or guaranty by:
 - (i) the United States or any instrumentality thereof (inclusive of the Federal Housing Administration, the Farmers Home Administration, the Veteran's Administration, or another agency or instrumentality of the United States or the State to which the powers of any of them have been transferred, or which is exercising similar powers with reference to the insurance or guaranty of Program Loans), or
 - (ii) any agency or instrumentality of the State authorized by law to issue such insurance; or
- (c) be made to borrowers who have an equity interest of at least 22% in the property based on the lesser of appraised value (as determined in an appraisal by or acceptable to THDA) or the sale price of the property securing the Program Loan; or
- (d) be made in an amount not exceeding the value, as determined in an appraisal by or acceptable to THDA, or sale price of the property securing the Program Loan, whichever is less, but only if (i) THDA is issued a mortgage insurance policy by a private mortgage insurance company, qualified to issue such insurance or guarantee in the State and approved by THDA, and the claims paying ability of which private mortgage insurer is rated by each Rating Agency in a rating category at least as high as the then current rating assigned to the Bonds, under which the insurer, upon foreclosure of the property securing the Program Loan, must pay the holder of the Program Loan the unrecovered balance of a claim including unpaid principal, accrued interest, taxes, insurance premiums, and expenses of foreclosure, if any, or in lieu thereof may permit the holder of the Program Loan to retain title and may pay an agreed insured percentage of such claim; and (ii) the insured percentage of the Program Loan equals the amount by which the original principal amount of the Program Loan exceeds 78% of the value, as determined by an appraisal by or acceptable to THDA or sale price of the property securing the Program Loan, whichever is less.

ARTICLE V

FORM OF BONDS, AND TRUSTEE'S CERTIFICATE OF AUTHENTICATION

Section 5.01. Form of Bonds. Subject to the provisions of the General Resolution, the Issue 2019-2 Bonds in fully registered form shall be in substantially the form attached hereto as

Exhibit C, with such variations as shall be appropriate in order to conform to the terms and provisions of the General Resolution and this Resolution.

Section 5.02. Form of Trustee’s and Authenticating Agent’s Certificate of Authentication. The Issue 2019-2 Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication in substantially the following form:

(FORM OF TRUSTEE’S CERTIFICATE OF AUTHENTICATION)

This bond is one of the bonds described in the within-mentioned Resolutions and is one of the Residential Finance Program Bonds, Issue 2019-2 (Non-AMT) of the Tennessee Housing Development Agency.

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By _____
Authorized Officer

ARTICLE VI

MISCELLANEOUS

Section 6.01. No Recourse Against Members or Other Persons. No recourse may be had for the payment of principal of or premium or interest on the Issue 2019-2 Bonds or for any claim based thereon or on this Resolution against any member of THDA or any person executing the Issue 2019-2 Bonds and neither the members of THDA nor any person executing the Issue 2019-2 Bonds may be liable personally on the Issue 2019-2 Bonds or be subject to any personal liability or accountability by reason of the execution thereof.

Section 6.02. Bonds not Debt, Liability or Obligation of the State or the United States of America. The Issue 2019-2 Bonds are not a debt, liability or the obligation of the State or any other political subdivision thereof. Neither the full faith and credit nor the taxing power of the State, or of any other political subdivision thereof, is pledged for the payment of the principal of or interest on the Issue 2019-2 Bonds. The Issue 2019-2 Bonds are not a debt, liability or obligation of the United States of America or any agency thereof. Neither the full faith and credit nor the taxing power of the United States of America is pledged for payment of the principal of or interest on the Issue 2019-2 Bonds.

Section 6.03. Delivery of Projected Cash Flow Statements. THDA shall deliver such Projected Cash Flow Statements at the times and on the occasions set forth in the General Resolution or this Resolution.

Section 6.04. Authorized Officers. The Chair, Vice Chair, Executive Director, General Counsel, Deputy Executive Director and Secretary of THDA and the Secretary and any Assistant Secretary of the Bond Finance Committee and any other proper officer of THDA, be, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution, the General Resolution and the Official Statement.

