SUPPLEMENT DATED AUGUST 21, 2018 TO
OFFICIAL STATEMENT DATED AUGUST 1, 2018

$217,660,000
NEBRASKA INVESTMENT FINANCE AUTHORITY
Single Family Housing Revenue Bonds
2018 Series C (Non-AMT)
2018 Series D (Variable Rate – AMT)

This Supplement, dated August 21, 2018 (the "Supplement"), which supplements the Official Statement, dated August 1, 2018 (the "Official Statement"), relating to the above-described bonds (the "Offered Bonds"), corrects certain information set forth in the Official Statement with respect to the Refunded Series Mortgage-Backed Securities (as described therein) and should be read in conjunction therewith. Unless otherwise defined in this Supplement, all terms used in this Supplement shall have the meanings assigned to them in the Official Statement.

(A) The Official Statement is amended by replacing "$24,400,000" with "$26,700,000" as the approximate aggregate principal amount of Refunded Series Mortgage-Backed Securities as stated under the following sections of the Official Statement:

"INTRODUCTORY STATEMENT" in the fourth full paragraph on page 2,

"SOURCES AND APPLICATION OF OFFERED BOND PROCEEDS AND OTHER AMOUNTS" in Note 1 on page 6,

"THE OFFERED BONDS – Redemption Provisions – *"Ten-Year Rule" Redemptions.*" in the first full paragraph on page 15, and

"CASH FLOW ASSUMPTIONS" in subparagraph (ii) of paragraph (b) on page 27.

(B) The Official Statement is further amended by replacing paragraph (c) on page 16 under the caption "THE OFFERED BONDS – Redemption Provisions – *Projected Weighted Average Lives of the PAC Bonds."* in its entirety with the following:

(c) The Refunded Series Mortgage-Backed Securities to be credited to the Series 2018 C/D Mortgage Loan Fund Account on or about August 29, 2018 in connection with the issuance of the Offered Bonds will consist of approximately $26,700,000 of Mortgage-Backed Securities, will bear a weighted average pass through interest rate of approximately 3.656% and will have a weighted average maturity of approximately December 4, 2041.

(C) The Official Statement is further amended by replacing paragraph (i) on page 28 under the caption "CASH FLOW ASSUMPTIONS" in its entirety with the following:

(i) The Refunded Series Mortgage-Backed Securities to be credited to the Series 2018 C/D Mortgage Loan Fund Account are assumed to represent the following:

Type	Par	Pass Through Weighted Average Rate	Mortgage Loan Weighted Average Coupon	Weighted Average Maturity
GNMA	$22,000,000	3.637%	4.137%	May 14, 2042
Fannie Mae	4,700,000	3.743	4.343	November 10, 2039
Total/Average	26,700,000	3.656	4.173	December 4, 2041

(D) The Official Statement is further amended by replacing Appendix D-4: REFUNDED SERIES MORTGAGE BACKED SECURITIES in its entirety with the following:

APPENDIX D-4

REFUNDED SERIES MORTGAGE-BACKED SECURITIES

In connection with the issuance of the Offered Bonds and the redemption of Refunded Prior Series Bonds, NIFA expects that the Mortgage-Backed Securities with the following CUSIPs will be the Refunded Series Mortgage-Backed Securities that are allocated to the Offered Bonds and credited to the 2018 Series C/D Mortgage Loan Fund Account; provided, however, that the actual Refunded Series Mortgage-Backed Securities may not include all of the Mortgage-Backed Securities listed below and may include Mortgage-Backed Securities other than those listed below.

As of August 21, 2018, the Prepayment Speed Timeframes (% PSA Prepayment Model), on a weighted average basis for the expected Refunded Series Mortgage-Backed Securities set forth below, were 237% for the last 3 months, 214% for the last 6 months, 206% for the last 12 months and 182% over the lifetime of such Refunded Series Mortgage-Backed Securities. **Such information has been obtained from sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation of NIFA, the Master Servicer or the Underwriters.**

CUSIP	Par Outstanding as of June 30, 2018	CUSIP	Par Outstanding as of June 30, 2018
31384HJS3	$ 48,864.07	36201TAG2	$ 49,330.49
31388PGA3	56,439.74	36201TBM8	220,667.82
3138XLE57	157,534.28	3620APGT6	206,467.40
3138Y5P75	1,912,613.14	3620APGV1	172,671.27
31390HLQ6	245,472.08	3620AX3Q9	443,746.40
31390HLR4	100,166.12	3620AXW38	92,615.47
31391QSU9	45,031.29	3620C3KJ0	1,971,109.95
31407EQJ5	54,024.09	3620C3QC9	105,118.19
31407QLV6	110,162.21	3620C3X80	185,517.75
31410M6U9	52,502.65	36211AQ25	55,776.90
31410Y4W1	66,448.17	36212AK38	91,235.87
31411FTZ7	865,361.70	36212AKC8	148,995.93
31411NFT9	435,250.65	36212AKW4	115,464.18
31412YKB7	416,233.28	36212MR43	52,836.27
31414YA75	42,972.43	36212MSE0	94,791.41
31415SFR8	59,574.05	36212MSM2	181,505.10
3617AT6D0	1,797,855.28	36213JUP8	193,996.35
3617ATVH3	627,912.33	36213JV93	148,162.51
36181FUQ2	1,371,475.01	36213JXJ9	115,495.15
36182JC42	692,862.23	36218MMA8	2,515.77
36182JCS9	146,170.69	362209SA7	9,313.77
36182JCT7	440,665.50	36223QL62	33,286.73
36182JCW0	314,202.89	36230KJ51	1,003,823.39
36182JHA3	248,637.70	36290YGY8	97,123.55
36182JHD7	304,160.75	36290YHJ0	251,430.42
36182JHK1	170,314.98	36292MPL0	88,409.80
36194GR22	507,066.70	36294QP96	142,635.85
36194GRX4	1,341,846.32	36295C4Q1	138,706.30
36196JG83	1,766,159.69	36295DCQ0	204,081.90
36198RG42	1,014,782.58	36296CSB7	342,251.87
36198RGU4	1,372,882.17	36296NRG3	677,972.52
36198RJD9	891,235.48	36296VF29	257,058.79
36198RN69	252,552.20	36296VUN6	49,025.11
36200E3S8	799,316.32		
		Total	**$26,671,888.95**

(E) The table "PAC Bonds Applicable Amount" on page 14 under the caption "THE OFFERED BONDS – Redemption Provisions – *Redemption of the PAC Bonds",* the table "PAC Bonds Projected Average Life (in years)" on page 17 under the caption "THE OFFERED BONDS – Redemption Provisions – *Projected Weighted Average Lives of the PAC Bonds"* and the table set forth in Appendix D-5: PROJECTED PERCENTAGES OF INITIAL PRINCIPAL BALANCE OUTSTANDING AND PROJECTED WEIGHTED AVERAGE LIVES OF PAC BONDS remain accurate.

(F) The information corrected and restated by this Supplement also appeared in the Preliminary Official Statement dated July 20, 2018 with respect to the Offered Bonds.

NEW ISSUE **RATING: SERIES C: S&P "AA+"**
BOOK-ENTRY-ONLY **SERIES D: S&P "AA+/A-1+"**

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants: (i) interest on the Offered Bonds is excluded from gross income for federal income tax purposes; (ii) interest on the 2018 Series C Bonds is not a specific preference item in calculating the federal alternative minimum tax imposed on individuals and corporations and is not included in adjusted current earnings of corporations for purposes of the federal alternative minimum tax; and (iii) interest on the 2018 Series D Bonds is a specific preference item in calculating the federal alternative minimum tax imposed on individuals and, for tax years beginning before January 1, 2018, on corporations. Interest on the Offered Bonds is exempt from Nebraska state income taxation. For a more complete description, see the caption "TAX TREATMENT AND RELATED CONSIDERATIONS" herein.

$217,660,000
NEBRASKA INVESTMENT FINANCE AUTHORITY
Single Family Housing Revenue Bonds
2018 Series C (Non-AMT)
2018 Series D (Variable Rate – AMT)†

Dated: Date of Delivery **Due: As set forth on the inside cover hereof**

The Nebraska Investment Finance Authority (**"NIFA"**), a body politic and corporate, not an agency of the State of Nebraska (the **"State"**) but an independent instrumentality exercising essential public functions, is offering $217,660,000 in aggregate principal amount of its Single Family Housing Revenue Bonds in the following series (collectively, the **"Offered Bonds"**): 2018 Series C (Non-AMT), in the aggregate principal amount of $171,045,000 (the **"2018 Series C Bonds"** or the **"Fixed Rate Offered Bonds"**) and 2018 Series D (Variable Rate – AMT), in the aggregate principal amount of $46,615,000 (the **"2018 Series D Bonds"** or the **"Variable Rate Offered Bonds"**). The Offered Bonds are being issued pursuant to the terms of a General Indenture of Trust, dated as of July 1, 1994, as amended, as supplemented by a Supplemental Indenture of Trust, dated as of August 1, 2018 (collectively, the **"Indenture"**), each between NIFA and Wells Fargo Bank, National Association, Minneapolis, Minnesota, as trustee and paying agent (the **"Trustee"**).

The Offered Bonds are being issued in fully registered form only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (the **"Securities Depository"**). The Fixed Rate Offered Bonds are being issued in denominations of $5,000 and whole multiples thereof. The Variable Rate Offered Bonds are being issued in denominations of $100,000 and integral multiples of $5,000 in excess thereof. Payments of the principal of, the interest on, the redemption price, and with respect to the Variable Rate Offered Bonds, the purchase price, of the Offered Bonds, will be made on behalf of NIFA by the Trustee to the Securities Depository. In each case, the Securities Depository will remit such payments in accordance with its normal procedures, as described herein.

The Offered Bonds mature, subject to redemption, on the dates and in the amounts listed on the Maturity Schedule set forth on the inside front cover hereof. Interest on the Offered Bonds is payable on March 1 and September 1 of each year, commencing March 1, 2019, until maturity or earlier redemption, and on any redemption date. The Fixed Rate Offered Bonds bear interest at the rates set forth on the inside front cover hereof. For the period from and including their Date of Delivery to, but not including September 5, 2018, the Variable Rate Offered Bonds will bear interest at the rate per annum determined on the date prior to their Date of Delivery. Thereafter, except as otherwise described herein, the Variable Rate Offered Bonds will bear interest during each weekly period (a **"Weekly Mode Period"**) at a rate determined weekly by the Remarketing Agent (the **"Weekly Rate"**). **References to the Variable Rate Offered Bonds in this Official Statement pertain only to Variable Rate Offered Bonds during the Weekly Mode Period. THIS OFFICIAL STATEMENT IS NOT INTENDED TO DESCRIBE THE VARIABLE RATE OFFERED BONDS FOLLOWING ANY MODE CHANGE, CONVERSION OR FLOATING RATE CHANGE.**

THE OFFERED BONDS ARE SUBJECT TO REDEMPTION PRIOR TO THEIR RESPECTIVE STATED MATURITIES AT THE TIMES, UNDER THE CONDITIONS AND AT THE PRICES AS SET FORTH HEREIN. IT IS EXPECTED THAT SOME PORTION OF THE OFFERED BONDS WILL BE REDEEMED AT PAR PRIOR TO THEIR RESPECTIVE STATED MATURITIES. See the caption "THE OFFERED BONDS—Redemption Provisions" herein.

The Variable Rate Offered Bonds are subject to optional tender and mandatory tender for purchase under the circumstances and on the dates set forth herein. Variable Rate Offered Bonds subject to optional or mandatory tender for purchase as described herein and not remarketed by the Remarketing Agent will be purchased, subject to certain conditions precedent, by the Federal Home Loan Bank of Topeka (the **"Standby Purchaser"**) pursuant to an Initial Liquidity Facility (as described herein) among NIFA, the Standby Purchaser, the Tender Agent and the Trustee. See the caption "THE OFFERED BONDS—Description of the Variable Rate Offered Bonds." **UNDER CERTAIN CIRCUMSTANCES DESCRIBED HEREIN, THE INITIAL LIQUIDITY FACILITY WILL TERMINATE AND THE VARIABLE RATE OFFERED BONDS SHALL BE SUBJECT TO MANDATORY TENDER. UNDER THE TERMS OF THE INITIAL LIQUIDITY FACILITY, THE STANDBY PURCHASER HAS NO OBLIGATION TO PURCHASE VARIABLE RATE OFFERED BONDS RATED LESS THAN "BBB-" AND SUCH FAILURE TO PURCHASE DOES NOT CONSTITUTE AN EVENT OF DEFAULT UNDER THE INDENTURE. THE PURCHASE PRICE OF THE VARIABLE RATE OFFERED BONDS IS NOT GUARANTEED BY NIFA OR ANY THIRD PARTY. SEE "THE OFFERED BONDS – DESCRIPTION OF THE VARIABLE RATE OFFERED BONDS" HEREIN AND APPENDIX K—"CERTAIN TERMS OF THE INITIAL LIQUIDITY FACILITY" ATTACHED HERETO.**

THE OFFERED BONDS ARE LIMITED OBLIGATIONS OF NIFA AND ARE PAYABLE SOLELY FROM THE REVENUES AND OTHER MONEYS PLEDGED THEREFOR PURSUANT TO THE INDENTURE. NIFA HAS NO TAXING POWER. THE OFFERED BONDS DO NOT CONSTITUTE A DEBT, LIABILITY, GENERAL OBLIGATION OR PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE OFFERED BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF, OR GNMA, FANNIE MAE, FHLMC (EACH AS DESCRIBED HEREIN) OR ANY OTHER ISSUER OF A MORTGAGE-BACKED SECURITY, AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA.

The Offered Bonds are offered in book-entry form, when, as and if issued by NIFA and accepted by the Underwriters named below, subject to the approval of legality by Kutak Rock LLP, Omaha, Nebraska, Bond Counsel and General Counsel to NIFA, and certain other conditions. Certain matters will be passed upon for the Standby Purchaser by its internal counsel. Certain matters will be passed upon for the Underwriters by Sherman & Howard L.L.C., Denver, Colorado. One or more of the Underwriters intends, but is not obligated, to make a market in the Offered Bonds. For information concerning the terms of the Underwriters' compensation, see the caption "UNDERWRITING" herein. It is expected that delivery of the Offered Bonds will be made in New York, New York on or about August 29, 2018.

J.P. Morgan

Ameritas Investment Corp. **D.A. Davidson & Co.**
First National Capital Markets, Inc. **George K. Baum & Company**

August 1, 2018

† Sole underwriter of the 2018 Series D Bonds is J.P. Morgan Securities LLC

MATURITY SCHEDULE

$217,660,000 NEBRASKA INVESTMENT FINANCE AUTHORITY
SINGLE FAMILY HOUSING REVENUE BONDS

$171,045,000 2018 SERIES C BONDS (NON-AMT)

Type	Maturity Date	Principal Amount	Interest Rate	Price	CUSIP[1]
Serial	March 1, 2019	$ 1,135,000	1.450%	100.000%	63968MRH4
Serial	September 1, 2019	1,805,000	1.600	100.000	63968MRJ0
Serial	March 1, 2020	1,865,000	1.750	100.000	63968MRK7
Serial	September 1, 2020	1,905,000	1.800	100.000	63968MRL5
Serial	March 1, 2021	1,950,000	1.900	100.000	63968MRM3
Serial	September 1, 2021	1,990,000	1.950	100.000	63968MRN1
Serial	March 1, 2022	2,030,000	2.050	100.000	63968MRP6
Serial	September 1, 2022	2,075,000	2.125	100.000	63968MRQ4
Serial	March 1, 2023	2,120,000	2.200	100.000	63968MRR2
Serial	September 1, 2023	2,170,000	2.250	100.000	63968MRS0
Serial	March 1, 2024	2,210,000	2.400	100.000	63968MRT8
Serial	September 1, 2024	2,265,000	2.450	100.000	63968MRU5
Serial	March 1, 2025	2,310,000	2.550	100.000	63968MRV3
Serial	September 1, 2025	2,365,000	2.600	100.000	63968MRW1
Serial	March 1, 2026	2,415,000	2.750	100.000	63968MRX9
Serial	September 1, 2026	2,465,000	2.800	100.000	63968MRY7
Serial	March 1, 2027	2,525,000	2.900	100.000	63968MRZ4
Serial	September 1, 2027	2,575,000	2.950	100.000	63968MSA8
Serial	March 1, 2028	2,635,000	3.000	100.000	63968MSB6
Serial	September 1, 2028	2,690,000	3.050	100.000	63968MSC4
Serial	March 1, 2029	2,755,000	3.150	100.000	63968MSD2
Serial	September 1, 2029	2,810,000	3.200	100.000	63968MSE0
Term	September 1, 2030	5,785,000	3.300	100.000	63968MSF7
Term	September 1, 2033	18,660,000	3.450	100.000	63968MSG5
Term	September 1, 2038	33,705,000	3.750	100.000	63968MSH3
Term	September 1, 2048	63,830,000	4.000	105.955	63968MSJ9

$46,615,000 2018 SERIES D BONDS (VARIABLE RATE – AMT)[2]

Type	Maturity Date	Principal Amount	Price	CUSIP[1]
Term	September 1, 2048	$46,615,000	100.000%	63968MRG6

[1] CUSIP data herein is provided by the CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence, a part of S&P Global Inc. CUSIP data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. CUSIP numbers are provided for convenience of reference only. The CUSIP numbers have been assigned by an organization not affiliated with NIFA and are included for the convenience of the holders of the Offered Bonds. None of NIFA, the Underwriter or the Trustee is responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness on the Offered Bonds or as indicated above.

[2] The Variable Rate Offered Bonds during a Weekly Mode Period shall bear interest at the Variable Rate determined by 5:00 p.m., New York City time, on each Rate Determination Date (generally a Tuesday) by the Remarketing Agent, from the Wednesday first following each such Rate Determination Date (the "**Effective Rate Date**") to, but not including, the next Effective Rate Date, all as more fully described herein. On their Date of Delivery, the Variable Rate Offered Bonds shall bear interest at a rate to be determined on Tuesday, August 28, 2018, which constitutes the first Rate Determination

Date for the Effective Rate Period commencing on Wednesday, August 29, 2018, and ending on Tuesday, September 4, 2018 (both dates inclusive).

Under certain circumstances, the Variable Rate Offered Bonds in the Weekly Mode Period are subject to mandatory and optional tender for purchase at a price equal to the principal amount thereof plus accrued interest to the tender date, all as more fully described herein. In the case of optional tender with respect to the Variable Rate Offered Bonds in the Weekly Mode Period, such notice shall be given by the Holder of Variable Rate Offered Bonds in the Weekly Mode Period to the Remarketing Agent and the Tender Agent not later than 5:00 p.m., New York City time, on any Business Day at least seven calendar days prior to the purchase date, which shall be any Business Day (the "**Variable Rate Bond Purchase Date**") and shall be set forth in the Tender Notice. Notices of tender to the Tender Agent must be in writing and addressed to Wells Fargo Bank, National Association, as Tender Agent for Nebraska Investment Finance Authority Single Family Housing Revenue Bonds, 2018 Series D, 600 South 4th Street, 6th Floor, MAC: N9300-060, Minneapolis, Minnesota 55415. In the case of mandatory tender with respect to the Variable Rate Offered Bonds in a Weekly Mode Period, the Trustee shall give notice to the Holders of such Variable Rate Offered Bonds at the times and upon the circumstances described herein. For additional information on the Variable Rate Offered Bonds, see "THE OFFERED BONDS—Description of the Variable Rate Offered Bonds" herein. In addition, certain capitalized terms used but not defined in this Maturity Schedule shall have the meanings assigned in Appendix J to this Official Statement.

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No dealer, broker, salesman or other person has been authorized by NIFA or the Underwriters to give any information or to make any representations with respect to the Offered Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations may 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 Offered Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from NIFA, the Standby Purchaser, DTC, the Master Servicer and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriters. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of NIFA since the date hereof. The Underwriters have provided the following sentence for inclusion in this Official Statement: the Underwriters have reviewed the information in the Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

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THE OFFERED BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTION 3(a)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE REGISTRATION OR QUALIFICATION OF THE OFFERED BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE OFFERED BONDS HAVE BEEN REGISTERED OR QUALIFIED, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES, SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE OFFERED BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF NIFA AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE OFFERED BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE OFFERED BONDS TO CERTAIN DEALERS AND DEALER BANKS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THIS OFFICIAL STATEMENT CONTAINS “FORWARD LOOKING STATEMENTS” WITHIN THE MEANING OF THE FEDERAL SECURITIES LAWS. THESE FORWARD LOOKING STATEMENTS INCLUDE, AMONG OTHERS, STATEMENTS CONCERNING EXPECTATIONS, BELIEFS, OPINIONS, FUTURE PLANS AND STRATEGIES, ANTICIPATED EVENTS OR TRENDS AND SIMILAR EXPRESSIONS CONCERNING MATTERS THAT ARE NOT HISTORICAL FACTS. THE FORWARD LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN OR IMPLIED BY SUCH STATEMENTS. NIFA HAS NO DUTY, OBLIGATION OR EXPECTATION TO UPDATE ANY OF THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT.

OFFICIAL STATEMENT

$217,660,000
Nebraska Investment Finance Authority
Single Family Housing Revenue Bonds
2018 Series C (Non-AMT)
2018 Series D (Variable Rate – AMT)[†]

INTRODUCTORY STATEMENT

The purpose of this Official Statement is to set forth information concerning the Nebraska Investment Finance Authority ("**NIFA**"), a body politic and corporate, not an agency of the State of Nebraska (the "**State**") but an independent instrumentality exercising essential public functions, in connection with the sale of $217,660,000 in aggregate principal amount of its Single Family Housing Revenue Bonds in the following series (collectively, the "**Offered Bonds**"): 2018 Series C (Non-AMT), in the original aggregate principal amount of $171,045,000 (the "**2018 Series C Bonds**" or the "**Fixed Rate Offered Bonds**") and 2018 Series D (Variable Rate – AMT), in the original aggregate principal amount of $46,615,000 (the "**2018 Series D Bonds**" or the "**Variable Rate Offered Bonds**").

Information set forth on the cover pages hereof and in the Appendices attached hereto is part of this Official Statement. All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings assigned to such terms in the Indenture as hereafter described.

The Offered Bonds are being issued pursuant to and are secured under a General Indenture of Trust, dated as of July 1, 1994 (as amended from time to time, the "**General Indenture**"), as supplemented by a Supplemental Indenture of Trust, dated as of August 1, 2018 (the "**Series 2018 C/D Supplemental Indenture**," and together with the General Indenture, the "**Indenture**"), each between NIFA and Wells Fargo Bank, National Association, Minneapolis, Minnesota, as trustee and paying agent (the "**Trustee**"). As of March 31, 2018, NIFA had issued 113 Series of Bonds pursuant to the General Indenture in an original aggregate principal amount of $4,782,645,000 of which $965,195,000, in aggregate principal amount was outstanding. Pursuant to the Indenture, additional bonds and refunding bonds may be issued from time to time. All such bonds previously issued pursuant to the General Indenture and related supplemental indentures thereto are herein referred to as "**Prior Series Bonds**." The Prior Series Bonds, the Offered Bonds and any additional bonds or refunding bonds issued from time to time pursuant to the Indenture, as amended and supplemented, are herein referred to as the "**Bonds**."

The Bonds are limited obligations of NIFA, payable solely out of Revenues derived from the operation of the hereinafter-described Program and are equally and ratably secured by all assets, moneys, investments and other amounts held in the Funds and Accounts under the Indenture. Specific assets (including portions thereof) may be held and accounted for by the Trustee separately for certain purposes related to redemptions and for certain tax-related accounting purposes. NIFA has no taxing power. THE BONDS DO NOT CONSTITUTE A DEBT, LIABILITY OR GENERAL OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OR PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. See the caption "SECURITY FOR THE BONDS" herein.

Pursuant to the Indenture, NIFA administers a program (the "**Program**") of issuing Bonds to provide moneys to (i) finance, purchase or acquire mortgage loans, including participation interests therein (the "**Mortgage Loans**"), made to qualified low- and moderate-income persons ("**Mortgagors**") for the purchase and, under certain circumstances, the improvement and/or rehabilitation of owner-occupied (one- to four-unit) residences in Nebraska, and (ii) finance Mortgage Loans through the purchase of securities, including participation interests therein, issued or guaranteed by the Government National Mortgage Association ("**GNMA**"), Fannie Mae (formerly known as the Federal National Mortgage Association, "**Fannie Mae**"), the Federal Home Loan Mortgage Corporation

[†] Sole underwriter of the 2018 Series D Bonds is J.P. Morgan Securities LLC

("**FHLMC**"), or such other entity as will not adversely affect the Rating Quality of the Bonds, backed by or representing qualifying Mortgage Loans ("**Mortgage-Backed Securities**"). See "THE PROGRAM" herein. The programs of NIFA with respect to single-family housing units financed pursuant to the bond resolutions and indentures other than the Indenture are referred to herein as NIFA's "**Other Single Family Programs**." All bonds of NIFA, regardless of the resolution or indenture under which they were issued, are herein called "bonds."

NIFA expects to use the proceeds of the Offered Bonds to (a) acquire, purchase and finance approximately $173,247,200 in principal amount of Mortgage-Backed Securities issued or guaranteed by GNMA, Fannie Mae or FHLMC and (b) refund certain Prior Series Bonds as described herein. In addition, subject to the limitations set forth in the Indenture, NIFA may apply proceeds of the Offered Bonds and/or amounts available in the various recycling accounts established under the Indenture to finance (i) Mortgage Loans (both first and second Mortgage Loans) originated by certain nonprofit entities (such as Habitat for Humanity of Omaha), (ii) second Mortgage Loans ("**HBA Loans**"), the proceeds of which fund down payment and closing cost assistance in connection with first Mortgage Loans financed under the Program, and (iii) other Mortgage Loans, including loans described in (i) or (ii), which are not eligible for inclusion in a Mortgage-Backed Security (collectively, the "**Community Program Loans**"). While pledged to the repayment of the Bonds and available for the redemption of Bonds, the principal of and the interest on the Community Program Loans are not expected to be necessary (nor are they assumed to be received in any Cash Flow Statement) to pay debt service on the Bonds.

The Series 2018 C/D Supplemental Indenture establishes within the Mortgage Loan Fund a Series 2018 C/D Mortgage Loan Fund Account (the "**Series 2018 C/D Mortgage Loan Fund Account**"), including a Series 2018 CD Recycling Subaccount therein (a "**Series 2018 C/D Recycling Subaccount**"), and NIFA may apply such funds deposited therein for the purpose of acquiring, purchasing or financing additional Mortgage Loans and Mortgage-Backed Securities in accordance with the Series Program Determinations then in effect and Community Program Loans, subject to the limitations set forth in any Supplemental Indenture.

Mortgage Loans (other than any Community Program Loans) and Mortgage-Backed Securities authorized to be purchased with funds held in the Series 2018 C/D Mortgage Loan Fund Account (including any Series 2018 C/D Recycling Subaccount) pursuant to the Series Program Determinations or otherwise authorized to be purchased subsequent to modification of such Series Program Determinations (together with the Refunded Series Mortgage-Backed Securities described below) are referred to herein as "**Series 2018 C/D Mortgage Loans**" and "**Series 2018 C/D Mortgage-Backed Securities**," respectively. NIFA reserves the right to modify the initial Series Program Determinations with respect to the Offered Bonds to purchase Mortgage Loans (including additional Community Program Loans) and Mortgage-Backed Securities not meeting such initial Program Determinations so long as such loans or securities do not adversely affect the Rating Quality of the Bonds. See "THE PROGRAM—General" herein.

Additionally, proceeds of the Offered Bonds will be used for the purpose of refunding and redeeming the Prior Series Bonds (the "**Refunded Prior Series Bonds**") identified in Appendix D-2—"REFUNDED PRIOR SERIES BONDS". Upon the issuance of the Offered Bonds, the Mortgage-Backed Securities previously allocated to the Refunded Prior Series Bonds (the "**Refunded Series Mortgage-Backed Securities**") in an aggregate principal amount of approximately $24,400,000 as of June 30, 2018 will be credited to the Series 2018 C/D Mortgage Loan Fund Account and will be designated as Series 2018 C/D Mortgage-Backed Securities. See Appendix D-4—"REFUNDED SERIES MORTGAGE-BACKED SECURITIES" attached hereto for a list of expected Refunded Series Mortgage-Backed Securities.

The Program is one of a number of single-family housing programs that have been implemented by NIFA (including its predecessor, the hereafter-described NMFF). Proceeds from Other Single Family Programs were utilized, or are currently being utilized, to implement single-family mortgage programs pursuant to which NIFA either purchased qualifying mortgage loans or purchased mortgage-backed securities issued by GNMA, Fannie Mae or FHLMC and backed by qualifying mortgage loans. MORTGAGE LOANS AND MORTGAGE-BACKED SECURITIES PURCHASED WITH PROCEEDS OF THE OTHER SINGLE FAMILY PROGRAMS AND THE FUNDS AND ACCOUNTS WHICH SECURE THE OBLIGATIONS ISSUED THEREUNDER ARE NOT PLEDGED AS SECURITY FOR THE OFFERED BONDS OR ANY OTHER BONDS ISSUED UNDER THE INDENTURE. See Appendix D-1—"SUMMARY OF THE PROGRAM FINANCED WITH THE BONDS—Other Housing Programs of NIFA" attached hereto.

Pursuant to a Master Sale and Servicing Agreement, dated as of January 1, 2012 (the "**Servicing Agreement**"), between NIFA and U.S. Bank National Association (the "**Master Servicer**"), the Master Servicer has agreed to (a) purchase certain Mortgage Loans from qualified mortgage lending institutions (the "**Participants**") which are (i) insured by the Federal Housing Administration ("**FHA**") pursuant to the National Housing Act of 1934, as amended, guaranteed by the United States Department of Veterans Affairs (the "**VA**") pursuant to the Servicemen's Readjustment Act of 1944, as amended, or guaranteed by the Rural Development acting through the United States Department of Agriculture ("**USDA/RD**") and (ii) other than FHA-insured Mortgage Loans, VA-guaranteed Mortgage Loans and USDA/RD-guaranteed Mortgage Loans ("**Conventional Mortgage Loans**") and (b) issue (or cause to be issued) and sell Mortgage-Backed Securities guaranteed by GNMA ("**GNMA Securities**"), Mortgage-Backed Securities guaranteed by Fannie Mae ("**Fannie Mae Securities**") and/or Mortgage-Backed Securities guaranteed by FHLMC ("**FHLMC Securities**") to the Trustee with respect thereto. The Master Servicer is required to be an FHA-, VA- and USDA/RD-approved mortgagee, an approved issuer of GNMA Securities, a Fannie Mae-approved seller/servicer and an FHLMC-approved seller/servicer. NIFA may approve and designate one or more other servicers (each a "**Designated Servicer**," and including the Master Servicer, a "**Servicer**"), which may or may not be FHA-, VA- and USDA/RD-approved mortgagees, approved issuers of GNMA Securities, Fannie Mae-approved seller/servicers or FHLMC-approved seller/servicers.

The Trustee will pay interest on the Offered Bonds on March 1 and September 1 of each year (each an "**Interest Payment Date**"), beginning March 1, 2019, until maturity or earlier redemption, on any redemption date, and, in the case of the Variable Rate Offered Bonds, on any tender date. The Fixed Rate Offered Bonds bear interest at the rates set forth on the inside front cover hereto. The Variable Rate Offered Bonds in the Weekly Mode bear interest at the Weekly Rate determined weekly by J.P. Morgan Securities LLC (the "**Remarketing Agent**"), as more fully described herein. NIFA may change the interest rate Mode with respect to the Variable Rate Offered Bonds from the Weekly Mode to another Mode or may convert any or all of the Variable Rate Offered Bonds to Fixed Rate Bonds or FRNs (as defined in the Series 2018 C/D Supplemental Indenture and in Appendix J hereto). **References to the Variable Rate Offered Bonds in this Official Statement pertain only to Variable Rate Offered Bonds while in the Weekly Mode Period. THIS OFFICIAL STATEMENT IS NOT INTENDED TO DESCRIBE THE VARIABLE RATE OFFERED BONDS SUBSEQUENT TO NIFA'S ELECTION, IF ANY, TO CHANGE TO A MODE PERIOD OTHER THAN A WEEKLY MODE PERIOD OR TO CONVERT THE INTEREST THEREON TO LONG-TERM FIXED INTEREST RATES OR FRN RATES.**

Under the circumstances described herein, the Variable Rate Offered Bonds are subject to mandatory and optional tender for purchase at a price equal to the principal amount thereof plus accrued interest. A Liquidity Facility, which initially shall be a Standby Bond Purchase Agreement, dated as of August 29, 2018 (the "**Initial Liquidity Facility**"), by and among NIFA, the Trustee, the Federal Home Loan Bank of Topeka (the "**Standby Purchaser**") and Wells Fargo Bank, National Association, as Tender Agent (the "**Tender Agent**"), provides for the purchase by the Standby Purchaser of tendered Variable Rate Offered Bonds that are not remarketed. If the Initial Liquidity Facility expires and is not renewed or extended, the Variable Rate Offered Bonds will be subject to mandatory tender. Under certain circumstances, the Standby Purchaser has no obligation to purchase any Variable Rate Offered Bonds. The Initial Liquidity Facility expires on March 1, 2019. See "THE OFFERED BONDS—Description of the Variable Rate Offered Bonds", Appendix J—"CERTAIN DEFINITIONS WITH RESPECT TO THE VARIABLE RATE OFFERED BONDS IN THE WEEKLY MODE" and Appendix K—"CERTAIN TERMS OF THE INITIAL LIQUIDITY FACILITY" herein.

Brief descriptions of NIFA, the Offered Bonds, the security for the Bonds, the Program, the Indenture, GNMA and the GNMA Securities, Fannie Mae and the Fannie Mae Securities, FHLMC and the FHLMC Securities, the Standby Purchaser, the Initial Liquidity Facility, the Remarketing Agent, the Master Servicer and NIFA's continuing disclosure undertaking are included in this Official Statement. The summaries herein do not purport to be complete and are qualified in their entireties by reference to such documents, agreements and programs as may be referred to herein, and the summaries herein of the Offered Bonds are further qualified in their entireties by reference to the forms of the Offered Bonds included in the Indenture and the provisions with respect thereto included in the aforesaid documents, copies of which are available for inspection at the corporate trust office of the Trustee in Minneapolis, Minnesota.

THE NEBRASKA INVESTMENT FINANCE AUTHORITY

The Nebraska Mortgage Finance Fund (the "**NMFF**"), predecessor to NIFA, was created by the Nebraska Mortgage Finance Fund Act (the "**Mortgage Finance Fund Act**"). The NMFF was created for the purpose of providing financing to enable persons of low and moderate income to acquire decent, safe and sanitary housing through coordination and cooperation with private industry and local communities. In *State of Nebraska v. Nebraska Mortgage Finance Fund*, 204 Neb. 445, 283 N.W.2d 12 (1979), the Nebraska Supreme Court unanimously upheld the validity of the Mortgage Finance Fund Act under the Constitution of the State of Nebraska. On August 26, 1983, the Nebraska Investment Finance Authority Act, Sections 58-201 et seq., Reissue Revised Statutes of Nebraska, as amended (the "**NIFA Act**"), became effective. The NIFA Act merged the NMFF, the Nebraska Development Finance Fund and the Nebraska Agricultural Development Corporation into the new entity, NIFA.

NIFA anticipates developing additional housing programs to the extent permitted by the NIFA Act. The NIFA Act contains no limit on the amount of bonds that may be issued by NIFA. Section 146 of the Internal Revenue Code of 1986, as amended (the "**Code**") limits the amount of private activity bonds that issuers in each state may issue.

The powers of NIFA are vested in nine members, consisting of the Director of the Nebraska Department of Economic Development, the Chairperson of the Nebraska Investment Council, the Director of the Nebraska Department of Agriculture and six public members appointed by the Governor. The NIFA Act requires that, of the public members, two members shall be appointed from each of the three congressional districts of the State. There shall be a public member experienced in real estate development, a public member experienced in industrial mortgage credit, commercial credit, agricultural credit or housing mortgage credit, a public member experienced in banking or investment banking, a public member experienced in home building or a licensed real estate broker and a public member experienced in agricultural production. Also pursuant to the NIFA Act, NIFA has appointed an Executive Director. The NIFA Act provides that the Executive Director shall be an employee of NIFA but not a member thereof and shall serve at the pleasure of the members. The Executive Director serves as the ex officio secretary of NIFA and administers, manages and directs its affairs and activities in accordance with the policies and under the control and direction of the members.

The office of NIFA is located at 1230 O Street, Suite 200, Lincoln, Nebraska 68508-1402, (402) 434-3900. In addition to the Executive Director, NIFA presently employs a staff of 27 full-time employees. The principal occupations of the members of NIFA, their residences and the groups represented by the public members are as follows:

Member/Principal Occupation	Residence	Representing
David Rippe—Chairperson of NIFA— Director, Nebraska Department of Economic Development	Lincoln, Nebraska	Nebraska Department of Economic Development
Marlin Brabec— Don Peterson & Associates	Fremont, Nebraska	Licensed Real Estate Broker
Herb Freeman— NP Dodge Real Estate	Omaha, Nebraska	Public at Large
Galen E. Frenzen— Frenzen Angus and Polled Herefords	Fullerton, Nebraska	Agricultural Production
Mark Graff— McCook National Bank	McCook, Nebraska	Banking
Steve Wellman— Director, Nebraska Department of Agriculture	Lincoln, Nebraska	Nebraska Department of Agriculture

Michael B. Maroney— Omaha Economic Development Corporation	Omaha, Nebraska	Real Estate Development
Mary Jo McClurg—	Lincoln, Nebraska	Housing Mortgage Credit
Michael Walden-Newman— Nebraska Investment Council	Lincoln, Nebraska	Nebraska Investment Council

The NIFA Act provides that five members of NIFA constitute a quorum for the transaction of business, and the affirmative vote of at least five members is necessary to take any action. The NIFA Act also provides that no member or employee may participate in any action by NIFA authorizing a transaction with NIFA if such member or employee has, will have or later acquires a direct or indirect interest in such transaction.

Timothy R. Kenny joined NIFA as its Executive Director in January of 1994. Prior to joining NIFA, Mr. Kenny was the director of program development for the Utah Housing Finance Agency (now known as the Utah Housing Corporation) from December of 1991 to December of 1993. Prior to that, Mr. Kenny owned a consulting business and also spent 15 months as the executive director of the Texas Housing Finance Agency (now known as the Texas Department of Housing and Community Affairs). Mr. Kenny has retired from practice as a certified public accountant.

Christie Weston is the Deputy Director of NIFA. Prior to joining NIFA in 2001, Ms. Weston spent six years working as a certified public accountant for the international public accounting firm of PricewaterhouseCoopers LLP.

Steven J. Clements is the Chief Operating Officer of NIFA. Mr. Clements joined NIFA as its Deputy Director of Finance in 1985. Prior to joining NIFA, Mr. Clements spent six years working as a certified public accountant for the international public accounting firm of Coopers & Lybrand (now known as PricewaterhouseCoopers LLP).

Judy A. Krasomil is the Treasurer of NIFA. Ms. Krasomil joined NIFA as its Treasurer in 1994. Prior to joining NIFA, Ms. Krasomil spent 10 years working as a certified public accountant for the international public accounting firm of Coopers & Lybrand (now known as PricewaterhouseCoopers LLP).

SOURCES AND APPLICATION OF OFFERED BOND PROCEEDS AND OTHER AMOUNTS

Upon the issuance of the Offered Bonds, it is anticipated that there will be deposited with the Trustee the proceeds of the Offered Bonds and other available funds which are expected to be applied as follows:

Sources:	
Par Amount of Offered Bonds	$217,660,000.00
Net Original Issue Premium on 2018 Series C Bonds	$3,801,076.50
Available Indenture Funds	$1,746,638.30
Total Funds Available	$223,207,714.80
Application:	
Deposit to Series 2018 C/D Mortgage Loan Fund Account	$221,461,076.50[1]
Deposit to Issuance Expense Account	$1,746,638.30
Total Funds Applied	$223,207,714.80

[1] Of the amounts deposited in the Series 2018 C/D Mortgage Loan Fund Account, $59,066,300 is expected to be used to acquire approximately $58,772,400 in principal amount of GNMA Securities at a weighted average purchase price equal to approximately 100.50% of the principal amount thereof, and $115,779,800 is expected to be used to acquire approximately $114,474,800 in principal amount of Fannie Mae Securities at a weighted average purchase price equal to approximately 101.14% of the principal amount thereof. Proceeds of the Offered Bonds in the amount of $46,615,000 will be applied to the refunding and redemption of the Refunded Prior Series Bonds. Simultaneously with such refunding and redemption, the Refunded Series Mortgage-Backed Securities previously allocated to the Refunded Prior Series Bonds and certain excess Revenues (in a combined aggregate principal amount of approximately $24,400,000) will be credited to the Series 2018 C/D Mortgage Loan Fund Account and will become Series 2018 C/D Mortgage-Backed Securities.

THE OFFERED BONDS

General

The Trustee will pay the principal of, premium, if any, and the interest on the Offered Bonds at their respective stated maturities upon the presentation and surrender of the Offered Bonds at the Trustee's corporate trust office in Minneapolis, Minnesota. Notwithstanding the foregoing, so long as the Offered Bonds are registered in the name of the hereinafter-described Securities Depository, all payments of interest and premium, if any, on, and principal of, the Offered Bonds shall be paid through the securities depository (together with any successor securities depository, the "**Securities Depository**") in accordance with its normal procedures, which as of the date hereof provide for payment by the Securities Depository to its Direct Participants (as defined below under "THE OFFERED BONDS – Book-Entry-Only System") in same-day funds. See "Description of the Variable Rate Offered Bonds" below for a description of the payment of accrued interest and the related purchase price with respect to Variable Rate Offered Bonds in the Weekly Mode that are tendered to the Tender Agent (as described herein).

The Fixed Rate Offered Bonds are being issued as fully registered bonds in denominations of $5,000 and whole multiples thereof. The Variable Rate Offered Bonds are being issued as fully registered bonds in denominations of $100,000 and integral multiples of $5,000 in excess thereof.

References to the Variable Rate Offered Bonds in this Official Statement pertain only to Variable Rate Offered Bonds while in the Weekly Mode Period. THIS OFFICIAL STATEMENT IS NOT INTENDED TO DESCRIBE THE VARIABLE RATE OFFERED BONDS SUBSEQUENT TO NIFA'S ELECTION, IF ANY, TO CHANGE TO A MODE PERIOD OTHER THAN A WEEKLY MODE PERIOD OR TO CONVERT THE INTEREST THEREON TO LONG-TERM FIXED INTEREST RATES OR FRN RATES.

Interest—General

Fixed Rate Offered Bonds. Interest on the Fixed Rate Offered Bonds accrues from the Date of Delivery or the most recent Interest Payment Date and is payable in arrears on March 1 and September 1 of each year, commencing March 1, 2019, until maturity or earlier redemption. The Record Date for each Interest Payment Date with respect to the Fixed Rate Offered Bonds will be the date 15 days next preceding such Interest Payment Date. The Fixed Rate Offered Bonds bear interest at the rates set forth on the inside cover hereof. Interest on the Fixed Rate Offered Bonds is calculated on the basis of twelve 30-day months and a 360-day year.

Variable Rate Offered Bonds - Weekly Mode. The Variable Rate Offered Bonds are being issued in a Weekly Mode Period and bear interest at the rate determined weekly (the "**Weekly Rate**") by the Remarketing Agent (unless changed to a different interest rate setting mode (a "**Mode**") or converted to a long-term fixed interest rate or FRN Rate, as more fully described herein). Interest on the Variable Rate Offered Bonds during the Weekly Mode Period is computed on the basis of a 365-day year or 366-day year, as applicable, for the number of days actually elapsed. Interest on the Variable Rate Offered Bonds during the Weekly Mode Period accrues and reflects the actual number of days from the Date of Delivery to, but excluding, and is payable in arrears on, each March 1 and September 1, commencing March 1, 2019, until maturity, earlier redemption or tender. On the Date of Delivery, the Variable Rate Offered Bonds shall bear interest at a rate of interest to be determined on Tuesday, August 28, 2018, for the period commencing on Wednesday, August 29, 2018, and ending on Tuesday, September 4, 2018 (both dates inclusive). Thereafter, each subsequent Effective Rate Period will reflect the actual number of days from, and including, each "Effective Rate Date" (the Wednesday first following the related Rate Determination Date) to, but excluding, the succeeding Effective Rate Date. In each case, the Rate Determination Date will be the first Business Day (typically a Tuesday) preceding each Effective Rate Date. The Record Date for each Interest Payment Date with respect to the Variable Rate Offered Bonds will be the date 15 days next preceding such Interest Payment Date (whether or not a Business Day).

Any Holder of Variable Rate Offered Bonds during the Weekly Mode Period has the option of tendering such Variable Rate Offered Bonds to the Tender Agent in accordance with the provisions of the Series 2018 C/D Supplemental Indenture as set forth under "Description of the Variable Rate Offered Bonds" below. Pursuant to the Initial Liquidity Facility, the Standby Purchaser has an obligation to purchase, under certain conditions and from time to time, Variable Rate Offered Bonds tendered or deemed tendered to the Tender Agent, which tendered Variable Rate Offered Bonds are not remarketed. The Variable Rate Offered Bonds are also subject to mandatory tender for purchase under certain circumstances.

For additional information with respect to the Variable Rate Offered Bonds during the Weekly Mode Period, see also "Description of the Variable Rate Offered Bonds" below, Appendix J—"CERTAIN DEFINITIONS WITH RESPECT TO THE VARIABLE RATE OFFERED BONDS IN THE WEEKLY MODE" and Appendix K—"CERTAIN TERMS OF THE INITIAL LIQUIDITY FACILITY."

Swap Agreements. In connection with the issuance of certain Prior Series Bonds, including the Refunded Prior Series Bonds, which bear interest at Variable Rates, NIFA entered into one or more interest rate swap agreements (collectively, the "**Existing Swap Agreements**") with one or more swap counterparties (collectively, the "**Swap Counterparties**"). The purpose of the Existing Swap Agreements is to place a like amount of NIFA's obligation with respect to that part of the Program financed by Prior Series Bonds which bear interest at Variable Rates (as discussed in this Section, the "**Variable Rate Bonds**") on an approximately fixed-rate basis. Not all of the aggregate principal amount of the Prior Series Bonds which bear interest at Variable Rates is hedged by NIFA with an Interest Rate Swap Agreement. See Appendix C—"SCHEDULE OF OUTSTANDING GENERAL OBLIGATION INDEBTEDNESS AND LIMITED OBLIGATION INDEBTEDNESS OF THE NEBRASKA INVESTMENT FINANCE AUTHORITY" attached hereto. It is anticipated that upon the issuance of the Offered Bonds and the refunding of the Refunded Prior Series Bonds, a portion of one or more of the Existing Swap Agreements will be allocated by NIFA to the Variable Rate Offered Bonds. The amount so allocated may be less than the principal amount of the Variable Rate Offered Bonds.

Payments made to the Swap Counterparties by NIFA under the Existing Swap Agreements are made semiannually on the basis of a notional principal amount and the difference between an agreed-upon fixed rate and the sum of the Index Rate plus an additional percentage (the "**Additional Percentage**") for such period. The Index

Rate is the SIFMA Municipal Swap Index (the "**SIFMA Index**") or, for so long as the SIFMA Index is not calculated and published by Municipal Market Data, an alternate index therein. The SIFMA Index means the rate determined on the basis of an index based upon the weekly interest rate of tax-exempt variable rate issues included in a database maintained by Municipal Market Data which meet specific criteria established by the Securities Industry and Financial Markets Association ("**SIFMA**"). Payments made to the Swap Counterparties will be paid with funds available to NIFA, including, but not limited to, amounts payable to NIFA from Revenues in the form of a supplemental operating fee and funds on deposit in the hereinafter-described Collateral Fund. Payments made to NIFA by the Swap Counterparties under the Existing Swap Agreements may or may not be pledged as Revenues under the Indenture and may, at the discretion of NIFA, be deposited in the Collateral Fund. Except to the extent such payments will be made from the funds available to NIFA described herein, NIFA's obligation to make payments to the Swap Counterparties under the Existing Swap Agreements is not otherwise secured by the Indenture. **As of the date hereof, the notional principal amount of the Existing Swap Agreements is less than the outstanding principal amount of the Variable Rate Bonds, and NIFA expects that from time to time the outstanding principal amount of the Variable Rate Bonds will exceed the notional principal amount of the Existing Swap Agreements.** For more information with respect to the Existing Swap Agreements and the terms thereof, see Appendix H—"LIQUIDITY FACILITIES AND INTEREST RATE SWAP AGREEMENTS" attached hereto.

Book-Entry-Only System

The Depository Trust Company ("**DTC**"), New York, New York, will act as the initial Securities Depository for the Offered Bonds offered hereby. The Offered 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 Offered Bond certificate will be issued for each maturity of the Offered Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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 include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com**.

Purchases of Offered Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Offered Bonds on DTC's records. The ownership interest of each actual purchaser of each Offered Bond (a "**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 Offered 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 Offered Bonds, except in the event that use of the book-entry system for the Offered Bonds is discontinued.

To facilitate subsequent transfers, all Offered 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 Offered Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Offered Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Offered 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. *So long as Cede & Co., as nominee for DTC, is the owner of the Offered Bonds, NIFA shall treat Cede & Co. as the only owner of the Offered Bonds for all purposes under the Indenture, including receipt of all principal of, premium, if any, and interest on the Offered Bonds and receipt of notices.*

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.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Offered Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to NIFA 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 Offered Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

A Beneficial Owner shall give notice to elect to have its Offered Bonds purchased or tendered, through its Participant, to the Remarketing Agent and the Tender Agent, and shall effect delivery of such Offered Bonds by causing the Direct Participant to transfer the Participant's interest in the Offered Bonds, on DTC's records, to the Tender Agent or the Remarketing Agent, as applicable. The requirement for physical delivery of Offered Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Offered Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Offered Bonds to the Tender Agent's or the Remarketing Agent's, as applicable, DTC account.

DTC may discontinue providing its services as securities depository with respect to the Offered Bonds at any time by giving reasonable notice to NIFA or the Trustee. NIFA may also determine that DTC is incapable of discharging its duties or that continuation of the book-entry system is not in the best interests of the Beneficial Owners. In either situation, if NIFA fails to identify a successor securities depository, Offered Bond certificates are required to be printed and delivered.

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

None of the Trustee, any paying agent, the Standby Purchaser or NIFA has any responsibility or obligations to the Direct or Indirect Participants or the Beneficial Owners with respect to (a) the accuracy of any

records maintained by DTC or any Direct or Indirect Participant; (b) the payment by DTC of any amount due to any Direct Participant or the payment by any Direct or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of and premium, if any, and interest on the Offered Bonds; (c) the delivery or timeliness of delivery by DTC of any notice to any Direct Participant or the delivery or timeliness of delivery by any Direct or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Indenture to be given to owners of the Offered Bonds; (d) the selection of the Beneficial Owners to receive payments in the event of any partial redemption of the Offered Bonds; or (e) any consent given or other action taken by DTC, or its nominee, Cede & Co., as registered owner. The Beneficial Owners of the Offered Bonds will rely on Direct and Indirect Participants for timely payments and other notices and for otherwise making available to the Beneficial Owner the rights of a Bondholder. No assurances can be provided that, in the event of bankruptcy or insolvency of DTC or a Direct or Indirect Participant through which a Beneficial Owner holds beneficial interests in the Offered Bonds, payment will be made by DTC or the Direct or Indirect Participant on a timely basis.

Redemption Provisions

The Offered Bonds are subject to redemption as described herein. Selection of the Offered Bonds for redemption shall be made as described below under the subheading "Selection of Bonds To Be Redeemed." The Fixed Rate Offered Bonds maturing on September 1, 2030 are herein referred to as the "**2030 Fixed Rate Term Bonds**." The Fixed Rate Offered Bonds maturing on September 1, 2033 are herein referred to as the "**2033 Fixed Rate Term Bonds**." The Fixed Rate Offered Bonds maturing on September 1, 2038 are herein referred to as the "**2038 Fixed Rate Term Bonds**." The Fixed Rate Offered Bonds maturing on September 1, 2048 are herein referred to as the "**2048 Fixed Rate Term Bonds**" or the "**PAC Bonds**," and together with the 2030 Fixed Rate Term Bonds, the 2033 Fixed Rate Term Bonds and the 2038 Fixed Rate Term Bonds, the "**2018 Fixed Rate Term Bonds**."

Optional Redemption. The Fixed Rate Offered Bonds, maturing on or after March 1, 2028, except the PAC Bonds, are redeemable at the option of NIFA, from any source and in whole or in part, on any date on and after September 1, 2027 at a price equal to 100% of the principal amount called for redemption, plus accrued interest thereon to the date of redemption.

The PAC Bonds are redeemable at the option of NIFA, from any source and in whole or in part, on any date on and after September 1, 2027 at the redemption prices provided below, plus accrued interest thereon to the date of redemption:

Redemption Date	**Redemption Price**
September 1, 2027	100.841%
March 1, 2028	100.641
September 1, 2028 and thereafter	100.000

If the PAC Bonds are redeemed on a date other than a redemption date listed above, the redemption price, as of such redemption date, will be determined by straight-line interpolation between the redemption prices for the redemption dates listed above immediately preceding and succeeding such redemption date.

The Variable Rate Offered Bonds in the Weekly Mode Period are redeemable at the option of NIFA, from any source and in whole or in part, on any date at a price equal to 100% of the principal amount called for redemption, plus accrued interest thereon to the date of redemption.

In the case of any optional redemption of Offered Bonds, NIFA shall give written notice to the Trustee of its election or direction so to redeem, of the redemption date and of the principal amounts of the Offered Bonds of each maturity to be redeemed, which maturities and principal amounts thereof to be redeemed shall be determined by NIFA in its sole discretion.

Redemption Due to Unused Proceeds. The Offered Bonds are subject to redemption prior to maturity on any date on or prior to January 1, 2022 (unless extended to the extent permitted under the Indenture) in whole or in

part, at a Redemption Price equal to 100% of their principal amount plus accrued interest thereon to the date of redemption, without premium (except for the redemption of any Offered Bonds sold with original issue premium, which are to be redeemed at the price set forth on the inside cover page hereto), from and to the extent that Offered Bond proceeds and other moneys initially deposited in the Series 2018 C/D Mortgage Loan Fund Account have not been used to finance Mortgage Loans, to purchase Mortgage-Backed Securities or are otherwise transferred by NIFA to the Series 2018 C/D Issuance Expense Account or the Series 2018 C/D Revenue Fund Account.

NIFA expects to use approximately $85,000,000 of the Offered Bonds proceeds initially deposited into the Series 2018 C/D Mortgage Loan Fund Account to purchase Series 2018 C/D Mortgage-Backed Securities on or around the date of delivery of the Offered Bonds. NIFA expects to use substantially all of the remainder of the amounts in the Series 2018 C/D Mortgage Loan Fund Account (excluding any moneys initially deposited therein to refund the Refunded Prior Series Bonds) to purchase Series 2018 C/D Mortgage-Backed Securities on or before April 30, 2019. See Appendix D-1—"SUMMARY OF THE PROGRAM FINANCED WITH THE BONDS – Ongoing NIFA Single Family Program" attached hereto.

Sinking Fund Redemption. Each of the 2018 Fixed Rate Term Bonds and the Variable Rate Offered Bonds are subject to mandatory redemption prior to maturity in part, at the principal amount thereof, plus accrued interest thereon to the date of redemption, on the dates specified below from Sinking Fund Installments, all in the manner provided in the Indenture:

2030 Fixed Rate Term Bonds

Month and Year	Principal Amount	Month and Year	Principal Amount
March 1, 2030	$2,865,000	September 1, 2030†	$2,920,000

† Final maturity.

2033 Fixed Rate Term Bonds

Month and Year	Principal Amount	Month and Year	Principal Amount
March 1, 2031	$2,970,000	September 1, 2032	$3,135,000
September 1, 2031	3,030,000	March 1, 2033	3,185,000
March 1, 2032	3,095,000	September 1, 2033†	3,245,000

† Final maturity.

2038 Fixed Rate Term Bonds

Month and Year	Principal Amount	Month and Year	Principal Amount
March 1, 2034	$3,605,000	September 1, 2036	$3,955,000
September 1, 2034	3,670,000	March 1, 2037	4,015,000
March 1, 2035	3,745,000	September 1, 2037	2,300,000
September 1, 2035	3,820,000	March 1, 2038	2,340,000
March 1, 2036	3,885,000	September 1, 2038†	2,370,000

† Final maturity.

2048 Fixed Rate Term Bonds

Month and Year	Principal Amount	Month and Year	Principal Amount
September 1, 2039	$2,115,000	September 1, 2044	$3,500,000
March 1, 2040	3,200,000	March 1, 2045	3,435,000
September 1, 2040	3,180,000	September 1, 2045	3,490,000
March 1, 2041	3,100,000	March 1, 2046	3,520,000
September 1, 2041	3,180,000	September 1, 2046	3,610,000
March 1, 2042	3,250,000	March 1, 2047	3,635,000
September 1, 2042	3,320,000	September 1, 2047	3,610,000
March 1, 2043	3,395,000	March 1, 2048	3,625,000
September 1, 2043	3,485,000	September 1, 2048†	3,690,000
March 1, 2044	3,490,000		

† Final maturity.

2018 Series D Bonds

Month and Year	Principal Amount	Month and Year	Principal Amount
September 1, 2037	$1,615,000	September 1, 2043	$2,050,000
March 1, 2038	1,645,000	March 1, 2044	2,095,000
September 1, 2038	1,680,000	September 1, 2044	2,130,000
March 1, 2039	1,720,000	March 1, 2045	2,175,000
September 1, 2039	1,745,000	September 1, 2045	2,215,000
March 1, 2040	1,785,000	March 1, 2046	2,270,000
September 1, 2040	1,820,000	September 1, 2046	2,305,000
March 1, 2041	1,855,000	March 1, 2047	2,355,000
September 1, 2041	1,895,000	September 1, 2047	2,400,000
March 1, 2042	1,930,000	March 1, 2048	2,450,000
September 1, 2042	1,970,000	September 1, 2048†	2,500,000
March 1, 2043	2,010,000		

† Final maturity.

The principal amount of any 2018 Fixed Rate Term Bonds or Variable Rate Offered Bonds, as the case may be, redeemed pursuant to the redemption provisions described under "*—Optional Redemption*," "*—Redemption Due to Unused Proceeds*," "*—Redemption From Prepayments and Excess Moneys*," "*—Redemption of the PAC Bonds,*" and "*—'Ten-Year Rule' Redemptions*" shall be applied to reduce each respective Sinking Fund Installment for the respective 2018 Fixed Rate Term Bonds or Variable Rate Offered Bonds, as the case may be (such determination to be made by NIFA no later than the date for which notice of the sinking fund redemption shall be given), by the amount obtained by multiplying the aggregate principal amount of the 2018 Fixed Rate Term Bonds or Variable Rate Offered Bonds, as the case may be, that has been or will be so redeemed by the ratio which such respective Sinking Fund Installment bears to the total remaining Sinking Fund Installments for such 2018 Fixed Rate Term Bonds or Variable Rate Offered Bonds, as the case may be. Notwithstanding the foregoing, the Sinking Fund Installments for the 2018 Fixed Rate Term Bonds or Variable Rate Offered Bonds, as the case may be, may be reduced in such other manner as directed by NIFA, in accordance with the most recent Cash Flow Statement.

On or before the thirty-first day, but no earlier than 33 days prior to the due date of any Sinking Fund Installment, the Trustee shall select and call for redemption such 2018 Fixed Rate Term Bonds or Variable Rate Offered Bonds, as the case may be, subject to redemption from the respective Sinking Fund Installments in accordance with the terms of the Indenture. On or before the thirty-third day prior to the due date of any Sinking Fund Installment, the Trustee, if directed by a certificate of an Authorized Officer, shall apply moneys accumulated in the Debt Service Fund to the purchase of the 2018 Fixed Rate Term Bonds or Variable Rate Offered Bonds, as the case may be, subject to redemption from the respective Sinking Fund Installments, subject, however, to the provisions of the Indenture with respect to special mandatory redemption. The amount of such 2018 Fixed Rate Term Bonds or Variable Rate Offered Bonds, as the case may be, so purchased will be credited against such Sinking

Fund Installment as described in the immediately preceding paragraph (see "THE INDENTURE—Debt Service Fund" herein).

Redemption from Prepayments and Excess Moneys. The Offered Bonds are subject to redemption prior to maturity, in whole or in part, at the principal amount thereof plus accrued interest thereon to the date of redemption, on any date, from and to the extent there are moneys in the Revenue Fund or the Redemption Fund from (a) moneys representing Prepayments corresponding to any Series of Bonds (including any Mortgage Loans and Mortgage-Backed Securities acquired, purchased or financed with the proceeds of such Bonds) deposited in the Revenue Fund or the Redemption Fund (including amounts representing Prepayments not used to finance Mortgage Loans and transferred from any Recycling Subaccount of the Mortgage Loan Fund) and (b) excess Revenues derived from or corresponding to any Series of Bonds (including any Mortgage Loans and Mortgage-Backed Securities acquired, purchased or financed with the proceeds of such Bonds) transferred from the Revenue Fund or from any Recycling Subaccount of the Mortgage Loan Fund, including moneys transferred from the Debt Service Reserve Fund and the Mortgage Reserve Fund which are in excess of the Debt Service Reserve Requirement and Mortgage Reserve Fund Requirement, respectively.

Prepayments and excess Revenues include those derived by NIFA from the Offered Bonds and all other Series of Bonds (including any Mortgage Loans and Mortgage-Backed Securities acquired, purchased or financed with the proceeds of such Bonds, regardless of whether such Bonds remain outstanding), to the extent not prohibited by the applicable Supplemental Indenture. Such redemption of Bonds may be other than pro rata if so directed by NIFA, provided that the PAC Bonds may not be redeemed in an amount which would result in a reduction in the amount of such Bonds outstanding below the respective Applicable Amounts for each semiannual period unless otherwise required pursuant to federal tax laws (see "—'*Ten-Year Rule' Redemptions*" below). Prepayments relating to the Series 2018 C/D Mortgage-Backed Securities (including the Refunded Series Mortgage-Backed Securities designated as Series 2018 C/D Mortgage-Backed Securities) and any Series 2018 C/D Mortgage Loans constitute the "**Series 2018 C/D Prepayments**." The Series 2018 C/D Supplemental Indenture provides that (i) Series 2018 C/D Prepayments and excess Revenues derived by NIFA with respect to the Offered Bonds may be used, at the direction of NIFA, to redeem any Bonds, including Bonds other than the Offered Bonds; (ii) reductions in the Debt Service Reserve Fund or the Mortgage Reserve Fund may be used, at the direction of NIFA, to redeem any Bonds, including the Offered Bonds and (iii) amounts described in (i) and (ii) may, at the direction of NIFA and under certain circumstances, be used to acquire additional Mortgage Loans and Mortgage-Backed Securities. NIFA may further direct that excess Revenues be credited to the Collateral Fund and applied as described herein. See "SECURITY FOR THE BONDS—Collateral Fund" herein and "THE INDENTURE—Revenue Fund" and "—Collateral Fund" herein.

Redemption of the PAC Bonds. The PAC Bonds are subject to mandatory redemption from, and to the extent received, Directed Series 2018 C/D Principal Payments. "**Directed Series 2018 C/D Principal Payments**" means, with respect to any redemption date, all principal payments and Prepayments from Series 2018 C/D Mortgage-Backed Securities (which includes the Refunded Series Mortgage-Backed Securities) and Series 2018 C/D Mortgage Loans (which do not include Community Program Loans) less the sum of the principal amount of any Offered Bonds scheduled to mature or subject to sinking fund redemption on such redemption date (or, if no such Offered Bonds are scheduled to mature or are subject to sinking fund redemption on such redemption date, a pro rata portion of the next subsequent scheduled maturity amount or Sinking Fund Payment amount of such Offered Bonds). PAC Bonds shall be redeemed on one or more days during each semiannual period ending on March 1 or September 1, commencing with the period ending March 1, 2019,[†] at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date to the extent that, after giving effect to such redemption, the aggregate principal amount of the PAC Bonds outstanding on such redemption date is not less than the related Applicable Amount of such PAC Bonds as set forth below (the "**PAC Bonds Applicable Amount**"). If the Directed Series 2018 C/D Principal Payments are insufficient in any semiannual period to call the PAC Bonds in the amount described above, the PAC Bonds will continue to be callable in future semiannual periods from Directed Series 2018 C/D Principal Payments received in such future semiannual period in the same manner as described above. If there are excess Directed Series 2018 C/D Principal Payments with respect to any semiannual period, such

[†] The first such semiannual period being greater than six months.

excess may be applied to any authorized purpose under the Indenture, including the redemption of other Bonds as described under "*—Redemption From Prepayments and Excess Moneys*" above.

