

This Official Statement has been prepared by the Massachusetts Housing Finance Agency ("MassHousing") to provide information about the Series A Bonds. Selected information is presented on this cover page for the convenience of the user. To make an informed decision regarding the Series A Bonds, a prospective investor should read this Official Statement in its entirety. Unless indicated, capitalized terms used on this cover page have the meanings given in this Official Statement.



\$67,824,608
Massachusetts Housing Finance Agency
Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing)
2014 Series A (Federally Taxable)

Dated: Date of Delivery**Due: as shown below**

Taxable	<i>Interest on the Series A Bonds is not excludable from the gross income of the owners thereof for federal income tax purposes. In the opinion of Bond Counsel, under existing law, interest on the Series A Bonds is exempt from Massachusetts personal income taxes and the Series A Bonds are exempt from Massachusetts personal property taxes. See "TAX MATTERS" herein.</i>
Redemption	The Series A Bonds are subject to redemption prior to maturity, including mandatory and special optional redemption at par under certain circumstances. For a more complete description of the redemption provisions, see "THE SERIES A BONDS - Redemption."
Security	The Series A Bonds will constitute special obligations of MassHousing payable solely from and secured solely by a pledge of certain Revenues and Funds established under the Resolution. <i>MassHousing has no taxing power. Neither the Commonwealth of Massachusetts (the "Commonwealth") nor, except as provided herein, any political subdivision thereof is or shall be obligated to pay the principal or redemption price of and interest on the Series A Bonds and neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof is pledged to such payment.</i>
Interest Payment Dates	The fifteenth day of each month (or if any such day is not a Business Day, on the next succeeding Business Day), commencing April 2014, and at maturity or earlier redemption.
Denominations	\$1.00 or any multiple thereof.
Closing/Settlement	April 10, 2014 through the facilities of DTC in New York, New York, or its custodial agent.
Bond Counsel	Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts.
Underwriter's Counsel	Holland & Knight LLP, New York, New York.
Trustee	Wells Fargo Bank, N.A., Philadelphia, Pennsylvania.
Book-Entry-Only System	The Depository Trust Company. See "THE SERIES A BONDS – Book-Entry-Only System."

\$67,824,608 of 4.375% Series A Bonds due January 15, 2046 - Price: 100% CUSIP Number*: 57586N UR0

The Series A Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice, and the approval of legality by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel.

Barclays

The date of this Official Statement is April 3, 2014

* CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. The CUSIP numbers are included solely for the convenience of Bondholders and MassHousing is not responsible for the selection or the correctness of the CUSIP numbers printed herein. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors, including, but not limited to, the refunding or defeasance of such securities or the use of secondary market financial products.

No dealer, broker, salesperson or other person has been authorized by MassHousing or by the Underwriter to give any information or to make any representations, other than as contained in this Official Statement, and if given or made such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series A Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by MassHousing and by other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of MassHousing or changes involving the Series A Loans since the date hereof.

This Official Statement contains forecasts, projections and estimates that are based on expectations and assumptions which existed at the time such forecasts, projections and estimates were prepared. The inclusion in this Official Statement of such forecasts, projections and estimates should not be regarded as a representation of MassHousing or the Underwriter that such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results. The forecasts, projections and estimates have not been examined or compiled by MassHousing’s auditors, nor have its auditors expressed an opinion or any other form of assurance on the information or its achievability.

If and when included in this Official Statement, the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates” and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of MassHousing. These forward-looking statements speak only as of the date of this Official Statement. MassHousing disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in MassHousing’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market price of the Series A Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Series A Bonds to certain dealers and certain dealer banks and banks acting as agents at prices lower than the public offering prices stated on the cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

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MASSACHUSETTS HOUSING FINANCE AGENCY

\$67,824,608

Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing) 2014 Series A (Federally Taxable)

This Official Statement provides certain information concerning the Massachusetts Housing Finance Agency (“MassHousing”) in connection with the sale of MassHousing’s \$67,824,608 aggregate principal amount of Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing), 2014 Series A (Federally Taxable) (the “Series A Bonds”). The Series A Bonds are authorized to be issued pursuant to Chapter 708 of the Acts of 1966 of The Commonwealth of Massachusetts, as amended (the “Act”). The Series A Bonds will be issued under the General Rental Development Bond Resolution adopted by MassHousing on April 13, 2004 (the “General Resolution”) and the 2014 Series A Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing), 2014 Series A (Federally Taxable) Series Resolution, adopted by MassHousing on February 11, 2014 (the “Series Resolution”). The General Resolution and the Series Resolution are sometimes collectively referred to in this Official Statement as the “Resolution.” The Resolution constitutes a contract between MassHousing and the holders of the bonds issued thereunder. MassHousing may issue additional bonds under the General Resolution but not on a parity with the Series A Bonds and any such additional bonds would be separately secured from the Series A Bonds as set forth in a separate series resolution issued in connection therewith. Certain terms used in this Official Statement and the Resolution have the meanings set forth in “APPENDIX II - Form of Series Resolution” attached hereto.

INTRODUCTORY STATEMENT

MassHousing is a body politic and corporate, constituting a public instrumentality of The Commonwealth of Massachusetts (the “Commonwealth”). MassHousing was created in 1966 to increase the supply of multi-family residential housing in the Commonwealth for persons of low and moderate income, including the elderly. The Act authorizes MassHousing to issue bonds and notes for the purpose, among other things, of making mortgage loans to supply well-planned and well-designed apartment units in multi-family developments for low and moderate income persons or families, including the elderly, in locations where there is a need for such housing.

The Series A Bonds are being issued by MassHousing to provide monies to defease and to redeem on May 15, 2014, four series of MassHousing’s outstanding multi-family housing bonds (the “Prior Bonds”) issued under a prior MassHousing general bond resolution (the “Prior Resolution”). The proceeds of the Series A Bonds will be held in funds invested in Government Obligations, as defined in the Resolution (the “Defeasance Securities”). The Defeasance Securities purchased with the proceeds of the Series A Bonds will be deposited with the trustee for the Prior Bonds, and will be in an amount which, together with the earnings thereon, will be sufficient to pay the principal of and interest on the Prior Bonds on the redemption date. A list of the Prior Bonds is set forth under “PRIOR BONDS TABLE” herein.

Upon delivery of the Series A Bonds and direction to redeem the Prior Bonds, the Prior Bonds will no longer be outstanding under the Prior Resolution and certain mortgage loans, identified in Appendix III hereto (the “Series A Loans”), held under the Prior Resolution shall be released therefrom and pledged as security under the Resolution for the payment of the Series A Bonds. See “APPENDIX III – Certain Information Regarding the Series A Loans.” In certain circumstances, MassHousing financed certain Rental Developments under its Housing Bond Resolution with mortgage loans issued in multiple tranches. To the extent that one or more tranches of such loans are allocated to the Series A Bonds, the tranche so allocated to the Series A Bonds (constituting a Series A Loan)

and the tranche remaining pledged as security under the Housing Bond Resolution would be secured by the Rental Development on a parity basis and any and all payments that are received by MassHousing in respect of such Rental Development would be allocated pro rata among the outstanding tranches. Costs of issuance of the Series A Bonds and the Debt Service Reserve Fund deposit will be funded from MassHousing and from other funds available under the Prior Resolution. See “SOURCES AND USES OF FUNDS.”

The Series A Loans allocated to the Series A Bonds are insured by the Federal Housing Administration (“FHA”), pursuant to a mortgage insurance program (the “Risk-Share Program”) established by the Federal Housing and Community Development Act of 1992 and the regulations promulgated thereunder, as more fully described herein. Monies received from the United States Department of Housing and Urban Development (“HUD”) pursuant to the Risk-Share Program with respect to the Series A Loans are further pledged as security for the payment of the Series A Bonds. See “SECURITY FOR THE SERIES A BONDS AND SOURCES OF PAYMENT.” For a description of the Risk-Share Program and of subsidy programs applicable to the financed developments, see “APPENDIX V – Risk-Share Program.”

The Series A Loans are evidenced by mortgage notes (the “Mortgage Notes”) secured by mortgages on multi-family residential developments located in the Commonwealth. See “APPENDIX III - Certain Information Regarding the Series A Loans.”

The Series A Bonds are special obligations of MassHousing secured solely by a pledge of the Revenues, the Series A Loans, and the moneys held in the Debt Service Reserve Fund, the Revenue Fund and the other funds and accounts under the Resolution (collectively, the “Trust Estate”). The pledged revenues consist of Loan Repayments and Prepayments. In addition, the amounts on deposit in certain funds and accounts established pursuant to the Resolution and the earnings thereon, including the Debt Service Reserve Fund, are also pledged as security for the payment of the Series A Bonds. The Debt Service Reserve Fund Requirement for the Series A Bonds is established pursuant to the Series Resolution in an amount equal to one half of the maximum amount of principal and interest due in the current calendar year or any future calendar year with respect to the Series A Bonds. See “SECURITY FOR THE SERIES A BONDS AND SOURCES OF PAYMENT.”

The Series A Bonds are subject to mandatory redemption in whole, or in part, on each Interest Payment Date, beginning on May 15, 2014, at a Redemption Price equal to 100% of the principal amount of the Series A Bonds to be redeemed, without premium, in an amount equal to all principal of Prepayments and Loan Repayments related to the Series A Loans received by or on behalf of MassHousing on or before the 10th day of the month (or, in the case of the first Interest Payment Date, on and after the Closing Date). Amounts representing principal of Loan Repayments related to any Loan received on or before the 10th day of any calendar month shall be used to redeem Bonds on the following Interest Payment Date. See “THE SERIES A BONDS – Redemption.”

The Series A Bonds are also subject to special optional redemption in whole on any Interest Payment Date on and after the date on which the Outstanding principal amount of the Series A Bonds is less than 10% of the original principal amount thereof, at a Redemption Price equal to 100% of the principal amount thereof, without premium. See “THE SERIES A BONDS – Redemption.”

MassHousing has no taxing power. Neither the Commonwealth nor, except as provided herein, any political subdivision thereof is or shall be obligated to pay the principal of or interest on the Series A Bonds and neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof is pledged to such payment.

There follows in this Official Statement a description of MassHousing, certain information regarding the Series A Loans, together with other information, including summaries of certain terms of the Series A Bonds, the Resolution and certain provisions of the Act. All references herein to the Act and the Resolution are qualified in their entirety by reference to such laws and the regulations promulgated thereunder and such instruments or documents, copies of which are available from MassHousing or the Underwriter, and all references to the Series A Bonds are qualified in their entirety by reference to the definitive forms thereof and the information with respect thereto contained in the Resolution.

MASSHOUSING

MassHousing is empowered by the Act, among other things, to issue bonds and notes to finance owner-occupied, single-family residential housing for persons and families of low and moderate income and to make mortgage loans to sponsors of rental housing projects containing two or more dwelling units having promise of supplying well-planned, well-designed apartment units for low-income persons or families in locations where there is a need for such housing. Pursuant to the Act, MassHousing has the power to issue bonds and notes to finance construction and permanent mortgage loans, to finance mortgage loans through the acquisition of certain mortgage-backed securities and to enter into agreements and perform other functions in furtherance of its public purposes.

Membership

MassHousing is governed by a nine member board including the Secretary for Administration and Finance and the Director of the Department of Housing and Community Development of the Commonwealth, ex officio, and seven other members appointed by the Governor. Three of the seven appointees are required to have expertise in mortgage banking, architecture or city or regional planning and real estate transactions, and two appointees are required to have experience in single-family housing finance. Another appointee is required to be a representative of organized labor appointed from a list of at least five names submitted by the Massachusetts State Labor Council, AFL-CIO. Each appointive member serves for a term of seven years and until his or her successor is appointed and duly qualified.

The chairman of MassHousing is designated by the Governor and serves as chairman during his or her term of office as a member. The members annually elect a vice chair, who shall be a member, and a secretary, a treasurer and such other officers as the members may determine to be desirable, none of whom need be a member. The members also appoint the Executive Director of MassHousing. The members serve without compensation and meet once a month or more frequently, if necessary. Action by the membership requires the affirmative vote of five members.

Loan Servicing

MassHousing has been servicing multifamily loans since the inception of Rental Development Bond Program in 1972 and funded approximately \$327 million, \$334 million and \$402 million of multifamily construction and permanent loans in FY 2013, FY 2012 and FY 2011, respectively.

In connection with its loan servicing and in recognition of the various factors affecting a mortgagors ability to make required mortgage payments, MassHousing has adopted policies and review procedures for detailed evaluation of the developments that it finances and has established certain reserve and escrow requirements and procedures for regulating and monitoring operations with respect to such developments.

Each year, MassHousing conducts an analysis of the developments in its Rental Development Bond Program. The goal of the risk analysis is to flag potential operating and management problems, to prevent them entirely or fix them in their early stages. Each development is evaluated in terms of three risk categories: financial, capital and managerial operations. In addition, in order to provide a comprehensive long-range analysis of possible capital needs shortfalls, MassHousing periodically requires owners to perform a capital needs study. The study defines the level of shortfall by comparing the costs of replacing major components/building systems in the developments to the current funding levels in the replacement reserve. MassHousing also maintains a Delinquency Report of all the developments in its Rental Development Bond Program. The Delinquency Report includes any development that is not in compliance with its loan documents on account of, among other things, a debt service, tax escrow or replacement reserve arrearage of thirty days and over or whose owner has not submitted annual audited financial statements.

The policies, procedures and requirements discussed above represent current policies, procedures and requirements generally observed by MassHousing in monitoring rental housing developments and do not necessarily reflect those policies, procedures and requirements which were in effect at the time any particular Rental Development Mortgage Loan was originated. These policies, procedures and requirements may be modified from time to time as experience or changed conditions necessitate.

THE SERIES A BONDS

General Description

The Series A Bonds mature on the date and bear interest at the rate set forth on the cover page of this Official Statement. Interest on such Series A Bonds accrues from date of delivery of the Series A Bonds and is payable on the fifteenth day of each month (of if any such day is not a Business Day, on the next succeeding Business Day), commencing April 2014, and at maturity or earlier redemption.

The Series A Bonds are issuable only as fully registered bonds in denominations of \$1.00 or any multiple thereof. When issued, the Series A Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository for the Series A Bonds. Individual purchases of the Series A Bonds will be made in book-entry-only form, and purchasers of Series A Bonds will not receive certificates representing their interest in such Series A Bonds. So long as Cede & Co. is the sole registered owner of the Series A Bonds, references herein to the registered owners or the Series A Bonds shall mean Cede & Co., as nominee of DTC, and shall not mean the beneficial owners of the Series A Bonds. See “THE SERIES A BONDS – Book-Entry-Only System.”

So long as the Series A Bonds are registered in book-entry-only form, principal or redemption price, and interest on the Series A Bonds will be payable to Cede & Co., as aforesaid. If the Series A Bonds are issued in certificated form, interest on the Series A Bonds will be thereafter payable by check or draft mailed to the registered owner thereof at such owner’s address as shown on the applicable record date on the registration books of MassHousing kept for that purpose at the principal corporate trust office of Wells Fargo Bank, N.A., as Trustee, or, following appropriate notice to the Trustee, by wire transfer on the Interest Payment Date to any registered owner the Series A Bonds in an aggregate principal amount of \$1 million or more.

Interest on the Series A Bonds will become due and payable on the Interest Payment Dates in each year to and including the maturity date, and on each redemption date. Interest on the Series A Bonds will be calculated on the basis of a 360-day year comprised of twelve 30-day months. Payment of interest on each Series A Bond will be made on each Interest Payment Date for unpaid interest accrued since the last Interest Payment Date (or, in the case of the Initial Interest Payment Date, the Closing Date) to the Holder of record on the applicable Record Date, which is the Closing Date for the Initial Interest Date and the first (1st) day (whether or not a Business Day) of the month in which interest is to be so paid thereafter.

Redemption

Mandatory Redemption. Except as provided in the following sentence, the Series A Bonds are subject to mandatory redemption in whole or in part, on each Interest Payment Date, beginning on May 15, 2014, at a Redemption Price equal to 100% of the principal amount of the Series A Bonds to be redeemed, without premium, in an amount equal to all principal of Prepayments and Loan Repayments related to the Series A Loans received by or on behalf of MassHousing on or before the 10th day of the immediately preceding calendar month (or, in the case of the first Interest Payment Date, on and after the Closing Date), as such amount is transferred from the Revenue Fund to the Redemption Fund pursuant to the Resolution. Amounts representing principal of Loan Repayments related to any Loan received on or before the 10th day of any calendar month shall be used to redeem Bonds on the following Interest Payment Date pursuant to the Resolution.

Special Optional Redemption. The Series A Bonds are subject to special optional redemption in whole on any Interest Payment Date on and after the date on which the Outstanding principal amount of the Series A Bonds is less than 10% of the original principal amount thereof, at a Redemption Price equal to 100% of the principal amount thereof, without premium.

Selection of Series A Bonds to be Redeemed. If the Series A Bonds are to be redeemed in part pursuant to the Resolution, each of the Series A Bonds then Outstanding shall be redeemed in part, pro rata, in proportion to the Outstanding principal amount of each such Series A Bond to the aggregate Outstanding principal amount of all Outstanding Series A Bonds. To effect this pro rata redemption while the Series A Bonds are held in the book-entry-only system, such mandatory redemption is to be made as a “Pro-Rata Pass-Through Distribution of Principal” by the

Securities Depository. If effected by DTC, this redemption procedure will cause a pro rata redemption of Series A Bonds among DTC Participants upon a redemption, but may not ensure a pro rata redemption of Series A Bonds among all Beneficial Owners thereof. See “THE SERIES A BONDS – Book-Entry-Only System” for a general description of the DTC book-entry system.

Notice of Redemption. Notice of special optional redemption of the Series A Bonds will be given by mailing a copy of such notice not more than 60 and not less than 20 days prior to the redemption date to the registered owner of any Series A Bonds or portions thereof to be redeemed. Failure to mail such notice of redemption to any registered owner of any Series A Bond or any defect in such notice will not affect the validity of the redemption of any other Series A Bonds for which the required notice was given. Any failure on the part of DTC or failure on the part of a nominee of a beneficial owner of Series A Bonds to notify the beneficial owner of the redemption of such Series A Bonds shall not affect the validity of the redemption. If notice of redemption shall have been given as aforesaid, and if on the redemption date moneys for the redemption of all Series A Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payments, then from and after the redemption date interest on such Series A Bonds issued under the Resolution or portions thereof shall cease to accrue and become payable.

No notice of mandatory redemption will be given to any Bondholder or Beneficial Owner of the date or amount of the mandatory redemption of any Series A Bonds.

No Additional Bonds

Although additional bonds may be issued under the General Resolution by issuance of a separate series resolution, any such additional bonds and any other obligations issued under such other series resolution shall be secured as provided in such other series resolution separate and apart from the Series A Bonds. See “APPENDIX I - General Resolution.”

Book-Entry-Only System

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

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

Purchases of the Series A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series A Bonds on DTC’s records. The ownership interest of each actual purchaser

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

As described in this Official Statement in “THE SERIES A BONDS – Redemption - Notice of Redemption,” it is the intention that the allocations for mandatory redemption of the Series A Bonds be made by DTC on a pro rata basis in accordance with DTC’s “Pro-Rata Pass-Through Distribution of Principal” rules and procedures. If DTC’s operational arrangements do not allow for payment of the Series A Bonds on a pro-rata pass-through payment distribution of principal basis, then the Series A Bonds selected for payment will be made in accordance with DTC’s procedures then in effect.

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

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

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

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

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

The information in this section concerning DTC and DTC's book-entry system has been furnished by DTC. Such information is believed to be reliable, but neither MassHousing nor the Underwriter take any responsibility for the accuracy thereof.

NEITHER THE TRUSTEE NOR MASSHOUSING SHALL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY PARTICIPANT, ANY PERSON CLAIMING A BENEFICIAL OWNERSHIP INTEREST IN THE SERIES A BONDS UNDER OR THROUGH DTC OR ANY PARTICIPANT, OR ANY OTHER PERSON WHO IS NOT SHOWN IN THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A REGISTERED OWNER OF SERIES A BONDS WITH RESPECT TO: THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OF OR REDEMPTION PRICE, IF ANY, OR INTEREST ON THE SERIES A BONDS; ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO REGISTERED OWNERS OF THE SERIES A BONDS UNDER THE RESOLUTION; THE SELECTION BY DTC OR ANY PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES A BONDS; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS REGISTERED OWNER OF THE SERIES A BONDS.

If the Book-Entry-Only System is discontinued and Series A Bond certificates have been delivered as described in the Resolution, the Beneficial Owner, upon registration of certificates held in the Beneficial Owner's name, will become the registered owner of such Series A Bonds. Thereafter, Series A Bonds may be exchanged for an equal aggregate principal amount of Series A Bonds in other authorized denominations and of the same maturity, upon surrender thereof at the principal corporate trust office of the Trustee. The transfer of any Series A Bond may be registered on the books maintained by the Trustee for such purpose only upon the surrender thereof to the Trustee with a duly executed assignment in form satisfactory to the Trustee. For every exchange or registration of transfer of Series A Bonds, the Trustee may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge may be made to the owner for any exchange or registration of transfer of the Series A Bonds.

SECURITY FOR THE SERIES A BONDS AND SOURCES OF PAYMENT

General

The Series A Bonds are secured by and payable solely from all of MassHousing's rights and interests in and to the revenues, assets and moneys pledged under the Series Resolution, in particular the Revenues, the Series A Loans, and the moneys held in the Debt Service Reserve Fund, the Revenue Fund and the other funds and accounts under the Resolution (collectively, the "Trust Estate"). *The Series A Loans will be insured under the Risk-Share Program which provides for payment of 100% of the unpaid principal balance of the Series A Loans as of the date of default and interest on the Series A Loans from the date of default to the date of the initial claim payment.* See "APPENDIX V - "Risk-Share Program."

The Series A Bonds as described on the front cover page hereof are being issued pursuant to the Resolution and will be secured by and payable from the Trust Estate as described herein (which includes the Series A Loans). As part of the Trust Estate, the Series A Bonds are secured by the Debt Service Reserve Fund established under the Series Resolution. The Debt Service Reserve Fund Requirement for the Series A Bonds will be satisfied as described in "SOURCES AND USES OF FUNDS." Under the Resolution, the Debt Service Reserve Fund Requirement for the Series A Bonds may be reduced, and MassHousing will be permitted in the future to release certain cash on deposit in the Debt Service Reserve Fund without consent of the holders of the Series A Bonds, including upon the delivery of a Loan Payment Enhancement Facility, subject to the requirements of the Series Resolution as described in "SECURITY FOR THE SERIES A BONDS AND SOURCES OF PAYMENT – Debt Service Reserve Fund."

MassHousing has no taxing power. The Series A Bonds issued under the Resolution are not a debt of the Commonwealth. The Commonwealth is not liable on such Series A Bonds and is under no legal obligation to provide moneys to make up any deficiency in any of the funds or accounts established by the Resolution.

Loans and Revenues

The Series A Loans are nonrecourse loans. The payments required to be made under the Mortgages with respect to the Series A Loans, if timely made, are expected to be sufficient in amount to pay, when due, the principal of and interest on the Outstanding Series A Bonds and other operating expenses with respect to the Series A Bonds.

The Series A Loans are currently outstanding and allocated to bonds issued under MassHousing's Housing Bond Resolution, adopted December 10, 2002 (the "Housing Bond Resolution"). Concurrently with the refunding described in "PLAN OF FINANCE," the Series A Loans will be transferred and pledged under the Resolution to the Series A Bonds. Prepayments and Loan Repayments on the Series A Loans will be applied as further described below and in "THE SERIES A BONDS – Redemption."

The Series A Loans will consist of five Loans insured by FHA under the Risk-Share Program, which had an aggregate principal balance of approximately \$67,941,172 as of February 28, 2014 and a scheduled aggregate principal balance of \$67,824,608 as of April 1, 2014 (the "Cut-off Date"). See "APPENDIX V – Risk-Share Program" for a brief description of the Risk-Share Program. For further information about and characteristics of the Series A Loans as of the Cut-off Date (except as noted), see "SECURITY FOR THE SERIES A BONDS AND SOURCES OF PAYMENT – Characteristics of the Series A Loans" and Appendix III to this Official Statement. MassHousing will agree to provide certain information about the Series A Loans to holders of the Series A Bonds, as described in "SECURITY FOR THE SERIES A BONDS AND SOURCES OF PAYMENT – Information Available to Bondholders."

Under the Resolution, Revenues are defined as the Loan Payments and Prepayments derived from the Series A Loans and investment earnings on funds and accounts established by the Resolution and transferred to the Revenue Fund pursuant to the Resolution, but excluding Servicing Fees and administrative fees received from the United States for servicing Series A Loans subsidized under the Section 8 Program. See "APPENDIX VI – Description of Section 8 Subsidy Program." Any proceeds that may be received under the Risk-Share Program with respect to the Series A Loans are deposited in the Redemption Fund to be applied to the redemption of Series A Bonds in accordance with the Resolution. See "APPENDIX V – Risk-Share Program."

The Trustee shall promptly deposit in the Revenue Fund all Prepayments and Loan Repayments allocable to the Series A Loans received on and after the Closing Date. On the Business Day prior to each Interest Payment Date, the Trustee shall transfer, pursuant to the Resolution, (i) amounts received as interest on the Series A Loans in the Revenue Fund to the Debt Service Fund to be applied to the payment of interest on the Series A Bonds on such Interest Payment Date, and (ii) amounts received as principal of such Prepayments and Loan Repayments in the Revenue Fund to the Redemption Fund to be applied to the payment of principal of the Series A Bonds upon the mandatory redemption thereof as described in "THE SERIES A BONDS – Redemption."

After such transfers described in the preceding paragraph, on the Business Day prior to each Interest Payment Date, the Trustee shall transfer remaining amounts received as interest on such Loans in the Revenue Fund in the order as follows: (a) to make payments required by the Resolution to replenish amounts in the Debt Service Reserve Fund necessary to satisfy the Debt Service Reserve Fund Requirement for the Series A Bonds; and (b) to pay Administrative Expenses. See "APPENDIX II – Form of Series Resolution."

The Trustee will have a priority lien on any and all funds held by it under the Resolution to secure payment for its services. See "APPENDIX II – Form of Series Resolution."

Characteristics of the Series A Loans

Composition

The Series A Loans will consist of five Loans, which had a scheduled aggregate principal balance of approximately \$67,824,608 as of the Cut-Off Date. See “APPENDIX III – Certain Information Regarding the Series A Loans” for further information regarding characteristics of the Series A Loans as of the Cut-off Date (except as noted).

Mortgage Rates; Calculation of Interest

The Series A Loans bear interest at mortgage rates that will remain fixed for their remaining terms. All of the Series A Loans bear interest on the basis of a 360-day year consisting of twelve 30-day months.

Due Dates

Monthly payments on the Series A Loans are due on the 1st day of each calendar month.

Amortization; Level Payments

The Series A Loans are fully amortized in level monthly payments over their remaining terms to stated maturity at which time the unpaid principal balance plus accrued interest thereon is due. All of the Series A Loans have begun to amortize as of the Cut-off Date. Even in the absence of a change in the amortization schedule of the Series A Loans, Series A Loans that provide for level monthly payments may still produce non-level payments as a result of the fact that, at any time, condemnation of or the occurrence of a casualty loss on, the mortgaged property securing any Series A Loan or acceleration of payments due under the Series A Loan by reason of a default may result in a prepayment.

Loan Debt Service Coverage; Prepayments; Summary

The following table sets forth certain loan characteristics and debt service coverage ratio of the Series A Loans as of the Cut-off Date (except as noted). All of the Borrowers are current on the payment of debt service on the Series A Loans. Based on 2012 data from the 2012 annual reports of the respective Rental Developments, each of the Series A Loans indicated on the table below have debt service coverage ratios as set forth in the table. The debt service coverage ratios are calculated based on the ratio of 2012 annual net operating income of the Rental Development, adjusted for depreciation and amortization, interest, mortgage insurance premium, and replacement reserves, to the 2012 annual principal and interest due, annual servicing fee (based on the Original Balance), and mortgage insurance premium (based on the Current Balance) on the applicable loan. In calculating the debt service coverage ratios, the information for each Rental Development was taken by MassHousing from the 2012 annual reports (using the 2012 data) from each Rental Development. MassHousing has not taken any action to independently verify the accuracy of such information. There can be no assurances that the ratios set forth herein will continue.

The Series A Loans are not subject to prepayment for fifteen (15) years following origination without the prior consent of MassHousing. In addition, FHA may permit the Series A Loans to be refinanced or prepaid at any time in the event of a default on such Series A Loans. See “APPENDIX III – Certain Information Regarding the Series A Loans.”