Section 6.05. Authorized Trustee. THDA authorizes and directs the Trustee to perform any and all acts contemplated to be performed by the Trustee pursuant to the terms and provisions of this Resolution.

Section 6.06. Covenant to Comply with Federal Tax Law Requirements. THDA hereby covenants to comply with all applicable requirements of the Code so that interest on the Issue 2019-2 Bonds will be excluded from gross income of the holders thereof for federal income tax purposes, including the rebate requirement of Section 148(f) of the Code. THDA also covenants to pay any interest or penalty imposed by the United States for failure to comply with said rebate requirements. In accordance with the rebate requirement, THDA agrees that there will be paid from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the Issue 2019-2 Bonds from time to time.

Section 6.07. Continuing Disclosure Undertaking.

(a) THDA shall deliver to the MSRB, within 210 days after the end of each Fiscal Year:

(i) a copy of the annual financial statements of THDA prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board; and

(ii) an annual update of the type of information in the Official Statement (A) contained in Appendix E, (B) regarding annual required contributions for employee pension plan and other post-employment benefits to the extent not included in annual financial statements and (C) of the nature disclosed under the following headings (including, without limitation, information with respect to the outstanding balances of Program Loans, by mortgage type, delinquency information, acquisition costs and income limits):

(A) Residential Finance Program Bonds; and

(B) Residential Finance Program Loans.

The information described in this subsection (a) may be provided by specific reference to documents (including official statements, to the extent the official statements include the information described in this subsection (a)) previously provided to the MSRB or filed with the Securities and Exchange Commission.

If unaudited financial statements are provided as part of the information required to be delivered under this subsection (a) within the time period specified above, THDA shall provide, when and if available, a copy of THDA's audited financial statements to the MSRB.

(b) THDA shall deliver to the MSRB and the Trustee, in a timely manner not in excess of 10 business days after the occurrence of the event, notice of the occurrence of any of the following events (if applicable) with respect to the Issue 2019-2 Bonds:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on the Bond Reserve Fund (or other debt service reserves) reflecting financial difficulties;
- (iv) unscheduled draws on any credit enhancements reflecting financial difficulties;
- (v) substitution of any credit or liquidity provider, 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 Issue 2019-2 Bonds, or other material events affecting the tax status of the Issue 2019-2 Bonds;
- (vii) modifications to rights of the holders of the Issue 2019-2 Bonds, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Issue 2019-2 Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of THDA (which event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for THDA 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 THDA, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, 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 THDA);

(xiii) The consummation of a merger, consolidation or acquisition involving THDA or the sale of all or substantially all of the assets of THDA, 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 the change of name of a trustee, if material;

(xv) Incurrence of a financial obligation of THDA, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of THDA, any of which affect Bondholders, if material; and

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

For the purposes of the events identified in clauses (xv) and (xvi) above, the term “financial obligation” means: (A) a debt obligation; (B) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) a guarantee of (A) or (B). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”).

Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Issue 2019-2 Bonds or defeasance of any Issue 2019-2 Bonds need not be given pursuant to this Section 6.07 any earlier than the notice (if any) of such redemption or defeasance is given to the owners of the Issue 2019-2 Bonds pursuant to the Resolution.

(c) THDA shall give notice to the Trustee and the MSRB in a timely manner of any failure by THDA to provide any information required pursuant to subsection (a) above within the time limit specified therein.

(d) All notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) THDA agrees that the provisions of this Section 6.07 shall be for the benefit of the beneficial owners of the Issue 2019-2 Bonds whether or not the Rule applies to such Issue 2019-2 Bonds.