The PAC Bonds Applicable Amount as of each Interest Payment Date following redemption of the PAC Bonds is as follows:

PAC Bonds Applicable Amount

Period Ending	Applicable Amount	Period Ending	Applicable Amount
August 29, 2018	$63,830,000	March 1, 2024	$23,655,000
March 1, 2019	63,420,000	September 1, 2024	19,990,000
September 1, 2019	61,725,000	March 1, 2025	16,570,000
March 1, 2020	59,010,000	September 1, 2025	13,395,000
September 1, 2020	55,380,000	March 1, 2026	10,450,000
March 1, 2021	50,915,000	September 1, 2026	7,735,000
September 1, 2021	45,860,000	March 1, 2027	5,255,000
March 1, 2022	40,885,000	September 1, 2027	2,990,000
September 1, 2022	36,180,000	March 1, 2028	945,000
March 1, 2023	31,745,000	September 1, 2028, and thereafter	-0-
September 1, 2023	27,575,000		

The PAC Bonds Applicable Amount table set forth above is derived from assumptions that include, among other assumptions, the expected origination schedule for the Series 2018 C/D Mortgage Loans, the receipt of Directed Series 2018 C/D Prepayments, at 100% of the latest SIFMA mortgage prepayment model. The SIFMA prepayment standard or model (commonly referred to as the "**PSA Prepayment Model**") is based on an assumed rate of mortgage loan prepayments each month. The PSA Prepayment Model assumes an increasingly large percentage of the mortgages prepaying each month for the first thirty (30) months of the mortgages' life and thereafter assumes a constant prepayment rate of six percent (6%) per annum of the unpaid principal balance for the remaining life of the mortgages.

If the PAC Bonds are redeemed from unexpended proceeds of the Offered Bonds remaining in the Series 2018 C/D Mortgage Loan Fund Account, the Applicable Amounts for each semiannual period will be reduced on a proportionate basis. NIFA may redeem the PAC Bonds from any available amounts in the Funds and Accounts of the Indenture other than Directed Series 2018 C/D Principal Payments solely to the extent that such redemption will not reduce the outstanding principal amount of the PAC Bonds to an amount less than the Applicable Amounts shown in the table above after taking all such redemptions into account, unless otherwise required by federal tax laws (see "—'*Ten-Year Rule' Redemptions*" below), as such amount may have been adjusted due to a redemption of the PAC Bonds from unexpended proceeds. If the PAC Bonds are redeemed on a date other than a scheduled sinking fund redemption date, the Applicable Amounts as of such redemption date will be determined by straight-line interpolation between the Applicable Amounts for the Interest Payment Dates immediately preceding and succeeding such redemption date.

"Ten-Year Rule" Redemptions. To comply with federal tax law, as more fully described under "BONDHOLDER CONSIDERATIONS—Redemption and Prepayment Considerations" herein, with respect to the Series 2018 C/D Mortgage-Backed Securities and Series 2018 C/D Mortgage Loans (not including the Refunded Series Mortgage-Backed Securities) expected to be acquired with the proceeds of the Offered Bonds, the following cumulative percentage of scheduled principal payments and Prepayments on the Series 2018 C/D Mortgage-Backed Securities and Series 2018 C/D Mortgage Loans (not including the Refunded Series Mortgage-Backed Securities) received on or after the following dates is required to be applied no later than the close of the first semiannual period beginning after the date of receipt to the retirement of the Offered Bonds through payment thereof at maturity or redemption:

Start Date	End Date	Percent
August 29, 2018	August 28, 2028	0.00%
August 29, 2028	Final Maturity	100.00

NIFA may redeem the Offered Bonds in amounts greater than such percentages from available amounts in the Funds and Accounts of the Indenture under the circumstances more fully described above.

To comply with federal tax law, as more fully described under "BONDHOLDER CONSIDERATIONS—Redemption and Prepayment Considerations" herein, with respect to the approximately $24,400,000 as of June 30, 2018 of Refunded Series Mortgage-Backed Securities expected to be designated as Series 2018 C/D Mortgage-Backed Securities and credited to the Series 2018 C/D Mortgage Loan Fund Account in connection with the issuance of the Offered Bonds and the refunding and redemption of the Refunded Prior Series Bonds, the following cumulative percentage of scheduled principal payments and Prepayments on the Refunded Series Mortgage-Backed Securities received on or after the following dates is required to be applied no later than the close of the first semiannual period beginning after the date of receipt to the retirement of the Offered Bonds through payment thereof at maturity or redemption:

Start Date	End Date	Percent
August 29, 2018	Final Maturity	100.00%

NIFA may redeem the Offered Bonds in amounts greater than such percentages from available amounts in the Funds and Accounts of the Indenture under the circumstances more fully described above.

All "Ten-Year Rule" redemptions from principal payments and Prepayments with respect to the Series 2018 C/D Mortgage-Backed Securities and Series 2018 C/D Mortgage Loans shall be applied by NIFA to redeem the Offered Bonds as directed by NIFA. To the extent that NIFA applies "Ten-Year Rule" redemptions from principal payments and Prepayments described above, such redemptions shall be applied to redeem the PAC Bonds, below the applicable PAC Bonds Applicable Amount, but only to the extent that no other Fixed Rate Offered Bonds are outstanding.

Projected Weighted Average Lives of the PAC Bonds. The "projected weighted average life" of a security refers to the average amount of time that is projected to elapse from the date of delivery of such security to the date of projected payment to the investor of each dollar paid to reduce the principal of such security (assuming no losses). The projected weighted average life of a security is determined by (a) multiplying each projected reduction, if any, of the outstanding amount of such security by the number of years from the date of delivery of such security to the related redemption date or maturity date, (b) adding the results and (c) dividing the sum by the initial outstanding amount of such security.

The calculations of each of the projected weighted average lives of the PAC Bonds set forth in the PAC Bonds Projected Average Life (in years) table (the "**PAC Bonds Average Life Table**") as set forth below requires the making of certain hypothetical assumptions, including, among others, the following:

(a) The Series 2018 C/D Mortgage-Backed Securities (including the Refunded Series Mortgage-Backed Securities) prepay at the corresponding rates set forth on the PAC Bonds Average Life Table.

(b) The Series 2018 C/D Mortgage-Backed Securities and the Series 2018 C/D Mortgage Loans (excluding the Refunded Series Mortgage-Backed Securities) will consist of approximately $173,247,200 of Mortgage-Backed Securities, are expected to bear a weighted average pass through interest rate of approximately 3.841%, are expected to have a weighted average maturity of approximately August 17, 2048 and are expected to be acquired with proceeds of the Offered Bonds on or before April 30, 2019.

(c) The Refunded Series Mortgage-Backed Securities to be credited to the Series 2018 C/D Mortgage Loan Fund Account on or about August 29, 2018 in connection with the issuance of the Offered Bonds will consist of approximately $24,400,000 of Mortgage-Backed Securities, will bear a weighted average pass through interest rate of approximately 2.734% and will have a weighted average maturity of approximately May 21, 2044.

(d) Directed Series 2018 C/D Principal Payments will be applied at least once during each semiannual period to redeem the PAC Bonds up to the then applicable PAC Bonds Applicable Amount.

(e) "Ten-Year" Rule Redemptions will be applied *first*, to redeem the PAC Bonds up to the then applicable PAC Bonds Applicable Amount, *second* to redeem the 2018 Series C Bonds or the 2018 Series D Bonds, other than the PAC Bonds, and *third* to redeem the remaining PAC Bonds.

The foregoing hypothetical assumptions summarized above are referred to herein collectively as the "**Average Life Assumptions**."

The actual characteristics and the performance of the Series 2018 C/D Mortgage-Backed Securities will differ from the Average Life Assumptions utilized in constructing the PAC Bonds Average Life Table, which assumptions are hypothetical in nature and are provided only to give a general sense of how the weighted average lives of the PAC Bonds might vary as such prepayment speeds vary. For example, the actual rate of prepayment of all Series 2018 C/D Mortgage-Backed Securities (including Refunded Series Mortgage-Backed Securities) and Series 2018 C/D Mortgage Loans can be expected to differ from the Average Life Assumptions. NIFA does not expect that the Series 2018 C/D Mortgage-Backed Securities will prepay actually and consistently in conformance with any of the prepayment assumptions represented in the scenarios set forth in the PAC Bonds Average Life Table. Any difference between such Average Life Assumptions and the actual characteristics and performance of the Mortgage-Backed Securities will cause the actual weighted average lives of the PAC Bonds to differ (which difference could be significant) from the projected weighted average lives in the PAC Bonds Average Life Table. The Average Life Assumptions are not necessarily consistent with the current or historical approach of NIFA to recycling and selecting Bonds to be redeemed, and they are not binding upon or necessarily indicative of future actions of NIFA with respect to the redemption of the Offered Bonds (provided that NIFA has covenanted in the Series 2018 C/D Supplemental Indenture to use certain amounts received by NIFA to redeem the PAC Bonds). NIFA makes no representation as to the reasonableness of the Average Life Assumptions and makes no representation that the hypothetical projected average lives set forth in the PAC Bonds Average Life Table will reflect the actual course of events.

The computation of the weighted average lives of the PAC Bonds under each of the scenarios represented in the PAC Bonds Average Life Table is based on one of two sets of indicated assumptions about the exercise of the Optional Redemption provisions pursuant to the Series 2018 C/D Supplemental Indenture:

(a) In the case of scenarios labeled "Optional Call Exercised," it is assumed that NIFA will exercise its right to optionally redeem all then-eligible Offered Bonds on September 1, 2027.

(b) In the case of scenarios labeled "Optional Call Not Exercised," it is assumed that NIFA will not exercise its right to optionally redeem the Offered Bonds.

Investors owning less than all of the PAC Bonds may experience redemption at a rate that varies from the projected weighted average lives shown in the PAC Bonds Average Life Table.

PAC Bonds Projected Average Life (in years)

% PSA Prepayment Model 2018 CD Mortgage-Backed Securities	Optional Call Not Exercised	Optional Call Exercised
0	25.5	9.0
25	18.6	7.9
50	12.6	6.9
75	7.4	5.9
100	5.0	5.0
200	5.0	5.0
300	5.0	5.0
400	5.0	5.0
500	5.0	5.0

See the Table set forth in "APPENDIX D-5 – PROJECTED PERCENTAGES OF INITIAL PRINCIPAL BALANCE OUTSTANDING AND PROJECTED WEIGHTED AVERAGE LIVES OF PAC BONDS" attached hereto.

Selection of Bonds to Be Redeemed. If Offered Bonds are to be redeemed in part pursuant to the redemption described above under "—Redemption Due to Unused Proceeds," "—Redemption From Prepayments and Excess Moneys," "—Redemption of the PAC Bonds," or "— 'Ten-Year Rule' Redemptions," the aggregate principal amount of the Offered Bonds to be redeemed shall be selected and redeemed in Authorized Denominations and on such basis to be determined and effectuated as nearly as practicable by multiplying the total amount of money available to redeem Offered Bonds by the ratio which the principal amount of Offered Bonds outstanding in each maturity bears to the aggregate amount of all Outstanding Offered Bonds, provided that such Offered Bonds to be redeemed may be selected by NIFA in its sole and absolute discretion in accordance with the most recent Cash Flow Statement.

If any Offered Bonds of like maturity are to be redeemed in part, the Offered Bonds shall be redeemed only in Authorized Denominations. If any maturity shall be redeemed in part, such portion shall be selected by lot. For so long as beneficial ownership interests in the Offered Bonds are available only in book-entry form, redemption shall be made in accordance with DTC's practices. See "THE OFFERED BONDS—Book-Entry-Only System" herein.

If any Variable Rate Offered Bonds in the Weekly Mode Period are to be redeemed in part, such Variable Rate Offered Bonds which are Bank-Bonds shall be selected for redemption prior to other Variable Rate Offered Bonds in the Weekly Mode Period.

Notice of Redemption. Notice of the redemption of Offered Bonds shall specify the Offered Bonds or portions thereof to be redeemed, the redemption date and the redemption price thereof, and shall be given by mail (and/or other arrangement acceptable to DTC) to DTC at least 30 days (or such shorter period as may be acceptable to the then registered owner of the Offered Bonds) but no more than 60 days prior to such redemption date (see "THE OFFERED BONDS—Book-Entry-Only System" herein). Failure to give such notice by mail with respect to any Bond shall not be a condition precedent to or affect the validity of any proceeding for the redemption of other Bonds. All Bonds called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time, and will no longer be protected by the Indenture and will not be deemed to be Outstanding under the provisions of the Indenture.

Tenders for Purchase in Lieu of Redemption

NIFA may direct its agent or agents to solicit tenders for the purchase of Offered Bonds subject to redemption under any of the foregoing provisions. The purchase price of any such Offered Bond, if paid from amounts held under the Indenture, may not exceed the applicable redemption price. Any such purchase must be

completed prior to the time notice would be otherwise given to redeem the Offered Bonds. The Offered Bonds so purchased shall be cancelled and the principal amount so purchased shall be applied as a credit against the applicable principal amount of the Offered Bonds to be otherwise redeemed.

Description of the Variable Rate Offered Bonds

See Appendix J for the definitions of certain capitalized terms with respect to the Variable Rate Offered Bonds. Reference is also made to the inside cover page regarding the Variable Rate Offered Bonds in the Weekly Mode Period for a brief description of certain of the terms used below.

REFERENCES TO THE VARIABLE RATE OFFERED BONDS IN THIS OFFICIAL STATEMENT PERTAIN ONLY TO VARIABLE RATE OFFERED BONDS IN THE WEEKLY MODE PERIOD. THIS OFFICIAL STATEMENT IS NOT INTENDED TO DESCRIBE THE VARIABLE RATE OFFERED BONDS SUBSEQUENT TO NIFA'S ELECTION, IF ANY, TO CHANGE TO A MODE PERIOD OTHER THAN A WEEKLY MODE PERIOD OR TO CONVERT THE INTEREST THEREON TO LONG-TERM FIXED INTEREST RATES OR FRN RATES.

Interest on the Variable Rate Offered Bonds in the Weekly Mode Period. The Variable Rate Offered Bonds shall initially bear interest during the Weekly Mode Period at a rate to be determined on the day prior to the Date of Delivery. Thereafter, the Variable Rate Offered Bonds during the Weekly Mode Period shall bear interest during each seven day period (an "**Effective Rate Period**"), commencing on each Wednesday (an "**Effective Rate Date**"), at the rate (the "**Weekly Rate**") determined by the Remarketing Agent on the Business Day (typically a Tuesday) preceding the Effective Rate Date (the "**Rate Determination Date**") for the new Effective Rate Period (except for the Variable Rate Offered Bonds that are held by the Standby Purchaser ("**Bank-Owned Bonds**") which, in accordance with the Initial Liquidity Facility, shall bear interest at the Bank Interest Rate, which may be as high as 25% per annum (the "**Bank Interest Rate**")). In no event shall the interest rate borne by such Variable Rate Offered Bonds (other than the Bank-Owned Bonds) exceed 15% per annum (the "**Maximum Rate**").

The Weekly Rate shall be determined as of each Rate Determination Date to be effective as of the Effective Rate Date. The Weekly Rate shall be that rate which, in the determination of the Remarketing Agent, would result as nearly as practicable in the price of the Variable Rate Offered Bonds on the Effective Rate Date being 100% of the principal amount thereof, and which shall not exceed the Maximum Rate.

In determining the Weekly Rate, the Remarketing Agent shall take into account to the extent applicable (a) market interest rates for comparable securities held by tax-exempt or taxable (as applicable) open-end municipal bond funds or other institutional or private investors with substantial portfolios (i) with interest rate adjustment periods and demand purchase options substantially identical to the Variable Rate Offered Bonds, (ii) bearing interest at a variable rate intended to maintain par value and (iii) rated by a national credit rating agency in the same category as the Variable Rate Offered Bonds; (b) other financial market rates and indices that may have a bearing on the Weekly Rate (including, but not limited to, rates borne by commercial paper, Treasury Bills, commercial bank prime rates, certificate of deposit rates, federal fund rates, the London Interbank Offered Rate (LIBOR), the SIFMA Index, indices maintained by *The Bond Buyer* and other publicly available tax-exempt or taxable (as applicable) interest rate indices); (c) general financial market conditions; and (d) factors particular to NIFA and the Variable Rate Offered Bonds in the Weekly Mode.

The determination by the Remarketing Agent of the Weekly Rate to be borne by the Variable Rate Offered Bonds (other than Bank-Owned Bonds, which, in accordance with the Initial Liquidity Facility, shall bear interest at the Bank Interest Rate) shall be conclusive and binding on the Holders of such Variable Rate Offered Bonds and the other Notice Parties. Failure by the Remarketing Agent or the Trustee to give any notice required under the Series 2018 C/D Supplemental Indenture, or any defect in such notice, shall not affect the interest rate borne by the Variable Rate Offered Bonds or the rights of the Holders thereof.

If for any reason the position of Remarketing Agent is vacant or the Remarketing Agent fails to act, the Variable Rate Offered Bonds shall automatically bear interest in a weekly mode with the interest rate reset on a weekly basis at the lesser of (i) 110% of the SIFMA Index, or if the SIFMA Index is no longer available, 85% of the interest rate on 30-day high-grade unsecured commercial paper notes sold through dealers by major corporations as

reported in *The Wall Street Journal* (or, if no longer published, a national publication containing similar data) on the day such Weekly Rate would otherwise be determined or (ii) the Maximum Rate.

Mode Changes. NIFA may elect (1) to change the intervals at which the interest rate is calculated with respect to all or part of the Variable Rate Offered Bonds (each such change is a "**Mode Change**" with respect to the Variable Rate Offered Bonds to which such Mode Change applies, and the date on which each such Mode Change is effective is a "**Mode Change Date**"), (2) to establish with respect to all or part of the Variable Rate Offered Bonds a Term Mode, during the period of which Term Mode (the "**Term Mode Period**") the interest rate or rates remain at one or more fixed rates during the Term Mode (each such change is a "**Term Mode Change**" with respect to the Variable Rate Offered Bonds to which such Term Mode Change applies, and the date on which each such Term Mode Change is effective is a "**Term Mode Change Date**"), (3) to convert all or part of the Variable Rate Offered Bonds to bear interest at fixed rates to their maturity (with respect to the Variable Rate Offered Bonds to which such conversion to a fixed rate applies, a "**Conversion**," and the date on which such a Conversion is effective a "**Conversion Date**") or (4) to change all or part of the Variable Rate Offered Bonds to bear interest at a floating rate (the "**FRN Rate**," as such term is defined in the Series 2018 C/D Supplemental Indenture, and with respect to the Variable Rate Offered Bonds to which such change to a FRN Rate applies, a "**Floating Rate Change**," and the date on which such a change is effective a "**Floating Rate Change Date**"). NIFA will provide notice of a Mode Change, a Term Mode Change, a Conversion, or a Floating Rate Change, not less than 21 days before the applicable Mode Change Date or Term Mode Change Date and not less than 30 days before the applicable Conversion Date or Floating Rate Change Date, to the Remarketing Agent, the Trustee, the Standby Purchaser and the Tender Agent. The Trustee will provide notice of a Mode Change, a Term Mode Change, a Conversion, or a Floating Rate Change to DTC not less than 15 days before the applicable Mode Change Date, Term Mode Change Date, Conversion Date or Floating Rate Change Date. On each Mode Change Date, Term Mode Change Date, Conversion Date or Floating Rate Change Date, the Variable Rate Offered Bonds to which such Mode Change, Term Mode Change Date, Conversion or Floating Rate Change applies will be subject to mandatory tender for purchase as described below.

THIS OFFICIAL STATEMENT IS NOT INTENDED TO DESCRIBE THE VARIABLE RATE OFFERED BONDS IN A MODE PERIOD OTHER THAN THE WEEKLY MODE PERIOD OR SUBSEQUENT TO THEIR CONVERSION, IF ANY, TO A LONG-TERM FIXED INTEREST RATE OR FRN RATES.

Optional Tender. Holders of Variable Rate Offered Bonds in the Weekly Mode may elect to tender their Variable Rate Offered Bonds, which, if so tendered upon delivery of a proper Tender Notice, will be purchased on the purchase date specified in the Tender Notice at a price equal to 100% of the principal amount thereof plus accrued interest to such purchase date. Such notice shall be given by the Holder of such Variable Rate Offered Bonds in the Weekly Mode to the Remarketing Agent and the Tender Agent not later than 5:00 p.m. New York City time on any Business Day at least seven calendar days prior to the purchase date set forth in the Tender Notice, which date shall be any Business Day (the "**Variable Rate Bond Purchase Date**"). Notices of tender to the Tender Agent must be in writing and addressed to Wells Fargo Bank, National Association, as Tender Agent for Nebraska Investment Finance Authority Single Family Housing Revenue Bonds, 2018 Series D, 600 South 4th Street, 6th Floor, MAC: N9300-060, Minneapolis, Minnesota 55415. Such Tender Notice for purchase of Variable Rate Offered Bonds in the Weekly Mode by the Holders thereof will be irrevocable once such notice is given to the Tender Agent, as directed in the Series 2018 C/D Supplemental Indenture.

Mandatory Tender. The Variable Rate Offered Bonds are subject to mandatory tender for purchase with no right to retain (i) on a Mode Change Date, (ii) upon an Expiration Tender, (iii) upon a Termination Tender, (iv) upon a Default Tender, (v) on a Conversion Date, (vi) upon an Election Tender, or (vii) upon a Floating Rate Change Tender (each a "**Mandatory Tender Date**"), in each case at a purchase price equal to 100% of the principal amount thereof plus accrued interest to such Mandatory Tender Date. A Mandatory Tender includes the delivery of an Alternate Liquidity Facility in substitution for the Initial Liquidity Facility or the Liquidity Facility then in effect. Upon any such event, the Trustee promptly shall deliver a notice of mandatory tender to Holders stating the reason for the mandatory tender, the Mandatory Tender Date and that all Holders of Variable Rate Offered Bonds subject to such mandatory tender shall be deemed to have tendered their Variable Rate Offered Bonds upon such date. The Trustee shall give notice to the Holders of such Variable Rate Offered Bonds at least 15 days prior to any Mandatory Tender Date. See Appendix K—"CERTAIN TERMS OF THE INITIAL LIQUIDITY FACILITY."

On each Variable Rate Bond Purchase Date or Mandatory Tender Date, the Remarketing Agent shall use its best efforts as described herein to sell the tendered Variable Rate Offered Bonds at a price as nearly as practicable at 100% of the principal amount thereof. If the Remarketing Agent is unable to remarket the Variable Rate Offered Bonds so tendered, the Standby Purchaser will purchase such Variable Rate Offered Bonds in accordance with the Initial Liquidity Facility. See "THE OFFERED BONDS—Description of the Variable Rate Offered Bonds" and Appendix K—"CERTAIN TERMS OF THE INITIAL LIQUIDITY FACILITY."

Establishment of the Series 2018 C/D Purchase Fund. The Series 2018 C/D Supplemental Indenture establishes the Series 2018 C/D Purchase Fund and within such fund the Remarketing Proceeds Account, the Liquidity Facility Purchase Account, and the NIFA Proceeds Purchase Account.

Proceeds of a remarketing of Variable Rate Offered Bonds received by the Trustee are deposited in the Remarketing Proceeds Account for application to the purchase price of the Variable Rate Offered Bonds subject to Optional Tender or Mandatory Tender, as applicable.

Upon receipt of any funds drawn on the Initial Liquidity Facility, such moneys are deposited into the Liquidity Facility Purchase Account for application to the purchase price of the Variable Rate Offered Bonds subject to Optional Tender or Mandatory Tender, as applicable, to the extent that moneys on deposit in the Remarketing Proceeds Account are not sufficient.

At its discretion, NIFA may deposit amounts in the NIFA Proceeds Purchase Account to be used by the Trustee on any Mandatory Tender Date resulting from a Mode Change to pay the purchase price of any Variable Rate Offered Bonds during a Term Mode Period.

Amounts held in the Series 2018 C/D Purchase Fund, including the Remarketing Proceeds Account, the Liquidity Facility Purchase Account and the NIFA Proceeds Purchase Account, are held uninvested and separate and apart from all other funds and accounts established by the Indenture.

NIFA Not Responsible for Standby Purchaser's Failure To Purchase Variable Rate Offered Bonds. Under the terms and provisions of the Remarketing Agreement and the Initial Liquidity Facility, the purchase price of the tendered Variable Rate Offered Bonds will be payable from moneys furnished in connection with remarketing of the Variable Rate Offered Bonds or from the Initial Liquidity Facility. See Appendix K—"CERTAIN TERMS OF THE INITIAL LIQUIDITY FACILITY." *NIFA is not responsible for any failure by the Standby Purchaser to purchase tendered Variable Rate Offered Bonds.* Under the terms of the Initial Liquidity Facility, the Standby Purchaser has no obligation to purchase tendered Variable Rate Offered Bonds rated lower than "BBB-" by S&P. If the Standby Purchaser fails to purchase any Variable Rate Offered Bonds tendered or deemed tendered for purchase by the Holders thereof because the Variable Rate Offered Bonds are rated lower than "BBB-" by S&P, such Variable Rate Offered Bonds shall automatically bear interest at the Maximum Rate. Bondholders will not have the right to tender their Variable Rate Offered Bonds following such event and may be required to hold their Variable Rate Offered Bonds to their respective maturities or prior redemption. The failure to purchase any tendered Variable Rate Offered Bond does *not* constitute an Event of Default under the Indenture.

Termination of Book-Entry. This paragraph is applicable only if the book-entry system has been discontinued and replacement bonds have been issued or if DTC has exercised its option to surrender and exchange its Variable Rate Offered Bond certificates. Any Variable Rate Offered Bond in the Weekly Mode Period not tendered and delivered to the Tender Agent on or prior to any optional tender date or its Mandatory Tender Date ("**Untendered Variable Rate Bonds**") for which there have been irrevocably deposited in trust with the Trustee the purchase price equal to the principal amount of such Variable Rate Offered Bonds plus accrued interest shall be deemed to have been tendered and purchased on such optional tender date or Mandatory Tender Date. Holders of Untendered Variable Rate Bonds shall not be entitled to any payment (including any interest to accrue on or after the optional tender date or Mandatory Tender Date) other than the principal amount of such Untendered Variable Rate Bonds, plus accrued interest to the day preceding the optional tender date or Mandatory Tender Date, and said Holders shall no longer be entitled to the benefits of the Indenture, except for the purpose of payment of the purchase price. Bond certificates will be issued in place of Untendered Variable Rate Bonds pursuant to the Indenture and, after the issuance of the replacement Variable Rate Offered Bond certificates, such Untendered Variable Rate Bonds will be deemed purchased, canceled and no longer Outstanding under the Indenture.

Information Concerning Sales of Variable Rate Offered Bonds by Remarketing Agent

*The information contained under this heading "Information Concerning Sales of Variable Rate Offered Bonds by Remarketing Agent" has been provided by J.P. Morgan Securities LLC, as the initial Remarketing Agent for the Variable Rate Offered Bonds (the "**Remarketing Agent**") for use in this Official Statement but has not been required by NIFA to be included herein. Except to the extent such information describes express provisions of the Indenture or other transaction documents, NIFA does not accept any responsibility for its accuracy or completeness.*

The Remarketing Agent is Paid by NIFA. The Remarketing Agent's responsibilities include determining the interest rate from time to time and remarketing the Variable Rate Offered Bonds that are optionally or mandatorily tendered by the owners thereof (subject, in each case, to the terms of the Remarketing Agreement). The Remarketing Agent is appointed by NIFA and is paid by NIFA for its services. As a result, the interests of the Remarketing Agent may differ from those of existing holders and potential purchasers of the Variable Rate Offered Bonds.

The Remarketing Agent Routinely Purchases Bonds for Its Own Account. The Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, routinely purchases such obligations for its own account in order to achieve a successful remarketing of such obligations (i.e., because there are otherwise not enough buyers to purchase the obligations) or for other reasons. The Remarketing Agent is permitted, but not obligated, to purchase tendered Variable Rate Offered Bonds for its own account and, if it does so, it may cease doing so at any time without notice. The Remarketing Agent is also permitted, but is not obligated, to make a market in the Variable Rate Offered Bonds by routinely purchasing and selling the Variable Rate Offered Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at prices other than par. If the Remarketing Agent purchases any Variable Rate Offered Bonds for its own account, it may offer such Variable Rate Offered Bonds at less than par to some investors. The Remarketing Agent may also sell any Variable Rate Offered Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Variable Rate Offered Bonds. The purchase of Variable Rate Offered Bonds by the Remarketing Agent may create the appearance that there is greater third party demand for the Variable Rate Offered Bonds in the market than is actually the case. The practices described above also may result in fewer Variable Rate Offered Bonds being tendered in a remarketing.

Variable Rate Offered Bonds May Be Offered at Different Prices on Any Date Including a Rate Determination Date. Pursuant to the Remarketing Agreement, the Remarketing Agent is required to determine the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of the Variable Rate Offered Bonds bearing interest at the applicable interest rate at par plus accrued interest, if any, on and as of the Rate Determination Date. The interest rate will reflect, among other factors, the level of market demand for the Variable Rate Offered Bonds (including whether the Remarketing Agent is willing to purchase Variable Rate Offered Bonds for its own account). There may or may not be Variable Rate Offered Bonds tendered and remarketed on a Rate Determination Date; the Remarketing Agent may or may not be able to remarket any Variable Rate Offered Bonds tendered for purchase on such date at par; and the Remarketing Agent may sell Variable Rate Offered Bonds at varying prices to different investors on such date or any other date. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the Variable Rate Offered Bonds at the remarketing price. If a Remarketing Agent owns any Variable Rate Offered Bonds for its own account, it may, in its sole discretion in a secondary market transaction outside the tender process, offer such Variable Rate Offered Bonds on any date, including the Rate Determination Date, at a discount to par to some investors.

The Ability To Sell Variable Rate Offered Bonds Other Than Through the Tender Process May Be Limited. The Remarketing Agent may buy and sell the Variable Rate Offered Bonds other than through the tender process. However, it is not obligated to do so and may cease doing so at any time without notice and may require holders that wish to tender their Variable Rate Offered Bonds to do so through the Tender Agent with appropriate notice. Thus, investors who purchase the Variable Rate Offered Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Variable Rate Offered Bonds other than by tendering the Variable Rate Offered Bonds in accordance with the tender process.

The Remarketing Agent May Be Removed, Resign or Cease Remarketing the Variable Rate Offered Bonds, Without a Successor Being Named. Under certain circumstances the Remarketing Agent may be removed or may resign or cease its remarketing efforts, without a successor having been named, subject to the terms of the Remarketing Agreement.

Open Market Purchase of Bonds

From time to time, NIFA may purchase and cancel its Bonds, including its fixed rate Bonds offered in the open market at prices deemed favorable by NIFA, as permitted by the Indenture. If NIFA determines to solicit the purchase of any such Bonds, it may or may not do so pursuant to a further notice to the holders of such Bonds.

SECURITY FOR THE BONDS

Pledge of the Indenture

All Bonds are equally secured under the Indenture. The Bonds are limited obligations of NIFA, payable solely out of Revenues derived from the operation of the Program and other amounts pledged therefor pursuant to the Indenture. The mortgage loans purchased (or financed through the purchase of certain mortgage-backed securities) with proceeds of the Other Single Family Programs and the funds and accounts which secure the bonds issued thereunder are *not* pledged and are not available to meet any payment requirements of the Bonds. NIFA has no taxing power. THE BONDS DO NOT CONSTITUTE A DEBT, LIABILITY OR GENERAL OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OR PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF.

Pursuant to the Indenture, NIFA grants to the Trustee a pledge of and security interest in the following as security for the Bonds:

(a) All right, title and interest, if any, of NIFA in and to the Program Agreements (as defined in the Indenture), including all extensions and renewals of their terms, if any, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any income, revenues, receipts, issues, profits, insurance proceeds and other sums of money payable to or receivable by NIFA under the Program Agreements, whether payable pursuant thereto or otherwise, to bring actions and proceedings under the Program Agreements or for the enforcement thereof, and to do any and all things which NIFA is or may become entitled to do thereunder;

(b) All right, title and interest of NIFA in and to the Mortgage Loans and related Mortgages and the Mortgage-Backed Securities, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any income, revenues, receipts, issues and profits and other sums of money payable or receivable by NIFA under the Mortgage Loans and the Mortgage-Backed Securities, whether payable pursuant to the Mortgage Loans, the Mortgage-Backed Securities or otherwise, to bring actions and proceedings under the Mortgage Loans and the Mortgage-Backed Securities or for the enforcement thereof, and to do any and all things which NIFA is or may become entitled to do under the Mortgage Loans and the Mortgage-Backed Securities, all, however, subject to any limitations with respect thereto specified in the related Supplemental Indenture; and

(c) All moneys and securities, including Bond proceeds (other than proceeds deposited in trust for the retirement of outstanding Bonds, including the Refunded Prior Series Bonds) and Revenues from time to time held by the Trustee under and subject to the terms of the General Indenture or any Supplemental Indenture (except Service Fees, Escrow Payments and Excess Nonmortgage Earnings) and any and all other real or personal property of every name and nature from time to time by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the Indenture by NIFA, or by anyone in its behalf or with its written consent, to the Trustee which is authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture.

When certain terms and conditions are fulfilled as provided in the Indenture, amounts may be released free and clear of the lien of the Indenture. See "THE INDENTURE—Revenue Fund," "—Operating Fund" and "—Release of Amounts Free of Lien of Indenture" herein.

Pursuant to Section 58-258 of the NIFA Act, any pledge made by the Authority, such as those made in the Indenture and described herein, is valid and binding from the time the pledge is made. The revenue, money, or properties so pledged and thereafter received by the Authority are immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Authority, irrespective of whether the parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created, including the Indenture, need be recorded.

Mortgage Loans; Mortgage-Backed Securities

Under the Program, NIFA is permitted to acquire, purchase or finance Mortgage Loans and to enter into commitments to so finance Mortgage Loans made by qualified Participants to Mortgagors for owner-occupied, one- to four-unit residences. Subject to certain limited exceptions, each Mortgage Loan acquired, purchased or financed by NIFA must have been made for the purpose of purchasing or, under certain conditions, improving or rehabilitating the property subject to the related Mortgage, if any. Mortgage Loans may be FHA-insured, VA-guaranteed, USDA/RD-guaranteed, HUD-guaranteed or Conventional Mortgage Loans or insured by Private Mortgage Insurance, or uninsured, as specified in the Series Program Determinations in the corresponding Supplemental Indenture. Such Series Program Determinations shall provide for insurance requirements, if any, on the Mortgage Loans which shall not adversely affect the Rating Quality of the Bonds. Depending on the Series Program Determinations governing the funds available in the applicable Series Mortgage Loan Account, the Mortgage Loans may (but are not required to) be secured by a valid first or second mortgage on a Residence financed by such Mortgage Loan (or may be unsecured), may or may not be insured or guaranteed, and may include Mortgage Loans with varying terms to maturity greater than or less than 30 years, Mortgage Loans that are well below market rates or non-interest-bearing and Mortgage Loans, such as Community Program Loans, rehabilitation or home improvement loans, that may or may not be secured by first lien mortgages. Each Mortgage Loan (other than Community Program Loans) is made substantially in accordance with the underwriting policies of the Participant and of the Program as determined from time to time. As provided in the Series Program Determinations governing the funds available in the applicable Series Mortgage Loan Account, at the time of acquisition by NIFA (or the Trustee) the Mortgage-Backed Securities must have been issued by or guaranteed as to payment of principal and interest by GNMA, Fannie Mae, FHLMC or any other agency or instrumentality of or chartered by the United States which has similar powers (or such other entity designated and approved by NIFA as will not adversely affect the Rating Quality of the Bonds).

NIFA anticipates that proceeds of the Offered Bonds, together with other amounts, if any, initially deposited in the Series 2018 C/D Mortgage Loan Fund Account, will be made available to hold and carry, acquire, purchase, finance and refinance GNMA Securities, Fannie Mae Securities and FHLMC Securities satisfying the Series Program Determinations with respect to the Offered Bonds. Subject to the limitations set forth in the Indenture, NIFA may modify the initial Series Program Determinations to finance Community Program Loans and other Mortgage Loans and Mortgage-Backed Securities not meeting such initial determinations so long as financing such loans and securities does not adversely affect the Rating Quality of the Bonds. Payments of principal and interest on Community Program Loans and other loans and securities financed with amounts available in the Mortgage Loan Fund (including any recycling subaccount therein) are pledged to the repayment of the Bonds but are not expected to be needed (nor are they included in any Cash Flow Statement) to pay any portion of the principal of or interest on the Bonds. Investors are advised to look only to receipts from Mortgage Loans (other than Community Program Loans) and Mortgage-Backed Securities for repayment of the Bonds.

Debt Service Reserve Fund

The Indenture establishes a Debt Service Reserve Fund with respect to the Bonds. The Debt Service Reserve Requirement for the Debt Service Reserve Fund is, as of any particular date of calculation, the aggregate of the amounts specified, if any, as the Debt Service Reserve Requirement in each Supplemental Indenture. NIFA does not anticipate that a deposit will be made into the Debt Service Reserve Fund in connection with the issuance

of the Offered Bonds. Upon the issuance of the Offered Bonds, the Debt Service Reserve Fund is expected to have funds on deposit therein in an amount that is at least equal to the Debt Service Reserve Requirement with respect to the Prior Series Bonds. See "THE INDENTURE—Debt Service Reserve Fund" herein.

Mortgage Reserve Fund

The Indenture establishes a Mortgage Reserve Fund with respect to the Bonds. The Mortgage Reserve Fund Requirement for the Mortgage Reserve Fund is, as of any particular date of calculation, the aggregate of the amounts specified, if any, as the Mortgage Reserve Fund Requirement in each Supplemental Indenture. NIFA does not anticipate that a deposit will be made into the Mortgage Reserve Fund in connection with the issuance of the Offered Bonds. Upon the issuance of the Offered Bonds, the Mortgage Reserve Fund is expected to have funds on deposit therein in an amount that is at least equal to the Mortgage Reserve Fund Requirement with respect to the Prior Series Bonds. See "THE INDENTURE—Mortgage Reserve Fund" herein.

Collateral Fund

The Indenture establishes a Collateral Fund with respect to the Bonds. See "THE INDENTURE—Collateral Fund" herein. NIFA may cause to be deposited into the Collateral Fund, from time to time, such cash, securities, mortgage loans or other property (the "**Collateral Securities**") as directed by NIFA. Collateral Securities may include excess Revenues and funds payable to NIFA under the Indenture, including, but not limited to, all or a portion of any operating fee or supplemental operating fee payable to NIFA with respect to any liquidity facility, remarketing agreement or interest rate swap agreement. Collateral Securities may also include amounts receivable by NIFA under contracts with third parties, including, but not limited to, any interest rate swap agreement entered into with any swap counterparty or interest rate cap agreement entered into with any cap counterparty which NIFA directs be deposited in the Collateral Fund.

NIFA MAY DEPOSIT CERTAIN SUPPLEMENTAL OPERATING FEES WITH RESPECT TO THE OFFERED BONDS AND THE PRIOR SERIES BONDS INTO THE COLLATERAL FUND BUT SUCH FEES ARE NOT EXPECTED TO BE APPLIED TO PAY PRINCIPAL OF OR INTEREST ON THE BONDS.

Any moneys held in the Collateral Fund may be invested or reinvested in such securities, mortgage loans or other investments as may be directed by an Authorized Officer, which may include Permitted Investments, Mortgage Loans or Mortgage-Backed Securities, but are not restricted thereto unless otherwise provided in a Supplemental Indenture and may include obligations representing assistance to finance down payment and closing costs for qualified homebuyers (the "**HBA Assistance**"). NIFA may credit certain obligations representing HBA Assistance (some of which are 0% interest home buyer assistance subordinate lien mortgages financed with funds other than proceeds of Bonds) into the Collateral Fund. Any interest or income earned with respect to any said Collateral Securities (including obligations evidencing HBA Assistance, if any) shall likewise be retained in the Collateral Fund or, at the direction of NIFA, released to NIFA, except as otherwise provided in the Indenture as then supplemented by all supplemental indentures in effect.

If on any date payments are required to be made from the Revenue Fund to pay principal of or interest on the Bonds, to replenish the Debt Service Reserve Fund or to make any transfer to the Operating Fund, and there are not sufficient funds in the Revenue Fund to make such payments, the Trustee shall withdraw (after withdrawing any necessary and available amounts on deposit in (a) any capitalized interest account established pursuant to a Supplemental Indenture, (b) the Redemption Fund, to the extent available therein, (c) the Mortgage Loan Fund, to the extent of Prepayments or excess Revenues available therein, (d) the Debt Service Reserve Fund and (e) the Mortgage Reserve Fund) from the Collateral Fund and transfer to the Revenue Fund such amounts as are necessary to provide sufficient funds for the required transfers from the Revenue Fund.

Under the terms of the Series 2018 C/D Supplemental Indenture, NIFA may direct the Trustee to transfer certain amounts deposited in the Collateral Fund to the Revenue Fund to pay interest on the Offered Bonds and to apply certain amounts on deposit in the Collateral Fund in satisfaction of payments due to a swap counterparty pursuant to the terms of an interest rate swap agreement.

At any time, at the direction of an Authorized Officer, the Trustee shall withdraw from the Collateral Fund and pay to NIFA, free and clear of the lien of the Indenture, such Collateral Securities (including any obligations evidencing HBA Assistance) as shall be specified therein, including any interest or income earned thereon, unless otherwise restricted by a Supplemental Indenture. NIFA may, but is not required to, direct payments to be made to the Swap Counterparty, as necessary, with Collateral Securities otherwise available to be released to NIFA, free and clear of the lien of the Indenture.

THERE IS NO GUARANTEE THAT PROCEEDS, IF ANY, WITH RESPECT TO OBLIGATIONS EVIDENCING ANY HBA ASSISTANCE AND/OR ANY AMOUNTS DEPOSITED INTO OR CREDITED TO THE COLLATERAL FUND WILL BE AVAILABLE TO PAY PRINCIPAL OF OR INTEREST ON THE BONDS.

Cash Flow Statements

NIFA is required to file with the Trustee a current Cash Flow Statement (a) prior to or concurrent with any issuance or remarketing (e.g., in connection with an adjustment of the interest rate thereon) by NIFA of any Series of Bonds; (b) on any March 1, if a Cash Flow Statement has not been filed within the prior year or such longer period as NIFA shall adopt, provided that the adoption of such period shall not, in and of itself, adversely affect the Rating Quality on the Bonds; (c) upon purchase or redemption of Bonds in a manner other than as contemplated in the most recent Cash Flow Statement; (d) prior to withdrawing any amounts from the Revenue Fund as described in paragraph *Third* of the description of the Revenue Fund under the heading "THE INDENTURE—Revenue Fund;" (e) prior to transferring amounts to the Mortgage Loan Fund from the Revenue Fund to finance Mortgage Loans or Mortgage-Backed Securities in excess of the amounts contemplated in the most recent Cash Flow Statement to be so transferred, or prior to applying amounts previously transferred to the Mortgage Loan Fund to finance, purchase or acquire Mortgage Loans or Mortgage-Backed Securities on terms materially different from those assumed in the most recent Cash Flow Statement; (f) prior to releasing from the lien of the Indenture Mortgage Loans (other than Community Program Loans) or Mortgage-Backed Securities credited to the Mortgage Loan Fund or upon a disposition of Mortgage Loans or Mortgage-Backed Securities except as otherwise permitted in the Indenture; and (g) in order to extend any Delivery Period as set forth in the related Supplemental Indenture, which Cash Flow Statement shall provide evidence for the affected Series of Bonds for which an extension is desired on a stand-alone basis. In addition, at any time NIFA may file a Cash Flow Statement with the Trustee at its option. In lieu of filing a Cash Flow Statement, a Cash Flow Certificate certifying that the action to be taken is consistent with the assumptions as set forth in the latest filed Cash Flow Statement may be filed in order to take the actions described in clauses (d) and (f).

A Cash Flow Statement consists of a statement of an Authorized Officer of NIFA giving effect to the action proposed to be taken and demonstrating in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding that amounts then expected to be on deposit in the Funds and Accounts maintained under the Indenture in each such Bond Year will be at least equal to all amounts required by the Indenture to be on deposit in such Funds and Accounts for the payment of the principal and Redemption Price of and interest on the Bonds, for the payment of any Operating Fees and for the funding of the Debt Service Reserve Fund to its requirement, *except* that (i) to the extent specified in a Supplemental Indenture, a Fund or Account established in said Supplemental Indenture shall not be taken into account when preparing such Cash Flow Statement; (ii) earnings on and deposits in the Mortgage Reserve Fund shall not be taken into account; and (iii) amounts credited to the Collateral Fund shall not be taken into account unless directed by NIFA and upon the written consent of the Rating Agency. The Cash Flow Statement is required to set forth the assumptions upon which the estimates therein are based, which assumptions are required to be based upon NIFA's reasonable expectations at the time such Cash Flow Statement is filed and is required to contain similar assumptions and cash flow assumptions as required by the Rating Agency (unless otherwise waived by the Rating Agency) in the most recent Cash Flow Statement filed by NIFA with the Trustee, together with any additional cash flow assumptions required by the Rating Agency. Upon filing a Cash Flow Statement with the Trustee, NIFA is required to administer the Program and perform its obligations under the Indenture in accordance, in all material respects, with the assumptions set forth in such Cash Flow Statement. Except with respect to actions being taken contemporaneously with the delivery of a Cash Flow Statement, facts reflected in a Cash Flow Statement may be as of a date or reasonably adjusted to a date not more than 180 days prior to the date of delivery of such statement.

If any Cash Flow Statement shows a deficiency in any Fiscal Year in the amount of moneys expected to be available for the purposes described in the Indenture during such Fiscal Year, NIFA shall not be in default under the Indenture but shall take all reasonable actions consistent with the Indenture to eliminate such deficiency. NIFA is then precluded from taking the actions described or referenced in clauses (a), (c), (d), (e) and (f) above if the Cash Flow Statement on file with the Trustee shows that the taking of such action would cause a deficiency to occur or would increase any existing deficiency.

Except as necessary to dispose of defaulted Mortgage Loans or to comply with tax covenants or Program requirements, if the Cash Flow Statement delivered in connection with any redemption of Bonds or sale of Mortgage Loans or Mortgage-Backed Securities at a price below par does not project Revenues sufficient to pay Expenses and debt service on the Bonds when due in each Bond Year, an Authorized Officer must certify to the Trustee that the projected deficiency in each Bond Year is less than it would have been if all or a portion of the amounts transferred or used had been applied to the purchase of Mortgage Loans or Mortgage-Backed Securities or invested in Permitted Investments on terms then available.

2018 Series C/D Cash Flow Statement

As a condition to the issuance of the Offered Bonds, NIFA will provide the Trustee with a Cash Flow Statement in the form required by the Indenture. cfX Incorporated, New York, New York ("**cfX**") will provide NIFA with the supporting cash flows based upon information in the Cash Flow Statement to be attached to the Cash Flow Statement in connection with the Offered Bonds. Subsequent Cash Flow Statements will be delivered in connection with the remarketing of any Offered Bonds. See "QUANTITATIVE CONSULTANT" herein for information regarding the engagement of cfX by NIFA.

Additional Bonds

The General Indenture provides that NIFA may issue obligations and create additional indebtedness secured by an equal charge or lien on the Funds and Accounts, Mortgage Loans, Mortgage-Backed Securities and other pledged property and which will be payable from any of the foregoing pursuant to the conditions set forth in the General Indenture. Any Bonds so issued (including the Offered Bonds) may be issued only upon compliance with the conditions set forth in the General Indenture. Any additional bonds issued under the General Indenture will be on a parity with the outstanding Bonds issued under the General Indenture and will be entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the General Indenture. See "THE INDENTURE—Provisions for Issuance of Bonds" herein. NIFA may, however, issue evidences of indebtedness (a) secured by a pledge of Revenues that may be released from the lien of the Indenture or (b) not issued under the Indenture.

CASH FLOW ASSUMPTIONS

The ability of NIFA to pay the principal of and the interest on the Bonds depends upon the receipt of sufficient payments of principal and interest on the Mortgage Loans (other than Community Program Loans) and the Mortgage-Backed Securities financed with the proceeds of the Bonds, the investment or reinvestment of moneys held pursuant to the Indenture and other amounts available pursuant to the Indenture. While no assurance can be given that actual events will correspond to the assumptions described herein, it is anticipated, based upon the following assumptions as well as certain assumptions relating to the issuance of the Prior Series Bonds and the availability of amounts expected to be available pursuant to the Indenture, among others, that such sources will be sufficient to pay on a timely basis the principal and interest on the Bonds, as well as any Program fees and expenses:

(a) The Master Servicer shall receive a monthly Service Fee (to be deducted from payments on the Mortgage Loans (other than Community Program Loans)) equal to one-twelfth of not more than the sum of (i) 0.25% (or such other percentage or amount as agreed to by NIFA) of the principal amount outstanding of such Mortgage Loans serviced by the Master Servicer and (ii) 0.50% in the case of GNMA Securities and a weighted average rate not greater than 0.70% in the case of Fannie Mae Securities, in each case as a percentage of the principal amount of Mortgage Loans supporting and represented by Mortgage-Backed Securities (or such other percentage as agreed to by NIFA).

(b) (i) The Trustee shall purchase approximately $58,772,400 in principal amount of GNMA Securities at a weighted average purchase price equal to approximately 100.50% of the principal amount thereof and approximately $114,474,800 in principal amount of Fannie Mae Securities at a weighted average purchase price equal to approximately 101.14% of the principal amount thereof.

(ii) In connection with the issuance and delivery of the Offered Bonds, the Refunded Series Mortgage-Backed Securities in a principal amount of approximately $24,400,000 will be credited to the Series 2018 C/D Mortgage Loan Fund Account upon issuance of the Offered Bonds.

(iii) While pledged as security for the Bonds, and available for the redemption of Bonds, the receipt of principal of and interest on the Community Program Loans is not assumed in any Cash Flow Statement.

(c) With respect to the Offered Bonds, Operating Fees to NIFA (including Trustee and any paying agent fees and the fee payable to the provider of the Initial Liquidity Facility and any substitute therefore, the fee to the Remarketing Agent and any replacement therefore and certain other amounts described below) shall not exceed (on a semiannual basis except as provided below):

(i) ½ (or such fraction as applicable to the initial amount prorated for the period ending March 1, 2019) of 0.10% of the outstanding principal amount of Series 2018 C/D Mortgage Loans (other than Community Program Loans) or Series 2018 C/D Mortgage-Backed Securities; and

(ii) ½ (or such fraction as applicable to the initial amount prorated for the period ending March 1, 2019) of 0.03% of the outstanding principal amount of the Offered Bonds; and

(iii) ½ (or such fraction as applicable to the initial amount prorated for the period ending March 1, 2019) of up to 0.385% of the outstanding principal amount of the Variable Rate Offered Bonds (calculated and payable on a semiannual basis) for so long as NIFA shall have obligations with respect to any Liquidity Facility and the Remarketing Agreement, provided that the fee described in this clause (iii) may be increased or decreased at the direction of NIFA accompanied by written confirmation of the Rating Quality of the Offered Bonds specifically, but not exclusively, in connection with the delivery of an Alternate Liquidity Facility, if any; and

(iv) until the expiration of each Existing Swap Agreement related to the Variable Rate Offered Bonds (or as otherwise directed by NIFA), a supplemental Operating Fee (calculated and payable on a semiannual basis commencing March 1, 2019) not to exceed (on a semiannual basis) an amount, if positive, equal to the following calculation: [for each semiannual period, ½ (or such fraction as applicable to the initial amount prorated for the period ending March 1, 2019) of the agreed-upon fixed rate of the Existing Swap Agreements minus the sum of the weighted average of the Index Rate plus the applicable percentage for the Interest Period then ending] times [the aggregate of the Outstanding Notional Amounts corresponding to such Interest Period then ending to be established under the terms of the Series 2018 C/D Supplemental Indenture corresponding to such date] (the portion of the Operating Fee described in this clause (iv) constituting the "Series D Operating Fee," provided that the Series D Operating Fee may be increased or decreased at the direction of NIFA accompanied by written confirmation of the Rating Quality of the Offered Bonds). See Appendix H—"LIQUIDITY FACILITIES AND INTEREST RATE SWAP AGREEMENTS—Interest Rate Swap Agreements" for the Outstanding Notional Amounts, Fixed Rate Paid by NIFA and the Index Rate and Additional Percentage received by NIFA with respect to the Existing Swap Agreements as of March 31, 2018.

(d) The Mortgage Loans (other than Community Program Loans) and the Mortgage-Backed Securities acquired, purchased and financed with the proceeds made available by the issuance of each Series of Bonds and with funds available in any Recycling Subaccount will satisfy the corresponding Series

Program Determinations (see "THE PROGRAM—General" herein), provided that NIFA has reserved the right to modify such Series Program Determinations to the extent such modifications do not adversely affect the Rating Quality of the Bonds.

(e) The amounts held in the Funds and Accounts with respect to the Bonds are assumed to be invested in Permitted Investments. See "BONDHOLDER CONSIDERATIONS – Investment of Funds" below.

(f) Series 2018 C/D Prepayments shall be applied, as set forth in the Indenture, to the redemption of the Offered Bonds as described under the caption "THE OFFERED BONDS—Redemption Provisions" above.

(g) Certain Series 2018 C/D Prepayments and excess Revenues (including Scheduled Principal Payments) relating to the Offered Bonds may (to the extent not required to redeem Bonds and to the extent permitted by applicable tax laws) be transferred to a Series 2018 C/D Recycling Subaccount to purchase additional Mortgage Loans and/or Mortgage-Backed Securities (provided NIFA files a Cash Flow Certificate and a Cash Flow Statement evidencing that sufficient amounts will be available to pay the debt service on the Bonds when due or upon earlier redemption). Mortgage Loans and Mortgage-Backed Securities purchased with amounts on deposit in any Series 2018 C/D Recycling Subaccount will satisfy such Series Program Determinations to be established by NIFA from time to time which do not adversely affect the Rating Quality of the Bonds.

(h) The Series 2018 C/D Mortgage-Backed Securities (excluding the Refunded Series Mortgage-Backed Securities) are assumed to represent the following:

Type	Par	Pass Through Weighted Average Rate	Mortgage Loan Weighted Average Coupon	Weighted Average Maturity
GNMA	$58,772,400	3.903%	4.403%	September 11, 2048
Fannie Mae	114,474,800	3.809	4.509	August 4, 2048
Total/Average	173,247,200	3.841	4.473	August 17, 2048

(i) The Refunded Series Mortgage-Backed Securities to be credited to the Series 2018 C/D Mortgage Loan Fund Account are assumed to represent the following:

Type	Par	Pass Through Weighted Average Rate	Mortgage Loan Weighted Average Coupon	Weighted Average Maturity
GNMA	$17,300,000	2.587 %	3.087%	May 7, 2044
Fannie Mae	7,100,000	3.089	3.821	June 26, 2044
Total/Average	24,400,000	2.734	3.299	May 21, 2044

BONDHOLDER CONSIDERATIONS

General

There are certain considerations that should be taken into account by purchasers of the Offered Bonds. The following, while not intended to be exhaustive of all that a particular purchaser of the Offered Bonds should consider, is a description of several of those considerations.

Special Considerations Relative to the Origination and Prepayment of Mortgage Loans

The dollar amount that FHA, VA and USDA/RD can insure or guarantee in any federal fiscal year is limited by statute and administrative procedures. If an appropriation act is not passed in any federal fiscal year or if FHA, VA or USDA/RD reach the limits of their authority, or change their respective programs, the Participants might not be able to originate Mortgage Loans in the anticipated principal amount or with funds available in any Recycling Subaccount. Through legislative action by the United States Congress, changes in regulations by HUD or executive action, the fees and standards for participation in FHA insurance programs may change. Pursuant to legislative or executive action, current federal housing programs, including home mortgage insurance and/or guarantees, may be substantially modified or eliminated. If such changes occur, the ability of NIFA to apply amounts on deposit in the Series 2018 C/D Mortgage Loan Fund Account to the purchase of Mortgage-Backed Securities or Mortgage Loans meeting the Series Program Determinations established at the time of delivery of the Offered Bonds may be affected. However, pursuant to NIFA's ongoing Program, Mortgage Loans have been originated and Mortgage-Backed Securities have been purchased by NIFA in anticipation of issuing the Offered Bonds, and the principal amount of such Mortgage Loans and Mortgage-Backed Securities are available at NIFA's direction to be financed with proceeds of the Fixed Rate Offered Bonds to be deposited in the Series 2018 C/D Mortgage Loan Fund Account. See Appendix D-1—"SUMMARY OF THE PROGRAM FINANCED WITH THE BONDS—Ongoing NIFA Single Family Program" attached hereto.

As provided in the various supplemental indentures, a portion of the funds deposited in the respective Series Mortgage Loan Accounts (and Recycling Subaccounts) related to the Prior Series Bonds have been used at the direction of NIFA, and may continue to be used, to finance Mortgage Loans which may or may not be insured by FHA or guaranteed by VA or USDA/RD or Conventional Mortgage Loans, which may or may not be guaranteed or insured by Private Mortgage Insurance or other insurance, and which have and may continue to include Mortgage Loans with varying terms to maturity of less than 30 years, Mortgage Loans that are well below market rates or non-interest-bearing Mortgage Loans, such as rehabilitation or home improvement loans, that may or may not be secured by first lien mortgages and Mortgage-Backed Securities that are not issued or guaranteed by GNMA, Fannie Mae or FHLMC and do not otherwise meet the initial Series Program Determinations.

As of March 31, 2018, Community Program Loans in the aggregate principal amount of $16,701,527 were outstanding and had been credited to various Mortgage Loan Accounts relating to particular Prior Series Bonds. NIFA has reserved the right to apply amounts on deposit in certain Funds and Accounts under the Indenture to finance additional Community Program Loans.

NIFA reserves the right in the Series 2018 C/D Supplemental Indenture to modify the Series Program Determinations in order to apply funds in the Series 2018 C/D Recycling Subaccount to finance, to the extent permitted by applicable tax laws, additional Community Program Loans which do not meet the initial Series Program Determinations and Mortgage-Backed Securities which are not issued or guaranteed by GNMA, Fannie Mae or FHLMC and do not otherwise meet the initial Series Program Determinations, so long as financing such Mortgage Loans and Mortgage-Backed Securities does not adversely affect the Rating Quality of the Bonds.

It is not possible to predict the effect of legislative, regulatory or executive action, if any, on the ability of NIFA to purchase Mortgage Loans or Mortgage-Backed Securities or to predict the determinations to be made by NIFA, in its discretion (consistent with maintaining the Rating Quality of the Bonds), with respect to purchasing Mortgage Loans and Mortgage-Backed Securities.

To facilitate the operation of the Program, from time to time, NIFA uses certain of its general operating funds to purchase Mortgage-Backed Securities in anticipation of the issuance of bonds. In addition, NIFA entered into an agreement (the "**Warehouse Agreement**") with the Federal Home Loan Bank of Topeka pursuant to which NIFA is able to borrow funds from the Federal Home Loan Bank of Topeka in order to finance Mortgage-Backed Securities in anticipation of the issuance of bonds. See Appendix D-1—"SUMMARY OF THE PROGRAM FINANCED WITH THE BONDS—Ongoing NIFA Single Family Program" attached hereto. NIFA expects that approximately $85,000,000 of the amount initially deposited in the Series 2018 C/D Mortgage Loan Fund Account will be used to acquire Mortgage-Backed Securities on or about the date of delivery of the Offered Bonds. NIFA expects to use substantially all of the remainder of the amounts in the Series 2018 C/D Mortgage Loan Fund

Account (excluding any moneys initially deposited therein to refund the Refunded Prior Series Bonds) to purchase Series 2018 C/D Mortgage-Backed Securities on or before April 30, 2019.

NIFA is not obligated to use the proceeds of the Bonds or Other Bonds in any particular order and, depending upon the respective mortgage loan interest rates, NIFA may elect, from time to time, to use proceeds of particular Series of Bonds or Other Bonds to the exclusion of other Series of Bonds and Other Bonds. Additionally, NIFA may finance Mortgage Loans originated by Participants pursuant to the Program through sources of funding other than the issuance of Bonds. Failure to originate Mortgage Loans in amounts contemplated in connection with the issuance of each Series of Bonds and Other Bonds may result in redemption of such Series of Bonds and Other Bonds, in whole or in part. See "THE OFFERED BONDS – Redemption Provisions – *Redemption Due to Unused Proceeds*" herein.

It is anticipated that one or more Mortgage Loans will be partially or completely prepaid or terminated prior to their respective final maturities as a result of events such as sale of the related Residence, default, condemnation or casualty loss or noncompliance with the Program. Because of the inherent uncertainty of historical basis with respect to prepayments of Mortgage Loans of a type similar to the Mortgage Loans described herein and the requirements under both the NIFA Act and the Code that, in the event of an assignment, the Mortgage Loan is to be accelerated when an assignee does not qualify under their respective provisions, there is no reliable basis for predicting the actual average life of the Mortgage Loans. Prepayment of a number of Mortgage Loans, however, is anticipated.

Assumptions of Mortgage Loans are permitted provided the assumption meets the requirements relating thereto, including compliance by the transferee with income, occupancy and acquisition cost restrictions, if and to the extent applicable. Assumptions are also subject to compliance with any mortgage insurance and Fannie Mae or Freddie Mac guidelines.

In accordance with the terms of the Series 2018 C/D Supplemental Indenture, NIFA may elect to transfer any Series 2018 C/D Prepayments to a Series 2018 C/D Recycling Subaccount (and has made such transfers, with respect to certain Prior Series Bonds Prepayments) to purchase, finance or acquire additional Mortgage Loans or Mortgage-Backed Securities, so long as purchasing, financing or acquiring such additional Mortgage Loans or Mortgage-Backed Securities does not adversely affect the Rating Quality of the Bonds and NIFA files a Cash Flow Certificate and a Cash Flow Statement evidencing that sufficient amounts will be available to pay the debt service on the Bonds when due or upon earlier redemption. To the extent possible and economically feasible, and to the extent permitted by applicable tax laws, NIFA may also direct that certain excess Revenues (including certain Scheduled Principal Payments) relating to the Offered Bonds and Revenues representing excess interest with respect to the Refunded Series Mortgage-Backed Securities be transferred to the Series 2018 C/D Recycling Subaccount to purchase, finance or acquire Mortgage Loans (or portions thereof) or Mortgage-Backed Securities in accordance with Series Program Determinations to be established at the time (which, in the case of funds made available from a Series 2018 C/D Recycling Subaccount, may include Mortgage Loans made at below-market interest rates and Mortgage Loans which may or may not be secured by a first mortgage lien on the residence) so long as purchasing, financing or acquiring such additional Mortgage Loans or Mortgage-Backed Securities does not adversely affect the Rating Quality of the Bonds. NIFA may be unable to, or may determine not to, recycle such amounts to purchase, finance or acquire Mortgage-Backed Securities or Mortgage Loans; in such event such Prepayments and excess Revenues will be used to pay the principal and/or the redemption price of the Offered Bonds and interest thereon. See "BONDHOLDER CONSIDERATIONS – Redemption and Prepayment Considerations" herein.

Series 2018 C/D Prepayments (including Refunded Series Prepayments) and Scheduled Principal Payments received by the Trustee with respect to the Series 2018 C/D Mortgage-Backed Securities, the Series 2018 C/D Mortgage Loans and excess Revenues, if not required to redeem the PAC Bonds or otherwise directed to the Series 2018 C/D Recycling Subaccount, may be applied to the payment or redemption of the Offered Bonds as described under "THE OFFERED BONDS—Redemption Provisions" herein. It is expected that some portion of the Offered Bonds will be redeemed prior to their respective stated maturities.

Each Participant's competition in making real estate loans in the State normally comes primarily from other savings banks, commercial banks and other mortgage bankers in the area. One of the principal factors in competing

for real estate loans is the interest rate charged. Prevailing interest rates for residential mortgages in the State can increase or decrease at any time.

The General Indenture provides for recycling prepayments on the underlying Mortgage-Backed Securities and Mortgage Loans. NIFA may (and currently intends to if permitted by law) issue additional bonds (which may or may not be issued pursuant to the Indenture), which may finance mortgages at interest rates below the rates provided for Mortgage Loans to be financed with proceeds made available upon the issuance of the Offered Bonds. Any Offered Bond proceeds and other funds initially deposited in the Series 2018 C/D Mortgage Loan Fund Account which are not used to refund the Refunded Prior Series Bonds or purchase Series 2018 C/D Mortgage-Backed Securities (or otherwise finance Mortgage Loans or Mortgage-Backed Securities that are not issued or guaranteed by GNMA, Fannie Mae or FHLMC if, and to the extent, authorized) are required to be used to redeem an appropriate portion of the Offered Bonds. See "THE OFFERED BONDS—Redemption Provisions" herein and Appendix D-1—"SUMMARY OF THE PROGRAM FINANCED WITH THE BONDS" attached hereto.