The following table presents a summary of certain characteristics of the Series A Loans. See also “APPENDIX III – Certain Information Regarding the Series A Loans” for additional details.

Summary of the Series A Loans as of the Cut-off Date¹

Loan Name	Number of Units	Original Balance	Scheduled Balance	Origination Date	Maturity Date	Remaining Term (months)	Interest Rate	Debt Service Coverage Ratio ²	1 st Prepayment Date without MassHousing Consent ³
Conant Village	60	\$7,800,000	\$7,260,871	06/30/05	07/01/45	375	6.00%	1.11x	06/30/20
Nazing Court	151	8,250,000	7,693,548	06/21/02	07/01/44	363	6.72%	1.42x	06/21/17
Providence House	102	9,390,000	8,747,222	06/19/03	01/01/45	369	6.35%	1.50x	06/19/18
South Cove Apartments ⁴	231	15,750,000	14,444,654	08/04/03	09/01/43	353	6.32%	1.40x	08/04/18
The Preserve	300	31,500,000	29,678,313	12/13/05	01/01/46	381	6.45%	1.10x	12/13/20

(1) The Cut-off Date is April 1, 2014. See “APPENDIX III – Certain Information Regarding the Series A Loans” for further information.

(2) Debt Service Coverage Ratio is calculated based on the ratio of 2012 annual net operating income of the Rental Development, adjusted for depreciation and amortization, interest, mortgage insurance premium, and replacement reserves, to the 2012 annual principal and interest due, annual servicing fee (based on the Original Balance), and mortgage insurance premium (based on the Current Balance) on the applicable loan. MassHousing has not undertaken any action to independently verify the accuracy of such information. The Debt Service Coverage Ratio for South Cove Apartments was calculated taking into account both tranches of the mortgage loan.

(3) The Series A Loans are not subject to prepayment for fifteen (15) years following origination without the prior consent of MassHousing. Loans are payable in whole or in part for a 1% prepayment penalty fee in the month following the period 15 years after the Origination Date.

(4) South Cove Apartments was financed with a mortgage loan issued in two tranches under MassHousing’s Housing Bond Resolution, the A Tranche and the B Tranche. Only the A Tranche of such loan, the terms of which are set forth herein, constitutes a Series A Loan securing the Series A Bonds. The other tranche remains pledged as security under the Housing Bond Resolution. Both tranches are secured by the Rental Development on a parity basis and any and all payments that are received by MassHousing with respect to such Rental Development are allocated pro rata among the outstanding tranches.

FHA Risk-Share Insurance

Each of the Series A Loans is insured by FHA under the Risk-Share Program which provides for payment of 100% of the unpaid principal of the Series A Loans as of the date of default and interest on the Series A Loans from the date of default to the date of the initial claim payment; provided that the amount of interest paid will reflect the payment of interest in arrears. See “APPENDIX V – Risk-Share Program.”

Section 8 Contract

One of the Series A Loans is receiving Section 8 housing assistance under the federal Housing Assistance Payments (“HAP”) Program authorized by Section 8. MassHousing is currently HUD’s administrator for all of its Section 8 assisted developments. Under the HAP Program, the administrator makes monthly Housing Assistance Payments to owners of eligible developments from funds received quarterly from HUD pursuant to an Annual Contributions Contract (“ACC”) covering the difference between the rents (“Contract Rents”) for units in the particular project and the amount required to be paid by “Eligible Tenants” (generally not more than 30% of such income). Eligible Tenants are defined generally as those households whose income does not exceed 80% (on a scale weighted to reflect family size) of the median income for an area as determined by HUD. See “APPENDIX VI – Description of Section 8 Subsidy Program.”

Section 42 Compliance Period

Under Section 42 of the Code, the Rental Developments relating to the Series A Loans are subject to affordable rent restrictions for 15 years after (i) the “placed in service” date, or (ii) the year following the “placed in service” date at the owner’s election. Based on the weighted average placed in service date determined from the Form

8609 filed for the respective Rental Developments plus fifteen (15) years, the Section 42 compliance expiration dates for the Series A Loans range from January 31, 2018 through April 17, 2020. MassHousing has not taken any action to independently verify the accuracy of such information. See “APPENDIX III – Certain Information Regarding the Series A Loans.”

“Due on Sale” Provisions

The Series A Loans do not contain “due on sale” clauses restricting sale or transfer of the related mortgaged property.

Assumability

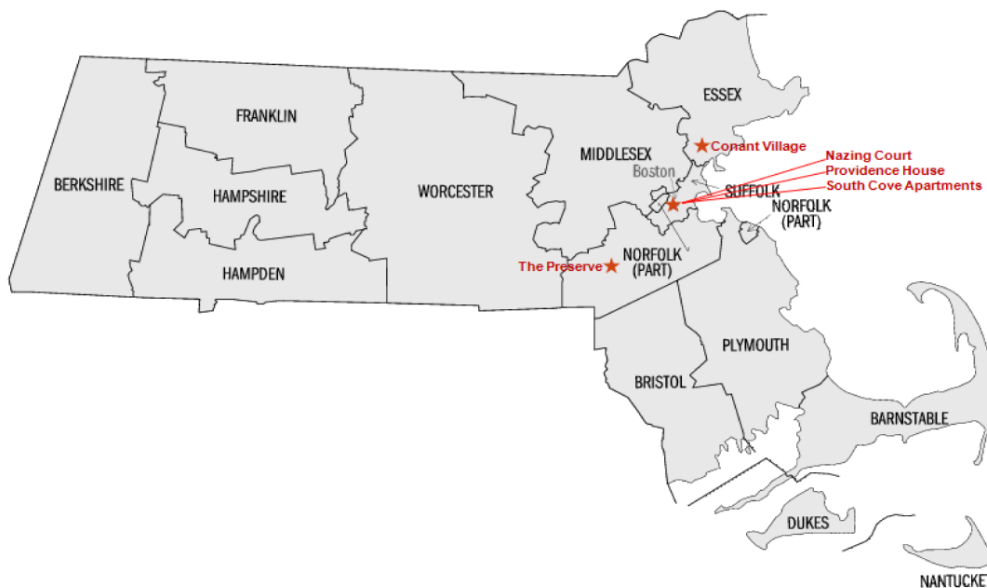
Each Series A Loan may be assumed, subject to HUD review and approval, upon the sale of the related mortgaged property.

Lien on Fee Simple Estate

The Series A Loans consist of first lien, multifamily, fixed rate mortgage loans that are secured by a lien on the respective Borrower's fee simple estate in a multifamily property.

Location of Series A Mortgage Properties

The following map identifies the locations of the mortgaged properties funded with Series A Loans within the Commonwealth:



Weighted Average Life of Series A Bonds

Yield, Maturity and Prepayment Considerations

The Prepayments of the Series A Loans will affect the weighted average life of and the yields realized by holders of the Series A Bonds.

- The principal portion of the Loan Repayment for any Series A Loan may be in the form of scheduled or unscheduled amortization. The Series A Loans amortize in level monthly payments, the amounts of which are set forth in “APPENDIX III – Certain Information Regarding the Series A Loans.”

- The terms of each Series A Loan provide that the Series A Loan may be voluntarily prepaid in whole or in part only with the prior consent of MassHousing, during the first 15 years following origination of the Series A Loan, and thereafter without consent.
- In addition, in the event of a default, FHA may permit a Risk-Share Program mortgage loan such as the Series A Loans to be refinanced or prepaid without regard to any consent right, statutory prepayment prohibition or prepayment penalty provisions.
- The condemnation of, or occurrence of a casualty loss on, the mortgaged property securing any Series A Loan or the acceleration of payments due under the Series A Loan by reason of default may also result in a prepayment at any time.

Series A Loan prepayment rates are likely to fluctuate over time. No representation is made as to the expected weighted average life of the Series A Bonds or the percentage of the original unpaid principal balance of the Series A Loans that will be paid to Bondholders at any particular time. A number of factors may influence the prepayment rate.

- While some prepayments occur randomly, the payment behavior of the Series A Loans may be influenced by a variety of economic, tax, geographic, demographic, legal and other factors.
- These factors may include the age, geographic distribution and payment terms of the Series A Loans; remaining depreciable lives of the underlying properties; characteristics of the borrowers; amount of the borrowers' equity; the availability of mortgage financing; in a fluctuating interest rate environment, the difference between the interest rates on the Series A Loans and prevailing mortgage interest rates; the extent to which the Series A Loans are assumed or refinanced or the underlying properties are sold or conveyed; changes in local industry and population as they affect vacancy rates; population migration; and the attractiveness of other investment alternatives.
- These factors may also include the application of (or override by FHA of) prepayment consent rights or statutory prepayment prohibition periods. For a more detailed description of the prepayment provisions of the Series A Loans, see "Prepayments" under this caption.

No representation is made by MassHousing or the Underwriter or their respective counsel concerning the particular effect that any of these or other factors may have on the prepayment behavior of the Series A Loans. The relative contribution of these or other factors may vary over time.

Forward-Looking Average Life Calculations

The following information has been provided by the Underwriter and no representation is made by MassHousing or the Underwriter or their respective counsel concerning the actual average life of the Series A Bonds or the Series A Loans and how it compares to the forward-looking average life estimated herein.

The "Weighted Average Life" of a bond refers to the average amount of time that will elapse from the date of its issuance until each dollar of principal of that bond will be repaid to the investor. As a result, any projection of the Weighted Average Life of and yield on the Series A Bonds must include an assumption about the anticipated timing and amount of payments on those Series A Bonds, which will depend upon the rate of prepayments of the Series A Loans, including optional borrower prepayments and prepayments resulting from liquidation of defaulted Series A Loans. In general, prepayments of principal and defaults on the Series A Loans will shorten the Weighted Average Life and term to maturity of the Series A Bonds.

The Weighted Average Life of the Series A Bonds is calculated as described under "Weighted Average Life" below.

The Weighted Average Life of the Series A Bonds will be influenced by, among other things, the rate at which principal is paid on the Series A Loans. In general, the Weighted Average Life of the Series A Bonds will be shortened if the rate of prepayments of principal of the Series A Loans increases. However, the Weighted Average Life will depend upon a variety of other factors, including the timing of changes in such rate of principal prepayments. Accordingly, no assurance can be given as to the Weighted Average Life of the Series A Bonds.

Prepayment Assumption Models

No representation is made about the anticipated rate of prepayments or foreclosures on the Series A Loans or about the anticipated yield to maturity of the Series A Bonds. Prospective purchasers of the Series A Bonds are urged to base their decisions whether to purchase the Series A Bonds upon a comparison of desired yield to maturity with the yield to maturity that would result based on the price that the purchaser pays for the Series A Bonds and upon the purchaser's own determinations about anticipated rates of prepayments with respect to the Series A Loans.

Prepayments of mortgage loans are commonly measured by a prepayment standard or model. The model used herein is the constant prepayment rate ("CPR") model. CPR represents a constant rate of prepayment on the Series A Loans each month relative to the then outstanding aggregate principal balance of the Series A Loans for the life of such Series A Loans.

In addition, following any Series A Loan default, the principal balance of the Series A Loan will be paid from the proceeds received under the Risk-Share Program.

- As a result, defaults experienced on the Series A Loans will accelerate the payment of principal of the Series A Bonds.
- The Series A Bonds are subject to special optional redemption as described herein under "THE SERIES A BONDS - Redemption."

The maturity date for the Series A Bonds, which is set forth on the front cover of this Official Statement, is the latest date on which the principal balance will be reduced to zero. The actual retirement of Series A Bonds may occur earlier than its maturity date.

Modeling Assumptions

Unless otherwise indicated, the table that follows has been prepared on the basis of the characteristics of the Series A Loans and the following assumptions (the "Modeling Assumptions"), among others:

1. The Series A Loans have the characteristics described in "APPENDIX III - Certain Information Regarding the Series A Loans."
2. There are no voluntary prepayments prior to fifteen years after origination of the applicable Series A Loan. All the Series A Loans have amortization schedules that provide for level monthly payments.
3. The Series A Loans begin to prepay fifteen years after origination of the applicable Series A Loan at the constant percentages of CPR (described above) shown in the table.
4. The origination date of each Series A Loan is as indicated in Appendix III.
5. Loan Repayments and Prepayments with respect to the Series A Loans are always received on the 1st day of the month, whether or not a Business Day, commencing in May 2014. No penalty amounts are received with respect to Prepayments.
6. No special optional redemption occurs.
7. Payments on the Series A Bonds occur on the 15th day of the month, whether or not a Business Day, commencing in April 2014.
8. The Closing Date for the Series A Bonds is April 10, 2014.

When reading the table and the related text, prospective purchasers of the Series A Bonds should bear in mind that the Modeling Assumptions, like any other stated assumptions, are unlikely to be entirely consistent with actual experience. For example, many payment dates will occur on the first Business Day after the 1st of the month and Series A Bonds are subject to Special Optional Redemption as described under “THE SERIES A BONDS - Redemption.”

Weighted Average Life

The table below indicates the Weighted Average Life of the Series A Bonds, based on the assumption that the Series A Loans prepay at the respective indicated percentages of CPR (the “CPR Prepayment Assumption Rates”).

It is unlikely that the Series A Loans will prepay at any of the CPR Prepayment Assumption Rates, and the timing of changes in the rate of prepayments actually experienced on the Series A Loans is unlikely to follow the pattern described for the CPR Prepayment Assumption Rates.

The Weighted Average Life of the Series A Bonds is calculated by:

- (a) multiplying the net reduction, if any, of the principal balance from one Interest Payment Date to the next Interest Payment Date by the number of years from the date of issuance thereof to the related Interest Payment Date,
- (b) summing the results, and
- (c) dividing the sum by the aggregate amount of the assumed net reductions in principal balance referred to in clause (a).

The Weighted Average Life is likely to vary, perhaps significantly, from that set forth in the table below due to the differences between the actual rate of prepayments on the Series A Loans and the Modeling Assumptions.

CPR	Weighted Average Lives of the Series A Bonds
0%	20.3
5%	14.9
10%	12.0
15%	10.2
20%	9.1
25%	8.3
30%	7.8
35%	7.3
40%	7.0
45%	6.8
50%	6.6

The decrement table set forth below is based on the assumption that the Series A Loans prepay at the CPR Prepayment Assumption Rates. It is unlikely that the Series A Loans will prepay at any of the CPR Prepayment Assumption Rates, and the timing of changes in the rate of prepayments actually experienced on the Series A Loans is unlikely to follow the pattern described for the CPR Prepayment Assumption Rates.

Percentages of Series A Bond Balances Outstanding and Weighted Average Life

<u>Distribution Date</u>	<u>CPR Prepayment Assumption Rates</u>										
	<u>Series A Bonds</u>										
	<u>0%</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>	<u>25%</u>	<u>30%</u>	<u>35%</u>	<u>40%</u>	<u>45%</u>	<u>50%</u>
Initial Percent.....	100	100	100	100	100	100	100	100	100	100	100
March 2015.....	99	99	99	99	99	99	99	99	99	99	99
March 2016.....	98	98	98	98	98	98	98	98	98	98	98
March 2017.....	97	97	97	97	97	97	97	97	97	97	97
March 2018.....	95	95	95	94	94	93	93	92	92	91	91
March 2019.....	94	92	90	88	86	84	82	81	79	77	75
March 2020.....	93	89	85	81	78	75	72	69	67	64	62
March 2021.....	91	84	78	73	68	63	59	55	51	48	45
March 2022.....	89	79	69	61	53	46	40	35	30	26	22
March 2023.....	88	73	61	51	42	34	28	22	18	14	11
March 2024.....	86	68	54	42	33	25	19	14	10	8	5
March 2025.....	84	63	47	35	26	18	13	9	6	4	3
March 2026.....	82	59	41	29	20	13	9	6	4	2	1
March 2027.....	79	54	36	24	15	10	6	4	2	1	1
March 2028.....	77	50	32	20	12	7	4	2	1	1	0
March 2029.....	74	46	28	16	9	5	3	1	1	0	0
March 2030.....	71	42	24	13	7	4	2	1	0	0	0
March 2031.....	68	38	21	11	6	3	1	1	0	0	0
March 2032.....	65	35	18	9	4	2	1	0	0	0	0
March 2033.....	62	31	15	7	3	1	1	0	0	0	0
March 2034.....	58	28	13	6	2	1	0	0	0	0	0
March 2035.....	55	25	11	5	2	1	0	0	0	0	0
March 2036.....	51	22	9	4	1	0	0	0	0	0	0
March 2037.....	46	19	7	3	1	0	0	0	0	0	0
March 2038.....	42	16	6	2	1	0	0	0	0	0	0
March 2039.....	37	14	5	2	1	0	0	0	0	0	0
March 2040.....	31	11	4	1	0	0	0	0	0	0	0
March 2041.....	26	9	3	1	0	0	0	0	0	0	0
March 2042.....	20	6	2	1	0	0	0	0	0	0	0
March 2043.....	14	4	1	0	0	0	0	0	0	0	0
March 2044.....	8	2	1	0	0	0	0	0	0	0	0
March 2045.....	3	1	0	0	0	0	0	0	0	0	0
March 2046.....	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (years).....	20.3	14.9	12.0	10.2	9.1	8.3	7.8	7.3	7.0	6.8	6.6

Information Available to Bondholders

In the Series Resolution, commencing May 2014, MassHousing is agreeing to provide the following information about each of the Series A Loans on a monthly basis by filing a report with the MSRB's Electronic Municipal Market Access System ("EMMA"):

- the current payment number,
- the loan status (on watch list, number of days or months late, bankruptcy),
- the loan balance remaining,
- the current reserve balance, and
- the current principal and interest paid (and remaining due, if any).

MassHousing shall also file with EMMA the annual financial statements for each Rental Development financed by a Series A Loan upon receipt of such statements from the respective Borrower (expected within 120 days of the end of the fiscal year for such Rental Development) and certain reports furnished to it by the Trustee pursuant to the Series Resolution. MassHousing has no obligation to examine or review such financial statements to verify the accuracy or completeness of such financial statements. MassHousing shall also enter the Continuing Disclosure Agreement for the benefit of Bondholders, a form of which is attached hereto as APPENDIX VII. It is MassHousing's current practice to maintain loan documentation on site with respect to each Series A Loan in accordance with applicable laws and its servicing procedures which may change from time to time.

Debt Service Reserve Fund

The Series Resolution for the Series A Bonds requires a deposit to the Debt Service Reserve Fund. The amount required to be funded by the Series Resolution is equal to one half of the maximum amount of principal and interest due for the current calendar year or any future calendar year with respect to the Series A Bonds. The aggregate amount necessary to satisfy the Debt Service Reserve Fund Requirement for the issuance of the Series A Bonds is \$2,392,498.65 which will be satisfied by a deposit on the date of issuance of the Series A Bonds. *However, some or all of such amount on deposit in the Debt Service Reserve Fund may be released in the future, including as described in the following paragraph.*

At any time while the Series A Bonds are outstanding, MassHousing may enter a master servicing agreement, letter of credit or other financial instrument providing for advances of, or other direct or indirect source of funds for, the timely payment of regularly scheduled Loan Repayments relating to the Series A Bonds and any related agreement, as shall be designated pursuant to a supplement to the Series Resolution, so long as such facility, as of the date of execution thereof, shall have no adverse affect on the rating assigned to the Series A Bonds under the Resolution by any Rating Agency (defined by the Resolution as a "Loan Payment Enhancement Facility"). The Series Resolution provides that, upon delivery of a Loan Payment Enhancement Facility with respect to the Series A Bonds, the Debt Service Reserve Fund Requirement shall be such lesser amount as shall be permitted by each Rating Agency, as evidenced by a Confirmation that the reduction or elimination of the Debt Service Reserve Fund Requirement will not, in and of itself, impair, or cause the Series A Bonds to fail to retain, the then existing rating assigned to the Series A Bonds by such Rating Agency.

Monies in the Debt Service Reserve Fund may not be withdrawn at any time in any amount which would cause the balance of funds in the Debt Service Reserve Fund to fall below the sum of the Debt Service Reserve Fund Requirement except for the purpose of paying principal and interest on the Series A Bonds maturing and becoming due and for the payment of which other monies pledged under the Resolution are not available. In connection with the special redemption of the Series A Bonds, amounts in the Debt Service Reserve Fund in excess of the Debt Service Reserve Fund Requirement calculated after giving offset to such redemption may be withdrawn and applied together with other available moneys to the redemption of the Series A Bonds.

CERTAIN BONDHOLDERS' RISKS

Limited Security

The Series A Bonds are special limited obligations of MassHousing payable solely from the Trust Estate. See “SECURITY FOR THE SERIES A BONDS AND SOURCES OF PAYMENT.” There is no assurance that the Series A Loans in or expected to be in the Trust Estate will perform in accordance with the assumptions made and that Revenues will be sufficient to pay debt service on the Series A Bonds when due. See “APPENDIX II - Form of Series Resolution – Funds and Accounts.” Although, additional bonds may be issued by MassHousing under the General Resolution, any such additional bonds would not be on a parity with the Outstanding Series A Bonds.

Rate of Principal Payments on the Series A Loans

The rate at which principal payments will be used to pay or redeem the Series A Bonds will depend largely on the rate of principal payments, including Prepayments on the Series A Loans. Any historical data regarding prepayment rates of the Series A Loans may not be indicative of the rate of future Prepayments on the Series A Loans and no assurances can be given about the rates at which the Series A Loans will repay. The rate of principal payments on the Series A Loans is expected to vary. Generally, Borrowers may prepay the outstanding Series A Loans at any time and the source of financings for such prepayment could be from a third party lender or from MassHousing, provided that during the fifteen years from the origination date, such prepayment may only be made with the prior consent of MassHousing. Additionally, Borrowers may prepay the Series A Loans, at any time, with the approval of FHA in the event of a default. In addition to voluntary prepayments, the Series A Loans can be prepaid as a result of governmental mortgage insurance claim payments, loss mitigation arrangements or liquidations of defaulted Series A Loans. No assurances can be given as to the timing or frequency of any governmental mortgage insurance claim payments, loss mitigation arrangements or foreclosure proceedings with respect to defaulted Series A Loans and the resulting effect on the timing or rate of principal payments on the Series A Bonds.

Rate of Principal Payments Can Reduce the Yield

The rate of principal payments on the Series A Loans could reduce the yield realized on the Series A Bonds. The yield on a Series A Bond probably will be lower than expected if a Series A Bond is purchased at (a) a premium and principal payments or Prepayments are paid faster than expected, or (b) a discount and principal payments are paid slower than expected.

An Investment in the Series A Bonds is Subject to Significant Reinvestment and Extension Risk

The rate of principal payments on the Series A Bonds is uncertain. It may not be possible to reinvest the payments on the Series A Bonds at the same rate of return provided by the Series A Bonds. Lower prevailing interest rates may result in an unexpected return of principal. In that interest rate climate, higher yielding reinvestment opportunities may be limited. Conversely, higher prevailing interest rates may result in slower returns of principal and a Bondholder may not be able to take advantage of higher yielding investment opportunities. The final payment on the Series A Bonds may occur much earlier than the maturity date.

Defaults will Increase the Rate of Prepayments

If a Borrower defaults on a Series A Loan and the Series A Loan is subsequently foreclosed upon or FHA insurance benefits are received, or is otherwise liquidated, the effect would be comparable to a Prepayment of the Series A Loan.

FHA has Authority to Override Prepayment Limitations

FHA may override any payment consent rights or statutory prepayment prohibition with respect to the FHA-insured mortgage loans in the event of a default of a Series A Loan.

The Series A Bonds May not be Suitable Investment

The Series A Bonds are not suitable investments for all investors. In addition, there is no assurance that a secondary market will develop for the purchase and sale of the Series A Bonds, that any secondary market will

continue, or that the price at which the Series A Bonds can be sold will allow for a desired yield on that investment. The market value of the Series A Bonds is likely to fluctuate, with such fluctuations being significant, which could result in significant losses to the holder. The secondary markets for mortgage-related securities have experienced periods of illiquidity and can be expected to do so in the future. Illiquidity can have a severe adverse effect on the price of the Series A Bonds because they are sensitive to prepayment and interest rate risk.

Conditions to Payment of Risk-Share Insurance

The failure to maintain adequate casualty insurance on any Rental Development insured under the Risk-Share Program may result in the loss of Risk-Share Program insurance benefits in the event of damage to or destruction of such Rental Development. Risk-Share Program benefits may also be impaired as a result of the failure to pay required mortgage insurance premiums to the FHA and failure of the mortgagee to provide the FHA on a timely basis with required notice. As described in “APPENDIX V – Risk-Share Program,” MassHousing is responsible for servicing the Series A Loans and the maintenance of the Risk-Share Program insurance in connection with the Series A Loans.

Affordable Multifamily Housing Loans

The Series A Loans are secured by properties that are generally encumbered by restrictive covenants, regulatory agreements or ground leases that impose restrictions relating to tenant income, occupancy and/or rent restrictions. A breach of these restrictions may constitute an event of default under the mortgage or may result in the termination of any payments being received from the governmental entity that imposed the restrictions. Some affordable multifamily housing properties may benefit from long-term federal rental assistance or other federal, state or local subsidies that may be terminated or abated if the requirements of the subsidies are not met. If a subsidy is reduced or eliminated and cannot be replaced by obtaining a new subsidy, increasing rents to current tenants or the leasing of properties to market tenants, the related Series A Loan may default.

Default under Loan Payment Enhancement Facility

The Resolution allows MassHousing to enter into a Loan Payment Enhancement Facility to provide for the timely payment of Loan Repayments with respect to the Series A Loans. The Series Resolution also provides that, upon delivery of a Loan Payment Enhancement Facility with respect to the Series A Bonds, the Debt Service Reserve Fund Requirement shall be such lesser amount as shall be permitted by each Rating Agency, as evidenced by a Confirmation that the reduction or elimination of the Debt Service Reserve Fund Requirement will not, in and of itself, impair, or cause the Series A Bonds to fail to retain, the then existing rating assigned to the Series A Bonds by such Rating Agency. Default by the Loan Payment Enhancement Facility Provider may result in insufficient revenues being available for timely payment of the Series A Bonds. There will be no Loan Payment Enhancement Facility entered into at the time of issuance of the Series A Bonds.

PLAN OF FINANCE

The proceeds of the Series A Bonds (the “Defeasance Funds”), will be used to acquire United States Treasury obligations (the “Defeasance Securities”). The Defeasance Securities purchased with such proceeds of the Series A Bonds and other funds will be deposited with the trustee for the Prior Bonds, and held in escrow for the redemption of the Prior Bonds, and will be in an amount which, together with the earnings thereon, will be sufficient to pay the principal of and interest and redemption premium (if any) on the Prior Bonds through the redemption date on which the Prior Bonds are to be redeemed.

Concurrently with the defeasance of the Prior Bonds, the Series A Loans held under the Prior Resolution will be transferred to the Resolution and be pledged as security for the Series A Bonds. See “APPENDIX III - Certain Information Regarding the Series A Loans.”

PRIOR BONDS TABLE

The Prior Bonds to be refunded with the proceeds of the Series A Bonds, together with certain amounts held under the Prior Resolution relating to the Prior Bonds, are summarized in the following table.

<u>Series of Prior Bonds</u>	<u>Principal Outstanding as of 04/01/14</u>	<u>Principal to be Redeemed</u>	<u>Redemption Date and Price</u>
Prior Bonds to be refunded with proceeds of the Series A Bonds			
Housing Bonds,			
2003 Series N (AMT)	\$27,850,000	\$27,850,000	05/15/14 @ 100%
2003 Series P (AMT)	9,910,000	9,910,000	05/15/14 @ 100%
2003 Series Q (AMT)	10,370,000	10,370,000	05/15/14 @ 100%
2003 Series S (AMT)	18,860,000	18,860,000	05/15/14 @ 100%

SOURCES AND USES OF FUNDS

The proceeds of the Series A Bonds and other amounts are estimated to be applied as follows:

Sources of Funds:	
Proceeds of Series A Bonds.....	\$ 67,824,608.00
Other Funds available under the Prior Resolution	3,890,341.27
Other Funds available from MassHousing	<u>353,993.43</u>
TOTAL	<u>\$ 72,068,942.70</u>
Uses of Funds:	
Refunding Prior Bonds.....	\$ 68,571,969.06
Debt Service Reserve Fund.....	2,392,498.65
Debt Service Fund.....	41,212.87
Underwriter's Compensation	745,762.12
Costs of Issuance	<u>317,500.00</u>
TOTAL	<u>\$ 72,068,942.70</u>

RATINGS

The Series A Bonds are rated "Aaa" by Moody's Investors Service, Inc. and "AA+" by Standard and Poor's Rating Services.