(f) THDA may amend this Resolution with respect to the above agreements, without the consent of the beneficial owners of the Issue 2019-2 Bonds (except to the extent required under clause (iv)(B) below), if all of the following conditions are satisfied: (i) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of THDA or the type of business conducted thereby; (ii) these agreements as so amended would have complied with the requirements of the Rule as of the date of this Resolution, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; (iii) THDA shall have delivered to the Trustee an opinion of counsel, addressed to THDA and the Trustee, to the same effect as set forth in clause (ii) above; (iv) either (A) THDA shall deliver to the Trustee an opinion of or determination by a person unaffiliated with THDA (which may include the Trustee or bond counsel), acceptable to THDA and the Trustee, addressed to THDA and the Trustee, to the effect that the amendment does not materially impair the interests of the holders of the Issue 2019-2 Bonds or (B) the holders of the Issue 2019-2 Bonds consent to the amendment pursuant to the same procedures as are required for amendments to the General Resolution with consent of the holders of Bonds pursuant to the General Resolution as in effect on the date of this Resolution; and (v) THDA shall have delivered copies of such opinion(s) and the amendment to the MSRB.

(g) THDA's obligations with respect to the beneficial owners of the Issue 2019-2 Bonds under these agreements as set forth above terminate upon a legal defeasance pursuant to the General Resolution, prior redemption or payment in full of all of the Issue 2019-2 Bonds. THDA shall give notice of any such termination to the MSRB.

(h) Failure by THDA to comply with this Section 6.07 shall not constitute an Event of Default under the General Resolution but the undertaking in this Section 6.07 may be enforced by any beneficial owner of the Issue 2019-2 Bonds exclusively by an action for specific performance. The obligations of THDA in this Section 6.07 shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of the obligations under this Section 6.07 shall be instituted in a court of competent jurisdiction in the State.

Section 6.08. Confirmation and Adjustment of Terms by Committee. The terms of the Issue 2019-2 Bonds are herein established subject to confirmation by the Committee upon the sale of the Issue 2019-2 Bonds by the Committee. The Committee is hereby authorized to make such changes or modifications in the principal amounts, maturities and interest rates for the Issue 2019-2 Bonds and in the application of the proceeds thereof, paying agents, terms of redemption and the schedule of prepayment amounts to be used for accrued principal installments in such manner as the Committee determines to be necessary or convenient to better achieve the purposes of the Act and in the best interests of THDA.

Section 6.09. Effective Date. This Resolution will take effect immediately.

EXHIBIT A

BOND PURCHASE AGREEMENT

EXHIBIT B

PLANNED AMORTIZATION AMOUNTS FOR PAC BONDS

<u>Date</u>	<u>PAC Bonds</u> <u>Planned Amortization Amount</u>
January 1, 2020	\$ 625,000
July 1, 2020	1,505,000
January 1, 2021	3,535,000
July 1, 2021	6,605,000
January 1, 2022	10,645,000
July 1, 2022	15,365,000
January 1, 2023	20,085,000
July 1, 2023	24,540,000
January 1, 2024	28,735,000
July 1, 2024	32,675,000
January 1, 2025	36,370,000
July 1, 2025	39,815,000
January 1, 2026	43,025,000
July 1, 2026	46,000,000
January 1, 2027	48,750,000
July 1, 2027	51,270,000
January 1, 2028	53,605,000
July 1, 2028	55,740,000
January 1, 2029	57,665,000
July 1, 2029	59,385,000
January 1, 2030	60,920,000
July 1, 2030	62,265,000
January 1, 2031	63,100,000