In addition, NIFA may, at some future date and to the extent provided by law, provide funds through other programs for the refinancing of Mortgage Loans purchased, acquired or financed with proceeds of the Bonds. If Mortgage Loans are so refinanced and paid in full, such payments would be treated as Prepayments on the Mortgage Loans, resulting in an early redemption of the Bonds. See "THE OFFERED BONDS—Redemption Provisions" herein.

Redemption and Prepayment Considerations

PREPAYMENTS MADE WITH RESPECT TO MORTGAGE LOANS (INCLUDING COMMUNITY PROGRAM LOANS) AND MORTGAGE-BACKED SECURITIES WHICH ARE NOT APPLIED TO PURCHASE ADDITIONAL MORTGAGE LOANS AND MORTGAGE-BACKED SECURITIES, TOGETHER WITH CERTAIN OTHER EXCESS REVENUES (INCLUDING CERTAIN SCHEDULED PRINCIPAL PAYMENTS) AND OTHER AMOUNTS THAT ARE AVAILABLE UNDER THE INDENTURE, MAY RESULT IN THE REDEMPTION OF SOME PORTION OF THE OFFERED BONDS AT PAR EARLIER THAN THEIR RESPECTIVE STATED MATURITIES.

The yield to the holders of Offered Bonds purchased at a discount or premium may be affected by the actual rate of principal payments (including principal prepayments) on the Mortgage Loans to the extent such payments affect principal payments on the Mortgage-Backed Securities. A lower rate of principal prepayments than expected on the Mortgage-Backed Securities would negatively affect the yield on the Offered Bonds sold at a discount. A higher rate of principal prepayments than expected on the Mortgage-Backed Securities would negatively affect the yield of Offered Bonds sold at a premium. Because it is impossible to predict with any accuracy the timing and dollar amount of principal prepayments on the Mortgage-Backed Securities that will be made, investors may find it difficult to analyze the effect of prepayments on the yield on the Offered Bonds.

In accordance with the Program, and subject to any agreements with respect to the redemption of certain Bonds, NIFA expects to continue to review the amount of Prepayments received and excess Revenues on deposit under the Indenture and expects to use such amounts to finance additional Mortgage Loans and Mortgage-Backed Securities when consistent with its Program goals and objectives.

Pursuant to the terms of the Indenture, and if so permitted by the respective Supplemental Indentures, NIFA may designate Revenues, including certain Prepayments, excess moneys and earnings on the Debt Service Reserve Fund and the Mortgage Reserve Fund, for transfer to the Revenue Fund and thereafter a Recycling Subaccount of the Mortgage Loan Fund to purchase, finance or acquire additional Mortgage Loans and/or Mortgage-Backed Securities or to the Redemption Fund for application to the redemption of Bonds. The excess moneys will include earnings and excess moneys on all of the Funds and Accounts under the Indenture related to any Series of Bonds (other than the Collateral Fund, except as otherwise provided in a Supplemental Indenture), including moneys transferred from the Debt Service Reserve Fund and the Mortgage Reserve Fund which are in excess of the Debt Service Reserve Requirement and the Mortgage Reserve Fund Requirement, respectively.

Pursuant to the terms of the Series 2018 C/D Supplemental Indenture, NIFA has agreed to direct a portion of certain Directed Series 2018 C/D Principal Payments to the redemption of the PAC Bonds. Directed Series 2018

C/D Principal Payments in excess of the amounts required to redeem the PAC Bonds and subject to the election described above with respect to the transfer of amounts to any Recycling Subaccount of the Mortgage Loan Fund, Series 2018 C/D Prepayments, including Refunded Series Prepayments (and certain Scheduled Principal Payments) may be applied to redeem Offered Bonds pursuant to the redemption provisions of the Series 2018 C/D Supplemental Indenture. In its sole discretion, and subject to the Series 2018 C/D Supplemental Indenture, NIFA may determine to apply the excess moneys to redeem Offered Bonds in amounts which are in excess of or less than the proportion the Offered Bonds bear to all of the Bonds issued under the Indenture. As a result, the Offered Bonds may be redeemed at an accelerated, or slower, rate which cannot be predicted. See "THE OFFERED BONDS—Redemption Provisions—Redemption From Prepayments and Excess Moneys" herein.

Certain Revenues relating to one Series of Bonds (including moneys received from the payment of principal of and interest on Mortgage Loans and Mortgage-Backed Securities financed with the proceeds of that Series) in excess of Revenues needed to pay principal and interest currently due on any of the Bonds, to pay expenses or to meet other purposes set forth in the Indenture generally may be used at any time to redeem Bonds of that Series and/or Bonds of certain other Series (subject to limitations, if any, set forth in the applicable Supplemental Indentures). The use of Revenues in respect of one Series to redeem Bonds of another Series is known as "cross-calling." The Series and maturities of Bonds to be "cross-called" from time to time, if any, will be determined by NIFA consistent with the Indenture. However, it is expected as a general matter that, if Bonds are to be cross-called, higher yielding maturities of Bonds will be cross-called from excess Revenues before lower yielding maturities of Bonds are cross-called (subject to the Indenture and certain requirements of the Code).

The "10-Year Rule" (Section 143(a)(2)(A)(iv) of the Code), as it is commonly called, generally requires that repayments of principal on Mortgage Loans must be used to redeem the Series of Bonds that financed such Mortgage Loans to the extent such repayments are received more than 10 years after such Series (or, with respect to refunding bonds, the original bond) was issued as a tax-exempt bond. Such repayments, when received, are considered "restricted principal receipts." The 10-Year Rule generally limits NIFA's ability to cross-call Bonds from restricted principal receipts. From time to time, there have been efforts to repeal the 10-Year Rule. Any repeal of the 10-Year Rule during the period the Offered Bonds remain Outstanding may increase the risk that the Offered Bonds would be cross-called or that Revenues associated with the Offered Bonds might be used to cross-call other Bonds.

The future prepayment behavior of the Mortgage Loans will be influenced by a variety of economic, geographic, demographic, social and other factors, including the level of prevailing mortgage interest rates and the rate at which homeowners sell their homes or default on their Mortgage Loans. In general, if prevailing interest rates are below the interest rate on the Mortgage Loans, the Mortgage Loans are likely to be subject to higher prepayment rates than if prevailing rates are at or above the interest rates on such Mortgage Loans. Conversely, if interest rates rise, the rate of prepayment would be expected to decrease. In addition, the borrower of a Mortgage Loan financed after December 31, 1990 must pay to the United States a portion of the gain upon the disposition of a residence financed if such disposition occurs within nine years from the date of purchase as a recapture of a portion of the borrower's benefit from tax-exempt financing. Although NIFA has agreed to reimburse borrowers of certain Mortgage Loans originated after June 1, 2004 for the amount of recapture tax paid by such borrower, it is not possible to predict the effect of such recapture provision upon the origination of Mortgage Loans or the prepayment characteristics of such Mortgage Loans. See "THE PROGRAM—Origination of the Mortgage Loans" below. Such recapture provisions may also affect the timing for prepayment of Mortgage Loans. Other factors affecting prepayment of Mortgage Loans include changes in the mortgagors' housing needs, job transfers, unemployment and mortgagors' net equity in the mortgaged properties. In addition, as homeowners move or default on their Mortgage Loans, the houses are generally sold and the Mortgage Loans prepaid.

The rate of prepayment on the Mortgage Loans also may be affected by whether, upon a sale of the mortgaged property, the purchaser may assume the Mortgage Loan. Subject to satisfaction of certain terms set forth in each Mortgage Origination Agreement, between NIFA and each Participant in the Program (including any origination agreement or other agreement providing for the purchase of Mortgage Loans by the Master Servicer from a Participant, collectively, the "**Origination Agreement**"), the Mortgage Loans are assumable by qualified purchasers. Assumption of Mortgage Loans, rather than payoff upon a sale or transfer of the related mortgaged property, will reduce the level of prepayments. There is no way to determine the effect that such assumptions or

non-assumptions of Mortgage Loans will have on principal payments on the Bonds. See "THE PROGRAM—Qualification of Mortgagors and Mortgage Loans" herein.

No representation is made as to the anticipated origination of Mortgage Loans to be financed with funds held in or deposited to the Series 2018 C/D Mortgage Loan Fund Account, including any Recycling Subaccount, the anticipated yield to redemption, the redemption of any of the Offered Bonds or the rate of prepayment on the Mortgage Loans. Investors seeking to maximize yield are urged to make an investment decision with respect to the Offered Bonds based upon the investor's desired yield to redemption or maturity, the anticipated yield to redemption or maturity of the Offered Bonds resulting from the price of the Offered Bonds and the investor's own determination as to (i) the anticipated Series 2018 C/D Prepayments with respect to the Series 2018 C/D Mortgage-Backed Securities and Mortgage Loans financed with funds held in the Series 2018 C/D Mortgage Loan Fund Account, (ii) the anticipated Prepayments and scheduled principal payments received by the Trustee with respect to the Refunded Series Mortgage-Backed Securities transferred to the Series 2018 C/D Mortgage Loan Fund Account, (iii) any Prepayments and scheduled principal payments and (iv) NIFA's ability and willingness to recycle.

NIFA has previously cross-called Bonds and expects to use opportunities provided through the cross-calling of Bonds to optimize the financing of Mortgage Loans and Mortgage-Backed Securities as part of the Program.

Interest Rate Swap Agreements, Liquidity Facilities and Variable Rate Bonds

In connection with the issuance of certain Prior Series Bonds bearing interest at Variable Rates, NIFA entered into one or more of the Existing Swap Agreements as more fully set forth in Appendix H—"LIQUIDITY FACILITIES AND INTEREST RATE SWAP AGREEMENTS." Upon issuance of the Offered Bonds, portions of one or more of the Existing Swap Agreements will be allocated by NIFA to the Variable Rate Offered Bonds. NIFA may enter into interest rate or other types of agreements in the future in connection with the issuance of additional Bonds which bear interest at variable interest rates.

Interest rate swap agreements, such as the Existing Swap Agreements, may present certain risks, including those described herein. A difference in the notional amount of any Existing Swap Agreement and the outstanding principal amount of the related Series Bonds issued as Variable Rate Bonds or any such differences between an Existing Swap Agreement rate and the actual interest rates borne by the related Variable Rate Bonds may result in the aggregate net obligation of NIFA with respect to such related Variable Rate Bonds and such Existing Swap Agreement not remaining on an approximately fixed rate basis, which could create additional expense to NIFA.

Under certain circumstances, an Existing Swap Agreement may be terminated, and upon such termination, NIFA may elect to replace such Existing Swap Agreement with an alternate Interest Rate Swap Agreement. No assurance can be given that NIFA will be able to enter into an alternate Interest Rate Swap Agreement with terms substantially similar to the terms of the terminated Existing Swap Agreement, and an inability to do so may result in NIFA's aggregate net obligation with respect to the particular series of Variable Rate Bonds and the applicable Existing Swap Agreement not remaining on an approximately fixed rate basis, which could create additional expense to NIFA. In addition, NIFA may be obligated to make certain payments to a swap counterparty in connection with a termination of an Existing Swap Agreement.

If the credit quality of NIFA or one or more counterparties deteriorates, the Existing Swap Agreements require the posting of collateral at certain thresholds. See Appendix H—"LIQUIDITY FACILITIES AND INTEREST RATE SWAP AGREEMENTS – NIFA Threshold Table" attached hereto. If NIFA was to be downgraded and required under the terms of any of the Existing Swap Agreements to post collateral, the obligation to post collateral would be a general obligation of NIFA.

In connection with the Refunded Prior Series Bonds which are Variable Rate Bonds, NIFA entered into a liquidity facility with the Standby Purchaser. Upon issuance of the Offered Bonds, NIFA will enter into the Initial Liquidity Facility to be provided by the Standby Purchaser with respect to the Variable Rate Offered Bonds, and the Available Commitment under the existing liquidity facility will be reduced in an amount equal to the Available

Commitment under the Initial Liquidity Facility. The Initial Liquidity Facility will provide liquidity with respect to the Variable Rate Offered Bonds while such Bonds are in the Weekly Mode. The Initial Liquidity Facility will expire prior to the final maturities of such Variable Rate Offered Bonds, unless extended in accordance with the terms thereof or replaced with a new liquidity facility. NIFA may enter into liquidity facilities in the future with respect to additional series of Variable Rate Bonds issued pursuant to the Indenture. There can be no assurance that NIFA will be able to extend or replace any such liquidity facilities, including the Initial Liquidity Facility, with substantially similar terms to those of the existing liquidity facilities. If NIFA's Variable Rate Bonds are purchased by the Standby Purchaser or other liquidity provider, such Variable Rate Bonds will bear interest at rates and have principal payments due as specified within the respective liquidity facility which may differ from the amounts and timing of principal and interest expected to be due at the time of issuance of such Variable Rate Bonds. The payments owed to a liquidity provider pursuant to each liquidity facility which are payable pursuant to the Indenture are subordinate to debt service payments as provided in the Indenture, and any payments owed in excess of such subordinated obligations under the Indenture are a general obligation of NIFA. To date, NIFA has had no single-family bonds purchased by a liquidity provider. See Appendix H—"LIQUIDITY FACILITIES AND INTEREST RATE SWAP AGREEMENTS" attached hereto for a list of liquidity facilities in effect as of the date of this Official Statement and the applicable collateralization thresholds.

Developments in the Residential Mortgage Market May Adversely Affect Bond Yield

The residential mortgage market in the United States over the last several years has experienced a variety of difficulties and changed economic conditions that may adversely affect the performance and market value of the Bonds. In response to increased delinquencies and losses with respect to residential mortgage loans, the federal government, state governments, consumer advocacy groups and others have urged aggressive action to modify mortgage loans to avoid foreclosures and, in response, certain mortgage servicers have established foreclosure avoidance programs for borrowers. In addition, numerous laws, regulations and rules relating to mortgage loans generally, and foreclosure actions particularly, have recently been enacted by federal, state and local governmental authorities and it is likely that additional laws, regulations and rules will be proposed. These laws, regulations and rules may result in delays in the foreclosure process, reduced payments by borrowers (including the Mortgagors), modification of the original terms of the mortgage loans (including the Mortgage Loans) including permanent forgiveness of debt, increased prepayments due to the availability of government-sponsored refinancing initiatives and/or increased reimbursable mortgage servicing expenses. Several courts have also taken unprecedented steps to slow the foreclosure process or prevent foreclosure altogether.

In judicial foreclosure proceedings, affidavits and other legal pleadings establishing the basis for the foreclosure must be submitted to the court. Such filings are required to be based on the personal knowledge of the facts asserted by the person signing the filings. Many servicers have attempted to streamline this process by employing individuals whose sole function is to sign such pleadings. Recent lawsuits have charged that these individuals did not have the required knowledge of the facts being asserted. As a result of the disclosure of these practices, several large servicers temporarily halted all foreclosures to conduct reviews of their procedures. Various local and national politicians have called for moratoriums on all foreclosures and the attorneys general of all 50 states have joined together to investigate the foreclosure practices of mortgage servicers. In February of 2012, federal regulators and 49 state attorneys general announced a multi-billion dollar settlement with the five largest mortgage servicers regarding their foreclosure practices. The Master Servicer was not part of the settlement. However, there can be no assurance as to the possible impact of any future lawsuit, settlement or moratorium on the Master Servicer or the Mortgage-Backed Securities.

Some of the Mortgage Loans are recorded in the name of the Mortgage Electronic Registration Systems ("**MERS**"), an electronic record-keeping system that acts as the mortgagee of record for a substantial portion of residential mortgages originated in the United States. Under MERS, a mortgage is recorded in the name of MERS, and MERS electronically records the beneficial owner of that mortgage. Subsequent transfers are noted electronically in MERS records but not in the applicable registry of deeds. Recent lawsuits have asserted that because mortgages held by MERS were not re-recorded when ownership of the related promissory note changed hands, entities that ultimately purchased those mortgages are not the official holders of those mortgages. Mortgage servicers of such mortgage loans (which may include Mortgage Loans) may experience delays in the foreclosure process.

Any modification of a Mortgage Loan by the Master Servicer will result in the removal of such Mortgage Loan from the pool of Mortgage Loans backing the related Mortgage-Backed Security. In such event, the principal balance of the Mortgage Loan will be distributed on the related Mortgage-Backed Security and will affect expected timing of distributions of principal on the Mortgage-Backed Securities and, therefore, the Offered Bonds. Bondholders will bear the risk that modifications of the Mortgage Loans may reduce the yield on their Offered Bonds.

Investment of Funds

Moneys deposited in the Series 2018 C/D Mortgage Loan Fund Account (excluding amounts to be transferred to redeem the Refunded Prior Series Bonds), the Series 2018 C/D Debt Service Fund Account, any Series 2018 C/D Recycling Subaccount, the Series 2018 C/D Revenue Fund Account, the Series 2018 C/D Redemption Fund Account, the Series 2018 C/D Rebate Fund Account and the Series 2018 C/D Collateral Fund Account will be invested in Permitted Investments.

Certain investment agreements and, where consistent with the Rating Quality of the Bonds, guarantees may be delivered, from time to time, in connection with each Series of Bonds issued pursuant to the Indenture. The investment agreements, and any related guarantees, entered into in connection with the Bonds are herein collectively referred to as the "**Investment Agreements**." In each case, the Investment Agreements and any related guarantees, when entered into, must be consistent with and permit a continuation of the Rating Quality of the Bonds. Copies of the Investment Agreements and any related guarantees are on file with the Trustee. See Appendix E—"SCHEDULE OF INVESTMENT AGREEMENTS AND OTHER INVESTMENTS" attached hereto for a schedule of Investment Agreements entered into with respect to the Prior Series Bonds. With respect to the Investment Agreements listed in Appendix E, interest is not currently being paid to NIFA with respect to amounts on deposit in such Investment Agreements. See "LITIGATION" herein. It is not expected that proceeds made available upon the issuance of the Offered Bonds will be invested in an Investment Agreement.

The failure to receive timely payment on any Permitted Investment, including an Investment Agreement, could adversely affect NIFA's ability to pay principal of and interest on the Bonds. If the rating issued by S&P with respect to any provider of an investment agreement falls below certain rating levels established by S&P with respect to such entity's long-term and/or short-term debt rating, as applicable, the rating on the Bonds may be adversely affected. NIFA is under no obligation with respect to assuring the continued maintenance by any provider of an investment agreement of a particular rating from S&P, nor to find a substitute investment agreement in the event of a lowering of a provider's rating.

With respect to amounts invested pursuant to the Indenture, NIFA regularly transfers such amounts to various accounts, including Series Redemption Accounts to redeem Bonds on a monthly basis and may recycle as discussed herein.

Tax Treatment of the Offered Bonds;
Changes in Federal and State Law

The Code establishes certain requirements that must be met subsequent to the issuance of the Offered Bonds in order that interest thereon be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Offered Bonds to be includable in gross income retroactive to the date of original issuance of the Offered Bonds. In addition, from time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax status of the Offered Bonds or adversely affect their market value. NIFA cannot predict whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. For a more complete description, see the caption "TAX TREATMENT AND RELATED CONSIDERATIONS" herein.

Nature of the Guarantees of FHLMC and Fannie Mae

The obligations of FHLMC under its guarantees of the FHLMC Securities are obligations of FHLMC only, and the obligations of Fannie Mae under its guarantees of the Fannie Mae Securities are obligations of Fannie Mae only. Neither the FHLMC Securities nor the Fannie Mae Securities, including the interest thereon, are guaranteed by the United States or constitute debts or obligations of the United States or any agency or instrumentality of the United States other than FHLMC and Fannie Mae, as applicable, and neither is entitled to the full faith and credit of the United States. If either FHLMC or Fannie Mae is unable to satisfy its obligations under its respective guarantees, distributions on the FHLMC Securities or the Fannie Mae Securities, as applicable, would consist solely of payments and other recoveries on the related mortgage loans. Accordingly, prepayments, delinquencies and defaults on the mortgages would affect distributions on the FHLMC Securities and the Fannie Mae Securities, as applicable, and could adversely affect payments on the Offered Bonds.

Other Considerations

No assurance can be given that a change in the existing GNMA, Fannie Mae or FHLMC programs will not occur such that GNMA Securities, Fannie Mae Securities or FHLMC Securities may not be available for purchase by the Trustee, in which event the Offered Bonds may be redeemed as described under "THE OFFERED BONDS—Redemption Provisions" herein.

Future increases in mortgage insurance premiums may require home buyers to pay more of their closing costs in cash, rather than financing them in the mortgage, and may have the effect of reducing the demand for Mortgage Loans which are required to be insured.

THE PROGRAM

General

Under the Program, NIFA is permitted to purchase Mortgage Loans and Mortgage-Backed Securities backed by Mortgage Loans and to enter into commitments to finance Mortgage Loans made by qualified Participants to Mortgagors for owner-occupied, one- to four-unit residences (including the improvement or rehabilitation thereof). Subject to certain limited exceptions, each Mortgage Loan financed by NIFA must have been made for the purpose of purchasing or, under certain conditions, improving or rehabilitating the property subject to the related Mortgage, if any. The Program is one of a series of mortgage purchase/mortgage-backed securities purchase programs initiated by NIFA to provide below-market interest rate loans to low- and moderate-income home buyers under which NIFA issued bonds under separate resolutions or indentures to provide funds to purchase or finance program loans from approved lenders in accordance with the provisions of the NIFA Act. NIFA has established rules relating to such programs which impose general requirements and policies with respect to qualifications of approved lenders, approved servicers, eligible borrowers, program loans and the dwellings which are mortgaged to secure program loans. With respect to Mortgage Loans and Mortgage-Backed Securities to be purchased, acquired or financed with the Offered Bond proceeds, NIFA has entered, or with respect to additional Participants will enter, into Origination Agreements with the Participants providing for a loan-by-loan reservation system for the allocation of such proceeds to purchase, acquire and finance Mortgage Loans. Such Participants have entered or will enter into separate origination agreements with the Master Servicer (or other Servicer, if applicable). The Origination Agreements provide for the origination by the Participants of Mortgage Loans which are FHA-insured, VA-guaranteed or USDA/RD-guaranteed and, under certain specified conditions, Conventional Mortgage Loans. Mortgage Loans originated pursuant to the Origination Agreements are to be delivered and sold by Participants to the Master Servicer (or other Servicer, if applicable).

NIFA has also entered into certain agreements for the financing with proceeds of the Offered Bonds of Community Program Loans, other Mortgage Loans made for the purchase of owner-occupied residences and for non-interest-bearing home improvement loans which are not FHA-insured, VA-guaranteed or USDA/RD-guaranteed and are not Conventional Mortgage Loans. Certain of such loans are not secured by first lien mortgages.

Depending on the Series Program Determinations governing the funds available in the applicable Series Mortgage Loan Account, the Mortgage Loans may (but are not required to) be secured by a valid first or second mortgage on a Residence financed by such Mortgage Loan (or may be unsecured), may or may not be guaranteed or insured and may include Mortgage Loans with varying terms to maturity of less or greater than 30 years, Mortgage Loans that are non-interest-bearing and Mortgage Loans, such as rehabilitation, home improvement loans or Community Program Loans, that may or may not be secured by first lien mortgages. The specific requirements for the Mortgage Loans (including home improvement loans, rehabilitation loans and home buyer assistance loans) and the rate or rates of interest thereon (including Mortgage Loans at interest rates as low as 0.00% per annum) shall be as specified by NIFA from time to time. Any modifications of the specific Series Program Determinations made by NIFA from time to time shall not adversely affect the Rating Quality of the Bonds.

The initial Series Program Determinations for the Offered Bonds include the following:

(a) Each Mortgage Loan represented by or supporting a Series 2018 C/D Mortgage-Backed Security shall be secured by a first lien deed of trust interest;

(b) Each Mortgage Loan represented by or supporting a Series 2018 C/D Mortgage-Backed Security shall have approximately equal monthly payments and fixed rates of interest at the applicable mortgage rates reflected in the Cash Flow Statement delivered in connection with the issuance of the Offered Bonds. The rates of interest on Mortgage Loans may be established by NIFA from time to time on the basis of the most recent Cash Flow Certificate and Cash Flow Statement and meeting any additional terms and criteria as may be established by NIFA from time to time which do not adversely affect the Rating Quality of the Bonds;

(c) The maximum term to maturity for each Mortgage Loan represented by or supporting a Series 2018 C/D Mortgage-Backed Security shall be 30 years (or such other term established by NIFA in a Certificate of an Authorized Officer which does not adversely affect the Rating Quality of the Bonds);

(d) Each Mortgage Loan represented by or supporting a Series 2018 C/D GNMA Mortgage-Backed Security shall be FHA-insured, VA-guaranteed or USDA/RD-guaranteed, and each Mortgage Loan represented by or supporting a Series 2018 C/D Fannie Mae Security or a Series 2018 C/D FHLMC Security shall be a Conventional Mortgage Loan (or, in either case, subject to such other guarantee or insurance or be uninsured, or meeting such other requirements established by NIFA in a Certificate of an Authorized Officer which do not adversely affect the Rating Quality of the Bonds);

(e) Each Series 2018 C/D Mortgage-Backed Security that is a GNMA Security shall bear interest at a Pass-Through Rate that is 0.50% less than the Mortgage Rate on the Mortgage Loans supporting or represented by such GNMA Security; and each Series 2018 C/D Mortgage-Backed Security that is a Fannie Mae Security shall bear interest at a Pass-Through Rate such that the weighted average Pass-Through Rate on such Fannie Mae Security is not less than 0.70% less than the Mortgage Rate on the Mortgage Loans supporting or represented by such Fannie Mae Security (or such other Mortgage-Backed Security bearing interest at such other Pass-Through Rate that does not adversely affect the Rating Quality of the Bonds);

(f) Series 2018 C/D Mortgage-Backed Securities (and any Series 2018 C/D Mortgage Loan) shall be purchased by the Trustee at the corresponding Purchase Prices (or such other purchase price established by NIFA in a Certificate of an Authorized Officer which does not adversely affect the Rating Quality of the Bonds); and

(g) Series 2018 C/D Prepayments (which includes Prepayments on the Refunded Series Mortgage-Backed Securities), Prepayments on Community Program Loans, excess Revenues and Scheduled Principal Payments may be applied to redeem the Offered Bonds as set forth in the Series 2018 C/D Supplemental Indenture or, at the option of NIFA (and subject to applicable tax laws) as directed in a Certificate of an Authorized Officer, may be applied to the purchase, acquisition or financing of Mortgage Loans (including Community Program Loans) and Mortgage-Backed Securities and to redeem Bonds of other Series.

Notwithstanding the above-described Program Determinations to the contrary, amounts on deposit in the Funds and Accounts under the Indenture (including amounts which may be deposited in the Series 2018 C/D Recycling Subaccount) may be used, at the direction of NIFA, to finance or acquire (either directly or indirectly) Community Program Loans which may or may not support or be represented by Mortgage-Backed Securities, which may not be FHA-insured, VA-guaranteed, USDA/RD-guaranteed, guaranteed by the successor entity to the FmHA, or Conventional Mortgage Loans, and which may not be guaranteed or insured by Private Mortgage Insurance or other insurance and may include Mortgage Loans with varying terms to maturity of greater than or less than 30 years, Mortgage Loans that are well below market rates or non-interest-bearing and Mortgage Loans, such as rehabilitation or home improvement loans, that may or may not be secured by first lien mortgages and Mortgage-Backed Securities that are not issued or guaranteed by GNMA, Fannie Mae or FHLMC and do not otherwise meet the initial Series 2018 C/D Program Determinations, provided that the aggregate principal amount of such Community Program Loans financed with proceeds of Bonds shall not exceed $50,000,000 outstanding at any one time, or such greater amount as will not adversely affect the Rating Quality of the Bonds.

The Series Program Determinations govern only the Series 2018 C/D Mortgage Loans, the Series 2018 C/D Mortgage-Backed Securities and any Community Program Loans to be purchased, acquired or financed with funds on deposit in the Series 2018 C/D Mortgage Loan Fund Account and any funds in any Series 2018 C/D Recycling Subaccount. The Series 2018 C/D Mortgage Loan Fund Account will be credited with the Refunded Series Mortgage-Backed Securities which represent, or are secured by, Mortgage Loans that were previously originated in conjunction with the Series Program Determinations applicable to such Mortgage Loans and Mortgage-Backed Securities.

NIFA has reserved the right in the Series 2018 C/D Supplemental Indenture to modify the Series Program Determinations in order to apply funds in the Series 2018 C/D Mortgage Loan Fund Account (including any Series 2018 C/D Recycling Subaccount) to purchase, to the extent permitted by applicable tax laws, Community Program Loans and other Mortgage Loans (including Mortgage Loans which do not meet the initial Series Program Determinations) and the right to purchase Mortgage-Backed Securities that are not issued or guaranteed by GNMA, Fannie Mae or FHLMC and/or do not otherwise meet the initial Series Program Determinations with all or a portion of the proceeds made available upon the issuance of the Offered Bonds and other amounts deposited in the Series 2018 C/D Mortgage Loan Fund Account, or from amounts available in any Series 2018 C/D Recycling Subaccount, so long as financing such Community Program Loans and other Mortgage Loans and Mortgage-Backed Securities does not adversely affect the Rating Quality of the Bonds.

It is expected that a Series 2018 C/D Recycling Subaccount will be established and the funds deposited therein (including with respect to the Series 2018 C/D Mortgage Loan Fund Account, a portion of the interest payments on the Refunded Series Mortgage-Backed Securities) will be made available for the purpose of acquiring, purchasing or financing Mortgage Loans (or portions thereof) (which, in the case of funds made available from a Series 2018 C/D Recycling Subaccount, may be made at below-market interest rates) in accordance with the Series Program Determinations to be established at the time, provided NIFA files a Cash Flow Certificate and a Cash Flow Statement evidencing that sufficient amounts will be available to pay the debt service on the Bonds when due or upon earlier redemption. Proceeds of Prior Series Bonds deposited in Series Mortgage Loan Accounts are being or were used, and proceeds of succeeding Series of Bonds deposited in corresponding Series Mortgage Loan Accounts will be used, to purchase, acquire or finance Mortgage Loans and Mortgage-Backed Securities satisfying the respective Series Program Determinations established with respect to each such Series of Bonds.

THE VARIOUS SERIES PROGRAM DETERMINATIONS ARE SUBJECT TO CHANGE AT THE OPTION OF NIFA, PROVIDED THAT THE RATING QUALITY ON THE BONDS IS NOT ADVERSELY AFFECTED.

Qualification of Participants; Reservations

To qualify as a Participant under the Program, a lending institution must (a) be a duly organized, validly existing bank, trust company, savings bank, industrial bank, national banking association, savings and loan association, building and loan association, mortgage bank or other financial institution or governmental agency which customarily provides service or otherwise aids in the financing of mortgages on single-family residential

housing located in the State or any holding company for any of the foregoing, (b) be authorized to do business in the State and (c) satisfy the requirements established by the Master Servicer.

Participants request reservations from NIFA on a loan-by-loan basis pursuant to the reservation procedures established by NIFA. In connection with each issue of Bonds under the Program, NIFA is required to reserve funds for certain lower-interest-rate Mortgage Loans (the "**Special Set-Aside**") to be used to finance Mortgage Loans for persons and families meeting certain criteria established by NIFA from time to time. NIFA has initially determined to acquire, purchase or otherwise finance Special Set-Aside Mortgage Loans in an aggregate principal amount at least equal to $1,000,000 with funds held in accounts in the Mortgage Loan Fund other than the Series 2018 C/D Mortgage Loan Fund Account; provided, however, that NIFA may acquire, purchase or finance Special Set-Aside Mortgage Loans with funds in the Series 2018 C/D Mortgage Loan Fund Account provided the Rating Quality of the Bonds is not adversely affected.

Pursuant to federal tax laws, NIFA is required to make available a certain portion of funds made available upon the issuance of the Offered Bonds for the financing of Mortgage Loans on Residences in Targeted Areas for a period of not less than one year from the date on which funds are made available for originating Mortgage Loans.

Qualification of Mortgagors and Mortgage Loans

Under the Program, no Mortgage Loan may be made for the purpose of purchasing a residence the purchase price of which exceeds 90% of the average area purchase price for new or existing residences in the case of residences in non-Targeted Areas and 110% of the average area purchase price for new or existing residences in Targeted Areas. The maximum purchase prices currently designated by NIFA to be generally applicable to the Program (which maximum purchase prices may be changed from time to time) are as follows:

Areas	New/Existing Housing
Non-Targeted Areas	$250,000
Targeted Areas	$300,000

For two- to four-unit residences, the above maximum purchase prices are adjusted upward in accordance with the Program Agreements.

Under the Program, no Mortgage Loan may be made to a Mortgagor whose Family Income (as defined in the Code) exceeds, in non-Targeted Areas, 115% (100% for families of one or two persons) and, in Targeted Areas, 140% (120% for families of one or two persons), of the applicable median family income for the area in which the residence is located. The Family Income limits generally applicable to the Series 2018 C/D Mortgage Loans, but not the mortgage loans backing the Refunded Series Mortgaged-Backed Securities, (which income limits may be changed from time to time) in Non-Targeted Areas range from $74,900 to $81,600 for 1-2 persons and $86,135 to $95,200 for 3 or more persons. The Family Income limits generally applicable to the Series 2018 C/D Mortgage Loans, but not the mortgage loans backing the Refunded Series Mortgaged-Backed Securities, (which income limits may be changed from time to time) in Targeted Areas range from $89,880 to $97,920 for 1-2 persons and $104,860 to $114,240 for 3 or more persons. Targeted areas are located within the counties of Douglas, Lancaster, Adams, Jefferson and Scotts Bluff.

In addition, all Mortgage Loans and all Mortgagors must meet all other requirements set forth in the Indenture and the Origination Agreement.

All of the lendable proceeds (other than, at the discretion of NIFA, up to 5% of the available proceeds and under other limited circumstances) of each Series of Bonds issued under the Indenture (other than those Bonds issued as taxable Bonds) must be used to finance residences of Mortgagors who had no present ownership interest in their respective principal residence for the three-year period ending on the date their respective Mortgages are executed (except in connection with Mortgage Loans on residences in Targeted Areas and certain loans for home improvement and rehabilitation and mortgage loans made to certain "veteran" borrowers (as defined in 38 U.S.C. Section 101) who have not previously obtained mortgage loans financed by single family mortgage revenue bonds).

Federal tax law requires a Mortgagor to pay to the United States a portion of the gain upon the disposition of a residence financed if such disposition occurs within nine years from the date of purchase as a recapture of a portion of the Mortgagor's benefit from tax-exempt financing. Such recapture provisions may affect the timing for prepayment of Mortgage Loans. With respect to Mortgage Loans originated after June 1, 2004, NIFA has agreed to reimburse any Mortgagor required to pay such federal recapture tax.

Origination of the Mortgage Loans

Any Mortgage Loans to be acquired, purchased or financed by NIFA with Offered Bond proceeds and other amounts deposited in the Series 2018 C/D Mortgage Loan Fund Account and any Series 2018 C/D Recycling Subaccount therein must satisfy the Series Program Determinations (see "THE PROGRAM—General" above). Participants are required to originate and deliver all Mortgage Loans to be acquired, purchased or financed with the Offered Bond proceeds and other amounts deposited in the Series 2018 C/D Mortgage Loan Fund Account (other than with respect to amounts in any Recycling Subaccount) to the Master Servicer in accordance with certain time periods established pursuant to the Program Agreements. Under the terms of the Program Agreements, the Master Servicer is required to accept a Mortgage Loan for purchase from the Participant only if all of the requirements set forth in the Origination Agreement have been satisfied. If such Mortgage Loan does not meet the requirements set forth in the Origination Agreement, it will be ineligible to be sold to the Trustee, or included in a pool supporting, or represented by, a Mortgage-Backed Security, as the case may be, under the terms of the Program and is required to be repurchased from the Master Servicer by the Participant. The Series Program Determinations may be modified to provide for the purchase of Mortgage Loans and Mortgage-Backed Securities with funds in the Series 2018 C/D Mortgage Loan Fund Account or any Series 2018 C/D Recycling Subaccount therein, so long as any such purchases do not adversely affect the Rating Quality of the Bonds.

NIFA or other public and private agencies may use other funds of NIFA or such other agencies to provide additional assistance in connection with the Mortgage Loans. The funds may be made available to Mortgagors to be used for a portion of the required down payment and/or closing costs. Such assistance presently offered by NIFA is repayable by the Mortgagors, but NIFA reserves the right to provide that all or a portion of such assistance not be repayable unless the Residence is sold or unless there is an earlier date specified by the terms of the assistance documents. Any additional assistance (including assistance in the form of a HBA Loan) may be secured by a subordinate deed of trust or mortgage and, in certain circumstances, may not accrue any repayment thereof unless the Residence is sold or if the recipient of the assistance no longer complies with the conditions of the assistance.

With respect to Mortgage Loans to be purchased, acquired or financed with the Offered Bond proceeds and other funds initially deposited in the Series 2018 C/D Mortgage Loan Fund Account, such Mortgage Loans are expected to be (i) insured by FHA (under the Section 203(b), Home Unsubsidized (i.e., 203, 503 and 703); Section 221(d)(2), Low and Moderate Income (i.e., 221, 521, 721); or Section 203(i), Home Mortgage for Outlying Area Properties programs) or, with the prior written approval of the Master Servicer and NIFA, FHA Section Streamline 203(k), (ii) guaranteed by VA, (iii) guaranteed by USDA/RD under its Single Family Rural Housing Program (Section 502), (iv) Conventional Mortgage Loans or (v) Community Program Loans. Other than with respect to Community Program Loans, the loan-to-value ratio of a Mortgage Loan may not exceed an amount permissible under applicable FHA, VA, USDA/RD, Fannie Mae and/or FHLMC regulations. NIFA has reserved the right in the Series 2018 C/D Supplemental Indenture to modify the Series Program Determinations in order to apply funds in the Series 2018 C/D Mortgage Loan Fund Account (including any Series 2018 C/D Recycling Subaccount) to purchase, to the extent permitted by applicable tax laws, Mortgage Loans (including Mortgage Loans which do not meet the initial Series Program Determinations) and to purchase Mortgage-Backed Securities that are not issued or guaranteed by GNMA, Fannie Mae or FHLMC and do not otherwise meet the initial Series Program Determinations, so long as financing such Mortgage Loans and Mortgage-Backed Securities does not adversely affect the Rating Quality of the Bonds.

Mortgage Loans may be assumable in accordance with their terms by qualifying Mortgagors.

Under the terms of the Origination Agreement, each Participant may charge, in connection with the origination and closing of Mortgage Loans, those fees specified from time to time by NIFA. Currently, NIFA's various Mortgage Loan products are generally offered to mortgagors at 0% origination and 0% discount fees. Participants are compensated by NIFA in an amount up to 2.00% of the principal amount of the Mortgage Loan (but

not less than $1,000). Insurance premiums, survey, title and attorneys' fees and other reasonable charges and fees may also be charged each Mortgagor by the respective Participant.

As set forth in the Program Agreements, each Participant represents and warrants to the Master Servicer (or other Servicer, as applicable) concerning each Mortgage Loan being sold to the Master Servicer (or other Servicer, as applicable) (and the Master Servicer (or other Servicer, as applicable) represents and warrants to NIFA concerning any Mortgage Loan being sold by the Master Servicer (or other Servicer, as applicable) to NIFA), among other things, that at the time of delivery of such Mortgage Loan (a) there is no default or delinquency under the Mortgage Loan; (b) the Mortgage Loan, unless otherwise permitted by NIFA, is secured by a Mortgage which constitutes a valid first priority lien on the mortgaged property, subject only to permitted encumbrances; and (c) all documents required to be filed or recorded to perfect the lien, if any, on the mortgaged property against third parties have been filed or recorded.

Procedures regarding compliance with the Code have been established by NIFA and require that Participants perform a thorough check of information before closing a Mortgage Loan pursuant to an Origination Agreement, which must include, among other measures:

(a) obtaining an affidavit of compliance with eligibility requirements of the Code from the Mortgage Loan applicant and from each person executing the Mortgage who is expected to occupy the residence, on a form supplied by NIFA, together with federal income tax returns for the three years prior to the application (subject to certain exceptions), employment verifications and other information which would tend to confirm or deny compliance with the requirements of the Code;

(b) obtaining an affidavit from the seller of the residence regarding the purchase price of the residence; and

(c) examining the documentation submitted by the Mortgagor and other pertinent information obtained in connection with the origination of the Mortgage Loan in order to determine that sufficient documentary evidence exists to support the conclusion that the Code eligibility requirements have been met.

Each Origination Agreement requires that Mortgage Loans have the benefit of a hazard insurance policy in certain specified amounts insuring the improvements constituting part of the mortgaged property from damage from certain specified events, including fire and other casualties, and, if required by the corresponding Series Program Determinations, a title insurance policy in an amount at least equal to the outstanding principal balance of such Mortgage Loan insuring that the Mortgage securing such Mortgage Loan constitutes a valid first priority lien on the mortgaged property, subject only to Permitted Encumbrances. It is anticipated that some of the Residences will be in designated special flood hazard areas; any such property must be insured against loss from flood under the National Flood Insurance Program. See Appendix A—"SUMMARY OF CERTAIN MORTGAGE INSURANCE AND SECURITY GUARANTY PROGRAMS" attached hereto.

The Origination Agreement further provides that if any documents delivered by a Participant to the Master Servicer are defective in any material respect, the Participant shall use its best efforts to cure such defect within 30 days of notice to such Participant of the discovery thereof, and if such defect cannot be cured within such period, the Participant will repurchase, not later than 30 days after the expiration of such period, the related Mortgage Loan from the Master Servicer at a price equal to (a) 100% of the unpaid principal balance of such Mortgage Loan, plus (b) interest thereon to the next Mortgage Loan installment due date plus 30 days' interest on such Mortgage Loan, plus (c) if such purchase is made necessary by the willful misfeasance or bad faith on the part of the Participant or by reason of the Participant's disregard of its obligations thereunder, an amount equal to 3% of the unpaid principal amount of such Mortgage Loan. The purchase price for the repurchased Mortgage Loan shall be delivered by the Participant to the Master Servicer and shall be paid to the Trustee, as holder of the Mortgage Loan. A Participant shall be given 30 days to cure any breach of any of its representations, warranties and covenants which adversely affects the value of a Mortgage Loan or the interest of the Master Servicer (or other Servicer, as applicable) or NIFA in such Mortgage Loan or, if such breach cannot be cured, will be required to repurchase the Mortgage Loan not later than 30 days after the expiration of such period, in accordance with the foregoing.

If any Mortgage Loan is determined to be a Non-Qualifying Mortgage Loan (as defined in the Origination Agreement) and the defect causing the same cannot be cured, the Participant shall be required to repurchase such Mortgage Loan on the terms and conditions set forth in part in the preceding paragraph.

It is anticipated that successive Servicing Agreements entered into by NIFA and any Master Servicer will contain terms, conditions and obligations applicable to the Master Servicer that are substantially the same as those described above as applicable to the Master Servicer. NIFA may enter into one or more Servicing Agreements with Designated Servicers containing terms, conditions and obligations applicable to the Designated Servicer and providing for the sale and servicing of Mortgage Loans (which may or may not be represented by Mortgage-Backed Securities) acceptable to NIFA and having terms that will not adversely affect the Rating Quality of the Bonds.

Servicing of Mortgage Loans

Unless otherwise specified by NIFA, each Mortgage Loan in the Program will be serviced by the Master Servicer in accordance with one or more Servicing Agreements. The Servicing Agreements set forth the agreements between NIFA and the Master Servicer with respect to servicing each Mortgage Loan in the Program as well as certain agreements with respect to Mortgage-Backed Securities (backed by Mortgage Loans) which will be purchased from the Master Servicer by the Trustee with proceeds made available by the issuance of the Bonds and funds on deposit in the Operating Fund. NIFA may enter into one or more Servicing Agreements with Designated Servicers containing terms, conditions and obligations applicable to the Designated Servicer and providing for the sale and servicing of Mortgage Loans (which may or may not be represented by Mortgage-Backed Securities) acceptable to NIFA and having terms that will not adversely affect the Rating Quality of the Bonds.

It is expected that Mortgage Loans financed and refinanced with the Offered Bond proceeds and other funds deposited in the Series 2018 C/D Mortgage Loan Fund Account that are Conventional Mortgage Loans have been or will be pooled to support or be represented by Series 2018 C/D Mortgage-Backed Securities that are Fannie Mae Securities. It is expected that Mortgage Loans financed and refinanced with the Offered Bond proceeds and any other funds deposited in the Series 2018 C/D Mortgage Loan Fund Account that are FHA-insured, VA-guaranteed or USDA/RD-guaranteed have been or will be pooled to support or be represented by Series 2018 C/D Mortgage-Backed Securities that are GNMA Securities. Mortgage Loans supporting or represented by GNMA Securities held in the Series 2018 C/D Mortgage Loan Fund Account will be serviced by the Master Servicer in accordance with the Servicing Agreement and the GNMA Guide. The Servicing Agreement provides for a monthly servicing fee equal to 1/12 of 0.50% of the unpaid principal balance of each Mortgage Loan represented by a GNMA Security (out of which servicing fee the Master Servicer pays any guarantee fee). Mortgage Loans supporting or represented by Fannie Mae Securities will be serviced by the Master Servicer in accordance with the Servicing Agreement and the Fannie Mae Guide and related Pool Contract. The Servicing Agreement currently provides for a monthly servicing fee equal to 1/12 of a percentage agreed upon by NIFA and the Master Servicer, from time to time, of the unpaid principal balance of each Mortgage Loan represented by a Fannie Mae Security (out of which servicing fee the Master Servicer pays any guarantee fee). Additional Mortgage Loans supporting or represented by Mortgage-Backed Securities other than GNMA Securities, Fannie Mae Securities and FHLMC Securities may not be serviced by the Master Servicer and may be serviced under a Servicing Agreement entered into by NIFA with another Servicer, in any case having such terms as will not adversely affect the Rating Quality of the Bonds.

Certain Mortgage Loans acquired by NIFA and/or pooled for Mortgage-Backed Securities prior to April 30, 2005 are serviced under prior Servicing Agreements with Wells Fargo Bank, National Association ("**Wells Fargo**"). For additional information regarding Wells Fargo, see www.wellsfargo.com.

With respect to Mortgage Loans pooled for Mortgage-Backed Securities on and after May 1, 2005, U.S. Bank National Association acts as Master Servicer and services such Mortgage Loans and Mortgage-Backed Securities. Other than as set forth herein with respect to any Community Program Loans, NIFA does not presently expect to purchase individual Mortgage Loans, but instead expects to purchase Mortgage-Backed Securities represented by such Mortgage Loans. For additional information regarding the Master Servicer, see "THE PROGRAM—The Master Servicer" herein.

Warehousing Program

NIFA has entered into the Warehouse Agreement to use advances provided by the Federal Home Loan Bank of Topeka for the financing of Mortgage-Backed Securities which are represented or backed by Mortgage Loans. Additionally, NIFA uses its general operating funds to finance such Mortgage-Backed Securities. In either case, NIFA may direct that such Mortgage-Backed Securities, whether held by NIFA or pledged by NIFA to the Federal Home Loan Bank of Topeka, be purchased with proceeds of Bonds, including the Offered Bonds, and/or proceeds of Other Bonds. If Mortgage Loans held by the Master Servicer do not back or represent Mortgage-Backed Securities, such Mortgage Loans may be delivered to the Trustee for purchase as whole loans with proceeds available under the Indenture or from other sources.

Nebraska Foreclosure Laws

Under Nebraska law, both mortgages and deeds of trust are used to secure residential mortgage loans. With respect to the Mortgage Loans, NIFA currently permits only the use of deeds of trust.

A mortgage is foreclosed by judicial action; consequently, the foreclosure action is subject to all the delays inherent in a judicial proceeding. The court has the power to decree a sale of the mortgaged premises to discharge the amount due on the related mortgage loan and the costs of the suit. The owner of any real estate against which a judgment or decree of foreclosure has been rendered may redeem the mortgaged premises, at any time before the sale of the mortgaged premises has been confirmed by the court, by paying the amount of such judgment or decree together with all interest and costs. There is no right of redemption after the court enters an order confirming the sale.

The period between entry of the foreclosure decree and the issuance of an order confirming the sale may be extended for a period of up to nine months, if the mortgagor within 20 days after rendition of the foreclosure decree files a written request for a stay; otherwise an order for sale of the mortgaged premises may be issued immediately after the expiration of such 20-day period from the date of the rendition of the foreclosure decree. If the foreclosure is based on nonpayment of interest or principal, the suit may be dismissed if the Mortgagor deposits (at any time before the date of the foreclosure decree) the amount of principal and interest due, with costs. If, after the foreclosure decree has been rendered, the Mortgagor deposits the principal and interest due, with costs, the proceedings must be stayed, but the court must enter the foreclosure decree with the sale to be enforced by further order of the court upon any subsequent default.

Typically, it takes approximately one year to complete foreclosure of mortgaged premises; however, by taking full advantage of judicial and legal delays, foreclosure could be delayed for several years.

A deed of trust may be foreclosed in the same manner as the foreclosure of mortgages. In addition, a power of sale may be conferred upon a trustee, which power of sale must be expressly provided for in the deed of trust. Prior to the exercise of the power of sale, the trustee must file record notice of the default in the office of the register of deeds in each county in which the trust property is located. Not less than 30 days after the notice of default is recorded, the trustee must give notice of sale of the trust property by publishing notice once a week for five consecutive weeks. The purchaser at this sale receives a deed from the trustee, execution of which to the purchaser terminates the mortgagor's right of redemption.

The mortgagor or any other person having a subordinate lien or encumbrance of record, at any time within one month after filing for record of the notice of default under the deed of trust, may pay the entire amount then due thereunder, including certain costs, expenses and fees relating thereto, other than such portion of the principal as would not then be due had no default occurred, which cures the default and avoids the forced property sale.

If a deed of trust is foreclosed in the same manner as a mortgage, the same time delays applicable to judicial foreclosures will occur as described above. If the deed of trust is foreclosed by the power of sale, foreclosure can be completed in approximately four months.

Insurance and Guarantees of Mortgages

The Refunded Series Mortgage-Backed Securities expected to be credited to the Series 2018 C/D Mortgage Loan Fund Account have all been issued by GNMA, Fannie Mae and/or FHLMC. The Mortgage Loans supporting or represented by Series 2018 C/D Mortgage-Backed Securities, including the Refunded Series Mortgage-Backed Securities, except as otherwise set forth herein, are FHA-insured, VA-guaranteed, USDA/RD-guaranteed and Conventional Mortgage Loans. Mortgage Loans financed from the proceeds of additional Series of Bonds will be the subject of mortgage insurance and guaranty programs only to the extent provided in the Supplemental Indenture authorizing such Series. See Appendix A—"SUMMARY OF CERTAIN MORTGAGE INSURANCE AND SECURITY GUARANTY PROGRAMS" attached hereto for a description of certain mortgage insurance and guaranty programs, which description is only a brief outline and does not purport to summarize or describe all of the provisions of these programs or all of the insurance programs which are available to a Mortgagor. For a more complete description of the terms of these programs, reference is made to the provisions of the insurance and guaranty contracts embodied in the regulations of FHA, VA and USDA/RD, respectively, and of the regulations, master insurance contracts and other such information of the various Private Mortgage Insurers, including forms of contracts on file with the Nebraska Department of Insurance.

The Master Servicer

THE FOLLOWING INFORMATION ABOUT THE MASTER SERVICER RELATES TO AND WAS SUPPLIED BY U.S. BANK NATIONAL ASSOCIATION. SUCH INFORMATION HAS NOT BEEN VERIFIED BY NIFA, THE UNDERWRITERS, THEIR COUNSEL OR BOND COUNSEL AND IS NOT GUARANTEED AS TO COMPLETENESS OR ACCURACY BY AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, NIFA, THE UNDERWRITERS, THEIR COUNSEL OR BOND COUNSEL.

The Master Servicer is U.S. Bank National Association. As of March 31, 2018, the Master Servicer serviced 1,504,532 single-family Mortgage Revenue Bond mortgage loans purchased through its U.S. Bank Home Mortgage Division, with an aggregate principal balance of approximately $233.1 billion. The Master Servicer currently services single-family mortgage loans for State and local housing finance authorities, mutual savings banks, life insurance companies, savings and loan associations, commercial banks, as well as Fannie Mae, GNMA and Freddie Mac.

As of March 31, 2018, according to its unaudited quarterly financial statements, U.S. Bancorp had total assets of approximately $460 billion and a net worth of $49.2 billion. For the three months ending March 31, 2018, the Master Servicer through its U.S. Bank Home Mortgage Division, originated and purchased single-family mortgage loans in the total principal amount of approximately $5.75 billion.

The Master Servicer is (i) an FHA- and VA-approved lender in good standing, (ii) a GNMA-approved seller and servicer of mortgage loans and an issuer of mortgage-backed securities guaranteed by GNMA, (iii) a Fannie Mae approved seller and servicer of Fannie Mae Securities and (iv) a FHLMC approved seller and servicer of FHLMC securities.

The Master Servicer is not liable for the payment of the principal of the Bonds or the interest or redemption premium, if any thereon.

The holding company for U.S. Bank National Association is U.S. Bancorp, the 5th largest financial services holding company in the United States. For additional information regarding the Master Servicer and U.S. Bancorp, see www.usbank.com.

THE INDENTURE

The following is a summary of certain provisions and defined terms of the Indenture. This summary does not purport to be comprehensive or definitive and is subject to all of the terms and provisions of, and definitions set forth in, the Indenture, to which reference is hereby made and copies of which are available from NIFA, J.P. Morgan Securities LLC or the Trustee.

Certain Definitions

"*Accountant's Certificate*" means an opinion signed by any certified public accountant or firm of certified public accountants (who may be the accountant or firm that regularly audits the books and accounts of NIFA) from time to time selected by NIFA and acceptable to the Trustee.

"*Accrued Debt Service*" means, as of any date of calculation, unless otherwise specified in the Supplemental Indenture with respect to a particular Series of Bonds, an amount equal to (i) accrued and unpaid interest on the Outstanding Series of Bonds (accrued and unpaid interest shall not include the Appreciated Amount of a Deferred Interest Bond), plus (ii)(A) in the case of semiannual principal maturities (including Sinking Fund Installments), the amount obtained by multiplying the total amount of Outstanding Bonds of such Series due on the next succeeding principal payment date by the number of full months elapsed since the most recent preceding principal payment date, and dividing the product by six, (B) in the case of annual principal maturities (including Sinking Fund Installments), the amount obtained by multiplying the total amount of Outstanding Bonds of such Series due on the next succeeding principal payment date by the number of full months elapsed since the most recent preceding principal payment date, and dividing the product by 12, and (C) in the case of principal maturities (including Sinking Fund Installments) on other than an annual or semiannual basis, the amount obtained by multiplying the total amount of Outstanding Bonds of such Series due on the next succeeding principal payment date by the number of days elapsed since the most recent preceding principal payment date, and dividing the product by the number of days in the period between principal payment dates for such Series of Bonds.

"*Amortized Value*" means for securities purchased at (i) par, par; and (ii) a premium above or a discount below par, the value as of any given date obtained by multiplying the total amount of the premium or the discount at which such securities were purchased by a fraction, the numerator of which is the number of days remaining to maturity or redemption date on such securities at the time of such purchase and the denominator of which is the number of days reflected in the numerator *plus* the number of days having passed from the date of such purchase; and (a) in the case of securities purchased at a premium, by deducting the product thus obtained from the purchase price and (b) in the case of securities purchased at a discount, by adding the product thus obtained to the purchase price, provided that with respect to securities deposited in any Fund or Account by NIFA for no consideration, such securities shall be treated as purchased by the Trustee at the fair market value as of the date of such deposit.

"*Authorized Officer*" means the Chairperson, the Vice Chairperson or the Executive Director of NIFA or any other person authorized by resolution of NIFA to perform an act or sign a document.

"*Cash Equivalent*" means a letter of credit, insurance policy, surety, guarantee or other security arrangement (as defined and provided for in a Supplemental Indenture), which Cash Equivalent shall have such terms as are necessary to maintain the Rating Quality on the Bonds.

"*Conventional Mortgage Loans*" means Mortgage Loans other than FHA-insured Mortgage Loans, VA-guaranteed Mortgage Loans and FmHA-guaranteed (USDA/RD-guaranteed) Mortgage Loans.

"*Counsel*" means any attorney or firm of attorneys (who may be employed by or of counsel to NIFA or an attorney or firm of attorneys retained by it in other connections) licensed to practice in the state in which he/she or it maintains an office (and if the opinion is with respect to an interpretation of federal tax laws or regulations or with respect to the issuance of an additional Series of Bonds or interpretation or application of the Indenture, is also a nationally recognized attorney or firm of attorneys experienced in such matters), selected or employed by NIFA and satisfactory to the Trustee.

"*Counsel's Opinion*" means an opinion signed by any Counsel.

"*Date of Original Issuance*" means, with respect to a particular Series of Bonds, the date on which NIFA initially issues such Series of Bonds.

"*Debt Service Reserve Requirement*" means, as of any particular date of calculation, the aggregate of the amounts specified, if any, as the Debt Service Reserve Requirement in each Supplemental Indenture.

"*Excess Nonmortgage Earnings*" means excess nonmortgage investment earnings, net of any credits or offsets thereto, which must be rebated to the United States of America pursuant to Section 143(g) of the Code.

"*Fiscal Year*" means the period of 12 calendar months, commencing on July 1 in any calendar year and ending on June 30 of the following year.

"*Funds*" or "*Accounts*" means any of the Funds or Accounts, including subaccounts, established by the General Indenture or any Supplemental Indenture.

"*Interest Payment Date*" means any date upon which interest on the Bonds is payable in accordance with their terms and the terms of the General Indenture or any Supplemental Indenture.

"*Mortgage*" means a mortgage, deed, deed of trust or other instrument securing a Mortgage Loan and constituting a lien on a Residence, subject only to encumbrances permitted by the Program Agreements.

"*Mortgage-Backed Security*" means a Fannie Mae Security, an FHLMC Certificate or a GNMA Security backed by a Mortgage Loan (or such other security backed by Mortgage Loans which is specified in a Supplemental Indenture, the purchase of which will not adversely affect the Rating Quality of the Outstanding Bonds), in each case registered in the name of the Trustee. The definition of "Mortgage-Backed Security" shall not include, unless otherwise specified in a Supplemental Indenture, any Mortgage-Backed Security which is not credited to the Mortgage Loan Fund.

"*Mortgage Loan*" means a loan to a mortgagor, bearing interest at such rate or rates (which may include 0% rates) to be determined by NIFA, secured (unless otherwise specified in a Supplemental Indenture) by a Mortgage on a Residence and evidenced by a promissory note. The definition of "Mortgage Loan" shall not include, unless otherwise provided in a Supplemental Indenture, any Mortgage Loan which is not credited to the Mortgage Loan Fund.

"*Mortgage Rate*" means the rate or rates (which may be 0%) of interest on a Mortgage Loan, which shall be the rate or rates of interest per annum as set forth in or determined in accordance with the respective Supplemental Indenture.

"*Mortgage Reserve Fund Requirement*" means, as of any particular date of calculation, the aggregate of the amounts specified, if any, as the Mortgage Reserve Fund Requirement in each Supplemental Indenture.

"*Operating Fee*" means the amount designated by NIFA in a certificate for carrying out the Program and paying any expenses in connection therewith, in an amount not to exceed the aggregate of the amounts specified as the Operating Fee in each Supplemental Indenture.

"*Outstanding*" or "*Bonds Outstanding*" means all Bonds which have been authenticated and delivered by the Trustee under the Indenture, except:

(a) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity;

(b) Bonds for the payment or redemption of which cash funds or Federal Obligations or any combination thereof shall have been theretofore deposited with the Trustee (whether upon or prior to the maturity or redemption date of any such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee;

(c) Bonds in lieu of which other Bonds have been executed and delivered under the General Indenture; and

(d) Bonds otherwise specified in a Supplemental Indenture.

"*Participant*" means a Participant as defined in the Program Agreements.

"*Permitted Investments*" means, to the extent authorized by law for investment of moneys of NIFA, such of the following as shall mature, or shall be subject to redemption by the holder thereof at the option of such holder, not later than the respective dates when the moneys will be required for the purposes intended: (i) direct obligations of the United States or other obligations the timely payment of principal and interest of which is fully and unconditionally guaranteed by the United States ("Federal Obligations"); (ii) obligations of any state of the United States of America or any political subdivision of such a state (such obligations of which are rated "AAA" by S&P); (iii) bonds, debentures or other obligations issued by the Federal National Mortgage Association (excluding interest-only securities and stripped mortgage-backed securities valued greater than par), the Federal Home Loan Mortgage Corporation (senior debt obligations which guarantee timely payment of principal and interest) or the Government National Mortgage Association; (iv) any other obligations of any agency controlled or supervised by and acting as an instrumentality of the United States Government pursuant to authority granted by the Congress of the United States whose timely payment is unconditionally guaranteed by the United States of America; (v) time deposits, certificates of deposit or any other deposit with federally or state-chartered banks (including the Trustee and its affiliates), the deposits of which are fully insured by the FDIC, with capital, surplus and undivided profits of not less than $100 million, provided the unsecured obligations of any such institution (or its parent if such institution is the lead bank and the parent has unconditionally guaranteed the obligations of the lead bank) are rated by S&P as follows: for amounts on deposit in the Funds and Accounts under the Indenture from the Date of Issuance of a particular Series of Bonds until the date three years thereafter, if such deposit has a term to maturity of less than one year—"A-1+" by S&P; for amounts on deposit in the Funds and Accounts under the Indenture during the Delivery Period only with respect to a particular Series of Bonds, if more than one year but less than two years—"AA-/A-1+" by S&P; for amounts on deposit in the Funds and Accounts under the Indenture during the Delivery Period only with respect to a particular Series of Bonds, if more than two years but less than three years—"AA-/A-1+" by S&P; and if three years or longer—"AAA" by S&P; (vi) repurchase agreements (of which S&P has been given prior notification of the terms thereof) collateralized by securities described in (i) above with any registered broker/dealer subject to the Securities Investors' Protection Corporation ("SIPC") liquidation in the event of insolvency or any commercial bank insured by the FDIC, if the unsecured debt of such broker/dealer or bank is rated as follows: if the repurchase agreement has a term to maturity of less than one year—"A-1+" by S&P; if more than one year but less than two years—"AA-/A-1+" by S&P; if more than two years but less than three years—"AA-/A-1+" by S&P; and if three years or longer—"AAA" by S&P; or, if not so rated, which provide: (a) the repurchase obligation is collateralized by the securities themselves, (b) such investments have on the date of the repurchase agreement and at all times thereafter a fair market value equal to at least the percentage of the amount of the repurchase obligation of the institution, including principal and interest, set forth in any applicable repurchase agreement collateral tables for S&P in effect on the date the repurchase agreement is entered into in accordance with the maturity, the rating (which must be equal at least to the rating on the Bonds) and the valuation frequency, (c) the Trustee either holds the securities themselves or the Trustee has written evidence that the investments are being held by a Federal Reserve Bank or a commercial bank with combined capital, surplus and undivided profits of not less than $50 million acting as agent for the Trustee, (d) a perfected security interest under the Uniform Commercial Code or book-entry procedures prescribed in 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such investments, is created for the benefit of the Trustee, (e) if the repurchase agreement is with the bank serving as Trustee or any related party, the third-party holding such investments holds them as agent for the benefit of the Trustee as fiduciary for the holders of the Bonds and not as agent for the bank in its commercial capacity or serving as trustee, agent or other fiduciary for any other party, (f) the collateral is free and clear of third-party liens and, in the case of SIPC brokers, was not acquired pursuant to a repurchase or reverse repurchase, (g) failure to maintain requisite collateral will cause the Trustee to liquidate collateral, (h) the cure and other provisions comply with the standards required by S&P on the date the repurchase agreement is entered into, (i) the repurchase agreement matures not later than the thirtieth day prior to the date such funds are required under the Indenture, (j) there is or will be a written agreement governing every repurchase transaction, (k) the transferee of any securities subject to a repurchase agreement shall represent that it has no knowledge of any fraud involved in the repurchase transaction and (l) such repurchase agreement will not adversely affect the Rating Quality of the Bonds; (vii) investment agreements with a financial institution which has unsecured obligations rated as follows: if the investment agreement has a term to maturity of less than one year from the Date of Issuance of a particular Series of Bonds—"A-1+" by S&P; if more than one year but less than two years from the Date of Issuance of a particular Series of Bonds—"AA-/A-1+" by S&P; if more than two years but

less than three years from the Date of Issuance of a particular Series of Bonds—"AA-/A-1+" by S&P; and if three years or longer—"AAA" by S&P, provided that (1) such agreement shall provide that it is not subordinated to any other obligations of such financial institution and (2) the Trustee shall receive an Opinion of Counsel that such agreement is an enforceable obligation of such financial institution; (viii) commercial paper rated "A-1+" by S&P; (ix) shares of a money market mutual fund or other collective investment fund registered under the Investment Company Act of 1940, as amended, whose shares are registered under the Securities Act of 1933, as amended, having assets of at least $100 million and having a rating of "AAAm" or "AAAm-G" from S&P; (x) any Investment Agreement; and (xi) any other investment that will not adversely affect the Rating Quality of the Outstanding Bonds, provided that it is expressly understood that this definition of Permitted Investments shall be, and be deemed to be, expanded, or new definitions and related provisions shall be added to the General Indenture by a Supplemental Indenture, thus permitting investments with different characteristics from those permitted above which NIFA deems from time to time to be in the interests of NIFA to include as Permitted Investments if at the time of inclusion such inclusion will not, in and of itself, adversely affect the Rating Quality of the Outstanding Bonds.