Such ratings reflect only the respective views of such organizations, and an explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. There is no assurance that a rating will continue for any given period of time or that a rating will not be revised or withdrawn entirely by any or all of such rating agencies, if, in its or their judgment, circumstances so warrant. Any downward revision or withdrawal of a rating could have an adverse effect on the market prices of the Series A Bonds.

LEGALITY OF BONDS FOR INVESTMENT

Under the provisions of Section 13 of the Act, bonds and notes of MassHousing are made securities in which all public officers and bodies of the Commonwealth and all its political subdivisions, all insurance companies, trust companies in their commercial departments and, within the limits set by Chapter 167E of the Massachusetts General Laws, savings banks, cooperative banks, banking associations, investment companies, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the Commonwealth may properly and legally invest funds, including capital in their control or belonging to them.

BONDS AS SECURITY FOR DEPOSIT

Under Section 13 of the Act, bonds and notes of MassHousing are made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or other obligations of the Commonwealth is now or may hereafter be authorized by law.

LITIGATION

At the time of delivery of and payment for the Series A Bonds, MassHousing's general counsel will deliver an opinion to the effect that there is no litigation, inquiry or investigation before or by any court, public board or body, other than as disclosed in this Official Statement and other than routine review and monitoring activities by state or federal regulatory authorities, known to be pending or, to the best of such counsel's knowledge, threatened against MassHousing affecting the creation, organization or corporate existence of MassHousing or the title of its present members or officers to their respective offices; seeking to prohibit, restrain or enjoin the issuance or delivery of the Series A Bonds, or the collection of Revenues of MassHousing or the pledge of assets and Revenues under the Resolution; in any way contesting or affecting the validity or enforceability of the Series A Bonds, the Resolution, the Series A Loans, the Continuing Disclosure Agreement or the contract of purchase with respect to the Series A Bonds; or contesting in any material respect the completeness or accuracy of this Official Statement.

TAX MATTERS

The following discussion briefly summarizes the principal U.S. federal tax consequences of the acquisition, ownership, and disposition of the Series A Bonds for holders who acquire any Series A Bonds in the initial offering and hold such Series A Bonds as "capital assets." It does not discuss all aspects of U.S. federal income taxation which may apply to a particular holder, nor does it discuss U.S. federal income tax provisions which may apply to particular categories of holders, such as partnerships, insurance companies, financial institutions, regulated investment companies, real estate investment trusts, employee benefit plans, tax-exempt organizations, dealers in securities or foreign currencies, persons holding Series A Bonds as a position in a "hedge" or "straddle," or holders whose functional currency is not the U.S. dollar. It is based upon provisions of existing law which are subject to change at any time, possibly with retroactive effect.

Except as otherwise explicitly noted below, this summary addresses only "U.S. Holders", that is, individual citizens or residents of the United States, corporations or other business entities organized under the laws of the United States, any state, or the District of Columbia, estates with income subject to United States federal income tax, trusts subject to primary supervision by a United States court and for which United States persons control all substantial decisions, and certain other trusts that elect to be treated as United States persons. Except as otherwise explicitly noted in the discussion of Massachusetts taxes below, this discussion relates only to U.S. federal income taxes and not to any state, local or foreign taxes or U.S. federal taxes other than income taxes.

Interest on the Series A Bonds that is "qualified stated interest" generally will be taxable to a U.S. Holder as ordinary interest income at the time such payments are accrued or are received (in accordance with the U.S. Holder's regular method of tax accounting). Generally, "qualified stated interest" means stated interest that is unconditionally

payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate and includes the monthly interest payments as set forth on the cover hereof.

Unless a non-recognition provision of the Internal Revenue Code of 1986, as amended, applies, upon the sale, exchange, redemption, or other disposition (including a legal defeasance) of a Series A Bond, a U.S. Holder will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts representing accrued but unpaid interest) and such holder's adjusted tax basis in such Series A Bond. Such gain or loss generally will be long-term capital gain or loss if the Series A Bond was held for more than one year. If the U.S. Holder is an individual, long-term gains will be subject to reduced rates of taxation. The deductibility of losses is subject to limitations.

Information as to interest on or proceeds from the sale or other disposition of Series A Bonds is required to be reported by payors to the IRS and to recipients. In addition, backup withholding may apply unless the holder of a Series A Bond provides to a withholding agent its taxpayer identification number and certain other information or certification of foreign or other exempt status. Any amount withheld under the backup withholding rules is allowable as a refund or credit against the holder's actual U.S. federal income tax liability.

Certain U.S. Holders are subject to a 3.8% tax (the so-called "Medicare Tax") on net investment income or on the undistributed net investment income of certain estates and trusts. Net investment income generally includes, among other items, interest and certain net gain from the sale, redemption, exchange, retirement or other taxable disposition of a Series A Bond, less certain deductions. Holders should consult their own tax advisors with respect to the tax consequences of the Medicare Tax.

A non-U.S. Holder of Series A Bonds whose income from such Series A Bonds is effectively connected with the conduct of a U.S. trade or business generally will be taxed as if the holder were a U.S. Holder. Otherwise: (i) a non-U.S. Holder who is an individual or corporation (or an entity treated as a corporation for federal income tax purposes) holding Series A Bonds on its own behalf generally will not be subject to federal income taxes on payments of principal, premium, interest or original issue discount on a Series A Bond, as long as the non-U.S. Holder makes an appropriate filing with a U.S. withholding agent; and (ii) a non-U.S. Holder will not be subject to federal income taxes on any amount which constitutes capital gain upon retirement or disposition of a Series A Bond unless such non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and such gain is derived from sources within the United States.

Under the Foreign Account Tax Compliance Act ("FATCA"), effective on payments made after June 30, 2014, foreign financial institutions must comply with information reporting rules with respect to their U.S. account holders and investors or be required to withhold tax on U.S. source payments made to them.

To ensure compliance with Internal Revenue Service Circular 230, prospective purchasers of Series A Bonds are hereby informed that (1) any federal tax advice contained herein is not intended or written to be used, and cannot be used, by any taxpayer for purposes of avoiding penalties that may be imposed on the taxpayer, (2) any such federal tax advice is written to support the promotion or marketing of the Series A Bonds, and (3) each purchaser of a Series A Bond should seek advice based on such purchaser's particular circumstances from an independent tax advisor.

Bond Counsel is not rendering an opinion as to the foregoing federal tax consequences of ownership of the Series A Bonds. Series A Bondholders should seek advice based on their particular circumstances relating to the tax consequences of purchasing or holding the federally taxable bonds from an independent tax advisor.

In the opinion of Bond Counsel, interest on the Series A Bonds is exempt from Massachusetts personal income taxes and the Series A Bonds are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to the other Massachusetts tax consequences resulting from holding the Series A Bonds. However, prospective purchasers should be aware that the Series A Bonds are included in the measure of Massachusetts estate and inheritance taxes, and the Series A Bonds and the interest thereon are included in the measure of Massachusetts corporate excise and franchise taxes. Bond Counsel has not opined as to the taxability of the Series A Bonds or the income therefrom under the laws of any state other than Massachusetts.

CERTAIN LEGAL MATTERS

All legal matters related to the authorization, issuance, sale and delivery of the Series A Bonds are subject to the approval of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel to MassHousing with respect to the Series A Bonds. The approving opinion of Bond Counsel substantially in the form set forth as APPENDIX IV hereto, will be delivered with the Series A Bonds. Certain legal matters will be passed upon for the Underwriter by its counsel, Holland & Knight LLP, New York, New York.

FINANCIAL ADVISOR

CSG Advisors Incorporated (“CSG”) was retained by MassHousing to act as Financial Advisor in connection with the Series A Bonds and has assisted in the preparation of certain information in this Official Statement. CSG will receive compensation for its services as Financial Advisor. CSG is not a public accounting firm and has not been engaged by MassHousing to compile, review, examine or audit any information in this Official Statement in accordance with accounting standards. CSG is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Series A Bonds.

UNDERWRITING

The Series A Bonds are being purchased by the underwriter named on the cover page of this Official Statement (the “Underwriter”) who has agreed, subject to certain conditions, to purchase all but not less than all of such Series A Bonds at par. The Underwriter will receive compensation in connection therewith in the aggregate amount of \$745,762.12. The initial public reoffering prices may be changed, from time to time, by the Underwriter.

The following language has been provided by the Underwriter. MassHousing takes no responsibility as to the accuracy or completeness thereof.

The Underwriter and its respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for MassHousing for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of MassHousing.

CONTINUING DISCLOSURE AND OTHER AVAILABLE INFORMATION

MassHousing prepares an Annual Report with respect to each fiscal year ending June 30 which becomes available in September of the following fiscal year. The Annual Report includes information relating to MassHousing members, staff, legal and financial services, distribution of housing, operations and audited financial statements for the fiscal year ending June 30.

The Annual Report with audited financial statements for the year ended June 30, 2013 is available MassHousing’s internet site at www.masshousing.com and filed with the Electronic Municipal Market Access (“EMMA”) repository. None of the assets or net assets reflected in the statements of net position included in such financial statements other than those relating to the Resolution is or will be pledged for the payment of debt service on the Series A Bonds.

In addition, MassHousing, on its own behalf and on behalf of certain Developers, has undertaken for the benefit of the Bondholders to provide certain continuing disclosure. This undertaking has been made pursuant to the provisions of Rule 15c2-12(b)(5) under the Securities Exchange Act of 1934 (as amended, the "Rule").

More specifically, MassHousing will agree for the benefit of the Bondholders in a Continuing Disclosure Agreement between MassHousing and the Trustee to provide certain financial information and operating data relating to MassHousing by no later than 180 days after the end of each fiscal year commencing with the fiscal year ending June 30, 2014 (the "MassHousing Annual Information"), and to provide notices of the occurrence of certain enumerated events. MassHousing Annual Information will be filed by MassHousing with the Municipal Securities Rulemaking Board (the "MSRB") through its EMMA system. Notices of enumerated events will be filed by MassHousing with the MSRB through EMMA. The form of the Continuing Disclosure Agreement is set forth under the caption "APPENDIX VII – Proposed Form of Continuing Disclosure Agreement."

MassHousing also will agree, for the benefit of the Bondholders, to provide certain annual financial information and operating data concerning certain Rental Developments to be provided to it by the Mortgagees of such Developments (the "Developer Annual Information"). The Developer Annual Information will be filed in the same manner as MassHousing Annual Information. The nature of the Developer Annual Information and the criteria for determining which Mortgagees are required to provide annual financial information is also set forth under "APPENDIX VII – Proposed Form of Continuing Disclosure Agreement."

Under MassHousing's Continuing Disclosure Agreement, the sole remedy for any Bondholder upon an event of default is a suit in equity for specific performance in a court of competent jurisdiction.

MassHousing Annual Information and Developer Annual Information, which includes MassHousing's Annual Financial Report with respect to the fiscal year ended June 30, 2013 was filed in accordance with existing continuing disclosure agreements on December 23, 2013 and is available through EMMA and is also posted at MassHousing's internet site at www.masshousing.com.

During the last five years, certain notices with respect to rating changes resulting from downgrades to Assured Guaranty Municipal Corp. (f/k/a Financial Security Assurance Inc.) were not filed on a timely basis or were filed and not properly linked with every affected CUSIP number on the databases of nationally recognized municipal securities information repositories or EMMA. At this time, such information has been filed, refiled and/or linked on EMMA. Other than as described in the preceding two sentences, MassHousing is in compliance with its existing continuing disclosure obligations, in all material respects.

MISCELLANEOUS

Bonds of MassHousing may be sold by it at public or private sale and at such price or prices as MassHousing shall determine, provided that the written approval of the Treasurer and Receiver-General of the Commonwealth as to such sale and the terms thereof is required for any private sale of bonds.

MASSACHUSETTS HOUSING FINANCE AGENCY

By: /s/ Thomas R. Gleason
Thomas R. Gleason
Executive Director

Dated: April 3, 2014

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MASSACHUSETTS HOUSING FINANCE AGENCY

General Rental Development Bond Resolution

Adopted April 13, 2004

GENERAL RENTAL DEVELOPMENT BOND RESOLUTION

BE IT RESOLVED by the Members of the Massachusetts Housing Finance Agency as follows:

ARTICLE I

STATUTORY AUTHORITY AND DEFINITIONS

SECTION 101. Authority for This Resolution. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 102. Resolution Constitutes Contract. In consideration of the purchase and acceptance of any and all of the Bonds issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between MassHousing and the Holders of the Bonds.

SECTION 103. Definitions. The following terms shall, for all purposes of this Resolution, have the following meanings unless the context shall clearly indicate some other meanings:

“Bond” or “Bonds” shall mean any Bond or the issue of Bonds, as the case may be, established, created and issued pursuant to a Series Resolution.

“MassHousing” shall mean the Massachusetts Housing Finance Agency, a body politic and corporate, constituting a public instrumentality of the Commonwealth, exercising an essential governmental function, created by the Act, or any body, agency or instrumentality of the Commonwealth which shall hereafter succeed to the powers, duties and functions of MassHousing and with respect to Acquired Properties, one or more wholly owned subsidiaries of MassHousing.

“Resolution” shall mean this General Rental Development Bond Resolution as from time to time amended or supplemented in accordance with the terms and provisions hereof.

“Series of Bonds” or “Bonds of a Series” or “Series” shall mean the Series of Bonds authorized by a Series Resolution.

“Series Resolution” shall mean a resolution of MassHousing authorizing the issuance of a Series of Bonds in accordance with the terms and provisions hereof adopted by.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder”, and any similar terms, as used in this Resolution, refer to this Resolution.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 201. Authorization of Bonds. There is hereby established and created an issue of Bonds of MassHousing, which Bonds may be issued as hereinafter provided without limitation as to amount except as may be limited by the Act or other law. Except as otherwise provided in a Series Resolution with respect to a Series of Bonds, the Bonds shall be special obligations of MassHousing. Neither The Commonwealth of Massachusetts nor any political subdivision thereof shall be liable on the Bonds and the faith and credit of said Commonwealth or any political subdivision thereof is not pledged to the payment of the principal of or the interest on the Bonds. Notwithstanding the foregoing, the Series Resolution authorizing a Series of Bonds may provide for such Series of

Bonds to be general obligations of MassHousing. The taxing power of the Commonwealth or any political subdivision thereof is not pledged to the payment of the principal or the interest on the Bonds. MassHousing has no taxing power. The Bonds shall contain on the face thereof a statement to the foregoing effect.

SECTION 202. Provisions for Issuance of Bonds. The issuance of the Bonds shall be authorized by a Series Resolution or Series Resolutions of MassHousing adopted subsequent hereto and the Bonds may be issued in one or more Series. The Bonds of each Series shall, contain an appropriate title and designation, as set forth in the Series Resolution provisions for the issuance of Bonds, including but not limited to refunding bonds and notes shall be set forth in the Series Resolution.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

SECTION 301. Terms and Provisions. The general terms and provisions of each Series of Bonds shall be established and set forth in the applicable Series Resolution.

ARTICLE IV

REDEMPTION OF BONDS

SECTION 401. Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity pursuant to the provisions of a Series Resolution shall be redeemable, upon notice mailed as provided in such Series Resolution, at such times, at such prices and upon such terms as may be specified in the Series Resolution authorizing such Series.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF

SECTION 501. Pledge. (1) The pledge of security and collateral for each Series of Bonds shall be established and set forth in the applicable Series Resolutions. The Bonds and any other obligations issued under a Series Resolution shall be secured as provided in such Series Resolution and separate and apart from Bonds or other obligations issued under any other Series Resolutions or any other obligations of MassHousing.

SECTION 502. Establishment of Funds and Accounts. The special funds and accounts to be established and maintained pursuant to the provisions of each Series Resolution and the application of Bond proceeds shall be set forth in the applicable Series Resolutions.

ARTICLE VI

SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

SECTION 601. Investment of Funds. The provisions for security for deposits and the investment of funds shall be set forth in the applicable Series Resolution.

THE TRUSTEE

SECTION 602. Trustee; Appointment and Acceptance of Duties. The Trustee shall be appointed by the Executive Director or the Financial Director of MassHousing prior to the issuance of each Series of the Bonds in accordance with the applicable Series Resolution.

ARTICLE VII

SERIES RESOLUTION AND SUPPLEMENTAL RESOLUTIONS

SECTION 701. Adoption and Filing. MassHousing may adopt at any time or from time to time Series Resolutions and any such Series Resolution shall become effective in accordance with its terms upon the filing with the Trustee of a copy certified by an Authorized Officer.

ARTICLE VIII

DEFAULTS AND REMEDIES

SECTION 801. Events of Default and Remedies. Events of default and remedies with respect thereto shall be established and set forth in the applicable Series Resolution.

ARTICLE IX

MISCELLANEOUS

SECTION 901. Severability. If any one or more of the covenants, stipulations, promises, agreements or obligations provided in this Resolution on the part of MassHousing or the Trustee to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, stipulation or stipulations, promise or promises, agreement or agreements, obligation or obligations shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions of this Resolution.

SECTION 902. Headings. Any headings preceding the texts of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience or reference and shall not constitute a part of this Resolution, nor shall they affect its meaning, construction or effect.

SECTION 903. Conflict. All resolutions or parts of resolutions or other proceedings of MassHousing in conflict herewith be and the same are repealed insofar as such conflict exists.

SECTION 904. Effective Date. This Resolution shall take effect immediately upon its adoption.

FORM OF SERIES RESOLUTION

MASSACHUSETTS HOUSING FINANCE AGENCY

—————
Rental Development Pass-Through Revenue Bonds
(FHA Risk-Sharing), 2014 Series A
Series Resolution

—————
Adopted as of February 11, 2014

Authorizing the Issuance of

\$ _____
**MASSACHUSETTS HOUSING FINANCE AGENCY
RENTAL DEVELOPMENT PASS-THROUGH REVENUE BONDS
(FHA RISK-SHARING), 2014 SERIES A (FEDERALLY TAXABLE)**

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RENTAL DEVELOPMENT PASS-THROUGH REVENUE BONDS (FHA RISK-SHARING), 2014 SERIES A
SERIES RESOLUTION ADOPTED BY THE MASSACHUSETTS HOUSING FINANCE AGENCY ON
FEBRUARY 11, 2014 AUTHORIZING THE ISSUANCE OF MASSACHUSETTS HOUSING FINANCE
AGENCY \$_____ RENTAL DEVELOPMENT PASS-THROUGH REVENUE BONDS (FHA RISK-
SHARING), 2014 SERIES A (FEDERALLY TAXABLE)

WHEREAS, the Members of the Massachusetts Housing Finance Agency (“MassHousing”), by the General Rental Development Bond Resolution and this authorizing Series Resolution, adopted on April 13, 2004 and February 11, 2014, respectively (hereinafter collectively referred to as the “Resolution”), have created and established an issue of Rental Development Bonds of MassHousing; and

WHEREAS, the Resolution authorizes the issuance of said Rental Development Bonds in one or more Series pursuant to a Series Resolution authorizing such Series; and

WHEREAS, the Members of MassHousing have determined that it is necessary and required that MassHousing authorize and issue at this time pursuant to the Resolution a Series of Bonds to be designated Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing), 2014 Series A;

NOW, THEREFORE, BE IT RESOLVED by the Members of MassHousing as follows:

**ARTICLE I
STATUTORY AUTHORITY AND DEFINITIONS**

SECTION 1.1 Authority for This Resolution. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 1.2 Resolution Constitutes Contract. In consideration of the purchase and acceptance of any and all of the Bonds issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between MassHousing and the Holders of the Bonds, and the pledges made in this Resolution and the covenants and agreements herein set forth to be performed by MassHousing shall be for the equal benefit, protection and security of the Holders of any and all of the Bonds, all of which, without regard to the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Resolution.

SECTION 1.3 Definitions. The following terms shall, for all purposes of this Resolution, have the following meanings unless the context shall clearly indicate some other meanings:

“**Account**” means an account established within a Fund.

“**Act**” means Chapter 708 of the Acts of 1966 of The Commonwealth of Massachusetts, as amended from time to time.

“**Act of Bankruptcy**” means any proceeding instituted under the Bankruptcy Code or other applicable insolvency law by or against MassHousing.

“**Administrative Expenses**” shall mean MassHousing’s expenses incurred for issuing and carrying Bonds and for carrying on the loan programs funded with the proceeds of Bonds, including the following: (i) fees and expenses (a) of the Trustee, (b) in connection with Permitted Investments relating to monies held under the Resolution, and (c) for any other necessary expenses directly related to carrying Bonds; (ii) fees, rebates or other amounts owed to governmental entities; and (iii) Servicing Fees.

“**Affiliate**” as applied to any person, means any other person directly or indirectly controlling, controlled by, or under common control with, that person. For the purposes of this definition, “control” (including with

correlative meanings, the terms “controlling”, “controlled by” and “under common control with”), as applied to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that person, whether through the ownership of voting securities, partnership interests or by contract or otherwise.

“Agency Debenture” means the instrument issued by MassHousing to HUD upon payment of an Initial Claim Payment pursuant to Section 8.1 hereof, which debenture shall (i) be in the standard form of a state or municipal debenture issued under the Uniform Commercial Code, (ii) be secured by the full faith and credit of MassHousing, (iii) define the terms and conditions and the risk-sharing portion which MassHousing will pay at the end of the term of such debenture, (iv) be for the full amount of the Federal Insurance payment and (v) satisfy such additional requirements imposed by 24 CFR 266.638. The Agency Debenture may include similar instruments, such as promissory notes and bonds, as mutually agreed upon by the Commissioner and MassHousing.

“Assigned Rights” means the rights pledged pursuant to Section 5.1 hereof.

“Authorized Attesting Officer” means the Secretary or Assistant Secretary of MassHousing, or such other officer or official of MassHousing who, in accordance with the laws of the Commonwealth, the bylaws or other governing documents of MassHousing, or practice or custom, regularly attests or certifies official acts and records of MassHousing, and includes any assistant or deputy officer to the principal officer or officers exercising such responsibilities.

“Authorized Denomination” means, \$1.00 or any integral multiple thereof.

“Authorized Officer” means any member of MassHousing, its Executive Director, Deputy Director for Finance and Rental Programs, Financial Director, Comptroller, Manager of Financial and Capital Planning and any other officer or employee of MassHousing designated by certificate of any of the foregoing as authorized by MassHousing to perform a specified act, sign a specified document or otherwise take action with respect to the Bonds.

“Available Moneys” means, as of any date of determination, any of (i) the proceeds of the Bonds, (ii) any other amounts, including the proceeds of refunding bonds, for which, in each case, the Trustee has received an Opinion of Counsel to the effect that the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code (or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court) or be avoidable as preferential payments under Section 544, 547 or 550 of the Bankruptcy Code should MassHousing become a debtor in proceedings commenced under the Bankruptcy Code; and (iii) Investment Income derived from the investment of moneys described in clause (i) or (ii).

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as in effect now and in the future, or any successor statute.

“Beneficial Owner” means, for any Bond which is held by a nominee, the beneficial owner of such Bond.

“Bond” or **“Bonds”** means MassHousing’s Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing), 2014 Series A (Federally Taxable) in the original aggregate principal amount of \$_____.

“Bond Counsel” means (i) on the Closing Date, the law firm or law firms delivering the approving opinion(s) with respect to the Bonds or (ii) after the Closing Date, any law firm selected by MassHousing, of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of the interest payable on bonds issued by states and political subdivisions.

“Bond Documents” means the Bonds, the Bond Purchase Agreement, this Resolution, the Disposition Agreement, the Regulatory Agreement (and any other agreement relating to rental restrictions on the Mortgaged Property), and all other documents, instruments and agreements executed and delivered in connection with the issuance, sale, and delivery of the Bonds, as each such agreement or instrument may be amended, supplemented or restated from time to time.

“Bond Purchase Agreement” means the Contract of Purchase, dated as of April __, 2014, among the Underwriter and MassHousing.

“Bond Register” means the Bond Register maintained by the Trustee pursuant to Section 2.16.

“Bondholder,” “holder,” “Owner,” “owner,” “Registered Owner” or “registered owner” means, with respect to any Bond, the owner of the Bond as shown on the Bond Register.

“Book-Entry Bonds” means that part of the Bonds for which a Securities Depository or its nominee is the Bondholder.

“Book-Entry System” means an electronic system in which the clearance and settlement of securities transactions is made through electronic book-entry changes.

“Borrower” means the maker of, and any other party obligated on, the Loans.

“Business Day” means any day other than (i) a Saturday or a Sunday, (ii) any day on which banking institutions located in the City of New York, New York are required or authorized by law or executive order to close, or (iii) any day on which banking institutions located in the city or cities in which the Designated Office of the Trustee is located are required or authorized by law or executive order to close.

“Closing Date” means the date on which the Bonds are issued and delivered to or upon the order of the Underwriter.

“Commissioner” means the Assistant Secretary for Housing-Federal Housing Commissioner in the U.S. Department of Housing and Urban Development.

“Commonwealth” means The Commonwealth of Massachusetts.

“Conditional Redemption” means a redemption where the Trustee has stated in the notice of redemption that the redemption is conditioned upon deposit of funds as further described in Section 3.4.

“Confirmation” means a letter or other evidence from each Rating Agency then rating the Bonds confirming that the action proposed to be taken will not, in and of itself, result in a lowering, suspension, or withdrawal of the ratings then applicable to the Bonds.

“Costs of Issuance” means the following fees, costs and expenses to be paid from the Costs of Issuance Fund and the Costs of Issuance Deposit:

(a) the fees, costs and expenses of (i) MassHousing, MassHousing’s counsel and MassHousing’s financial advisor, if any, (ii) the Underwriter (including discounts to the Underwriter or other purchasers of the Bonds, other than original issue discount, incurred in the issuance and sale of the Bonds) and the Underwriter’s counsel, (iii) Bond Counsel, (iv) the Trustee and the Trustee’s counsel, and (v) the Rating Agencies;

(b) costs of printing the offering documents relating to the sale of the Bonds; and

(c) all other fees, costs and expenses directly associated with the authorization, issuance, sale and delivery of the Bonds, including printing costs, costs of reproducing documents, filing and recording fees, and any fees, costs and expenses required to be paid in connection with the allocation of the Loans.

“Costs of Issuance Deposit” means the deposit in the amount of \$_____ to be made with the Trustee on the Closing Date to pay Costs of Issuance.

“Costs of Issuance Fund” means the Costs of Issuance Fund created by Section 5.2.

“Debt Service Reserve Fund Requirement” with respect to the Bonds, means, as of any date of calculation, an amount equal to one-half of the maximum principal and interest payment due in any calendar year, based on the receipt of scheduled Loan Repayments on the Loans; provided that upon the delivery of a Loan Payment Enhancement Facility with respect to the Bonds, the Debt Service Reserve Fund Requirement shall be such lesser amount as shall be permitted by each Rating Agency, as evidenced by a Confirmation that the reduction or elimination of the Debt Service Reserve Fund Requirement will not, in and of itself, impair, or cause the Bonds to fail to retain, the then existing rating assigned to the Bonds by such Rating Agency.

“Designated Office” of the Trustee means the office of the Trustee at the address set forth in Section 13.4 or at such other address as may be specified in writing by the Trustee as provided in Section 13.4.

“Development Fund Agreement” means the applicable Development Fund Agreement, between MassHousing and the Borrowers, as the same may be amended, supplemented, restated or otherwise modified from time to time.

“Disposition Agreement” means the applicable Disposition Agreement between MassHousing and the Borrowers, as the same may be amended, supplemented, restated or otherwise modified from time to time.

“DTC” means The Depository Trust Company and any successor to it or any nominee of it.

“DTC Participant” has the meaning given to that term in Section 2.15(b).

“Electronic Means” means a electronic mail, facsimile transmission or any other electronic means of communication approved in writing by MassHousing.

“Event of Default” means, as used in any Transaction Document, any event described in that document as an Event of Default. Any “Event of Default” as described in any Transaction Document is not an “Event of Default” in any other Transaction Document unless that other Transaction Document specifically so provides.

“Extraordinary Items” means, with respect to the Trustee, reasonable compensation for extraordinary services and/or reimbursement for reasonable extraordinary costs and expenses.

“Federal Insurance” means the mortgage loan insurance from the Federal Housing Administration under the risk sharing program established by the Federal Housing and Community Development Act of 1992 and the regulations promulgated thereunder.

“FHA Insurance Proceeds” means the amounts received by the Trustee from the Federal Housing Administration pursuant to Federal Insurance under the risk sharing program with respect to the Loans, such payments to be applied by the Trustee in accordance with Section 3.3 and Section 5.8 hereof.