**400% PSA PREPAYMENT AMOUNTS
FOR ISSUE 2019-2 BONDS**

Date	Cumulative Amount	Date	Cumulative Amount
January 1, 2020	\$ 3,361,372	July 1, 2035	\$ 186,906,743
July 1, 2020	10,157,336	January 1, 2036	187,206,488
January 1, 2021	21,067,254	July 1, 2036	187,460,547
July 1, 2021	35,589,862	January 1, 2037	187,675,562
January 1, 2022	52,933,712	July 1, 2037	187,857,239
July 1, 2022	71,104,850	January 1, 2038	188,010,476
January 1, 2023	87,544,792	July 1, 2038	188,139,478
July 1, 2023	101,728,150	January 1, 2039	188,247,847
January 1, 2024	113,960,286	July 1, 2039	188,338,673
July 1, 2024	124,505,680	January 1, 2040	188,414,598
January 1, 2025	133,593,361	July 1, 2040	188,477,904
July 1, 2025	141,421,615	January 1, 2041	188,530,677
January 1, 2026	148,162,078	July 1, 2041	188,574,577
July 1, 2026	153,963,283	January 1, 2042	188,610,971
January 1, 2027	158,953,743	July 1, 2042	188,641,027
July 1, 2027	163,244,621	January 1, 2043	188,665,737
January 1, 2028	166,932,512	July 1, 2043	188,685,950
July 1, 2028	170,101,331	January 1, 2044	188,702,385
January 1, 2029	172,822,886	July 1, 2044	188,715,657
July 1, 2029	175,158,974	January 1, 2045	188,726,284
January 1, 2030	177,162,996	July 1, 2045	188,734,709
July 1, 2030	178,881,300	January 1, 2046	188,741,305
January 1, 2031	180,353,719	July 1, 2046	188,746,387
July 1, 2031	181,614,548	January 1, 2047	188,750,223
January 1, 2032	182,693,384	July 1, 2047	188,753,036
July 1, 2032	183,615,760	January 1, 2048	188,755,015
January 1, 2033	184,403,701	July 1, 2048	188,756,318
July 1, 2033	185,076,193	January 1, 2049	188,757,079
January 1, 2034	185,649,600	July 1, 2049	188,757,406
July 1, 2034	186,138,016	January 1, 2050	188,757,468
January 1, 2035	186,553,581		

EXHIBIT C

FORM OF BOND

REGISTERED

R[-1]

\$[_____]

**TENNESSEE HOUSING DEVELOPMENT AGENCY
RESIDENTIAL FINANCE PROGRAM BOND
ISSUE 2019-2 (Non-AMT)**

Interest Rate	Dated Date	Maturity Date	Cusip
[_____]%	June 27, 2019	[_____]	880461[_____]

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: [_____]

TENNESSEE HOUSING DEVELOPMENT AGENCY (hereinafter sometimes called “THDA”), a body politic and corporate and a political subdivision of the State of Tennessee (herein called the “State”), created and existing under and by virtue of the laws of the State, acknowledges itself indebted, and for value received hereby promises to pay to the Registered Owner (shown above), or registered assigns, the principal sum (shown above), on the maturity date specified above, and to pay interest on said principal sum to the Registered Owner of this Bond from the dated date hereof until THDA’s obligation with respect to the payment of said principal sum shall be discharged, at the rate per annum specified above payable on each January 1 and July 1 commencing January 1, 2020. The principal of and interest on this Bond are payable at the designated corporate trust office of U.S. Bank National Association, Nashville, Tennessee in any coin or currency of the United States of America, which, on the respective dates of payment thereof shall be legal tender for the payment of public and private debts.

This Bond is one of the bonds of THDA designated “Residential Finance Program Bonds” (herein called the “Bonds”) authorized to be issued in various series under and pursuant to the Tennessee Housing Development Agency Act, Sections 13-23-101 et seq., of the Tennessee Code Annotated, as amended (herein called the “Act”), a resolution of THDA adopted January 29, 2013, as amended and supplemented by the Bond Finance Committee on April 18, 2013, and entitled “General Residential Finance Program Bond Resolution” (herein called the “General Resolution”) and a supplemental resolution authorizing each issue. As provided in the General Resolution, the Bonds may be issued from time to time in one or more series of various principal amounts, may bear interest at different rates and subject to the provisions thereof, may

otherwise vary. All Bonds issued and to be issued under the General Resolution are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the General Resolution.