"*Prepayment*" means (i) any payments on the Mortgage-Backed Securities other than regularly scheduled principal and interest payments thereon and (ii) amounts representing prepayments on the Mortgage Loans, such Prepayment on a Mortgage Loan to mean any Mortgagor payment or other recovery of principal on a Mortgage Loan which is received in advance of its scheduled due date and is not accompanied by an amount as to interest representing scheduled interest for any month subsequent to the month of prepayment, and the portion of any payments representing such amounts from condemnation of the mortgaged premises or foreclosure of the mortgaged premises or other proceedings taken in the event of default by the Mortgagor, any hazard or special insurance policy covering mortgaged premises, any Mortgage Pool Insurance, any Mortgage Insurance, including moneys received from debentures or certificates issued pursuant to a contract of insurance, and moneys received from the sale, assignment, endorsement or other disposition of any such Mortgage Loan with respect to which condemnation, foreclosure or other proceedings taken in the event of default by the Mortgagor have occurred (including the sale or transfer of a Mortgage Loan which is in violation of the requirements of the Program).

"*Program*" means NIFA's program of financing qualified Mortgage Loans, through the purchasing, acquiring or financing of Mortgage Loans or Mortgage-Backed Securities or other securities backed by Mortgage Loans, pursuant to the provisions of the Indenture and the Program Agreements.

"*Program Agreements*" means one or more agreements in connection with the Program and which may be specified in a Supplemental Indenture and which shall constitute the rules and regulations of NIFA governing its activities under the NIFA Act with respect to the Program, as the same shall be amended from time to time.

"*Rating Quality*" means, with respect to any Series of Bonds, having terms, conditions and/or a credit quality such that the item stated to be of "Rating Quality" will not, as confirmed in writing received by the Trustee from the Rating Agency, impair the ability of NIFA to obtain the rating or ratings initially anticipated to be received from the Rating Agency with respect to such Bonds as described in the related Supplemental Indenture and, if any of the Bonds have been rated, will not cause the Rating Agency to lower or withdraw the rating it has assigned to any of the Bonds.

"*Revenues*" means (i) all amounts received as repayment of principal, interest and all other charges received for, and all other income and receipts derived by NIFA from, the Mortgage-Backed Securities and the Mortgage Loans or any way in connection therewith, including Prepayments, (ii) moneys deposited in a sinking, redemption or reserve fund or other Fund or Account to secure Bonds or to provide for the payment of the principal of, premium or interest on Bonds and (iii) to the extent hereinafter provided, interest earnings or income received on moneys so deposited in any Fund or Account pursuant to the Indenture and all other payments and receipts received with respect to Mortgage Loans or Mortgage-Backed Securities, including the proceeds of Mortgage Insurance claims (but excluding Service Fees, Escrow Payments, Excess Nonmortgage Earnings and, unless otherwise provided in a Supplemental Indenture, any income or earnings on amounts credited to the Collateral Fund).

"*Scheduled Principal Payments*" means all moneys received or recovered by NIFA from any scheduled payment of principal on any Mortgage-Backed Security or on any Mortgage Loan determined as if such Mortgage Loan or the Mortgage Loan underlying such Mortgage-Backed Security was amortized over its original term.

"*Series Mortgage Loan Accounts*" means the Accounts so designated which are established pursuant to each Supplemental Indenture.

"*Series Program Determinations*" means determinations by NIFA relating to Mortgage Loans and certain other matters required in connection with a Series of Bonds under the Program to be set forth (or provision to be determined at certain specified times in the future) in a Supplemental Indenture and shall include the following: (i) whether each Mortgage Loan shall be secured by a first lien mortgage, a second lien mortgage, a combination or no lien; (ii) whether each Mortgage Loan shall have approximately equal monthly payments or shall be a graduated payment mortgage loan or have a fixed or variable rate of interest; (iii) the maximum term to maturity of each Mortgage Loan; (iv) required Mortgage Insurance, if any, and the level of coverage thereof; (v) limitations, if any, applicable to purchases of Mortgage Loans relating to condominiums, planned unit developments and/or cooperatives, geographic concentration and type of principal and interest characteristics; (vi) provisions relating to Prepayments, including application thereof for redemption or purchasing, acquiring or financing new Mortgage Loans or Mortgage-Backed Securities; (vii) restrictions, if any, on the applications of the proceeds of the voluntary sale of Mortgage Loans, if any; and (viii) any other provision deemed advisable by NIFA not in conflict with the Indenture.

"*S&P*" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors and assigns, or, if S&P shall no longer be maintaining a rating on the Bonds, then another nationally recognized rating agency designated by NIFA.

"*State*" means the State of Nebraska.

"*Supplemental Indenture*" means any supplement to the General Indenture entered into pursuant to the terms thereof authorizing and specifying the terms of a Series of Bonds.

"*Tax Bond Year*" means, for a particular Series of Bonds, the period of 12 calendar months, as set forth in a Supplemental Indenture.

Indenture Constitutes Contract

The provisions of the Indenture constitute a contract of NIFA with the Trustee for the benefit of the holders of the Bonds, and the pledge, covenants and agreements set forth in the Indenture to be performed by and on behalf of NIFA are for the equal benefit, protection and security of the holders of any and all of the Bonds.

Pledge Effected by the Indenture

For the payment of the principal of, premium, if any, and interest on the Bonds, and the Sinking Fund Installments for the retirement thereof, NIFA has pledged to the Trustee, and granted a security interest in, in accordance with the provisions of the Indenture, all proceeds of the sale of the Bonds other than proceeds deposited in trust for the retirement of Outstanding Bonds, all Mortgage Loans and Mortgage-Backed Securities and Permitted Investments made or purchased from such proceeds, all Revenues and all money, Permitted Investments, Collateral Securities and other assets and income held in and receivable by the Funds and Accounts established by or pursuant to the Indenture, but excluding Service Fees, Escrow Payments and Excess Nonmortgage Earnings, all subject to the right of NIFA to direct withdrawals of amounts from said Funds and Accounts upon the conditions set forth in the Indenture, which pledge constitutes a first lien on such pledged moneys and revenues.

Provisions for Issuance of Bonds

The Indenture authorizes Bonds to be issued from time to time in one or more Series without limitations as to amount except as may be provided by law.

All of the Bonds of each Series shall be issued by NIFA under the Indenture, delivered to the Trustee for authentication and, upon authentication by the Trustee, delivered to NIFA or its order, but only upon receipt by the Trustee of, among other things:

(a) A Counsel's Opinion, dated the date of delivery thereof, to the effect that: (i) NIFA is a body politic and corporate, not a state agency, but an independent instrumentality with the powers, among others, to finance, purchase or acquire the Mortgage Loans, either directly or through the purchase or acquisition of the Mortgage-Backed Securities, to issue the Bonds to provide funds therefor and to perform its obligations under the General Indenture and the applicable Supplemental Indenture; (ii) the Bonds are valid limited obligations of NIFA secured by and payable solely from the Revenues and other moneys pledged under the Indenture; and (iii) the General Indenture and the applicable Supplemental Indenture have been validly authorized, executed and delivered and create an assignment and pledge of and lien on the Revenues and other moneys pledged under the Indenture, except that (y) no opinion need be expressed as to the effect upon such enforceability of bankruptcy, insolvency, reorganization, moratorium and other similar laws enacted for the relief of debtors and (z) no opinion need be expressed as to the availability of the remedy of specific performance, mandamus, injunctive relief or any other equitable remedy;

(b) A certificate from NIFA directing that the Trustee authenticate and deliver such Bonds and containing instructions as to the delivery of such Bonds and the purchase price therefor;

(c) A copy of the Supplemental Indenture authorizing such Bonds, which shall specify the terms and purposes thereof;

(d) A Certificate from NIFA stating that NIFA is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Indenture;

(e) A Cash Flow Certificate and Cash Flow Statement which includes the issuance of such Series of Bonds conforming to the requirements of the Indenture;

(f) Written verification from the Rating Agency that the issuance of such Series of Bonds will not, in and of itself, adversely affect the Rating Quality of any Outstanding Bonds of any Prior Series Bonds; and

(g) In addition to satisfaction of the requirements set forth above, with respect to the Bonds of the Series of a Refunding Issue:

(i) there shall be deposited with the Trustee either:

(A) moneys in an amount sufficient to effect payment at the applicable redemption price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, which moneys shall be held by the Trustee in a separate account irrevocably in trust for the holders of Outstanding Bonds being refunded, or

(B) Permitted Investments in such principal amounts, having such maturities, bearing such interest and otherwise having such terms and qualifications as shall be required to pay the applicable redemption price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, which Permitted Investments and moneys shall be held in trust for the holders of Outstanding Bonds being refunded;

(ii) NIFA shall have given irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds so to be redeemed on a redemption date specified in such instructions; and

(iii) The Trustee shall furnish to NIFA at the time of delivery of the Series of the Refunding Issue a certificate or other evidence satisfactory to the Trustee stating that it holds or there is being held in trust the Permitted Investments and/or moneys required to effect such redemption.

Establishment of Funds and Accounts

NIFA, by the General Indenture and the Series 2018 C/D Supplemental Indenture, has established the following Funds and Accounts for the Bonds and the Offered Bonds:

(a) Mortgage Loan Fund, including the Series 2018 C/D Issuance Expense Account, the Series 2018 C/D Mortgage Loan Fund Account and the Series 2018 C/D Recycling Subaccount of the Series 2018 C/D Mortgage Loan Fund Account;

(b) Revenue Fund, including the Series 2018 C/D Revenue Fund Account;

(c) Debt Service Fund, including the Series 2018 C/D Debt Service Fund Account;

(d) Debt Service Reserve Fund;

(e) Mortgage Reserve Fund;

(f) Operating Fund;

(g) Redemption Fund, including the Series 2018 C/D Redemption Fund Account;

(h) Rebate Fund, including the Series 2018 C/D Rebate Fund Account;

(i) Collateral Fund, including the Series 2018 C/D Collateral Fund Account; and

(j) Purchase Fund, including the Series 2018 C/D Liquidity Facility Purchase Account, Remarketing Proceeds Account, and NIFA Proceeds Purchase Account.

The Trustee may also establish from time to time such additional funds or accounts as NIFA may direct or as the Trustee shall determine may be reasonably required to carry out its duties under the Indenture, and moneys deposited therein shall be used and pledged only as provided in the directions of NIFA, it being intended that such authority be used (among other things) to implement the utilization of moneys provided by other entities in conjunction with the Program.

There is established, pursuant to the General Indenture, in each Fund a separate Account for each Series of Bonds. Except as otherwise provided in a Supplemental Indenture, the proceeds of a particular Series of Bonds issued under a Supplemental Indenture, the payments on Mortgage Loans or Mortgage-Backed Securities acquired with the proceeds of a particular Series of Bonds and the earnings on investments of moneys in the Funds or Accounts relating to a particular Series of Bonds, when required to be deposited in any Fund, shall be deposited or credited to the Account established therein for that particular Series of Bonds. Withdrawals from Funds and Accounts in connection with a particular Series of Bonds may be made and used (including for purposes of redemption) for any other Series of Bonds unless specifically prohibited in a related Supplemental Indenture. For purposes of investment, the Trustee and NIFA may consolidate the Accounts required to be established in a particular Fund into one Fund so long as adequate records are maintained as to the amounts held in each such Fund allocable to each Series of Bonds.

Each of the above-designated Funds and Accounts shall be held by the Trustee or other fiduciary, in a segregated account, in the name of the Trustee, except the Operating Fund, which shall be held by NIFA or its designee.

Mortgage Loan Fund

General. In addition to the proceeds from any Series of Bonds, there shall be deposited in the Mortgage Loan Fund any moneys transferred from the Revenue Fund as directed by an Authorized Officer of NIFA and any other funds of NIFA to be deposited therein.

The Trustee shall from time to time pay out money from the Mortgage Loan Fund (a) for the purpose of acquiring, financing or purchasing Mortgage Loans or Mortgage-Backed Securities in accordance with the Indenture and (b) to pay or defease notes or bonds or other indebtedness issued by NIFA to finance or purchase Mortgage Loans or Mortgage-Backed Securities in exchange for Mortgage Loans or Mortgage-Backed Securities with respect to which such notes, bonds or other indebtedness were issued and meeting any other requirements set forth in a Supplemental Indenture.

A Mortgage Loan or Mortgage-Backed Security, as the case may be, shall be purchased by the Trustee only if the Trustee shall be furnished with (i) a certificate of the Master Servicer requesting a disbursement of funds in the amount specified against delivery by the Master Servicer of such Mortgage Loan or Mortgage-Backed Security, as the case may be, equal to the Purchase Price thereof, and (ii) the Master Servicer Submission Certificate relating to such Mortgage Loan or Mortgage-Backed Security, as the case may be, including a certificate that such Mortgage Loan or Mortgage Loans supporting, or represented by, such Mortgage-Backed Security, as the case may be, meets the criteria set forth in the Supplemental Indenture establishing the Mortgage Loan Account from which funds are to be applied for the purchase of such Mortgage Loan or Mortgage-Backed Security.

The Trustee shall transfer moneys from the Mortgage Loan Fund to the Revenue Fund to the extent specified in any Supplemental Indenture or upon the direction of an Authorized Officer of NIFA. In addition, the Trustee shall, to the extent amounts are insufficient in the Debt Service Fund to pay principal of or interest on the Bonds when due, transfer (after transferring amounts in any capitalized interest account established in connection with a Supplemental Indenture and the Redemption Fund, but prior to amounts in the Debt Service Reserve Fund, Mortgage Reserve Fund and Collateral Fund) moneys from the Mortgage Loan Fund representing Prepayments or excess Revenues (including certain Scheduled Principal Payments) to the Debt Service Fund to pay principal of or interest on the Bonds.

Mortgage Loans and Mortgage-Backed Securities credited to the Mortgage Loan Fund may be released to NIFA, free and clear of the lien of the Indenture, upon the filing of a certificate of an Authorized Officer directing the same and filing with the Trustee (i) a Cash Flow Statement; (ii) a Parity Certificate (as described below under the caption "*Release of Amounts Free of Lien of Indenture*"); and (iii) an opinion of Counsel that the release of such Mortgage Loans or Mortgage-Backed Securities will not adversely affect the tax-exempt status of interest on the Bonds.

Series 2018 C/D Mortgage Loan Fund Account (and any Series 2018 C/D Recycling Subaccount). The Series 2018 C/D Supplemental Indenture establishes the Series 2018 C/D Mortgage Loan Fund Account, which shall be a segregated account in the Mortgage Loan Fund held by the Trustee or by a Fiduciary, in the name of the Trustee. A portion of the proceeds of the Offered Bonds initially deposited in the Series 2018 C/D Mortgage Loan Fund Account shall be applied to the refunding and redemption of the Refunded Prior Series Bonds (with the corresponding transfer of the Refunded Series Mortgage-Backed Securities for deposit into the Series 2018 C/D Mortgage Loan Fund Account).

The Trustee shall also use funds in the Series 2018 C/D Mortgage Loan Fund Account (and in any Series 2018 C/D Recycling Subaccount) for the purpose of purchasing, acquiring or financing Mortgage Loans and Mortgage-Backed Securities supported by or representing Mortgage Loans, in either case, originated by Participants and others and purchased by the Master Servicer pursuant to the Program Agreements and otherwise satisfying the Series Program Determinations (or such Series Program Determinations as may be applicable at the time which do not adversely affect the Rating Quality of the Bonds). The Targeted Area Amount shall be set aside in the Series 2018 C/D Mortgage Loan Fund Account (or otherwise made available by NIFA) for a period of one year following the date commencing upon notice from NIFA to the Participants to commence originating Mortgage Loans for Residences in Targeted Areas to be financed with moneys allocable to the Offered Bonds (unless otherwise permitted by an opinion of bond counsel) pursuant to the Program Agreements and otherwise satisfying the Series Program Determinations (or such Series Program Determinations as may be applicable at the time which do not adversely affect the Rating Quality of the Bonds).

In accordance with the Series Program Determinations described herein, the Trustee shall purchase from the Master Servicer Fannie Mae Securities, FHLMC Securities and GNMA Securities at the purchase prices described in the Series 2018 C/D Supplemental Indenture or at such other purchase prices established by NIFA from

time to time which do not adversely affect the Rating Quality of the Bonds (each, the "Purchase Price") from amounts available in the Series 2018 C/D Mortgage Loan Fund Account (including any Series 2018 C/D Recycling Subaccount). With respect to amounts on deposit in any Series 2018 C/D Recycling Subaccount, to the extent permitted by applicable tax laws, the Trustee shall purchase Mortgage Loans and Mortgage-Backed Securities, from the Master Servicer, at Purchase Prices established by NIFA from time to time which do not adversely affect the Rating Quality of the Bonds, provided that NIFA files a Cash Flow Certificate and a Cash Flow Statement evidencing that sufficient amounts will be available to pay debt service on the Bonds when due or upon earlier redemption. Mortgage Loans and Mortgage-Backed Securities supported by, or representing, Mortgage Loans to be purchased or financed with moneys available in the Series 2018 C/D Mortgage Loan Fund Account (or in any Series 2018 C/D Recycling Subaccount) shall meet the requirements set forth in the Program Agreements and shall satisfy the Series Program Determinations (or such Series Program Determinations as may be applicable at the time which do not adversely affect the Rating Quality of the Bonds).

Proceeds of the Offered Bonds remaining on deposit in the Series 2018 C/D Mortgage Loan Fund Account (other than amounts on deposit in any Series 2018 C/D Recycling Subaccount) shall, at the direction of NIFA, be transferred (i) to the Series 2018 C/D Issuance Expense Account or the Series 2018 C/D Revenue Fund Account; or (ii) to the Redemption Fund and used to redeem Offered Bonds on or before January 1, 2022.

Any moneys remaining on deposit in the Series 2018 C/D Mortgage Loan Fund Account subsequent to a redemption of all outstanding Offered Bonds pursuant to the preceding paragraph may be transferred, at the direction of an Authorized Officer, to the Revenue Fund.

Pursuant to the terms of the Series 2018 C/D Supplemental Indenture, or otherwise at the written direction of NIFA, a Series 2018 C/D Recycling Subaccount may be established and funds may be deposited into such Series 2018 C/D Recycling Subaccount for the purpose of purchasing, acquiring or financing Mortgage Loans (or portions thereof), including Community Program Loans (which Mortgage Loans may be made at below-market interest rates or may provide for certain rebates to mortgagors in order to reduce interest rates to Mortgage Loans) originated by Participants and purchased by the Master Servicer pursuant to the Program Agreements (or originated by third parties, including NIFA, and pledged to secure the Bonds) and otherwise satisfying the Series Program Determinations to be established at the time, provided NIFA files a Cash Flow Certificate and a Cash Flow Statement evidencing that sufficient amounts will be available to pay the debt service on the Bonds when due or upon earlier redemption.

Revenue Fund

Unless otherwise specified in a Supplemental Indenture for a particular Series of Bonds, the Trustee shall credit all Revenues derived from the Mortgage Loans (including Defaulted Mortgage Loans) and the Mortgage-Backed Securities (provided that, if directed in a Supplemental Indenture, amounts representing accrued interest on the Mortgage Loans and Mortgage-Backed Securities from the origination or issue date thereof to the date purchased by the Trustee shall be remitted to the applicable Servicer) to the Revenue Fund. As soon as possible after receipt of such moneys for deposit into the Revenue Fund, the Trustee shall designate such moneys as Scheduled Principal Payments, Prepayments or other moneys. Amounts representing Prepayments shall be immediately transferred by the Trustee as directed pursuant to the terms of a Supplemental Indenture, upon the filing of a Cash Flow Statement or by a Certificate of an Authorized Officer, as appropriate. There shall also be deposited in the Revenue Fund, unless otherwise specified in the Supplemental Indenture, certain Prepayments and excess Revenues deposited in, and to be transferred from, the Mortgage Loan Fund, and any income or interest earned by, or increment to, any Fund or Account (other than, unless so directed by NIFA, the Debt Service Reserve Fund, the Mortgage Reserve Fund, the Rebate Fund and the Collateral Fund), unless otherwise specified in a Supplemental Indenture, established pursuant to the Indenture due to the investment thereof. **Under certain circumstances, NIFA may direct that excess Revenues be deposited to the Collateral Fund and applied as more fully described in the Indenture. In addition, under certain circumstances, NIFA may direct the funds on deposit in the Collateral Fund to be deposited to the Revenue Fund and applied as described herein.**

Pursuant to the terms of the Series 2018 C/D Supplemental Indenture and as reflected in the most recent Cash Flow Certificate and Cash Flow Statement, to the extent not required to pay debt service on the Bonds or redeem specific Series 2018 C/D Bonds, and subject to applicable tax laws, NIFA may direct Series 2018 C/D

Prepayments and/or excess Revenues to be deposited in a Series 2018 C/D Recycling Subaccount of the Mortgage Loan Account to purchase, finance or acquire Mortgage Loans (or portions thereof) (which may be Mortgage Loans made at below market interest rates or may provide for certain rebates to mortgages).

Unless otherwise specified in the Supplemental Indenture for a particular Series of Bonds:

(a) On or before the last business day preceding each Interest Payment Date and other date on which principal of or interest on the Bonds is due, the Trustee shall transfer to the Debt Service Fund an amount sufficient to pay the interest, principal (if any) and Sinking Fund Installment due on such Interest Payment Date or other date for application as provided in the Indenture.

(b) On any Interest Payment Date or on such other date or dates as specified below or as directed in a Certificate of an Authorized Officer, the Trustee shall withdraw from the balance of any moneys remaining in the Revenue Fund in excess of Accrued Debt Service less amounts on deposit in the Debt Service Fund as of the date of withdrawal and deposit the same as follows:

First, to the credit of the Debt Service Reserve Fund such amount (or the balance of the moneys so remaining in the Revenue Fund if less than the required amount) as shall be required to increase the amount credited thereto to an amount equal to the Debt Service Reserve Requirement;

Second, to the credit of the Operating Fund, on each March 1 and September 1, an amount equal to the Operating Fee;

Third, to NIFA, free and clear of the lien of the Indenture, upon the filing of a Certificate of an Authorized Officer directing the amount to be so withdrawn and filing with the Trustee a Cash Flow Statement and a Parity Certificate (as described below under the caption "Release of Amounts Free of Lien of Indenture"); and

Fourth, to the Mortgage Loan Fund, upon the filing of a Cash Flow Statement or, if so provided in a Supplemental Indenture, any remaining amounts, unless the Trustee shall otherwise be directed pursuant to the terms of a Supplemental Indenture or by a Certificate of an Authorized Officer to transfer all or a portion thereof to the Redemption Fund.

Notwithstanding the foregoing requirements, upon direction of an Authorized Officer, amounts in the Revenue Fund representing Excess Nonmortgage Earnings shall be withdrawn from the Revenue Fund only for deposit to the credit of the Rebate Fund in accordance with the requirements of the Indenture.

Debt Service Fund

The Trustee shall withdraw from the Debt Service Fund, on each Interest Payment Date and any other date on which interest on the Bonds is payable, an amount equal to the unpaid interest due on the Bonds on that date and, on any redemption date or purchase date pursuant to the Indenture, an amount equal to the unpaid interest due on the Bonds to be paid, redeemed or purchased, and shall cause it to be applied to the payment of said interest when due, or shall transmit it to one or more paying agents, who shall apply it to such payment.

The Trustee shall withdraw from the Debt Service Fund on each date on which principal of the Bonds is payable (a) an amount equal to the principal amount of the Outstanding Bonds, if any, due (whether by maturity, redemption or otherwise) on that date, which shall be applied to the payment or purchase of the principal of said Bonds when due or transmitted to one or more paying agents who shall apply it to such payment and (b) an amount equal to the Sinking Fund Installment, if any, due on that date, which shall be applied to the redemption of Bonds to be redeemed on that date or transmitted to one or more paying agents who shall apply it to such redemption.

Unless other dates are specified in the Supplemental Indenture authorizing a Series of Bonds, on or before the 31st day, but not earlier than the 33rd day, prior to each such date on which a Sinking Fund Installment is due, the Trustee shall proceed to select for redemption in the manner provided in the Indenture from all Outstanding Bonds

subject to redemption from such Sinking Fund Installment an amount of such Bonds, equal to the aggregate principal amount of such Bonds redeemable with such Sinking Fund Installment, and shall call such Bonds for redemption from such Sinking Fund Installment on the next succeeding date for redemption, and give notice of such call in accordance with the Indenture. On or before the 33rd day next preceding any date on which a Sinking Fund Installment is due, NIFA, by a certificate of an Authorized Officer, may (a) deliver to the Trustee for cancellation, Bonds which are subject to redemption from such Sinking Fund Installment, or portions thereof, in any aggregate principal amount desired or (b) receive a credit in respect of its Sinking Fund Installment obligation for any such Bonds, which prior to said date have been delivered to the Trustee for cancellation or redeemed (otherwise than through redemption from a Sinking Fund Installment) and canceled by the Trustee and not theretofore applied as a credit against any Sinking Fund Installment obligation. Each Bond or portion thereof so delivered or previously redeemed shall be credited by the Trustee at the principal amount thereof on the obligation of NIFA with respect to such Sinking Fund Installments as the certificate of an Authorized Officer shall direct and the principal amount of such Bonds to be redeemed by such Sinking Fund Installment shall be accordingly reduced.

Unless other dates are specified in a Supplemental Indenture authorizing a Series of Bonds, on or before the thirty-third day preceding each date on which a Sinking Fund Installment is due, the Trustee, if directed by a certificate of an Authorized Officer, shall apply moneys in the Debt Service Fund held for such Sinking Fund Installment to the purchase of Outstanding Bonds subject to redemption from such Sinking Fund Installment in the manner hereinafter provided, and upon such purchase such Bonds shall be canceled and the amount of such Sinking Fund Installment shall thereupon be reduced by the principal amount of such Bonds so purchased and canceled, provided that no such Bonds shall be so purchased within the 33 days next preceding the date on which such Sinking Fund Installment is to be used to redeem Bonds. The price paid by the Trustee (excluding accrued interest, but including any brokerage and other charges) for any Bond purchased pursuant to the Indenture shall not exceed the redemption price applicable on the next date on which such Bond could be redeemed in accordance with its terms from a Sinking Fund Installment. Subject to the limitations set forth and referred to in the Indenture, the Trustee shall purchase Bonds at such times, for such prices, in such amounts and in such manner (whether after advertisement for tenders or otherwise) as the Trustee may be so directed by NIFA and as may be possible with the amount of money available in the Debt Service Fund.

Any investment earnings on moneys held in the Debt Service Fund shall be credited by the Trustee to the Revenue Fund upon receipt.

In the event that the amount in the Debt Service Fund on any Interest Payment Date or other date on which principal of or interest on the Bonds is payable, or otherwise, is insufficient to pay in full interest when due, or is insufficient to pay in full principal and Sinking Fund Installments when due, the Trustee shall withdraw the amount of such deficiency from the following funds in the following order: (a) any amounts in any capitalized interest account established pursuant to a Supplemental Indenture, (b) the Redemption Fund, to the extent available therein, (c) the Mortgage Loan Fund, to the extent of Prepayments or excess Revenues available therein, (d) the Debt Service Reserve Fund, (e) the Mortgage Reserve Fund and (f) the Collateral Fund.

Debt Service Reserve Fund

There shall be deposited into the Debt Service Reserve Fund, from the proceeds of the sale of the Bonds or such other sources as specified by a direction of an Authorized Officer of NIFA, the amounts specified by each Supplemental Indenture, provided that as a result of such deposit, the amount on deposit in the Debt Service Reserve Fund shall be at least equal to the Debt Service Reserve Requirement. No initial deposit is expected to be made into the Debt Service Reserve Fund in connection with the issuance of the Offered Bonds.

If there is not a sufficient amount in the Debt Service Fund to provide for the payment when due of principal of and interest on the Bonds and any Sinking Fund Installments, the Trustee shall withdraw from the Debt Service Reserve Fund (after withdrawing any amounts in any capitalized interest account established pursuant to a Supplemental Indenture, the Redemption Fund (to the extent of amounts available therein) and the Mortgage Loan Fund (to the extent of Prepayments or excess Revenues available therein), but prior to withdrawing any amounts from the Mortgage Reserve Fund or the Collateral Fund) and pay into the Debt Service Fund the amount of the deficiency then remaining. If there is not a sufficient amount in the Revenue Fund to make the deposits into the Operating Fund, the Trustee shall, on such date for deposit, withdraw from the Debt Service Reserve Fund (after

withdrawing amounts in any capitalized interest account established pursuant to a Supplemental Indenture) to the extent of amounts available therein (but prior to any withdrawal from the Mortgage Reserve Fund or the Collateral Fund) and pay into the Revenue Fund the amount of the deficiency then remaining. Amounts withdrawn from the Debt Service Reserve Fund which reduce the balance therein below the Debt Service Reserve Requirement shall be replaced to the extent of available moneys in the Revenue Fund.

Under the terms of the General Indenture and certain Supplemental Indentures, the Operating Fee payable to NIFA includes certain amounts corresponding to amounts which may be due with respect to any liquidity facility, remarketing agreement or any interest rate swap agreement or cap agreement with any swap or cap counterparty. By operation of the provisions described above, it is possible that funds on deposit in the Debt Service Reserve Fund may be made available to satisfy any deficiency of all or a portion of such Operating Fee.

Interest and other income from the investment or deposit of amounts in the Debt Service Reserve Fund shall remain in the Debt Service Reserve Fund unless directed by an Authorized Officer of NIFA to be transferred to the Revenue Fund. Any balance in the Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement shall, at the option of NIFA and upon the direction of an Authorized Officer of NIFA, be transferred to the Revenue Fund at such times as directed by such Authorized Officer.

The Debt Service Reserve Requirement with respect to the applicable Series of Bonds may be funded through Cash Equivalents. In connection with any discussion in the Indenture of "moneys" on deposit in or held for the credit of the Debt Service Reserve Fund, "moneys" shall be deemed to include said Cash Equivalents.

Mortgage Reserve Fund

There shall be deposited into the Mortgage Reserve Fund, from the proceeds of the sale of the Bonds or such other sources as specified by a direction of an Authorized Officer of NIFA, the amounts specified by each Supplemental Indenture, provided that as a result of such deposit, the amount on deposit in the Mortgage Reserve Fund shall be at least equal to the Mortgage Reserve Fund Requirement. No initial deposit is expected to be made into the Mortgage Reserve Fund in connection with the issuance of the Offered Bonds.

If there is not a sufficient amount in the Debt Service Fund to provide for the payment when due of principal of and interest on the Bonds and any Sinking Fund Installments, the Trustee shall withdraw from the Mortgage Reserve Fund (after withdrawing any amounts in any capitalized interest account established pursuant to a Supplemental Indenture, the Redemption Fund (to the extent of amounts available therein), the Mortgage Loan Fund (to the extent of Prepayments or excess Revenues available therein) and the Debt Service Reserve Fund, but prior to withdrawing any amounts from the Collateral Fund) and pay into the Debt Service Fund the amount of the deficiency then remaining. If there is not a sufficient amount in the Revenue Fund to make the deposits into the Operating Fund, the Trustee shall, on such date for deposit, withdraw from the Mortgage Reserve Fund (after withdrawing amounts in any capitalized interest account established pursuant to a Supplemental Indenture and in the Debt Service Reserve Fund) to the extent of amounts available therein (but prior to any withdrawal from the Collateral Fund) and pay into the Revenue Fund the amount of the deficiency then remaining.

Under the terms of the General Indenture and certain Supplemental Indentures, the Operating Fee payable to NIFA includes certain amounts corresponding to amounts which may be due with respect to any liquidity facility, remarketing agreement, or interest rate swap agreement or cap agreement with any swap or cap counterparty.

The Trustee shall withdraw from the Mortgage Reserve Fund and pay to NIFA any amount stated in a Certificate of an Authorized Officer to be needed and not otherwise available for the payment of expenses or losses necessarily incurred or to be incurred (a) to acquire good and merchantable title to, and possession of, a Residence subject to a Defaulted Mortgage Loan as a prerequisite to making a claim for Mortgage Insurance, or (b) for the maintenance and preservation of the value of a Residence subject to a Defaulted Mortgage Loan, including, but not limited to, payment of real property taxes, insurance premiums, foreclosure fees, including appraisal and legal fees, costs of repairs, rehabilitation, maintenance, utilities and improvements necessary for sale.

NIFA is not obligated under the Indenture to replenish any withdrawals from the Mortgage Reserve Fund. Interest and other income from the investment or deposit of amounts in the Mortgage Reserve Fund shall remain in

the Mortgage Reserve Fund unless directed by an Authorized Officer of NIFA to be transferred to the Revenue Fund. Any balance in the Mortgage Reserve Fund in excess of the Mortgage Reserve Fund Requirement shall, at the option of NIFA upon the direction of an Authorized Officer of NIFA, be transferred to the Revenue Fund at such times as directed by such Authorized Officer.

The Mortgage Reserve Fund Requirement with respect to the applicable Series of Bonds may be funded through Cash Equivalents. In connection with any discussion in the Indenture of "moneys" on deposit in or held for the credit of the Mortgage Reserve Fund, "moneys" shall be deemed to include said Cash Equivalents.

Operating Fund

The Operating Fund shall be held by NIFA. Moneys in the Operating Fund may, at the option of NIFA, be withdrawn from time to time for the purpose of paying the Operating Fee and, when so withdrawn and paid out, shall be free and clear of any lien or pledge created by the Indenture.

Pursuant to the terms of the General Indenture and certain Supplemental Indentures, on any Interest Payment Date or other date or dates as directed in a Certificate of an Authorized Officer, the Trustee shall withdraw amounts on deposit in the Operating Fund in accordance with the General Indenture and such certain Supplemental Indentures.

Redemption Fund

Amounts credited to the Redemption Fund shall be used for the purchase or redemption of Bonds. In addition, the Trustee shall, to the extent amounts are insufficient in the Debt Service Fund to pay principal of or interest on the Bonds when due, transfer (after transferring amounts in any capitalized interest account established in connection with a Supplemental Indenture, but prior to transferring amounts in the Mortgage Loan Fund, Debt Service Reserve Fund, Mortgage Reserve Fund and Collateral Fund) moneys from the Redemption Fund (for which notice of redemption has not been given) to the Debt Service Fund to pay principal of or interest on the Bonds.

Interest and other income from the investment or deposit of amounts in the Redemption Fund shall be immediately transferred by the Trustee to the Revenue Fund upon receipt thereof.

Rebate Fund

Amounts deposited and held in the Rebate Fund shall not be subject to the pledge of the Indenture; however, such amounts are held for public purposes and are necessary in order to comply with Section 148 of the Code, and therefore, such amounts are pledged, subject only to any withdrawals permitted by NIFA pursuant to the General Indenture, to the United States of America to the extent required to make any payments pursuant to Section 148 of the Code. Investment earnings on any moneys in the Rebate Fund shall be retained therein.

The Trustee shall establish in the Rebate Fund a separate account for the Outstanding Bonds of each Series (other than those Bonds issued as taxable Bonds) (each such account herein referred to as a "Series Rebate Account"). In connection with the preparation by NIFA of the Officer's Certificate described below, the Trustee shall annually, within 20 days of the end of each respective Tax Bond Year, forward to NIFA information (as of the last day of each respective Tax Bond Year) with respect to the Average Balance of the investments in each of the Funds and Accounts. Annually, within 60 days after the end of each respective Tax Bond Year, NIFA shall file with the Trustee an Officer's Certificate containing a computation of the Excess Nonmortgage Earnings, with a breakdown for each Fund and Account established under the Indenture, and if so directed by NIFA, the Trustee shall thereupon transfer the Excess Nonmortgage Earnings from the Revenue Fund to the related Series Rebate Account in the Rebate Fund to the extent necessary to comply with the Code.

If permitted by the Code, at such periodic intervals as NIFA, by an Officer's Certificate, shall direct, NIFA may withdraw from the related Series Rebate Account in the Rebate Fund and transfer to the Revenue Fund (a) moneys in an amount which cumulatively do not exceed an amount equal to the amount of actual compounded losses sustained by NIFA in connection with Mortgage Loans in excess of the anticipated losses taken into account

in determining the effective rate of interest on the Mortgage Loans pursuant to Section 143(g) of the Code and (b) other amounts, if any, permitted by the Code. The moneys so transferred shall no longer represent a portion of the Excess Nonmortgage Earnings.

NIFA shall, in accordance with the requirements of Section 148 of the Code, pay over moneys in the Rebate Fund to the United States of America. To the extent that moneys in the Rebate Fund are not withdrawn as described in the preceding paragraph, moneys in the Rebate Fund shall be withdrawn by NIFA for disbursement to the United States of America, at such times and in such amounts as shall be determined by NIFA in accordance with the requirements of the Code.

Collateral Fund

At the direction of an Authorized Officer, the Trustee shall deposit in the Collateral Fund any Collateral Securities identified by such Authorized Officer and not otherwise pledged under the Indenture. NIFA may cause to be deposited into the Collateral Fund, from time to time, such Collateral Securities including cash, securities, mortgage loans or other property as directed by NIFA. Collateral Securities may include excess Revenues and funds payable to NIFA under the Indenture, including, but not limited to, all or a portion of any operating fee or supplemental operating fee payable to NIFA with respect to any liquidity facility, remarketing agreement, interest rate swap agreement or interest rate cap agreement. Collateral Securities may also include amounts receivable by NIFA under contracts with third parties, including, but not limited to, any interest rate swap agreement entered into with any swap counterparty or interest rate cap agreement entered into with any cap counterparty which NIFA directs be deposited in the Collateral Fund.

Any moneys held in the Collateral Fund may be invested or reinvested in such securities, mortgage loans or other investments as may be directed by an Authorized Officer, which may include Permitted Investments, Mortgage Loans or Mortgage-Backed Securities, but are not restricted thereto unless otherwise provided in a Supplemental Indenture, and may include HBA Loans. As certain forms of HBA Assistance do not accrue any payment thereon unless certain conditions are not satisfied by the mortgagor, there may not be any expectation of a deposit of payments with respect thereto in the Collateral Fund. Any interest or income earned with respect to any of said Collateral Securities (including HBA Loans, if any) shall likewise be retained in the Collateral Fund or, at the direction of NIFA, released to NIFA, except as otherwise provided in the Indenture as then supplemented by all supplemental indentures in effect.

If on any date payments are required to be made from the Revenue Fund to pay principal of or interest on the Bonds, to replenish the Debt Service Reserve Fund or to make any transfer to the Operating Fund, and there are not sufficient funds in the Revenue Fund to make such payments, the Trustee shall withdraw (after withdrawing any necessary and available amounts on deposit in (a) any capitalized interest account established pursuant to a Supplemental Indenture; (b) the Redemption Fund, to the extent available therein; (c) the Mortgage Loan Fund, to the extent of Prepayments or excess Revenues available therein; (d) the Debt Service Reserve Fund; and (e) the Mortgage Reserve Fund) from the Collateral Fund and transfer to the Revenue Fund such amounts as are necessary to provide sufficient funds for the required transfers from the Revenue Fund.

Under the terms of certain prior supplemental indentures relating to Prior Series Bonds, NIFA may direct the Trustee to transfer certain amounts on deposit in the Collateral Fund to the Revenue Fund for application to the payment of interest on the Bonds or on certain general obligation bonds issued by NIFA pursuant to the terms of its General Obligation Indenture, and to apply certain amounts on deposit in the Collateral Fund in satisfaction of payments due to any swap or cap counterparty pursuant to the terms of any interest rate swap or cap agreement.

At any time, at the direction of an Authorized Officer, the Trustee shall withdraw from the Collateral Fund and pay to NIFA, free and clear of the lien of the Indenture, such Collateral Securities as shall be specified therein, including any interest or income earned thereon, unless otherwise restricted by a Supplemental Indenture. It is anticipated, but not required, that NIFA may direct payments to be made to one or more swap counterparties and one or more cap counterparties, as necessary, with Collateral Securities otherwise available to be released to NIFA, free and clear of the lien of the Indenture.

THERE IS NO GUARANTEE THAT PROCEEDS, IF ANY, WITH RESPECT TO OBLIGATIONS EVIDENCING ANY COMMUNITY PROGRAM LOANS AND/OR ANY AMOUNTS DEPOSITED INTO OR CREDITED TO THE COLLATERAL FUND WILL BE AVAILABLE TO PAY PRINCIPAL OF OR INTEREST ON THE BONDS.

Issuance Expense Account

The Trustee shall apply money in the Issuance Expense Account to pay Issuance Expenses in connection with the Offered Bonds or the redemption premium, if any, for any Bonds to be redeemed at the direction of an Authorized Officer of NIFA. Upon receipt of a certificate of an Authorized Officer stating that the Issuance Expenses have been fully paid, the Trustee shall transfer any remaining balance in the Issuance Expense Account to the Series 2018 C/D Mortgage Loan Fund Account (or to the Revenue Fund if the proceeds made available upon the issuance of the Offered Bonds held in the Series 2018 C/D Mortgage Loan Fund Account have been fully disbursed as of the date of such transfer) or, to NIFA (provided that if the remaining balance was funded with proceeds of the Offered Bonds, then to NIFA only upon receipt of a Favorable Opinion of Bond Counsel with respect to such transfer).

Release of Amounts Free of Lien of Indenture

As described above under the caption "Revenue Fund," on any Interest Payment Date or on such other date or dates as specified below or as directed in a Certificate of an Authorized Officer, the Trustee shall withdraw moneys remaining in the Revenue Fund in excess of Accrued Debt Service less amounts on deposit in the Debt Service Fund as of the date of withdrawal for release to NIFA, free and clear of the lien of the Indenture, upon the filing of a Certificate of an Authorized Officer directing the amount to be so withdrawn and filing with the Trustee a Cash Flow Statement and a Parity Certificate. The Cash Flow Statement shall be as described herein under "SECURITY FOR THE BONDS—Cash Flow Statements" and the Parity Certificate shall be a Certificate of an Authorized Officer of NIFA, giving effect to any action contemplated to be taken in connection with the filing thereof, showing that (a) the sum of (i) the moneys, Permitted Investments and Cash Equivalents then credited to the Mortgage Loan Fund, the Revenue Fund, the Debt Service Fund (but only to the extent of moneys held therein for the payment of principal on Outstanding Bonds), the Debt Service Reserve Fund and the Redemption Fund (but only to the extent that notice of redemption has not yet been given in accordance with the Indenture), (ii) the unpaid principal amount of all Mortgage Loans and Mortgage-Backed Securities credited to the Mortgage Loan Fund and (iii) such other amounts, if any, as may be specified by a Supplemental Indenture (other than amounts credited to the Mortgage Reserve Fund unless so permitted by the Rating Agency) equals or exceeds (b) an amount equal to 103% (or such lesser percentage as does not adversely affect the Rating Quality of the Bonds) of the principal amount of Outstanding Bonds of all Series.

Additionally, as described above under the caption "Mortgage Loan Fund," Mortgage Loans and Mortgage-Backed Securities credited to the Mortgage Loan Fund may, under certain circumstances, be released to NIFA, free and clear of the lien of the Indenture, upon, among other conditions, the filing with the Trustee of a Cash Flow Statement and Parity Certificate.

Investment of Funds and Accounts Held by the Trustee

Except as otherwise provided in the Indenture, NIFA may direct the Trustee to, and in the absence of direction the Trustee shall, invest moneys in the Funds and Accounts held by the Trustee in Permitted Investments, the maturity or redemption date at the option of the holder of which shall not exceed the date or dates on which moneys in said Fund or Account for which the investments were made are expected to be required for the purposes provided in the Indenture.

Obligations purchased as an investment of moneys in any Fund or Account held by the Trustee under the provisions of the Indenture shall be deemed at all times to be a part of such Fund or Account (and of each Series subaccount thereof), and except as otherwise expressly provided in the Indenture, the income or interest earned by, or the increment to, a Fund or Account (other than the Rebate Fund, the Debt Service Reserve Fund, the Mortgage Reserve Fund and the Collateral Fund) due to the investment thereof shall be transferred to the Revenue Fund as

received. Amounts representing the income or interest earned by, or the increment to, the Debt Service Reserve Fund and the Mortgage Reserve Fund due to the investment thereof shall be transferred to the Revenue Fund only if directed by an Authorized Officer of NIFA. Moneys in separate Funds and Accounts may be commingled for the purpose of investment or deposit, subject to instructions from an Authorized Officer, to the extent possible in conformity with the provisions of the Indenture.

In computing the amount in any Fund or Account held by the Trustee under the provisions of the Indenture, obligations purchased by the Trustee or transferred by NIFA to the Trustee as an investment of moneys therein shall be valued at the Amortized Value, plus the amount of accrued interest, except that securities covered by repurchase agreements shall be valued at market price. Where market prices for obligations held by the Trustee are not readily available, the Trustee may determine the market price for such obligations in such manner as it deems reasonable. To the extent that moneys are invested pursuant to an Investment Agreement, such Investment Agreement shall be valued at par.

The Trustee shall sell outright or pursuant to a repurchase agreement at the best price obtainable, or present for redemption, any obligation purchased by it as an investment whenever it shall be necessary in order to provide moneys to meet any payment or transfer from the Fund or Account for which such investment was made or as otherwise directed by NIFA. When transferring moneys from one Fund or Account to another, investments need not be liquidated, and all or a portion of such invested moneys may be credited to a particular Fund or Account from another. The Trustee shall check the accuracy of all calculations of investment earnings on all Permitted Investments.

At the direction of an Authorized Officer of NIFA, the Trustee may sell Permitted Investments and purchase any Permitted Investments in exchange therefor.

Payment of Bonds

NIFA covenants that it shall duly and punctually pay or cause to be paid, solely from amounts available under the Indenture, the principal of and interest on the Bonds, at the dates and places and in the manner mentioned in the Bonds, and shall duly and punctually pay or cause to be paid, solely from amounts available under the Indenture, to the Trustee any part of any Sinking Fund Installment pursuant to any provision of the Indenture.

Purchase of Mortgage-Backed Securities;
Purchase of Mortgage Loans

In carrying out the Program, NIFA shall cause the Trustee to purchase, using proceeds from the Bonds of each Series, together with any other amounts deposited in the related Series Mortgage Loan Account, Mortgage-Backed Securities backed by Mortgage Loans and/or Mortgage Loans with such maturity dates, for such prices and at such rates of interest as will permit NIFA to pay the debt service on such Bonds in a manner consistent with the NIFA Act, the Indenture and any other documents by which NIFA is bound.

No amounts which have been deposited in the Mortgage Loan Fund shall be disbursed to finance, purchase or acquire any Mortgage-Backed Security or Mortgage Loan unless the Mortgage Loan (or Mortgage Loan underlying the Mortgage-Backed Security) meets the requirements of the applicable Program Agreements.

NIFA shall take whatever action is required by law from time to time to pledge the Mortgage-Backed Securities and the Mortgage Loans to the Trustee.

NIFA warrants and covenants (a) that no Mortgage Loan or Mortgage-Backed Security backed by a Mortgage Loan shall be financed by NIFA under the Program *unless* the Mortgage Loan (or Mortgage Loan underlying the Mortgage-Backed Security) complies in all respects with the NIFA Act and (b) to comply with any additional Program covenants contained in any Supplemental Indenture.

**Enforcement of Mortgage-Backed Securities,
Mortgage Loans and Program Agreements**

NIFA shall diligently enforce and take all reasonable steps, actions and the proceedings necessary for the enforcement of all terms, covenants and conditions of all Mortgage-Backed Securities, Mortgage Loans and the Program Agreements, including the prompt payment of all payments and all other amounts due NIFA thereunder. NIFA shall not, without good cause, release the obligations of any mortgagor under any Mortgage Loan, Mortgage-Backed Security or any Participant or Servicer under any Program Agreement, except as expressly provided therein and in the Indenture, and shall at all times, to the extent permitted by law, defend, enforce, preserve and protect the rights and privileges of NIFA and of the Bondholders under or with respect to each Mortgage-Backed Security and Mortgage Loan and the Program Agreements, provided that this provision shall not be construed to prevent NIFA from (i) settling a default thereof on any Mortgage Loan or Mortgage-Backed Security on such terms as NIFA shall determine to be in the best interests of NIFA and the Bondholders or (ii) releasing any mortgagor from, or waiving, any of such mortgagor's obligations under the respective Mortgage Loan to the extent necessary to preserve the tax-exempt status of the Bonds or as otherwise authorized in a Supplemental Indenture.

**Amendment of Mortgage Loans;
Disposition of Mortgage Loans
and Mortgage-Backed Securities**

NIFA shall not consent to or agree to or permit any amendment or modification of any Mortgage Loan which will in any manner impair or materially adversely affect the rights or security of the Bondholders or the Trustee under the Indenture. In determining whether any amendment or modification will in any manner impair or materially adversely affect the rights or security of the Bondholders or the Trustee under the Indenture, NIFA may rely on a Counsel's Opinion.

NIFA may at any time, consistent with the other provisions of the Indenture, sell, transfer, assign, dispose of or otherwise release from the lien of the Indenture a Mortgage Loan or Mortgage-Backed Security:

(a) in order to realize the benefit of any insurance or guarantee with respect to such Mortgage Loan or Mortgage-Backed Security or any covenant of a Participant or Master Servicer under any Program Agreement;

(b) in order to provide funds for the redemption or purchase of a principal amount of Bonds corresponding to the unpaid principal amount of such Mortgage Loan or Mortgage-Backed Security, if a Cash Flow Statement shall be filed with the Trustee giving effect to the proposed sale thereof and the application of the proceeds of such sale; provided, however, that no such certificate shall be necessary if all Outstanding Bonds are simultaneously defeased pursuant to the General Indenture;

(c) upon payment in full of such Mortgage Loan or Mortgage-Backed Security; or

(d) as described under "THE INDENTURE—Mortgage Loan Fund" above.

NIFA may also sell any Mortgage, Mortgage-Backed Security or other obligation evidencing or securing a Mortgage Loan made or purchased by NIFA if it is necessary for NIFA to take such action in order to maintain the tax exemption on any Series of Bonds pursuant to the Code.

Arbitrage and Tax Covenant

NIFA covenants that it shall take no action which may cause interest on the Bonds (other than those Bonds issued as taxable Bonds) to be included in gross income for federal income tax purposes and shall do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by NIFA on the Bonds (other than those Bonds issued as taxable Bonds) shall not be includable in gross income for federal income tax purposes.

No moneys on deposit in any Fund or Account in connection with the Bonds (other than those Bonds issued as taxable Bonds) shall at any time be used in a manner which would cause such Bonds to be "arbitrage bonds" as defined in Sections 143 and 148 of the Code.

Accounts and Reports

The Trustee has been directed by NIFA to keep proper books of record and account in which complete and accurate entries shall be made of its transactions relating to the Program and all Funds and Accounts established by or pursuant to the Indenture, which shall at all reasonable times be subject to the inspection of NIFA or the holders (or Beneficial Owners who have filed their names and addresses with the Trustee) of an aggregate of not less than 5% in principal amount of Bonds then outstanding or their representatives duly authorized in writing.

Events of Default

Each of the following events is an Event of Default under the General Indenture:

(a) interest on any of the Bonds is not paid by NIFA on any date when due or the principal of any Bond is not paid by NIFA at maturity or the redemption price of any Bond is not paid by NIFA at a Redemption Date at which such Bond has been called for redemption;

(b) if there is a default in the performance or observance of any other of the covenants, agreements or conditions on the part of NIFA in the General Indenture, in any Supplemental Indenture or in the Bonds contained and such default is not remedied within 60 days after receipt by NIFA of written notice thereof from the Trustee or the holders of not less than 25% in aggregate principal amount of all Outstanding Bonds, provided that such a default will not be considered an Event of Default if it cannot be corrected within such 60 days and NIFA has instituted corrective action within such period and diligently pursues the same until the default is corrected;

(c) if NIFA shall file any petition seeking relief under the federal bankruptcy laws or under any other applicable law or statute of the United States of America or of the State; or

(d) if the State has limited or altered the rights of NIFA pursuant to the NIFA Act, as in force on the date of the General Indenture and as of the date of each Supplemental Indenture, to fulfill the terms of any agreements made with holders of Bonds or in any way impaired or diminished the rights or security (including, but not limited to, assets pledged to secure the Bonds) or remedies of holders of Bonds while any Bonds are Outstanding.

Remedies

Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy under the NIFA Act, at law or in equity, to enforce the payment of the principal and interest on the Bonds then Outstanding, including, without limitation, the following:

(a) the Trustee may declare the principal of all Bonds Outstanding and the interest accrued thereon to be immediately due and payable, whereupon such principal amount and interest thereupon shall become immediately due and payable if an Event of Default described in paragraph (a) above under the caption "Events of Default" has occurred;

(b) the Trustee shall have full power and authority to take such action with respect to the Mortgage-Backed Securities and Mortgage Loans assigned by the Indenture as the Trustee shall deem necessary or appropriate, subject only to the terms of such Mortgage-Backed Securities and Mortgage Loans;

(c) the books of record and account of NIFA and all records relating to the Program shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys; and

(d) NIFA, whenever the Trustee shall demand, will account as if it were the trustee of an express trust for all Revenues and other moneys, securities and Funds and Accounts pledged or held under the Indenture for such period as shall be stated in such demand.

If an Event of Default shall have occurred and, if requested so to do by the holders of not less than 25% in aggregate principal amount of Bonds then Outstanding and indemnified as provided in the General Indenture, the Trustee shall be obligated to exercise one or more of the rights and powers conferred above, as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Bondholders.

In case any proceeding taken by the Trustee to enforce any right under the Indenture shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then in every such case NIFA, the Trustee and the holders of all Bonds shall be restored to their former positions and rights under the Indenture, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

No remedy conferred upon or reserved to the Trustee or to holders of Bonds in the Indenture is intended to be exclusive of any other remedy, and each and every remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or the Bondholders under the Indenture or existing at law or in equity or by statute.

Priority of Payments After Default

All moneys received by the Trustee pursuant to any right given or action taken upon the occurrence of an Event of Default shall (in the case of a default described in paragraph (a) above under the caption "Events of Default," after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee and of any Program expenses necessary to maintain the security for the Bonds) be deposited in the Debt Service Fund and all moneys in the Debt Service Fund (other than moneys held for redemption of Bonds duly called for redemption) shall be applied as follows:

(a) Unless the principal amount of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

FIRST, to the payment to the persons entitled thereto 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, according to the amounts due to the persons entitled thereto, without any discrimination or privilege;

SECOND, to the payment to the persons entitled thereto of the unpaid principal amount of any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, with interest on such Bonds from the respective dates upon which they became due at the rate borne by the Bonds and, if the amount available shall not be sufficient to pay in full 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 thereto, without any discrimination or privilege; and

THIRD, to be held for the payment to the persons entitled thereto as the same shall become due of the principal amount of and interest on the Bonds which may thereafter become due either at maturity or upon call for redemption prior to maturity and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with interest then due and owing thereon, payment shall be made ratably, according to the amount of principal due on such date to the persons entitled thereto, without any discrimination or privilege.

(b) If the principal amount of all the Bonds shall have become or shall have been declared due, all such moneys shall be applied to the payment of the principal amount and interest then due and

unpaid upon the Bonds, without preference or priority of principal amount over interest or of interest over principal amount, 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 amount and interest to the persons entitled thereto, without any discrimination or privilege.

(c) If the principal amount of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of the Indenture, then, subject to the provisions of the preceding paragraph (b), in the event that the principal amount of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) above.

Whenever moneys are to be applied as described above, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the principal amount to be paid on such date shall cease to accrue. 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 holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all principal amounts of and interest on all Bonds have been paid as described above and all fees, expenses and charges of the Trustee and any paying agent have been paid, any balance remaining in the Debt Service Fund shall be paid to NIFA.

Restrictions on Bondholder's Action

No holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of any provision of the Indenture or for the execution of any trust thereunder or for the appointment of a receiver or for any other remedy thereunder, unless (1) a default has occurred of which the Trustee has been notified as provided in the Indenture, or of which by the Indenture it is deemed to have notice; (2) such default shall have become an Event of Default and the owners of not less than 50% in aggregate principal amount of Bonds then Outstanding or, if such Event of Default is an Event of Default described in clause (a) under the caption "Events of Default" aforesaid, the owners of not less than 50% in aggregate principal amount of Bonds then Outstanding of the Series with respect to which such Event of Default has happened shall have given written notice to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted pursuant to the Indenture or to institute such action, suit or proceeding in their own name or names; (3) such Bondholders have offered to the Trustee indemnity as provided in the Indenture; and (4) the Trustee shall thereafter fail or refuse to exercise the powers granted pursuant to the Indenture or to institute such action, suit or proceeding in its own name. Such notification, request and offer of indemnity are in every case at the option of the Trustee condition precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy thereunder.

No one or more holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by such holder's action or to enforce any right thereunder except in the manner therein provided. All proceedings at law or in equity shall be instituted, had and maintained in the manner therein provided and for the equal and ratable benefit of the holders of all Bonds then Outstanding, subject to the provisions of the Indenture.

Supplemental Indentures

For any one or more of the following purposes and at any time or from time to time, a Supplemental Indenture of NIFA supplementing the General Indenture may be adopted, which Supplemental Indenture, upon filing with the Trustee of a copy thereof certified by an Authorized Officer, shall be fully effective in accordance with its terms:

(a) to close the General Indenture against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the General Indenture on, the delivery of Bonds or the issuance of other evidences of indebtedness;

(b) to authorize Bonds of a Series and, in connection therewith, specify and determine the matters and things referred to in the General Indenture, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with the Indenture as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds;

(c) (i) to add to the covenants or agreements of NIFA in the Indenture other covenants or agreements to be observed by NIFA which are not contrary to or inconsistent with the Indenture as theretofore in effect or (ii) to make any change which, in the judgment of the Trustee (in reliance upon evidence that such change will not adversely affect the Rating Quality of the Bonds), is not to the material prejudice of the Bondholders;

(d) to add to the limitations or restrictions in the Indenture other limitations or restrictions to be observed by NIFA which are not contrary to or inconsistent with the Indenture as theretofore in effect;

(e) to surrender any right, power or privilege reserved to or conferred upon NIFA by the Indenture;

(f) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Indenture of the Revenues or any other money, securities, Funds or Accounts; and

(g) to modify any of the provisions of the Indenture in any respect whatever, provided that (i) such modifications shall be, and be expressed to be, effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Indenture shall cease to be Outstanding and (ii) such Supplemental Indenture shall be specifically referred to in the text of all Bonds of any Series delivered after the date of the adoption of such Supplemental Indenture and of Bonds issued in exchange therefor or in place thereof.

For any one or more of the following purposes and at any time or from time to time, a Supplemental Indenture, amending or supplementing the General Indenture, may be approved and entered into by NIFA, which, upon (i) filing with the Trustee of a copy thereof certified by an Authorized Officer and (ii) filing with the Trustee and NIFA of an instrument in writing made by the Trustee consenting to such Supplemental Indenture, shall be fully effective in accordance with its terms:

(1) to cure any ambiguity, supply any omission or cure or correct any defect or inconsistent provision in the Indenture; or

(2) to insert such provisions clarifying matters or questions arising under the Indenture as are necessary or desirable and are not contrary to or inconsistent with the Indenture as theretofore in effect.

Exclusive of the supplemental indentures covered above, the General Indenture provides that (a) the holders of not less than two-thirds in aggregate principal amount of the Bonds then Outstanding at the time such consent is given and (b) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, the holders of not less than two-thirds in aggregate principal amount of the Bonds of the particular Series Outstanding affected at the time such consent is given shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by NIFA and the Trustee of such indentures supplemental to the Indenture as shall be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indentures. Nothing shall permit, or be construed as permitting, without the consent of the holders of all Bonds Outstanding, (i) an extension of the maturity

or mandatory sinking fund redemption date of the principal of or the time for payment of the interest on any Bond issued thereunder; (ii) a reduction in the principal amount of any Bond or the rate of interest (except as otherwise provided in a Supplemental Indenture), or sinking fund redemption requirements, thereon; (iii) a privilege or priority of any Bond or Bonds over any other Bond or Bonds; (iv) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture; (v) the creation of any lien other than a lien ratably securing all of the Bonds at any time outstanding thereunder; or (vi) any modification of the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of the Trustee without the written consent of the Trustee.

For the purposes of the above, Bonds of any particular Series shall be deemed to be affected by a modification or amendment of the Indenture if the same adversely affects or diminishes the rights of the holders of Bonds of such Series. The Trustee, relying upon Counsel's opinion, may determine whether or not, in accordance with the foregoing powers of amendment, Bonds of any particular Series or maturity would be affected by a modification or amendment of the Indenture, and any such determination shall be binding and conclusive on NIFA and all holders of Bonds.

The Indenture and the rights and obligations of NIFA and the holders of the Bonds may be modified or amended in any respect upon the execution by NIFA and filing in accordance with the provisions of the General Indenture of a Supplemental Indenture of NIFA making such modification or amendment and the consent to such Supplemental Indenture by the holders of all of the Bonds then Outstanding, such consent to be given and proved as provided in the General Indenture. No such modification or amendment shall change or modify any of the rights or obligations of the Trustee without the Trustee's written assent thereto.

In addition, NIFA may enter into an agreement with any Bondholder restricting one or more rights of such Bondholder, provided that such agreement shall affect only such Bondholder (or assigns), and such agreement shall not grant such Bondholder any rights or privileges not afforded other Bondholders.

Defeasance

If NIFA shall pay or cause to be paid, or there shall otherwise be paid or provision for payment made, to the holders of the Bonds the principal amount of, premium, if any, and interest due or to become due thereon at the times and in the manner stipulated therein, then unless there shall be delivered to the Trustee a certificate of an Authorized Officer to the contrary, the presents and the estate and rights granted by the Indenture shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and execute and deliver to NIFA such instruments in writing as shall be requisite to release the lien of the Indenture, and reconvey, release, assign and deliver unto NIFA any and all the estate, right, title and interest in and to any and all rights or property assigned or pledged to the Trustee or otherwise subject to the lien of the Indenture, except cash held by the Trustee or any paying agent for the payment of the principal amount of, premium, if any, and interest on any Series of Bonds.

Any Bond shall be deemed to be paid for all purposes of the Indenture when payment of the principal amount of and premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption), either (a) shall have been made or caused to be made in accordance with the terms thereof or (b) shall have been provided by irrevocably depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment (i) moneys sufficient to make such payment and/or (ii) Federal Obligations (which may be subject to redemption prior to maturity only if such terms of redemption do not adversely affect the Rating Quality of the Bonds) maturing as to principal and interest in such amount and at such time as will ensure the availability of sufficient moneys to make such payment. At such times as a Bond shall be deemed to be paid under the Indenture, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Federal Obligations.

Notwithstanding the above, no deposit under clause (b) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the earlier of: (i) proper notice of redemption of such Bonds shall have been previously given in accordance with the Indenture, or in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, until NIFA shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the holders or owners of the Bonds, in accordance with the Indenture, that the deposit required by clause (b) above has been made with the

Trustee and that said Bonds are deemed to have been paid in accordance with the Indenture and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds; or (ii) the maturity of such Bonds.

Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed prior to their stated maturity, no deposit under the second preceding paragraph shall be deemed a payment of such Bonds as aforesaid until NIFA shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instruction:

(a) stating the date when the principal amount (and premium, if any) of each such Bond is to be paid, whether at maturity or on a redemption date;

(b) to call for redemption pursuant to the Indenture (and at such times as notice thereof may be given in accordance with the Indenture) any Bonds to be redeemed prior to maturity pursuant to (i) in the immediately preceding paragraph above; and

(c) to mail, as soon as practicable, in the manner prescribed by the Indenture, a notice to the holders of such Bonds and to the Rating Agency that the deposit required by (b) in the second paragraph immediately preceding this paragraph has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Indenture and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds as specified in (i) in the immediately preceding paragraph above and, if a maturity date is stated, whether or not such Bonds continue to be subject to redemption.