“Final Claim Payment” means the payment by HUD under the Federal Insurance pursuant to the provisions of Section 8.1 hereof in an amount equal to the difference between HUD’s share of the loss, as set forth in the Risk-sharing Agreement, and the Initial Claim Payment.

“Fund” means any fund created by Section 5.2.

“Government Obligations” means (i) direct obligations of, and obligations on which the full and timely payment of principal and interest is unconditionally guaranteed by, the full faith and credit of the United States of America, or (ii) so long as at the time of their purchase such investments will not adversely affect the then-current ratings, if any, assigned to the Bonds by each Rating Agency, any other evidences of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in clause (i).

“Highest Rating Category” has the meaning, with respect to an Investment, given in this definition. If the Bonds are rated by a Rating Agency, the term “Highest Rating Category” means, with respect to an Investment, that

the Investment is rated by each Rating Agency in the highest rating given by that Rating Agency for that general category of security. If at any time the Bonds are not rated (and, consequently, there is no Rating Agency), then the term “Highest Rating Category” means, with respect to an Investment, that the Investment is rated by S&P or Moody’s in the highest rating given by that rating agency for that general category of security. By way of example, the Highest Rating Category for tax-exempt municipal debt established by S&P is “A-1+” for debt with a term of one year or less and “AAA” for a term greater than one year, with corresponding ratings by Moody’s of “MIG-1” (for fixed rate) or “VMIG-1” (for variable rate) for one year or less and “Aaa” for greater than one year. If at any time (i) the Bonds are not rated, (ii) both S&P and Moody’s rate an Investment and (iii) one of those ratings is below the Highest Rating Category, then such Investment will, nevertheless, be deemed to be rated in the Highest Rating Category if the lower rating is no more than one rating category below the highest rating category of that rating agency. For example, an Investment rated “AAA” by S&P and “Aa3” by Moody’s is rated in the Highest Rating Category. If, however, the lower rating is more than one full rating category below the Highest Rating Category of that rating agency, then the Investment will be deemed to be rated below the Highest Rating Category. For example, an Investment rated “AAA” by S&P and “A1” by Moody’s is not rated in the Highest Rating Category.

“Initial Claim Payment” means the payment by HUD under the Federal Insurance pursuant to the provisions of Section 8.1(f) hereof in an amount equal to the unpaid principal balance of the Mortgage Note as of the date of default thereon, plus interest at the Mortgage Note rate from the date of default to the date of payment thereof by HUD.

“Interest Account” means the Interest Account of the Revenue Fund.

“Interest Payment Date” means the fifteenth day of each calendar month, any Redemption Date, and the Maturity Date.

“Investment” means any Permitted Investment and any other investment held under this Resolution that does not constitute a Permitted Investment.

“Investment Income” means the earnings, profits and accreted value derived from the investment of moneys pursuant to Article VI.

“Letter of Representations” means when all the Bonds are Book-Entry Bonds, the Letter of Representations executed by MassHousing and the Trustee and delivered to the Securities Depository, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

“Loans” means the Loans transferred to the Loan Fund in connection with the refunding of the Refunded Bonds, as identified in Exhibit C hereto.

“Loan Documents” means, collectively, the applicable Mortgage Note, Security Instrument, Development Fund Agreement, Operating Guaranty and all other documents, agreements and instruments evidencing, securing or otherwise relating to each of the Loans, as each such document, agreement or instrument may be amended, supplemented or restated from time to time.

“Loan Fund” means the Loan Fund created by Section 5.2.

“Loan Payment Enhancement Facility” means a master servicing agreement, letter of credit or other financial instrument providing for advances of, or other direct or indirect source of funds for, the timely payment of regularly scheduled Loan Repayments, and any related agreement, any supplement to the Resolution, which facility, as of the date of execution thereof, shall have no adverse impact on the rating assigned to the Bonds by any Rating Agency.

“Loan Payment Enhancement Facility Provider” means a commercial bank or other Person providing a Loan Payment Enhancement Facility.

“Loan Repayments” means, with respect to any Loan, the amounts received by MassHousing in respect of scheduled payments of the principal and/or interest on the Mortgage Note by or for the account of MassHousing, but does not include Prepayments or Servicing Fees.

“MassHousing” means the Massachusetts Housing Finance Agency, a body politic and corporate, constituting a public instrumentality of the Commonwealth, and its successors and assigns.

“Maturity Date” means _____.

“Moody’s” means Moody’s Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency, designated by MassHousing, as assigns credit ratings.

“Mortgage” has the meaning given to that term in the Security Instrument.

“Mortgage Note” means the applicable Mortgage Note, executed by the Borrowers in favor of MassHousing, and assigned to the Trustee pursuant to the terms hereof, as the same may be amended, supplemented, modified or restated from time to time or any mortgage note executed in substitution therefor in accordance with the Loan Documents, as such substitute note may be amended, supplemented, modified or restated from time to time.

“Mortgaged Property” has the meaning given to that term in the Security Instrument.

“MSRB” means the Municipal Securities Rule Making Board, the current required method of filing of which is electronically via its Electronic Municipal Market Access (EMMA) system available at <http://emma.msrb.org>.

“Net Bond Proceeds” means the total proceeds derived from the issuance, sale and delivery of the Bonds, representing the total purchase price of the Bonds, including any premium paid as part of the purchase price of the Bonds, but excluding the accrued interest, if any, on the Bonds paid by the initial purchaser(s) of the Bonds.

“Opinion of Counsel” means a written opinion of legal counsel, acceptable to the recipient(s) of such opinion. If the opinion is with respect to an interpretation of federal tax laws or regulations or bankruptcy matters, such legal counsel also must be an attorney or firm of attorneys experienced in such matters.

“Outstanding” means, when used with reference to the Bonds at any date as of which the amount of Outstanding Bonds is to be determined, all Bonds which have been authenticated and delivered under this Resolution except:

- (a) Bonds cancelled or delivered for cancellation at or prior to such date;
- (b) Bonds deemed to be paid in accordance with Article IX; and
- (c) Bonds in lieu of which others have been authenticated under Article II.

“Partial Claim Payment” means the payment by HUD under the Federal Insurance pursuant to the provisions of Section 8.1(g) hereof in an amount equal to the amount of relief provided by MassHousing in the form of a reduction in principal and a reduction of delinquent interest due on the Mortgage times the lesser of HUD’s percentage of the risk of loss under the Risk-sharing Agreement or 50% percent.

“Permitted Investments” means, to the extent authorized by law for investment of moneys of MassHousing:

- (a) Government Obligations.

(b) Direct obligations of, and obligations on which the full and timely payment of principal and interest is unconditionally guaranteed by, any agency or instrumentality of the United States of America (other than the Federal Home Loan Mortgage Corporation) or direct obligations of the World Bank, which obligations are rated in the Highest Rating Category.

(c) Obligations, in each case rated in the Highest Rating Category, of (i) any state or territory of the United States of America, (ii) any agency, instrumentality, authority or political subdivision of a state or territory or (iii) any public benefit or municipal corporation the principal of and interest on which are guaranteed by such state or political subdivision.

(d) Any written repurchase agreement entered into with a Qualified Financial Institution whose unsecured short-term obligations are rated in the Highest Rating Category.

(e) Commercial paper rated in the Highest Rating Category.

(f) (i) Interest-bearing negotiable certificates of deposit, interest-bearing time deposits, interest-bearing savings accounts and bankers' acceptances, issued by a Qualified Financial Institution if either (A) the Qualified Financial Institution's unsecured short-term obligations are rated in the Highest Rating Category or (B) such deposits, accounts or acceptances are fully insured by the Federal Deposit Insurance Corporation.

(g) an agreement held by the Trustee for the investment of moneys at a guaranteed rate with a Qualified Financial Institution whose unsecured long-term obligations are rated in the Highest Rating Category, or whose obligations are unconditionally guaranteed or insured by a Qualified Financial Institution whose unsecured long-term obligations are rated in the Highest Rating Category; provided that such agreement is in a form acceptable to MassHousing; and provided further that such agreement includes the following restrictions:

(1) the invested funds will be available for withdrawal without penalty or premium, at any time that (A) the Trustee is required to pay moneys from the Fund(s) established under this Resolution to which the agreement is applicable, or (B) any Rating Agency indicates that it will lower or actually lowers, suspends or withdraws the rating on the Bonds on account of the rating of the Qualified Financial Institution providing, guaranteeing or insuring, as applicable, the agreement;

(2) the agreement, and if applicable the guarantee or insurance, is an unconditional and general obligation of the provider and, if applicable, the guarantor or insurer of the agreement, and ranks pari passu with all other unsecured unsubordinated obligations of the provider, and if applicable, the guarantor or insurer of the agreement;

(3) the Trustee receives an Opinion of Counsel, which may be subject to customary qualifications, that such agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and, if applicable, an Opinion of Counsel that any guaranty or insurance policy provided by a guarantor or insurer is legal, valid, binding and enforceable upon the guarantor or insurer in accordance with its terms; and

(4) the agreement provides that if during its term the rating of the Qualified Financial Institution providing, guaranteeing or insuring, as applicable, the agreement, is withdrawn, suspended by any Rating Agency or falls below the Highest Rating Category, the provider must, within 10 days, either: (A) collateralize the agreement (if the agreement is not already collateralized) with Permitted Investments described in paragraph (a) or (b) by depositing collateral with the Trustee or a third party custodian, such collateralization to be effected in a manner and in an amount sufficient to maintain the then current rating of the Bonds, or, if the agreement is already collateralized, increase the collateral with Permitted Investments described in paragraph (a) or (b) by depositing collateral with the Trustee or a third party custodian, so as to maintain the then current rating of the Bonds, (B) at the request of the Trustee, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium unless required by law or (C) transfer the agreement, guarantee or insurance, as applicable, to a replacement provider, guarantor or insurer, as applicable, then meeting the requirements of a Qualified

Financial Institution and whose unsecured long-term obligations are then rated in the Highest Rating Category. The agreement may provide that the down-graded provider may elect which of the remedies to the down-grade (other than the remedy set out in (B)) to perform.

(h) Subject to the ratings requirements set forth in this definition, shares in any money market mutual fund (including those of the Trustee or any of its affiliates) registered under the Investment Company Act of 1940, as amended, that have been rated AAAM-G or AAAM by S&P or Aaa by Moody's so long as the portfolio of such money market mutual fund is limited to Government Obligations and agreements to repurchase Government Obligations. A money market mutual fund portfolio may also contain obligations and agreements to repurchase obligations described in paragraphs (b) or (c). If the Bonds are rated by a Rating Agency, the money market mutual fund must be rated AAAM-G or AAAM by S&P, if S&P is a Rating Agency, or Aaa by Moody's, if Moody's is a Rating Agency. If at any time the Bonds are not rated (and, consequently, there is no Rating Agency), then the money market mutual fund must be rated AAAM-G or AAAM by S&P or Aaa by Moody's. If at any time (i) the Bonds are not rated, (ii) both S&P and Moody's rate a money market mutual fund and (iii) one of those ratings is below the level required by this paragraph, then such money market mutual fund will, nevertheless, be deemed to be rated in the Highest Rating Category if the lower rating is no more than one rating category below the highest rating category of that rating agency.

(i) Any other investment authorized by the laws of the Commonwealth, if such investment is approved in writing by MassHousing and each Rating Agency.

Permitted Investments shall not include any of the following:

(1) Except for any investment described in the next sentence, any investment with a final maturity or any agreement with a term greater than one year from the date of the investment. This exception (1) shall not apply to any obligation that provides for the optional or mandatory tender, at par, by the holder of such obligation at least once within one year of the date of purchase, Government Obligations irrevocably deposited with the Trustee for payment of Bonds pursuant to Section 9.4, and Permitted Investments listed in paragraphs (g) and (i)).

(2) Except for any obligation described in paragraph (a) or (b), any obligation with a purchase price greater or less than the par value of such obligation.

(3) Any asset-backed security, including mortgage-backed securities, real estate mortgage investment conduits, collateralized mortgage obligations, credit card receivable asset-backed securities and auto loan asset-backed securities.

(4) Any interest-only or principal-only stripped security.

(5) Any obligation bearing interest at an inverse floating rate.

(6) Any investment which may be prepaid or called at a price less than its purchase price prior to stated maturity.

(7) Any investment the interest rate on which is variable and is established other than by reference to a single index plus a fixed spread, if any, and which interest rate moves proportionately with that index.

(8) Any investment described in paragraph (d) or (g) with, or guaranteed or insured by, a Qualified Financial Institution described in clause (iv) of the definition of Qualified Financial Institution if such institution does not agree to submit to jurisdiction, venue and service of process in the United States of America in the agreement relating to the investment. and

(9) Any investment to which S&P has added an "r" or "t" highlighter.

“Person” means a natural person, estate, trust, corporation, partnership, limited liability company, association, public body or any other organization or entity (whether governmental or private).

“Prepayment” means, with respect to any Loan, any moneys received or recovered by or for the account of MassHousing from any payment of or with respect to the principal and/or interest (including any applicable penalty, fee, premium or other additional charge for prepayment of principal which may be provided by the terms of a Loan, but excluding any Servicing Fees with respect to the collection of such moneys) on any Loan prior to the scheduled payment of such principal and/or interest as called for by such Loan, whether (a) by voluntary prepayment made by the Borrowers, (b) as a consequence of the damage, destruction or condemnation of the mortgaged premises or any part thereof, (c) by the sale, assignment, endorsement or other disposition of such Loan or any part thereof by MassHousing or (d) in the event of a default thereon by a Borrower, by the acceleration, sale, assignment, endorsement or other disposition of such Loan by MassHousing or by any other proceedings taken by MassHousing, including, but not limited to, recovery of FHA Insurance Proceeds.

“Principal Amount” means \$_____, the principal amount of the Bonds Outstanding on the Closing Date.

“Prior Resolutions” means MassHousing’s applicable resolutions which authorized the issuance and sale of the Refunded Bonds and the applicable series resolution adopted thereunder.

“Qualified Financial Institution” means any of: (i) bank or trust company organized under the laws of any state of the United States of America, (ii) national banking association, (iii) savings bank, a savings and loan association, or an insurance company or association chartered or organized under the laws of any state of the United States of America, (iv) federal branch or agency pursuant to the International Banking Act of 1978 or any successor provisions of law or a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, (v) government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, (vi) securities dealer the liquidation of which is subject to the Securities Investors Protection Corporation or other similar corporation and (vii) any other entity which is acceptable to the MassHousing and the Trustee. With respect to an entity which provides an agreement held by the Trustee for the investment of moneys at a guaranteed rate as set out in paragraph (g) of the definition of the term “Permitted Investments” or an entity which guarantees or insures, as applicable, the agreement, a “Qualified Financial Institution” may also be a corporation or limited liability company organized under the laws of any state of the United States of America.

“Rating Agency” means any nationally recognized statistical rating agency then maintaining a rating on the Bonds.

“Record Date” means, with respect to the Initial Interest Payment Date, the Closing Date, and any Interest Payment Date thereafter, the first day of the month in which such Interest Payment Date occurs.

“Redemption Account” means the Redemption Account of the Revenue Fund.

“Redemption Date” means any date upon which Bonds are to be redeemed pursuant to this Resolution.

“Redemption Price” means the principal amount, or portion thereof, of a Bond to be redeemed plus the redemption premium, if any, payable upon the redemption thereof.

“Refunded Bonds” means the bonds set forth in Exhibit B.

“Regulatory Agreement” means the applicable Land Use Restriction and Regulatory Agreement relating to the Mortgaged Property, between MassHousing and the Borrowers, as it may be amended, supplemented or restated from time to time.

“Rental Developments” means the heretofore MassHousing approved multi-family housing developments financed with the proceeds of the Loans.

“Reserved Rights” means those certain rights of MassHousing under the Development Fund Agreement to indemnification and to payment or reimbursement of certain fees and expenses of MassHousing, its right to receive notices and to enforce notice and reporting requirements, its right to inspect and audit the books, records and premises of the Borrowers and of the Mortgaged Property, its right to collect reasonable attorneys’ fees and related expenses, its right to specifically enforce the Borrowers’ covenant to comply with applicable Commonwealth law (including the Act and the rules and regulations of MassHousing, if any), and its right to give or withhold consent to amendments, changes, modifications and alterations to the Development Fund Agreement relating to the Reserved Rights.

“Resolution” means this Resolution, as amended, supplemented or restated from time to time.

“Revenue Fund” means the Revenue Fund created by Section 5.2.

“Revenues” means all (i) Loan Repayments, Prepayments and except insofar as such payments may constitute Servicing Fees, any penalty payments on account of overdue Loan Repayments, (ii) Investment Income, and (iii) all other payments and receipts received by MassHousing with respect to Loans, but shall not include (i) Servicing Fees, unless such fees are specifically pledged to the Trustee, or (ii) any commitment, reservation, extension or application fees charged by MassHousing in connection with a Loan, or (iii) accrued interest received in connection with the purchase of any Investments, or (iv) amounts collected with respect to Loans representing housing assistance payments under any applicable agreement with the U.S. Department of Housing and Urban Development.

“Risk-sharing Agreement” means that certain agreement by and between MassHousing and the Secretary of HUD, acting by and through the Assistant Secretary for Housing-Federal Housing Commissioner, dated as of April 26, 1994, which provides for 100% insurance of a Mortgage Loan by the Federal Housing Administration.

“Securities Depository” means, initially, The Depository Trust Company, New York, New York, and its successors and assigns, and any replacement securities depository appointed under this Resolution.

“Security Instrument” means the applicable security instrument, together with all riders and exhibits, securing the Mortgage Note and the obligations of the Borrowers to MassHousing under the Loan Documents, executed by the Borrowers with respect to the Mortgaged Property, as it may be amended, supplemented or restated from time to time, or any security instrument executed in substitution therefor, as such substitute security instrument may be amended, supplemented or restated from time to time.

“Servicer” means a state-chartered bank or national banking association, state or federal savings and loan association or mortgage banking or other financial institution which has been approved by MassHousing as experienced and qualified to service Loans, and any successor thereto.

“Servicing Agreement” means an agreement between MassHousing and a Servicer for the servicing of Loans.

“Servicing Fees” means (a) any fees paid to or retained by a Servicer in connection with the servicing obligations undertaken by the Servicer in accordance with a Servicing Agreement and (b) any fees retained by or expenses reimbursed to MassHousing with respect to Loans serviced by MassHousing.

“S&P” means Standard & Poor’s Rating Group, a division of The McGraw-Hill Companies, Inc., and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency, designated by MassHousing, as assigns credit ratings.

“Transaction Documents” means the Bond Documents and the Loan Documents.

“Trust Estate” means the property, interests, rights, money, securities and other amounts pledged and assigned pursuant to Section 5.1 of this Resolution.

“**Trustee**” means Wells Fargo Bank, N.A., a national banking association, duly organized and existing under the laws of the United States of America, or its successors or assigns, or any other corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee under this Resolution.

“**Trustee’s Annual Fee**” means \$2,500.00.

“**UCC**” means the Uniform Commercial Code of the Commonwealth as in effect now or in the future, whether or not such Uniform Commercial Code is applicable to the parties or the transactions.

“**Underwriter**” means Barclays Capital Inc.

SECTION 1.4 Rules of Construction. The rules of construction set forth in this Section 1.4 apply to this Resolution.

(a) The singular form of any word includes the plural, and vice versa, unless the context otherwise requires. The use of a pronoun of any gender includes correlative words of the other genders.

(b) All references to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or other subdivisions of this Resolution; and the words “in this Resolution,” “of this Resolution,” “under this Resolution” and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision.

(c) Any captions, headings or titles of the several Articles, Sections and other subdivisions, and the table of contents are solely for convenience of reference and do not limit or otherwise affect the meaning, construction or effect of this Resolution or describe the scope or intent of any provision.

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

(e) Every “request,” “order,” “demand,” “application,” “appointment,” “notice,” “statement,” “certificate,” “consent,” or similar action under this Resolution by any party must be in writing and signed by a duly authorized representative of such party with a duly authorized signature.

(f) All references in this Resolution to “counsel fees,” “attorneys fees” or the like mean and include fees and disbursements allocable to in-house or outside counsel, whether or not suit is instituted, and including fees and disbursements preparatory to and during trial and appeal and in any bankruptcy or arbitration proceedings.

(g) Whenever the word “includes” or “including” is used, such word means “includes or including by way of example and not limitation.”

ARTICLE II THE BONDS

SECTION 2.1 Authorized Amount of Bonds. No Bonds may be issued under this Resolution except as provided in this Article. The total principal amount of Bonds that may be issued and outstanding under this Resolution is expressly limited to the Principal Amount.

SECTION 2.2 Issuance of Bonds. (a) The Bonds are authorized to be issued pursuant to and in accordance with this Resolution, substantially in the form set forth in Exhibit A with such appropriate variations, legends, omissions and insertions as permitted by this Resolution.

(b) The Bonds have been designated “Massachusetts Housing Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing), 2014 Series A (Federally Taxable)” and issued in the original principal amount of \$_____. The Bonds shall be dated the original issue date, bear interest from the Closing Date at the rate of

_____% , payable on each Interest Payment Date and maturing on the Maturity Date, subject to prior redemption as provided in Article III. The Bonds shall be issued as registered bonds without coupons in Authorized Denominations. The Bonds shall be numbered consecutively from AR-1 upwards.

Interest on the Bonds shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 2.3 Payment of Principal and Interest. The principal of and the interest and any premium on the Bonds are payable in lawful money of the United States of America to the Registered Owners as of the close of business on the applicable Record Date. Payment of interest on the Bonds shall be made on each Interest Payment Date by check drawn upon the Trustee and mailed by first class mail, postage prepaid, to the addresses of the Registered Owners as they appear on the Bond Register or to such other address as may be furnished in writing by any Registered Owner to the Trustee prior to the applicable Record Date. Payment of the principal of any Bond and premium, if any, together with interest (other than interest payable on a regularly scheduled Interest Payment Date) shall be made by check only upon presentation and surrender of the Bond on or after its maturity date or date fixed for purchase, redemption or other payment at the office of the Trustee designated for that purpose. Notwithstanding the foregoing, payment of principal of and interest and any premium on any Bond shall be made by wire transfer to any account within the United States of America designated by a Registered Owner owning \$1,000,000 or more in aggregate principal amount of Bonds if a written request for wire transfer in form and substance satisfactory to the Trustee is delivered to the Trustee by any such Registered Owner not less than five Business Days prior to the applicable payment date. A request for wire transfer that specifies that it is effective with respect to all succeeding payments of principal, interest and any premium will be so effective unless and until rescinded in writing by the Registered Owner at least five Business Days prior to a Record Date. If interest on the Bonds is in default, the Trustee, prior to the payment of interest, shall establish a special record date (“**Special Record Date**”) for such payment. A Special Record Date may not be more than 15 nor less than ten days prior to the date of the proposed payment. Payment of defaulted interest shall then be made by check or wire transfer, as permitted above, mailed or remitted to the Registered Owners in whose names the Bonds are registered on the Special Record Date.

SECTION 2.4 Limited Obligations. The Bonds are special, limited obligations of MassHousing, payable solely from the Trust Estate. The Bonds are not a debt of the Commonwealth or of any other political subdivision of the Commonwealth, and neither the Commonwealth nor any other political subdivision of the Commonwealth will be liable for the payment of the Bonds. The faith and credit of MassHousing, the Commonwealth or any political subdivision of the Commonwealth are not pledged to the payment of the principal of or interest on the Bonds.

SECTION 2.5 Purposes. The Bonds are authorized to provide moneys, together with other moneys legally available therefor, (i) for the purpose of refunding the Refunded Bonds, and (ii) to fund the Debt Service Reserve Fund Requirement.

SECTION 2.6 Temporary Bonds. If definitive Bonds are not ready for delivery on the Closing Date, MassHousing shall execute, and at the request of MassHousing, the Trustee shall authenticate and deliver, one or more temporary Bonds, in any Authorized Denomination, in fully registered form, and in substantially the form provided for definitive Bonds with such appropriate omissions, insertions and variations. MassHousing shall cause definitive Bonds to be prepared and to be executed and delivered to the Trustee. Upon presentation to it of any temporary Bond, the Trustee shall cancel the same and authenticate and deliver in exchange therefor, without charge to the owner of such Bond, a definitive Bond or Bonds of an equal aggregate principal amount of Authorized Denominations, of the same maturity and series, and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged, the temporary Bonds will in all respects be entitled to the same benefit and security of this Resolution as the definitive Bonds.

SECTION 2.7 Execution. The Bonds shall be signed by the manual or facsimile signature of an Authorized Officer and attested by the manual or facsimile signature of an Authorized Attesting Officer under the official seal, or a facsimile of the official seal, of MassHousing. In case any officer whose signature or a facsimile of whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature or such facsimile will nevertheless be valid and sufficient for all purposes as if such officer had remained in office until delivery.

SECTION 2.8 Authentication. Only such Bonds as have endorsed on them a certificate of authentication substantially in the form set forth in Exhibit A to this Resolution duly executed by the Trustee shall be entitled to any right or benefit under this Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication has been manually executed by the Trustee. Such executed certificate upon any Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Resolution. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized representative of the Trustee, but it shall not be necessary that the same person sign the certificates of authentication on all of the Bonds.

SECTION 2.9 Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated, lost, stolen or destroyed, MassHousing shall execute and the Trustee shall authenticate and deliver a new Bond of the same maturity, interest rate, principal amount, series and tenor in lieu of and in substitution for the mutilated, lost, stolen or destroyed Bond, provided, however, that in the case of any mutilated Bond, the mutilated Bond must first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there must be first furnished to the Trustee evidence satisfactory to it of the ownership of the Bond, and of the loss, theft or destruction, together with indemnity satisfactory to the Trustee and MassHousing and compliance with such other reasonable requirements as the Trustee and MassHousing may prescribe. If any such Bond will mature within the ensuing 60-days, or if such Bond has been called for redemption or a redemption date pertaining to such Bond has passed, instead of replacing the Bond, the Trustee may, upon receipt of such indemnity, pay the Bond. The Trustee shall cancel any mutilated Bond surrendered to it. In connection with any such payment, MassHousing and the Trustee may charge the holder of such Bond their reasonable fees and expenses, including attorneys' fees and expenses.

If, after the delivery of such replacement Bond, the original Bond in lieu of which such replacement Bond was issued is presented for payment or registration, the Trustee shall seek to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom and shall be entitled to recover from the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Trustee, the Borrowers or MassHousing in connection therewith.

SECTION 2.10 Securities Depository Provisions.

(a) **Registration in the Book-Entry System.** Initially, all Bonds shall be Book-Entry Bonds. All Bonds shall be registered initially in the name of Cede & Co., as nominee of The Depository Trust Company ("**DTC**"). MassHousing and the Trustee acknowledge that they have executed and delivered a Letter of Representations with DTC. All payments of principal of, redemption premium, if any, and interest on the Book-Entry Bonds and all notices with respect thereto, including notices of full or partial redemption, shall be made and given at the times and in the manner set out in the Letter of Representations. This Resolution shall govern in the event of any inconsistency between this Resolution and the Letter of Representations. The Letter of Representations may be amended without Bondholder consent.

(b) **Exculpation.** With respect to Book-Entry Bonds, neither MassHousing nor the Trustee will have any responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository ("**DTC Participant**") or to any person on behalf of whom such a DTC Participant directly or indirectly holds an interest in the Bonds ("**Indirect Participant**"). Without limiting the immediately preceding sentence, MassHousing and the Trustee will have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any Indirect Participant or any other person, other than DTC, as Bondholder, of any notice with respect to the Bonds, including any notice of redemption, (iii) the payment to any DTC Participant or Indirect Participant or any other Person, other than DTC, as Bondholder, of any amount with respect to principal of, premium, if any, or interest on, the Bonds, (iv) any consent given by DTC or (v) selection of Bonds for redemption. MassHousing and the Trustee shall treat DTC or any successor securities depository as, and deem DTC or any successor securities depository to be, the absolute owner of the Bonds for all purposes whatsoever and neither MassHousing nor the Trustee shall have any responsibility or obligation to any Beneficial Owner of any Book-Entry Bond. While in the DTC system, no person other than DTC will receive a Bond certificate with respect to any Bond.

(c) **Successor Securities Depository; Transfers Outside Book-Entry System.** DTC may discontinue providing its services with respect to the Bonds at any time by giving written notice to MassHousing and the Trustee and by discharging its responsibilities with respect to the Bonds under applicable law. MassHousing may terminate the services of DTC. Upon the discontinuance or termination of the services of DTC, unless a substitute securities depository is appointed to undertake the functions of DTC under this Resolution, MassHousing shall provide Bond certificates to the Trustee for delivery to the Beneficial Owners of the Bonds, and the Bonds may be registered in whatever name or names the Registered Owners transferring or exchanging Bonds designate to the Trustee in writing. The Trustee may appoint a successor depository operating a securities depository system, qualified to act as such under Section 17A of the Securities Exchange Act of 1934, as amended, as may be acceptable to MassHousing.