This bond is one of a series of bonds additionally designated “Issue 2019-2” (herein called the “Bonds”) issued in the aggregate principal amount of \$200,000,000 under the General Resolution, a resolution of THDA adopted on March 26, 2019, as amended and supplemented by the Bond Finance Committee of THDA on June 4, 2019 (collectively with the General Resolution, the “Resolutions”). Copies of the Resolutions are on file at the office of THDA in Nashville, Tennessee and at the principal corporate trust office of U.S. Bank National Association, Nashville, Tennessee, as trustee under the General Resolution (said trustee under the General Resolution being called herein the “Trustee”) and reference to the Resolutions and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the bearers or registered owners of the Bonds with respect thereto and the terms and conditions upon which the Bonds have been issued and may be issued thereunder.

To the extent and in the manner permitted by the terms of the Resolutions, the provisions of the Resolutions or any resolution amendatory thereof or supplemental thereto may be modified or amended by THDA with the written consent of the holders of at least two-thirds in principal amount of the Bonds then outstanding, and, in case less than all of the several series of Bonds would be affected thereby, with such consent of the holders of at least two-thirds in principal amount of the Bonds of each series so affected then outstanding. If such modification or amendment will by its terms not take effect so long as any Bonds of any specified like series and maturity remain outstanding, however, the consent of the holders of such Bonds shall not be required. In addition, certain other modifications or amendments to the Resolutions can be made which are not contrary to or inconsistent with the Resolutions without the consent of the Bondholders.

The holder of this Bond shall have no right to enforce the provisions of the Resolutions, to institute actions to enforce the provisions of the Resolutions or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the General Resolution. In certain events, on the conditions, in the manner and with the effect set forth in the General Resolution, the principal of all the Bonds issued thereunder and then outstanding, together with accrued interest thereon, may become or may be declared due and payable before the maturity thereof.

This Bond is transferable, as provided in the Resolutions, only upon the books of THDA kept for that purpose at the office of the Trustee by the registered owner hereof in person or by such owner’s attorney duly authorized in writing, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such owner’s attorney duly authorized in writing, and thereupon a new registered Bond or Bonds in the same aggregate principal amount and of the same series and maturity shall be issued to the transferee in exchange therefor as provided in the General Resolution and upon the payment of the charges, if any, therein prescribed. THDA and the Trustee may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving

payment of, or on account of, the principal or redemption price, if any, hereof and interest due hereon and for all other purposes whatsoever.

This Bond is a special limited obligation of THDA payable solely from the revenues and assets pledged therefor pursuant to the General Resolution.

The Bonds are issued as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof.

The Bonds are subject to optional, mandatory and sinking fund redemption as described in the Resolutions.

This Bond does not constitute a debt, liability or other obligation of the State or any political subdivision thereof other than THDA and neither the State nor any political subdivision thereof shall be obligated to pay the principal of the Bonds or the interest thereon. Neither the faith and credit nor the taxing power of the State or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds.

This Bond shall not be valid or become obligatory for any other purpose or be entitled to any security or benefit under the Resolutions until the Certificate of Authentication hereon shall have been signed by the Trustee.

The Act provides that neither the members of THDA nor any person executing this Bond shall be liable personally hereon or shall be subject to any personal liability or accountability by reason of its execution.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution or statutes of the State and the Resolutions to exist, to have happened or to have been performed precedent to or in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issuance of the Bonds, together with all other indebtedness, of THDA, is within every debt and other limit prescribed by law.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, TENNESSEE HOUSING DEVELOPMENT AGENCY has caused this Bond to be executed in its name by the manual or facsimile signature of its Chair and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of its Executive Director, all as of the dated date shown above.

TENNESSEE HOUSING DEVELOPMENT
AGENCY

By _____
Kim Grant Brown
Chair
[SEAL]

Attest:

By _____
Ralph M. Perrey
Executive Director

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Resolutions and is one of the Residential Finance Program Bonds, Issue 2019-2 (Non-AMT) of the Tennessee Housing Development Agency.