All moneys so deposited with the Trustee as provided above may at the direction of NIFA also be invested and reinvested in Federal Obligations, maturing in the amounts and at the times as set forth in the Indenture, and all income from all Federal Obligations in the hands of the Trustee pursuant to the Indenture which is not required for the payment of the Bonds and interest and premium, if any, thereon with respect to which such moneys shall have been so deposited shall be deposited in the Revenue Fund as and when realized and collected for such application as are other moneys deposited in such Fund.

All moneys or Federal Obligations set aside and held in trust pursuant to the provisions of the Indenture for the payment of Bonds (including interest and premium thereon, if any) shall be applied to and used solely for the payment of the particular Bonds (including interest and premium thereof, if any) with respect to which such moneys and Federal Obligations have been so set aside in trust.

Additional Obligations

So long as any Bonds are Outstanding, NIFA has covenanted that it will not create or permit the creation of or issue any obligations or create any additional indebtedness (other than additional Series of Bonds) which will be secured by a superior or equal charge or superior or equal lien on the Revenues and other amounts pledged under the Indenture or will be payable, on an equal or superior basis, from any of the Funds or Accounts established and created by or pursuant to the Indenture. NIFA may, however, issue evidences of indebtedness (i) secured by a pledge of Revenues that may be released from the lien of the Indenture or (ii) not issued under the Indenture.

Compensation of Trustee

The Trustee shall be entitled to, from time to time, reasonable compensation for services rendered by it under the Indenture and also reimbursement for all its reasonable expenses, charges, legal fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under the Indenture, provided that any such compensation or reimbursement shall be payable solely as described in paragraph *Second* above under the caption "THE INDENTURE—Establishment of Funds and Accounts—*Revenue Fund*" and any Supplemental Indenture and shall be limited, except in an Event of Default, to such amounts which shall be payable at such times as shall be set forth in a Supplemental Indenture. In an Event of Default under the Indenture, but only upon an Event of Default, the Trustee shall have a lien for its compensation

and expenses on any and all funds at any time held by it under the Indenture in the priority described above under the caption "Priority of Payments After Default."

Resignation and Removal of Trustee

The Trustee, or any successor thereof, may at any time resign and be discharged of its duties and obligations created by the Indenture by giving not less than 60 days' written notice to NIFA and delivering notice thereof to the Bondholders, specifying the date when such resignation shall take effect. The Trustee, or any successor thereof, may be removed at any time by the holders of a majority in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of NIFA, or by NIFA (if NIFA is not in default under the Indenture), by, in the case of removal by the Bondholders, an instrument or concurrent instruments in writing signed and duly acknowledged by such Bondholders or by their attorneys duly authorized in writing and delivered to NIFA and by, in the case of removal by NIFA, notice thereof to the Trustee. The resignation or removal of the Trustee shall not be effective unless a successor Trustee has been appointed and has accepted the duties of the Trustee.

Successor Trustee

In the event the Trustee shall resign or be removed or shall become incapable of acting or shall be adjudged a bankrupt or insolvent or if a receiver, liquidator or conservator of the Trustee or its property be appointed or control of the Trustee shall be taken by any public office or officer, a successor may be appointed by NIFA or the holders of a majority in principal amount of the Bonds then Outstanding. Pending such appointment, NIFA shall appoint a fiduciary to fill such vacancy until a successor trustee is appointed by the holders of the Bonds.

Limited Obligation Bonds

The Bonds are limited obligations of NIFA and are payable solely out of any Revenues derived from the operation of the Program and other amounts pledged therefor pursuant to the Indenture. All Bonds issued pursuant to the Indenture are equally and ratably secured by the lien thereof.

Bonds Not an Obligation of the State or Any Political Subdivision Thereof

The Bonds do not constitute a debt of the State or any political subdivision thereof, and neither the State nor any of its political subdivisions are liable thereon, nor in any event shall the principal and interest be payable out of any funds or properties other than all or any part of the Revenues as set forth in the Indenture. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

RATINGS OF THE OFFERED BONDS

The Fixed Rate Offered Bonds have been assigned a rating of "AA+" by S&P, and the Variable Rate Offered Bonds have been assigned ratings of "AA+/A-1+" by S&P. An explanation of the significance of such ratings may be obtained only from S&P. cfX, NIFA's quantitative consultant, has furnished information and materials to S&P relating to NIFA and the Offered Bonds, certain of which information and materials have not been included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and on investigations, studies and assumptions by the rating agencies. There is no assurance that such ratings will continue for any given period of time or that one or more will not be revised downward or withdrawn entirely by S&P if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Offered Bonds. NIFA has not undertaken any responsibility to bring to the attention of the owners of the Offered Bonds any proposed suspension, revision or withdrawal of the ratings on the Offered Bonds, except in connection with the reporting of certain events as provided in the Disclosure Certificate (defined below), or to oppose any such proposed suspension, revision or withdrawal.

TAX TREATMENT AND RELATED CONSIDERATIONS

General

The Code establishes certain requirements that must be met subsequent to the issuance of the Offered Bonds in order that interest thereon be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Offered Bonds to be includable in gross income retroactive to the date of original issuance of the Offered Bonds. The requirements of the Code include provisions that restrict the yield and set forth other limitations within which the proceeds made available upon the issuance of the Offered Bonds are to be invested, including mortgage eligibility requirements, and require that certain investment earnings be rebated on a periodic basis to the United States Treasury.

Section 143 of the Code imposes significant limitations on the financing of single-family Mortgage Loans with the proceeds of the Offered Bonds. NIFA requires that all Mortgage Loans financed by the proceeds made available upon the issuance of the Offered Bonds satisfy these requirements, including, but not limited to, the borrower income and purchase price limitations of Section 143 of the Code.

Under the Code, the following requirements must be met with respect to each Mortgage Loan financed, in whole or in part, with the proceeds of Offered Bonds: (a) the residence being financed must reasonably be expected by NIFA to become the principal residence of the mortgagor within a reasonable time after the financing is provided, must not be intended primarily or expected to be used in a trade or business and may not be used as an investment property or as a recreational home; (b) subject to certain limited exceptions, at least 95% of the lendable proceeds of an issue, after deducting such proceeds used to make Mortgage Loans in "targeted areas," qualified rehabilitation loans or home improvement loans and mortgage loans made to certain "veteran" borrowers (as defined in 38 U.S.C. Section 101) who have not previously obtained mortgage loans financed by single family mortgage revenue bonds, must be used to finance residences of borrowers who have not had a present ownership interest in a principal residence during the three-year period prior to the date on which the mortgage is executed; (c) the acquisition cost of the residence must not exceed certain limitations; (d) all mortgages must be made to borrowers whose income does not exceed certain limitations; (e) subject to certain limited exceptions, proceeds may not be applied to acquire or replace an existing mortgage, except for the replacement of temporary initial financing or qualified rehabilitation; and (f) a mortgage may not be assumed unless requirements (a) through (d) above are met.

An issue of bonds is treated as meeting the mortgage eligibility requirements of the Code only if the issuer in good faith attempts to meet all of the mortgage eligibility requirements before the mortgages are executed and any failure to comply with the mortgage eligibility requirements is corrected within a reasonable period after such failure is first discovered. In addition, 95% or more of the proceeds of the issue used to make loans must be used to finance residences which met all such requirements at the time the loans were executed. In determining whether 95% of the proceeds have been so used, the issuer is entitled to rely on affidavits of the mortgagor and the seller and on the mortgagor's income tax returns filed with the Internal Revenue Service (the "**IRS**") for the three years preceding the date the mortgage is executed even though the relevant information in such affidavits and returns should ultimately prove to be untrue, unless NIFA or its agent knows or has reason to believe that such information is false. If the relevant information in the affidavits obtained in connection with any loan is discovered to be untrue, however, the correction still must be made within a reasonable period. An issue of bonds is treated as meeting the arbitrage and targeting requirements of the Code if (a) the issuer in good faith attempted to meet all these requirements and (b) any failure to meet such requirements is due to inadvertent error after taking reasonable steps to comply with the requirements.

NIFA requires the inclusion of certain provisions in the Participant loan documents and other relevant documents and has established certain procedures (including receipt of certain affidavits and warranties from lenders, borrowers and others with respect to the mortgage eligibility requirements) to ensure compliance with the Code and the related mortgage eligibility requirements and other requirements relating to nonmortgage investments which must be met subsequent to the date of issuance of the Offered Bonds. (Similar provisions were included in the lender documents, and similar procedures were established with respect to the mortgage loans represented by the Refunded Series Mortgage-Backed Securities.) NIFA has covenanted in the Indenture to do and perform all acts and things necessary or desirable in order to assure that interest paid on the Offered Bonds shall be excludable from gross income for federal income tax purposes. NIFA believes that the procedures and documentation requirements

established for the purpose of fulfilling its covenant are sufficient to ensure that the proceeds of the Offered Bonds will be applied in accordance with the Code.

Opinion of Bond Counsel

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions: (i) interest on the Offered Bonds is excluded from gross income for federal income tax purposes; (ii) interest on the 2018 Series C Bonds is not a specific preference item in calculating the federal alternative minimum tax imposed on individuals and corporations and is not included in the adjusted current earnings of corporations for purposes of calculating the federal alternative minimum tax; and (iii) interest on the 2018 Series D Bonds is a specific preference item in calculating the federal alternative minimum tax imposed on individuals and, for tax years beginning before January 1, 2018, on corporations. No federal alternative minimum tax applies to corporations for tax years beginning after December 31, 2017. The opinion described above assumes the accuracy of certain representations and compliance by NIFA with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Offered Bonds. Failure to comply with such requirements could cause interest on the Offered Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Offered Bonds. NIFA has covenanted to comply with such requirements.

In the further opinion of Bond Counsel, under the existing laws of the State, including the NIFA Act, interest on the Offered Bonds is exempt from State income taxation.

Bond Counsel has expressed no opinion regarding other federal or State tax consequences arising with respect to the Offered Bonds. The form of the opinion of Bond Counsel with respect to the Offered Bonds is attached hereto as Appendix F.

The accrual or receipt of interest on the Offered Bonds may otherwise affect the federal income tax liability of the owners of the Offered Bonds. The extent of these other tax consequences will depend upon such owner's particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Offered Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers otherwise entitled to claim the earned income credit, or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing, owning or selling the Offered Bonds.

Original Issue Premium

The PAC Bonds are expected to be sold at initial public offering prices that are greater than the respective stated amounts to be paid at maturity and constitute "**Premium Bonds**." An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. An initial purchaser of a Premium Bond must amortize any premium over the term of such Premium Bond using constant yield principles, based on the purchaser's yield to maturity (or, in the case of a Premium Bond callable prior to its maturity, by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of a Premium Bond should consult with their tax advisors with respect to the determination and treatment of amortizable premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Offered Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007 to any

bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. This reporting requirement does not in and of itself affect or alter the excludability of interest on the Offered Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Offered Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Offered Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Offered Bonds or the market value thereof would be impacted thereby. Purchasers of the Offered Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Offered Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

UNDERWRITING

The Fixed Rate Offered Bonds are being purchased by J.P. Morgan Securities LLC, Ameritas Investment Corp., D.A. Davidson & Co., First National Capital Markets, Inc. and George K. Baum & Company (collectively, the "**Underwriters**") pursuant to a bond purchase agreement in which the Underwriters have agreed, subject to certain conditions, to purchase the Fixed Rate Offered Bonds at a price equal to $174,846,076.50 (par amount of the Fixed Rate Offered Bonds $171,045,000, plus original issue premium equal to $3,801,076.50) plus accrued interest, if any. The bond purchase agreement provides that the Underwriters shall purchase the Fixed Rate Offered Bonds in the aggregate stated principal amount thereof if any Fixed Rate Offered Bonds are purchased. The Underwriters are being compensated $1,138,976.29 in consideration of their purchase of the Fixed Rate Offered Bonds.

The Variable Rate Offered Bonds are being purchased by J.P. Morgan Securities LLC ("**JPMS**") pursuant to a bond purchase agreement in which JPMS has agreed, subject to certain conditions, to purchase the Variable Rate Offered Bonds at a price equal to $46,615,000 (par amount of the Variable Rate Offered Bonds) plus accrued interest, if any. The bond purchase agreement provides that JPMS shall purchase the Variable Rate Offered Bonds in the aggregate stated principal amount thereof if any Variable Rate Offered Bonds are purchased. J.P. Morgan is being compensated $82,662.01 in consideration of its purchase of the Variable Rate Offered Bonds.

The initial offering prices of the Fixed Rate Offered Bonds and the Variable Rate Offered Bonds purchased by the Underwriters and JPMS, respectively, may be changed from time to time by the Underwriters and JPMS, respectively. The Underwriters and JPMS may offer and sell the Fixed Rate Offered Bonds and the Variable Rate Offered Bonds, respectively, to certain dealers (including dealers depositing Offered Bonds into an investment trust) and others at prices lower than the prices stated on the inside cover page hereof.

JPMS, one of the Underwriters of the Offered Bonds, has entered into a negotiated dealer agreement (the "**Dealer Agreement**") with Charles Schwab & Co., Inc. ("**CS&Co**.") for the retail distribution of certain securities offerings, at the original issue prices. Pursuant to the Dealer Agreement, CS&Co. may purchase Offered Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Offered Bonds that CS&Co. sells.

JPMS and its affiliates together comprise a full service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, finance and brokerage civilities. JPMS and its affiliates may have, from time to time, performed and may in the future perform, various investment banking services for NIFA for

which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, JPMS 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 its own account and for the accounts of its customers and may at any time hold long and short positions in such securities and instruments. Such investment securities activities may involve securities and instruments of NIFA.

None of the Underwriters is acting as financial advisor to NIFA in connection with the offer and sale of the Offered Bonds.

QUANTITATIVE CONSULTANT

cfX serves as NIFA's quantitative consultant pursuant to an engagement agreement. Subject to the terms of such engagement agreement, cfX will provide certain quantitative work products to NIFA and the Trustee to be utilized in connection with their respective operating obligations under the Indenture. Each such work product will be based on certain information provided to cfX by NIFA and the Trustee and other third party sources as believed by cfX to be reliable, certain assumptions provided to cfX by NIFA and certain instructions from Bond Counsel. cfX will make no representation with respect to the accuracy of such information or as to the reasonableness of such assumptions and instructions. cfX is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and is not obligated to review or ensure compliance with continuing disclosure undertakings. cfX has registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board as a Municipal Advisor.

LITIGATION

At the time of delivery of and payment for the Offered Bonds, NIFA will certify that, to its knowledge, no litigation or other proceedings are pending or threatened in any agency, court or tribunal, state or federal, restraining or enjoining or seeking to restrain or enjoin the issuance, sale, execution or delivery of any of the Offered Bonds, in any way questioning or affecting the validity of any provision of the Offered Bonds, the Indenture and certain related documents, in any way questioning or affecting the validity of any of the proceedings or authority for the authorization, sale, execution or delivery of the Offered Bonds or of any provision, program or transactions made or authorized for their payment, or questioning or affecting the organization or existence of NIFA or the title of any of its officers to their respective offices.

In connection with the issuance of certain Prior Series Bonds, NIFA entered into investment agreements with GE Funding Capital Market Services, Inc. ("**GE Funding**") and investment agreements with Trinity Funding Company LLC ("**Trinity**"). Such investment agreements collectively referred to herein as the **"GE Investment Agreements"**. Certain of the GE Investment Agreements are guaranteed by General Electric Company (referred to collectively with GE Funding and Trinity as "**GE**"). See Appendix E – "SCHEDULE OF INVESTMENT AGREEMENTS AND OTHER INVESTMENTS" attached hereto.

In a federal complaint, GE alleged that the GE Investment Agreements should have terminated as of the redemption date of the Prior Series Bonds with respect to which the respective GE Investment Agreement is associated and that GE has no further obligations with respect to the GE Investment Agreements. GE also asserted that GE is entitled to a recovery of interest and other amounts paid by GE to NIFA pursuant to each of the GE Investment Agreements subsequent to the redemption of the related Prior Series Bonds. Complaints were filed by both NIFA and GE in separate United States District Courts. The matter was heard in the United States District Court for the Southern District of New York (the "**SDNY Court**"). On November 17, 2017, the SDNY Court entered a judgment in favor of GE in the matter of *GE Funding Capital Market Services, Inc., et al. v. Nebraska Investment Finance Authority* (the "**GE Matter**"). The judgment of the SDNY Court directed that NIFA repay approximately $27.7 million of interest previously paid to NIFA pursuant to the GE Investment Agreements. In addition, the SDNY Court ordered the payment by NIFA to GE of pre-judgment interest in the amount of approximately $11.5 million.

NIFA instructed the Trustee to no longer make deposits of moneys in the funds and accounts under the Indenture into the GE Investment Agreements. Certain moneys remain on deposit in the GE Investment Agreements (although no interest is currently being paid by GE thereon). GE has executed on the judgment entered in the GE Matter by deducting the amount of the judgment, together with pre- and post-judgment interest, from the amounts held by GE in the funds and accounts pursuant to the GE Investment Agreements. This amount (the "Judgment Amount") (less approximately $7.9 million which was deducted from other accounts of NIFA) has been reflected by NIFA as a decrease in the balance of the funds and accounts of the Indenture. A Parity Certificate and Cash Flow Statement delivered by NIFA has demonstrated that, taking into account the execution by GE of the Judgment Amount (and the payment made by NIFA to Bayerische as described below) and corresponding reduction in the funds and accounts in the Indenture, the remaining sum of moneys, Permitted Investments, Cash Equivalents, mortgage loans and mortgage-backed securities held in all accounts under the Indenture (and excluding the Mortgage Reserve Fund) equals or exceeds an amount equal to 103% of the principal amount of outstanding bonds under the Indenture. NIFA does not believe that the reduction in the amounts held in the funds and accounts of the Indenture related to the Judgment Amount which was deducted from such funds and accounts (together with the payment made by NIFA to Bayerische as described below) will adversely impact NIFA's ability to continue to conduct its operations or NIFA's ability to make payments on any of its outstanding obligations, including payments on the Bonds. NIFA continues to vigorously dispute the ability of GE to terminate the GE Investment Agreements. NIFA has appealed the judgment entered in favor of GE in the GE Matter and intends to continue to vigorously seek appropriate remedies on behalf of NIFA.

In connection with the issuance of certain other Prior Series Bonds, NIFA directed the Trustee to enter into certain Investment Agreements ("**Bayerische Investment Agreements**") with Bayerische Landesbank Girozentrale ("**Bayerische**") on behalf of NIFA. In connection with the action *Bayerische Landesbank (f/k/a Bayerische Landesbank Girozentrale) vs. the Nebraska Investment Finance Authority* involving the Bayerische Investment Agreements which was pending in the United States District Court, Southern District of New York, a judgment was entered on April 18, 2018, in favor of Bayerische and against NIFA in the amount of $2,460,191.05, plus post-judgment interest. NIFA and Bayerische agreed to resolve the matter by entering into an agreement which provided for a payment from NIFA to Bayerische in the amount of $1,790,474.34. This payment was made by NIFA on May 16, 2018. To make this payment, NIFA withdrew $1,790,474.34 from the funds and accounts of the Indenture in accordance with the specific provisions of the Indenture permitting the release of funds free and clear of the lien of the Indenture. A cash flow statement delivered in connection with the release of the funds demonstrated that amounts remaining pledged pursuant to the Indenture after the release of funds (and an assumed deduction for the amount of the GE judgement) exceeded an amount equal to 103% of the principal amount of outstanding Bonds under the Indenture.

APPROVAL OF LEGALITY

The approving opinion of Kutak Rock LLP, Omaha, Nebraska, Bond Counsel and General Counsel to NIFA, in substantially the form attached to this Official Statement as Appendix F, will be delivered upon the issuance of the Offered Bonds. Certain matters will be passed upon for the Standby Purchaser by its internal counsel. Certain matters will be passed upon for the Underwriters by Sherman & Howard L.L.C., Denver, Colorado.

Each of the law firms noted under this caption may have acted as bond counsel and/or may have represented, or be representing, NIFA or the Underwriters in capacities different from those described herein.

INDEPENDENT AUDITORS

The financial statements of NIFA as of June 30, 2017 and 2016, and for the years then ended, included in Appendix B to this Official Statement, have been audited by KPMG LLP, independent auditors, as stated in their report appearing in Appendix B. The auditors' report includes qualifications for NIFA's presentation of securitized mortgage loans at amortized cost, rather than at fair value, and does not report commitments to purchase securitized loans at fair value, both as are required by U.S. generally accepted accounting principles.

LEGAL INVESTMENT

The NIFA Act provides, in part, that, with respect to entities governed by State law, the Offered Bonds are legal investments in which all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, banking associations, trust companies, savings associations, savings and loan associations, building and loan associations, investment companies, and all other persons carrying on a banking business, all administrators, guardians, executors, trustees, personal representatives and other fiduciaries, and other persons who are now or may be later authorized to invest in bonds or in other obligations of the State, may invest funds, including capital, in their control or belonging to them. The NIFA Act further provides that the Offered Bonds are securities which may be deposited with and received by all public officers and bodies of the State or any agency or political subdivision of the State and all municipalities and public corporations for any purpose for which the deposit of bonds or other obligations of the State is now or may be later authorized by law.

CONTINUING DISCLOSURE

Pursuant to the terms of a Continuing Disclosure Certificate with respect to the Offered Bonds (the "**Disclosure Certificate**"), NIFA will send or cause to be sent to the Municipal Securities Rulemaking Board (the "**MSRB**") through its Electronic Municipal Market Access system, certain financial information and operating data and notices of certain events, pursuant to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, by the Securities and Exchange Commission (the "**Rule**"). A copy of the Disclosure Certificate, in substantially the form expected to be executed by NIFA, is attached to this Official Statement as Appendix G.

A failure by NIFA to comply with the Disclosure Certificate will not constitute a default under the Indenture, although bondholders will have any available remedy at law or in equity, including seeking mandate or specific performance by court order to cause NIFA to comply with its obligations under the Disclosure Certificate. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Offered Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Offered Bonds and their market price.

ADDITIONAL INFORMATION

THE OFFERED BONDS ARE SPECIAL, LIMITED OBLIGATIONS AND ARE NOT GENERAL OBLIGATIONS OF NIFA. THE OFFERED BONDS ARE PAYABLE SOLELY OUT OF REVENUES DERIVED FROM THE OPERATION OF THE PROGRAM AND OTHER AMOUNTS PLEDGED THEREFOR PURSUANT TO THE INDENTURE AND ARE NOT PAYABLE FROM AMOUNTS PLEDGED TO THE PRIOR SINGLE FAMILY PROGRAMS, OTHER BOND PROGRAMS, THE FUNDS AND ACCOUNTS WHICH SECURE THE PRIOR SINGLE FAMILY PROGRAMS, OTHER BOND PROGRAMS OR THE GENERAL ASSETS OR RESOURCES OF NIFA. NIFA HAS NO TAXING POWER.

All of the foregoing summaries of the NIFA Act, the Indenture and the Program Agreements are made subject to all of the provisions of the NIFA Act and such documents and these summaries do not purport to be complete statements of such provisions. Reference is hereby made to the NIFA Act and such documents for further information in connection therewith. Copies of the aforementioned documents may be examined at the office of NIFA in Lincoln, Nebraska.

Pursuant to the General Indenture, NIFA has covenanted to annually, within 120 days after the close of each Fiscal Year, cause a report of audit of its financial records and an Accountant's Certificate with respect thereto to be made. The report shall show (a) revenues and expenses for the Fiscal Year and (b) assets, liabilities and fund balances at the end of the Fiscal Year, including all Funds and Accounts established by the Indenture (which may be consolidated). Such audit reports and Accountant's Certificates are currently available at NIFA's websites at http://www.nifa.org and https://spending.nifa.org.

The agreements of NIFA with holders of the Offered Bonds are fully set forth in the Indenture, and neither any advertisement of the Offered Bonds nor this Official Statement is to be construed as a contract with the purchasers of the Offered Bonds. Any statements herein involving matters of opinion or estimates, whether or not expressly so stated, are intended merely as such and not as representations of fact.

NEBRASKA INVESTMENT FINANCE AUTHORITY

By /s/ Timothy R. Kenny
Executive Director

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APPENDIX A

SUMMARY OF CERTAIN MORTGAGE INSURANCE AND SECURITY GUARANTY PROGRAMS

Introduction

The United States Department of Housing and Urban Development ("HUD"), created by the Housing and Urban Development Act of 1965, is responsible for the administration of various federal programs authorized under the National Housing Act of 1934, as amended (the "National Housing Act"), and the United States Housing Act of 1937, as amended. The Department of Veterans Affairs ("VA") administers the mortgage guarantee program authorized under the Servicemen's Readjustment Act of 1944, as amended (the "Servicemen's Readjustment Act"). The Cranston-Gonzalez National Affordable Housing Act of 1990 authorized the establishment of FmHA Guaranteed Rural Housing Loan Program. These programs may be financed by annual appropriations from Congress, as well as by mortgage insurance premiums and fees; subsidies and insurance payments are in some cases made from trust funds established under the various programs.

Following is a summary of programs relating to mortgages which NIFA may finance under the Program and is only a brief outline and does not purport to summarize or describe all of the provisions of such programs. For a more complete description of the terms of such programs, reference is made to the provisions of the contracts embodied in the regulations of the FHA, the VA and the USDA/RD, respectively, and of the regulations, master insurance contracts and other such information of the various private mortgage insurers and federal government guarantors.

Federal Authorization and Funding

The continued availability of certain governmental mortgage insurance and guarantee programs depends on periodic action by the United States Congress and the President, which action may be influenced by federal fiscal and budgetary considerations and controversies. In addition, other funding made available to, or administered by, NIFA may be curtailed or provided in a different manner. It is not possible to predict what effect, if any, future governmental action may have on the ability of NIFA to purchase insured or guaranteed mortgage loans or on its other operations.

Federal Housing Administration Mortgage Insurance Programs

The National Housing Act authorizes various Federal Housing Administration ("FHA") mortgage insurance programs, which differ in some respects depending primarily upon whether the premises contain five or more dwelling units or less than five such units. FHA imposes loan-to-value ratio limitations and other requirements on all single family mortgage loans it insures. Under the Section 203(b) program, which is the most widely used FHA insurance program, FHA insures mortgage loans of up to 30 years' duration for the purchase of one-to-four family dwelling units. The maximum loan-to-value factor for one-family residences may generally not exceed an amount equal to 96.50% of the appraised value of the property, plus the initial FHA insurance premium. In addition, loans under the Section 203(b) program, together with any subordinate loans, may not exceed 100% of the appraised value of the property and the mortgagor must pay, at a minimum, 3.50% of the lesser of the appraised value or the sales price of the property.

Insurance benefits are payable only upon foreclosure (or other acquisition of possession) and conveyance of the premises to FHA. Assignment of a defaulted loan to FHA is not permitted. Under some of the FHA insurance programs, insurance claims are paid by FHA in cash unless the insured specifically requests payment in debentures issued by FHA. Under others, FHA has the option at its discretion to pay insurance claims in cash or in such debentures. FHA debentures issued in satisfaction of FHA insurance claims bear interest payable semiannually on January 1 and July 1 of each year at the FHA debenture interest rate (which may be lower than the rate on the insured mortgage) in effect under FHA regulations on the date the FHA mortgage insurance commitment was issued, or as of the initial insurance endorsement of the mortgage loan, whichever rate is higher.

When entitlement to insurance benefits results from foreclosure (or other acquisition of possession) and conveyance, the insurance payment is computed as of the date of the institution of foreclosure or the date of acquisition of the property, whichever is earlier, and the insured generally is not compensated for interest accrued and unpaid prior to that date. Under such circumstances, the amount of insurance benefits generally paid by FHA is equal to the unpaid principal amount of the mortgage loan adjusted to reimburse the mortgagee for certain tax, insurance and similar payments made by it and to deduct certain amounts received or retained by the mortgagee after default, plus reimbursement not to exceed two-thirds of the mortgagee's foreclosure costs. The regulations under all insurance programs described above provide that the insurance payment itself bears interest from the date of default by the mortgagor, which under HUD regulations will occur no less than 30 days after the due date of a mortgage payment to the date of payment of the claim at the same interest rate as the applicable HUD debenture interest rate determined in the manner set forth above.

When any property conveyed to FHA has been damaged by fire, earthquake, flood or tornado or the property has suffered damage due to failure of the mortgagee to make required inspections, it is required, as a condition to payment of an insurance claim, that such property be repaired by the mortgage lender prior to such conveyance. In some instances, when damage has resulted from failure of the mortgagee to inspect and preserve the property, FHA may deduct the amount of such damages from the insurance payment made by FHA.

The availability of FHA mortgage insurance depends on congressional action to increase the limitation on the aggregate amount of loan guarantees. The fees and standards for participation in FHA insurance programs may change as a result of congressional action or changes in regulations by HUD. It is not possible to predict the effect of legislative or regulatory action, if any, on the ability of NIFA to purchase Mortgage Loans or Mortgage-Backed Securities.

Department of Veterans Affairs
Mortgage Guaranty Program

The Servicemen's Readjustment Act, as amended, permits a veteran (or, in certain instances, the spouse of a veteran) to obtain a mortgage loan guaranty by the VA covering mortgage financing of the purchase of a one-to-four family dwelling unit. This program has no mortgage loan limits, requires no down payment from the purchaser and permits the guaranty of mortgage loans with terms limited by the estimated economic life of the property, up to approximately 30 years.

Under the VA's three-tier guaranty system, the maximum guaranty allowed is based on the size of the mortgage loan as follows: (i) for mortgage loans of $45,000 or less, 50% of the loan; (ii) for mortgage loans greater than $45,000 to $56,250, an amount of $22,500; (iii) for mortgage loans greater than $56,250 to $144,000, the lesser of 40% of the loan or $36,000; (iv) for loans greater than $144,000 to $453,100, 25% of the loan amount; and (v) for loans greater than $453,100, the maximum guaranty is generally 25% of the Fannie Mae loan limit. The actual guaranty may be less than the maximum guaranty as described above in the event a veteran's guaranty entitlement previously used for a guaranteed loan has not been restored by the VA.

The liability on the guaranty is reduced or increased pro rata with any reduction or increase in the amount of the guaranteed indebtedness, but in no event will the amount payable on the guaranty exceed the amount of the original guaranty. Notwithstanding the dollar and percentage limitations of the guaranty, a mortgage holder will ordinarily suffer a monetary loss only where the difference between the unsatisfied indebtedness and the proceeds of a foreclosure sale of the mortgaged premises is greater than the original guaranty, as adjusted. The VA may, at its option and without regard to the guaranty, make full payment to a mortgagee of unsatisfied indebtedness on a mortgage upon its assignment to the VA. Under certain circumstances, a mortgagee is required to accept partial payments on a loan that is more than 60 days overdue.

When a VA loan is foreclosed, the VA must decide whether to (i) acquire the property and pay off the debt or (ii) not acquire the property through the "no bid" process. Under option (ii), the VA gives instructions to the mortgagee to make "no bid" at the foreclosure sale and pays the guaranty amount to the mortgagee, leaving the mortgagee responsible for the disposition of the property. Mortgagees may also "buy down" the veteran's indebtedness at the time of the foreclosure sale to convert a no bid into a VA acquisition. "No bids" are more likely

if the property has significantly declined in value, because the cost to the VA may be less than their expected cost to acquire, manage and dispose of the property.

United States Department of Agriculture/Rural Development Guaranteed Rural Housing Loan Program

The Cranston-Gonzalez National Affordable Housing Act of 1990 revised and expanded the interest assistance program for guaranteed loans pursuant to Section 502 of Title V of the Housing Act of 1949, as amended, by creating the Rural Development (formerly the FmHA) Guaranteed Rural Housing Loan Program, acting through the United States Department of Agriculture, ("USDA/RD"). A USDA/RD guaranty is supported by the full faith and credit of the United States and is available with mortgage loans for the acquisition of existing or newly constructed single family, nonfarm principal residences occupied by the borrower. Such mortgage loans are limited to properties in certain rural areas with populations not greater than 20,000 and to borrowers whose adjusted annual income does not exceed 115% of median area income.

The interest assistance paid monthly by USDA/RD to the loan servicer reduces the borrower's effective interest rate. The amount of interest rate reduction is dependent upon the household's annual income, which is recertified by the loan servicer annually. Legislation is annually introduced as part of the federal appropriation process which would provide additional funding; however there is no assurance that such legislation will be adopted.

The maximum loss payment pursuant to the USDA/RD guaranty is the lesser of (i) any loss of an amount equal to 90% of the principal amount actually advanced to the borrower or (ii) any loss sustained by the lender of an amount up to 35% of the principal amount actually advanced to the borrower, plus any additional loss sustained by the lender of an amount up to 85% of the remaining 65% of the principal amount actually advanced to the borrower. Under this program, "lender" includes a purchaser of a guaranteed loan, such as NIFA. "Loss" includes only (i) principal and interest on the loan, (ii) if applicable, any loan subsidy due and owing, and (iii) any principal and interest indebtedness on USDA/RD-approved protective advances made for protection and preservation of the property, and (iv) certain foreclosure costs. Interest is covered to the date of final loss settlement upon lender's liquidation of the property in an expeditious manner. If the property is sold in liquidation to a bona fide third-party purchaser, the net proceeds of such sale is the basis for calculating the loss to the lender. If the lender acquires the property in the liquidation process, the lender is allowed up to six months from the date the property is acquired to sell the property. The net payment will be based on the net proceeds received for the property. If no sale offer is accepted within six months, the basis for determining the loss to the lender is the current appraised market value of the property as of the date of acquisition by the lender, less the estimated liquidation costs, including an allowance for the estimated time the property will be held by the lender. USDA/RD does not accept conveyance of the property, but rather pays the lender's claim upon foreclosure. The claim payment includes actual costs incurred by the lender, including interest expense, and an allowance for the costs associated with liquidating the property.

Private Mortgage Insurance

In general, private mortgage insurance ("PMI") contracts provide for payment of insurance benefits to a mortgage lender upon the failure of a mortgagor to make any payment or to perform any obligation under the insured mortgage loan and the continuance of such failure for a stated period. Under most PMI policies, the maximum insurable amounts range from 90% to 95% of the appraised value or selling price for owner-occupied dwellings, whichever is lower. Requirements of borrower equity vary according to the percentage of the mortgage to be insured. Certain insurers will credit toward the value of the land to be improved, trade-in property or work equity, a specified percentage of this amount, if at least a minimum cash equity is met and the home is to be owner-occupied. Although there may be variations among insurers, available coverage by private mortgage insurers is generally limited to first mortgage loans or contracts on improved real estate, with amortization over the term of the loan or contract in substantially equal monthly payments, including accruals for taxes and insurance.

The Homeowners Protection Act of 1998 (the "HPA") provides for cancellation of PMI upon the following: (i) at the homeowners request upon the date on which the principal balance of the mortgage loan is scheduled to reach 80% of the original value of the residence or the principal balance reaches 80% of the original value of the residence, (ii) automatically on the date on which the principal balance of the mortgage loan is

scheduled to reach 78% of the original value of the residence, or if the borrower is not then current on his mortgage loan payments, on the date on which the mortgagor subsequently becomes current on such payments, or (iii) in any event, on the first day of the month immediately following the date that is the midpoint of the amortization period of the mortgage loan if the mortgagor is then current on his mortgage loan payments. The HPA also requires that mortgagors be provided with certain disclosures and notices regarding termination and cancellation of private mortgage insurance.

Under the various policies, delinquencies must be reported to the insurer within a specified period of time after default, and proceedings to recover title are required to be commenced within a specified period of time after default. It is standard practice for private mortgage insurers to require that lending institutions, prior to presenting a claim under the mortgage insurance, acquire and tender to the private mortgage insurer title to the property, free and clear of all liens and encumbrances, including any right of redemption by the mortgagor. When such claim is presented, the private mortgage insurer will normally retain the option to pay the claim in full and take title to the property and arrange for its sale or pay the insured percentage of the claim and allow the insured mortgage lender to retain title to the property.

The amount of loss payable generally includes the principal balance due under the mortgage loan, plus accumulated interest, real estate taxes and hazard insurance premiums which have been advanced, expenses incurred in the preservation of the insured property, and other expenses necessarily incurred in the recovery proceedings, although in no event will the insurer be required to pay an amount which exceeds the coverage under a policy.

Prior to insuring loans for any mortgage lender, the insurer investigates and evaluates such mortgage lender in the areas of (a) quality of appraisal ability, (b) quality of underwriting ability, (c) net worth and quality of assets and (d) ability and past performance of servicing staff and adequacy of servicing procedures.

GNMA and the GNMA Securities

General. The summary of the GNMA Program, GNMA Securities and other documents referred to herein does not purport to be comprehensive and is qualified in its entirety by reference to the GNMA Guide (copies of which may be obtained from GNMA at the Office of Mortgage-Backed Securities, 451 Seventh Street, S.W., Washington, D.C. 20410) and to the GNMA Securities and other documents for full and complete statements of their provisions.

GNMA is a wholly owned corporate instrumentality of the United States of America within the Department of Housing and Urban Development ("HUD") whose principal office is located in Washington, D.C.

GNMA is authorized by Section 306(g) of Title III of the National Housing Act to guarantee the timely payment of the principal of, and interest on, securities that are based on and backed by trusts or pools composed of mortgage loans insured or guaranteed under the National Housing Act, Title V of the Housing Act of 1949, the Servicemen's Readjustment Act, Chapter 37 of Title 38 of the United States Code or Section 184 of the Housing and Community Development Act of 1992 or guaranteed by the USDA/RD under its guaranteed Single Family Rural Housing Program. Section 306(g) further provides that "the full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty by GNMA."

There are two GNMA MBS programs, GNMA I and GNMA II. Any GNMA Security acquired pursuant to the Program will be a "fully modified pass-through" security (guaranteed by GNMA pursuant to its GNMA I or GNMA II MBS program) which will require the servicer to pass through to the holder thereof the regular monthly payments on the underlying mortgage loans (less the service fees), whether or not the servicer receives such payments from the mortgagors on the underlying mortgage loans, plus any unscheduled recoveries of principal of the mortgage loans received by the servicer during the previous month. In order to meet its obligations under such guaranty, GNMA, in its corporate capacity under Section 306(d) of Title III of the National Housing Act, may issue its general obligations to the United States Treasury Department in an amount outstanding at any one time sufficient to enable GNMA, with no limitations as to amount, to perform its obligations under its guaranty of the timely payment of the principal of and interest on the GNMA Security. The Treasury Department is authorized to purchase any obligations so issued by GNMA and has indicated in a letter, dated February 13, 1970, from the Secretary of the

Treasury to the Secretary of HUD, that the Treasury Department will make loans to GNMA, if needed, to implement the aforementioned guaranty.

Under the terms of its guaranty, GNMA also warrants to the holder of the GNMA Security that, in the event GNMA is called upon at any time to make payment on its guaranty of the principal of and interest on the GNMA Security, it will, if necessary, in accordance with Section 306(d) of Title III of the National Housing Act, apply to the Secretary of the United States Treasury Department for a loan or loans in amounts sufficient to make such payments of principal and interest.

GNMA shall have no responsibility to determine whether or not the Program complies with the requirements of the Code or whether or not interest on the Bonds may be exempt from federal income taxation. The payments due to the Trustee, as holder, pursuant to the terms of the GNMA Securities, will not change if the interest on the Bonds for any reason is determined to be subject to federal income taxation.

Servicing of the Mortgages. Under contractual agreements entered into by and between the servicer and GNMA, the servicer is responsible for servicing and otherwise administering the mortgage loans underlying the GNMA Securities in accordance with generally accepted practices of the mortgage banking industry and the GNMA Servicer's Guide (the "GNMA Guide").

The monthly remuneration of the servicer, for its servicing and administrative functions, and the guaranty fee charged by GNMA are based on the unpaid principal amount of the GNMA Securities outstanding. The GNMA Securities carry an interest rate that is below the interest rate on the underlying mortgage loans (after taking into account the servicing and guaranty fees which are deducted from payments on the mortgage loans before payments are passed through to the holder of the GNMA Security).

It is expected that interest and principal payments on the mortgage loans underlying the GNMA Securities received by the servicer will be the source of payments on the GNMA Securities. If such payments are less than what is due, the servicer is obligated to advance its own funds to ensure timely payment of all amounts coming due on the GNMA Securities. GNMA guarantees such timely payment in the event of the failure of the servicer to pay an amount equal to the scheduled payments (whether or not made by the mortgagors on the underlying mortgages).

The servicer is required to advise GNMA in advance of any impending or actual default on scheduled payments so that GNMA, as guarantor, will be able to continue such payments as scheduled on the applicable payment date. If, however, such payments are not received as scheduled, the holder has recourse directly to GNMA.

Default by Servicer. In the event of a default by the servicer, GNMA shall have the right, by letter to the servicer, to effect and complete the extinguishment of the servicer's interest in the mortgage loans underlying the GNMA Securities, and such mortgage loans shall thereupon become the absolute property of GNMA, subject only to the unsatisfied rights of the owner of the GNMA Security. In such event, GNMA will be the successor in all respects to the servicer with respect to the transaction and the agreements set forth or arranged for in the GNMA Guide.

Payment of Principal and Interest on the GNMA Securities. Under the GNMA I Program, the servicer makes separate payments, by the fifteenth day of each month, directly to each owner of GNMA Securities for each of the GNMA Securities held.

Payment of principal of each GNMA I Security and GNMA II Security is expected to commence on the fifteenth and twentieth day of the month, respectively, following issuance of such GNMA Security.

Each installment on a GNMA Security is required to be applied first to interest and then in reduction of the principal balance then outstanding on the GNMA Security. Interest is to be paid at the specified rate on the unpaid portion of the principal of the GNMA Security. The amount of principal due on the GNMA Security shall be in an amount at least equal to the scheduled principal amortization currently due on the mortgage loans. However, payment of principal and interest is to be adjustable as set forth below.

Each of the monthly installments on a GNMA Security is subject to adjustment by reason of any prepayments or other unscheduled recoveries of principal on the underlying mortgage loans. In any event, the servicer will pay to the holder of the GNMA Security monthly installments of not less than the interest due on the GNMA Security at the rate specified in the GNMA Security, together with any scheduled installments of principal, whether or not such interest or principal is collected from the mortgagors, and any prepayments or unscheduled recovery of principal. Final payment shall be made upon surrender of the outstanding GNMA Security.

Fannie Mae and the Fannie Mae Securities

The summary of the Fannie Mae MBS Program (as defined below), the Fannie Mae Securities and other documents referred to herein does not purport to be comprehensive and is qualified in its entirety by reference to the Fannie Mae Guides and the Fannie Mae Securities and other documents for full and complete statements of their provisions.

Fannie Mae Mortgage-Backed Securities Program. Fannie Mae (formerly the Federal National Mortgage Association) is a federally government-sponsored enterprise organized and existing under the Federal National Mortgage Association Charter Act (12 U.S.C. Section 1716 et seq.). Fannie Mae was originally established in 1938 as a United States government agency to provide supplemental liquidity to the mortgage market. Fannie Mae is subject to the supervision and regulation of the Federal Housing Finance Agency ("FHFA") to the extent provided in the Housing and Economic Recovery Act of 2008 ("HERA"). The FHFA has placed Fannie Mae into conservatorship.

THE SECURITIES OF FANNIE MAE ARE NOT GUARANTEED BY THE UNITED STATES GOVERNMENT (INCLUDING THE DEPARTMENT OF THE TREASURY) AND DO NOT CONSTITUTE A DEBT OR AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF, INCLUDING THE DEPARTMENT OF THE TREASURY AND FHFA, OTHER THAN FANNIE MAE.

Although the Secretary of the Treasury has certain discretionary authority to purchase obligations of Fannie Mae, neither the United States nor any agency thereof is obligated to finance Fannie Mae's obligations or to assist Fannie Mae in any manner.

Fannie Mae has implemented a mortgage-backed securities program pursuant to which Fannie Mae issues securities backed by pools of mortgage loans (the "Fannie Mae MBS Program"). The obligations of Fannie Mae, including its obligations under the Fannie Mae Securities, are obligations solely of Fannie Mae and are not backed by, or entitled to, the full faith and credit of the United States.

The terms of the Fannie Mae MBS Program are governed by the Fannie Mae Guides, as modified by a Pool Contract, and, in the case of mortgage loans such as the Mortgage Loans, a Trust Indenture, dated as of November 1, 1981, as amended (the "Fannie Mae Trust Indenture"), and a supplement thereto to be issued by Fannie Mae in connection with each pool. The Fannie Mae MBS Program is further described in a prospectus issued by Fannie Mae (the "Fannie Mae Prospectus"). The Fannie Mae Prospectus is updated from time to time. No Fannie Mae Prospectus Supplement will be available as to any Fannie Mae Securities acquired pursuant to the Program.

Copies of the Fannie Mae Prospectus and Fannie Mae's most recent annual and quarterly reports and proxy statement are available from Fannie Mae, Office of Investor Relations, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016.

Fannie Mae Securities. Any Fannie Mae Security acquired pursuant to the Program will represent the entire interest in a specified pool of conventional mortgage loans purchased by Fannie Mae from the servicer and identified in records maintained by Fannie Mae. The pool contract will require that each Fannie Mae Security be in a minimum amount of $250,000. The conventional mortgage loans backing each Fannie Mae Security will bear interest at a specified rate per annum, and each Fannie Mae Security will bear interest at a lower rate per annum (the "pass-through rate"). The difference between the interest rate on the conventional mortgage loans and the

pass-through rate on the Fannie Mae Security will be collected by the servicer and used to pay the servicer's servicing fee and Fannie Mae's guaranty fee. Fannie Mae may change such fee and impose other charges from time to time.

Fannie Mae will guarantee to the registered holder of the Fannie Mae Securities that it will distribute amounts representing scheduled principal and interest at the applicable pass-through rate on the conventional mortgage loans in the pools represented by such Fannie Mae Securities, whether or not received, and the full principal balance of any foreclosed or other finally liquidated mortgage loan, whether or not such principal balance is actually received. THE OBLIGATIONS OF FANNIE MAE UNDER SUCH GUARANTEES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND ARE NOT BACKED BY, NOR ENTITLED TO, THE FAITH AND CREDIT OF THE UNITED STATES OF AMERICA. IF FANNIE MAE WERE UNABLE TO SATISFY SUCH OBLIGATIONS, DISTRIBUTIONS TO THE REGISTERED HOLDER OF FANNIE MAE SECURITIES WOULD CONSIST SOLELY OF PAYMENTS AND OTHER RECOVERIES ON THE UNDERLYING MORTGAGE LOANS AND, ACCORDINGLY, MONTHLY DISTRIBUTIONS TO THE HOLDER OF FANNIE MAE SECURITIES WOULD BE AFFECTED BY DELINQUENT PAYMENTS AND DEFAULTS ON SUCH MORTGAGE LOANS.

Payments on Mortgage Loans; Distributions on Fannie Mae Securities. Payments on a Fannie Mae Security are made to the owner thereof on the twenty-fifth day of each month (beginning with the month following the month such Fannie Mae Security is issued) or, if such twenty-fifth day is not a business day, on the first business day next succeeding such twenty-fifth day. With respect to each Fannie Mae Security, Fannie Mae will distribute to the beneficial owner an amount equal to the total of (i) the principal due on the mortgage loans in the related pool underlying such Fannie Mae Security during the period beginning on the second day of the month prior to the month of such distribution and ending on the first day of such month of distribution, (ii) the stated principal balance of any mortgage loan that was prepaid in full during the second month next preceding the month of such distribution (including as prepaid for this purpose any mortgage loan repurchased by Fannie Mae because of Fannie Mae's election to repurchase the mortgage loan after it is delinquent, in whole or in part with respect to four consecutive installments of principal and interest, or because of Fannie Mae's election to repurchase such mortgage loan under certain other circumstances as permitted by the Fannie Mae Trust Indenture), (iii) the amount of any partial prepayment of a mortgage loan received in the second month next preceding the month of distribution and (iv) one month's interest at the pass-through rate on the principal balance of the Fannie Mae Security as reported to the holder thereof in connection with the previous distribution (or, with respect to the first distribution, the principal balance of the Fannie Mae Security on its issue date).

For purposes of distributions, a mortgage loan will be considered to have been prepaid in full if, in Fannie Mae's reasonable judgment, the full amount finally recoverable on account of such mortgage loan has been received, whether or not such full amount is equal to the stated principal balance of the mortgage loan. Fannie Mae may, in its discretion, include with any distribution principal prepayments, both full and partial, received during the month prior to the month of distribution, but is under no obligation to do so.

FHLMC and FHLMC Certificates

General. The summary of the Federal Home Loan Mortgage Corporation ("FHLMC"), the FHLMC Guarantor Program, FHLMC Certificates and FHLMC's mortgage purchase and servicing standards does not purport to be complete and is qualified in its entirety by reference to FHLMC's current Mortgage Participation Certificates Offering Circular, any applicable Offering Circular and Pool Supplements, FHLMC's current Mortgage Participation Certificates Agreement, as amended, FHLMC's Information Statement, any Information Statement Supplements and any other documents made available by FHLMC. Copies of these documents can be obtained from FHLMC at 8200 Jones Branch Drive, McLean, Virginia 22102. At the time of printing this Official Statement, the documents mentioned above and general information regarding FHLMC can be accessed at http://www.freddiemac.com. However, NIFA makes no representation regarding the content, accuracy or availability of any such document or any information provided at such web site. Such web site is not part of this Official Statement.

FHLMC is a shareholder-owned government-sponsored enterprise created on July 24, 1970 pursuant to the Federal Home Loan Mortgage Corporation Act and Title III of the Emergency Home Finance Act of 1970, as

amended, 12 U.S.C. Sections 1451-1459 (the "FHLMC Act"). FHLMC is subject to the supervision and regulation of the Federal Housing Finance Agency ("FHFA") to the extent provided in HERA. The FHFA has placed FHLMC into conservatorship.

THE SECURITIES OF FHLMC ARE NOT GUARANTEED BY THE UNITED STATES GOVERNMENT (INCLUDING THE DEPARTMENT OF THE TREASURY) AND DO NOT CONSTITUTE A DEBT OR AN OBLIGATION OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF, INCLUDING THE DEPARTMENT OF THE TREASURY AND FHFA, OTHER THAN FHLMC.

Although the Secretary of the Treasury has certain discretionary authority to purchase obligations of FHLMC, neither the United States nor any agency thereof is obligated to finance FHLMC's obligations or to assist FHLMC in any manner.

FHLMC's statutory mission is to provide stability in the secondary market for home mortgages, to respond appropriately to the private capital market and to provide ongoing assistance to the home mortgage secondary market by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for home mortgage financing. The principal activity of FHLMC consists of the purchase of first lien, conventional, residential mortgages and participation interests in such mortgages from mortgage lending institutions and the resale of the whole loans and participations so purchased in the form of guaranteed mortgage securities (the "FHLMC Certificates"). FHLMC generally matches its purchases of mortgages with sales of FHLMC Certificates. Mortgages retained by FHLMC are financed with short- and long-term debt and equity capital.

FHLMC Certificates. Each FHLMC Certificate which qualifies as a Mortgage-Backed Security under the General Indenture will represent an undivided interest in a pool of fixed-rate, first-lien conventional mortgage loans or FHA- and VA-guaranteed mortgage loans, or participation interests therein. FHLMC guarantees to each registered holder of an FHLMC Certificate that it will distribute amounts representing such holder's proportionate interest in interest payments on the mortgage loans in the pool represented by such FHLMC Certificates (less servicing and guarantee fees aggregating the excess of the interest on such mortgage loans over the FHLMC Certificates' pass-through rate), whether or not such amount is actually received. With respect to certain FHLMC Certificates, FHLMC guarantees the holder's proportionate interest in scheduled principal payments on such mortgage loans, if timely received, and also guarantees ultimate collection of scheduled principal payments, prepayments of principal and the remaining principal balance in the event of a foreclosure or other disposition of a mortgage loan. With respect to such FHLMC Certificates, FHLMC may remit the amount due on account of its guarantee of collection of principal at any time after default on an underlying mortgage, but not later than (i) 30 days following foreclosure sale, (ii) 30 days following payment of the claim by any mortgage insurer or (iii) 30 days following the expiration of any right of redemption, whichever occurs later, but in any event no later than one year after demand has been made upon the mortgagor for accelerated payment of principal. FHLMC Certificates may also include those FHLMC Certificates (the "Fully Guaranteed FHLMC Certificates") as to which FHLMC has guaranteed the timely payment of the holder's proportionate interest in scheduled principal payments on the underlying mortgage loans, as calculated by FHLMC.

THE OBLIGATIONS OF FHLMC UNDER ITS GUARANTEES ARE OBLIGATIONS SOLELY OF FHLMC AND ARE NOT BACKED BY, OR ENTITLED TO, THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA. IF FHLMC WERE UNABLE TO SATISFY SUCH OBLIGATIONS, DISTRIBUTIONS TO THE REGISTERED HOLDERS OF FHLMC CERTIFICATES WOULD CONSIST SOLELY OF PAYMENTS AND OTHER RECOVERIES ON THE UNDERLYING MORTGAGE LOANS AND, ACCORDINGLY, MONTHLY DISTRIBUTIONS TO THE HOLDERS OF FHLMC CERTIFICATES WOULD BE AFFECTED BY DELINQUENT PAYMENTS AND DEFAULTS ON SUCH MORTGAGE LOANS.

Conforming Loan Limits. The FHLMC Act limits the maximum original principal amount of single-family mortgages that FHLMC may purchase. These limits are referred to as "conforming loan limits." For loans delivered during 2018, FHLMC's conforming loan limit for a first lien conventional single-family mortgage is $453,100 for a one-family dwelling in Nebraska. The conforming loan limit for second-lien mortgages is 50 percent of the limit for first-lien mortgages on one-family dwellings. When FHLMC purchases both the first-lien and second-lien mortgage on the same property, the FHLMC Act provides that the total amount FHLMC may purchase may not exceed the applicable conforming loan limit.

The FHLMC Act also prohibits FHLMC from purchasing first-lien conventional single-family mortgages if the outstanding principal balance at the time of purchase exceeds 80 percent of the value of the real property securing the mortgage unless FHLMC has a level of credit protection (such as mortgage insurance from an approved mortgage insurer, a seller's agreement to repurchase or replace any mortgage that has defaulted) or the retention of at least a 10 percent participation interest in the mortgages by the seller. This requirement does not apply to FHA- or VA-guaranteed mortgage loans.

The single-family mortgages purchased and guaranteed by FHLMC generally are subject to the credit, appraisal, underwriting and other purchase policies and guidelines set forth in FHLMC's *Single-Family Seller/Servicer Guide*. FHLMC may modify these guidelines or grant waivers for certain mortgages that it purchases.

Servicing of the Mortgages. FHLMC services or supervises the servicing of the mortgages it purchases. In performing its servicing responsibilities, FHLMC may employ servicing agents or independent contractors. Each such servicer generally is required to perform all activities concerning the calculation, collection and processing of mortgage payments and related borrower inquiries, as well as all mortgage administrative responsibilities, including claims collection, workouts, foreclosures and reports. Servicers service mortgages, either directly or through approved sub servicers, and receive fees for their services. FHLMC monitors a servicer's performance through periodic and special reports and inspections to ensure it complies with its obligations. FHLMC will retain from monthly interest payments on each mortgage a management and guarantee fee, which equals any interest received by FHLMC from the servicer over the amount of interest payable to holders of the FHLMC Certificate.

Property Insurance Requirements for Mortgage Loans

Primary Hazard Insurance. Each Mortgage Loan must contain covenants relating to insurance of the residence. The coverage must include all fire and extended coverage risks customarily insured against in the geographical area in which the residence is located. The insurance policy must provide, as a minimum, fire and extended coverage insurance in an amount at least equal to the lesser of the unpaid principal amount of the Mortgage Loan from time to time outstanding or the full replacement cost of the residence and other improvements on said property (but in no event shall the amount required be greater than the maximum insurable value of such residence and other improvements). Such insurance must be in effect (or there must be a binder for the issuance of the same) on the date of delivery of the Mortgage Loan to NIFA; the coverage provided thereby must meet the requirements, if applicable, of FHA, VA, USDA/RD or the private mortgage insurer. Each hazard insurance policy must be written by an insurance carrier licensed or authorized by law to transact business in Nebraska, and the policy must contain a standard mortgagee clause naming NIFA as an insured and provide notice to NIFA at least 10 days in advance of the effective date of any reduction in coverage or cancellation of the policy.

Unless the servicer maintains a mortgagee single-interest hazard insurance policy (with NIFA named as additional insured in the case of Mortgage Loans that are not represented by, or supporting, a mortgage-backed security) insuring the servicer against loss from a mortgagor's failure to maintain a hazard insurance policy, the mortgagor will be required to escrow hazard insurance premiums on a monthly basis with the servicer, and the servicer will retain possession of the insurance policy and be responsible for assuring that such insurance is in force and effect.

In general, a standard form of fire and extended coverage policy covers physical damage to, or destruction of, the improvements on the property by fire, lightning, explosion, smoke, windstorm, hail, riot, vandalism, aircraft, vehicles, theft and civil commotion, subject to the conditions and exclusions particularized in each policy. Although policies relating to different Mortgage Loans may be issued by different insurance companies and, therefore, may have minor differences in coverage, the basic terms are dictated by Nebraska law. Policies typically exclude physical damage resulting from the following: enemy attack by armed forces, invasion, insurrection, rebellion, revolution, civil war, usurped power, floods and water damage, power interruption, earth movement, nuclear reaction and neglect. In addition, such policies typically exclude losses which occur while the hazard is increased by any means within the control or knowledge of the insured or while the premises are vacant or unoccupied beyond a period of 30 consecutive days.

Special Hazard Insurance. To the extent required by NIFA, a separate special hazard insurance policy may be obtained to provide protection with respect to direct physical loss arising from perils not insured under the primary hazard insurance as described above and losses that may result from the application of a coinsurance clause with respect to a defaulted mortgage loan secured by damaged property. However, certain perils are not insured under special hazard insurance such as loss resulting from fraudulently created loans, war, certain governmental actions, nuclear reaction or radiation and damage by flood to the extent covered by required flood insurance as described below.

Uninsured Casualties. Certain risks, including, but not limited to, losses attributable to nuclear reaction or radiation or losses caused by hostile or warlike action, or attributable to insurrection, revolution or civil war, are normally not covered by the insurance policies described above. To the extent any of such uninsured risks occur or claims do not result in full recoveries or the required insurance is not purchased or maintained with respect to a significant number of mortgage loans, the security for the Bonds may be impaired.

Flood Insurance. Each Residence which is in a "designated flood hazard area," as that term is defined under the National Flood Insurance Program, must be insured from loss by floods in an amount equal to the maximum insurance available under the National Flood Insurance Program.

Participant's Obligations Regarding Insurance. The servicer of Mortgage Loans is required to use its best efforts to maintain in effect, or to require the mortgagor to maintain, the primary hazard and flood insurance required under the Program on all residences as long as the Bonds are outstanding. In addition, the servicer is obligated to perform its duties in a manner which will preserve all claims against insurers.

Errors and Omissions Insurance; Fidelity Insurance; Theft and Forgery Insurance. The Master Servicer is required to maintain in full force and effect, at its own expense, errors and omissions insurance, fidelity insurance (or a direct surety bond) and theft and forgery insurance on those of its officers and employees having access to any amounts paid by mortgagors under the Program. The Master Servicer may provide such insurance under any blanket policy or policies which it customarily carries.

Servicemembers Civil Relief Act of 2003

The Servicemembers Civil Relief Act of 2003 (the "SCRA") protects service men and women called to active military duty by suspending enforcement of civil liabilities through foreclosure and providing relief from current obligations. The SCRA revises and replaces the Soldiers' and Sailors' Civil Relief Act of 1940. Except in certain limited circumstances, the SCRA provides that no obligation or liability incurred by a person on active military duty before the member entered active military duty shall bear interest at a rate in excess of 6% per annum during the period of active duty (and in the case of a mortgage obligation, one year thereafter). The benefits of such act constitute a forgiveness of the obligation in excess of 6% per annum, rather than a forbearance of collection. NIFA is unable to determine whether the provisions of the SCRA will affect the willingness of any Participant to originate Mortgage Loans or the willingness of the Servicer to perform its obligations under the Origination Agreement and the Servicing Agreement. NIFA is unable to predict whether the SCRA will have any adverse effect on NIFA's ability to pay debt service on the Bonds or whether the provisions of the SCRA may be modified in the future.

APPENDIX B

NEBRASKA INVESTMENT FINANCE AUTHORITY AUDITED FINANCIAL STATEMENTS AS OF JUNE 30, 2017 AND JUNE 30 2016, AND FOR THE YEARS THEN ENDED

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NEBRASKA INVESTMENT FINANCE AUTHORITY

Financial Statements and Supplemental Data

June 30, 2017 and 2016

(With Independent Auditors' Report Thereon)

NEBRASKA INVESTMENT FINANCE AUTHORITY

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NEBRASKA INVESTMENT FINANCE AUTHORITY

Management's Discussion and Analysis

June 30, 2017 and 2016

This section of the Nebraska Investment Finance Authority's (the Authority) annual financial report presents management's discussion and analysis of the financial position and results of operations at and for the fiscal years ended June 30, 2017 and 2016. This information is being presented to provide additional information regarding the activities of the Authority and to meet the disclosure requirements of the Governmental Accounting Standards Board (GASB).

The Authority is a self-supporting entity and follows enterprise fund accounting. Accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The Authority's financial report consists of two parts – management's discussion and analysis and the basic financial statements. Management's discussion and analysis should be read in conjunction with the basic financial statements. The basic financial statements consist of statements of net position; statements of revenue, expenses, and changes in net position; statements of cash flows; and the notes thereto.

The statements of net position include all of the Authority's assets and liabilities, presented in order of liquidity, along with the deferred outflows of resources and deferred inflows of resources, when applicable. The resulting net position presented in these statements is displayed as restricted by bond resolution and unrestricted. Net position is restricted when its use is subject to external limits such as bond indentures, legal agreements, or statutes. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial assets of the Authority are improving or deteriorating.

All the Authority's current year revenue and expenses are recorded in the statements of revenue, expenses, and changes in net position. These statements measure the activities of the Authority's operations over the past year and present the resulting change in net position, calculated as revenue less expenses.

The final required financial statements are the statements of cash flows. The primary purpose of these statements is to provide information about the Authority's cash receipts and cash payments during the reporting period. These statements report cash receipts, cash payments, and net changes in cash resulting from operating, noncapital financing, and investing activities. The statements provide information regarding the sources and uses of cash and the change in the cash balance during the reporting period.

The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the financial statements. The notes follow the statements of cash flows.

Authority Credit and General Obligation Rating

The unsecured general obligation of the Authority is rated AA by Standard & Poor's Rating Services as of June 30, 2017. This rating takes into account the amount of unrestricted net position maintained by the Authority, as well as certain contingent obligations to which the general obligation of the Authority is pledged. While there is no guarantee that this rating will remain in effect for any period of time, management is committed to maintaining the level of unrestricted net position necessary to maintain an investment grade rating of its general obligation.

On August 5, 2011, Standard & Poor's lowered its long-term sovereign credit rating on the United States of America from 'AAA' to 'AA+' with negative implications. Due to this downgrade and the effect on many of the credit support instruments pledged to the Authority's bond issues, such as Ginnie Mae, Fannie Mae, and Freddie Mac mortgage-backed securities, Fannie Mae and Freddie Mac credit enhancements, government mortgage insurance, and those bonds that have funds invested in short-term instruments guaranteed by the United States of America, on August 8, 2011, Standard & Poor's lowered the long-term credit rating on a large number of the Authority's bonds (substantially all of its single family mortgage revenue bonds) from 'AAA' to 'AA+' and placed the issues on negative outlook. On July 10, 2013, Standard & Poor's affirmed its long-term sovereign credit rating on the United States of America at 'AA+' and revised the outlook from negative to stable and on August 15, 2017 affirmed the rating on the Authority's bonds described above to 'AA+' with a stable outlook.

Financial Analysis

The Authority's overall financial position and results of operations for the current and prior year are summarized below. This information is derived from the basic financial statements (dollars in thousands):

	2017	2016	2015
Assets			
Investments	$ 218,552	235,824	194,301
Loans receivable	1,306,560	1,252,338	1,213,038
Other assets	7,399	7,347	7,644
Total assets	1,532,511	1,495,509	1,414,983
Deferred Outflows of Resources			
Accumulated decrease in fair value of hedging derivatives	5,443	18,959	15,512
Loss on refunding	24,160	26,926	26,269
Total deferred outflows of resources	29,603	45,885	41,781
Liabilities			
Bonds payable	1,068,517	1,044,906	977,407
Interest payable	10,461	9,902	9,536
Other liabilities	50,587	61,580	60,188
Total liabilities	1,129,565	1,116,388	1,047,131
Deferred Inflows of Resources			
Swap up-front payment	25,273	28,061	27,565

(Continued)

		2017	2016	2015
Net Position				
Restricted by bond resolution	$	298,970	286,576	270,057
Unrestricted		108,306	110,369	112,011
Total net position		407,276	396,945	382,068
Total revenue, primarily interest income		50,184	54,275	52,028
Total expenses, primarily interest expense		39,853	39,398	39,846
Change in net position	$	10,331	14,877	12,182

2017 Analysis – Statements of Net Position

From June 30, 2016 to June 30, 2017, total assets increased $37.0 million.