SECTION 2.11 Bond Registrar; Exchange and Transfer of Bonds; Persons Treated as the Bondholders.

(a) **Bond Registrar; Bond Register.** The Trustee shall act as the initial Bond Registrar and in such capacity shall keep the Bond Register for the registration of the Bonds and for the registration of transfer of the Bonds.

(b) **Transfers and Exchanges.** Any Bondholder or its attorney duly authorized in writing may transfer title to or exchange a Bond upon surrender of the Bond at the Designated Office of the Trustee together with a written instrument of transfer (in substantially the form of assignment, including signature guarantee, attached to the Bond) satisfactory to the Trustee executed by the Bondholder or its attorney duly authorized in writing. Upon surrender for registration of transfer of any Bond, MassHousing shall execute and the Trustee shall authenticate and deliver in the name of the Bondholder or its transferee or transferees a new Bond or Bonds of the same aggregate principal amount, rate of interest, maturity, series and tenor as the Bond surrendered and of any Authorized Denomination.

(c) **Exceptions to Transfers and Exchanges.** Except as provided in Section 4.1, the Trustee will not be required to register any transfer or exchange of any Bond (or portion of any Bond) during the 15-day period immediately before the selection of Bonds for redemption, and from and after notice calling such Bonds (or portion of such Bonds) for redemption or partial redemption has been given and prior to such redemption.

(d) **Charges.** Registrations of transfers or exchanges of Bonds shall be without charge to the Bondholders, but any taxes or other governmental charges required to be paid with respect to a transfer or exchange shall be paid by the Bondholder requesting the registration of transfer or exchange as a condition precedent to the exercise of such privilege.

(e) **Recognized Owners.** The person in whose name any Bond is registered on the Bond Register will be deemed the absolute owner of such Bond for all purposes, and payment of any principal, interest and premium will be made only to or upon the order of such person or its attorney duly authorized in writing, but such registration may be changed as provided above. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(f) **Bonds Protected.** All Bonds issued upon any registration of transfer or exchange of Bonds will be legal, valid and binding limited obligations of MassHousing, evidencing the same debt, and entitled to the same security and benefits under this Resolution, as the Bonds surrendered upon such transfer or exchange.

(g) **MassHousing's Reliance.** In executing any Bond upon any exchange or registration of transfer provided for in this Section, MassHousing may rely conclusively on a representation of the Trustee that such execution is required.

SECTION 2.12 Cancellation. All Bonds which have been surrendered pursuant to Section 2.3 or Article III for payment upon maturity or redemption prior to maturity or Bonds which are deemed canceled will be canceled by the Trustee and will not be reissued. Canceled Bonds will be destroyed by the Trustee unless the Trustee receives contrary instructions from MassHousing.

SECTION 2.13 Conditions for Delivery of Bonds. MassHousing shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Bonds and deliver them to or for the account of the Underwriter or to such persons as the Underwriter specifies, in each case in the records of DTC, provided, however, that prior to delivery of the Bonds to the Underwriter each of the following must be delivered to the Trustee:

- (a) a certified copy of this Resolution authorizing the execution and delivery on behalf of MassHousing of the Transaction Documents to which it is a party and related matters;
- (b) executed original counterparts of the Transaction Documents and all other agreements, documents and instruments to be executed and delivered on the Closing Date by the parties to those agreements, documents and instruments;
- (c) an opinion of Bond Counsel to the effect that the Bonds have been duly and validly authorized, issued and delivered and constitute valid and binding obligations of MassHousing, enforceable against MassHousing in accordance with their terms, and that MassHousing has the power to enter into the Bond Documents to which it is a party and each of the Bond Documents to which MassHousing is a party has been duly and validly authorized, executed and delivered by MassHousing and each constitutes the legal, valid and binding obligation of MassHousing, enforceable against MassHousing in accordance with its terms, subject to customary qualifications on enforceability;
- (d) a written request and authorization by an Authorized Officer of MassHousing to the Trustee to authenticate and deliver the Bonds to or for the account of the Underwriter upon receipt from the Underwriter of \$ _____;
- (e) receipt from the Underwriter or purchasers of the Bonds of \$ _____;
- (f) delivery of the Loan Documents; and
- (g) written evidence that the Bonds have been assigned a rating of “Aaa” and “AA+” by Moody’s and S&P, respectively.

ARTICLE III REDEMPTION OF BONDS

SECTION 3.1 Redemption. The Bonds are subject to redemption prior to maturity only as set forth in this Article III. All redemptions must be in Authorized Denominations.

SECTION 3.2 Special Optional Redemption. The Bonds are subject to special optional redemption in whole on any Interest Payment Date on and after the date on which the Outstanding principal amount of the Bonds is less than 10% of the original principal amount thereof, at a Redemption Price equal to 100% of the principal amount thereof, without premium.

SECTION 3.3 Mandatory Redemption. Except as provided in the following sentence, the Bonds are subject to mandatory redemption in whole or in part, on each Interest Payment Date, beginning on May 15, 2014, at a Redemption Price equal to 100% of the principal amount of the Bonds to be redeemed, without premium, in an amount equal to all principal of Prepayments and Loan Repayments related to the Loans received by or on behalf of MassHousing on or before the 10th day of any calendar month (or, in the case of the first Interest Payment Date, on and after the Closing Date), as such amount is transferred from the Revenue Fund to the Redemption Fund pursuant to Section 5.8 hereof. Amounts representing principal of Loan Repayments related to any Loan received on or before the 10th day of any calendar month shall be used to redeem Bonds on the following Interest Payment Date pursuant to this Section 3.3.

SECTION 3.4 Notice of Redemption to Registered Owners.

(a) **Notice Requirement.** For any optional redemption of Bonds pursuant to Section 3.2, the Trustee shall give notice of redemption by Electronic Means, first class mail, postage prepaid, not more than sixty days nor less than twenty days prior to the specified Redemption Date, to the Registered Owner of each Bond, or portions thereof, to be redeemed at the address of such Registered Owner as shown on the Bond Register. With respect to Book-Entry Bonds, if the Trustee sends notice of redemption to the Securities Depository pursuant to the Letter of Representations, the Trustee shall not be required to give the notice set forth in the immediately preceding sentence. In the case of an optional redemption under Section 3.2, the notice of redemption shall state that it is conditioned upon receipt by the Trustee of sufficient moneys to redeem the Bonds including Available Moneys to pay any redemption premium in full (“Conditional Redemption”), and such notice and optional redemption shall be of no effect if by no later than the scheduled Redemption Date, sufficient moneys to redeem the Bonds and sufficient Available Moneys to pay any redemption premium have not been deposited with the Trustee, or, if such moneys are deposited, are not available. The Trustee shall cause a second notice of redemption to be sent by first class mail, postage prepaid, on or within ten days after the 30th day after the Redemption Date to any Bondholder who has not submitted its Bond to the Trustee for payment. Receipt of notice under this section shall not be a condition precedent to redemption of the Bonds, and failure so to receive any such notice by any of such registered owners shall not affect the validity or the proceedings for the redemption of any Bonds. The Trustee shall provide copies of all notices given under this Section and of all revocations of notices to MassHousing at the same time it gives notices to Bondholders.

Notwithstanding anything to contrary herein, no notice of mandatory redemption pursuant to Section 3.3 hereof shall be required.

(b) **Content of Notice.** Each notice of optional redemption must state: (i) the date of the redemption notice; (ii) the complete official name of the Bonds, including the series designation; (iii) for each Bond to be redeemed, the interest rate, maturity date and in the case of a partial redemption of Bonds, the principal amount of each Bond to be redeemed; (iv) the CUSIP numbers of all Bonds being redeemed; (v) the place or places where the Bonds to be redeemed must be surrendered for payment and where amounts due upon such redemption will be payable upon surrender of the Bonds to be redeemed; (vi) the Redemption Date and redemption price of each Bond to be redeemed; (vii) the name, address, telephone number and contact person at the office of the Trustee with respect to such redemption; (viii) that interest on all Bonds to be redeemed will not accrue from and after the Redemption Date; and (ix) if a redemption is a Conditional Redemption, that redemption is conditional upon receipt by the Trustee of sufficient moneys to redeem the Bonds including Available Moneys to pay any redemption premium.

(c) **Additional Notice.** At the same time notice of redemption is sent to the Registered Owners, the Trustee shall send notice of redemption by Electronic Means, first class mail, overnight delivery service or other overnight means, postage or service prepaid (or as specified below) (i) to the Rating Agency and (ii) the MSRB.

(d) **Validity of Proceedings for the Redemption of Bonds.** If notice is given as stated in subsection (a), failure of any Bondholder to receive such notice, or any defect in the notice, shall not affect the redemption or the validity of the proceedings for the redemption of the Bonds.

(e) **Rescission of Conditional Redemption; Cancellation of Optional Redemption.** The Trustee shall rescind any Conditional Redemption if the requirements of Section 3.4(a) have not been met on or before the Redemption Date. The Trustee shall give notice of rescission by the same means as is provided in this Section for the giving of notice of redemption or by Electronic Means confirmed in writing. The optional redemption shall be canceled once the Trustee has given notice of rescission. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure of funds being made available in part or in whole on or before the Redemption Date shall constitute an Event of Default.

SECTION 3.5 Redemption Payments. If notice of special optional redemption has been given and the conditions for such redemption, if applicable, have been met, the Bonds called for redemption shall become due and payable on the Redemption Date, interest on those Bonds will cease to accrue from and after the Redemption Date and the called Bonds will no longer be Outstanding. The holders of the Bonds so called for redemption shall

thereafter no longer have any security or benefit under this Resolution except to receive payment of the redemption price for such Bonds upon surrender of such Bonds to the Trustee. All moneys held by or on behalf of the Trustee for the redemption of particular Bonds will be held in trust for the account of the holders of the Bonds to be redeemed. If less than the entire principal amount of a Bond is called for redemption, MassHousing shall execute, and the Trustee shall authenticate and deliver, upon the surrender of such Bond to the Trustee, without charge by MassHousing or the Trustee to the Bondholder, in exchange for the unredeemed principal amount of such Bond, a new Bond or Bonds of the same interest rate, maturity and term, in any Authorized Denomination, in aggregate principal amount equal to the unredeemed balance of the principal amount of the Bond so surrendered.

SECTION 3.6 Selection of Bonds to be Redeemed Upon Partial Redemption. If the Bonds are to be redeemed in part pursuant to Section 3.3 hereof, each of the Bonds then Outstanding shall be redeemed in part, pro rata, in proportion to the Outstanding principal amount of each such Bond to the aggregate Outstanding principal amount of all Outstanding Bonds. To effect this pro rata redemption while the Bonds are held in the book-entry-only system, such mandatory redemption is to be made as a "Pro-Rata Pass-Through Distribution of Principal" by the Securities Depository.

ARTICLE IV DISPOSITION OF BOND PROCEEDS

SECTION 4.1 Financing Fund. On the Closing Date, the Trustee shall deposit \$_____, representing the Net Bond Proceeds with respect to the Bonds, into the Financing Fund to be applied pursuant to Section 5.4 hereof.

SECTION 4.2 Debt Service Reserve Fund. Upon delivery of the Bonds, MassHousing shall deposit into the Debt Service Reserve Fund \$_____ from available funds other than the proceeds of the Bonds. Such amount is not less than the Debt Service Reserve Fund Requirement with respect to the Bonds.

SECTION 4.3 Cost of Issuance Account. Upon delivery of the Bonds, MassHousing shall transfer to the Trustee the aggregate amount of \$_____ for deposit in the Cost of Issuance Fund from available funds other than proceeds of the Bonds (the "Cost of Issuance Deposit"). Monies so deposited in the Cost of Issuance Fund shall be applied to pay Costs of Issuance with respect to the Bonds in accordance with Section 5.10 hereof.

SECTION 4.4 Debt Service Fund. Upon delivery of the Bonds, MassHousing shall transfer to the Trustee the aggregate amount of \$_____ for deposit in the Debt Service Fund from available funds other than proceeds of the Bonds. Monies so deposited in the Debt Service Fund shall be applied to pay Debt Service with respect to the Bonds in accordance with Section 5.7 hereof.

ARTICLE V FUNDS AND ACCOUNTS

SECTION 5.1 Pledge. To secure the payment of the principal of and interest and any premium on, the Bonds according to their tenor and effect and to secure the performance and observance by MassHousing of the covenants expressed or implied in this Resolution and in the Bonds, MassHousing absolutely and irrevocably pledges and assigns the property described in the following paragraphs (1) through (6) to the Trustee for the benefit of the Bondholders, subject to the provisions of this Resolution permitting the application of such property for the purposes set forth in this Resolution:

- (1) all right, title and interest of MassHousing in and to the Loans, including the applicable Mortgage Note, Security Instrument and the other Loan Documents, reserving, however, the Reserved Rights;
- (2) all rights to receive payments on the applicable Mortgage Note and under the other Loan Documents, including all proceeds of insurance or condemnation awards;

(3) all right, title and interest of MassHousing in and to the Revenues, the Net Bond Proceeds and the accrued interest, if any, derived from the sale of the Bonds, and all Funds and Accounts under this Resolution (including, without limitation, moneys, documents, securities, investments, Investment Income, instruments and general intangibles on deposit or otherwise held by the Trustee) but excluding all moneys in the Administrative Expense Fund and the Costs of Issuance Fund (including within such exclusion Investment Income retained in the Costs of Issuance Fund);

(4) all proceeds of mortgage insurance, guaranty benefits and other security related to the Loans;

(5) all funds, moneys and securities and any and all other rights and interests in property, whether tangible or intangible, from time to time conveyed, mortgaged, pledged, assigned or transferred by delivery or by writing of any kind to the Trustee as additional security under this Resolution for the benefit of the Bondholders; and

(6) all of the proceeds of the foregoing, including, without limitation, Investments and Investment Income (except as excluded above);

TO HAVE AND TO HOLD unto the Trustee;

IN TRUST, NEVERTHELESS, upon the terms set forth in this Resolution for the equal and proportionate benefit, security and protection of all Registered Owners of the Bonds, without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds;

PROVIDED, FURTHER, HOWEVER, that if MassHousing or its successors or assigns pay or cause to be paid to the Registered Owners of the Bonds the principal of and interest and any premium to become due on the Bonds at the times and in the manner provided in this Resolution and if no amount is owing by the Borrowers to MassHousing or the Trustee under the Loan Documents, and if MassHousing keeps, performs and observes, or causes to be kept, performed and observed, all of its covenants, warranties and agreements contained in this Resolution, this Resolution and the estate and rights granted by this Resolution shall terminate and be discharged in accordance with its terms, upon which termination the Trustee shall execute and deliver to MassHousing such instruments in writing as shall be necessary to satisfy the lien of this Resolution, and, in accordance with Article IX, shall reconvey to MassHousing any property at the time subject to the lien of this Resolution which may then be in the Trustee's possession, except amounts held by the Trustee for the payment of principal of and interest and any premium on the Bonds, or moneys held in the Revenue Fund for the payment of accrued and unpaid Administrative Expenses; otherwise this Resolution shall be and remain in full force and effect, upon the trusts and subject to the covenants and conditions set forth in this Resolution; and

FINALLY, all Bonds issued and secured under this Resolution are to be issued, authenticated and delivered, and all property, rights and interests, including, but not limited to, the amounts payable under the Loan Documents and any other amounts assigned and pledged by this Resolution are to be dealt with and disposed of under, upon and subject to, the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes expressed in this Resolution, and MassHousing has agreed and covenanted, and agrees and covenants with the Trustee and with the Registered Owners of the Bonds as set forth in this Resolution.

SECTION 5.2 Creation of Funds and Accounts. The following Funds and Accounts are created with the Trustee:

- (a) the Administrative Expense Fund;
- (b) the Financing Fund;
- (c) the Loan Fund;
- (d) the Revenue Fund

- (e) the Debt Service Fund,
- (f) the Redemption Fund,
- (g) the Debt Service Reserve Fund; and
- (h) the Costs of Issuance Fund.

The Trustee shall hold and administer the Funds and Accounts in accordance with this Resolution.

SECTION 5.3 Administrative Expense Fund. MassHousing shall pay, or cause to be paid, all Servicing Fees to the Trustee at least once per month. All Servicing Fees shall be deposited in the Administrative Expense Fund. There shall also be deposited in the Administrative Expense Fund amounts transferred thereto from the Revenue Fund pursuant to Section 5.6(c) hereof. There may also be deposited in the Administrative Expense Fund, at the option of MassHousing, any other moneys of MassHousing, unless required to be otherwise applied as provided herein.

Amounts in the Administrative Expense Fund shall be used and withdrawn by the Trustee to pay Administrative Expenses when and as payable.

Amounts remaining in the Administrative Expense Fund (i) following all the transfers required under Section 5.6(c) and payment of all Administrative Expenses previously incurred but not reimbursed and (ii) less the amount reasonably anticipated to be payable in the following month (or directly to the Trustee, Trustee expenses with respect to the Bonds, when and as payable), shall be paid to MassHousing free and clear of the lien and pledge hereof.

SECTION 5.4 Financing Fund. Monies deposited in the Financing Fund pursuant to Section 4.1 shall be applied to the payment of the principal of and interest on the Refunded Bonds. The application of the monies withdrawn from the Financing Fund, together with other available monies, when applied in accordance with the provisions of the Prior Resolutions, shall be sufficient to defease the Refunded Bonds in accordance with the Prior Resolutions.

SECTION 5.5 Loan Fund. The Loans are hereby allocated to the Bonds and shall be held in the Loan Fund. When no Bonds remain Outstanding, upon the request of MassHousing, the Trustee shall transfer such moneys, investments and Loans to, or upon the order of MassHousing.

SECTION 5.6 Revenue Fund.

(a) Deposit of Revenues. MassHousing shall pay all Revenues or cause all Revenues to be paid to the Trustee at least once each month. Except as otherwise provided herein, all Revenues shall be deposited by the Trustee in the Revenue Fund. There also shall be deposited in the Revenue Fund amounts transferred thereto from the Debt Service Fund pursuant to Section 5.7(b) hereof, from the Debt Service Reserve Fund pursuant to Section 5.9(b) hereof, and from the Redemption Fund pursuant to Section 5.8(b) hereof. There may also be deposited in the Revenue Fund, at the option of MassHousing, any other moneys of MassHousing, unless required to be otherwise applied as provided herein.

(b) Payment of Certain Expenses. The Trustee shall pay or transfer from the Revenue Fund (i) directly to the Trustee, all Trustee Expenses, when and as payable and (ii) to MassHousing or to its order other reasonable and necessary Administrative Expenses, respectively, only to the extent, if any, provided, in the following paragraphs.

(c) Allocation of Revenues From Revenue Fund.

(1) On the last Business Day prior to each Interest Payment Date, or on the other dates specifically provided below, the Trustee shall withdraw from the Revenue Fund and deposit into the

following Funds or Accounts and shall pay to the following parties the following amounts, in the following order of priority, the requirements of each such Fund, Account or party (including the making up of any deficiencies in any such Fund or Account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied, and the results of such satisfaction being taken into account, before any payment or transfer is made subsequent in priority:

- (A) Into the Debt Service Fund the amount received as interest on the Loans to be applied to the payment of interest on the Bonds on the next Interest Payment Date;
- (B) Into the Redemption Fund, the amounts received as principal on the Loans to be applied to the payment of principal of the Bonds upon the mandatory redemption thereof pursuant to Section 3.3.
- (C) Into the Debt Service Reserve Fund, the amount, if any, needed to increase the amount therein to the Debt Service Reserve Fund Requirement; and
- (D) The remaining amount received as interest on the Loans shall be transferred to the Administrative Expense Fund to be applied pursuant to Section 5.3.

SECTION 5.7 Debt Service Fund

(a) Amounts in the Debt Service Fund shall be used and withdrawn by the Trustee solely for transfer to the Paying Agent on each Interest Payment Date for the purpose of paying the interest on the Bonds as the same shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity).

(b) Amounts remaining in the Debt Service Fund after all the Bonds have been paid or funds have been set aside and held in trust for such payment shall be transferred to the Revenue Fund.

SECTION 5.8 Redemption Fund

(a) Moneys deposited in the Redemption Fund shall be applied by the Trustee to the redemption of Bonds in accordance with the provisions this Section and Article III hereof.

(b) Any amounts remaining in the Redemption Fund after all Bonds have been paid shall be transferred to the Revenue Fund.

SECTION 5.9 Debt Service Reserve Fund

(a) Upon the issuance, sale and delivery of the Bonds, the Trustee shall deposit in the Debt Service Reserve Fund such amount as shall be at least sufficient to equal the Debt Service Reserve Fund Requirement relating to the Bonds. Additional moneys may be deposited in the Debt Service Reserve Fund in accordance with Section 5.6(c) hereof.

(b) On each January 1 and July 1, the Trustee shall calculate the amount of the Debt Service Reserve Fund Requirement for the Bonds as of the next succeeding Interest Payment Date and shall determine the amount, if any, which will then be in the Debt Service Reserve Fund (other than amounts attributable to accrued, but unrealized interest purchased on Investments) in excess of such requirement, shall notify MassHousing of such excess amount and shall, unless otherwise instructed by MassHousing, transfer such excess amount from the Debt Service Reserve Fund to the Revenue Fund.

(c) On the last Business Day prior to each Interest Payment Date in conjunction with the transfers, deposits and payments to be made pursuant to Section 5.6(c)(1) hereof, in the event that the amount transferred to the Debt Service Fund pursuant to paragraph 5.6(c)(1)(A) is insufficient to pay the interest or principal due on the Bonds on the next succeeding Interest Payment Date, the Trustee shall transfer from the Debt Service Reserve Fund, to the Debt Service Fund the amount of such insufficiency.

SECTION 5.10 Costs of Issuance Fund.

(a) **Deposits into the Costs of Issuance Fund.** On or before the Closing Date MassHousing shall deliver the Costs of Issuance Deposit to the Trustee. On the Closing Date, the Trustee shall deposit or transfer, as applicable, the Costs of Issuance Deposit into the Costs of Issuance Fund.

(b) **Disbursements from the Costs of Issuance Fund.** The Trustee shall disburse moneys on deposit in the Costs of Issuance Fund, pursuant to requisitions signed by an Authorized Officer of MassHousing, to pay Costs of Issuance. The Trustee may conclusively rely on such requisitions for purposes of making such disbursements. Moneys on deposit in the Costs of Issuance Fund shall not be part of the Trust Estate and will be used solely to pay Costs of Issuance.

(c) **Disposition of Remaining Amounts.** Any moneys remaining in the Costs of Issuance Fund, including interest earned thereon, six months after the Closing Date and not needed to pay still unpaid Costs of Issuance will be returned to MassHousing. Upon final disbursement, the Trustee shall close the Costs of Issuance Fund.

SECTION 5.11 Moneys to be Held in Trust. Except for (i) moneys deposited with or paid to the Trustee for the redemption of Bonds notice of the redemption of which has been duly given, and (ii) moneys on deposit in the Costs of Issuance Fund and the Administrative Expense Fund, all moneys required to be deposited with or paid to the Trustee for the account of any Fund or Account will be held by the Trustee in trust and, while held by the Trustee, shall constitute part of the Trust Estate and be subject to the security interest created by this Resolution.

SECTION 5.12 Records. The Trustee shall keep and maintain accurate records with respect to the Funds and Accounts. The Trustee shall file at least an annual accounting of the Funds and Accounts and the payment history on the Bonds and the Loan with MassHousing.

SECTION 5.13 Reports by the Trustee. The Trustee shall, on or before the 20th day of each month, file with MassHousing a statement setting forth in respect of the preceding calendar month:

- (a) the amount withdrawn or transferred and the amount deposited within or on account of each Fund and Account under this Resolution, including the amount of Investment Income on each Fund and Account transferred to the Interest Account;
- (b) the amount on deposit at the end of such month to the credit of each Fund and Account;
- (c) a brief description of all obligations held as an investment of moneys in each Fund and Account;
- (d) the amount applied to the redemption of Bonds and a description of the Bonds or portions of Bonds so redeemed; and
- (e) any other information which MassHousing may reasonably request.

No monthly statement for a Fund or Account need be rendered if no activity occurred in that Fund or Account during such month. Upon the written request of any Bondholder owning 25 percent or more in aggregate principal amount of Bonds then Outstanding, the Trustee shall provide a copy of such statement to the Bondholder. All records and files pertaining to the Trust Estate will be open at all reasonable times during regular business hours of the Trustee to the inspection and audit of MassHousing and its agents and representatives upon reasonable prior notice.

SECTION 5.14 Moneys Held for Particular Bonds. The amounts held by the Trustee for payment of the interest, premium, if any, principal or redemption price due on any date with respect to particular Bonds, pending such payment, will be set aside and held in trust by the Trustee for the Bondholders entitled to such

payment. For the purposes of this Resolution such interest, premium, principal or redemption price, after the due date of payment, will no longer be considered to be unpaid.

SECTION 5.15 Nonpresentation of Bonds. In the event any Bond is not presented for payment when the principal of such Bond becomes due, either at maturity or at the date fixed for redemption of such Bond or otherwise, if amounts sufficient to pay such Bond have been deposited with the Trustee for the benefit of the owner of the Bond and have remained unclaimed for two years after such principal has become due and payable, such amounts will be paid to MassHousing. Upon such payment, all liability of MassHousing and the Trustee to the holder of any Bond for the payment of such Bond will cease and be completely discharged, provided, however, that the Trustee, before being required to make any such payment to MassHousing, shall cause to be published once in a financial newspaper or journal of general circulation in New York, New York, notice that such moneys remain unclaimed and that, after a date specified in such notice, which will not be less than 30 days from the date of such publication, any unclaimed balance of such moneys then remaining will be paid to MassHousing. The cost of such publication will be paid by MassHousing. The obligation of the Trustee under this Section to pay any such amounts to MassHousing will be subject to any provisions of law applicable to the Trustee or to such amounts providing other requirements for disposition of unclaimed property.

SECTION 5.16 Disposition of Remaining Moneys. Any amounts remaining in the Revenue Fund after payment in full of the principal of and interest and any premium on the Bonds will be applied to pay (i) first, to the person or persons entitled to be paid, all other unpaid amounts required to be paid under this Resolution, and (iii) second, to MassHousing.

ARTICLE VI INVESTMENTS

SECTION 6.1 Investment Limitations. Moneys held as part of any Fund or Account shall be invested and reinvested in Permitted Investments as directed in writing by an Authorized Officer of MassHousing. Permitted Investments shall have maturities corresponding to, or shall be available for withdrawal without penalty no later than, the dates upon which such moneys shall be needed for the purpose for which such moneys are held. Moneys on deposit in the (i) Revenue Fund shall be invested only in investments described in paragraphs (a), (b), (c), and (h) of the definition of Permitted Investments, (ii) Redemption Fund shall be invested only in investments described in paragraph (a) of the definition of Permitted Investments, with a term not exceeding the earlier of 30 days from the date of investment of such moneys or the date or dates that such moneys are anticipated to be required for redemption, (iii) Costs of Issuance Fund, until disbursed or returned to MassHousing pursuant to Section 5.10, shall be invested only in investments described in paragraph (h) of the definition of Permitted Investments. Permitted Investments shall be held by or under the control of the Trustee. All Investment Income from moneys held in all Funds and Accounts other than the Loan Fund and the Costs of Issuance Fund (other than as provided below), upon receipt, shall be deposited into the Revenue Fund. Investment Income from moneys held in the Loan Fund and the Costs of Issuance Fund shall remain in the respective Fund where earned.

SECTION 6.2 Trustee's Authority and Responsibilities. The Trustee is authorized to sell and reduce to cash a sufficient amount of Permitted Investments whenever the cash balance is or will be insufficient to make a requested or required disbursement. The Trustee shall not be accountable for any depreciation in the value of any Permitted Investment or for any loss resulting from such sale. The Trustee may trade with itself and its Affiliates in the purchase and sale of securities for investments, and may transact purchases and sales through its investment department or through its Affiliates. The Trustee and its Affiliates may act as principal, agent, sponsor, advisor or depository with respect to any investments. All Permitted Investments shall be made by the Trustee in its name, as Trustee, at the written direction of the MassHousing, subject to the limitations contained in this Resolution. In the absence of written investment instructions, the Trustee shall have no duty or obligation to invest any funds held hereunder. In computing the amount in any Fund or Account, Permitted Investments if purchased at par shall be valued at principal cost plus accrued interest, or, if purchased at other than par, at principal cost plus amortized discount or less amortized premium (amortization to be on a straight-line basis to the date of stated maturity without regard to redemptions or repayments of principal which may occur prior to maturity) plus accrued interest. The Trustee shall take such actions as shall be necessary to assure that Permitted Investments purchased by it under this Resolution are held pursuant to the terms of this Resolution and are subject to the trusts and security interests created in this Resolution. MassHousing acknowledges that to the extent regulations of the Comptroller of the Currency or

other applicable regulatory entity grant MassHousing the right to receive brokerage confirmations of security transactions as they occur, MassHousing specifically waives receipt of such confirmations to the extent permitted by law.

**ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS OF MASSHOUSING**

SECTION 7.1 MassHousing's Representations and Warranties. MassHousing represents and warrants that:

(a) MassHousing is duly authorized under the Constitution and laws of the Commonwealth, including the Act, to (i) issue the Bonds, (ii) execute and deliver this Resolution and the Loan Documents and to endorse the Mortgage Notes, (iii) assign its interest in the Loan Documents (except the Reserved Rights) and (iv) pledge and assign the Trust Estate as set forth in this Resolution for the benefit of the Bondholders, to secure the payment of the principal of and interest and any premium on the Bonds in accordance with the terms and provisions of this Resolution and the Bonds.

(b) All actions on the part of MassHousing for the issuance, sale and delivery of the Bonds and for the execution and delivery of this Resolution and the Loan Documents and the endorsement of the Mortgage Notes have been or will be taken duly and effectively.

(c) The Bonds, together with all other indebtedness of MassHousing, are within all applicable debt limits.

(d) The Bonds will be valid and enforceable special obligations of MassHousing according to their terms, subject to bankruptcy and equitable principles.

SECTION 7.2 MassHousing's Covenants. In addition to all other covenants and agreements of MassHousing contained in this Resolution, MassHousing further covenants and agrees with the Bondholders and the Trustee as follows:

(a) Except as provided in Article XII, MassHousing shall not alter, modify or cancel, or agree to alter, modify or cancel, any agreement which relates to or affects the Trust Estate.

(b) Except as otherwise provided in this Resolution or the Loan Documents, MassHousing shall not sell, convey, mortgage, encumber or otherwise dispose of any portion of the Trust Estate or create or authorize to be created any debt, lien or charge thereon.

(c) On a monthly basis, commencing May, 2014, MassHousing shall provide to the MSRB via its Electronic Municipal Market Access (EMMA) system the following information with respect to each of the Loans:

- (1) current payment number
- (2) loan status (on watch list, number of days or months late, bankruptcy),
- (3) loan balance remaining,
- (4) current reserve balance, and
- (5) current principal and interest paid and remaining due, if any.

(d) MassHousing shall also file with the MSRB the annual financial statements for each of the Rental Developments financed by a Loan upon receipt of such statements from the respective Borrowers and the reports furnished to it by the Trustee pursuant to Section 5.13 hereof.

(e) MassHousing shall enforce diligently and take or cause to be taken all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of all Loans consistent with sound banking practices and principles, including the prompt collection of all Loan Repayments and all other amounts due MassHousing thereunder. MassHousing shall service each Loan or appoint a Servicer for such Loan, and if it appoints a Servicer shall enter into a Servicing Agreement with respect thereto, effective not later than the date of delivery of such Loan. MassHousing or such Servicer shall service each Loan in accordance with acceptable mortgage servicing practices of prudent lending institutions or in accordance with such other standards as are required to maintain the Federal Insurance with respect to such Loan. MassHousing shall not without good cause release the obligations of the Borrowers under any of the Financing Documents, or of the Servicer under the Servicing Agreement or of the Loan Payment Enhancement Facility Provider under any Loan Payment Enhancement Facility and, to the extent permitted by law, at all times shall defend, enforce, preserve and protect the rights and privileges of MassHousing, the Trustee and the Bondholders under or with respect to the Financing Documents securing such Loans, any Servicing Agreement and any Loan Payment Enhancement Facility relating thereto; provided, however, that nothing in this Section shall be construed to prevent MassHousing from settling a default on any Loan on such terms as MassHousing shall determine to be in the best interests of MassHousing and the Bondholders.

SECTION 7.3 Limitations on Liability. Notwithstanding any other provision of this Resolution to the contrary:

(a) The obligations of MassHousing with respect to the Bonds are not general obligations of MassHousing but are special, limited obligations of MassHousing payable by MassHousing solely from the Trust Estate.

(b) Nothing contained in the Bonds or in this Resolution shall be considered as assigning or pledging any funds or assets of MassHousing other than the Trust Estate.

(c) The Bonds are not and will not be a debt of the Commonwealth, MassHousing or of any other political subdivision of the Commonwealth, and neither the Commonwealth, MassHousing nor any other political subdivision of the Commonwealth is or will be liable for the payment of the Bonds.

(d) Neither the faith and credit of MassHousing, the Commonwealth nor of any other political subdivision of the Commonwealth are pledged to the payment of the principal of and interest and any premium on the Bonds.

(e) No failure of MassHousing to comply with any term, condition, covenant or agreement in this Resolution or in any document executed by MassHousing in connection with the Mortgaged Property or the issuance, sale and delivery of the Bonds shall subject MassHousing to liability for any claim for damages, costs or other charges except to the extent that the same can be paid or recovered from the Trust Estate.

(f) MassHousing shall not be required to advance any moneys derived from any source other than the Trust Estate for any of the purposes of this Resolution, any of the other Transaction Documents, whether for the payment of the principal or redemption price of, or interest on, the Bonds, the payment of Administrative Expenses or otherwise.

SECTION 7.4 Further Assurances; Security Agreement. MassHousing, to the extent permitted by law, shall execute, acknowledge and deliver such supplemental resolutions and other instruments and documents, and perform such further acts, as the Trustee may reasonably require to perfect, and maintain perfected, the security interest in the Trust Estate or to better assure, transfer, convey, pledge, assign and confirm to the Trustee all of its respective interest in the property described in this Resolution and the revenues, receipts and other amounts pledged by the Resolution. MassHousing shall cooperate to the extent necessary with the Trustee in its defenses of the Trust Estate against the claims and demands of all Persons. In addition to the assignment by MassHousing of its rights in the Trust Estate to the Trustee, MassHousing hereby acknowledges that in order to more fully protect, perfect and preserve the rights of the Trustee in the Trust Estate, MassHousing grants to the Trustee a security interest in the Trust Estate and the proceeds thereof.

SECTION 7.5 Enforcement. MassHousing may enforce against the Borrowers or any other Person any rights of MassHousing under the Loan Documents. At the request of the Trustee, MassHousing, upon being indemnified to its reasonable satisfaction against all liability, costs and expenses which may be incurred in connection with such enforcement, shall in its name commence legal action or take such other actions as the Trustee reasonably requests to enforce the rights of MassHousing or the Trustee under or arising from the Bonds or the Bond Documents.

ARTICLE VIII FEDERAL INSURANCE

SECTION 8.1 (a) MassHousing shall be solely responsible to prepare and submit such documents and take such other actions as are necessary to effectuate the issuance to the Trustee of the FHA Insurance Proceeds, as set forth in this Article VIII. Upon receipt of FHA Insurance Proceeds, the Trustee shall deposit such proceeds in the Redemption Fund and apply such FHA Insurance Proceeds in accordance with Sections 3.3 and 5.8 hereof.

(b) MassHousing shall diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of the Mortgages, including the prompt collection of Loan Repayments.

(c) MassHousing shall not release cash or letters of credit associated with the Loans without written approval from HUD.

(d) MassHousing shall do all that is necessary to obtain and maintain the Federal Insurance and shall not amend the Resolution in a manner that conflicts with FHA regulations or documents.

(e) Whenever it shall be necessary to protect and enforce the rights of MassHousing under a Mortgage securing a Loan and to protect and enforce the rights and interests of Bondholders under this Resolution, MassHousing shall do all things necessary to enforce its rights under the Federal Insurance and to receive payment of any claims thereon in cash.

(f) With respect to the Loans insured with Federal Insurance, if any Loan Repayment is not made in the full amount due and the Loan Repayment is not made by the 30th day following the due date thereof (the "Grace Period"), or if a default occurs in the performance of the covenants under the Mortgage, then MassHousing shall:

(1) Notify the Operations Division of HUD by submitting a Notice of Default Status on Multifamily Housing Projects (from HUD-92426) within 10 calendar days after the end of the Grace Period and simultaneously notify the Rating Agencies of the Mortgage Note default with a copy of the Notice of Default Status. Unless waived by the Commissioner, MassHousing shall submit this notice monthly, until the default has been cured or MassHousing has filed an application for an Initial Claim Payment pursuant to Section 8.1(f)(3) hereof.

(2) Prior to accelerating the Loan due to non-monetary causes, MassHousing shall first notify HUD as provided in Section 8.1(f)(1) hereof.

(3) Unless a written extension is granted by HUD, file with HUD's Multifamily Claims Branch an Application for Initial Claim Payment, which should contain wire transfer instructions including the appropriate account number of the account held by the Trustee to be credited, and a Payment Information Form, no later than 75 calendar days following the date the Loan Repayment was due but not made by the Mortgagor and no earlier than the first day of the month following the month for which a Loan Repayment was not made in whole or in part. MassHousing shall also inform HUD that the Loan was financed with rated bonds, and request priority claims processing. Upon the request of MassHousing, HUD may extend, up to 180 days, the deadline for filing a Federal Insurance claim. In those cases where MassHousing certifies that the owner of the Rental Development is in the process of transacting a refunding of the Bonds used to finance the Loan, refinancing the Mortgage, or changing the ownership of the Rental Development for the purpose of curing the default and bringing the Mortgage current, HUD may

extend the deadline for filing a Federal Insurance claim beyond 180 days, not to exceed 360 days from the date of default, provided that MassHousing shall not request an extension beyond 180 days unless it has provided the Trustee verification that the amounts on deposit in the Debt Service Reserve Fund, together with any additional deposits made to the Debt Service Reserve Fund by MassHousing, shall be sufficient to make timely payment on the Bonds, assuming payment on the Federal Insurance is received 180 days after the date of default plus the number of days in the extension period. In the event that the default is cured after the claim is made but before the initial claim payment is paid by HUD, MassHousing may withdraw the claim by filing written notice to HUD.

(4) Issue Agency Debentures to HUD no later than 30 days following the Initial Claim Payment, or such later date as approved by HUD in writing.

(g) With respect to the Loans insured with Federal Insurance, MassHousing may file with HUD's Multifamily Claims Branch a request for a Partial Claim Payment if MassHousing is pursuing a workout with a Mortgagor; provided, however, MassHousing must simultaneously pursue a full payment of a Federal Insurance claim with HUD's Multifamily Claims Branch; provided, further, MassHousing shall give notice to the Rating Agencies prior to (i) requesting an extension of time to file a Federal Insurance claim pursuant to Section 8.1(f)(3) hereof or (ii) pursuing a workout with the Mortgagor and filing for a Partial Claim Payment, and receive from such Rating Agencies rating letters to the effect that the proposed action will not adversely affect the then current rating on the Bonds, without giving effect to the existence of any credit enhancement.

(h) With respect to the Loans insured with Federal Insurance, if the Initial Claim Payment is less than HUD's share of the loss, as set forth in the Risk-sharing Agreement, MassHousing shall seek from HUD, and HUD shall make, a Final Claim Payment to MassHousing and shall return the Agency Debenture to MassHousing for cancellation. If the Initial Claim Payment is more than HUD's share of the loss, as set forth in the Risk-sharing Agreement, MassHousing shall, within 30 days of notification by HUD of the amount due, remit to HUD an amount that is equal to the difference between the Initial Claim Payment and HUD's share of the loss. Upon receipt of MassHousing's cash payment, the Agency Debenture will be considered redeemed.

(i) The Trustee shall, following written notice to MassHousing, and upon receipt of the written request of the Holders of not less than twenty-five per centum (25)% in principal amount of the Outstanding Bonds, have full power and authority, to the extent permitted by HUD, to perform MassHousing's covenants contained in paragraphs (f), (g), (h), and (i) of this Section to the extent MassHousing fails or threatens to fail to perform such covenants on a timely basis, provided, however, that the Trustee shall be under no obligation to perform such covenants.

ARTICLE IX DISCHARGE OF LIEN

SECTION 9.1 Discharge of Lien and Security Interest.

(a) **Discharge.** Upon satisfaction of the conditions set out in subsection (b), the Trustee shall (i) cancel and discharge this Resolution and the pledge and assignment of the Trust Estate, (ii) execute and deliver to MassHousing such instruments in writing prepared by MassHousing or its counsel and provided to the Trustee as may be required to cancel and discharge this Resolution and the pledge and assignment of the Trust Estate, and (iii) reconvey, assign and deliver to MassHousing so much of the Trust Estate as may be in its possession or subject to its control (except for moneys and Government Obligations held for the purpose of paying Bonds).

(b) **Conditions to Discharge.** The conditions precedent to the cancellation and discharge of this Resolution and the other acts described in subsection (a) are (i) payment in full of the Bonds, (ii) payment of the Trustee's Annual Fee and the Trustee's ordinary costs and expenses under this Resolution, (iii) payment of all Extraordinary Items, (iv) receipt by the Trustee of a written statement from MassHousing stating that all amounts owed to MassHousing in respect of Reserved Rights have been fully paid, and (v) receipt by the Trustee of an Opinion of Counsel stating that all conditions precedent to the satisfaction and discharge of this Resolution have been satisfied.

(c) **Survival of Rights and Powers.** The Reserved Rights of MassHousing and the rights and powers granted to the Trustee with respect to the payment, transfer and exchange of Bonds shall survive the cancellation and discharge of this Resolution.

SECTION 9.2 Payment of Outstanding Amounts. If the Bonds are paid in full, but any one or more of the other conditions precedent set out in Section 9.1(b) are not satisfied because an amount has not been paid, the Trustee, prior to cancellation and discharge of this Resolution, shall pay from the Trust Estate to the persons listed below, in the strict order set out below, the amounts required to satisfy those conditions precedent:

(a) **Trustee's Annual Fee and Costs and Expenses.** If any portion of the Trustee's Annual Fee or ordinary costs and expenses of the Trustee remain unpaid, the Trustee shall first pay to itself so much of the Trust Estate as will fully pay such unpaid amounts. If any Extraordinary Items have not been paid to the Trustee, the Trustee shall then pay to itself so much of the remaining Trust Estate as will fully pay all amounts owing to the Trustee for Extraordinary Items.

(b) **MassHousing.** If the Trustee receives a written statement from MassHousing stating that moneys are owed to MassHousing in respect of the Reserved Rights, the Trustee shall pay to MassHousing so much of the remaining Trust Estate as will fully pay all amounts owing to MassHousing in respect of the Reserved Rights.

SECTION 9.3 Defeasance.

(a) **Provision for Payment of Bonds.** Any Bond will be deemed paid within the meaning of Section 9.1 if each of the conditions set out in this Section is satisfied:

(1) MassHousing deposits with the Trustee (A) Available Moneys or (B) Government Obligations which are not subject to early redemption and which are purchased with Available Moneys, of such maturities and interest payment dates and bearing such interest as will be sufficient, without further investment or reinvestment of either the principal amount of such Government Obligations or the interest earnings on Government Obligations (the earnings to be held in trust also), together with any Available Moneys, for the payment on their respective maturity dates, or redemption dates prior to maturity, of the principal of such Bonds and redemption premium, if any, and interest to accrue on such Bonds to such maturity or redemption dates.

(2) All Administrative Expenses due or to become due have been paid or sufficient additional moneys to make the required payments have been irrevocably deposited with the Trustee.

(3) For any such Bonds to be redeemed on any date prior to their maturity, the Trustee has received in form satisfactory to it irrevocable instructions to redeem such Bonds on a date on which the Bonds are subject to redemption, and either evidence satisfactory to the Trustee that all redemption notices required by this Resolution have been given or irrevocable power authorizing the Trustee to give such redemption notices.

The Trustee shall redeem the Bonds specified by such irrevocable instructions on the date specified by such irrevocable instructions.

(b) **Defeased Bonds No Longer Outstanding.** At such times as a Bond is deemed to be paid under this Resolution, it will no longer be secured by or entitled to the benefits of this Resolution, except for the purposes of payment in accordance with this Resolution.

(c) **Release of Certain Income.** All income from all Government Obligations in the hands of the Trustee pursuant to this Section which is identified by an independent certified public accountant as not required for the payment of the Bonds and interest on such income with respect to which such moneys have been so deposited will be deposited with the Trustee as and when realized and collected for use and application as are other moneys deposited with the Trustee.

(d) **Particular Bonds.** Notwithstanding any other provision of this Resolution to the contrary, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Article IX for the payment of Bonds (including accrued interest on such Bonds) shall be applied to and used solely for the payment of the particular Bonds (including interest on such Bonds) with respect to which such moneys or Government Obligations have been so set aside in trust.

ARTICLE X DEFAULT PROVISIONS AND REMEDIES

SECTION 10.1 Events of Default; Preliminary Notice.

(a) **Events of Default.** Each of the following constitutes an Event of Default under this Resolution:

- (1) default in the payment when due and payable of any interest due on any Bond;
- (2) default in the payment when due and payable of the principal of on any Bond at maturity or upon any redemption;
- (3) default in the observance or performance of any covenant, agreement, warranty or representation on the part of MassHousing included in this Resolution or in the Bonds (other than an Event of Default set forth in subsection (1) or (2) above) and the continuance of such default for a period of 60 days after written notice of the default from the Trustee to MassHousing; or
- (4) an Act of Bankruptcy.

(b) **Preliminary Notice.** The Trustee shall promptly notify MassHousing after the Trustee obtains knowledge or receives notice of the occurrence of an Event of Default under this Resolution or an event which would become such an Event of Default with the passage of time, the giving of notice or both, identifying the paragraph in Section 10.1(a) under which the Event of Default has occurred or may occur.

SECTION 10.2 Acceleration.

(a) **Acceleration.** Upon the occurrence of any Event of Default under this Resolution, the Trustee may, and upon the written request of Bondholders owning not less than 51 percent in aggregate principal amount of Bonds then Outstanding must, by written notice to MassHousing, declare the principal of all Bonds and the interest accrued, and to accrue on the Bonds to the date of payment immediately due and payable.

(b) **Notice.** Upon any decision to accelerate payment of the Bonds, the Trustee shall notify the Bondholders of the declaration of acceleration, that interest on the Bonds will cease to accrue upon such declaration, and that payment of the Bonds will be made upon presentment of the Bonds at the Designated Office of the Trustee. Such notice shall be sent by registered mail or overnight delivery service, postage prepaid, or, at the Trustee's option, may be given by Electronic Means to each Registered Owner of Bonds at such Registered Owner's last address appearing in the Bond Register. Any defect in or failure to give notice of such declaration will not affect the validity of such declaration.

SECTION 10.3 Other Remedies. Upon the occurrence and continuance of an Event of Default under this Resolution, the Trustee may, with or without taking action under Section 10.2, pursue any of the following remedies:

(1) an action in mandamus or other suit, action or proceeding at law or in equity (A) to enforce the payment of the principal of and interest and any premium on the Bonds, (B) for the specific performance of any covenant or agreement contained in this Resolution or the Loan Documents or (C) to require MassHousing to carry out any other covenant or agreement with Bondholders and to perform its duties under the Act; or

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

The Trustee shall exercise such of the rights and powers conferred by this Section as the Trustee, being advised by counsel, deems most effective to enforce and protect the interests of the Bondholders.

SECTION 10.4 Preservation of Security and Remedies; Rights of Bondholders. Upon an Event of Default, the Trustee may proceed, and upon the written request of the holders of not less than 25 percent of the aggregate principal amount of the Bonds Outstanding and the receipt of indemnity reasonably satisfactory to the Trustee shall proceed, to protect and enforce its rights and the rights of the Bondholders under this Resolution by such suits, actions or special proceedings in equity or at law, whether for the specific performance of any covenant or agreement, or in aid of the execution of any power granted in this Resolution or by the Act, or for the enforcement of any legal or equitable right or remedy, as the Trustee, being advised by counsel, deems most effective to protect and enforce such rights or to perform any of its duties under this Resolution.

SECTION 10.5 Remedies Not Exclusive; Delay or Omission. No right or remedy conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other right or remedy, but each and every such right and remedy will be cumulative and in addition to any other right or remedy given to the Trustee or to the Bondholders under this Resolution or under the Loan Documents or now or later existing at law or in equity. No delay or omission to exercise any right or remedy provided in this Resolution will impair any such right or remedy or be construed to be a waiver of any Event of Default or acquiescence in it. Every such right and remedy may be exercised from time to time as often as may be deemed expedient.

SECTION 10.6 Waiver. Subject to the conditions precedent set out below, (i) the Trustee may waive, (ii) and Bondholders owning not less than 51 percent in aggregate principal amount of Bonds then Outstanding may waive, by written notice to the Trustee, any default or Event of Default under this Resolution and its consequences and rescind any declaration of acceleration of maturity of principal. The conditions precedent to any waiver are:

(a) the principal and interest on the Bonds in arrears, together with interest thereon (to the extent permitted by law) at the applicable rate or rates of interest borne by the Bonds has been paid or provided for in Available Moneys and all fees and expenses of the Trustee have been paid or provided for; and

(b) that such waiver will be permitted if (i) MassHousing consents to the waiver, (ii) the Rating Agencies then rating the Bonds are notified and the Trustee gives written notice to the Bondholders that the ratings on the Bonds may be reduced or withdrawn upon the occurrence of such waiver, and (iii) 100 percent of the Bondholders consent to the waiver.

Upon any such waiver, the default or Event of Default shall be deemed cured and shall cease to exist for all purposes and MassHousing, the Trustee and the Bondholders will be restored to their former positions and rights under this Resolution. No waiver of any default or Event of Default shall extend to or affect any subsequent default or Event of Default or shall impair any right or remedy consequent thereto.

SECTION 10.7 Rights of the Bondholders to Direct Proceedings; Rights and Limitations Applicable to Bondholders, MassHousing and Trustee.

(a) **Rights to Direct Proceedings.** Notwithstanding anything contained in this Resolution to the contrary, the Bondholders owning not less than 51 percent in aggregate principal amount of Bonds then Outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Resolution or any other proceedings under this Resolution, provided, however, that such direction will not be otherwise than in accordance with the provisions of law and of this Resolution, and provided that the Trustee will be indemnified to its reasonable satisfaction (except for actions required under Section 10.2(b)).

(b) **Limitations on Bondholders' Rights.** No Bondholder has or shall have the right to enforce the provisions of this Resolution or the Loan Documents, or to institute any proceeding in equity or at law for the enforcement of this Resolution or the Loan Documents, or to take any action with respect to an Event of Default under this Resolution or an Event of Default under the Loan Documents, or to institute, appear in or defend any suit or other proceeding with respect to this Resolution or the Loan Documents upon an Event of Default unless (i) such Bondholder has given the Trustee and MassHousing, written notice of the Event of Default, (ii) the holders of not less than 51 percent in aggregate principal amount of Bonds then Outstanding have requested the Trustee in writing to institute such proceeding, (iii) the Trustee has been afforded a reasonable opportunity to exercise its powers or to institute such proceeding, (iv) the Trustee has been offered reasonable indemnity, where required, and (v) the Trustee has thereafter failed or refused to exercise such powers or to institute such proceeding within a reasonable period of time. No Bondholder has or shall have any right in any manner whatever to affect, disturb or prejudice the pledge of revenues or of any other moneys, Funds, Accounts or securities under this Resolution.

SECTION 10.8 Discontinuance of Proceedings. If the Trustee or any Bondholder has instituted any proceeding or remedy under this Resolution, and such proceedings have been discontinued or abandoned for any reason, or have been determined adversely, then and in every such case MassHousing and the Trustee will be restored to their former positions and rights under this Resolution, and all rights, remedies, powers, duties and obligations of MassHousing, and the Trustee shall continue as if no such proceedings had been taken, subject to the limits of any adverse determination.

SECTION 10.9 Possession of Bonds. All rights under this Resolution or upon any of the Bonds enforceable by the Trustee may be enforced by the Trustee without the possession of any of the Bonds, or the production of the Bonds at trial or other proceedings. Any suit, action or proceeding instituted by the Trustee may be brought in its name for itself or as representative of the Bondholders without the necessity of joining Bondholders as parties, and any recovery resulting from such proceedings shall, subject to Section 10.10, be for the ratable benefit of the Bondholders.

SECTION 10.10 Application of Moneys. All moneys received by the Trustee pursuant to any action taken under this Article X shall be deposited into the Interest Account and the Redemption Account, as applicable, after payment of the ordinary costs and expenses of the Trustee. The balance of such moneys, less such amounts as the Trustee determines may be needed for possible use in paying future fees and expenses and for the preservation and management of the Mortgaged Property, shall be applied as set out in the following subsections.

(a) **Principal on Bonds Not Declared Due and Payable.** Unless the principal on all Bonds has become or been declared due and payable, all such moneys will be applied:

First - to the payment of all interest then due on the Bonds, in the order of the maturity of such interest and, if the amount available shall not be sufficient to pay in full said amount, then to the payment ratably, of the amounts due, without any discrimination or privilege;

Second - to the payment of the unpaid principal of any of the Bonds which have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to this Resolution), in the order of due dates, with interest upon the principal amount of the Bonds from the respective dates upon which they become due at the rate or rates borne by the Bonds, to the extent

permitted by law, and, if the amount available shall not be sufficient to pay in full the principal of such Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled to such payment without any discrimination or privilege;

Third - to the payment of amounts due to the Trustee for Extraordinary Items, for this purpose including the costs and expenses of any proceedings resulting in the collection of such moneys and of advances incurred or made by the Trustee.

(b) **Principal of Bonds Declared Due and Payable.** If the principal of all the Bonds has become or been declared due and payable, all such moneys shall be applied **first**, to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably according to the amounts due respectively for principal and interest to the persons entitled to payment, until all such principal and interest has been paid; **second**, to any other amounts due and payable under this Resolution.

(c) **General.** Whenever moneys are to be applied pursuant to this Section, such moneys shall be applied at such times, and from time to time, as the Trustee determines, having due regard for the amount of such moneys available for application, the likelihood of additional moneys becoming available for such application in the future, and potential expenses relating to the exercise of any remedy or right conferred on the Trustee by this Resolution. Whenever the Trustee applies such moneys, it shall fix the date (which will be an Interest Payment Date unless it deems an earlier date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue, unless interest has already ceased to accrue in accordance with Section 10.2(b). The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the owner of any Bond until such Bond is presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

ARTICLE XI THE TRUSTEE

SECTION 11.1 Appointment of Trustee; Duties. The Trustee is appointed and agrees to act in such capacity and to perform the duties of the Trustee under this Resolution and Loan Documents upon the express terms and conditions of this Resolution.

(a) **Attorneys, Agents or Receivers.** The Trustee may execute any of its trusts or powers under this Resolution and perform any of its duties by or through attorneys, agents or receivers. The Trustee shall be entitled to advice of counsel concerning all matters of trust under this Resolution and its duties under this Resolution. The Trustee may in all cases pay such reasonable compensation to such attorneys, agents and receivers and shall be entitled to reimbursement from the Trust Estate for all such compensation paid. The Trustee may act upon the opinion or advice of counsel, accountants, or such other professionals as the Trustee deems necessary and selected by it in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction based on its good faith reliance upon such opinion or advice which is not contrary to the terms of this Resolution, any of the other Bond Documents or the Loan Documents.

(b) **Limitation of Responsibility.** The Trustee shall not be responsible for any recital in this Resolution or in the Bonds (other than in the certificates of authentication on the Bonds), or for insuring the Mortgaged Property, or for the sufficiency of any insurance, or for collecting any insurance moneys, or for the validity of this Resolution or of any supplements to this Resolution or instruments of further assurance, or for the sufficiency of the security for the Bonds issued under this Resolution or intended to be secured by this Resolution, or for the value or condition of or title to the Mortgaged Property or the Trust Estate. The Trustee may require (but shall be under no duty to require) of the Borrowers full information and advice as to the performance of the covenants, conditions and agreements aforesaid as to the condition of the Mortgaged Property. The Trustee shall not be liable for any loss suffered in connection with any investment of amounts made by it in accordance with this

Resolution. The Trustee is not accountable for the use (i) of any Bonds delivered in accordance with instructions of MassHousing, (ii) by the Borrowers of the proceeds of the Loans, or (iii) for the use or application of any moneys paid out by the Trustee in accordance with this Resolution.