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By _____
Authorized Signatory

Dated: June 27, 2019

**AWARD RESOLUTION
EXHIBIT C**

FINAL BOND MATURITY SCHEDULE

SCHEDULED BOND MATURITY REPORT

TENNESSEE HOUSING DEVELOPMENT AGENCY Residential Finance Program Bonds Issue 2019-2 Final Bond Maturity Schedule

Date	= 2019-2 Serials NAMT =		2019-2 2034 Tm NAM		2019-2 2039 Tm NAM		2019-2 2041 Tm NAM		2019-2 Tm NAMT PA		Bond Debt Service		
	Maturing Principal	Rate	Maturing Principal	Rate	Maturing Principal	Rate	Maturing Principal	Rate	Maturing Principal	Rate	Maturing Principal	Interest Paid	Total Debt Serv
Jan 1, 2020	900,000	1.40%	-	-	-	-	-	-	-	-	900,000	3,038,481	3,938,481.43
Jul 1, 2020	2,405,000	1.45%	-	-	-	-	-	-	-	-	2,405,000	2,966,128	5,371,127.50
Jan 1, 2021	2,480,000	1.55%	-	-	-	-	-	-	-	-	2,480,000	2,948,691	5,428,691.25
Jul 1, 2021	2,505,000	1.60%	-	-	-	-	-	-	-	-	2,505,000	2,929,471	5,434,471.25
Jan 1, 2022	2,530,000	1.65%	-	-	-	-	-	-	-	-	2,530,000	2,909,431	5,439,431.25
Jul 1, 2022	2,560,000	1.65%	-	-	-	-	-	-	-	-	2,560,000	2,888,559	5,448,558.75
Jan 1, 2023	2,590,000	1.70%	-	-	-	-	-	-	-	-	2,590,000	2,867,439	5,457,438.75
Jul 1, 2023	2,620,000	1.75%	-	-	-	-	-	-	-	-	2,620,000	2,845,424	5,465,423.75
Jan 1, 2024	2,655,000	1.80%	-	-	-	-	-	-	-	-	2,655,000	2,822,499	5,477,498.75
Jul 1, 2024	2,685,000	1.80%	-	-	-	-	-	-	-	-	2,685,000	2,798,604	5,483,603.75
Jan 1, 2025	2,720,000	1.85%	-	-	-	-	-	-	-	-	2,720,000	2,774,439	5,494,438.75
Jul 1, 2025	2,755,000	1.90%	-	-	-	-	-	-	-	-	2,755,000	2,749,279	5,504,278.75
Jan 1, 2026	2,790,000	1.95%	-	-	-	-	-	-	-	-	2,790,000	2,723,106	5,513,106.25
Jul 1, 2026	2,830,000	1.95%	-	-	-	-	-	-	-	-	2,830,000	2,695,904	5,525,903.75
Jan 1, 2027	2,870,000	2.00%	-	-	-	-	-	-	-	-	2,870,000	2,668,311	5,538,311.25