Investments – Decrease of $17.3 million

- Revenue and redemption funds combined decreased by $18.7 million due to a decrease in funds held to be recycled into mortgage-backed securities.
- Operating fund investments decreased by $1.2 million due to a similar increase in the balance of single family mortgage loan pools warehoused in the operating fund.
- Mortgage and debt service reserves increased by $2.6 million in reinvested earnings.

Loans Receivable – Increase of $54.2 million

- New loan purchases were $230.9 million and $234.5 million in fiscal year 2017 and 2016, respectively.
- Loan repayments include regularly scheduled principal and interest payments, as well as prepayments. Loan repayments decreased from $194.7 million in fiscal year 2016 to $175.6 million in fiscal year 2017 due primarily to several large redemptions in 2016 of conduit debt resulting from prepayments of the related mortgages. Additionally, a slowing of other prepayments has occurred as the portfolio has shifted over the last several years to lower interest rates relative to currently available interest rates. Conduit repayments totaled $10.2 million and $42.2 million during fiscal year 2017 and 2016, respectively.

From June 30, 2016 to June 30, 2017, total deferred outflows of resources decreased $16.3 million.

Accumulated Decrease in Fair Value of Hedging Derivatives – Decrease of $13.5 million

- As all of the Authority's derivatives were determined to be effective hedges, the fair value changes associated with the derivatives are deferred in the statements of net position. All of the Authority's derivatives were in liability positions as of June 30, 2017 and 2016, reflecting the Authority's future obligations with respect to the derivative contracts. The fair value of derivatives, which is dependent on the current interest rate environment, is provided by an independent source.

(Continued)

Loss on Refunding – Decrease of $2.8 million

- The Authority completed a refunding during fiscal year 2017, which, due solely to the mark-to-market of the derivatives transferred from the refunded to the refunding issues, resulted in total deferred loss on refunding of $1.4 million. This deferred loss on refunding (deferred outflows of resources) was offset by an equal amount of deferred swap upfront payment later described under the "deferred inflows of resources" section.
- Amortization of deferred loss on refunding was $4.2 million during fiscal year 2017.

From June 30, 2016 to June 30, 2017, total liabilities increased $13.2 million.

Bonds Payable – Increase of $23.6 million

- The Authority issued $133.6 million in single family program revenue bonds in fiscal year 2017 and recognized bond premium/discount amortization of $3.9 million.
- In the Authority's single family and housing general obligation programs, total bond maturities and mandatory redemptions in fiscal year 2017 were $120.3 million.
- Conduit debt issuance of $24.4 million was offset by maturities and retirements of $10.2 million.
- Bond activity is summarized in the long-term debt activity section below.

Other Liabilities – Mortgage Subsidy Reserve – Increase of $1.1 million

- The Authority utilizes costs savings achieved from the use of various financing techniques that lower bond costs to subsidize mortgage loans with interest rates below market. Savings realized in fiscal year 2017 of $4.0 million was offset by savings used of $2.9 million.

From June 30, 2016 to June 30, 2017, total deferred inflows of resources decreased $2.8 million.

- In connection with a refunding of variable rate debt during fiscal year 2017, a portion of an interest rate swap agreement was deemed terminated and re-associated with the new series of refunding bonds, resulting in the deemed recognition of a swap up-front payment of $1.4 million. This swap up-front payment (deferred inflows of resources) was offset by an equal amount of deferred loss on refunding as described previously under the deferred outflows of resources section.
- Amortization of swap up-front payment was $4.2 million during fiscal year 2017.

From June 30, 2016 to June 30, 2017, total net position increased $10.3 million.

- The Authority's revenue less expenses for fiscal year 2017 resulted in an increase in total net position of $10.3 million.

2017 Analysis – Statements of Revenue, Expenses, and Changes in Net Position

The Authority's change in net position for the year ended June 30, 2017 was $10.3 million, a decrease of $4.5 million from the year ended June 30, 2016.

Operating Revenue – Decrease of $4.1 million

- Mortgage loan interest decreased a total of $5.2 million as the result of:

- $0.3 million decrease related to decreasing interest rates in the Authority's single family mortgage loan portfolio, plus
- $3.0 million decrease resulting from an increase to the mortgage subsidy reserve, plus
- $0.4 million decrease due to additional premiums paid on single family loans acquired in 2017 (net premiums paid directly reduce current income), plus
- $0.5 million decrease related to recording a forgiveness reserve on certain second mortgages in the Authority's single family mortgage loan portfolio that are forgivable in accordance with their terms, and
- $1.0 million decrease in interest earned on conduit mortgages.

- Revenue related to the Authority's investments increased $0.8 million due primarily to:
  - Growth in the balances of certain reserves held under the Authority's Single Family 1994 Indenture, and
  - The purchase of U.S. Treasury and Agency discount notes at significantly larger discounts in fiscal year 2017 compared to 2016, resulting in larger fair value changes.

Operating Expenses – Increase of $0.5 million

- Interest expense increased a net $0.2 million as a result of:
  - $2.2 million increase related to growth of the Authority's single family bond portfolio, offset by
  - $1.0 million decrease in up front bond issuance costs paid in 2017, and
  - $1.0 million decrease in interest paid on conduit debt.
- General and administrative expenses increased due to increases in professional fees primarily related to litigation and new state legislation.

2016 Analysis – Statements of Net Position

From June 30, 2015 to June 30, 2016, total assets increased $80.5 million.

Investments – Increase of $41.5 million

- Revenue and redemption funds combined increased by $19.0 million due to an increase in funds held to be recycled into mortgage-backed securities.
- Operating fund investments increased by $20.0 million due to a similar decrease in the balance of single family mortgage loan pools warehoused in the operating fund.
- Mortgage and debt service reserves increased by $2.5 million in reinvested earnings.

Loans Receivable – Increase of $39.3 million

- New loan purchases were $234.5 million in both fiscal year 2016 and 2015.

- Loan repayments include regularly scheduled principal and interest payments plus prepayments. Loan repayments increased from $168.6 million in fiscal year 2015 to $194.7 million in fiscal year 2016 due primarily to several large redemptions of conduit debt resulting from prepayments of the related mortgages and a slowing of other prepayments as the portfolio has shifted over the last several years to lower interest rates relative to currently available interest rates. Conduit repayments totaled $42.2 million during fiscal year 2016.

From June 30, 2015 to June 30, 2016, total deferred outflows of resources increased $4.1 million.

Accumulated Decrease in Fair Value of Hedging Derivatives – Increase of $3.4 million

- As all of the Authority's derivatives were determined to be effective hedges, the fair value changes associated with the derivatives are deferred in the statements of net position. All of the Authority's derivatives were in liability positions as of June 30, 2016 and 2015, reflecting the Authority's future obligations with respect to the derivative contracts. The fair value of derivatives, which is dependent on the current interest rate environment, is provided by an independent source.

Loss on Refunding – Increase of $0.7 million

- The Authority completed two refundings during fiscal year 2016, which, due solely to the mark-to-market of the derivatives transferred from the refunded to the refunding issues, resulted in total deferred losses on refundings of $4.4 million. These deferred losses on refundings (deferred outflows of resources) were offset by an equal amount of deferred swap upfront payments later described under the "deferred inflows of resources" section.
- Amortization of deferred loss on refunding was $3.7 million during fiscal year 2016.

From June 30, 2015 to June 30, 2016, total liabilities increased $69.3 million.

Bonds Payable – Increase of $67.5 million

- The Authority issued $250.7 million in single family program revenue bonds in fiscal year 2016 and recognized bond premium/discount amortization of $3.7 million.
- In the Authority's single family and housing general obligation programs, total bond maturities and mandatory redemptions in fiscal year 2016 were $145.4 million.
- Conduit debt issuance of $8.1 million was offset by maturities and retirements of $42.2 million.
- Bond activity is summarized in the long-term debt activity section below.

Other Liabilities – Mortgage Subsidy Reserve – Decrease of $1.9 million

- The Authority utilizes costs savings achieved from the use of various financing techniques that lower bond costs to subsidize mortgage loans with interest rates below market. Savings realized in fiscal year 2016 of $2.1 million was offset by savings used of $4.0 million.

From June 30, 2015 to June 30, 2016, total deferred inflows of resources increased $0.5 million.

- In connection with two refundings of variable rate debt during fiscal year 2016, an interest rate swap agreement was deemed terminated and reassociated with the two new series of refunding bonds, resulting in the deemed recognition of swap up-front payments totaling $4.4 million. These swap up-front payments (deferred inflows of resources) were offset by an equal amount of deferred losses on refundings as described previously under the deferred outflows of resources section.
- Amortization of swap up-front payment was $3.9 million during fiscal year 2016.

From June 30, 2015 to June 30, 2016, total net position increased $14.9 million.

- The Authority's revenue less expenses for fiscal year 2016 resulted in an increase in total net position of $14.9 million.

2016 Analysis – Statements of Revenue, Expenses, and Changes in Net Position

The Authority's change in net position for the year ended June 30, 2016 was $14.9 million, an increase of $2.7 million from the year ended June 30, 2015.

Operating Revenue – Increase of $2.2 million

- Mortgage loan interest increased a total of $2.6 million as the result of:
  - $2.7 million increase related to growth in the Authority's single family mortgage loan portfolio,
  - $1.4 million increase due to a lower net purchase price paid on an equivalent volume of single family loans acquired in 2016 (net premiums paid directly reduce current income), offset by
  - $1.5 million decrease in interest earned on conduit mortgages.

Operating Expenses – Decrease of $0.4 million

- Interest expense decreased a total of $0.7 million due to:
  - $0.8 million increase related to growth in the Authority's single family bond portfolio, offset by
  - $1.5 million decrease in interest paid on conduit debt.
- General and administrative expenses increased $0.3 million overall, primarily due to an increase in legal fees related to pending litigation.

Long-Term Debt Activity

During fiscal years 2017 and 2016, the Authority issued bonds in the following amounts (dollars in thousands):

		2017	2016
Single family program revenue bonds	$	133,606	250,659
Multifamily finance program revenue bonds		3,253	60
Agriculture finance program revenue bonds		1,241	3,465
Development finance program revenue bonds		19,934	4,625
Total bond issuance	$	158,034	258,809

Principal payments on bonds totaled $130.5 million and $187.6 million in fiscal years 2017 and 2016, respectively. Amortization of bond premium was $(3.9 million) and $(3.7 million) in fiscal years 2017 and 2016, respectively. Detailed information about the Authority's bonds payable is presented in note 6 to the financial statements.

Contact Information

This financial report is intended to provide users with a general overview of the Authority's financial performance for fiscal years ended June 30, 2017 and 2016. If you have questions about this report or need additional financial information, please contact the Authority's Treasurer at Nebraska Investment Finance Authority, 1230 O Street, Suite 200, Lincoln, Nebraska 68508, or visit the Authority's website at www.nifa.org and navigate to the Bond Investor Section.

KPMG LLP
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1212 N. 96th Street
Omaha, NE 68114-2274

Suite 1120
1248 O Street
Lincoln, NE 68508-1493

Independent Auditors' Report

The Board of Directors
Nebraska Investment Finance Authority:

We have audited the accompanying statements of net position of the Nebraska Investment Finance Authority (the Authority) as of June 30, 2017 and 2016, and the related statements of changes in revenue, expenses, and net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

As more fully described in note 2(e) to the financial statements, the Authority has reported investments in securitized mortgage loans at amortized cost. In addition, as more fully described in note 2(i) to the financial statements, the Authority does not report commitments to purchase securitized mortgage loans at fair value. In our opinion, U.S. generally accepted accounting principles require that securitized mortgage loans and loan commitments be reported at fair value.

KPMG LLP is a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Qualified Opinion

In our opinion, except for the effects of reporting investments in securitized mortgage loans at amortized cost rather than fair value and not reporting commitments to buy securitized mortgage loans at fair value, as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Nebraska Investment Finance Authority as of June 30, 2017 and 2016, and the changes in its financial position and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 1 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules 1 through 6 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedules 1 through 6 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional information in supplemental schedules 1 through 6 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2017 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

KPMG LLP

Lincoln, Nebraska
December 13, 2017

NEBRASKA INVESTMENT FINANCE AUTHORITY

Statements of Net Position

June 30, 2017 and 2016

(Dollars in thousands)

Assets	2017	2016
Current assets:		
Cash	$ 366	142
Investments	83,827	85,868
Loans receivable	196	189
Interest receivable	75	64
Other current assets	700	963
Restricted assets:		
Cash	—	3
Investments	31,582	32,499
Loans receivable	34,518	29,239
Interest receivable	5,911	5,774
Total current assets	157,175	154,741
Noncurrent assets:		
Long-term investments	12,804	12,019
Loans receivable	12,394	11,769
Restricted assets:		
Investments	90,339	105,438
Loans receivable	1,259,452	1,211,141
Other assets	347	401
Total noncurrent assets	1,375,336	1,340,768
Total assets	1,532,511	1,495,509
Deferred Outflows of Resources		
Accumulated decrease in fair value of hedging derivatives	5,443	18,959
Loss on refunding	24,160	26,926
Total deferred outflows of resources	29,603	45,885
Liabilities		
Current liabilities:		
Accrued liabilities	2,304	938
Interest payable	10,461	9,902
Current portion of bonds payable	27,076	27,226
Total current liabilities	39,841	38,066
Noncurrent liabilities:		
Fair value of derivatives	5,443	18,959
Bonds payable, net of current portion	1,041,441	1,017,680
Mortgage subsidy reserve	42,840	41,683
Total noncurrent liabilities	1,089,724	1,078,322
Total liabilities	1,129,565	1,116,388
Deferred Inflows of Resources		
Swap up-front payment	25,273	28,061
Net Position		
Restricted by bond resolution	298,970	286,576
Unrestricted	108,306	110,369
Total net position	$ 407,276	396,945

See accompanying notes to financial statements.

NEBRASKA INVESTMENT FINANCE AUTHORITY

Statements of Revenue, Expenses, and Changes in Net Position

Years ended June 30, 2017 and 2016

(Dollars in thousands)

	2017	2016
Operating revenue:		
Interest income:		
Loans	$ 41,981	47,228
Investments	5,461	5,026
Net increase in fair value of investments	518	186
Fees and other income	2,224	1,835
Total operating revenue	50,184	54,275
Operating expenses:		
Interest	31,406	31,204
General and administrative expenses	8,447	8,194
Total operating expenses	39,853	39,398
Change in net position	10,331	14,877
Net position, beginning of year	396,945	382,068
Net position, end of year	$ 407,276	396,945

See accompanying notes to financial statements.

NEBRASKA INVESTMENT FINANCE AUTHORITY

Statements of Cash Flows

Years ended June 30, 2017 and 2016

(Dollars in thousands)

		2017	2016
Cash flows from operating activities:			
Purchase of loans	$	(230,869)	(234,548)
Principal repayments received on loans		175,646	194,703
Interest received on loans		44,184	46,415
Fees and program income received		2,895	2,154
General and administrative costs paid		(7,734)	(8,431)
Net cash (used in) provided by operating activities		(15,878)	293
Cash flows from noncapital financing activities:			
Proceeds from sale of bonds		158,034	258,809
Repayment of bonds		(130,513)	(187,563)
Debt issuance costs paid		(1,033)	(2,022)
Interest paid		(33,746)	(32,724)
Net cash (used in) provided by noncapital financing activities		(7,258)	36,500
Cash flows from investing activities:			
Interest received on investments		5,285	5,106
Proceeds from sales, maturities, and calls of investments		643,864	478,130
Purchase of investments		(625,792)	(520,046)
Net cash provided by (used in) investing activities		23,357	(36,810)
Net increase (decrease) in cash		221	(17)
Cash, beginning of year		145	162
Cash, end of year	$	366	145
Reconciliation of operating income to net cash (used in) provided by operating activities:			
Operating income	$	10,331	14,877
Adjustments to reconcile operating income to net cash (used in) provided by operating activities:			
Purchase of loans		(230,869)	(234,548)
Principal repayments received on loans		175,646	194,703
Interest received on investments		(5,285)	(5,106)
Interest expense		31,406	31,204
Increase in fair value of investments		(518)	(186)
Amortization and other income, net		1,018	533
(Increase) decrease in interest receivable		(148)	600
Decrease in prepaid expenses		18	271
Increase (decrease) in other liabilities		2,523	(2,055)
Net cash (used in) provided by operating activities	$	(15,878)	293

See accompanying notes to financial statements.

(1) Authorizing Legislation and Organizational Structure

Nebraska Investment Finance Authority (the Authority) was created as a quasi-governmental entity on August 26, 1983 by an Act (the Act) of the Nebraska Legislature. The Authority was established to provide sources of mortgage financing at reduced interest rates to Nebraska residents of low- and moderate-income levels, agricultural financing at reduced interest rates to Nebraska farmers and other agricultural enterprises, and other financing at reduced interest rates to Nebraska business enterprises. The Authority is authorized to invest in loans made for the construction, rehabilitation, or purchase of residential housing and certain enterprises. The Authority has been designated as the allocating agency for the Federal Low Income Housing Tax Credit Program (the LIHTC Program). The LIHTC Program was established to encourage investment in the construction and rehabilitation of rental housing units for low- and moderate-income individuals and families. The Authority has no taxing power and is exempt from federal and state income taxes. The Authority is authorized to issue tax-exempt revenue bonds and other obligations, the proceeds of which are to be utilized to fulfill the aforementioned purposes. Amounts so issued will not be deemed to constitute a debt of the State of Nebraska or any political subdivision thereof. Any assets remaining upon dissolution of the Authority will be transferred to the State of Nebraska.

The following describes the divisions established by the Authority, all of which conform to the Act and bond and note resolutions/indentures:

(a) Operating Division

This account was established in accordance with the Act to account for the operating expenses of the Authority.

(b) Housing Finance Division

Single Family – These accounts were established under resolutions adopted for each series of Single Family Mortgage Revenue Bonds to account for the proceeds of the bonds and the related purchase of mortgage loans for eligible persons with low- and moderate-income levels on owner-occupied property.

Housing General Obligation – These accounts were established under resolutions adopted to account for the sale of bonds, which are general obligations of the Authority, to fund loans to complement and assist its single family and multifamily programs.

Multifamily – These accounts were established under resolutions adopted to account for the proceeds of construction loan notes and bonds and the related construction and permanent financing of eligible multifamily rental housing developments.

(c) Agricultural Finance Division

These accounts were established under resolutions adopted to account for the proceeds of Agricultural Revenue Bonds and the related financing of eligible agricultural borrowers.

(d) Development Finance Division

Healthcare – These accounts were established under resolutions adopted to account for the proceeds of Healthcare Revenue Bonds and the related purchase of loans made to eligible healthcare institutions to finance, refinance, or reimburse the cost of depreciable assets.

Industrial Development – These accounts were established under resolutions adopted to account for the proceeds of Industrial Development Revenue Bonds and the related purchase of industrial development loans for eligible projects.

(2) Significant Accounting Policies

The following is a summary of the significant accounting and financial reporting policies followed in the preparation of these financial statements:

(a) Basis of Presentation and Accounting

The financial activities of the Authority are recorded in accounts established under various bond indentures (program accounts) and in an operating account established for the administration of the Authority's programs. The Authority's program and operating accounts have been presented on a combined basis, as the Authority is considered a single-enterprise fund for financial reporting purposes. All revenue and expenses are considered operating, as they relate directly to the purpose of the Authority.

The Authority's financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in conformity with U.S. generally accepted accounting principles, except for investment in securitized mortgage loans and commitments to buy securitized mortgage loans, as discussed below. The Authority applies all Governmental Accounting Standards Board (GASB) pronouncements.

(b) Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates include the rebate liability, mortgage subsidy reserve, loan forgiveness allowance, derivatives, and the loans receivable allowance.

(c) Investments

Investments are carried at fair value based upon established quoted market prices. Changes in the fair value of investments are reported as increases (decreases) in operating revenue in the statements of revenue, expenses, and changes in net position. Guaranteed investment contracts are nonparticipating and, therefore, recorded at cost.

(d) Loans Receivable

Loans receivable consist of single family mortgages as well as single family Ginnie Mae I, Fannie Mae, and Freddie Mac mortgage-backed pass-through certificates (securitized mortgage loans) backed by pools of single family mortgage loans originated pursuant to the Authority's Single Family Program. The Authority has a 100% beneficial interest in the loans underlying the securitized mortgage loans. Loans receivable also consists of multifamily construction loans, mortgages on completed multifamily projects, and agricultural, manufacturing, industrial, commercial, and healthcare industry loans. Loans receivable are carried at the unpaid principal balance.

(e) Securitized Mortgage Loans

The Authority reports securitized mortgage loans at amortized cost. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that investments in debt securities, including securitized loans, be reported at fair value. Based on values obtained from an independent pricing source, the estimated fair value of the Authority's securitized mortgage loans is $1,203.8 million and $1,207.8 million, respectively, compared to amortized cost of $1,180.2 million and $1,139.8 million at June 30, 2017 and 2016, respectively. GASB Statement No. 31 also requires that the change in fair value be reported in operating revenue and change in net position. Accordingly, the Authority should have reported in its statements of revenue, expenses, and changes in net position the increase (decrease) in unrealized gains of ($44.4 million) and $20.0 million for the years ended June 30, 2017 and 2016, respectively, increasing (decreasing) operating revenue and change in net position by those amounts. Net position should have been increased by the cumulative unrealized gains on the securitized mortgage loans of $23.6 million and $68.0 million at June 30, 2017 and 2016, respectively.

Additionally, interest earned on securitized mortgage loans totaling $39.6 million and $42.3 million at June 30, 2017 and 2016, respectively, has been classified as interest income from loans rather than investments in the statements of revenue, expenses, and changes in net position. Principal and interest payments received on securitized loans of approximately $163.6 million and $41.2 million, respectively, in 2017, and $177.2 million and $42.3 million, respectively, in 2016, have been included in cash flows provided by operating activities rather than cash flows used in investing activities in the statements of cash flows.

(f) Debt Financing Costs and Fee Income

Debt financing costs and fees collected from financial institutions in exchange for mortgage loan servicing rights are expensed as incurred or recognized as income when received, in accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

(g) Provision for Loan Losses

A provision for loan losses is recorded in expenses when, in management's opinion, the realization of all or a portion of the loans is not probable and the Authority does not have insurance or guarantees on its loans. As described in note 5, the Authority's single family mortgage loans are primarily in the form of mortgage-backed pass-through certificates. While management uses available information to recognize losses, future additions to the allowance may be necessary based on changes in economic conditions.

(h) Debt Refunding

Gains or losses from debt refundings are deferred and amortized over the shorter of the remaining life of the prior bonds or the estimated life of the refunding bonds, using the effective-interest method.

(i) Derivative Instruments

Derivative instruments, as defined in GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53), are measured on the statements of net position at fair value, except as noted below. Changes in fair value for those derivative instruments that meet the criteria for hedging instruments under GASB 53 are reported as deferred inflows and outflows. The Authority uses derivative financial instruments, in the form of interest rate swap agreements (swap agreements), to manage and reduce exposure to adverse fluctuations in interest rates and to lower the overall cost of financing. These derivatives may involve elements of credit and market risk in excess of amounts recognized in the financial statements in the event of nonperformance by the counterparties to the interest rate derivative transactions. The Authority monitors the credit quality of the counterparties.

Additionally, the Authority commits to purchase mortgage-backed pass-through certificates (securitized mortgage loans) backed by pools of single family mortgage loans originated pursuant to the Authority's Single Family Program. As of June 30, 2017 and 2016, the Authority had committed to purchase additional single family mortgage loans totaling $62.5 million and $78.3 million, respectively. The commitments represent amounts reserved with the Authority by participating lenders for loans that have not been delivered to the trustee for purchase by the Authority. Under GASB 53, a commitment to purchase mortgage-backed securities is a derivative instrument and should be reported at fair value. The Authority does not record commitments to purchase mortgage-backed securities in its financial statements. The Authority should have reported the fair value of its commitments as assets (liabilities) of $1.1 million and $2.4 million at June 30, 2017 and 2016, respectively, in its statements of net position. As the commitments are considered investment derivative instruments, the fair value and changes in fair value should be reported as other income (loss) as of June 30, 2017 and 2016, respectively, in its statements of revenue, expenses, and changes in net position.

(j) Arbitrage

Earnings on certain loans and investments are subject to the arbitrage requirements of the Internal Revenue Code (IRC). Estimated excess earnings on investments that may be related to the U.S. Treasury Department are recorded in accrued liabilities. Estimated excess earnings on loans that must be used through other qualified Authority loan programs or paid to the U.S. Treasury Department are recorded in the Mortgage Subsidy Reserve.

Arbitrage rebate amounts that are the result of investment yields are recorded as a reduction of interest income. Arbitrage rebate amounts that result from gains on sales of investment securities are recorded as a reduction to the net increase (decrease) in the fair value of investments. Changes in Mortgage Subsidy Reserve resulting from changes to loan interest spreads are recorded as increase (decrease) in interest income on loans.

(k) Income Taxes

Income of the Authority, which was formed under Nebraska Revised Statute Section 58-226 as a body politic and independent instrumentality, is excludable from gross income under Section 115(1) of the IRC because such income is generated by the performance of essential governmental functions. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

(l) Reclassifications

Certain reclassifications have been made to June 30, 2016 reported amounts in the statements of cash flows in order to conform to June 30, 2017 presentation. These reclassifications had no effect on the operating, noncapital financing, or investing category totals, and no effect on the net increase (decrease) in cash.

(3) Asset Restrictions

All assets within program accounts are restricted to the payment of principal, interest, sinking fund installments, and other purposes in accordance with the terms of each respective bond and note resolution. The financial statements contain the total of all program and operating accounts. However, since the assets of each program account are restricted by the related resolutions, the totaling of the accounts, including assets therein, is for convenience only and does not indicate that the total assets are available in any manner other than that provided for in the resolutions of the separate accounts.

(4) Cash and Investments

(a) Cash

The Authority had cash deposits with a carrying value of $366,000 and $145,000 as of June 30, 2017 and 2016, respectively, and a bank balance of $511,000 and $431,000 as of June 30, 2017 and 2016, respectively. None of the deposits were uninsured and uncollateralized.

(b) Investments

Investments are reported in the statements of net position as follows (dollars in thousands):

		2017	2016
Investments	$	83,827	85,868
Restricted investments (current)		31,582	32,499
Long-term investments		12,804	12,019
Restricted investments (noncurrent)		90,339	105,438
	$	218,552	235,824

The net change in fair value of investments was an increase of $518,000 and $186,000 for the years ended June 30, 2017 and 2016, respectively. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year. At June 30, 2017 and 2016, the Authority had net unrealized gains (losses) of approximately ($70,000) and $22,000, respectively, in its investment portfolio.

The investment of funds is restricted by the Act and the various bond indentures of the Authority. Funds not needed for immediate disbursement (other than funds invested pursuant to the terms of specific bond indentures) are required by the Act to be invested in direct and general obligations of, or obligations guaranteed by, the United States of America, obligations issued by certain agencies of the federal government, obligations issued by the State of Nebraska, or certain obligations or securities that may from time to time be legally purchased by governmental subdivisions of Nebraska.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2017 and 2016, the Authority had the following investments and maturities (dollars in thousands):

	2017				
		Investment maturities (in years)			
Investment type	Carrying value	Less than 1	1–5	6–10	More than 10
U.S. Treasury securities	$ 54,101	54,101	—	—	—
U.S. government agency securities	66,914	66,914	—	—	—
Collateralized repurchase agreements	148	148	—	—	—
Guaranteed investment contracts	87,102	—	—	40,578	46,524
Money market mutual funds	10,287	10,287	—	—	—
	$ 218,552	131,450	—	40,578	46,524

	2016				
		Investment maturities (in years)			
Investment type	Carrying value	Less than 1	1–5	6–10	More than 10
U.S. Treasury securities	$ 47,547	47,547	—	—	—
U.S. government agency securities	87,103	81,810	5,293	—	—
Collateralized repurchase agreements	130	130	—	—	—
Guaranteed investment contracts	78,894	—	—	26,169	52,725
Money market mutual funds	22,150	22,150	—	—	—
	$ 235,824	151,637	5,293	26,169	52,725

Credit Risk: Investment of funds within each bond issue is limited to investments specified in the applicable indentures to meet the requirements of the rating agency providing the rating on the issue. The Authority's investments in short-term U.S. government agencies and money market mutual funds are rated in the highest short-term rating category by Standard & Poor's (S&P) and Moody's Investors Service (Moody's) as of June 30, 2017. The Authority's investment in long-term U.S. government agencies is rated AA+ by S&P and Aaa by Moody's. Repurchase agreements and guaranteed investment contracts are with counterparties whose credit ratings or structures do not adversely affect the rating, if any, on the corresponding bonds. Guaranteed investment contract counterparties (or the guarantor, as applicable) are rated AA+ by S&P and A1 by Moody's.

(Continued)

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority is exposed to custodial credit risk on its repurchase agreements of $148,000 and $130,000 at June 30, 2017 and 2016, respectively, as the collateral is held by the counterparties, but not in the Authority's name.

Concentration of Credit Risk: The Authority places no limit on the amount it may invest in any one issuer. As of June 30, 2017 and 2016, the Authority had greater than 5% of its investment balance with the following issuers:

	Percentage	
Issuer	**2017**	**2016**
G.E. Funding Capital Market Securities, Inc.	34.6 %	29.0 %
Federal Home Loan Bank	20.2	18.0
Fannie Mae	—	11.7
Freddie Mac	10.4	6.5
Wells Fargo	4.8	9.4

Investments Valued at Fair Value: GASB Statement No. 72 provides a framework for fair value that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described as follows:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that the Authority can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. These might include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (such as interest rates, volatilities, prepayment speeds, credit risks, etc.); or inputs that are derived principally from or corroborated by market data by correlation or other means.

Level 3 – Unobservable inputs for assets or liabilities that reflect the Authority's own assumptions about the assumptions that market participants would use.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Authority has the following recurring fair value measurements as of June 30, 2017 and 2016:

	June 30, 2017			
	Fair value measurement using			
Investments by fair value level	Total fair value	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Debt securities:				
U.S. Treasury securities	$ 54,101	54,101	—	—
U.S. government agency securities	66,914	—	66,914	—
Collateralized repurchase agreements	148	148	—	—
Money market mutual funds	10,287	10,287	—	—
Total investments by fair value level	$ 131,450	64,536	66,914	—

	June 30, 2016			
	Fair value measurement using			
Investments by fair value level	Total fair value	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Debt securities:				
U.S. Treasury securities	$ 47,547	47,547	—	—
U.S. government agency securities	87,103	—	87,103	—
Collateralized repurchase agreements	130	130	—	—
Money market mutual funds	22,150	22,150	—	—
Total investments by fair value level	$ 156,930	69,827	87,103	—

The following is a description of the valuation methodologies used for assets measured at fair value:

- Debt securities (Level 1) are valued using prices quoted in active markets.
- Debt securities (Level 2) are valued using matrix pricing.
- Collateralized repurchase agreements are valued at the daily closing price.
- Money market mutual funds are valued at the daily closing price as reported by the fund.

(Continued)

Securitized mortgage loans are reported at amortized cost in the statement of net position; however, the fair value of the Authority's securitized mortgage loans is disclosed in note 2(e). Fair value is determined by using quoted prices for similar assets in active markets. In the fair value hierarchy, securitized mortgage loans are valued using Level 2 inputs.

(5) Loans Receivable

Single Family

Single family Ginnie Mae I, Fannie Mae, and Freddie Mac mortgage-backed pass-through certificates (securitized mortgage loans), which comprise 98.4% of the total single family loan portfolio, are backed by the guarantee of Ginnie Mae, Fannie Mae, or Freddie Mac, respectively, of monthly payments on the underlying pool of single family mortgage loans, which were originated pursuant to the Authority's Single Family Program. Since Ginnie Mae is a wholly owned corporate instrumentality of the United States, the full faith and credit of the United States is pledged to the payment of all amounts due under such guarantee. The obligations of Fannie Mae and Freddie Mac are obligations solely of Fannie Mae and Freddie Mac, respectively, and are not backed by, nor entitled to, the faith and credit of the United States. If Fannie Mae or Freddie Mac were unable to satisfy such obligations, distributions to the Authority would consist solely of payments and other recoveries on the underlying mortgage loans, and accordingly, monthly distributions to the Authority from Fannie Mae and Freddie Mac would be affected by delinquent payments and defaults on such mortgage loans. In accordance with the Federal Housing and Economic Recovery Act of 2008, the Federal Housing Finance Agency was named as conservator of both Fannie Mae and Freddie Mac.

The single family whole loan mortgage program requires that all mortgage loans, except for second lien mortgage loans originated under the Homebuyer Assistance Program (the HBA Program) and loans purchased from Habitat for Humanity of Omaha, Inc. (Habitat) (described below), upon which the loan-to-value ratio is greater than specified percentages be (a) insured by Federal Housing Administration (FHA); (b) guaranteed by Veterans Affairs (VA); (c) guaranteed by the successor entity to the Farmers Home Administration, Rural Development, acting through the United States Department of Agriculture (the USDA/RD); or (d) insured by an approved private mortgage insurer under a policy that provides coverage on the outstanding principal balance of the mortgage loan in excess of specified percentages of the original fair market value of the property. Whole loans comprise 1.6% of the total single family loan portfolio.

The Authority uses various financing techniques to lower bond costs and utilizes these cost savings to subsidize mortgage loans with interest rates below market. The Mortgage Subsidy Reserve of $42.8 million and $41.7 million at June 30, 2017 and 2016, respectively, is net of the amount passed through to borrowers in the form of lower mortgage interest rates.

The following table reconciles the mortgage subsidy reserve for the years ended June 30, 2017 and 2016 (dollars in thousands):

		2017	2016
Balance, beginning of year	$	41,683	43,549
Savings realized		4,041	2,088
Savings used		(2,884)	(3,954)
Balance, end of year	$	42,840	41,683

The savings used, as presented in the above table, represents the amount of interest subsidy consumed by subsidized mortgage loans during each year. Based upon the current mix of mortgage interest rates and the current makeup of the related debt structure, it is estimated that approximately 78%, on a present value basis, of the subsidy reserve balance will be used in future years without the purchase of any additional subsidized mortgage loans.

In connection with its Single Family Mortgage Program, the Authority offers the HBA Program whereby a qualified borrower can receive down payment and closing cost assistance from the Authority in the form of a second lien mortgage loan. A portion of the second mortgages outstanding bear no interest and are forgivable over a period of 11 years. Such mortgages are being amortized over the life of the related first mortgage. The remainder of the second mortgages outstanding bear interest and are repayable in equal monthly installments over the life of the second mortgage, ranging from 7 to 10 years and certain loans are forgivable after year 5 under certain circumstances. In each case, these loans are secured solely by a second lien on the respective properties. Included in loans receivable at June 30, 2017 and 2016 are HBA Program second mortgage balances totaling $10.5 million and $10.0 million, respectively.

In connection with its Single Family Mortgage Program, the Authority purchases loans from Habitat with full recourse. These loans are both first mortgages, the proceeds of which were used to purchase homes, and second mortgages, the proceeds of which funded certain repairs and betterments to homes. These loans do not charge interest. Habitat agrees to repurchase defaulted loans. Included in loans receivable at June 30, 2017 and 2016 are Habitat loan balances totaling $5.8 million and $6.0 million, respectively.

Multifamily, Agricultural, and Development

Multifamily, Agricultural, and Development Finance loans have been assigned to applicable bondholders as collateral for the related bonds. As of June 30, 2017 and 2016, the Authority had committed $9.2 million and $12.0 million, respectively, to approved but unissued bonds for agricultural, healthcare, and development loans.

(Continued)

(6) Bonds Payable

All general obligations of the Authority are payable from the revenue and assets of the Authority, subject to the provisions of individual resolutions adopted pledging particular revenue or assets to specific notes or bonds. All special or limited obligations of the Authority are payable solely from the revenue and assets of the related accounts pledged therefore. Bond series marked with an asterisk (*) have been issued pursuant to the Authority's 1994 Open Indenture and are equally and ratably secured by all assets held under such indenture. Provisions of the IRC limit, on an aggregate basis, the amount of tax-exempt bonds the Authority and political subdivisions of the State of Nebraska may issue.

At June 30, 2017 and 2016, bonds outstanding (net of unamortized discount or premium where applicable) are as follows (dollars in thousands):

Description and maturity	Principal outstanding 2017	Principal outstanding 2016	Interest terms
Single family mortgage revenue bonds:			
* 2010 Series ABC:			
A (fixed rate), due 2020	$ 2,300	6,323	5.00%, payable semiannually
B (variable rate), due 2017–2038	180,240	214,905	Var. rate demand, payable semiannually
* 2013 Series AB, due 2017–2043	60,445	71,355	1.55%–3.60%, payable semiannually
* 2013 Series CD, due 2017–2043	55,425	67,469	2.15%–4.50%, payable semiannually
* 2013 Series EF:			
E (fixed rate), due 2016–20437	29,669	39,744	1.55%–3.65%, payable semiannually
F (variable rate), due 2017–2038	31,245	32,045	Var. rate demand, payable semiannually
* 2014 Series AB:			
A (fixed rate), due 2017–2044	43,278	53,688	0.85%–4.00%, payable semiannually
B (variable rate), due 2017–2038	32,990	33,825	Var. rate demand, payable semiannually
* 2015 Series AB:			
A (fixed rate), due 2017–2045	58,552	63,723	0.80%–3.85%, payable semiannually
B (variable rate), due 2017–2038	33,350	34,195	Var. rate demand, payable semiannually
* 2015 Series CD:			
C (fixed rate), due 2017–2045	83,382	90,055	0.90%–3.90%, payable semiannually
D (variable rate), due 2017–2032	32,975	34,345	Var. rate demand, payable semiannually
* 2016 Series AB:			
A (fixed rate), due 2017–2046	88,222	92,830	0.75%–3.50%, payable semiannually
B (variable rate), due 2017–2032	28,800	30,000	Var. rate demand, payable semiannually
* 2016 Series CD:			
C (fixed rate), due 2018–2046	103,385	—	0.90%–3.50%, payable semiannually
D (variable rate), due 2017–2032	28,395	—	Var. rate demand, payable semiannually
2011 Series 1, due 2040–2041	16,445	19,961	2.975%–3.975%, payable monthly
2011 Series A, due 2016–2041	51,925	65,005	2.40%–4.20%, payable semiannually
Total single family mortgage revenue bonds	961,023	949,468	

(Continued)

Description and maturity	Principal outstanding 2017	2016	Interest terms
General obligation housing bonds:			
2006 Series G.O. 20, due 2016	$ —	700	Matured September 2016
2006 Series G.O. 21, due 2016	—	700	Matured September 2016
2006 Series G.O. 22, due 2016	—	700	Matured September 2016
2000 Series G.O. CD, due 2033	1,349	1,398	6.30%, payable monthly
Total general obligation	1,349	3,498	
Conduit obligations:			
Multifamily finance revenue bonds:			
Varying maturities through 2042	64,529	67,385	1.00%–6.75%
Agriculture finance revenue bonds:			
Varying maturities through 2046	17,089	17,310	1.65%–6.70%
Development finance revenue bonds:			
Varying maturities through 2025	24,527	7,245	2.05%–6.04%
Total conduit obligations	106,145	91,940	
Total bonds payable	$ 1,068,517	1,044,906	

Redemption Provisions: The Single Family Mortgage Revenue Bonds are subject to certain early redemption provisions, both mandatory and at the option of the Authority. The Authority redeems debt pursuant to the provisions of the related agreements that permit excess revenue and mortgage loan prepayments to be used to retire the obligations at par. Optional redemptions are allowed at various dates at par.

Variable Rate Interest Terms (Single Family Mortgage Revenue): The variable rate demand bonds pay interest using a variable rate determined weekly by the remarketing agent for such bonds.

Conduit Obligations: The Multifamily Finance Revenue, Agriculture Finance Revenue, and Development Finance Revenue bonds totaling $106.1 million and $91.9 million at June 30, 2017 and 2016, respectively, represent conduit debt obligations that are payable solely from payments received on the underlying assets or, in some cases, from payments received pursuant to agreements with third-party credit enhancement providers. The underlying mortgage loans are included in restricted loans receivable in the statements of net position.

(Continued)

Debt Activity: The following tables summarize the Authority's debt activity for the years ended June 30, 2017 and 2016 and amounts due within one year (dollars in thousands):

Type of bonds	June 30, 2016	Issuance	Retirement	June 30, 2017	Due within one year
Single family mortgage revenue bonds	$ 949,468	133,606	(122,051)	961,023	21,800
General obligation housing bonds	3,498	—	(2,149)	1,349	—
Multifamily finance revenue bonds	67,385	3,253	(6,109)	64,529	642
Agriculture finance revenue bonds	17,310	1,241	(1,462)	17,089	553
Development finance revenue bonds	7,245	19,934	(2,652)	24,527	4,081
Total all bonds	$ 1,044,906	158,034	(134,423)	1,068,517	27,076

Type of bonds	June 30, 2015	Issuance	Retirement	June 30, 2016	Due within one year
Single family mortgage revenue bonds	$ 846,909	250,659	(148,100)	949,468	23,260
General obligation housing bonds	4,545	—	(1,047)	3,498	2,100
Multifamily finance revenue bonds	97,386	60	(30,061)	67,385	687
Agriculture finance revenue bonds	16,620	3,465	(2,775)	17,310	552
Development finance revenue bonds	11,947	4,625	(9,327)	7,245	627
Total all bonds	$ 977,407	258,809	(191,310)	1,044,906	27,226

Debt Service Requirements: Debt service requirements annually through 2022, and in five-year increments thereafter to maturity, are as follows (dollars in thousands):

	Principal	Interest	Total debt service
Fiscal year(s):			
2018	$ 27,076	25,600	52,676
2019	31,721	25,251	56,972
2020	35,265	24,695	59,960
2021	34,190	23,946	58,136
2022	35,606	23,269	58,875
2023–2027	179,712	105,093	284,805
2028–2032	212,120	83,755	295,875
2033–2037	246,358	58,577	304,935
2038–2042	157,670	31,802	189,472
2043–2047	108,799	7,195	115,994
	$ 1,068,517	409,183	1,477,700

(Continued)

Variable Rate Demand Bonds: Included in bonds payable are $368.0 million and $379.3 million at June 30, 2017 and 2016, respectively, of single family mortgage revenue bonds (the demand bonds) that are subject to purchase on the demand of the bondholder, with seven days' notice, at a price equal to 100% of the principal amount plus accrued interest. In connection with the demand bonds, the Authority has entered into Remarketing Agreements that authorize the remarketing agent to use its best efforts to sell repurchased bonds at a price equal to 100% of the principal amount by adjusting the interest rate. The Authority also has entered into Standby Bond Purchase Agreements (the SBPA's) with Federal Home Loan Bank of Topeka (FHLBank) whereby the FHLBank agrees to purchase demand bonds that the remarketing agent has been unable to remarket. The obligation of FHLBank is subject to the demand bonds maintaining a long-term rating by S&P of not lower than BBB-. Bonds purchased by the FHLBank bear interest at the one-month LIBOR plus 1.50%, not to exceed 25%, and interest is payable monthly. The SBPA's have a term of one to two years, which may be extended at the request of the Authority for such period as may be mutually agreed to between the Authority and FHLBank. The termination dates on the SBPA's range from March 1, 2019 to March 2, 2020. No amounts have been drawn on these agreements to date.

Any demand bonds that cannot be remarketed within 91 days of being purchased by FHLBank are subject to mandatory payment by the Authority in 10 equal semiannual principal installments plus interest payable monthly. If this provision was exercised on June 30, 2017 due to a failed remarketing on the entire amount of outstanding demand bonds of $368.0 million, the Authority would be required to make semiannual principal payments of $36.8 million for the next five years, and interest payments, assuming an interest rate of 2.6714% (the one-month LIBOR as of June 30, 2017 plus 1.50%), totaling $28.7 million over the next five years.

Under the Standby Bond Purchase Agreements, the Authority is required to pay to FHLBank a semiannual commitment fee of 0.27% per annum of the sum of (a) the outstanding principal amount of demand bonds subject to the agreement and (b) an amount equal to 205 days of interest on the outstanding principal amount of such bonds at a rate of 15.00% per annum. In addition, the Authority pays the remarketing agent a semiannual fee of 0.08% per annum of the outstanding principal amount of the demand bonds.

(7) Debt Refundings

On November 30, 2016, the Authority issued $130 million original principal amount of its Single Family Housing Revenue Bonds Series 2016 C (Non-AMT) and Series 2016 D (Variable Rate-AMT). Proceeds of the 2016 D Bonds totaling $29 million were used to refund a portion of the 2010 Series C Bonds (the Refunded Bonds). Both the 2016 D Bonds and the Refunded Bonds bear interest at a variable rate determined weekly by a remarketing agent.

The refunding resulted in a deferred loss of $1.4 million, in accordance with GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities* (GASB 23) and GASB 53, which require that the fair value of hedging derivatives associated with the refunded debt be included in the net carrying amount of the refunded debt for purposes of calculating the deferred loss at the refunding date. This mark-to-market adjustment is the only component of deferred loss on refunding, which is recorded in the statement of net position in deferred outflows of resources. Concurrent with the recognition of a deferred loss on refunding, a swap up-front payment (in the same amount and recorded in the statement of net position in deferred inflows of resources) was deemed to be made upon transfer of the swap. The deferred loss on refunding and the swap up-front payment are being amortized to interest expense over certain defined periods. The Authority completed the refunding primarily to provide more

flexibility to manage the Single Family Program and related yield requirements under the IRC and to better utilize existing interest rate swap contracts as a more effective hedge for the Authority's variable rate debt. The Authority's debt service payments will increase by $251,000 due to costs of issuance, which would result in an economic loss (difference between the present values of the old and new debt service payments) of $251,000. There are sufficient assets in the 1994 Single Family Indenture that are not pledged to the payment of specific bonds to absorb any increases in debt service resulting from the refunding. Alternatively, any savings achieved as a result of the refunding cannot be retained by the Authority but must be returned to borrowers under the Single Family Program or to the U.S. Treasury.

(8) Derivative Instruments

The Authority uses derivative financial instruments to manage and reduce exposure to adverse fluctuations in interest rates and to lower the overall cost of financing. The Authority's derivatives consist of swap agreements entered into in connection with its issuance of variable rate mortgage revenue bonds.

Swap agreements allow the Authority to raise funds at variable rates and effectively swap them into fixed rates that are lower than those available to the Authority if fixed rate borrowings were made directly. These contracts involve the exchange of variable rate for fixed rate payments between two parties (without the exchange of the underlying principal amount) based on a common notional amount and maturity date. The variable rate payment in all of the Authority's swap agreements is based on the SIFMA index. At June 30, 2017, the Authority has pay-fixed, receive-variable swap agreements outstanding with the following terms (dollars in thousands):

Bond series	Effective date	Termination date	Fixed rate paid	Variable rate received	Counterparty credit rating*	Up-front payment received
2010 B	12/29/2010	9/1/2031	4.013 %	SIFMA + 0.12%	A-/Baa2/A-	$ 18,017
2013 F	12/29/2010	3/1/2038	3.945	SIFMA + 0.12%	AA-/A1/AA	6,551
2014 B/2015 B	12/22/2010	9/1/2038	3.942	SIFMA + 0.12%	A-/A1/A	10,359
2010 C/2015 D/2016 B	12/29/2010	9/1/2032	3.889	SIFMA + 0.22%	AA-/A1/AA	14,269
						$ 49,196

* Standard & Poor's/Moody's/Fitch ratings as of June 30, 2017

At June 30, 2016, the Authority has pay-fixed, receive-variable swap agreements outstanding with the following terms (dollars in thousands):

Bond series	Effective date	Termination date	Fixed rate paid	Variable rate received	Counterparty credit rating*	Up-front payment received
2010 B	12/29/2010	9/1/2031	4.013 %	SIFMA + 0.12%	BBB+/Baa2/A-	$ 18,017
2010 C/2015 D/2016 B	12/29/2010	9/1/2032	3.889	SIFMA + 0.22%	AA-/Aa3/AA	12,876
2013 F	12/29/2010	3/1/2038	3.945	SIFMA + 0.12%	AA-/Aa3/AA	6,551
2014 B/2015 B	12/22/2010	9/1/2038	3.942	SIFMA + 0.12%	A-/A2/A	10,359
						$ 47,803

* Standard & Poor's/Moody's/Fitch ratings as of June 30, 2016

In connection with several debt issuances beginning in 2010, all of the Authority's swapped variable rate demand bonds have been refunded with new variable rate demand bonds. In accordance with GASB 53, the related swap agreements were deemed terminated and reassociated with the refunding bonds with no changes in contract terms, resulting in recognition of deemed swap up-front payments totaling $49.2 million, which are being amortized to interest expense over the life of the swap agreements.

The Authority reports the fair value of its swap agreements on the statements of net position. The fair values, obtained from an independent source, represent, in accordance with market convention, the valuation of the financial elements of each swap agreement. The valuation is determined by the zero-coupon method using Level 2 inputs, as defined GASB Statement No. 72, and takes into account nonperformance risk. To the extent that a particular transaction contains restrictive transfer, collateralization, or termination event language, it could be expected that such provisions would impact the ability to terminate a swap agreement at these estimated market values. As of June 30, 2017 and 2016, three of the Authority's four swap agreements have negative fair values, reported in the liability section of the statements of net position. The fair values exclude accrued interest.

As of June 30, 2017 and 2016, the Authority's swap agreements have been determined to be hedging derivatives, as defined by GASB 53. Accordingly, the change in fair value has been deferred in the statements of net position as accumulated decrease in fair value of hedging derivatives.

Fair values as of June 30, 2017 and 2016 and change in fair value for the years then ended are as follows (dollars in thousands):

	2017			
			Financial statement	
	Current notional	Contract fair value	Fair value	Change in fair value
Bond series:				
2010 B	$ 110,640	(10,937)	(4,835)	5,398
2013 F	26,760	(3,575)	(976)	1,524
2014 B/2015 B	52,170	(6,702)	(501)	2,617
2015 D/2016 B/2016 D	71,195	(6,587)	869	3,977
Total	$ 260,765	(27,801)	(5,443)	13,516

(Continued)

	2016			
			Financial statement	
	Current notional	Contract fair value	Fair value	Change in fair value
Bond series:				
2010 B	$ 127,720	(18,148)	(10,233)	(2,158)
2010 C/2015 D/2016 B	80,465	(11,082)	(3,108)	2,529
2013 F	28,705	(5,675)	(2,500)	(1,322)
2014 B/2015 B	56,010	(10,690)	(3,118)	(2,496)
Total	$ 292,900	(45,595)	(18,959)	(3,447)

In accordance with GASB 53, the fair value of the Authority's swap agreements in the statements of net position is determined using the on-market swap rates as of the date of inception of the swap agreements, and in the case of reassociation of swap agreements with refunding bonds, on the refunding date. The contractual fixed rates, which the Authority pays to the counterparties, are higher than these rates. If the Authority opted to terminate the swap agreements, the termination payments to the counterparties would be based on the contractual rates. The tables above disclose both the financial statement fair value and the contractual fair value to give financial statement users a clear picture of the Authority's actual liability related to the swap agreements.

(a) Interest Rate Swap Payments and Associated Debt

The following table (dollars in thousands) summarizes debt service requirements of the Authority's outstanding variable rate bonds and net swap payments, using variable interest rates in effect as of June 30, 2017 for the life of the bonds and swaps. As interest rates vary, variable rate bond interest, and net swap payments will also vary, inversely.

	Variable rate bond payments		Swap net payment	Total payments
	Principal	Interest		
Fiscal years:				
2018	$ 11,460	3,198	8,221	22,879
2019	12,135	3,219	7,745	23,099
2020	12,740	3,113	6,632	22,485
2021	13,330	2,982	5,638	21,950
2022	13,910	2,866	4,773	21,549
2023–2027	81,290	12,266	14,049	107,605
2028–2032	104,675	8,065	3,566	116,306
2033–2037	107,395	3,130	418	110,943
2038–2042	11,060	64	8	11,132
	$ 367,995	38,903	51,050	457,948

(Continued)

(b) Credit Risk

The Authority's swap agreements are with three separate counterparties. As of June 30, 2017 and 2016, the Authority was not exposed to credit risk on its outstanding swap agreements as they all had negative contract fair values (fair value based on the contractual terms of the swap agreements, as opposed to fair value accounting for hybrid instruments under GASB 53). If changes in interest rates (specifically, if interest rates were to rise) result in positive fair values on the swap agreements, the Authority would be exposed to credit risk in the amount of the swaps' fair value, up to contractually specified threshold levels at which point the counterparties would be required to post collateral, as applicable.

(c) Basis Risk

The variable rate debt hedged by the Authority's swap agreements are variable rate demand obligation bonds that are remarketed weekly. Because the variable rate received under the swap agreements is the SIFMA index plus a specified spread, the Authority is exposed to basis risk. As of June 30, 2017 and 2016, the interest rate on the variable rate bonds was 0.89% and 0.45%, respectively, for bonds not subject to AMT, 0.93% and 0.47%, respectively, for bonds subject to AMT, and the SIFMA index was 0.91% and 0.41%, respectively.

(d) Termination Risk

The swap agreements may be terminated by either the Authority or the counterparty if the other party fails to perform under the terms of the agreement or upon certain termination events. The potential termination risks to the Authority are the liability for a termination payment to the counterparty if the swap agreements have negative fair values, and the inability to replace the swap agreement on favorable terms.

(e) Amortization Risk

The Authority is exposed to amortization risk because prepayments from the mortgage loan portfolio may cause the outstanding amount of variable rate bonds to decline faster or slower than the amortization of the swap notional amounts. The Authority manages this risk in various ways, including leaving the balance of variable rate debt in excess of the swap notional amounts, which exposes the Authority to the risk of incurring higher interest costs on the unhedged variable rate debt. The Authority may terminate the swaps at market value at any time.

(f) Rollover Risk

The Authority is exposed to rollover risk on its swap agreements that mature prior to the maturity date of the associated variable rate bonds they are hedging. In the case of one swap agreement, the variable rate bond maturity extends beyond the swap agreement maturity by seven years. The Authority believes that prepayments from mortgage loans used to redeem bonds prior to their maturity will be sufficient to minimize this risk.

(g) Commitments

All of the Authority's swap agreements include provisions that may require the Authority to post collateral in the event its general obligation rating falls below A – as issued by Standard & Poor's Ratings Services or A3 as issued by Moody's Investors Service and the aggregate fair value of the swap contracts entered into with each swap counterparty is in a liability position. The collateral posted is to be in the form of cash, U.S. Treasury securities, or certain agency securities, in the amount of the aggregate fair value of the swap contracts with each counterparty (if in a liability position) less contractually specified threshold levels. The Authority's general obligation rating exceeds the rating requirement as of June 30, 2017 and 2016; therefore, there is no collateral posting requirement.

(9) Litigation

In connection with certain of its single family housing revenue bonds (the Bonds), the Authority entered into guaranteed investment contracts (the Investment Agreements) with various investment providers (the Investment Providers). In December 2014, one such Investment Provider notified the Authority that its Investment Agreements with the Authority should have terminated at the time the related Bonds were no longer outstanding, that such Investment Provider had no further obligations with respect to those Investment Agreements and that such Investment Provider was owed reimbursement of amounts paid to the Authority after the dates the related Bonds were paid in full. The Authority disagrees with the allegations of such Investment Provider. Both the Authority and such Investment Provider filed complaints in separate United States District Courts seeking a judgment in this matter. This matter was heard by the United States District Court for the Southern District of New York (SDNY Court), which on November 17, 2017 entered a judgment in favor of the Investment Provider and directed that the Authority repay approximately $27.8 million of interest received under the Investment Agreements and $11.5 million in prejudgment interest.

In August 2015, a second Investment Provider notified the Authority of its intent to terminate its Investment Agreements related to the Bonds and then subsequently returned all funds on deposit with such Investment Provider to the Authority. The Authority filed a complaint alleging breach of contract for premature termination. This Investment Provider subsequently filed a complaint making various allegations against the Authority. The Authority disagrees with the allegations of such Investment Provider. This matter was also heard by the SDNY Court and a jury returned a verdict in favor of the Investment Provider on October 5, 2017, finding that the Authority be required to repay approximately $1.8 million of interest received under the Investment Agreements. While the judgment has not yet been entered, the Investment Provider has made a claim for prejudgment interest in the amount of approximately $0.5 million, but the issue has not yet been decided by the SDNY Court.

The Authority continues to dispute the ability of the Investment Providers to terminate the investment agreements and intends to continue to vigorously seek appropriate remedies, including appeal. In accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, management believes a loss is possible, but not probable. Accordingly, a liability representing the resolution of these matters has not been reflected in the financial statements at June 30, 2017 and 2016. The range of possible loss is $0 to $41.6 million, the total of the judgment and jury verdict in the two matters. Interest earnings on the Investment Agreements for the years ended June 30, 2017 and 2016 were approximately $5.4 million and $4.9 million, respectively.

(10) Subsequent Events

On September 27, 2017, the Authority issued $116.8 million of 2017 Series A, B, and C Single Family Housing Revenue Bonds. The proceeds were used to make funds available to acquire, purchase, or finance mortgage loans, mortgage-backed securities, or second-mortgage loans expected to be made to finance down payment and closing costs of qualified homebuyers. Additionally, proceeds in the amount of $44.2 million were used to refund a portion of the Authority's Single Family Housing Revenue Bonds 2010 Series B.

Schedule 1

NEBRASKA INVESTMENT FINANCE AUTHORITY

ALL DIVISIONS

Supplemental Asset and Liability Information

June 30, 2017

(Dollars in thousands)

	Division						
Assets	**Single Family finance**	**Multifamily finance**	**Agricultural finance**	**Development finance**	**Operating**	**2017 Total**	**2016 Total**
Current assets:							
Cash	$ —	—	—	—	366	366	142
Investments	—	—	—	—	83,827	83,827	85,868
Loans receivable	—	—	—	—	196	196	189
Interest receivable	—	—	—	—	75	75	64
Other current assets	163	—	—	—	537	700	963
Restricted assets:							
Cash	—	—	—	—	—	—	3
Investments	31,582	—	—	—	—	31,582	32,499
Loans receivable	29,242	642	553	4,081	—	34,518	29,239
Interest receivable	5,187	311	319	94	—	5,911	5,774
Total current assets	66,174	953	872	4,175	85,001	157,175	154,741
Noncurrent assets:							
Long-term investments	—	—	—	—	12,804	12,804	12,019
Loans receivable	—	—	—	—	12,394	12,394	11,769
Restricted assets:							
Investments	90,339	—	—	—	—	90,339	105,438
Loans receivable	1,158,583	63,887	16,536	20,446	—	1,259,452	1,211,141
Other assets	37	—	—	—	310	347	401
Total noncurrent assets	1,248,959	63,887	16,536	20,446	25,508	1,375,336	1,340,768
Total assets	1,315,133	64,840	17,408	24,621	110,509	1,532,511	1,495,509
Deferred Outflows of Resources							
Accumulated decrease in fair value of hedging derivatives	5,443	—	—	—	—	5,443	18,959
Loss on refunding	24,160	—	—	—	—	24,160	26,926
Total deferred outflows of resources	29,603	—	—	—	—	29,603	45,885
Liabilities							
Current liabilities:							
Accrued liabilities	101	—	—	—	2,203	2,304	938
Interest payable	9,737	311	319	94	—	10,461	9,902
Current portion of bonds payable	21,800	642	553	4,081	—	27,076	27,226
Total current liabilities	31,638	953	872	4,175	2,203	39,841	38,066
Noncurrent liabilities:							
Fair value of derivatives	5,443	—	—	—	—	5,443	18,959
Bonds payable, net of current portion	940,572	63,887	16,536	20,446	—	1,041,441	1,017,680
Mortgage subsidy reserve	42,840	—	—	—	—	42,840	41,683
Total noncurrent liabilities	988,855	63,887	16,536	20,446	—	1,089,724	1,078,322
Total liabilities	1,020,493	64,840	17,408	24,621	2,203	1,129,565	1,116,388
Deferred Inflows of Resources							
Swap up-front payment	25,273	—	—	—	—	25,273	28,061
Net Position							
Restricted by bond resolution	298,970	—	—	—	—	298,970	286,576
Unrestricted	—	—	—	—	108,306	108,306	110,369
Total net position	$ 298,970	—	—	—	108,306	407,276	396,945

See accompanying independent auditors' report.

Schedule 2

NEBRASKA INVESTMENT FINANCE AUTHORITY

SINGLE FAMILY FINANCE DIVISION

Supplemental Asset and Liability Information

June 30, 2017

(Dollars in thousands)

Assets	1994 Indenture	2009 Indenture	Single Family private placements	General obligation	Single Family finance 2017 total	Single Family finance 2016 total
Current assets:						
Other current assets	$ 54	104	—	5	163	167
Restricted assets:						
Cash	—	—	—	—	—	3
Investments	29,879	1,703	—	—	31,582	32,499
Loans receivable	27,537	1,314	391	—	29,242	27,373
Interest receivable	4,981	148	55	3	5,187	5,068
Total current assets	62,451	3,269	446	8	66,174	65,110
Noncurrent assets:						
Restricted assets:						
Investments	89,590	749	—	—	90,339	105,438
Loans receivable	1,089,642	51,539	16,054	1,348	1,158,583	1,121,067
Other assets	37	—	—	—	37	54
Total noncurrent assets	1,179,269	52,288	16,054	1,348	1,248,959	1,226,559
Total assets	1,241,720	55,557	16,500	1,356	1,315,133	1,291,669
Deferred Outflows of Resources						
Accumulated decrease in fair value of hedging derivatives	5,443	—	—	—	5,443	18,959
Loss on refunding	24,160	—	—	—	24,160	26,926
Total deferred outflows of resources	29,603	—	—	—	29,603	45,885
Liabilities						
Current liabilities:						
Accrued liabilities	99	2	—	—	101	113
Interest payable	9,211	471	48	7	9,737	9,196
Current portion of bonds payable	20,570	1,230	—	—	21,800	25,360
Total current liabilities	29,880	1,703	48	7	31,638	34,669
Noncurrent liabilities:						
Fair value of derivatives	5,443	—	—	—	5,443	18,959
Bonds payable, net of current portion	872,083	50,695	16,445	1,349	940,572	927,606
Mortgage subsidy reserve	42,840	—	—	—	42,840	41,683
Total noncurrent liabilities	920,366	50,695	16,445	1,349	988,855	988,248
Total liabilities	950,246	52,398	16,493	1,356	1,020,493	1,022,917
Deferred Inflows of Resources						
Swap up-front payment	25,273	—	—	—	25,273	28,061
Net Position						
Restricted by bond resolution	295,804	3,159	7	—	298,970	286,576
Total net position	$ 295,804	3,159	7	—	298,970	286,576

See accompanying independent auditors' report.

Schedule 3

NEBRASKA INVESTMENT FINANCE AUTHORITY

DEVELOPMENT FINANCE DIVISION

Supplemental Asset and Liability Information

June 30, 2017

(Dollars in thousands)

Assets	Healthcare conduit issues	Industrial development conduit Issues	Development finance 2017 Total	Development finance 2016 Total
Current assets:				
Restricted assets:				
Loans receivable	$ 3,871	210	4,081	627
Interest receivable	57	37	94	124
Noncurrent assets:				
Restricted assets:				
Loans receivable	18,541	1,905	20,446	6,618
Total assets	22,469	2,152	24,621	7,369
Liabilities				
Current liabilities:				
Interest payable	57	37	94	124
Current portion of bonds payable	3,871	210	4,081	627
Total current liabilities	3,928	247	4,175	751
Noncurrent liabilities:				
Bonds payable, net of current portion	18,541	1,905	20,446	6,618
Total liabilities	22,469	2,152	24,621	7,369
Net Position				
Restricted by bond resolution	—	—	—	—
Total net position	$ —	—	—	—

See accompanying independent auditors' report.