(c) **Reliance.** The Trustee shall be protected in acting upon any Opinion of Counsel, notice, request, consent, direction, requisition, certificate, order, affidavit, letter, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons and which is not contrary to the express terms of this Resolution, the other Bond Documents or the Loan Documents. Any action taken by the Trustee pursuant to this Resolution upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond as shown on the Bond Register will be conclusive and binding upon all future owners or holders of the same Bonds and upon Bonds issued in exchange therefor or in place of such Bonds.

(d) **Right Not Duty Until Undertaken.** The permissive right of the Trustee to do things enumerated in this Resolution or in the other Bond Documents to which the Trustee is a party shall not be construed as duties until specifically undertaken by the Trustee.

(e) **No Personal Liability.** The Trustee shall not be personally liable for any debts contracted or for damages to persons or to personal property injured or damaged, or for salaries or nonfulfillment of contracts, relating to the Mortgaged Property.

(f) **No Bond or Surety Required.** The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers or otherwise in respect of the premises.

(g) **Security or Indemnity Bond.** Before taking any action requested by Bondholders under Article X (except for acceleration of the Bonds), the Trustee may require reasonably satisfactory security or an indemnity bond reasonably satisfactory to it from such Bondholders for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its own negligence or willful misconduct by reason of any such action so taken.

(h) **Not Bound to Inquire.** The Trustee is not required to take notice or deemed to have notice of any default or Event of Default under this Resolution, except Events of Default under Section 10.1(a) (1) or (2), unless the Trustee has actual knowledge thereof or has received notice in writing of such default or Event of Default from MassHousing or the holders of at least 25 percent in aggregate principal amount of the Outstanding Bonds, and in the absence of any such notice, the Trustee may conclusively assume that no such default or Event of Default exists. The Trustee may nevertheless require MassHousing to furnish information regarding performance of their respective obligations under the Loan Documents and this Resolution, but is not obligated to do so.

(i) **Standard of Care.** Prior to an Event of Default under this Resolution, the Trustee shall only be responsible for the performance of the duties expressly set forth in this Resolution and in the other Bond Documents to which it is a party and no implied duties or covenants on the part of the Trustee shall be read into this Resolution or such Bond Documents and the Trustee shall not be answerable for other than its negligence or willful misconduct in the performance of those express duties. The Trustee, during the existence and continuation of any Event of Default under this Resolution, shall exercise such of the rights vested in it by this Resolution and the Loan Documents, and use the same degree of care and skill in their exercise, as a prudent corporate trustee would exercise or use under the circumstances in the conduct of its own affairs. The foregoing will not limit the Trustee's obligations under Article VIII or Section 10.2(a).

(j) **Notice to Rating Agency.** At any time that the Bonds are rated by a Rating Agency, the Trustee shall give notice by mail or Electronic Means to that Rating Agency at its address (as specified in Section 13.4) promptly upon the occurrence of any of: (i) the appointment of any successor trustee or separate trustee or co-trustee, (ii) any amendment of or supplement to this Resolution or any Loan Document, (iii) an Event of Default under this Resolution, (iv) a redemption, acceleration or defeasance of the Bonds in whole or in part (other than any mandatory redemption in respect of Loan Repayments), (v) a draw on the Debt Service Reserve Fund pursuant to Section 5.9(c); (vii) the filing with the MSRB of an annual financial statement for the Rental Developments pursuant to Section 7.2(d), and (viii) any other event of which notice reasonably is requested by the Rating Agency.

Notwithstanding the foregoing, it is expressly understood and agreed that failure to provide any such notice to any Rating Agency or any defect in any such notice will not affect the validity of any action with respect to which notice is to be given or the effectiveness of any such action.

(k) **Authority to Execute.** The Trustee is authorized and directed by MassHousing to execute or accept and acknowledge and to perform its obligations under, as applicable, in its capacity as Trustee, the Loan Documents and any financing statements.

(l) **No Disclosure Responsibility.** The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds, except for any information provided by the Trustee.

(m) **No Financial Obligation.** No provision of this Resolution or any other Bond Document or any Loan Document shall require the Trustee to perform any act which would involve expense or liability or to institute or defend any suit in respect hereof, or risk or advance its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of its rights under this Resolution.

(n) **No Liability for Directions.** The Trustee shall not be liable for any action taken or not taken by it in accordance with the direction of the Bondholders pursuant to this Resolution except for the Trustee's own negligent action, its own negligent failure to act, or its own willful misconduct.

(o) **No Liability for MassHousing.** The Trustee shall not be responsible for the actions or omissions of MassHousing and shall have no duty or responsibility to monitor the performance of MassHousing.

(p) **Books, Records and Accounts.** The Trustee, on behalf of MassHousing, shall keep and maintain, or cause to be kept and maintained, proper books, records and accounts in which complete and accurate entries shall be made of all of its transactions relating to the Bonds, this Resolution, the Loan Documents, the Loan, the Funds and Accounts, Permitted Investments and Investment Income, all of which, at all reasonable times, and upon reasonable prior notice, will be subject to the inspection and audit by MassHousing and Bondholders owning not less than 25 percent in aggregate principal amount of Bonds then Outstanding or any of their accountants or agents duly authorized in writing, each of whom will have the right, at its expense, to make copies of any such books of record and accounts.

(q) **List of Bondholders.** The Trustee shall keep the Bond Register available for inspection by any Bondholder or its attorney duly authorized in writing during normal business hours upon reasonable prior notice.

SECTION 11.2 Qualification. The Trustee and any successor Trustee shall at all times be a bank or trust company doing business in the Commonwealth organized under the laws of the United States of America or any state, authorized under such laws to exercise corporate trust powers, having a combined capital stock, surplus and undivided profits of at least \$50,000,000 (or an affiliate of a corporation or banking association meeting that requirement which guarantees the obligations and liabilities of the Trustee) and subject to supervision or examination by federal or state banking authority.

SECTION 11.3 Fees; Expenses. The Trustee is entitled to payment and reimbursement for reasonable fees for its ordinary services rendered under this Resolution and its ordinary costs and expenses reasonably incurred in connection with its services under this Resolution. In the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to Extraordinary Items; provided however, that if such Extraordinary Items are incurred as a result of the negligence or willful misconduct of the Trustee, it will not be entitled to compensation or reimbursement for such services or expenses. The Trustee recognizes that all fees, charges and other compensation to which it may be entitled under this Resolution are required to be paid from Revenues, and, accordingly, the Trustee agrees that except for moneys that MassHousing may derive from Revenues for purposes of the foregoing, MassHousing shall not be liable for any such fees, charges and other compensation.

SECTION 11.4 Merger; Consolidation. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust

business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger or consolidation, provided such corporation or association otherwise qualifies under Section 11.2, shall be and become the successor Trustee under this Resolution with all the estates, properties, rights, powers and duties of the predecessor Trustee without the execution or filing of any instrument or any further act, deed or conveyance (other than the provision of notice to MassHousing).

SECTION 11.5 Resignation or Removal of Trustee. The Trustee may resign only upon giving 60 days prior written notice to MassHousing and to each Registered Owner of Bonds then Outstanding as shown on the Bond Register. The Trustee may be removed at any time upon 30 days prior written notice to the Trustee, (i) by MassHousing or (ii) by the owners of not less than 51 percent in aggregate principal amount of Bonds then Outstanding, which written instrument shall designate a successor Trustee. Such resignation or removal shall not be effective until a successor Trustee satisfying the requirements of Section 11.2 is appointed and has accepted its appointment.

SECTION 11.6 Appointment of Successor Trustee. Upon the resignation or removal of the Trustee, a successor Trustee, satisfying the requirements of Section 11.2, shall be appointed by MassHousing (unless appointed by the Bondholders as provided in Section 11.5). If, in the case of resignation or removal of the Trustee, no successor is appointed within 30 days after the notice of resignation or within 30 days after removal, as the case may be, then, in the case of a resignation, the resigning Trustee shall appoint a successor with the prior written consent of MassHousing or apply to a court of competent jurisdiction for the appointment of a successor Trustee. The successor Trustee must accept in writing its duties and responsibilities under this Resolution. The successor Trustee shall give notice of such succession by first-class mail, postage prepaid, to each Bondholder, and MassHousing.

SECTION 11.7 Transfer of Rights and Mortgaged Property to Successor Trustee. The successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of the predecessor Trustee, but the former Trustee shall nevertheless, on the written request of MassHousing, or the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may be reasonably required for more fully and certainly vesting and confirming in the successor Trustee all the right, title and interest of the predecessor Trustee in and to any properties held by it under this Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions set forth in this Resolution. Should any deed, conveyance or instrument in writing from MassHousing be required by the successor Trustee for more fully and certainly vesting in and confirming to the successor Trustee any such moneys, estates, properties, rights, powers and duties, any and all such deeds, conveyances and instruments in writing, shall, on request, and as may be authorized by law, be executed, acknowledged and delivered by MassHousing.

SECTION 11.8 Power To Appoint Co-Trustees and Separate Trustees.

(a) **Appointment of Co-Trustees.** At any time or times, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Mortgaged Property is located, MassHousing shall have the power, to appoint one or more persons approved by the Trustee either to act as co-trustee jointly with the Trustee or as separate trustee of all or any part of the Mortgaged Property, and to vest in such person, in such capacity, such title to the Mortgaged Property or any part of it, and/or such rights, powers, duties, trusts or obligations as MassHousing and the Trustee may consider necessary or desirable. If MassHousing is in default under this Resolution, the Trustee alone will have the power to make such appointment. MassHousing shall execute, acknowledge and deliver all such instruments as may be required by any such co-trustee or separate trustee for more fully confirming such title, rights, powers, trusts, duties and obligations to such co-trustee or separate trustee.

(b) **Effect of Death, Incapacity, Resignation or Removal of Co-Trustee or Separate Trustee.** In case any co-trustee or separate trustee dies, becomes incapable of acting, resigns or is removed, the pledge and assignment of the Trust Estate and all rights, powers, trusts, duties and obligations of the co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee unless and until a successor co-trustee or separate trustee is appointed in the same manner as provided in subsection (a).

(c) **Approval of MassHousing.** No co-trustee or separate trustee may assume its duties under this Resolution without the prior written approval of MassHousing, unless MassHousing is in default under this Resolution or has failed to respond timely as otherwise provided in this Article XI.

ARTICLE XII SUPPLEMENTAL RESOLUTIONS; AMENDMENTS

SECTION 12.1 Supplemental Resolutions Not Requiring Bondholder Consent. MassHousing, without the consent of or notice to any Bondholder, may amend this resolution or resolutions supplemental to this Resolution for one or more of the following purposes:

- (a) to cure any ambiguity or to correct or supplement any provision contained in this Resolution or in any supplemental resolution which may be defective or inconsistent with any other provision contained in this Resolution or in any supplemental resolution;
- (b) to amend, modify or supplement this Resolution in any respect if, in the judgment of the Trustee, such amendment, modification or supplement is not materially adverse to the interests of the Bondholders;
- (c) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee, or to grant or pledge to the Trustee for the benefit of the Bondholders any additional security other than that granted or pledged under this Resolution;
- (d) to modify, amend or supplement this Resolution in such manner as to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar federal statute then in effect, or to permit the qualification of the Bonds for sale under the securities laws of any of the States of the United States;
- (e) to appoint a successor trustee, separate trustee or co-trustee, or a separate Bond Registrar or Paying Agent; or
- (f) to make any changes in this Resolution or in the terms of the Bonds necessary or desirable in order to maintain the rating of rating awarded to the Bonds by the Rating Agency or otherwise to comply with requirements of any Rating Agency then rating the Bonds.

If the Trustee has received written confirmation from the Rating Agency to the effect that such supplemental resolution will not result in the suspension, withdrawal or reduction of the then current rating on the Bonds and all conditions precedent in this Section 12.1 and in Sections 12.5 and 12.6 have been satisfied, the Trustee shall accept any such supplemental resolution.

SECTION 12.2 Supplemental Resolutions Requiring Bondholder Consent. MassHousing may, with the consent of Bondholders owning not less than 51 percent in aggregate principal amount of Bonds then Outstanding, from time to time, adopt resolutions supplemental to this Resolution for the purpose of modifying or amending any of the provisions of this Resolution provided, however, that nothing in this Section 12.2 permits, or shall be construed as permitting:

- (a) an extension of the maturity of the principal of or interest on, or the mandatory redemption date of, any Bond, without the consent of the owner of such Bond;
- (b) a reduction in the principal amount of, or the rate of interest on, any Bond, without the consent of the owner of such Bond;
- (c) a preference or priority of any Bond or Bonds over any other Bond or Bonds, without the consent of the owners of all such Bonds;

- (d) the creation of a lien prior to or on parity with the lien of this Resolution, without the consent of the owners of all of the Bonds then Outstanding;
- (e) a change in the percentage of Bondholders necessary to waive an Event of Default under this Resolution or otherwise approve matters requiring Bondholder approval under this Resolution, including consent to any supplemental resolution, without the consent of the owners of all the Bonds then Outstanding;
- (f) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution, without the consent of the holders of all of the Bonds then Outstanding;
- (g) the creation of any lien other than a lien ratably securing all of the Bonds at any time Outstanding under this Resolution, without the consent of the holders of all of the Bonds then Outstanding; or
- (h) the amendment of this Section 12.2, without the consent of the holders of all of the Bonds then Outstanding.

Notice of any amendment pursuant to this Section shall be given to the Bondholders promptly following the adoption thereof.

SECTION 12.3 Notice to and Consent of Bondholders. If consent of the Bondholders is required for any supplement, amendment or modification to this Resolution or for any other similar purpose, the Trustee shall give notice of the proposed supplement, amendment or modification by first class mail, postage prepaid, to the Bondholders. Such notice will be conclusively presumed to have been duly given and received when given in such manner, whether or not any holder actually receives the notice. Such notice shall briefly set forth the nature of the proposed supplement, amendment or modification, and shall state that copies of any such supplement, amendment or modification are on file at the Designated Office of the Trustee for inspection by the Bondholders. The consent of the holder of any Bond will be binding on any transferee and successor transferees of such Bond.

SECTION 12.4 [Reserved].

SECTION 12.5 Opinions of Counsel. Subject to the provisions of Section 11.1, the Trustee may obtain and will be fully protected in relying upon an Opinion of Counsel as conclusive evidence that any supplement or amendment to this Resolution is authorized and permitted by this Resolution and, if applicable, is not materially adverse to the interests of the Bondholders.

SECTION 12.6 Notation of Modification on Bonds; Preparation of New Bonds. Bonds authenticated and delivered after the execution of any supplemental resolution pursuant to the provisions of this Article may bear a notation, in form approved by the Trustee and MassHousing as to any matter provided for in such supplemental resolution, and if such supplemental resolution so provides, new Bonds, so modified as to conform, in the opinion of the Trustee and MassHousing, to any modification of this Resolution contained in any such supplemental resolution, may be prepared by MassHousing, authenticated by the Trustee and delivered without cost to the Bondholders, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

**ARTICLE XIII
MISCELLANEOUS**

SECTION 13.1 Consents, Etc., of Bondholders. Any consent, request, direction, or other instrument required to be signed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed by any Bondholder in person or by an authorized agent appointed in writing. The fact and date of the execution by any person of any such request, consent, direction, approval, objection or other instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before such officer its execution, or by an affidavit of any witness to such execution. Such proof of execution or of the writing appointing any agent will be sufficient for any of the purposes of this Resolution and will be conclusive in favor of the Trustee with regard to any action taken by it under such consent, request, direction. In the event that the Trustee receives conflicting directions

from two groups of Bondholders, each with combined holdings of not less than 25 percent in aggregate principal amount of all Bonds then Outstanding, the directions given by the group of Bondholders which hold the largest percentage of Bonds Outstanding will be controlling and the Trustee shall follow such directions as elsewhere required in this Resolution.

SECTION 13.2 Limitation of Rights. With the exception of rights expressly conferred in this Resolution, nothing expressed in or to be implied from this Resolution or the Bonds is intended or shall be construed to give to any Person other than MassHousing, the Trustee, and the Bondholders, any legal or equitable right, remedy or claim under or in respect of this Resolution. This Resolution and all of the covenants, conditions and provisions in this Resolution are intended to be for the sole and exclusive benefit of the parties to this Resolution, and the Bondholders, as provided in this Resolution.

SECTION 13.3 Severability. If any provision of this Resolution is held to be in conflict with any applicable constitution or statute or rule of law, or is otherwise held to be unenforceable for any reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other part or circumstance, or of rendering any other provision or provisions contained in this Resolution invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses or Sections of this Resolution will not affect the remaining portions of this Resolution.

SECTION 13.4 Notices. Unless otherwise specified in this Resolution, it shall be sufficient service or giving of any notice, request, certificate, demand or other communication if the same is sent by (and all notices required to be given by mail will be given by) first-class registered or certified mail, postage prepaid, return receipt requested, or by private courier service which provides evidence of delivery, or sent by Electronic Means which produces evidence of transmission, confirmed by first-class mail, postage prepaid, and in each case will be deemed to have been given on the date evidenced by the postal or courier receipt or other written evidence of delivery or electronic transmission. Unless a different address is given by any party as provided in this Section 13.4, all such communications will be addressed as follows:

To MassHousing: Massachusetts Housing Finance Agency
 One Beacon Street
 Boston, Massachusetts 02108
 Attention: Michael T. Fitzmaurice, Acting Financial Director
 Telephone: (617) 854-1129
 Facsimile: (617) 854-1027
 E-mail: mfitzmaurice@masshousing.com

To the Trustee: Wells Fargo Bank, N.A.
 Corporate Trust Services
 1 Independent Drive, Suite 620
 Jacksonville, FL 32202
 Attention: Thomas (Tom) C. Alderson III
 Telephone: (904) 351-7256
 Facsimile: (904) 351-7266
 E-mail: thomas.c.alderson@wellsfargo.com

To the Rating Agencies: Standard & Poor's
 55 Water Street, 38th Floor
 New York, NY 10041
 Attention: Public Finance Surveillance Group
 Telephone: (212) 438-2054
 Facsimile: (212) 438-2157

Moody's Investor Services
99 Church Street
New York, New York 10007
Attention: Fully Supported Group
Telephone: (212) 553-4441
Facsimile: (212) 553-4090

By notice given under this Resolution, any entity whose address is listed in this Section may designate any different addresses to which subsequent notices, certificates, requests, demands or other communications shall be sent, but no notice directed to any one such entity will be required to be sent to more than two addresses. All approvals required under this Resolution will be given in writing.

SECTION 13.5 Action Required to be taken on a Non-Business Day. If the date for making any payment or any date on which action is required to be taken is not a Business Day, then any action required to be taken or any payment required to be made may be taken or made on the following Business Day with the same force and effect as if made or taken on the date otherwise provided for in this Resolution and, in the case of any payment date, no interest will accrue for the period from and after such date.

SECTION 13.6 Binding Effect. From and after the Closing Date, this Resolution shall be binding upon MassHousing and the Trustee and their respective successors and assigns, subject, however, to the limitations contained in this Resolution.

SECTION 13.7 Governing Law. This Resolution shall be governed by and interpreted in accordance with internal laws of the Commonwealth without regard to conflicts of laws principles.

SECTION 13.8 No Personal Liability; No Recourse. No member, officer, agent, employee or attorney of MassHousing, including any person executing the Bonds, will be liable personally on the Bonds or for any reason relating to the issuance of the Bonds. No recourse will be had for the payment of the principal of or the interest on the Bonds, or for any claim based on such Bonds, or otherwise in respect of such Bonds, or based on or in respect of this Resolution or any resolution supplemental to this Resolution, against any member, officer, employee or agent, as such, of MassHousing or any successor, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance of this Resolution and as part of the consideration for the issue of the Bonds, expressly waived and released.

SECTION 13.9 Effective Date. This Resolution shall take effect immediately upon its adoption.

EXHIBIT A

MASSACHUSETTS HOUSING FINANCE AGENCY
RENTAL DEVELOPMENT PASS-THROUGH REVENUE BONDS
(FHA RISK SHARING), 2014 SERIES A (FEDERALLY TAXABLE)

No. AR-1 \$ _____

Interest Rate: ____% CUSIP: _____

Maturity Date: _____

Bond Date: April __, 2014

Registered Owner: Cede & Co.

Principal Sum: _____

KNOW ALL MEN BY THESE PRESENTS that the Massachusetts Housing Finance Agency (hereinafter sometimes called “MassHousing”), a body politic and corporate and public instrumentality of The Commonwealth of Massachusetts, acknowledges itself indebted to, and for value received, hereby promises to pay from the funds hereinafter mentioned to the Registered Owner stated hereon, or registered assigns, the Principal Sum stated hereon on the Maturity Date hereof, unless redeemed prior thereto as hereinafter provided, upon the presentation and surrender hereof at the corporate trust office of Wells Fargo Bank, N.A., as Trustee under the Rental Development Pass-Through Revenue Bonds (FHA Risk Sharing), 2014 Series A Series Resolution of MassHousing or its successor as Trustee (herein called the “Trustee”), and to pay to the Registered Owner hereof by check or draft mailed to the Registered Owner at its address as it shall appear on the 1st day of the month of the interest payment date on the bond registry kept by the Trustee interest on such Principal Sum from the Bond Date to the date of maturity or earlier redemption of this Bond at the Interest Rate per annum, payable on the fifteenth day of each month (or if any such day is not a Business Day, on the next succeeding Business Day), commencing in April 2014 (each, an “Interest Payment Date”). Principal of, redemption premium, if any, and interest on this Bond are payable 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 duly authorized bonds of MassHousing designated as “Rental Development Pass-Through Revenue Bonds (FHA Risk Sharing), 2014 Series A (Federally Taxable),” (herein called the “2014 Series A Bonds”), limited in the aggregate principal amount of \$_____ issued pursuant to the Chapter 708 of the Acts of 1966 of the Commonwealth of Massachusetts (the “Commonwealth”), as amended (herein called the “Act”), and under and pursuant to the “General Rental Development Bond Resolution” (herein called the “Resolution”), adopted on April 13, 2004 and under a series resolution of MassHousing adopted on February 11, 2014 entitled “Rental Development Pass-Through Revenue Bonds (FHA Risk Sharing), 2014 Series A Series Resolution” (said Resolution and series resolution being herein called the “Resolutions”).

This Bond is a special obligation of MassHousing and is payable solely from and secured solely by a pledge of certain Revenues and Funds established under the Resolution. MassHousing has no taxing power. Neither the Commonwealth nor except as provided herein, any political subdivision thereof is or shall be obligated to pay

the principal or redemption price of and interest on the 2014 Series A Bonds and neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof is pledged to such payment.

This Bond is transferable, as provided in the Resolution, only upon the books of MassHousing kept for that purpose at the corporate trust office of the Trustee by the registered owner hereof in person, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new registered 2014 Series A Bond or Bonds, without coupons, and in the same aggregate principal amount and of the same maturity, shall be issued to the transferee in exchange therefor in the manner, subject to the conditions and upon the payment of the charges, if any, provided in the Resolutions.

The 2014 Series A Bonds are issuable only as fully registered bonds in denominations of \$1.00 or any multiple thereof.

Registered 2014 Series A Bonds, upon surrender thereof at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or its attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of registered 2014 Series A Bonds without coupons of any Authorized Denominations, of the same stated maturity, in the manner, subject to the conditions, and upon the payment of the charges, if any, provided in the Resolutions.

Except as provided in the following sentence, the 2014 Series A Bonds are subject to mandatory redemption in whole or in part, on each Interest Payment Date, beginning on May 15, 2014, at a Redemption Price equal to 100% of the principal amount of the 2014 Series A Bonds to be redeemed, without premium, in an amount equal to all principal of Prepayments and Loan Prepayments related to the Series A Loans received by or on behalf of MassHousing on or before the 10th day of any calendar month (or, in the case of the first Interest Payment Date, on and after the Closing Date), as such amount is transferred from the Revenue Fund to the Redemption Fund pursuant to the Resolutions. Amounts representing principal of Loan Repayments related to any Loan received on or before the 10th day of any calendar month shall be used to redeem Bonds on the following Interest Payment Date pursuant to the Resolutions.

The 2014 Series A Bonds are subject to special optional redemption in whole on any Interest Payment Date on and after the date on which the Outstanding principal amount of the 2014 Series A Bonds is less than 10% of the original principal amount thereof, at a Redemption Price equal to 100% of the principal amount thereof, without premium.

Notice of special optional redemption of the 2014 Series A Bonds will be given by mailing a copy of such notice not more than 60 and not less than 20 days prior to the redemption date to the registered owner of any 2014 Series A Bonds or portions of 2014 Series A Bonds to be redeemed, provided, however, that failure to mail such notice of redemption to any registered owner of any 2014 Series A Bond or any defect in such notice will not affect the validity of the redemption of any other 2014 Series A Bonds for which the required notice was given. If notice of redemption shall have been given as aforesaid, and if on the redemption date moneys for the redemption of all 2014 Series A Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payments, then from and after the redemption date interest on such 2014 Series A Bonds issued under the Resolutions or portions thereof shall cease to accrue and become payable.

Notwithstanding anything to contrary herein, no notice of mandatory redemption pursuant to the Resolutions shall be required.

This Bond shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Bond shall have been registered upon the books of MassHousing kept for that purpose, which registration shall be evidenced by the execution by the manual signature of a duly authorized signatory of the Trustee of the certificate of registration hereon.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of The Commonwealth of Massachusetts and the Resolutions to exist, to have happened and to have been performed precedent to and 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 issue of the 2014 Series A Bonds, together with all other indebtedness of MassHousing, is within every debt and other limit prescribed by law.

WITNESS WHEREOF, the Massachusetts Housing Finance Agency has caused this Bond to be executed in its name by the manual or facsimile signature of its Executive Director and its corporate seal (or facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of an Authorized Officer.

MASSACHUSETTS HOUSING FINANCE AGENCY

By: _____
Executive Director



Attest: _____
Authorized Officer

Trustee's Certificate as to Registration

This Bond is one of the 2014 Series A Bonds delivered pursuant to the within mentioned Resolutions.

Registration Date: Wells Fargo Bank, N.A., as Trustee

April , 2014

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(PLEASE PRINT OR TYPEWRITE NAME, ADDRESS AND SOCIAL SECURITY NUMBER OF TRANSFEREE)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney

to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: The signature of this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Participant in a Recognized
Signature Guaranty Medallion Program

By: _____
Authorized Signature

EXHIBIT B

Table of Refunded Bonds

EXHIBIT C

Loans Allocable to the Bonds

27572401v.2

Certain Information Regarding the 2014 Series A Loans

Certain Information Regarding the Series A Loans¹

Loan Name (City)	Number of Units	Original Balance	Scheduled Balance	Reserve Balance	Origination Date	Maturity Date	Remaining Term (months)	Amortization Term (months)	Original Term (months)
Conant Village (Danvers)	60	\$7,800,000	\$7,260,871	\$37,740	06/30/05	07/01/45	375	480	481
Nazing Court (Boston)	151	8,250,000	7,693,548	225,983	06/21/02	07/01/44	363	479	504
Providence House (Boston)	102	9,390,000	8,747,222	218,281	06/19/03	01/01/45	369	480	499
South Cove Apartments ² (Boston)	231	15,750,000	14,444,654	2,098,218	08/04/03	09/01/43	353	480	481
The Preserve (Walpole)	300	31,500,000	29,678,313	244,209	12/13/05	01/01/46	381	480	481
		\$67,824,608							

- 1) As of Cut-off Date of April 1, 2014, provided that the Reserve Balance is as of February 28, 2014.
- 2) South Cove Apartments was financed with a mortgage loan issued in two tranches under MassHousing's Housing Bond Resolution, a Tranche A and a Tranche B. Only the Tranche A of such loan, the terms of which are set forth herein, constitutes a Series A Loan securing the Series A Bonds. The other tranche remains pledged as security under the Housing Bond Resolution. Both tranches are secured by the Rental Development on a parity basis and any and all payments that are received by MassHousing with respect to such Rental Development are allocated pro rata among the outstanding tranches.
- 3) The weighted average placed in service date based on the Form 8609 for the respective Rental Developments.
- 4) Debt Service Coverage Ratio is calculated based on the ratio of 2012 annual net operating income of the Rental Development, adjusted for depreciation and amortization, interest, mortgage insurance premium, and replacement reserves, to the 2012 annual principal and interest due, annual servicing fee (based on the Original Balance), and mortgage insurance premium (based on the Current Balance) on the applicable loan. MassHousing has not undertaken any action to independently verify the accuracy of such information. The Debt Service Coverage Ratio for South Cove Apartments was calculated taking into account both tranches of the mortgage loan.
- 5) The Series A Loans are not subject to prepayment for fifteen (15) years following origination without the prior consent of MassHousing. Loans are payable in whole or in part for a 1% prepayment penalty fee in the month following the period 15 years after the Origination Date.
- 6) The Placed in Service Date plus fifteen (15) years. The general partner maybe required to obtain the consent of the limited partner prior to prepaying and/or refinancing the Series A Loan prior to the Section 42 Compliance Date.
- 7) The general partner of a Section 8 subsidized transaction may lose the Section 8 subsidy if the loan is prepaid prior to the expiration of the HAP contract.
- 8) The termination of the Qualified Project Period as determined under MassHousing's Residential Compliance Agreement for the respective Rental Development using the later of the Placed in Service Date and the issue date of the related bonds as the starting point. Reference is made to the applicable Residential Compliance Agreement for a detailed definition of Qualified Project Period. There may be other extended use agreements with other lenders or fund providers that may be of longer or shorter duration.
- 9) Servicing Fee is an annual amount of 0.50% of the Original Balance.
- 10) Servicing Fee starts after the expiration of the Section 8 Housing Assistance Payment Contract.