Jul 1, 2027	2,910,000	2.05%	-	-	-	-	-	-	-	-	2,910,000	2,639,611	5,549,611.25
Jan 1, 2028	2,885,000	2.15%	-	-	-	-	-	-	-	-	2,885,000	2,609,784	5,494,783.75
Jul 1, 2028	2,880,000	2.20%	-	-	-	-	-	-	-	-	2,880,000	2,578,770	5,458,770.00
Jan 1, 2029	2,915,000	2.30%	-	-	-	-	-	-	-	-	2,915,000	2,547,090	5,462,090.00
Jul 1, 2029	2,960,000	2.35%	-	-	-	-	-	-	-	-	2,960,000	2,513,568	5,473,567.50
Jan 1, 2030	2,990,000	2.40%	-	-	-	-	-	-	-	-	2,990,000	2,478,788	5,468,787.50
Jul 1, 2030	3,000,000	2.45%	-	-	-	-	-	-	-	-	3,000,000	2,442,908	5,442,907.50
Jan 1, 2031	3,050,000	2.50%	-	-	-	-	-	-	-	-	3,050,000	2,406,158	5,456,157.50
Jul 1, 2031	3,100,000	2.55%	-	-	-	-	-	-	-	-	3,100,000	2,368,033	5,468,032.50
Jan 1, 2032	3,155,000	2.60%	-	-	-	-	-	-	-	-	3,155,000	2,328,508	5,483,507.50
Jul 1, 2032	3,210,000	2.65%	-	-	-	-	-	-	-	-	3,210,000	2,287,493	5,497,492.50
Jan 1, 2033	-	-	3,265,000	2.8%	-	-	-	-	-	-	3,265,000	2,244,960	5,509,960.00
Jul 1, 2033	-	-	3,325,000	2.8%	-	-	-	-	-	-	3,325,000	2,199,250	5,524,250.00
Jan 1, 2034	-	-	3,385,000	2.8%	-	-	-	-	-	-	3,385,000	2,152,700	5,537,700.00
Jul 1, 2034	-	-	3,445,000	2.8%	-	-	-	-	-	-	3,445,000	2,105,310	5,550,310.00
Jan 1, 2035	-	-	-	-	3,505,000	3%	-	-	-	-	3,505,000	2,057,080	5,562,080.00
Jul 1, 2035	-	-	-	-	3,575,000	3%	-	-	-	-	3,575,000	2,004,505	5,579,505.00
Jan 1, 2036	-	-	-	-	3,645,000	3%	-	-	-	-	3,645,000	1,950,880	5,595,880.00
Jul 1, 2036	-	-	-	-	3,715,000	3%	-	-	-	-	3,715,000	1,896,205	5,611,205.00
Jan 1, 2037	-	-	-	-	3,785,000	3%	-	-	-	-	3,785,000	1,840,480	5,625,480.00
Jul 1, 2037	-	-	-	-	3,855,000	3%	-	-	-	-	3,855,000	1,783,705	5,638,705.00
Jan 1, 2038	-	-	-	-	3,930,000	3%	-	-	-	-	3,930,000	1,725,880	5,655,880.00
Jul 1, 2038	-	-	-	-	4,010,000	3%	-	-	-	-	4,010,000	1,666,930	5,676,930.00