Schedule 4

NEBRASKA INVESTMENT FINANCE AUTHORITY

ALL DIVISIONS

Supplemental Revenue and Expense Information

Year ended June 30, 2017

(Dollars in thousands)

	Division						
	Single Family finance	Multifamily finance	Agricultural finance	Development finance	Operating	2017 Total	2016 Total
Operating revenue:							
Interest income:							
Loans	$ 36,948	3,379	775	354	525	41,981	47,228
Investments	5,073	—	—	—	388	5,461	5,026
Net increase in fair value of investments	186	—	—	—	332	518	186
Fees and other income	5	2,170	20	24	5	2,224	1,835
Total operating revenue	42,212	5,549	795	378	1,250	50,184	54,275
Operating expenses:							
Interest	26,906	3,370	776	354	—	31,406	31,204
General and administrative expenses	1,543	—	6	—	6,898	8,447	8,194
Total operating expenses	28,449	3,370	782	354	6,898	39,853	39,398
Change in net position	13,763	2,179	13	24	(5,648)	10,331	14,877
Internal transfers	(1,369)	(2,179)	(13)	(24)	3,585	—	—
Net position, beginning of year	286,576	—	—	—	110,369	396,945	382,068
Net position, end of year	$ 298,970	—	—	—	108,306	407,276	396,945

See accompanying independent auditors' report.

Schedule 5

NEBRASKA INVESTMENT FINANCE AUTHORITY

SINGLE FAMILY FINANCE DIVISION

Supplemental Revenue and Expense Information

Year ended June 30, 2017

(Dollars in thousands)

	1994 Indenture	2009 Indenture	Single Family private placements	General obligation	Single Family finance 2017 Total	Single Family finance 2016 Total
Operating revenue:						
Interest income:						
Loans	$ 34,135	1,952	738	123	36,948	40,458
Investments	5,072	1	—	—	5,073	4,680
Net increase in fair value of investments	181	5	—	—	186	38
Fees and other income	—	—	—	5	5	4
Total operating revenue	39,388	1,958	738	128	42,212	45,180
Operating expenses:						
Interest	24,588	1,572	643	103	26,906	25,811
General and administrative expenses	1,507	17	—	19	1,543	1,532
Total operating expenses	26,095	1,589	643	122	28,449	27,343
Change in net position	13,293	369	95	6	13,763	17,837
Internal transfers	(1,131)	(69)	(97)	(72)	(1,369)	(1,318)
Net position, beginning of year	283,642	2,859	9	66	286,576	270,057
Net position, end of year	$ 295,804	3,159	7	—	298,970	286,576

See accompanying independent auditors' report.

Schedule 6

NEBRASKA INVESTMENT FINANCE AUTHORITY

DEVELOPMENT FINANCE DIVISION

Supplemental Revenue and Expense Information

Year ended June 30, 2017

(Dollars in thousands)

	Healthcare conduit issues	Industrial development conduit issues	Development finance	
			2017 Total	2016 Total
Operating revenue:				
Interest income:				
Loans	$ 298	56	354	462
Investments	—	—	—	—
Net increase in fair value of investments	—	—	—	—
Fees and other income	22	2	24	—
Total operating revenue	320	58	378	462
Operating expenses:				
Interest	298	56	354	462
General and administrative expenses	—	—	—	—
Total operating expenses	298	56	354	462
Change in net position	22	2	24	—
Internal transfers	(22)	(2)	(24)	—
Net position, beginning of year	—	—	—	—
Net position, end of year	$ —	—	—	—

See accompanying independent auditors' report.

APPENDIX C

SCHEDULE OF OUTSTANDING INDEBTEDNESS
OF THE NEBRASKA INVESTMENT FINANCE AUTHORITY

1994 General Indenture

The following table shows the principal amount of limited obligation indebtedness outstanding as of March 31, 2018 under the General Indenture of Trust dated July 1, 1994, as supplemented (the "General Indenture"). Certain of the Bond Series listed below are expected to be refunded with the proceeds of the Offered Bonds. See Appendix D-2.

	Date of Issue	Final Maturity	Amount of Issue and Interest Rate	Amount Outstanding
GENERAL INDENTURE:				
Single Family Housing Revenue Bonds, 2010				
Series A (Non AMT)	December 29, 2010	September 1, 2045	$196,425,000 5.00%	$2,275,000
Series B (Non AMT)[2]	December 29, 2010	September 1, 2038	$337,985,000 Variable Rate[1]	$95,305,000
Single Family Housing Revenue Bonds, 2013				
Series A (Non AMT)	May 30, 2013	March 1, 2043	$85,525,000 1.95-3.60%	$49,780,000
Series B (AMT)	May 30, 2013	March 1, 2020	$14,475,000 1.90-2.40%	$4,045,000
Single Family Housing Revenue Bonds, 2013				
Series C (Non AMT)	August 29, 2013	September 1, 2043	$75,000,000 2.50-4.50%	$32,165,000
Series D (AMT)	August 29, 2013	September 1, 2023	$25,000,000 2.50-4.00%	$14,785,000
Single Family Housing Revenue Bonds, 2013				
Series E (Non AMT)	November 26, 2013	September 1, 2043	$60,000,000 1.95-3.65%	$22,460,000
Series F (Variable Rate-AMT)	November 26, 2013	March 1, 2038	$33,865,000 Variable Rate[1]	$30,395,000

[1] Variable rate remarketed weekly.
[2] A portion of which is to be redeemed with proceeds of the Offered Bonds on or about August 29, 2018.

	Date of Issue	Final Maturity	Amount of Issue and Interest Rate	Amount Outstanding
Single Family Housing Revenue Bonds, 2014				
Series A (Non AMT)	August 28, 2014	September 1, 2044	$65,000,000 1.30-4.00%	$34,910,000
Series B (Variable Rate-AMT)	August 28, 2014	September 1, 2038	$35,000,000 Variable Rate[1]	$32,110,000
Single Family Housing Revenue Bonds, 2015				
Series A (Non AMT)	May 14, 2015	September 1, 2045	$65,000,000 1.25-3.85%	$52,980,000
Series B (Variable Rate-AMT)	May 14, 2015	September 1, 2038	$35,000,000 Variable Rate[1]	$32,455,000
Single Family Housing Revenue Bonds, 2015				
Series C (Non AMT)	September 30, 2015	September 1, 2045	$90,000,000 1.20-3.90%	$76,145,000
Series D (Variable Rate-AMT)	September 30, 2015	September 1, 2032	$35,000,000 Variable Rate[1]	$31,520,000
Single Family Housing Revenue Bonds, 2016				
Series A (Non AMT)	April 27, 2016	September 1, 2046	$90,000,000 .90-3.50%	$81,470,000
Series B (Variable Rate-AMT)	April 27, 2016	September 1, 2032	$30,000,000 Variable rate[1]	$27,535,000
Single Family Housing Revenue Bonds, 2016				
Series C (Non AMT)	November 30, 2016	September 1, 2046	$101,010,000 1.00-3.50%	$96,690,000
Series D (Variable Rate-AMT)	November 30, 2016	September 1, 2032	$28,990,000 Variable rate[1]	$27,155,000
Single Family Housing Revenue Bonds, 2017				
Series A (Non AMT)	September 30, 2017	September 1, 2032	$30,850,000 1.40-3.125%	$30,395,000
Series B (Non AMT)	September 30, 2017	March 1, 2040	$41,845,000 1.05-3.50%	$41,350,000
Series C (Variable Rate-AMT)	September 30, 2017	September 1, 2047	$44,150,000 Variable rate[1]	$44,150,000

	Date of Issue	Final Maturity	Amount of Issue and Interest Rate	Amount Outstanding
Single Family Housing Revenue Bonds, 2018				
Series A (Non AMT)	March 28, 2018	September 1, 2048	$73,120,000 1.40-4.00%	$73,120,000
Series B (Non AMT)	March 28, 2018	March 1, 2048	$32,000,000 Variable rate[1]	$32,000,000
TOTAL GENERAL INDENTURE INDEBTEDNESS AT PAR				**$965,195,000**
UNAMORTIZED ORIGINAL ISSUE PREMIUM				**$11,117,815**
TOTAL GENERAL INDENTURE INDEBTEDNESS				**$976,312,815**

[1] Variable rate remarketed weekly.

SUMMARY OF GENERAL INDENTURE INDEBTEDNESS (as of March 31, 2018)

Description	Amount	% of Total
Fixed Rate Debt	$612,570,000	63.47%
Variable Rate Debt	$352,625,000	36.53%
Total	**$965,195,000**	**100.00%**

GENERAL INDENTURE VARIABLE RATE INDEBTEDNESS AND RELATED HEDGES (as of March 31, 2018)

Description	Balance	% of Total
Interest Rate Swap with The Bank of New York Mellon*	$93,450,000	26.50%
Interest Rate Swap with Royal Bank of Canada	86,985,000	24.67%
Interest Rate Swap with Barclays Bank plc	48,015,000	13.62%
No Interest Rate Swap	124,175,000	35.21%
Total General Indenture Variable Rate Debt	**$352,625,000**	**100.00%**

*NIFA, in connection with certain of its Single Family Housing Revenue Bonds, previously entered into an interest rate swap with Deutsche Bank AG ("Deutsche Bank"), with a Trade Date of December 23, 2010, in the original Notional Amount of $237,415,000 (the "Original Swap"). Subsequent to March 31, 2018 and pursuant to a Novation Confirmation dated June 14, 2018, Deutsche Bank has transferred its interest in the Original Swap to The Bank of New York Mellon (the "Transferred Swap"). The Transferred Swap has a Novation Trade Date and Effective Date of June 14, 2018. The Notional Novated Amount of the Transferred Swap on the Effective Date was $93,450,000.

OTHER INDEBTEDNESS

At March 31, 2018, NIFA also had the following principal amounts of general and limited obligation indebtedness outstanding which is not secured by the General Indenture or the 1998 G.O. Indenture:

Program	**Balance**
Homeownership Revenue Bonds	$43,550,000
Housing Revenue Bonds	14,612,500
Agricultural Finance Program Limited Obligation Bonds	16,748,000
Development Finance Program Limited Obligation Bonds (including industrial, manufacturing and commercial)	4,465,000
Multifamily Housing Program Limited Obligation Bonds	68,480,400
Healthcare Finance Program Limited Obligation Bonds	19,633,300
Total	**$167,489,200**

APPENDIX D-1

SUMMARY OF THE PROGRAM FINANCED WITH THE BONDS

The following information sets forth, in reverse chronological order, certain particulars of the Program (which includes Mortgage Loans and Mortgage-Backed Securities financed with proceeds of the Bonds or other amounts available in the Funds and Accounts of the Indenture). However, this information should *not* be considered predictive of the payment and prepayment experience of the Mortgage Loans and Mortgage-Backed Securities in the Program:

As of March 31, 2018	Original Expended Bond Proceeds	Recycling and Other Funds Expended	Weighted Avg Pass Through Interest Rate	Principal Outstanding			(3) Percentage 90 or More Days Delinquent (Including Foreclosure)
				Whole Mortgage Loans	Mortgage-Backed Securities	(2) Community Program Loans	
Series 2018 AB	$ 93,667,600	$ -0-	3.33%	-0-	$ 69,742,661	$ -0-	0.14%
Series 2017 ABC	103,382,133	-0-	3.39%	-0-	99,946,316	-0-	0.00%
Series 2016 CD	127,001,054	4,347,554	2.99%	-0-	118,582,166	-0-	0.09%
Series 2016 AB	116,091,640	5,097,816	3.32%	-0-	103,924,454	-0-	0.00%
Series 2015 CD	121,012,757	6,933,308	3.13%	-0-	103,797,054	-0-	0.19%
Series 2015 AB	95,461,246	14,035,160	3.41%	-0-	78,103,553	-0-	0.00%
Series 2014 AB	97,831,258	19,572,106	3.51%	-0-	79,242,582	-0-	0.23%
Series 2013 EF	88,778,897	16,410,008	3.17%	-0-	67,218,492	-0-	0.26%
Series 2013 CD	102,004,098	13,137,117	2.65%	-0-	67,932,165	-0-	0.27%
Series 2013 AB	102,465,844	16,528,481	3.01%	-0-	65,417,089	-0-	0.26%
Series 2010 ABC	674,999,210	134,150,136	3.75%	-0-	56,673,601	14,943,752	0.39%
Retired Series**(1)**	2,951,949,859	386,247,541	4.07%	1,904,909	248,912,740	1,757,775	0.19%
TOTAL GENERAL INDENTURE				$1,904,909	$1,159,492,873	$16,701,527	

(1) Represents Mortgage Loans and Mortgage-Backed Securities financed with Bonds which are no longer outstanding. Such Mortgage Loans and Mortgage-Backed Securities remain pledged under the General Indenture. A portion of the principal payments and prepayments received on these Mortgage Loans and Mortgage-Backed Securities are dedicated to the payment of certain term bonds. (See D-6 of this Appendix D.)

(2) Community Program Loans represent a.) Mortgage Loans (both first and second Mortgage Loans) originated by certain nonprofit entities (such as Habitat for Humanity of Omaha), and b.) Second Mortgage Homebuyer Assistance Loans ("HBA Loans") the proceeds of which are loaned for down payment and closing cost assistance in connection with first Mortgage Loans financed under the General Indenture. Community Program Loans do not have mortgage insurance or guarantees. HBA Loans allocated to the Retired Series bear no interest and under certain circumstances are forgivable. HBA loans allocated to Series 2010 ABC bear interest at rates ranging from 1.0% to 7.3% with maturities from 7 to 10 years.

(3) Information does not include Community Program Loans.

Unexpended Bond Proceeds

While Bonds issued by NIFA under the General Indenture are subject to redemption from unexpended original proceeds of such bonds, NIFA has not redeemed any Bonds from unexpended original proceeds under the General Indenture. See D-1-2 of this Appendix D which sets forth the principal amount of Mortgage-Backed Securities or originated Mortgage Loans held by NIFA or the Master Servicer (to be delivered to the Trustee in future months or otherwise available to be delivered to the Trustee), the principal amount of Mortgage Loans closed (to be delivered to the Master Servicer in future months or otherwise available to be delivered to the Master Servicer), and the principal amount of Mortgage Loan reservations taken by NIFA.

Prepayments / Cross Calling

Loan Prepayments held under the General Indenture are either applied to the purchase of new Mortgage-Backed Securities or to the redemption of Bonds. Except as otherwise set forth in a Supplemental Indenture, Prepayments and excess revenues received from any Series listed above are available to call any series of Bonds under the General Indenture. NIFA makes determinations regarding redemptions based on a number of factors, including relative interest rates, anticipated maturity lengths and overall bond and mortgage portfolio management. As part of NIFA's active management of its Bond and mortgage portfolios, the methodology used in connection with its debt service payments and redemptions on any payment date may or may not be used in connection with future redemptions. As permitted under the General Indenture, NIFA

reserves the right to alter its methodology for redeeming Bonds to further optimize the financing of Mortgage Loans and Mortgage-Backed Securities as part of the Single Family Program.

See D-3 of this Appendix D for a list of CUSIP numbers for MBSs pledged to the General Indenture.

Information on pages D-1-2 through D-1-3 includes the following categories at March 31, 2018:

Category	Principal Outstanding	% of Total	% 90 or more days delinquent
GNMA Mortgage-Backed Securities, at par	$680,944,537	58.63%	0.20%
Fannie Mae Mortgage-Backed Securities, at par	478,040,055	41.16%	0.10%
Freddie Mac Mortgage-Backed Securities, at par	508,281	0.04%	0.00%
Whole Mortgage Loans, at par[1,2]	1,904,909	0.17%	0.00%
Total[3]	**$1,161,397,782**	**100.00%**	**0.16%**

[1] All Whole Mortgage Loans (1st Mortgage Loans) are either (i) insured by FHA, (ii) guaranteed by USDA/RD or (iii) guaranteed by VA.
[2] Excludes Community Program Loans.
[3]In addition to the categories of loans and Mortgage-Backed Securities listed above, NIFA also had outstanding, as of March 31, 2018, Community Program Loans in the aggregate principal amount of $16,701,527. Such Community Program Loans do not have mortgage insurance or guaranties and most are subordinate to preexisting first liens; for purposes of cash flow analysis, these loans are assumed to have no probability of repayment and are not considered as assets of the Program.

Ongoing NIFA Single Family Program

The following sets forth as of March 31, 2018, the principal amount of Mortgage-Backed Securities held by NIFA in its general operating fund and/or credited thereto, the principal amount of originated Mortgage Loans held by the Master Servicer, the principal amount of Mortgage Loans closed but not yet held by the Master Servicer and the principal amount of Mortgage Loan reservations taken by NIFA. (See Note 1.)

Mortgage Loan Interest Rate	Mortgage-Backed Securities Held by NIFA	Whole Mortgage Loans Held by Master Servicer	Whole Mortgage Loans Closed But Not Yet Held by Master Servicer	Mortgage Loan Reservations Taken by NIFA	Total
3.250%	-0-	$ 501,000	$ 128,000	$ -0-	$ 629,000
3.375%	-0-	216,000	-0-	773,000	989,000
3.500%	-0-	1,052,000	308,000	480,000	1,840,000
3.625%	-0-	782,000	958,000	216,000	1,956,000
3.750%	$9,320,000	4,912,000	1,235,000	2,763,000	18,230,000
3.875%	-0-	2,759,000	776,000	961,000	4,496,000
4.000%	-0-	2,263,000	1,868,000	9,546,000	13,677,000
4.125%	-0-	811,000	812,000	288,000	1,911,000
4.250%	-0-	2,353,000	1,014,000	20,331,000	23,698,000
4.375%	-0-	718,000	1,271,000	283,000	2,272,000
4.500%	-0-	707,000	944,000	7,708,000	9,359,000
4.750%	-0-	-0-	642,000	6,919,000	7,561,000
TOTAL	**$9,320,000**	**$17,074,000**	**$9,956,000**	**$50,268,000**	**$86,618,000**

Note 1 NIFA expects that approximately $85,000,000 of the amount initially deposited in the Series 2018 C/D Mortgage Loan Fund Account will be used to acquire Mortgage-Backed Securities on or about the Date of Delivery of the Offered Bonds. NIFA

expects to use substantially all of the remainder of the amounts in the Series 2018 C/D Mortgage Loan Fund Account (excluding any moneys initially deposited therein to refund the Refunded Prior Series Bonds) to purchase Series 2018 C/D Mortgage-Backed Securities on or before April 30, 2019.

OTHER HOUSING PROGRAMS OF NIFA

Single Family

NIFA's single-family program was established by its predecessor, the Nebraska Mortgage Finance Fund, in March 1980. The following information describes those single-family loans financed through the issuance of bonds which were not issued under the General Indenture. To fund its prior single-family programs, NIFA issued mortgage revenue bonds financing mortgage loans in the amount of $1,469,906,000. As of March 31, 2018, approximately $2,073,000 of such mortgage loans remained outstanding (of which $1,236,000 represents mortgage-backed securities which are now assets of the General Indenture and included in the information on pages D-1-2 and D-1-3).

On December 23, 2009, NIFA issued its Single Family Homeownership Revenue Bonds, 2009 Series D (Taxable) in connection with the Treasury New Issue Bond Program. On November 18, 2011, NIFA redesignated $66,000,000 in principal amount as Homeownership Revenue Bonds 2009 Series A, Subseries A-1 in connection with the issuance of $44,000,000 in aggregate principal amount of Homeownership Revenue Bonds 2011 Series A. The proceeds of such bonds were used to acquire Mortgage-Backed Securities backed by qualifying Mortgage Loans in the amount of $109,885,000. As of March 31, 2018, approximately $46,241,000 of such Mortgage Loans remained outstanding.

On June 29, 2011, NIFA issued its Housing Revenue Bonds 2011 Series 1 which financed mortgage-backed securities backed by qualifying Mortgage Loans in the amount of $43,558,500. Such bonds were sold privately to a single institutional investor. As of March 31, 2018, approximately $14,612,500 of such Mortgage Loans remained outstanding.

The mortgage loans and mortgage-backed securities financed by the above-described other single-family programs are not pledged as security for the Offered Bonds.

Other Housing Programs

NIFA has also issued Home Improvement Loan Revenue Bonds for the purpose of acquiring certain notes made to finance home improvements on residential real property occupied by low- and moderate-income persons in Nebraska and various series of multifamily housing revenue bonds.

NIFA approved a Mortgage Credit Certificate ("MCC") Program, offering a federal tax credit to low- and moderate- income buyers in connection with private financing to purchase, improve or rehabilitate single-family residences. No MCC's have been issued by NIFA to date.

NIFA anticipates developing additional housing programs to the extent permitted by the Nebraska Investment Finance Authority Act and/or federal tax legislation.

APPENDIX D-2

REFUNDED PRIOR SERIES BONDS

The Series 2018 D Bonds will redeem a portion of the 2010 Series B (Variable Rate – Non-AMT) Bonds in the amount set forth below:

Single Family Housing Revenue Bonds

Series	Amount
2010 Series B (Variable Rate – Non-AMT)	$46,615,000

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APPENDIX D-3

POOL INFORMATION FOR MORTGAGE-BACKED SECURITIES AND MORTGAGE LOANS PLEDGED PURSUANT TO THE INDENTURE AS OF MARCH 31, 2018

Certain pools listed in the attached Appendix D-3 under Series 2010 ABC are expected to be allocated to the Series 2018 C/D Mortgage Loan Fund Account. (See Appendix D-4).

Pool Type	CUSIP#	Pass Through Interest Rate (%)	Par Amount Outstanding	Pool Type	CUSIP#	Pass Through Interest Rate (%)	Par Amount Outstanding
RETIRED SERIES				FNMA	3138XPUL5	3.525	2,652,618.20
FNMA	31376EUS7	6.140	37,816.23	FNMA	3138XPUM3	3.775	273,357.38
FNMA	31376EUT5	6.350	58,246.66	FNMA	3138XRPA1	2.775	127,349.97
FNMA	31376EUU2	6.350	23,436.31	FNMA	3138XXET9	4.025	595,426.26
FNMA	31376EUV0	6.140	21,647.01	FNMA	3138XZY21	3.525	1,151,583.40
FNMA	31376EUW8	6.770	19,564.27	FNMA	3138XZYZ8	4.025	871,579.90
FNMA	31376EUX6	6.140	52,911.46	FNMA	3138Y5PX8	3.525	2,292,154.47
FNMA	31376EVA5	6.350	13,928.21	FNMA	3138Y5PY6	4.025	356,116.70
FNMA	31376EVB3	6.490	35,384.22	FNMA	3138YAYG4	4.025	1,934,162.26
FNMA	31376EVF4	6.400	49,231.17	FNMA	3138YAYH2	4.025	353,051.68
FNMA	31376EVK3	6.140	24,483.59	FNMA	3138YDYU7	3.775	1,347,524.76
FNMA	31376EVM9	6.400	13,038.08	FNMA	3138YDYV5	4.025	364,254.31
FNMA	31376EVN7	6.770	17,151.61	FNMA	3138YFVB7	3.525	354,450.68
FNMA	31378FPB5	6.400	30,428.20	FNMA	3138YJVN3	3.525	176,743.57
FNMA	31378FPD1	6.400	38,829.00	FNMA	3138YJVP8	3.775	1,107,496.15
FNMA	31378FPF6	6.140	44,298.43	FNMA	3138YRMA3	3.775	126,016.98
FNMA	31378FPL3	6.010	112,401.28	FNMA	3138YTA38	3.275	247,962.47
FNMA	31378FPM1	6.140	37,670.60	FNMA	3138YTA46	3.275	1,147,773.60
FNMA	31378FPN9	6.010	19,363.06	FNMA	3138YTAY0	2.775	2,116,551.04
FNMA	31378FPR0	6.140	31,734.69	FNMA	3138YTAZ7	2.775	3,461,210.51
FNMA	31378FPS8	6.400	41,955.47	FNMA	3138YVS59	3.525	782,330.51
FNMA	31378FPV1	5.950	11,931.12	FNMA	3138YVS67	3.275	941,042.31
FNMA	31378FPW9	5.950	23,170.82	FNMA	31390HLM5	6.060	91,549.37
FNMA	31379RL48	6.140	50,004.83	FNMA	31390HLN3	6.580	69,540.42
FNMA	31379RL55	6.140	17,035.01	FNMA	31390HLP8	6.530	78,165.38
FNMA	31379RL71	5.950	54,977.45	FNMA	31390HLS2	5.260	150,458.36
FNMA	31379RMA3	5.650	17,218.51	FNMA	31391QSQ8	5.260	21,846.34
FNMA	31379RMB1	5.650	17,103.74	FNMA	31391QST2	6.060	214,016.89
FNMA	31383M2U6	6.140	37,515.66	FNMA	31402JKE6	2.490	313,777.14
FNMA	31383M2V4	5.950	8,029.57	FNMA	31402JKL0	5.580	175,823.54
FNMA	31383M2W2	5.650	14,167.48	FNMA	31404N3K0	6.060	36,568.63
FNMA	31383M2Z5	5.650	38,425.54	FNMA	31404N3Q7	2.490	270,288.74
FNMA	31384HJJ3	5.950	46,061.00	FNMA	31404N3R5	4.790	102,187.03
FNMA	31384HJL8	5.950	46,537.89	FNMA	31404N3T1	5.290	52,011.51
FNMA	31384HJM6	6.350	17,146.27	FNMA	31404N3U8	5.880	66,231.21
FNMA	31384HJN4	5.650	20,543.96	FNMA	31405XZ22	4.990	72,082.03
FNMA	31384HJP9	6.350	30,221.64	FNMA	31405XZ30	6.080	207,083.16
FNMA	31385NHH5	7.580	16,627.84	FNMA	31405XZ48	4.390	91,242.15
FNMA	31385NHJ1	6.770	28,908.41	FNMA	31405XZ55	4.790	69,935.61
FNMA	31385NHN2	7.580	60,622.60	FNMA	31405XZW6	4.990	51,974.17
FNMA	31385NHQ5	7.100	58,857.48	FNMA	31405XZX4	4.590	189,011.81
FNMA	31386W3A4	5.490	103,479.83	FNMA	31405XZY2	2.490	296,719.07
FNMA	31386W3B2	5.950	56,714.74	FNMA	31406TN31	5.290	65,388.43
FNMA	31386W3E6	6.350	60,755.82	FNMA	31406TN49	2.490	87,612.46
FNMA	31388PF63	6.490	28,683.40	FNMA	31406TN64	4.590	95,166.80
FNMA	31388PFZ9	6.580	42,633.49	FNMA	31406TN80	4.390	131,035.57
FNMA	3138XCPV8	2.775	262,756.99	FNMA	31406TPB1	2.490	379,607.63
FNMA	3138XCPW6	2.775	629,378.18	FNMA	31407EQH9	4.590	95,233.23
FNMA	3138XGC27	2.275	1,187,760.55	FNMA	31407EQK2	5.580	94,614.58
FNMA	3138XGC35	2.775	598,217.42	FNMA	31407Q4X1	4.390	179,082.95
FNMA	3138XGC68	3.275	559,824.28	FNMA	31407Q5A0	4.790	80,230.34
FNMA	3138XGC84	3.775	184,680.81	FNMA	31407Q5C6	5.880	70,911.51
FNMA	3138XH6Z9	3.775	1,103,592.98	FNMA	31408B7A0	5.540	189,944.51
FNMA	3138XH7A3	4.025	121,255.63	FNMA	31408B7B8	5.480	234,618.93
FNMA	3138XH7B1	4.025	1,095,271.89	FNMA	31408BE46	3.490	157,141.13
FNMA	3138XH7C9	4.525	348,857.12	FNMA	31408BEP9	5.480	85,761.37
FNMA	3138XLE73	3.525	137,214.33	FNMA	31408BER5	5.480	157,839.31
FNMA	3138XLE81	4.025	354,608.45	FNMA	31408BJ90	2.490	65,902.81
FNMA	3138XLE99	4.025	58,788.45	FNMA	31409WJF9	4.790	92,054.27
FNMA	3138XLFB3	4.275	198,012.40	FNMA	31409WJL6	5.540	79,413.26

RETIRED SERIES

FNMA	3140E7CR9	2.775	1,093,900.42
FNMA	3140E7CS7	3.025	2,227,996.86
FNMA	3140E7CZ1	3.775	496,434.27
FNMA	3140E8Z43	3.025	1,066,647.96
FNMA	3140E8Z76	3.525	808,457.86
FNMA	3140E8Z84	3.775	1,414,381.82
FNMA	3140EBBJ9	2.775	218,027.80
FNMA	3140F7KK4	3.550	960,697.46
FNMA	3140F8L54	3.050	1,216,993.76
FNMA	3140FAMH2	2.800	1,629,130.66
FNMA	3140FAMK5	3.300	706,023.33
FNMA	3140FAML3	3.550	1,112,553.46
FNMA	3140FSG56	3.050	2,628,980.86
FNMA	3140FVKM7	2.550	1,097,496.58
FNMA	3140FVKN5	3.050	2,108,059.42
FNMA	3140FVKP0	3.050	985,462.85
FNMA	3140FVKQ8	3.300	1,492,781.03
FNMA	3140FVKR6	3.550	909,156.33
FNMA	3140FVKS4	3.800	85,103.01
FNMA	3140GPY28	3.050	417,651.92
FNMA	3140GPY36	3.300	4,594,220.79
FNMA	3140GPY44	3.550	940,710.14
FNMA	3140GPYX0	2.550	513,255.19
FNMA	3140GPYY8	2.800	107,724.99
FNMA	3140GPYZ5	3.050	978,334.79
FNMA	3140GRVM3	3.300	3,945,406.71
FNMA	3140GTGB0	3.300	2,356,023.60
FNMA	3140HAD98	3.050	1,393,679.13
FNMA	31410M6R6	3.490	393,462.24
FNMA	31410M6T2	4.990	173,435.90
FNMA	31410M6V7	5.140	48,508.25
FNMA	31410M6Y1	5.580	103,626.04
FNMA	31410SKM8	5.340	65,372.19
FNMA	31410SKN6	5.340	435,066.45
FNMA	31410SKP1	5.540	46,721.01
FNMA	31410THB4	5.090	150,074.38
FNMA	31410THE8	5.140	51,137.30
FNMA	31410THF5	5.140	47,503.05
FNMA	31410THG3	5.340	206,039.17
FNMA	31410THH1	5.540	249,294.87
FNMA	31410TRB3	3.490	531,412.93
FNMA	31410TRJ6	5.340	92,666.23
FNMA	31410TRL1	5.540	386,495.70
FNMA	31410TRM9	5.740	113,362.78
FNMA	31410TRN7	5.740	337,301.41
FNMA	31410XMQ6	3.490	592,531.44
FNMA	31410XMR4	5.490	22,133.00
FNMA	31410XMS2	2.170	447,737.83
FNMA	31410XMT0	3.170	473,945.82
FNMA	31410XMU7	5.540	271,916.34
FNMA	31410XMV5	5.740	89,324.45
FNMA	31410XMW3	5.740	313,115.03
FNMA	31410XMX1	5.740	107,615.31
FNMA	31410XMZ6	6.180	183,584.70
FNMA	31410Y4Y7	5.490	174,530.89
FNMA	31410Y5B6	5.840	56,745.53
FNMA	31410Y5C4	5.840	115,474.32
FNMA	31410Y5D2	5.840	169,464.98
FNMA	31411CSA0	3.490	389,293.49
FNMA	31411CSC6	5.490	79,129.29
FNMA	31411CSG7	5.740	62,052.47
FNMA	31411CSH5	5.740	209,256.62
FNMA	31411CSJ1	5.840	168,919.01
FNMA	31411CSK8	5.840	176,556.07
FNMA	31411CSL6	5.980	194,376.44
FNMA	31411CSM4	6.180	92,737.37
FNMA	31411FT20	5.190	96,821.21
FNMA	31411FT46	5.490	8,390.11
FNMA	31411FT53	5.490	36,613.45
FNMA	31411FT61	5.590	69,087.15
FNMA	31411FT79	2.170	582,761.48
FNMA	31411FT87	3.170	310,435.59
FNMA	31411FUB8	5.540	264,964.86
FNMA	31411FUC6	5.540	137,664.35
FNMA	31411FUE2	5.740	320,397.96
FNMA	31411FUF9	5.740	426,557.47
FNMA	31411FUG7	5.840	63,788.38
FNMA	31411FUH5	5.840	100,454.35
FNMA	31411H3M0	5.290	66,865.18
FNMA	31411H3P3	5.540	382,148.76
FNMA	31411H3Q1	5.540	138,478.40
FNMA	31411H3R9	5.580	158,224.77
FNMA	31411H3T5	5.840	74,189.06
FNMA	31411H3U2	5.740	114,616.49
FNMA	31411NF28	5.540	108,889.08
FNMA	31411NF44	5.740	81,722.05
FNMA	31411NF51	5.980	37,163.26
FNMA	31411NFP7	3.490	176,766.49
FNMA	31411NFR3	4.490	161,051.66
FNMA	31411NFS1	5.290	49,908.90
FNMA	31411NFV4	3.170	493,033.12
FNMA	31411NFX0	5.340	170,067.54
FNMA	31411NFY8	5.540	26,522.93
FNMA	31411NH42	2.170	132,114.05
FNMA	31411NH67	5.340	159,391.95
FNMA	31411NH75	5.340	257,720.51
FNMA	31411V5U9	5.340	228,093.32
FNMA	31411V5V7	5.440	525,311.92
FNMA	31411V5W5	5.540	169,513.38
FNMA	31412AY24	5.480	209,230.36
FNMA	31412AY32	5.980	43,731.60
FNMA	31412AYQ1	5.090	112,582.56
FNMA	31412AYR9	5.190	21,892.79
FNMA	31412AYT5	4.490	352,740.95
FNMA	31412AYU2	5.340	420,347.03
FNMA	31412AYV0	5.440	63,457.95
FNMA	31412AYX6	5.540	65,902.36
FNMA	31412AYY4	5.740	80,491.79
FNMA	31412YJ94	4.940	383,629.11
FNMA	31412YKC5	5.440	106,484.99
FNMA	31412YKE1	5.480	63,933.99
FNMA	31412YKF8	5.780	63,048.69
FNMA	31412YKG6	3.490	159,094.13
FNMA	31413CV22	5.780	45,547.21
FNMA	31413CVS5	5.090	84,382.16
FNMA	31413CVT3	5.190	151,218.40
FNMA	31413CVV8	4.940	51,543.49
FNMA	31413GQ78	5.190	170,584.49
FNMA	31413GQ86	2.170	166,990.83

RETIRED SERIES

FNMA	31413GQ94	3.170	173,376.72	GNMA	3617A9W52	3.000	1,188,599.48
FNMA	31413GRA0	4.490	82,465.17	GNMA	3617A9W60	3.000	903,441.92
FNMA	31413GRG7	5.640	188,500.57	GNMA	3617A9WW3	2.500	1,901,228.74
FNMA	31413QF37	5.590	158,243.91	GNMA	3617AAD68	2.750	1,486,446.18
FNMA	31413QF45	3.170	405,165.72	GNMA	3617AAKP8	3.500	496,830.59
FNMA	31413QF60	5.140	99,182.43	GNMA	3617AT6C2	3.000	1,968,316.79
FNMA	31413QF78	5.340	63,046.13	GNMA	3617ATVL4	3.750	1,786,362.24
FNMA	31413QGD4	5.880	56,185.23	GNMA	3617ATZF3	3.500	1,142,859.08
FNMA	31413ULL1	5.390	117,289.41	GNMA	3617ATZG1	3.750	1,082,411.04
FNMA	31413ULQ0	4.940	74,143.93	GNMA	3617AUGT1	3.500	3,915,321.48
FNMA	31413ULR8	5.140	319,455.48	GNMA	3617AUJP6	3.000	1,741,992.93
FNMA	31413ULS6	5.340	92,668.45	GNMA	36182AGN5	1.750	1,396,940.25
FNMA	31413ULU1	5.540	346,498.69	GNMA	36182AGP0	2.000	3,482,912.07
FNMA	31413ULZ0	6.180	94,320.81	GNMA	36182AKB6	2.500	1,896,502.98
FNMA	31413YAZ4	5.980	169,742.51	GNMA	36182AKC4	2.500	1,330,075.77
FNMA	31413YCG4	4.940	106,939.11	GNMA	36182AKD2	2.750	860,851.86
FNMA	31413YCH2	5.140	60,905.56	GNMA	36182AND9	2.000	586,321.72
FNMA	31413YCJ8	5.340	123,158.25	GNMA	36182ANF4	2.250	291,843.27
FNMA	31413YCS8	5.780	28,955.23	GNMA	36182ANH0	2.500	705,440.60
FNMA	31413YCT6	5.980	106,996.56	GNMA	36182ANJ6	2.750	235,333.16
FNMA	31413YCU3	6.180	101,924.19	GNMA	36182ANK3	3.000	1,602,196.46
FNMA	31414JLV3	5.440	211,537.06	GNMA	36182ANM9	3.250	1,873,135.21
FNMA	31414JLZ4	5.840	46,672.90	GNMA	36182J2P6	3.250	1,949,630.53
FNMA	31414LR26	6.080	46,242.27	GNMA	36182J6G2	3.750	1,784,832.93
FNMA	31414LRR1	4.940	298,404.69	GNMA	36182JC67	3.750	1,048,944.24
FNMA	31414LRS9	5.140	132,795.74	GNMA	36182JC75	4.000	319,124.59
FNMA	31414LRU4	5.440	68,159.79	GNMA	36182JC83	4.250	807,392.97
FNMA	31414LRW0	5.640	19,557.34	GNMA	36182JE24	3.500	141,930.57
FNMA	31414LRZ3	5.880	38,418.91	GNMA	36182JE32	3.500	1,104,181.90
FNMA	31414PW88	4.940	234,084.40	GNMA	36182JE40	3.750	429,059.31
FNMA	31414PWV7	5.390	56,393.20	GNMA	36182JE57	3.750	489,382.07
FNMA	31414PXB0	5.540	149,858.90	GNMA	36182JE65	4.250	182,400.38
FNMA	31414TGN5	4.940	274,650.49	GNMA	36182JE81	4.000	503,775.81
FNMA	31414TGP0	5.140	85,260.60	GNMA	36182JEY4	3.000	515,350.10
FNMA	31414TGQ8	5.440	636,391.65	GNMA	36182JEZ1	3.250	379,584.00
FNMA	31414TGS4	5.640	135,917.17	GNMA	36182JH39	3.750	1,051,052.80
FNMA	31414TGT2	5.780	298,384.31	GNMA	36182JHL9	3.250	3,452,555.90
FNMA	31414YA67	5.190	49,497.90	GNMA	36183QDK8	3.500	1,498,168.76
FNMA	31415LZ26	4.940	272,913.07	GNMA	36183QE76	3.000	686,461.18
FNMA	31415LZ34	5.340	207,099.91	GNMA	36183QE84	3.500	772,817.26
FNMA	31415LZ67	5.740	80,628.43	GNMA	36183QEC5	2.750	202,809.08
FNMA	31415LZ83	6.140	63,056.85	GNMA	36183QEF8	3.750	223,710.39
FNMA	31415PTF5	5.440	210,282.56	GNMA	36183QVQ5	3.750	103,260.71
FNMA	31415PTG3	5.440	148,932.70	GNMA	36183QZL2	3.000	284,914.81
FNMA	31415PTN8	5.780	68,549.39	GNMA	36183RFD0	3.000	285,524.47
FNMA	31415QJ80	5.840	166,607.29	GNMA	36185BQC3	3.000	2,007,332.60
FNMA	31415SFU1	6.880	26,967.26	GNMA	36185BQD1	3.500	242,763.38
FNMA	31415U7E1	5.340	36,279.77	GNMA	36192UEV3	2.500	1,424,493.50
FNMA	31415XDD0	6.040	148,427.54	GNMA	36192UEX9	3.000	129,126.32
FNMA	31415Y2Z1	5.790	24,622.68	GNMA	36192UEY7	3.500	502,000.93
FNMA	31416BJ66	5.640	76,204.87	GNMA	36194GLW2	3.250	1,953,297.11
FNMA	31416BJ74	6.780	89,152.10	GNMA	36196H3H1	2.500	738,383.09
FNMA	31416BJ82	6.240	124,043.55	GNMA	36196H3J7	3.000	407,909.34
FNMA	31416JKC4	6.140	129,520.82	GNMA	36196H3L2	3.250	1,079,020.87
FHLMC	31286DLK5	5.640	158,796.48	GNMA	36196H3M0	3.500	144,468.12
FHLMC	31286DLL3	5.840	177,815.10	GNMA	36196H3N8	3.750	2,450,425.37
FHLMC	31335YVQ6	5.740	32,328.94	GNMA	36196HNS5	2.500	1,967,618.35
FHLMC	31335YXX9	5.540	139,340.45	GNMA	36196HP20	3.250	109,131.25
GNMA	3617A9W45	2.750	1,269,614.10	GNMA	36196HPX2	2.250	480,084.70
				GNMA	36196HPY0	2.500	1,736,179.36

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GNMA	36196HPZ7	3.000	3,149,369.71
GNMA	36196HXA3	2.250	318,522.18
GNMA	36196HXB1	2.500	1,417,895.44
GNMA	36196HXC9	2.750	355,387.00
GNMA	36196HXD7	3.000	1,500,079.90
GNMA	36196HXE5	3.000	645,486.37
GNMA	36196HXG0	3.500	1,312,743.70
GNMA	36196HXH8	3.750	131,284.72
GNMA	36198RGT7	3.250	2,577,437.26
GNMA	36198RJE7	3.250	285,736.49
GNMA	36198RJF4	3.750	2,590,050.09
GNMA	36198RJG2	3.250	2,763,661.75
GNMA	36200E2A8	6.060	382,261.93
GNMA	36200E2P5	6.060	464,921.90
GNMA	36200E2Q3	6.530	100,874.06
GNMA	36200E3N9	5.090	178,356.08
GNMA	36200E3R0	5.880	580,754.88
GNMA	36200E4D0	5.580	174,514.40
GNMA	36200E4E8	5.880	250,372.97
GNMA	36200E4F5	6.060	100,113.94
GNMA	36200E4U2	5.580	212,435.15
GNMA	36200EY96	6.530	225,584.70
GNMA	36200EZ38	5.580	248,478.45
GNMA	36200EZ79	6.060	85,387.32
GNMA	36200EZA2	6.580	115,280.80
GNMA	36200EZM6	6.060	349,676.00
GNMA	36200EZV6	6.060	295,754.80
GNMA	36201TA56	5.580	352,719.17
GNMA	36201TA72	5.880	253,627.71
GNMA	36201TA80	6.060	540,443.91
GNMA	36201TAD9	6.530	374,089.11
GNMA	36201TAP2	6.530	320,898.60
GNMA	36201TAQ0	5.260	56,355.99
GNMA	36201TAV9	6.530	372,592.24
GNMA	36201TB22	5.880	479,995.49
GNMA	36201TB89	2.490	215,874.70
GNMA	36201TB97	4.190	149,810.57
GNMA	36201TBH9	2.490	304,009.56
GNMA	36201TBN6	5.580	130,281.09
GNMA	36201TBP1	5.880	262,264.03
GNMA	36201TBQ9	6.060	96,915.03
GNMA	36201TC54	4.990	139,245.66
GNMA	36201TC70	5.880	211,356.90
GNMA	36201TCB1	5.580	112,511.65
GNMA	36201TCC9	5.880	196,190.35
GNMA	36201TCS4	4.790	33,067.40
GNMA	36201TCU9	5.580	81,664.17
GNMA	36201TCV7	5.880	379,092.83
GNMA	36201TDE4	2.490	226,314.63
GNMA	36201TDG9	4.790	155,239.23
GNMA	36203HS36	7.190	12,301.54
GNMA	36203HS44	6.860	3,210.73
GNMA	36203HS85	6.860	12,459.81
GNMA	36203XDU7	6.860	16,771.70
GNMA	36203XDV5	5.500	58,401.50
GNMA	36206CD48	7.490	44,943.78
GNMA	36206GQN3	7.490	15,834.93
GNMA	36206GQQ6	7.490	61,097.12
GNMA	36206GQS2	6.950	14,820.93
GNMA	36206KCH2	6.770	43,523.71
GNMA	36206KCK5	6.770	34,078.30
GNMA	36206KCL3	6.770	29,563.46
GNMA	36206KCM1	6.770	17,024.69
GNMA	36206KCN9	6.770	28,763.78
GNMA	36206RM29	6.140	29,804.67
GNMA	36206RM37	6.600	60,964.49
GNMA	36206RM45	6.770	25,828.47
GNMA	36206RM52	6.140	40,824.56
GNMA	36206T6V9	7.150	60,160.71
GNMA	36206T6W7	6.770	1,577.67
GNMA	36206T6X5	7.150	36,677.85
GNMA	36206XW33	6.490	30,304.41
GNMA	36206XWU3	6.770	57,811.92
GNMA	36206XWW9	6.140	20,309.38
GNMA	36206XWX7	6.140	41,930.71
GNMA	36206XWZ2	6.350	38,971.94
GNMA	36207NPN8	6.350	258,227.05
GNMA	36207NPQ1	6.350	202,011.53
GNMA	36207NPS7	6.770	28,940.57
GNMA	36207NPT5	6.350	11,805.42
GNMA	36207NPW8	6.350	23,465.10
GNMA	36207U2A5	6.490	6,033.55
GNMA	36207U2B3	6.350	19,518.15
GNMA	36207UZ43	7.400	74,877.76
GNMA	36207UZ50	6.770	68,621.03
GNMA	36207UZ68	6.600	28,402.60
GNMA	36207UZX9	7.270	18,159.97
GNMA	36207UZY7	6.770	83,023.39
GNMA	36207UZZ4	6.600	65,184.98
GNMA	36208D2P9	6.060	186,827.10
GNMA	36208D2Q7	6.530	300,227.69
GNMA	36208D2X2	5.740	167,880.27
GNMA	36208D2Y0	6.060	306,645.17
GNMA	36208FF62	6.350	21,976.31
GNMA	36208FF88	6.490	15,183.36
GNMA	36208FF96	7.150	43,610.90
GNMA	36208FG38	6.010	102,625.61
GNMA	36208FGA2	6.140	126,722.18
GNMA	36208FGD6	6.140	85,832.62
GNMA	36208FGE4	7.150	29,258.39
GNMA	36208FGF1	6.400	174,140.62
GNMA	36208FGG9	6.600	52,172.93
GNMA	36208FGH7	7.150	75,503.16
GNMA	36208FGJ3	7.150	31,111.65
GNMA	36208FGL8	6.140	67,471.17
GNMA	36208FGM6	6.400	56,762.94
GNMA	36208FGN4	6.400	97,783.11
GNMA	36208FGP9	5.760	38,808.44
GNMA	36208FGQ7	6.600	44,874.09
GNMA	36208FGR5	7.150	19,833.30
GNMA	36208FGT1	6.400	72,991.20
GNMA	36208FGU8	6.580	79,988.18
GNMA	36208FGV6	6.140	21,113.74
GNMA	36208FGW4	5.950	94,013.25
GNMA	36208FGZ7	6.580	63,424.68
GNMA	36208LA72	6.140	49,703.51
GNMA	36208LA80	7.400	45,577.59
GNMA	36208LB30	6.780	24,753.55
GNMA	36208LB48	6.400	64,653.79

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GNMA	36208LB55	6.010	108,953.88
GNMA	36208LB63	6.140	72,158.41
GNMA	36208LB71	6.650	62,761.07
GNMA	36208LB89	6.140	95,059.02
GNMA	36208LB97	6.140	67,296.82
GNMA	36208LBA4	6.140	51,538.15
GNMA	36208LBB2	6.650	73,959.22
GNMA	36208LBC0	6.010	369,693.25
GNMA	36208LBD8	6.400	66,822.37
GNMA	36208LCA3	6.780	41,601.69
GNMA	36208LCB1	6.780	90,220.83
GNMA	36208LCD7	5.950	43,343.71
GNMA	36208LCH8	6.780	112,215.84
GNMA	36208LCJ4	6.780	17,443.31
GNMA	36208LCK1	6.140	33,569.23
GNMA	36209AMC1	6.580	98,001.96
GNMA	36209AME7	7.150	176,754.07
GNMA	36209AMF4	5.950	30,907.77
GNMA	36209AMH0	5.950	103,000.59
GNMA	36209AMK3	6.400	29,545.45
GNMA	36209AMM9	6.140	57,176.05
GNMA	36209AMQ0	6.140	79,297.44
GNMA	36209AMZ0	6.400	100,335.28
GNMA	36209APC8	5.950	61,466.96
GNMA	36209NX23	6.140	47,612.48
GNMA	36209NX31	6.140	56,910.44
GNMA	36209NX56	5.740	11,063.90
GNMA	36209NX64	6.580	36,991.33
GNMA	36209NX72	5.950	37,576.86
GNMA	36209NX80	6.140	350,397.56
GNMA	36209NX98	6.780	97,794.69
GNMA	36209NXU1	6.140	169,356.50
GNMA	36209NXV9	6.780	114,914.10
GNMA	36209NXW7	6.780	121,920.84
GNMA	36209NXY3	6.780	142,050.65
GNMA	36209NXZ0	6.780	120,973.06
GNMA	36209NYC0	7.150	35,023.77
GNMA	36209NYD8	5.750	23,098.75
GNMA	36209NYE6	7.010	31,650.23
GNMA	36209NYF3	7.010	121,850.55
GNMA	36209NYL0	5.650	14,845.45
GNMA	36209NYR7	6.650	74,053.18
GNMA	36209NYS5	5.650	94,369.49
GNMA	36209NYT3	6.530	44,553.36
GNMA	3620AFB22	5.000	343,499.51
GNMA	36210FZ25	6.530	39,963.16
GNMA	36210FZ33	5.650	209,120.03
GNMA	36210FZ41	5.650	116,807.64
GNMA	36210FZ58	7.010	41,672.61
GNMA	36210FZJ8	7.010	19,983.57
GNMA	36210FZK5	7.010	103,530.66
GNMA	36210FZM1	6.530	181,248.05
GNMA	36210FZN9	6.780	89,493.95
GNMA	36210FZQ2	7.010	241,834.41
GNMA	36210FZR0	6.140	297,118.24
GNMA	36210FZT6	6.530	137,730.59
GNMA	36210FZU3	6.530	64,170.94
GNMA	36211AQ33	6.530	198,066.47
GNMA	36211AQ58	5.650	66,524.82
GNMA	36211AQ66	5.650	103,347.93
GNMA	36211AQD1	5.950	120,942.16
GNMA	36211AQE9	6.780	86,735.67
GNMA	36211AQK5	5.650	34,951.58
GNMA	36211AQM1	5.950	348,004.63
GNMA	36211AQN9	6.780	292,836.48
GNMA	36211AQR0	6.350	151,554.05
GNMA	36211AQS8	7.150	91,483.52
GNMA	36211AQW9	6.140	48,811.89
GNMA	36211AQX7	2.500	397,372.28
GNMA	36211AQZ2	6.530	43,559.55
GNMA	36211ARD0	6.780	25,011.26
GNMA	36211ARE8	5.950	16,692.52
GNMA	36211ARG3	6.530	129,565.34
GNMA	36212AG82	2.490	553,724.30
GNMA	36212AJ22	7.580	194,336.19
GNMA	36212AJ55	6.780	225,553.78
GNMA	36212AJ63	5.950	260,384.04
GNMA	36212AJ89	7.150	133,865.52
GNMA	36212AJ97	6.530	57,490.64
GNMA	36212AJX4	7.150	36,759.41
GNMA	36212AK53	7.580	21,957.46
GNMA	36212AKD6	6.350	69,621.62
GNMA	36212AKE4	7.150	29,513.34
GNMA	36212AKF1	6.780	46,986.05
GNMA	36212AKG9	5.650	285,942.74
GNMA	36212AKJ3	6.530	14,596.27
GNMA	36212AKM6	7.150	79,802.46
GNMA	36212AKT1	7.150	73,531.41
GNMA	36212AKU8	7.580	59,645.27
GNMA	36212AKY0	7.580	38,344.25
GNMA	36212AKZ7	7.580	7,115.03
GNMA	36212MR35	7.580	52,225.37
GNMA	36212MR50	7.900	137,632.86
GNMA	36212MR84	6.770	14,547.46
GNMA	36212MRT8	7.580	74,877.80
GNMA	36212MRU5	6.770	29,046.66
GNMA	36212MRW1	7.900	16,377.49
GNMA	36212MS26	7.900	67,216.38
GNMA	36212MSB6	7.100	20,520.75
GNMA	36212MSC4	7.900	77,990.97
GNMA	36212MSJ9	6.530	33,286.47
GNMA	36212MSL4	7.900	148,663.44
GNMA	36212MSN0	7.580	25,182.95
GNMA	36212MSX8	7.100	30,799.74
GNMA	36212MSZ3	7.270	2,981.85
GNMA	36213JV36	5.880	149,838.22
GNMA	36213JW50	6.060	19,022.29
GNMA	36213JW68	6.060	36,124.68
GNMA	36213JW76	6.530	95,249.77
GNMA	36213JW84	6.580	256,123.18
GNMA	36213JWA9	6.060	54,479.23
GNMA	36213JWB7	6.530	117,930.89
GNMA	36213JWS0	6.060	41,065.34
GNMA	36213JWW1	6.060	252,616.98
GNMA	36213JWX9	6.580	39,126.04
GNMA	36213JX59	7.270	23,707.11
GNMA	36213JXA8	6.060	70,837.44
GNMA	36213JXF7	6.580	493,101.81
GNMA	36213JXK6	6.060	49,313.30

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GNMA	36213JXQ3	5.490	86,140.29
GNMA	36213JXT7	5.260	345,501.01
GNMA	36213JXU4	6.060	258,131.09
GNMA	36213JXX8	5.260	35,433.46
GNMA	36213JXZ3	6.060	328,799.79
GNMA	36213JY58	6.580	103,704.69
GNMA	36213JYQ2	7.270	138,048.44
GNMA	36213JYR0	6.580	97,840.73
GNMA	36213JYS8	5.580	270,012.67
GNMA	36213JYY5	6.580	126,860.47
GNMA	36213JZA6	6.580	147,802.53
GNMA	36213JZE8	6.580	392,825.79
GNMA	36219XKD9	8.380	2,500.25
GNMA	362209SC3	7.750	8,713.54
GNMA	36220V4Q9	8.380	2,448.55
GNMA	36220V5D7	7.750	19,236.74
GNMA	36220V5X3	5.500	12,498.19
GNMA	36220V6A2	7.875	307.02
GNMA	36220V6B0	7.750	14,777.98
GNMA	36223B6Y1	7.875	3,201.57
GNMA	36223G2B4	5.500	6,458.36
GNMA	36223GZ93	5.500	12,891.71
GNMA	36223H2R7	7.875	11,519.09
GNMA	36223NG81	5.500	4,743.36
GNMA	36223NHA5	7.875	9,796.73
GNMA	36223QL39	7.190	14,829.35
GNMA	36223QL96	5.500	10,235.64
GNMA	36223QMA2	7.190	40,770.15
GNMA	36224AQ46	7.190	19,687.67
GNMA	36224BSH3	7.190	13,676.89
GNMA	36224BSJ9	7.190	1,636.70
GNMA	36224BSN0	7.190	6,372.65
GNMA	36224BSS9	7.190	6,752.33
GNMA	36224BVK2	6.860	52,534.46
GNMA	36224BVL0	6.860	28,238.89
GNMA	36224BVQ9	5.500	21,420.49
GNMA	36224TDL1	6.860	22,562.07
GNMA	36224TDM9	6.860	41,332.27
GNMA	36224TDN7	7.190	20,536.46
GNMA	36224TDQ0	5.500	16,742.99
GNMA	36224TDT4	6.860	26,867.70
GNMA	36290YF29	6.060	127,906.67
GNMA	36290YFH6	2.490	174,819.15
GNMA	36290YFY9	5.580	436,864.83
GNMA	36290YFZ6	5.880	68,840.44
GNMA	36290YG28	4.990	36,584.61
GNMA	36290YG36	5.090	47,327.70
GNMA	36290YG44	5.290	86,428.74
GNMA	36290YG51	5.580	265,948.42
GNMA	36290YG69	5.780	49,418.39
GNMA	36290YG77	5.880	81,782.36
GNMA	36290YG85	6.080	362,449.08
GNMA	36290YG93	2.490	427,886.53
GNMA	36290YGK8	5.580	471,299.01
GNMA	36290YGL6	5.880	196,229.82
GNMA	36290YH43	4.590	23,297.71
GNMA	36290YH50	4.790	196,320.83
GNMA	36290YH68	5.580	44,396.41
GNMA	36290YH92	5.980	162,869.15
GNMA	36290YHH4	5.090	98,781.64
GNMA	36290YHK7	6.080	226,958.43
GNMA	36290YHR2	2.490	481,061.93
GNMA	36290YHS0	4.990	23,094.66
GNMA	36290YHT8	5.090	249,721.46
GNMA	36290YHU5	6.080	77,729.69
GNMA	36290YHV3	6.080	169,708.98
GNMA	36290YJA7	6.080	247,578.17
GNMA	36291VAL7	5.780	273,056.27
GNMA	36291VAM5	5.980	49,873.67
GNMA	36291VAW3	5.580	154,182.70
GNMA	36291VAX1	5.780	206,609.44
GNMA	36291VB51	2.490	143,782.62
GNMA	36291VBC6	5.090	126,215.01
GNMA	36291VBE2	5.580	79,249.59
GNMA	36291VBF9	5.780	143,775.77
GNMA	36291VBG7	5.980	107,286.15
GNMA	36291VBH5	6.080	124,392.69
GNMA	36291VBN2	4.790	61,673.41
GNMA	36291VBQ5	5.580	68,592.70
GNMA	36291VG31	5.580	412,873.92
GNMA	36291VG64	2.490	375,566.35
GNMA	36291VGZ0	4.390	61,858.73
GNMA	36291VHA4	5.580	210,288.18
GNMA	36291VHB2	2.490	224,855.75
GNMA	36291VHC0	4.390	105,879.81
GNMA	36291VHE6	5.580	40,545.16
GNMA	36291VHF3	5.780	63,013.44
GNMA	36291VHG1	5.880	136,111.85
GNMA	36291VP49	5.490	40,015.61
GNMA	36292BQV1	5.780	119,337.03
GNMA	36292BQW9	5.880	171,590.64
GNMA	36292G5P6	2.490	375,177.44
GNMA	36292GWV3	4.390	128,672.23
GNMA	36292GWX9	5.580	413,590.02
GNMA	36292GWY7	5.780	95,231.83
GNMA	36292GZJ7	5.480	712,799.54
GNMA	36292HB28	5.480	365,046.97
GNMA	36292HB36	5.880	23,591.13
GNMA	36292HER0	2.490	302,454.60
GNMA	36292HES8	3.490	226,295.57
GNMA	36292HET6	5.480	305,759.45
GNMA	36292MKU5	5.780	34,333.76
GNMA	36292MKV3	5.980	77,054.64
GNMA	36292MPM8	5.980	131,585.43
GNMA	36292MSU7	5.480	125,358.05
GNMA	36292MXW7	5.140	349,853.01
GNMA	36292MXX5	5.580	355,865.80
GNMA	36292MXY3	5.780	89,416.64
GNMA	36292MXZ0	5.980	119,609.62
GNMA	36294QQA2	5.580	103,531.60
GNMA	36294QZK0	3.490	624,883.88
GNMA	36294QZP9	5.540	193,833.64
GNMA	36294QZQ7	5.740	248,953.27
GNMA	36294UY30	5.580	292,983.37
GNMA	36294UY48	5.980	39,594.95
GNMA	36294UY55	6.180	248,210.10
GNMA	36294UY63	6.180	145,565.15
GNMA	36294UYY2	5.490	221,921.37
GNMA	36294UYZ9	5.740	54,379.63

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GNMA	36294VAQ3	3.490	318,590.37
GNMA	36294VAR1	5.490	109,054.16
GNMA	36294VAU4	5.540	126,849.89
GNMA	36294VAV2	5.740	48,145.68
GNMA	36294VAW0	5.840	138,870.79
GNMA	36294VAX8	5.840	71,938.04
GNMA	36294VAY6	6.180	247,884.30
GNMA	36294VF62	2.490	449,814.74
GNMA	36294VF70	5.490	210,156.46
GNMA	36294VF88	5.590	27,480.83
GNMA	36294VGA2	5.740	191,873.75
GNMA	36294VGB0	5.840	87,729.32
GNMA	36294VGC8	5.980	43,583.41
GNMA	36294VGD6	6.180	230,783.19
GNMA	36294XG26	5.190	141,438.15
GNMA	36294XG34	5.490	258,119.90
GNMA	36294XG42	2.170	363,681.40
GNMA	36294XG59	5.140	192,574.29
GNMA	36294XG75	5.740	40,539.42
GNMA	36294XMS2	5.290	145,457.67
GNMA	36294XMT0	5.540	352,449.54
GNMA	36294XRA6	5.090	90,101.28
GNMA	36294XRC2	5.440	262,506.61
GNMA	36294XRD0	5.780	309,888.25
GNMA	36294XTA4	5.290	72,474.88
GNMA	36294XTB2	5.490	180,801.15
GNMA	36294XTC0	3.170	433,939.69
GNMA	36294XTD8	5.540	31,336.84
GNMA	36294XTE6	5.780	211,206.77
GNMA	36294XTF3	5.980	316,905.60
GNMA	36294XTG1	5.980	122,311.92
GNMA	36294XTH9	6.380	54,628.02
GNMA	36295C2V2	2.170	249,079.34
GNMA	36295C2X8	5.840	73,617.28
GNMA	36295C2Z3	6.180	75,049.54
GNMA	36295C4S7	4.940	69,379.52
GNMA	36295C6H9	5.440	57,343.39
GNMA	36295DCR8	5.290	74,602.17
GNMA	36295DCS6	5.340	169,919.18
GNMA	36295DCT4	5.440	287,501.31
GNMA	36295DCU1	5.540	61,256.33
GNMA	36295DCV9	5.480	365,801.21
GNMA	36295DGG8	3.170	132,437.67
GNMA	36295DGH6	4.490	123,161.70
GNMA	36295DGJ2	5.740	89,308.70
GNMA	36295DGK9	5.780	136,620.40
GNMA	36295DGL7	5.980	38,667.34
GNMA	36295DJP5	5.880	70,704.12
GNMA	36295JMF0	5.190	69,575.84
GNMA	36295JMH6	4.940	104,881.41
GNMA	36295JMJ2	5.340	135,891.00
GNMA	36295JMR4	5.440	128,242.68
GNMA	36295JMT0	5.780	253,468.69
GNMA	36295JRT5	5.190	175,167.60
GNMA	36295JRU2	2.170	136,799.35
GNMA	36295JRV0	5.340	84,177.52
GNMA	36295JRW8	5.440	378,292.57
GNMA	36295JRX6	5.540	86,572.55
GNMA	36295JRY4	5.780	145,649.24
GNMA	36295JWT9	5.440	263,723.48
GNMA	36295JWU6	5.540	86,587.13
GNMA	36295JWV4	5.840	106,645.85
GNMA	36295JWW2	5.780	88,154.14
GNMA	36295JWX0	5.980	93,778.88
GNMA	36295SG26	5.880	52,847.81
GNMA	36295SGL4	5.190	32,272.31
GNMA	36295SGM2	5.290	59,454.08
GNMA	36295SGP5	5.590	62,050.17
GNMA	36295SGQ3	4.940	96,097.52
GNMA	36295SGR1	5.440	270,544.97
GNMA	36295SGS9	5.540	50,723.77
GNMA	36295SGT7	5.640	66,801.52
GNMA	36295SGU4	5.740	53,028.16
GNMA	36295SGV2	5.840	247,075.49
GNMA	36295SGW0	5.780	72,982.90
GNMA	36295SGZ3	6.180	206,080.09
GNMA	36295SML7	5.190	45,977.50
GNMA	36295SMM5	5.640	92,554.40
GNMA	36295SMN3	5.740	144,955.65
GNMA	36295SMP8	5.840	272,510.29
GNMA	36295SMQ6	5.980	229,174.02
GNMA	36295SMR4	6.080	343,539.63
GNMA	36295SQ90	5.090	25,676.86
GNMA	36295SRB4	4.940	57,612.18
GNMA	36295SRC2	5.340	62,422.29
GNMA	36295SRD0	5.440	112,587.86
GNMA	36295SRE8	5.540	104,200.31
GNMA	36295SRF5	5.640	254,160.39
GNMA	36295SRH1	5.780	37,512.66
GNMA	36295SRJ7	5.880	357,491.57
GNMA	36295SRM0	6.180	116,103.72
GNMA	36295STZ9	5.540	95,677.91
GNMA	36295XJW6	5.590	35,516.10
GNMA	36295XKD6	5.140	59,034.69
GNMA	36295XKE4	5.440	34,012.04
GNMA	36295XKH7	5.780	51,635.09
GNMA	36295XKJ3	5.880	124,791.86
GNMA	36295XP82	5.190	122,557.61
GNMA	36295XP90	5.290	149,838.11
GNMA	36295XQB4	4.940	134,364.81
GNMA	36295XQC2	5.340	91,515.81
GNMA	36295XQE8	5.540	63,648.84
GNMA	36295XQF5	5.780	396,834.92
GNMA	36295XQG3	6.080	61,163.39
GNMA	36295XU29	5.640	141,972.98
GNMA	36295XU45	5.780	493,316.81
GNMA	36295XU52	5.880	167,041.18
GNMA	36295XU60	5.980	50,479.52
GNMA	36295XU78	6.180	88,088.57
GNMA	36295XUZ6	5.440	171,511.43
GNMA	36296C2H2	5.440	384,532.65
GNMA	36296C2L3	6.080	173,940.27
GNMA	36296C2M1	6.180	62,958.27
GNMA	36296CSC5	5.740	126,390.91
GNMA	36296CSD3	5.780	164,013.36
GNMA	36296CVR8	4.940	63,393.46
GNMA	36296CVU1	5.780	62,933.52
GNMA	36296CVV9	6.480	93,652.17
GNMA	36296NLK0	5.440	347,896.30