Interest Rate	Placed in Service Date³	Debt Service Coverage Ratio⁴	Principal and Interest Payment	1st Prepayment Date without MassHousing Consent⁵	Section 42 Compliance Date⁶	Section 8 Expiration Date⁷	MassHousing Extended Use Agreement Date⁸	Mortgage Insurance Premium	Servicing Fee Rate⁹
6.00%	09/03/04	1.11x	\$ 42,917	06/30/20	09/03/19	N/A	12/01/52	0.375%	0.50%
6.72%	01/31/03	1.42x	49,619	06/21/17	01/31/18	N/A	01/31/18	0.375%	0.50%
6.35%	12/05/03	1.50x	53,988	06/19/18	12/05/18	N/A	12/01/52	0.375%	0.50%
6.32%	09/06/03	1.40x	90,197	08/04/18	09/06/18	01/11/23	09/01/43	0.375%	0.50% ¹⁰
6.45%	04/17/05	1.10x	183,298	12/13/20	04/17/20	N/A	04/17/20	0.375%	0.50%

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PROPOSED FORM OF LEGAL OPINION OF BOND COUNSEL

Upon delivery of the Series A Bonds, Bond Counsel expects to render its opinion in substantially the following form:

MINTZ LEVIN

One Financial Center
Boston, MA 02111
617-542-6000
617-542-2241 fax
www.mintz.com

Massachusetts Housing Finance Agency
One Beacon Street
Boston, Massachusetts 02108

We have acted as bond counsel to the Massachusetts Housing Finance Agency (herein called “MassHousing”), a body politic and corporate and a public instrumentality of The Commonwealth of Massachusetts, and examined certified copies of the proceedings and other proofs submitted to us relative to the issuance and sale of \$67,824,608 Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing), 2014 Series A (Federally Taxable) (the “Series A Bonds”). All capitalized terms used herein which are not otherwise defined have the meaning given those terms as set forth in the Resolution (as hereinafter defined). In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

Reference is made to the opinion of counsel to MassHousing with respect to the compliance of the Mortgages with the provisions of the Act and the Resolution.

In rendering the opinion set forth herein, as to questions of fact material to our opinion, we have relied upon the opinion described above and upon the accuracy of the representations of MassHousing and the Mortgagors as set forth in such papers and documents as we have deemed necessary in connection with this opinion, including without limitation, the Mortgages delivered in connection with the issuance of the Series A Bonds, without undertaking to verify the same by independent investigation.

Based upon our examination, we are of the opinion that, under existing law:

(a) Such proceedings and proofs show lawful authority for the issuance and sale of the Series A Bonds pursuant to the Constitution and statutes of The Commonwealth of Massachusetts, including particularly Chapter 708 of the Acts of 1966 of The Commonwealth of Massachusetts as amended and supplemented (the “Act”), and other applicable provisions of law, and pursuant and subject to the provisions, terms and conditions of a resolution, adopted April 13, 2004, entitled “General Rental Development Bond Resolution,” as supplemented by a resolution of MassHousing entitled “Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing), 2014 Series A (Federally Taxable) Series Resolution” adopted on February 11, 2014 (such resolution as so supplemented being herein called the “Resolution”).

(b) MassHousing has the right and power under the Act to adopt the Resolution, and the Resolution has been duly and lawfully adopted by MassHousing, is in full force and effect and is valid and binding upon MassHousing and enforceable in accordance with its terms, and no other authorization for the Resolution is required; provided that no opinion is expressed as to the enforceability of the Resolution in accordance with its terms to the extent that the enforcement of any provision thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization, or other laws or judicial decisions or equitable principles affecting creditors’ rights or contractual obligations generally and judicial discretion and no opinion is being rendered as to the availability of any particular remedy thereunder. The Resolution validly pledges the Revenues (as defined in the Resolution), monies, securities and

funds held or set aside under the Resolution, subject to the application thereof to the purposes and on the conditions permitted by the Resolution.

(c) The Series A Bonds are valid and binding special obligations of MassHousing as provided in the Resolution, entitled to the benefits of the Resolution and of the Act, and the Series A Bonds have been duly and validly authorized and issued in accordance with law, including the Act and the Resolution. In addition, the Series A Bonds are secured by a pledge of certain Revenues and other funds held under the Resolution as described above.

(d) (i) Under existing law, interest on the Series A Bonds will be included in the gross income of the holders of the Series A Bonds for federal income tax purposes.

The federal tax advice contained herein is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer, such federal tax advice is written to support the promotion or marketing of the Series A Bonds, and each purchaser of a Series A Bond should seek advice based on such purchaser's particular circumstances from an independent tax advisor.

(e) Under existing law, interest on the Series A Bonds is exempt from Massachusetts personal income taxes, and the Series A Bonds are exempt from Massachusetts personal property taxes.

(f) Except as set forth in paragraph (d), we express no opinion as to federal tax consequences of holding the Series A Bonds, and except as set forth in paragraph (e), we express no opinion as to Massachusetts tax consequences arising with respect to the Series A Bonds. We express no opinion as to the taxability of the Series A Bonds, their transfer and the income therefrom, including any profit made on the sale thereof, under the laws of states other than Massachusetts.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereinafter occur.

Very truly yours,

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

Risk-Share Program

General.

Section 542(c) of the Housing and Community Development Act of 1992, as amended, and the regulations promulgated thereunder (the “Risk-Sharing Act”), authorizes the Secretary of the U.S. Department of Housing and Urban Development, acting through the Federal Housing Administration, (“HUD”) to carry out a risk-sharing program with qualified state or local housing finance agencies (“HFAs”) including MassHousing. Under the program, MassHousing is authorized to underwrite mortgage loans on qualifying rental housing projects and HUD is authorized to provide full mortgage insurance (“Federal Insurance”) for such mortgage loans provided that MassHousing agrees to share in the risk of loss due to default on the loans. HUD has promulgated regulations at 24 C.F.R. Part 266 (the “Regulations”) pursuant to the Risk-Sharing Act. MassHousing has been designated by HUD as a “qualified HFA” under the Risk-Sharing Act and has entered into a risk-sharing agreement (the “Risk-Sharing Agreement”) with HUD. Pursuant to Section 8.1 of the Series Resolution, MassHousing has covenanted to do all things necessary to enforce its rights under the Federal Insurance and to receive payment of any claims thereon.

Under the program established by the Risk-Sharing Act (the “Risk-Share Program”), a participating HFA retains underwriting, loan management and property disposition functions and responsibility for defaulted loans. Following default under a mortgage loan subject to a HUD contract of mortgage insurance under the Risk-Share Program, the participating HFA may obtain from HUD an initial claim payment of 100% of the loan’s unpaid principal balance and accrued interest, subject to certain adjustments, as further described below. After a period during which the HFA may work toward curing the default, foreclosure or resale of the related project, losses (if any) are to be calculated and apportioned between the HFA and HUD according to a specified risk-sharing percentage for the mortgage loan (determined at the time of its endorsement for insurance), and the amount of the HFA’s reimbursement obligation to HUD is determined. During the period preceding such final loss settlement, the HFA is to pay HUD interest on the amount of the initial claim payment under a debenture required to be issued to HUD at the time of initial claim payment. In the case of MassHousing, such debenture interest and MassHousing’s reimbursement and other payment obligations to HUD under the Risk-Sharing Agreement will not be payable from the Revenues, Funds and Accounts and mortgage loans pledged under the Resolution.

Mortgage Insurance.

In the case of a mortgage loan to be insured during construction, under the Regulations, HUD evidences its insurance by an initial endorsement of the applicable mortgage note at or prior to the first advance of moneys under the insured mortgage loan to the Mortgagor. Such advance ordinarily occurs prior to the commencement of construction although construction may begin using a Mortgagor’s own funds with MassHousing’s consent prior to initial endorsement. All advances for construction items will be made as authorized by MassHousing pursuant to the requirements of HUD. The Regulations also provide for insurance of a mortgage loan following completion of the project without insurance of construction advances. In either case, upon completion of the project, presentation of a closing docket and certifications required by the Regulations, HUD issues a final endorsement of the mortgage note for the costs related to the project which have been certified by an independent certified public accountant and have been approved by MassHousing. Although MassHousing has been given authority to approve cost certifications by a Mortgagor, such certifications are contestable by HUD, up to and during final endorsement of the applicable mortgage. All of the Series A Loans have received final endorsement.

The Regulations define an event of default under a HUD-insured mortgage as (i) a failure to make any payment due under the mortgage or (ii) a failure to perform any other mortgage covenant (which include covenants in the related Regulatory Agreement, which is incorporated by reference in the applicable mortgage) if MassHousing, because of such failure, has accelerated the debt and the owner has failed to pay the full amount due. MassHousing is entitled to receive the benefits of insurance after the Mortgagor has defaulted and such default continues for a period of 30 days. If the default continues to exist at the end of the 30 day grace period, MassHousing is required to give HUD written notice of the default within 10 days after such grace period and

monthly thereafter, unless waived by HUD, until such default has been cured or MassHousing has filed an application for an initial claim payment.

Unless a written extension is granted by HUD, MassHousing must file an application for initial claim payment (or, if appropriate, for partial claim payment) within 75 days from the date of default. Such claim may be made as early as the first day of the month following the month for which a payment was missed. Upon request of MassHousing, HUD may extend, up to 180 days from the date of default, the deadline for filing a claim. In those cases where MassHousing certifies that the Mortgagor is in the process of transacting a bond refunding, refinancing the mortgage, or changing the ownership for the purpose of curing the default and bringing the mortgage current, HUD may extend the deadline for filing a claim beyond 180 days, not to exceed 360 days from the date of default.

The initial claim amount is 100% of the unpaid principal balance of the mortgage note as of the date of default, plus interest at the mortgage note rate from the date of default to the date of initial claim payment (subject to curtailment as described below). HUD must make all claim payments in cash. The initial claim payment from HUD is equal to the initial claim amount, less any delinquent mortgage insurance premiums, late charges and interest assessment under the Regulations. The Regulations provide that proceeds of the initial claim payment must be used to retire any bonds or any other financing mechanisms securing the mortgage within 30 days of the initial claim payment, and that any excess funds resulting from such retirement or repayment shall be returned to HUD within 30 days of the retirement.

In determining the mortgage note interest component of the initial claim amount, if MassHousing fails to meet any of the requirements of the Regulations concerning claim procedures within the specified time (including any granted extension of time), HUD shall curtail the accrual of mortgage note interest by the number of days by which the required action was late.

In the event of a mortgage default beyond the control of the owner of the project where the related project is still financially viable, MassHousing may apply for a partial payment of insurance benefits in an amount necessary to cure the default, pursuant to the Regulations in lieu of filing a claim for full FHA insurance benefits. Only one partial payment of claim may be requested with regard to any insured mortgage. In connection therewith, a modification to such mortgage shall be prepared showing the reduction in the principal balance of the mortgage (and deferral of interest, if applicable) corresponding to the partial payment of claim.

Upon HUD's approval of a partial payment of claim proposal, HUD will pay insurance benefits to MassHousing equal to 100% of the claim amount. Pursuant to the risk-sharing agreement, MassHousing will, thereupon, reimburse HUD a certain percentage of the insurance claim paid by HUD which is MassHousing's share of the insurance claim. These partial payments of claim proceeds shall be applied to a mandatory redemption of the Series A Bonds allocable to the Series A Loan. In such cases, MassHousing shall take back a second note equal to the full amount of the partial payment of claim paid, and shall remit to HUD its share of payments received on account of such second note within 15 days of MassHousing's receipt thereof.

Insurance under the Risk-Share Program with respect to any mortgage loan may be terminated upon the occurrence of certain events, including the following: (i) the corresponding mortgage is paid in full; (ii) MassHousing acquires the mortgaged property and notifies HUD that it will not file an insurance claim; (iii) a party other than MassHousing acquires the applicable project at a foreclosure sale; (iv) MassHousing notifies HUD of a voluntary termination; (v) MassHousing or its successors commit fraud or make a material misrepresentation to HUD with respect to certain information; (vi) the receipt by HUD of an application for final claims settlement by MassHousing; or (vii) MassHousing acquires the applicable project and fails to make an initial claim.

DESCRIPTION OF SECTION 8 SUBSIDY PROGRAM

The following is a summary description of the effect of the Housing Assistance Payments Program (“HAP”) provided by Section 8 of the U.S. Housing Act and regulations thereunder and is qualified in its entirety by reference thereto.

The administrator for the HAP Contract (the “Administrator”), which is MassHousing, makes monthly Housing Assistance Payments to the Owner from funds received from HUD pursuant to an Annual Contributions Contract covering the difference between Contract Rents for units in the Project and the amount required to be paid by Eligible Tenants. The Contract Rents for the Project are approved by HUD and are subject to adjustment. See “Adjustments in Contract Rents” below.

Eligible Tenants are defined generally as those households whose income does not exceed 80% (on a scale weighted to reflect family size) of the median income for an area as determined by HUD.

The HAP Contract

The Annual Contributions Contract (the “ACC”) entered into by HUD and the Administrator authorizes the Administrator, among other things, to enter into Section 8 Agreements Owners. Subject to the terms of the Section 8 Agreement, following a determination that the Project had been completed in accordance with the requirements of the Section 8 Agreement and that at least 30% of the Project's units had been leased to very low-income tenants (tenants having incomes that do not exceed 50%, on a weighted scale, of the median income for the area), MassHousing and the Owner enter into a HAP Contract for a term of 20 years. Under present law, eligibility to occupy units of the Project that become vacant is effectively limited to such very low income tenants. After expiration of the HAP Contract, the Owner will either have to find tenants able to pay market rents or low-income tenants then in the Project will have to qualify separately for housing assistance payments under Section 8 or other government programs, if any, then in effect if the Project is to remain viable.

Under the HAP Contract, the Administrator is to make monthly Housing Assistance Payments with respect to each unit in the Project occupied by an Eligible Tenant depending on the income of the tenant as computed under HUD regulations. In addition with respect to vacant units in a Project, the Administrator, for a period of 60 days, is to make Housing Assistance Payments equal to 80% of the applicable Contract Rent (less money from other sources, such as security deposits, applied thereto); provided that, in the case of units vacant on the effective date of a HAP Contract, the Owner has theretofore made specified renting efforts and that, in other cases, the Owner follows specified eviction and renting procedures.

In addition, if a unit is vacant for more than 60 days, the Owner is entitled to make semiannual claims, and to receive additional Housing Assistance Payments, in an amount up to the portion of the debt service attributable to such unit for an additional 12 months, if (i) such unit is maintained in accordance with the requirements of the HAP Contract, (ii) the Owner demonstrates that the Project revenues are less than Project costs and that the additional Housing Assistance Payments are equal to the portion of the deficiency attributable to such unit while vacant, and (iii) the Owner submits evidence that there is a reasonable prospect that the Project can achieve financial soundness within a reasonable time.

Adjustments in Contract Rents

The HAP Contract provides for certain adjustments in Contract Rents. No assurance can be given, however, that any such increases in Contract Rents will be sufficient to compensate for increased operating expenses of the Project.

Abatement of Housing Assistance Payments

If the Administrator notifies the Owner that it has failed to maintain a dwelling unit in decent, safe and sanitary condition and the Owner fails to take corrective action within the time prescribed in the notice, the Administrator may exercise any of its rights or remedies under the HAP Contract, including the abatement of Housing Assistance Payments. If the Administrator determines that a unit of the Project is smaller or larger than appropriate, Housing Assistance Payments with respect to such unit will not be abated or terminated until the tenant has been relocated to an appropriate alternative unit.

Default; Remedies upon Default

In addition to maintaining the Project so as to provide decent, safe and sanitary housing, the HAP Contract imposes requirements regarding nondiscrimination in housing, provision of opportunities for training and employment of lower income residents of the Project and awarding of contracts for Project work to businesses located in, or owned in substantial part by residents of, the Project area, equal opportunity compliance and clean air and water pollution regulations.

If the Administrator determines that an Owner violates or fails to comply with any provision of or obligation under the HAP Contract or any lease to tenants or asserts or demonstrates an intention not to perform some of or all its obligations under the HAP Contract or any lease to tenants, the Administrator is to notify the Owner and HUD of (1) the nature of the default, (2) the actions to be taken and the remedies to be applied on account of the default (including the abatement of Housing Assistance Payments), and (3) the time within which the Owner must respond with a showing that all such actions have been taken. If the Owner fails to respond or to take satisfactory action, the Administrator may terminate the HAP Contract or take other corrective action to achieve compliance in its discretion or as directed by HUD.

In the event of a foreclosure, or an assignment or sale of the Project in lieu of foreclosure, or in the event of assignment or sale of the Project agreed to by the Administrator and approved by HUD (which approval is required not to be unreasonably delayed or withheld), Housing Assistance Payments are to continue in accordance with the terms of the HAP Contract.

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (the “Agreement”), dated as of April __, 2014, by and between the Massachusetts Housing Finance Agency (“MassHousing”), a body politic and corporate constituting a public instrumentality of The Commonwealth of Massachusetts and created and established pursuant to Chapter 708 of the Acts of 1966 of The Commonwealth of Massachusetts, as amended (the “Act”), and Wells Fargo Bank, N.A., as trustee (the “Trustee”) for the Massachusetts Housing Finance Agency’s \$67,824,608 Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing), 2014 Series A (Federally Taxable) (the “Bonds”);

WITNESSETH:

WHEREAS, MassHousing intends to issue the Bonds under and pursuant to (i) the Act and (ii) MassHousing’s General Rental Development Bond Resolution, adopted on April 13, 2004, as supplemented by the Rental Development Pass-Through Revenue Bonds (FHA Risk-Sharing), 2014 Series A Series Resolution, adopted on February 11, 2014 (the “Resolution”);

WHEREAS, on November 10, 1994 the Securities and Exchange Commission (the “Commission”) adopted Release Number 34-34961 (the “Release”) which amended Rule 15c2-12, originally adopted by the Commission on June 28, 1989;

WHEREAS, Rule 15c2-12 requires that prior to acting as a broker, dealer or municipal securities dealer (the “Participating Underwriter”) for MassHousing’s Bonds, a Participating Underwriter must comply with the provisions of Rule 15c2-12;

WHEREAS, Rule 15c2-12 further provides, among other things, that a Participating Underwriter shall not purchase or sell MassHousing’s Bonds unless the Participating Underwriter has reasonably determined that MassHousing and any “obligated person” (within the meaning of Rule 15c2-12, as amended) have undertaken, either individually or in combination with others, in a written agreement for the benefit of Bondholders, to provide certain information relating to MassHousing, any “obligated person” and the Bonds, to the MSRB described hereinbelow; and

WHEREAS, MassHousing hereby agrees to provide the information described hereinbelow with respect to itself and the Obligated Persons (as defined herein) which information pertaining to the Obligated Persons will be provided to MassHousing pursuant to certain regulatory agreements now or hereafter in effect between MassHousing and the Obligated Persons (the “Regulatory Agreements”).

Section 1. Definitions.

“MassHousing Annual Financial Information” shall mean the information specified in Section 3 hereof.

“Bondholders” or “Holder” shall mean any registered owner of Bonds and any beneficial owner of Bonds who provides evidence satisfactory to the Trustee of such status.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access (“EMMA”) system, or its successor as designated by the MSRB.

“Independent Accountant” shall mean, with respect to MassHousing, any firm of certified public accountants appointed by MassHousing and, with respect to any Borrower, any such firm appointed by such Borrower in accordance with the Regulatory Agreements.

“MSRB” shall mean Municipal Securities Rulemaking Board.

“Obligated Person” shall mean any person that has received a Loan from MassHousing which is pledged as security for the bonds under the Resolution.

“Obligated Person Annual Financial Information” shall mean the information specified in Section 2(b)(i) hereof.

“Rental Development” shall mean a housing development owned and operated by an Obligated Person which has received a Loan from MassHousing which is pledged as security for the bonds under the Resolution.

“Rule 15c2-12” shall mean Rule 15c2-12 under the Securities Exchange Act of 1934, as amended through the date of this Agreement.

“Official Statement” shall mean the Official Statement of MassHousing, dated April 3, 2014, relating to the issuance of the Bonds.

“State” shall mean The Commonwealth of Massachusetts.

Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Resolution.

Section 2. Obligation to Provide Continuing Disclosure.

MassHousing hereby undertakes for the benefit of the Holders of the Bonds to provide:

(a) to EMMA, no later than 180 days after the end of each fiscal year for MassHousing, commencing June 30, 2014:

- (i) MassHousing Annual Financial Information relating to such fiscal year together with audited financial statements of MassHousing for such fiscal year if audited financial statements are then available; provided, however, that if audited financial statements of MassHousing are not then available, such audited financial statements shall be delivered to EMMA, when they become available (but in no event later than 350 days after the end of such fiscal year); or
- (ii) notice of MassHousing’s failure, if any, to provide any of the information described in Section 2(a)(i) hereinabove;

(b) to EMMA, no later than 180 days after the end of each fiscal year:

- (i) the audited financial statements of each Obligated Person for such fiscal year if audited financial statements are then available; provided, however, that if audited financial statements of the Obligated Person are not then available, such audited financial statements shall be delivered to EMMA, when they become available (but in no event later than 350 days after the end of such fiscal year); or
- (ii) notice of MassHousing’s failure, if any, to provide any of the information described in Section 2(b)(i) hereinabove;

provided, however, MassHousing’s obligation to deliver the information at the times and of the content set forth in this Section 2(b) shall be limited to the extent that the applicable Obligated Person timely provides such information to MassHousing pursuant to the Regulatory Agreements.

(c) to EMMA, in a timely manner not in excess of ten business days after occurrence of the event, notice of any of the following events with respect to the Bonds:

- (i) principal and interest payment delinquencies on the Bonds;
- (ii) any non-payment Event of Default, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties under the Resolution;
- (iv) unscheduled draws on any credit enhancements reflecting financial difficulties under the Resolution;
- (v) any substitution of a credit or liquidity provider or failure of any such provider to perform its obligations with respect to the Bonds;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to the rights of Bondholders, if material;
- (viii) giving of notice of optional, unscheduled mandatory or special redemption of the Bonds, if material, and tender offers;
- (ix) defeasance of the Bonds;
- (x) release, substitution, or sale of any Loan securing repayment of the Bonds, if material;
- (xi) rating changes on the Bonds;
- (xii) bankruptcy, insolvency, receivership or similar event of an Obligated Person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, 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; and
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subparagraph (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, 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 the Obligated Person;

Nothing in this Agreement shall prevent MassHousing from disseminating any information in addition to that required hereunder. If MassHousing disseminates any such additional information, nothing herein shall obligate MassHousing to update such information or include it in any future materials disseminated.

All documents provided to EMMA shall be accompanied by identifying information as prescribed by the MSRB.

Section 3. Annual Financial Information.

MassHousing Annual Financial Information shall include updated financial and operating information, in each case updated through the last day of MassHousing's prior fiscal year unless otherwise noted, relating to the following information contained in the Official Statement:

- (i) annual summary compilation of the information reported for each of the Series A Loans as described in the Official Statement under "Security for the Bonds and Sources of Payment – Information Available to Bondholders";
- (ii) information as to changes, if any, in the information set forth in the Official Statement under the heading "Appendix III – Certain Information Regarding the Series A Loans."

If the Annual Financial Information contains amendments to previously reported financial and operating information then an explanation, in narrative form, of the reasons for such amendments and the impact of the change in the type of operating data or financial information being provided shall also be included.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements pertaining to debt issued by MassHousing, which have been submitted to EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a Final Official Statement (within the meaning of Rule 15c2-12), it must also be available from the Municipal Securities Rulemaking Board. MassHousing shall clearly identify each such other document so incorporated by reference.

Section 4. Financial Statements.

MassHousing's and the Obligated Persons' annual financial statements for each fiscal year shall be prepared in accordance with generally accepted accounting principles in effect from time to time. Such financial statements shall be audited by an Independent Accountant.

Section 5. Remedies.

This Agreement may be enforceable against MassHousing in accordance with its terms by any Holder, either directly or as third party beneficiary. Any Holder shall have the rights, for the equal benefit and protection of all Holders, by mandamus or other suit or proceeding at law or in equity, to enforce its rights against MassHousing and any of the officers, agents and employees of MassHousing, and to compel MassHousing or any such officers, agents or employees to perform and carry out their duties under this Agreement; provided, however, that the sole remedy hereunder shall be limited to an action to compel specific enforcement of the obligations of MassHousing hereunder and shall not include any rights to monetary damages; provided, further, a default under this Agreement shall not be deemed an event of default under the Resolution; provided, further, the Trustee shall have no responsibility under this Section.

Section 6. Parties in Interest; Governing Law.

This Agreement is executed and delivered for the sole benefit of the Holders and shall be governed by the applicable laws of the United States and, to the extent such laws are not applicable to any matter with respect to this Agreement, by the laws of the State.

Section 7. Termination.

This Agreement shall terminate on the earlier of (i) such date after delivery of the Bonds as no Bonds shall remain outstanding under the Resolution, or (ii) such date that Rule 15c2-12 or the provisions thereof adopted in the Release are no longer effective.

Section 8. Amendment; Change; Modification.

This Agreement may be amended, changed or modified pursuant to a written instrument signed by MassHousing and the Trustee, without the consent of any of the Holders (a) to comply with the provisions of Rule 15c2-12, as amended from time to time, (b) to cure any ambiguity, remedy any omission, or cure or correct any defect or inconsistent provision in this Agreement or (c) if MassHousing and the Trustee make a determination that any such amendment, change or modification will not have a material adverse effect on the interests of the Holders; provided, however, that any such amendment, change or modification made under this Section must be supported by an opinion of counsel expert in federal securities laws, acceptable to both MassHousing and the Trustee, to the effect that such amendment, change or modification would not, in and of itself, cause the undertakings herein to violate Rule 15c2-12 if such amendment, change or modification had been effective on the date hereof, but taking into account any subsequent change in or official interpretation of Rule 15c2-12. The Trustee shall agree to execute any such amendment, change or modification requested by MassHousing; provided, however, that the Trustee may, but shall not be obligated to execute any amendment, change or modification that affects the Trustee's own rights, duties or immunities hereunder.

Section 9. Duties of the Trustee.

(a) The duties of the Trustee under this Agreement shall be limited to those expressly assigned to it hereunder. MassHousing agrees to indemnify and save harmless the Trustee, its officers, directors, employees and agents, against any loss, expense and liabilities that it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Trustee's gross negligence or willful misconduct. The obligations of MassHousing under this Section shall survive resignation or removal of the Trustee, payment of the Bonds or termination of this Agreement.

(b) No earlier than one day, nor later than 30 days, following the end of each fiscal year of MassHousing (ending June 30, unless MassHousing notifies the Trustee otherwise) the Trustee will notify MassHousing of its obligation to provide MassHousing Annual Financial Information and the Obligated Person Annual Financial Information in the time and manner described herein; provided, however, MassHousing's obligation to deliver the Obligated Person Annual Financial Information at the times and of the content set forth herein shall be limited to the extent that the Obligated Person timely provides such information to MassHousing pursuant to the Regulatory Agreements; provided, however, that any failure by the Trustee to timely notify MassHousing under this Section 9(b) shall not affect MassHousing's obligation hereunder, and the Trustee shall not be responsible in any way for such failure.

(c) The Trustee shall be under no obligation to report any information to EMMA, the MSRB or any Holder. If an officer of the Trustee having responsibility with respect to the Bonds obtains actual knowledge of an occurrence of an event described in Section 2(c)(i) through 2(c)(xi) hereunder, whether or not such event is material, the Trustee will timely notify MassHousing of such occurrence; provided, however, that any failure by the Trustee to timely notify MassHousing under this Section 9(c) shall not affect MassHousing's obligation hereunder, and the Trustee shall not be responsible in any way for such failure.

Section 10. Counterparts.

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

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