SCHEDULED BOND MATURITY REPORT

**TENNESSEE HOUSING DEVELOPMENT AGENCY
Residential Finance Program Bonds
Issue 2019-2
Final Bond Maturity Schedule**

Date	= 2019-2 Serials NAMT =		2019-2 2034 Tm NAM		2019-2 2039 Tm NAM		2019-2 2041 Tm NAM		2019-2 Tm NAMT PA		Bond Debt Service		
	Maturing Principal	Rate	Maturing Principal	Rate	Maturing Principal	Rate	Maturing Principal	Rate	Maturing Principal	Rate	Maturing Principal	Interest Paid	Total Debt Serv
Jan 1, 2039	-	-	-	-	4,085,000	3%	-	-	-	-	4,085,000	1,606,780	5,691,780.00
Jul 1, 2039	-	-	-	-	4,165,000	3%	-	-	-	-	4,165,000	1,545,505	5,710,505.00
Jan 1, 2040	-	-	-	-	-	-	4,245,000	3.1%	-	-	4,245,000	1,483,030	5,728,030.00
Jul 1, 2040	-	-	-	-	-	-	4,185,000	3.1%	-	-	4,185,000	1,417,233	5,602,232.50
Jan 1, 2041	-	-	-	-	-	-	3,880,000	3.1%	-	-	3,880,000	1,352,365	5,232,365.00
Jul 1, 2041	-	-	-	-	-	-	1,950,000	3.1%	1,995,000	4%	3,945,000	1,292,225	5,237,225.00
Jan 1, 2042	-	-	-	-	-	-	-	-	4,025,000	4%	4,025,000	1,222,100	5,247,100.00
Jul 1, 2042	-	-	-	-	-	-	-	-	4,130,000	4%	4,130,000	1,141,600	5,271,600.00
Jan 1, 2043	-	-	-	-	-	-	-	-	4,235,000	4%	4,235,000	1,059,000	5,294,000.00
Jul 1, 2043	-	-	-	-	-	-	-	-	4,340,000	4%	4,340,000	974,300	5,314,300.00
Jan 1, 2044	-	-	-	-	-	-	-	-	4,450,000	4%	4,450,000	887,500	5,337,500.00
Jul 1, 2044	-	-	-	-	-	-	-	-	4,565,000	4%	4,565,000	798,500	5,363,500.00
Jan 1, 2045	-	-	-	-	-	-	-	-	4,680,000	4%	4,680,000	707,200	5,387,200.00
Jul 1, 2045	-	-	-	-	-	-	-	-	4,800,000	4%	4,800,000	613,600	5,413,600.00
Jan 1, 2046	-	-	-	-	-	-	-	-	4,920,000	4%	4,920,000	517,600	5,437,600.00
Jul 1, 2046	-	-	-	-	-	-	-	-	5,045,000	4%	5,045,000	419,200	5,464,200.00
Jan 1, 2047	-	-	-	-	-	-	-	-	5,170,000	4%	5,170,000	318,300	5,488,300.00
Jul 1, 2047	-	-	-	-	-	-	-	-	5,305,000	4%	5,305,000	214,900	5,519,900.00
Jan 1, 2048	-	-	-	-	-	-	-	-	5,440,000	4%	5,440,000	108,800	5,548,800.00
	70,950,000		13,420,000		38,270,000		14,260,000		63,100,000		200,000,000	111,134,095	311,134,095.18

BOND STATISTICS

TENNESSEE HOUSING DEVELOPMENT AGENCY
Residential Finance Program Bonds
Issue 2019-2
Final Bond Maturity Schedule

Bond Statistics

	<u>2019-2 Serials NAMT</u>	<u>2019-2 2034 Tm NAMT</u>	<u>2019-2 2039 Tm NAMT</u>	<u>2019-2 2041 Tm NAMT</u>	<u>2019-2 Tm NAMT PAC</u>	<u>Total</u>
Par Amount	70,950,000.00	13,420,000.00	38,270,000.00	14,260,000.00	63,100,000.00	200,000,000.00
Accrued Int.	-	-	-	-	-	-
Issue Discount	-	-	-	-	-6,179,383.00	-6,179,383.00
Proceeds	70,950,000.00	13,420,000.00	38,270,000.00	14,260,000.00	69,279,383.00	206,179,383.00
Bond Year	511,108,333	191,534,111	682,730,222	301,385,944	1,613,466,111	3,300,224,722
Avg. Price	100.000	100.000	100.000	100.000	109.793	103.090
Avg. Coupon	2.051%	2.800%	3.000%	3.100%	4.000%	2.972%
Avg. Rate	2.232%	2.800%	3.000%	3.100%	4.000%	3.367%
Avg. Life (Dated)	7.204	14.272	17.840	21.135	25.570	16.501
Avg. Life (Delivery)	7.204	14.272	17.840	21.135	25.570	16.501
Avg. Mat. Date	Sep 10, 2026	Oct 5, 2033	Apr 29, 2037	Aug 15, 2040	Jan 22, 2045	Dec 27, 2035
Weighted Avg Maturity	7.204	14.272	17.840	21.135	25.570	16.773
Gross Bond NIC	2.231939%	2.800000%	3.000000%	3.100000%	3.617012%	3.180229%
Net Bond NIC	-	-	-	-	-	3.180229%
Gross Bond TIC	2.221577%	2.799981%	2.999982%	3.099983%	3.421359%	3.056302%
Net Bond TIC	-	-	-	-	-	3.056302%
Duration	6.600	11.860	13.925	15.658	16.681	12.575