RETIRED SERIES			
GNMA	36296NLM6	6.080	385,587.31
GNMA	36296NRE8	4.840	198,766.86
GNMA	36296NRH1	5.540	163,488.44
GNMA	36296NRK4	5.780	215,862.18
GNMA	36296NRL2	6.280	247,814.97
GNMA	36296NRM0	6.380	212,477.88
GNMA	36296VF52	6.080	101,877.79
GNMA	36296VF60	6.380	283,056.37
GNMA	36296VF78	6.480	199,815.95
GNMA	36296VFW3	5.040	145,539.39
GNMA	36296VNJ3	5.090	7,105.97
GNMA	36296VNQ7	5.980	49,205.26
GNMA	36296VNS3	6.380	408,050.87
GNMA	36296VNT1	6.480	45,198.70
GNMA	36296VUP1	5.240	114,081.84
GNMA	36296VUQ9	6.080	70,929.96
GNMA	36296VUW6	5.980	190,978.02
GNMA	36296VUX4	6.480	37,254.40
GNMA	36297BQ38	4.840	153,453.36
GNMA	36297BQ46	5.340	145,519.38
GNMA	36297BQ61	5.840	44,661.70
GNMA	36297BQX2	4.990	136,402.48
GNMA	36297BQY0	5.490	111,047.23
GNMA	36297BSF9	6.340	88,938.36
GNMA	36297BSJ1	6.480	76,538.13
GNMA	36297BWL1	5.980	30,848.77
GNMA	36297JSZ8	4.500	13,490.52
GNMA	36297KAK7	5.250	542,803.98
GNMA	36297KE64	5.250	781,482.21
	WAM	**Wt Avg**	
Whole Mortgage Loans	10/12//2025	6.919	1,904,908.54
	Total Retired Series		**250,817,648.76**
Series 2010 ABC			
FNMA	31379RL89	5.650	18,739.54
FNMA	31384HJS3	2.490	49,790.86
FNMA	31386W3J5	5.740	81,843.32
FNMA	31388PF30	5.490	118,572.43
FNMA	31388PGA3	5.490	57,435.20
FNMA	3138XH6V8	2.275	442,308.36
FNMA	3138XLE57	2.775	158,487.24
FNMA	3138XPUP6	4.025	355,896.50
FNMA	3138Y5P75	3.525	2,004,822.08
FNMA	3138Y7XE7	4.025	1,298,609.92
FNMA	31390HLK9	5.740	2,037.94
FNMA	31390HLL7	5.490	36,178.83
FNMA	31390HLQ6	4.490	248,679.15
FNMA	31390HLR4	5.740	101,614.67
FNMA	31391QSU9	4.490	46,017.21
FNMA	31407EQJ5	4.890	54,506.70
FNMA	31407Q4T0	4.590	12,471.35
FNMA	31407Q4Z6	4.590	152,664.71
FNMA	31407QLV6	4.590	175,708.89
FNMA	3140FSG49	2.550	3,917,070.38
FNMA	3140FUM54	2.550	2,264,915.94
FNMA	31410M6U9	5.190	53,147.85
FNMA	31410M6Z8	5.540	16,979.15
FNMA	31410SKK2	3.170	187,087.73
FNMA	31410THC2	2.170	205,696.60
FNMA	31410Y4W1	2.490	67,158.06
FNMA	31411FTZ7	3.490	978,118.47
FNMA	31411H3L2	3.490	542,352.37
FNMA	31411NFT9	2.170	538,170.93
FNMA	31411V5S4	2.170	164,494.10
FNMA	31412YJ78	2.170	406,918.54
FNMA	31412YKB7	5.440	419,746.14
FNMA	31413GRH5	5.840	63,612.38
FNMA	31413YCP4	5.740	397,403.25
FNMA	31414JLT8	4.940	190,739.40
FNMA	31414PXC8	5.540	190,522.40
FNMA	31414YA75	4.940	94,321.64
FNMA	31415SFR8	5.640	59,951.99
FNMA	31415U7F8	5.440	81,207.89
GNMA	* 36176K7C5	4.500	285,567.51
GNMA	* 36176LJL0	4.500	195,705.77
GNMA	* 36176LJM8	4.500	122,530.28
GNMA	* 36177MG48	3.500	279,285.82
GNMA	* 36177MG55	3.250	405,681.53
GNMA	3617AT6D0	3.000	1,807,189.25
GNMA	3617ATVH3	3.000	631,242.18
GNMA	36181FUQ2	1.750	1,488,910.55
GNMA	36182ANC1	1.750	350,203.13
GNMA	36182J2N1	3.000	655,482.37
GNMA	36182J2R2	3.750	357,877.57
GNMA	36182J6E7	3.000	1,122,892.17
GNMA	36182JC42	3.750	696,679.28
GNMA	36182JCS9	1.750	147,867.88
GNMA	36182JCT7	2.000	443,797.45
GNMA	36182JCW0	2.500	413,827.27
GNMA	36182JEX6	3.000	146,363.36
GNMA	36182JHA3	2.750	250,250.78
GNMA	36182JHD7	3.750	306,545.59
GNMA	36182JHK1	4.250	171,239.04
GNMA	36185B5N2	2.500	2,390,105.99
GNMA	36194GR22	2.500	511,251.37
GNMA	36194GRX4	2.250	1,467,981.15
GNMA	36196HXF2	3.250	266,771.88
GNMA	36196JG83	3.250	1,937,254.48
GNMA	36198RG42	3.250	1,021,325.79
GNMA	36198RG59	3.750	358,694.85
GNMA	36198RGU4	3.750	1,381,792.33
GNMA	36198RJD9	3.250	898,119.70
GNMA	36198RN69	2.750	254,200.12
GNMA	36200E3S8	6.060	809,667.61
GNMA	36200E4G3	2.490	313,567.90
GNMA	36201TAG2	4.490	49,982.33
GNMA	36201TAK3	5.740	66,085.06
GNMA	36201TBM8	5.260	223,474.89
GNMA	3620APGT6	4.750	207,884.36
GNMA	3620APGV1	4.800	173,792.14
GNMA	3620APHC2	4.450	91,403.77
GNMA	3620AX3Q9	4.750	525,535.14
GNMA	3620AXV21	3.950	3,405,225.68
GNMA	3620AXV88	5.250	352,155.29
GNMA	3620AXW38	4.100	93,294.18
GNMA	3620AXWH7	5.250	294,241.33
GNMA	3620AYBC9	4.250	1,059,494.58
GNMA	3620C3KJ0	3.950	1,988,181.87
GNMA	3620C3QC9	4.450	158,628.38

Series 2010 ABC			
GNMA	3620C3X80	4.100	187,798.79
GNMA	3620C3YH9	4.000	259,572.15
GNMA	36211AQ25	5.650	57,660.97
GNMA	36211AQJ8	2.490	198,865.38
GNMA	36212AJU0	2.490	165,398.37
GNMA	36212AK38	2.490	126,858.24
GNMA	36212AKC8	2.490	151,755.11
GNMA	36212AKQ7	6.770	55,050.54
GNMA	36212AKR5	2.490	49,724.73
GNMA	36212AKW4	2.490	141,226.36
GNMA	36212MR43	7.100	53,589.49
GNMA	36212MSE0	2.490	97,473.02
GNMA	36212MSM2	7.100	206,509.05
GNMA	36213JUP8	5.090	196,127.10
GNMA	36213JV93	5.740	154,330.38
GNMA	36213JW43	5.740	143,164.72
GNMA	36213JWQ4	5.490	232,523.51
GNMA	36213JXE0	5.490	413,693.56
GNMA	36213JXH3	5.740	120,921.56
GNMA	36213JXJ9	5.260	117,643.25
GNMA	36213JYG4	6.490	124,525.92
GNMA	36218MMA8	8.380	4,939.59
GNMA	36219XKM9	8.380	6,121.19
GNMA	36219XKW7	8.380	16,897.57
GNMA	362209SA7	7.875	10,151.41
GNMA	36220FR89	8.380	3,839.50
GNMA	36220FR97	8.380	2,484.03
GNMA	36223QL62	7.190	36,762.21
GNMA	36230KJ51	4.400	1,016,938.23
GNMA	36230P2J8	4.450	58,686.33
GNMA	36230QP77	3.950	392,835.52
GNMA	36290YFL7	5.090	36,756.50
GNMA	36290YGY8	4.590	98,329.86
GNMA	36290YHJ0	5.290	253,999.91
GNMA	36290YHW1	2.490	392,885.72
GNMA	36292BQR0	4.590	444,624.58
GNMA	36292GWW1	4.590	169,975.10
GNMA	36292HEU3	5.580	131,091.33
GNMA	36292MPL0	4.990	89,221.26
GNMA	36294QP70	5.140	56,941.81
GNMA	36294QP96	5.540	145,639.86
GNMA	36295C4Q1	3.170	139,945.01
GNMA	36295DCQ0	3.490	206,077.98
GNMA	36295XKF1	5.540	337,350.95
GNMA	36296CSB7	5.440	345,935.44
GNMA	36296NRD0	5.390	296,854.34
GNMA	36296NRG3	5.340	682,856.47
GNMA	36296VF29	5.740	259,070.30
GNMA	36296VFX1	5.240	185,207.33
GNMA	36296VNP9	5.840	712,182.41
GNMA	36296VUN6	5.390	49,336.42
	Total Series 2010 ABC		**56,673,601.42**
Series 2013 AB			
FNMA	3138MHEM1	3.400	339,264.83
FNMA	3138MMV90	3.400	124,122.04
FNMA	3138MMWA6	3.650	111,231.46
FNMA	3138MRFA4	3.530	238,743.12
FNMA	3138W2QJ7	3.025	155,077.70
FNMA	3138W6W51	3.025	329,364.07
FNMA	3138WNEW5	3.025	82,236.24
FNMA	3138WSHW1	2.275	1,064,641.02
FNMA	3138WSHX9	3.025	244,758.55
FNMA	3138XTNN1	3.525	1,023,970.41
FNMA	3138Y7XF4	3.525	982,636.32
FNMA	31390HLU7	2.490	103,250.96
FNMA	31391QSX3	2.490	239,717.15
FNMA	31402JKM8	4.190	51,558.85
FNMA	31405XZ71	4.790	101,444.46
FNMA	3140E8Z35	2.775	599,350.09
FNMA	3140F8L62	3.050	1,142,998.48
FNMA	3140FUM62	2.550	2,733,013.61
FNMA	3140GTF96	2.550	118,958.82
FNMA	3140H1HC7	3.050	1,235,045.78
FNMA	31411CSD4	2.170	420,007.47
FNMA	31413CVY2	5.440	302,354.42
FNMA	31413QF94	5.540	344,233.84
FNMA	31413YCK5	5.440	122,662.12
FNMA	31414JLY7	5.740	229,222.41
FNMA	31415PTL2	5.940	62,467.31
FNMA	31415XDA6	5.840	254,301.21
GNMA	36177WJD3	3.000	77,047.04
GNMA	36177WSQ4	3.000	1,874,389.85
GNMA	36177WYB0	3.000	3,151,994.70
GNMA	36178L6J7	3.000	1,493,310.12
GNMA	36178L6K4	3.250	1,577,212.21
GNMA	36178LPQ0	3.000	2,846,966.36
GNMA	36178LXV0	3.000	3,483,135.98
GNMA	36178MG62	2.750	78,311.47
GNMA	36178MHG9	3.000	2,484,395.81
GNMA	36178MHH7	3.250	1,345,610.23
GNMA	36179H4C2	2.500	2,191,838.80
GNMA	36179H4D0	2.750	228,408.26
GNMA	36179H4E8	3.000	123,386.08
GNMA	36179H4F5	3.000	1,654,428.59
GNMA	36179H4G3	3.250	788,419.84
GNMA	36179HRL7	2.500	98,645.64
GNMA	36179HRM5	3.000	520,975.20
GNMA	36179HRN3	3.000	268,247.83
GNMA	36179HRP8	3.250	1,829,143.82
GNMA	36179JGV3	2.500	1,424,763.27
GNMA	36179JGW1	3.000	53,202.40
GNMA	36179JGX9	3.000	1,518,350.20
GNMA	36179JGY7	3.250	164,762.77
GNMA	36179JP50	2.250	104,424.66
GNMA	36179JP68	2.500	1,427,540.10
GNMA	36179JP76	3.000	2,627,125.49
GNMA	3617A9W78	3.250	1,134,490.12
GNMA	3617A9X36	3.750	124,034.97
GNMA	3617AAD50	2.750	311,719.03
GNMA	3617AUGR5	2.750	298,408.96
GNMA	36180KG47	1.750	297,246.10
GNMA	36180KG54	2.000	1,953,754.17
GNMA	36180KG62	2.500	670,133.63
GNMA	36180KG70	2.500	959,886.32
GNMA	36180KG88	3.000	617,335.09
GNMA	36180KRQ6	2.000	4,150,270.06
GNMA	36182J4E9	3.000	463,334.15
GNMA	36185BP75	2.500	1,197,313.10
GNMA	36194GLV4	3.000	916,070.63

Series 2013 AB			
GNMA	36194GLZ5	2.250	491,848.14
GNMA	36194GR48	2.500	318,091.48
GNMA	36198QSF6	3.250	611,246.31
GNMA	36200EZ95	5.260	42,992.26
GNMA	36200EZL8	5.260	319,200.95
GNMA	3620AFPA9	4.750	764,211.58
GNMA	3620C3P97	3.950	1,304,496.32
GNMA	3620C3QE5	4.400	976,609.43
GNMA	36212AJZ9	6.770	120,332.84
GNMA	36212AKL8	6.350	133,884.51
GNMA	36220FSA3	8.380	11,530.19
GNMA	36223G2C2	7.875	17,796.32
GNMA	36224BVN6	6.860	74,704.57
GNMA	36290YFJ2	4.190	302,492.62
GNMA	36291VG98	4.790	149,745.15
GNMA	36292MKS0	4.590	285,173.75
GNMA	36296NLG9	5.090	109,716.26
GNMA	36296NLN4	5.190	96,350.70
	Total Series 2013 AB		**65,417,089.17**
Series 2013 CD			
FNMA	31386EDF2	5.950	25,659.18
FNMA	31388PF71	5.260	178,454.57
FNMA	3138WVJM4	2.275	2,979,480.17
FNMA	3138WVJN2	2.775	64,548.94
FNMA	3138WX5X1	2.275	2,374,662.95
FNMA	3138WX5Y9	2.775	443,866.56
FNMA	3138X2K52	2.275	4,006,860.04
FNMA	3138X2K60	2.775	456,298.62
FNMA	3138X6BQ7	2.275	5,632,166.11
FNMA	3138XWBF4	4.025	848,056.63
FNMA	3138YAYF6	3.775	353,750.50
FNMA	31391QSY1	5.260	18,443.20
FNMA	31408B7D4	5.190	82,528.92
FNMA	31408BEN4	4.590	159,731.22
FNMA	31408BKA5	4.590	604,208.44
FNMA	31409XAA7	5.140	225,057.61
FNMA	3140E7CT5	3.025	1,863,501.82
FNMA	3140GUHY6	3.300	584,617.83
FNMA	3140GXJD4	3.300	346,103.32
FNMA	3140GXJF9	3.800	501,345.93
FNMA	3140H4GU2	3.050	1,179,528.00
FNMA	31410M6S4	4.890	34,767.55
FNMA	31411NFQ5	3.490	103,257.88
FNMA	31412AYS7	3.170	103,153.07
FNMA	31413YCL3	5.540	133,903.61
FNMA	31414JLS0	5.590	43,973.68
FNMA	31414JLW1	5.540	1,094,418.44
FNMA	31415PTJ7	5.540	74,431.30
FNMA	31415PTM0	6.140	174,208.94
FNMA	31415SFN7	5.190	106,849.60
GNMA	3617A9WV5	2.250	113,605.33
GNMA	36180KBP5	2.500	252,254.29
GNMA	36180KRR4	1.750	537,408.43
GNMA	36180KRS2	2.000	1,040,376.86
GNMA	36181D5S1	1.750	995,431.01
GNMA	36181D5T9	2.000	6,715,006.69
GNMA	36181D5U6	2.500	2,369,535.13
GNMA	36181DZJ8	2.500	3,148,136.03
GNMA	36181FDV0	1.750	608,429.77
GNMA	36181FDW8	2.000	5,862,665.18
GNMA	36181FDX6	2.500	2,606,704.47
GNMA	36181FUN9	2.500	3,345,305.92
GNMA	36181FUP4	2.000	5,537,913.71
GNMA	36182J4G4	3.750	692,826.95
GNMA	36194GLX0	3.250	1,626,745.35
GNMA	36196HTT7	3.000	2,961,676.79
GNMA	36196JG67	2.500	143,850.89
GNMA	36198QSG4	3.250	466,443.03
GNMA	36200E2N0	4.490	129,860.36
GNMA	36200E4C2	5.260	27,165.47
GNMA	36201TAH0	5.260	93,675.02
GNMA	3620APHB4	4.600	207,815.43
GNMA	3620APJQ9	4.450	494,256.20
GNMA	3620AX3N6	4.250	918,896.17
GNMA	3620C3KK7	4.100	814,585.28
GNMA	36211AQQ2	2.490	107,124.50
GNMA	36213JVG7	5.260	117,457.69
GNMA	36219XKN7	8.380	9,496.91
GNMA	36220V5L9	7.750	22,767.03
GNMA	36291VBP7	4.990	134,424.03
GNMA	36292MSV5	5.580	205,313.07
GNMA	36292MXV9	4.890	330,218.60
GNMA	36294UYQ9	5.090	39,192.80
GNMA	36294VAT7	3.170	349,564.28
GNMA	36295SGN0	2.170	108,201.46
	Total Series 2013 CD		**67,932,164.76**
Series 2013 EF			
FNMA	31385NHS1	7.100	113,241.07
FNMA	31386EDA3	2.490	46,797.47
FNMA	31388PF55	5.260	116,509.89
FNMA	3138X6BR5	2.775	353,891.31
FNMA	3138X9W88	2.275	6,247,739.82
FNMA	3138X9W96	2.775	1,178,211.93
FNMA	3138X9XA2	2.775	1,063,812.56
FNMA	3138X9XB0	3.275	475,487.60
FNMA	3138X9XC8	3.275	110,531.61
FNMA	3138X9XD6	3.525	153,690.99
FNMA	3138XCPX4	2.775	478,387.58
FNMA	3138XCPY2	3.275	220,907.18
FNMA	3138XDEH9	3.275	1,731,212.53
FNMA	3138XDEJ5	3.525	435,884.68
FNMA	3138XDEK2	3.775	115,894.98
FNMA	3138XDEL0	4.025	65,972.87
FNMA	3138XGC43	2.775	150,159.49
FNMA	3138XGC50	3.275	653,043.19
FNMA	3138XGC76	3.525	3,280,709.66
FNMA	3138XGC92	4.025	480,181.61
FNMA	3138XGDA8	4.025	91,134.98
FNMA	3138XGDB6	4.525	92,900.96
FNMA	3138Y7XC1	3.525	60,336.40
FNMA	3138YFU93	2.775	116,259.12
FNMA	3138YJVL7	2.775	110,226.48
FNMA	31391QSZ8	5.260	87,373.92
FNMA	31402JKH9	2.490	220,191.42
FNMA	31402JKN6	4.790	120,635.79
FNMA	31406TN23	5.090	149,670.97
FNMA	3140EBBK6	3.025	314,012.64
FNMA	3140EBBM2	3.275	331,282.68
FNMA	3140F8L96	3.050	1,335,433.86

Series 2013 EF			
FNMA	3140FUM88	3.050	2,935,638.24
FNMA	3140GRVL5	3.050	347,357.54
FNMA	3140GRVN1	3.300	693,561.18
FNMA	3140GUHZ3	3.300	383,477.53
FNMA	3140H4GV0	3.050	1,570,890.99
FNMA	31410M6W5	5.140	735,007.37
FNMA	31410SKJ5	5.190	53,878.10
FNMA	31413GRF9	5.540	249,705.90
FNMA	31415XDE8	6.140	17,251.10
GNMA	3617A9WX1	3.250	478,862.35
GNMA	3617A9WZ6	2.500	567,779.89
GNMA	3617ATZB2	3.000	1,173,206.21
GNMA	36182AGQ8	2.000	7,524,398.46
GNMA	36182AGR6	2.250	230,460.58
GNMA	36182AGS4	2.500	1,669,238.96
GNMA	36182AGT2	2.500	3,444,560.04
GNMA	36182AGU9	3.000	800,194.26
GNMA	36182AGV7	3.000	549,206.82
GNMA	36182AGW5	3.250	102,481.18
GNMA	36182AGX3	3.500	181,222.83
GNMA	36182AKE0	3.000	532,663.61
GNMA	36182AKF7	3.000	2,055,600.58
GNMA	36182AKG5	3.250	1,200,724.44
GNMA	36182AKH3	3.500	567,917.02
GNMA	36182AKJ9	3.750	385,139.15
GNMA	36182ANE7	2.000	390,615.95
GNMA	36182ANL1	3.000	245,880.60
GNMA	36182ANN7	3.000	92,760.00
GNMA	36182ANP2	3.500	100,197.78
GNMA	36182ANQ0	3.500	105,227.91
GNMA	36182ANR8	3.750	1,345,607.86
GNMA	36182ANS6	3.750	645,678.60
GNMA	36182ANT4	4.000	121,644.28
GNMA	36182ANU1	4.250	411,042.61
GNMA	36183QVM4	3.000	155,750.31
GNMA	36183QVN2	3.250	32,389.90
GNMA	36185B5M4	2.250	659,130.86
GNMA	36185BQB5	3.000	1,264,742.00
GNMA	36194HBY7	2.750	428,396.72
GNMA	36196HTQ3	2.250	392,856.87
GNMA	36198QSH2	3.250	701,562.37
GNMA	36198RG34	3.000	444,427.43
GNMA	36198RPB6	3.500	443,035.75
GNMA	36200EZB0	5.260	264,884.96
GNMA	36208D2L8	5.260	70,548.61
GNMA	3620AFB48	5.250	451,864.05
GNMA	3620AXV54	4.450	342,677.39
GNMA	3620AYBD7	4.750	416,445.75
GNMA	3620C3KQ4	5.250	227,689.76
GNMA	3620C3QG0	4.750	219,174.70
GNMA	3620C3X98	4.250	4,650,519.92
GNMA	3620C3YA4	4.400	672,973.28
GNMA	36211ARF5	5.650	109,637.30
GNMA	36212MRZ4	2.490	126,263.04
GNMA	36212MS59	6.490	23,994.44
GNMA	36212MSU4	6.350	188,784.46
GNMA	36213JY90	5.740	394,766.20
GNMA	36219XKT4	8.380	11,230.71
GNMA	362209SB5	5.500	19,148.63
GNMA	36223NHC1	7.190	171,900.15
GNMA	36224BSK6	7.875	6,890.74
GNMA	36230P2F6	3.950	611,616.89
GNMA	36290YFX1	4.790	88,282.23
GNMA	36290YHX9	4.790	44,901.90
GNMA	36291VAT0	2.490	170,814.94
GNMA	36291VAU7	4.390	120,897.27
GNMA	36291VG80	4.590	143,500.90
GNMA	36292MKT8	5.190	180,803.31
GNMA	36295C7H8	5.540	436,784.02
GNMA	36296VUM8	5.290	118,397.47
	Total Series 2013 EF		**67,218,492.39**
Series 2014 AB			
FNMA	31384HJK0	5.950	64,070.92
FNMA	3138XPUQ4	4.275	513,525.47
FNMA	3138XXES1	3.525	3,569,665.33
FNMA	3138XZT76	3.525	5,376,942.89
FNMA	3138Y2A52	3.525	6,744,876.25
FNMA	3138Y2A60	4.025	1,001,105.03
FNMA	3138Y3FH9	3.525	3,065,971.07
FNMA	3138Y3FJ5	4.025	445,784.67
FNMA	3138YTA53	3.025	130,898.85
FNMA	3138YTA79	3.775	112,376.16
FNMA	31404N3M6	2.490	130,273.91
FNMA	31405XZZ9	4.790	165,765.44
FNMA	31407Q4Y9	4.590	243,899.12
FNMA	31409WJG7	5.340	195,502.52
FNMA	3140E7CV0	3.275	849,591.41
FNMA	3140F8MB0	3.550	805,080.30
FNMA	3140GRVP6	3.800	1,663,000.86
FNMA	3140GUH26	3.300	635,393.93
FNMA	3140H4G24	3.550	2,061,144.75
FNMA	3140HAEA4	3.050	1,058,919.53
FNMA	31411NFU6	3.170	52,081.79
FNMA	31413GRD4	5.440	2,040,318.73
FNMA	31413YAY7	5.740	62,183.94
FNMA	31413YCN9	5.640	260,333.61
GNMA	3617A9W29	2.500	887,916.39
GNMA	3617A9W94	3.250	215,904.67
GNMA	3617AAQE7	2.500	478,826.03
GNMA	3617ATZC0	3.000	1,136,601.35
GNMA	36182AJ85	1.750	932,998.93
GNMA	36182J6F4	3.250	4,200,677.08
GNMA	36182J7E6	3.000	1,381,855.58
GNMA	36182J7F3	3.250	2,877,498.14
GNMA	36182J7G1	3.750	1,251,251.79
GNMA	36183QDJ1	3.250	690,424.91
GNMA	36185B5S1	3.000	940,684.05
GNMA	36185BP91	2.750	69,782.50
GNMA	36185BQA7	3.000	114,915.65
GNMA	36185BQE9	3.250	266,389.47
GNMA	36194GRY2	2.500	1,334,496.51
GNMA	36196HTR1	2.500	2,812,315.45
GNMA	36196HTS9	3.000	295,953.47
GNMA	36198QS25	3.250	4,125,957.16
GNMA	36198QS33	3.750	2,240,221.80
GNMA	36198QSD1	3.000	330,570.55
GNMA	36198QSJ8	3.250	4,179,848.47
GNMA	36198QSK5	3.750	2,446,278.81
GNMA	36198QSZ2	3.000	955,089.96

Series 2014 AB			
GNMA	36198QUD8	3.000	387,023.66
GNMA	36198QUE6	3.250	2,512,786.36
GNMA	36198QUF3	3.750	121,754.21
GNMA	36198QUG1	3.750	831,474.18
GNMA	36198QUZ9	3.250	42,484.01
GNMA	36198RN93	3.250	719,109.91
GNMA	36200EZT1	5.260	312,935.57
GNMA	36201TC62	5.090	104,443.35
GNMA	36201TCP0	0.000	43,591.72
GNMA	3620APGU3	4.750	72,767.38
GNMA	3620AXV47	4.200	207,088.59
GNMA	3620C3QA3	4.100	824,598.49
GNMA	3620C3QB1	4.250	2,512,283.65
GNMA	3620C3X64	3.950	2,359,951.52
GNMA	36210FZS8	6.140	127,311.75
GNMA	36213JXY6	5.740	111,097.78
GNMA	36213JYP4	5.740	67,652.03
GNMA	36213JZL2	5.740	222,765.83
GNMA	36219XJ82	8.380	2,752.39
GNMA	36224BSP5	5.500	6,185.14
GNMA	36224BVS5	6.860	77,172.84
GNMA	36230P2G4	4.100	929,788.23
GNMA	36290YFV5	2.490	223,534.88
GNMA	36291VA94	4.390	490,795.95
GNMA	36291VHD8	4.890	239,968.63
GNMA	36292HBZ5	4.890	79,190.83
GNMA	36294UYR7	5.290	22,953.82
GNMA	36294XRB4	5.340	173,953.99
	Total Series 2014 AB		**79,242,581.89**
Series 2015 AB			
FNMA	3138Y5P83	4.025	408,568.90
FNMA	3138Y7XD9	3.525	4,650,694.86
FNMA	3138YAYD1	3.275	756,195.55
FNMA	3138YAYE9	3.525	3,136,903.83
FNMA	3138YDYS2	3.275	3,365,132.18
FNMA	3138YDYT0	3.525	1,152,443.84
FNMA	3138YFVA9	3.275	2,505,725.46
FNMA	3138YFVC5	3.775	576,120.31
FNMA	3138YKEW9	3.275	3,303,185.09
FNMA	3138YLRG8	3.275	1,172,068.27
FNMA	3138YLRH6	3.775	887,929.75
FNMA	3138YLRJ2	2.775	1,356,113.05
FNMA	3138YLRK9	3.275	171,034.60
FNMA	3138YRL71	2.775	2,761,179.84
FNMA	3138YRL89	3.275	233,017.60
FNMA	3138YRL97	3.275	686,110.63
FNMA	3138YRUW6	2.775	73,064.64
FNMA	31407Q4V5	2.490	242,298.13
FNMA	31407Q4W3	2.490	358,605.06
FNMA	3140E7CU2	3.025	706,363.98
FNMA	3140F8L70	3.050	734,647.56
FNMA	3140GPY51	3.800	1,943,164.61
FNMA	3140GRVQ4	3.800	867,017.89
FNMA	3140GTGA2	3.050	538,103.96
FNMA	3140H1HD5	3.050	1,624,498.53
FNMA	3140H4GX6	3.050	1,487,318.86
FNMA	31410TRF4	3.170	286,595.63
FNMA	31411CR94	3.490	132,619.11
FNMA	31411NFZ5	5.540	290,297.63
FNMA	31413CVW6	5.340	781,846.07
FNMA	31413CVX4	5.440	561,628.87
FNMA	31413QF86	5.440	400,837.17
FNMA	31413UM30	5.840	854,552.22
FNMA	31414LRV2	5.540	602,884.43
GNMA	3617A9WY9	2.500	822,361.99
GNMA	3617AAD92	3.000	621,141.80
GNMA	3617AAM43	2.500	159,204.43
GNMA	3617AAQH0	3.250	383,623.84
GNMA	36182JCY6	3.000	66,259.71
GNMA	36183QDG7	2.750	957,424.17
GNMA	36183QDH5	3.000	3,247,116.00
GNMA	36183QDL6	3.750	1,199,049.84
GNMA	36183QED3	3.000	1,768,923.60
GNMA	36183QEE1	3.500	1,636,986.47
GNMA	36183QVL6	3.000	1,792,971.40
GNMA	36183QVP7	3.500	1,700,285.51
GNMA	36183QWB7	2.250	452,667.97
GNMA	36183QWC5	2.500	944,879.60
GNMA	36183QWD3	2.750	406,994.26
GNMA	36183QWE1	3.000	243,241.76
GNMA	36183QWF8	3.000	1,213,924.84
GNMA	36183QWG6	3.500	1,510,339.26
GNMA	36183QZJ7	2.500	2,814,190.06
GNMA	36183QZK4	3.000	1,344,159.85
GNMA	36183QZM0	3.500	652,354.75
GNMA	36185B6T8	2.500	1,082,744.63
GNMA	36194GJS4	2.500	576,753.11
GNMA	36194GJU9	3.000	92,517.14
GNMA	36194GJW5	3.500	63,233.91
GNMA	36194GRZ9	2.500	575,304.56
GNMA	36196H3K4	3.000	1,180,435.38
GNMA	36198RN77	3.000	1,389,821.18
GNMA	36198RPC4	3.750	2,598,770.73
GNMA	36200E2M2	2.490	171,512.09
GNMA	36200E3M1	2.490	188,940.04
GNMA	36200E4R9	4.790	378,022.44
GNMA	36201TAU1	5.740	733,813.64
GNMA	3620AFPB7	5.250	124,371.33
GNMA	3620APDE2	5.750	333,624.12
GNMA	3620AXW20	3.950	1,366,504.17
GNMA	3620C3KN1	4.400	1,634,059.55
GNMA	3620C3X56	3.700	242,873.32
GNMA	36212AKK0	2.490	107,931.09
GNMA	36213JTV7	4.790	128,847.65
GNMA	36292G5Q4	4.590	328,345.04
GNMA	36292GZH1	4.590	353,548.17
GNMA	36296C2G4	5.340	414,642.40
GNMA	36296VUU0	5.340	490,068.25
	Total Series 2015 AB		**78,103,553.16**
Series 2015 CD			
FNMA	31383M2X0	5.650	69,767.33
FNMA	31388PF48	5.740	83,805.37
FNMA	31388PF97	5.260	24,805.05
FNMA	3138XPUK7	3.275	101,687.44
FNMA	3138XPUN1	4.025	87,249.45
FNMA	3138XWBE7	3.525	2,835,080.40
FNMA	3138YVS26	2.775	4,368,470.63
FNMA	3138YVS34	3.025	4,249,634.59
FNMA	3138YYAD5	2.775	1,466,577.61

Series 2015 CD			
FNMA	3138YYAE3	3.025	3,697,215.44
FNMA	3138YYAG8	3.525	1,138,463.10
FNMA	31402JKG1	5.880	26,357.86
FNMA	31406TN56	4.390	126,699.23
FNMA	3140E1KP7	2.775	2,455,545.42
FNMA	3140E1KQ5	3.025	1,793,782.33
FNMA	3140E1KR3	3.275	768,742.89
FNMA	3140E1KS1	3.525	973,159.88
FNMA	3140E4U54	2.775	5,215,199.89
FNMA	3140E4U62	3.025	4,595,692.82
FNMA	3140E4U70	3.275	809,378.49
FNMA	3140E4U88	3.525	870,309.19
FNMA	3140ECN39	3.525	260,784.28
FNMA	3140F8L88	3.050	852,227.32
FNMA	3140FFUZ2	2.800	511,012.34
FNMA	3140GUH42	3.550	238,821.98
FNMA	3140H4GW8	3.050	1,291,953.74
FNMA	31410THD0	3.170	295,553.40
FNMA	31411CSE2	3.170	249,810.78
FNMA	31412YJ86	3.170	188,986.65
FNMA	31413QGB8	5.840	400,693.69
FNMA	31414PXA2	5.440	671,532.13
GNMA	3617A9UD7	2.250	1,290,805.42
GNMA	3617A9UE5	2.500	4,462,195.59
GNMA	3617A9UF2	2.750	3,335,725.87
GNMA	3617A9UG0	3.000	4,049,444.81
GNMA	3617A9UH8	3.250	2,342,440.69
GNMA	3617A9W37	2.750	5,342,300.02
GNMA	3617AAD76	3.000	51,429.72
GNMA	3617AAM76	3.250	446,343.11
GNMA	3617ATZA4	2.750	770,412.51
GNMA	3617ATZE6	3.250	291,373.54
GNMA	36182AKA8	2.250	397,533.84
GNMA	36182ANG2	2.500	684,835.98
GNMA	36182JC59	3.750	1,077,825.15
GNMA	36182JCZ3	3.250	842,418.40
GNMA	36182JHC9	3.500	375,292.29
GNMA	36183QZH1	2.250	747,153.50
GNMA	36185B5P7	2.750	4,068,652.78
GNMA	36185B5T9	3.250	3,010,785.02
GNMA	36185B6R2	2.250	573,648.51
GNMA	36185B6S0	2.500	1,879,922.68
GNMA	36185B6U5	2.750	1,659,748.45
GNMA	36185B6V3	3.000	1,946,110.99
GNMA	36185B6W1	3.250	2,460,982.09
GNMA	36185BP83	2.500	1,452,017.56
GNMA	36185BSH0	2.750	4,115,384.69
GNMA	36185BSJ6	3.000	1,932,728.61
GNMA	36185BSK3	3.250	2,595,471.17
GNMA	36194GLY8	3.500	241,882.07
GNMA	36196JG91	3.750	1,768,863.20
GNMA	3620AFJ32	5.000	65,773.18
GNMA	3620AYBB1	3.950	435,364.72
GNMA	3620AYBE5	5.250	275,308.62
GNMA	3620C3KL5	4.250	4,760,749.75
GNMA	3620C3X72	4.100	308,354.95
GNMA	36212MRV3	7.100	63,204.06
GNMA	36212MSY6	6.490	37,618.13
GNMA	36213JWC5	6.580	117,195.26
GNMA	36213JXS9	6.490	138,253.38
GNMA	36213JYX7	5.740	43,415.32
GNMA	36213JZD0	5.740	789,231.93
GNMA	362209R91	5.500	14,660.18
GNMA	36220V5G0	8.380	8,298.40
GNMA	36290YFK9	4.790	128,459.12
GNMA	36291VBD4	5.290	121,993.24
GNMA	36292BQT6	4.790	190,936.22
GNMA	36294QZM6	2.170	233,768.71
GNMA	36296CVS6	5.440	214,832.90
GNMA	36296NRF5	4.940	148,389.50
GNMA	36296VF37	5.740	662,077.33
GNMA	36296VFY9	5.340	106,440.19
	Total Series 2015 CD		**103,797,054.07**
Series 2016 AB			
FNMA	3138XLE65	2.775	121,118.42
FNMA	3138XLFA5	3.775	308,996.73
FNMA	3138XTNP6	4.025	146,140.18
FNMA	31402JKF3	4.190	75,161.53
FNMA	31402JKK2	5.260	84,716.12
FNMA	31406TPA3	4.790	33,592.41
FNMA	3140E7CW8	3.275	1,216,846.45
FNMA	3140E7CX6	3.275	974,370.30
FNMA	3140E7CY4	3.525	1,490,853.44
FNMA	3140E8Z50	3.275	4,479,132.85
FNMA	3140EBBL4	3.275	3,992,876.78
FNMA	3140EBBN0	3.775	1,597,238.76
FNMA	3140ECN21	3.275	1,231,466.99
FNMA	3140ECN47	3.775	753,618.27
FNMA	3140ECNZ8	3.025	1,892,545.33
FNMA	3140EYHK0	3.050	1,980,324.62
FNMA	3140EYHL8	3.300	375,068.24
FNMA	3140EYHM6	3.550	546,572.87
FNMA	3140EYHN4	3.800	829,654.65
FNMA	3140F0X90	3.050	2,001,201.95
FNMA	3140F0YA6	3.300	212,599.58
FNMA	3140F0YB4	3.550	832,604.31
FNMA	3140F0YC2	3.800	244,962.92
FNMA	3140F2XN5	3.050	3,038,595.76
FNMA	3140F2XP0	3.300	77,658.15
FNMA	3140F3WX2	3.550	1,045,405.43
FNMA	3140F3WY0	3.800	184,750.77
FNMA	3140F7KL2	3.050	5,142,357.75
FNMA	3140FUM70	3.050	577,637.14
FNMA	3140H4G32	3.550	1,494,728.39
FNMA	3140HAEB2	3.050	1,012,488.28
FNMA	31410TRE7	4.890	63,084.87
FNMA	31412AYW8	5.440	1,457,100.42
FNMA	31412YKA9	5.340	1,135,255.20
FNMA	31415LZ42	5.440	1,018,124.54
GNMA	3617A9W86	3.250	3,255,252.70
GNMA	3617A9XA0	3.500	1,357,390.54
GNMA	3617AAD43	2.500	646,955.24
GNMA	3617AAD84	3.000	3,773,302.04
GNMA	3617AAKM5	3.250	964,329.31
GNMA	3617AAKN3	3.500	3,479,373.13
GNMA	3617AAM27	2.250	285,499.40
GNMA	3617AAM35	2.750	1,902,349.33
GNMA	3617AAM50	3.000	4,648,922.74
GNMA	3617AAM84	3.500	3,794,639.28

Series 2016 AB			
GNMA	3617AAQF4	2.750	1,308,411.54
GNMA	3617AAQJ6	3.500	2,031,988.59
GNMA	36182J4F6	3.250	1,011,443.25
GNMA	36182JCV2	2.250	247,106.43
GNMA	36182JES7	2.000	214,268.71
GNMA	36185BP59	2.250	1,570,500.14
GNMA	36185BSE7	2.250	1,006,965.59
GNMA	36192SUF5	2.500	307,851.50
GNMA	36192SUG3	2.750	1,440,941.85
GNMA	36192SUH1	3.000	721,610.23
GNMA	36192SUJ7	3.250	1,199,872.12
GNMA	36192SUK4	3.500	1,355,388.73
GNMA	36192SW30	2.500	913,208.76
GNMA	36192SW48	2.750	2,320,077.00
GNMA	36192SW55	3.000	278,894.52
GNMA	36192SW63	3.250	1,916,949.84
GNMA	36192SW71	3.500	661,727.35
GNMA	36192SYU8	2.500	1,290,621.83
GNMA	36192SYV6	2.750	1,561,905.90
GNMA	36192SYW4	3.000	357,207.07
GNMA	36192SYX2	3.250	2,403,859.49
GNMA	36192UE27	3.250	4,920,909.16
GNMA	36192UEZ4	2.750	356,200.20
GNMA	36194GR30	2.500	659,851.49
GNMA	36196HTU4	3.500	442,956.75
GNMA	36196JG75	3.000	432,491.40
GNMA	36198RGS9	3.000	766,382.98
GNMA	36198RPA8	3.250	966,491.38
GNMA	36200E4B4	5.090	107,724.31
GNMA	36201TBK2	4.790	198,233.30
GNMA	36201TC47	2.490	161,735.51
GNMA	36201TCR6	4.190	116,238.88
GNMA	3620AFJ40	4.750	983,332.63
GNMA	3620APBY0	4.500	207,377.79
GNMA	3620APDD4	5.250	161,464.73
GNMA	3620APGW9	5.250	434,935.10
GNMA	3620AX3P1	4.400	267,698.01
GNMA	36213JW27	5.260	172,483.14
GNMA	36223H2Q9	7.875	20,680.35
GNMA	36291VAV5	4.790	143,324.73
GNMA	36292BQS8	4.590	193,355.72
GNMA	36292BQU3	4.890	86,632.42
GNMA	36292MST0	3.490	294,318.45
GNMA	36294QP54	2.170	295,885.16
GNMA	36294QZL8	4.590	60,047.39
GNMA	36296NRJ7	5.740	549,611.45
GNMA	36296VFV5	5.390	280,806.03
GNMA	36296VFZ6	5.440	152,170.87
GNMA	36296VNN4	5.740	593,449.63
	Total Series 2016 AB		**103,924,453.51**
	Series 2016 CD		
FNMA	31386EDC9	5.950	15,878.34
FNMA	31388PF22	5.740	10,792.48
FNMA	3138XH6X4	2.775	128,052.77
FNMA	3138XRPB9	3.525	836,458.46
FNMA	31391QSR6	5.260	125,510.01
FNMA	31391QSS4	5.490	168,505.07
FNMA	31405XZ63	2.490	244,140.77
FNMA	3140FAMJ8	3.050	3,891,553.19
FNMA	3140FCY93	2.800	3,889,249.73
FNMA	3140FCZA9	3.050	1,959,973.05
FNMA	3140FCZB7	3.300	2,067,445.98
FNMA	3140FCZC5	3.550	729,528.98
FNMA	3140FFU25	2.800	4,713,250.75
FNMA	3140FFU33	3.050	663,195.48
FNMA	3140FFU41	3.300	2,195,347.69
FNMA	3140FFUY5	2.550	121,896.34
FNMA	3140FKK58	2.550	1,305,606.97
FNMA	3140FKK66	2.800	2,867,425.53
FNMA	3140FKK74	3.050	555,288.99
FNMA	3140FKK82	3.300	2,043,550.38
FNMA	3140FMUN4	2.550	3,237,104.33
FNMA	3140FMUP9	2.800	894,803.66
FNMA	3140FMUQ7	3.050	2,260,981.68
FNMA	3140FMUR5	3.300	939,501.51
FNMA	3140FP7C7	2.550	5,250,064.50
FNMA	3140FP7D5	2.800	111,065.80
FNMA	3140FP7E3	3.050	77,654.91
FNMA	3140FP7F0	3.050	2,813,038.08
FNMA	3140FP7G8	3.300	66,586.32
FNMA	3140FSG31	2.550	64,999.34
FNMA	3140GUHX8	3.300	1,879,422.81
FNMA	3140H4GY4	3.050	849,068.10
FNMA	3140HAEC0	3.050	979,855.12
FNMA	31410TG90	4.890	50,213.96
FNMA	31413ULP2	3.170	147,862.64
FNMA	31413YAX9	5.440	333,405.07
FNMA	31414TGR6	5.540	436,345.27
GNMA	3617ATZD8	3.000	596,400.89
GNMA	36181FUR0	2.000	2,013,137.34
GNMA	36185BSF4	2.500	1,052,500.84
GNMA	36185BSG2	2.500	2,141,018.55
GNMA	36194GJT2	2.750	3,003,100.75
GNMA	36194GJV7	3.250	3,554,824.96
GNMA	36194GL28	2.500	2,609,829.48
GNMA	36194GL36	2.750	2,565,363.25
GNMA	36194GR55	2.750	1,672,510.48
GNMA	36194GR63	3.000	2,687,842.35
GNMA	36194GR71	3.250	2,867,722.70
GNMA	36194HB27	3.250	674,412.18
GNMA	36194HBW1	2.250	1,214,490.19
GNMA	36194HBX9	2.500	5,286,116.63
GNMA	36194HBZ4	3.000	4,375,545.04
GNMA	36194HFS6	2.250	1,576,459.65
GNMA	36194HFT4	2.500	3,082,059.54
GNMA	36194HFU1	2.750	473,756.06
GNMA	36194HFV9	3.000	4,122,212.08
GNMA	36194HFW7	3.250	290,534.92
GNMA	36194HKN1	2.250	1,397,364.31
GNMA	36194HKP6	2.500	3,370,059.84
GNMA	36194HKQ4	2.750	69,335.77
GNMA	36196HKE9	3.000	3,825,758.44
GNMA	36196HKF6	3.250	136,448.33
GNMA	36196HNP1	2.250	881,767.86
GNMA	36196HNQ9	3.000	3,746,098.01
GNMA	36196HNR7	2.500	354,785.15
GNMA	36198RJC1	3.000	674,784.30
GNMA	36201TBL0	5.090	139,100.99
GNMA	36203HS28	6.860	40,163.32

Series 2016 CD			
GNMA	36209NYQ9	6.140	12,901.98
GNMA	3620AN2H2	4.750	291,685.16
GNMA	3620APGQ2	3.950	259,668.47
GNMA	3620AX3L0	3.950	3,624,550.12
GNMA	3620AXV39	4.100	823,314.73
GNMA	3620AXV70	4.750	183,651.74
GNMA	3620AXVZ8	3.700	246,153.20
GNMA	36210FZL3	5.650	246,186.43
GNMA	36212MSA8	7.100	109,430.44
GNMA	36213JWU5	5.260	210,778.22
GNMA	36223B6X3	7.875	7,967.84
GNMA	36290YGJ1	5.090	150,862.90
GNMA	36291VBA0	4.590	138,143.00
GNMA	36292HBY8	4.590	402,118.23
GNMA	36294QZN4	3.170	357,383.48
GNMA	36294VAS9	2.170	277,309.05
GNMA	36294XG67	5.540	179,177.44
GNMA	36295XQD0	5.440	424,680.09
GNMA	36296NLJ3	5.340	1,135,999.11
GNMA	36296VNM6	5.540	80,076.40
	Total Series 2016 CD		**118,582,166.29**
Series 2017 ABC			
FNMA	31386W3K2	5.740	67,088.88
FNMA	3138XCPU0	2.275	2,394,311.01
FNMA	3138XH6Y2	3.525	1,296,395.08
FNMA	31409WJE2	4.790	42,425.78
FNMA	3140GU4J3	3.050	2,594,755.43
FNMA	3140GU4K0	3.300	2,459,382.22
FNMA	3140GU4L8	3.550	763,221.48
FNMA	3140GU4M6	3.800	2,483,411.29
FNMA	3140GUH34	3.300	574,684.36
FNMA	3140GUH59	3.800	4,339,984.36
FNMA	3140GXJC6	3.050	7,326,432.81
FNMA	3140GXJE2	3.550	4,428,006.98
FNMA	3140H1HE3	3.050	5,085,547.53
FNMA	3140H1HF0	3.300	58,095.35
FNMA	3140H1HG8	3.550	4,437,506.64
FNMA	3140H25N4	3.050	11,799,576.56
FNMA	3140H25P9	3.550	4,700,222.06
FNMA	3140H4GZ1	3.050	927,192.00
FNMA	31410XMD5	3.490	181,967.40
FNMA	31413YCR0	5.840	189,917.05
FNMA	31414LRQ3	3.170	84,636.18
FNMA	31414PXD6	5.540	813,306.75
FNMA	31414TGM7	3.170	305,793.50
FNMA	31414YA83	5.440	1,172,559.26
FNMA	31415LZ59	5.440	223,177.40
GNMA	3617AAM68	3.000	317,746.22
GNMA	3617AAQG2	3.000	1,477,668.96
GNMA	3617AT6B4	2.750	887,073.87
GNMA	3617AT6E8	3.250	82,170.12
GNMA	3617AT6F5	3.500	2,156,265.57
GNMA	3617ATVG5	2.750	500,427.22
GNMA	3617ATVJ9	3.250	1,100,078.22
GNMA	3617ATVK6	3.500	542,679.51
GNMA	3617AUC99	2.750	927,076.91
GNMA	3617AUDA5	3.000	4,384,090.40
GNMA	3617AUDB3	3.500	4,658,302.86
GNMA	36182J2Q4	3.500	60,174.41
GNMA	36182JC34	3.500	293,746.98
GNMA	36182JCU4	2.000	97,924.99
GNMA	36182JEU2	2.500	133,241.15
GNMA	36182JHB1	3.000	1,010,298.54
GNMA	36182JHE5	4.000	498,850.93
GNMA	36183QVK8	2.750	1,204,380.65
GNMA	36192UEW1	2.750	4,000,561.61
GNMA	36196JKY1	3.000	423,591.85
GNMA	36196JLY0	3.250	2,984,324.70
GNMA	36196JLZ7	3.750	2,747,482.64
GNMA	36198QSE9	3.000	670,396.43
GNMA	36198RN85	3.250	1,050,822.02
GNMA	36200E3P4	5.260	523,561.97
GNMA	36201TBJ5	4.190	174,322.70
GNMA	36201TBZ9	5.090	222,261.64
GNMA	36201TCQ8	2.490	154,626.13
GNMA	36208D2N4	5.740	163,404.27
GNMA	3620AFNQ6	3.000	96,513.13
GNMA	3620APGS8	4.650	160,781.09
GNMA	3620AX4Q8	5.250	165,341.29
GNMA	3620AXW46	4.250	361,798.00
GNMA	36210FZV1	5.650	206,343.19
GNMA	36212AK46	6.770	85,480.35
GNMA	36212AKA2	6.350	99,831.12
GNMA	36212AKX2	6.770	75,609.91
GNMA	36212MSH3	5.950	42,267.92
GNMA	36212MSK6	4.190	201,960.19
GNMA	36213JW35	5.490	205,835.85
GNMA	36213JWV3	5.740	43,946.37
GNMA	36213JY33	5.740	169,834.56
GNMA	36219XKP2	8.380	6,442.28
GNMA	36223B6V7	7.875	19,827.27
GNMA	36224BVP1	7.190	4,516.15
GNMA	36230KJ36	4.100	1,371,690.74
GNMA	36230P2H2	4.250	465,905.91
GNMA	36290YFW3	4.190	619,056.23
GNMA	36291VA86	2.490	146,306.00
GNMA	36291VG23	4.590	314,575.10
GNMA	36291VG72	4.390	40,705.06
GNMA	36292BQQ2	2.490	393,808.29
GNMA	36292GWU5	2.490	362,258.89
GNMA	36292HBX0	2.490	298,324.75
GNMA	36292MPK2	4.790	158,591.51
GNMA	36294QP88	5.340	173,169.78
GNMA	36294XMR4	3.490	668,501.64
GNMA	36295C2W0	5.340	146,333.73
GNMA	36295XKB0	2.170	68,221.53
GNMA	36296VF45	5.840	272,395.20
GNMA	36296VNL8	5.340	302,992.11
	Total Series 2017 ABC		**99,946,315.97**
Series 2018 AB			
FNMA	31378FP25	6.140	46,143.02
FNMA	31383M2Y8	5.950	28,524.71
FNMA	3138XLFC1	4.525	119,392.89
FNMA	3138XRPD5	4.025	156,744.35
FNMA	31402JKJ5	5.090	60,110.35
FNMA	31408BEQ7	4.590	427,693.65
FNMA	31409W7M7	2.490	360,207.01
FNMA	3140GUHW0	3.300	798,960.94
FNMA	3140H7AL1	3.550	4,316,061.72

Series 2018 AB

FNMA	3140HAED8	3.050	3,982,710.42
FNMA	3140HAEE6	3.550	2,347,520.12
FNMA	3140HECY6	3.050	8,169,108.77
FNMA	3140HECZ3	3.550	3,748,760.30
FNMA	3140HGXX0	3.050	6,059,600.00
FNMA	3140HGXY8	3.550	3,893,268.00
FNMA	3140HGXZ5	3.675	74,787.00
FNMA	31410SKL0	5.140	610,207.79
FNMA	31410Y4X9	3.490	440,824.06
FNMA	31411NH59	5.340	38,481.89
FNMA	31413GRC6	5.340	248,042.20
FNMA	31413QF29	5.290	69,929.27
FNMA	31413QGA0	5.640	206,860.17
FNMA	31413ULN7	2.170	287,670.14
FNMA	31414JLX9	5.640	393,412.58
FNMA	31415QJ72	5.440	682,038.44
FNMA	31415QJ98	5.940	80,157.00
FNMA	31415XDB4	5.840	61,929.18
GNMA	3617AUGS3	3.000	3,079,146.64
GNMA	3617AUJN1	2.750	811,926.55
GNMA	3617AUQJ2	3.500	3,050,196.07
GNMA	3617AUTA8	2.750	474,477.14
GNMA	3617AUTB6	3.000	2,114,970.51
GNMA	3617G8T78	3.000	2,866,335.00
GNMA	3617G8T86	3.500	4,274,459.00
GNMA	3617G8T94	3.625	164,957.00
GNMA	3617G8TM5	2.750	1,643,697.00
GNMA	36182AJ93	2.000	3,912,139.93
GNMA	36182J4H2	4.000	53,265.00
GNMA	36182JCX8	2.500	159,481.26
GNMA	36182JET5	2.250	144,593.28
GNMA	36182JG97	2.000	78,168.99
GNMA	36185BP67	2.500	2,631,724.97
GNMA	36200E3Q2	5.580	19,996.64
GNMA	36201TAJ6	5.490	88,875.39
GNMA	36201TCT2	5.090	65,317.78
GNMA	36209AN30	5.650	276,756.07
GNMA	3620AFB30	4.750	105,761.87
GNMA	3620APGR0	4.100	94,765.63
GNMA	3620AX3M8	4.100	140,140.53
GNMA	3620C3KP6	4.750	857,869.92
GNMA	36210FZZ2	5.650	244,226.38
GNMA	36212MR76	5.490	27,967.71
GNMA	36212MSG5	5.950	47,717.40
GNMA	36212MSS9	7.100	46,819.53
GNMA	36213JXD2	5.260	126,023.12
GNMA	36213JYD1	2.490	201,195.17
GNMA	36219XKF4	8.380	4,416.14
GNMA	36219XKR8	8.380	16,560.50
GNMA	36220V5V7	7.750	6,582.14
GNMA	36220V5W5	7.750	17,008.05
GNMA	36230KJ28	3.950	831,744.92
GNMA	36230KJ44	4.250	1,467,448.45
GNMA	36291VBB8	4.790	388,495.56
GNMA	36292G5R2	4.790	88,537.44
GNMA	36292G5S0	5.480	352,233.14
GNMA	36292HA86	2.490	419,011.25
GNMA	36294QP62	3.170	293,662.03
GNMA	36294UYP1	4.890	286,640.79
GNMA	36296CSA9	5.190	58,202.71
	Total Series 2018 AB		**69,742,660.57**
	TOTAL GENERAL INDENTURE		**1,161,397,781.96**

*The following represents the percentage of undivided participation interests interests allocated to Series 2010 ABC:

CUSIP	Principal	Interest
36176K7C5	42%	100%
36176LJL0	42%	100%
36176LJM8	42%	100%
36177MG48	34%	100%
36177MG55	30%	80%

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APPENDIX D-4

REFUNDED SERIES MORTGAGE-BACKED SECURITIES

In connection with the issuance of the Offered Bonds and the redemption of Refunded Prior Series Bonds, NIFA expects that the Mortgage-Backed Securities with the following CUSIPs will be the Refunded Series Mortgage-Backed Securities that are allocated to the Offered Bonds and credited to the 2018 Series C/D Mortgage Loan Fund Account; provided, however, that the actual Refunded Series Mortgage-Backed Securities may not include all of the Mortgage-Backed Securities listed below and may include Mortgage-Backed Securities other than those listed below.

As of July 10, 2018, the Prepayment Speed Timeframes (% PSA Prepayment Model), on a weighted average basis for the expected Refunded Series Mortgage-Backed Securities set forth below, were 239% for the last 3 months, 202% for the last 6 months, 192% for the last 12 months and 141% over the lifetime of such Refunded Series Mortgage-Backed Securities. **Such information has been obtained from sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation of NIFA, the Master Servicer or the Underwriters.**

CUSIP	Par Outstanding as of June 30, 2018	CUSIP	Par Outstanding as of June 30, 2018
3138XCPU0	$2,350,933.18	36182JCU4	$ 97,014.06
3138XH6Y2	1,196,196.47	36182JCW0	314,202.89
3138XLE57	157,534.28	36182JCX8	158,423.70
3138XLE65	120,379.33	36182JCY6	65,861.31
3138XPUK7	101,110.45	36182JET5	143,600.43
3138XPUN1	86,780.87	36182JHD7	304,160.75
3138Y5P75	1,912,613.14	36182JHE5	496,098.80
3138Y5P83	406,622.88	36182JHK1	170,314.98
3140GUHW0	795,262.25	36183QZH1	741,636.84
36181FUQ2	1,371,475.01	36185BSE7	765,323.36
36181FUR0	1,929,810.96	36185BSF4	1,045,534.83
36182AJ93	3,724,360.35	36194GRX4	1,341,846.32
36182JC34	292,050.95	36198RGS9	761,939.52
36182JC42	692,862.23	36198RGU4	1,372,882.17
36182JC59	952,459.80	36198RJC1	523,579.04
		Total	**$24,392,871.15**

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APPENDIX D-5

PROJECTED PERCENTAGES OF INITIAL PRINCIPAL BALANCE OUTSTANDING AND PROJECTED WEIGHTED AVERAGE LIVES OF PAC BONDS

Set forth in the table below are projected percentages of initial principal balance outstanding and projected weighted average lives for the PAC Bonds under various prepayment speeds. "Projected percentages of initial principal balance outstanding" refers to the principal balance of a security that will be outstanding on a specified date expressed as a percentage of the initial principal amount of such security. The "projected weighted average life" of a security refers to the average amount of time that is projected to elapse from the date of delivery of such security to the date of projected payment to the investor of each dollar paid to reduce the principal of such security (assuming no losses). The projected weighted average life of a security is determined by (a) multiplying each projected reduction, if any, of the outstanding amount of such security by the number of years from the date of delivery of such security to the related redemption date or maturity date, (b) adding the results and (c) dividing the sum by the initial outstanding amount of such security.

The calculation of the projected weighted average life of the PAC Bonds set forth below requires the making of certain hypothetical assumptions. See "THE OFFERED BONDS—Projected Weighted Average Lives of the PAC Bonds" in the Official Statement.

Nebraska Investment Finance Authority
Projected Percentages of Initial Principal Balance Outstanding and Weighted Average Lives
$63,830,000 Series 2018-C PAC Bonds Due September 1, 2048

	Prepayment Assumption								
Payment Date	**0% PSA**	**25% PSA**	**50% PSA**	**75% PSA**	**100% PSA**	**200% PSA**	**300% PSA**	**400% PSA**	**500% PSA**
Initial Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
September 1, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
September 1, 2019	100.0%	99.4%	98.6%	97.7%	96.7%	96.7%	96.7%	96.7%	96.7%
September 1, 2020	100.0%	96.9%	93.6%	90.2%	86.8%	86.8%	86.8%	86.8%	86.8%
September 1, 2021	100.0%	93.0%	86.0%	78.9%	71.8%	71.8%	71.8%	71.8%	71.8%
September 1, 2022	100.0%	89.0%	78.0%	67.2%	56.7%	56.7%	56.7%	56.7%	56.7%
September 1, 2023	100.0%	85.2%	70.6%	56.6%	43.2%	43.2%	43.2%	43.2%	43.2%
September 1, 2024	100.0%	81.6%	63.9%	47.1%	31.3%	31.3%	31.3%	31.3%	31.3%
September 1, 2025	100.0%	78.4%	57.9%	38.7%	21.0%	21.0%	21.0%	21.0%	21.0%
September 1, 2026	100.0%	75.4%	52.5%	31.4%	12.1%	12.1%	12.1%	12.1%	12.1%
September 1, 2027	100.0%	72.7%	47.7%	25.1%	4.7%	4.7%	4.7%	4.7%	5.6%
September 1, 2028	100.0%	70.4%	43.6%	19.8%	0.0%	0.0%	0.0%	0.0%	1.8%
September 1, 2029	100.0%	68.4%	40.2%	15.5%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2030	100.0%	66.6%	37.4%	12.1%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2031	100.0%	65.3%	35.3%	9.7%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2032	100.0%	64.2%	33.8%	8.2%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2033	100.0%	63.6%	32.9%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2034	100.0%	63.6%	32.9%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2035	100.0%	63.6%	32.9%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2036	100.0%	63.6%	32.9%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2037	100.0%	63.6%	32.9%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2038	100.0%	63.6%	32.9%	7.7%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2039	93.2%	58.2%	29.2%	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2040	83.5%	52.2%	25.8%	3.7%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2041	74.1%	46.3%	22.9%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2042	64.1%	40.1%	19.8%	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2043	53.8%	33.6%	16.6%	1.9%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2044	43.2%	27.0%	13.4%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2045	32.7%	20.5%	10.1%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2046	22.0%	13.7%	6.8%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2047	11.0%	6.9%	3.4%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%
September 1, 2048	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
First Payment or Redemption Date	3/1/2039	9/1/2019	3/1/2019	3/1/2019	3/1/2019	3/1/2019	3/1/2019	3/1/2019	3/1/2019
Last Payment or Redemption Date	9/1/2048	9/1/2048	9/1/2048	9/1/2048	9/1/2028	9/1/2028	9/1/2028	9/1/2028	9/1/2029
Weighted Average Life									
Optional Call Not Exercised	25.5	18.6	12.6	7.4	5.0	5.0	5.0	5.0	5.0
Optional Call at 09/01/2027 Exercised	9.0	7.9	6.9	5.9	5.0	5.0	5.0	5.0	5.0

APPENDIX D-6

DESIGNATED TERM BONDS AND APPLICABLE AMOUNT TABLES

As provided in certain prior supplemental indentures, NIFA has covenanted, prior to the redemption of other Bonds, to apply a portion of the principal payments and Prepayments from the Mortgage-Backed Securities and the Mortgage Loans financed with proceeds of Prior Series Bonds, which Prior Series Bonds are no longer outstanding ("**Retired Bond MBS/Mortgage Loan Principal Payments**") to redeem certain maturities of its 2013 Series C Bonds, its 2013 Series E Bonds, its 2014 Series A Bonds, its 2015 Series C Bonds, its 2016 Series A Bonds and its 2016 Series C Bonds listed below (collectively, the "**Designated Term Bonds**"). Such Retired Bond MBS/Mortgage Loan Principal Payments received by NIFA will be applied to the redemption of the Designated Term Bonds to the extent that, after giving effect to such redemption of the Designated Term Bonds, the outstanding aggregate principal amount of such Designated Term Bonds on such redemption date is not less than the related Applicable Amounts for the corresponding semiannual periods set forth below.

Period Ending	**Bond Series**	**Bond Series**	**Bond Series**
	2013 Series C (due 3/1/35) CUSIP: 63968MFP9	2013 Series E (due 3/1/43) CUSIP: 63968MHM4	2014 Series A (due 3/1/44) CUSIP: 63968MJM2
September 1, 2018	2,250,000	2,480,000	7,205,000
March 1, 2019	-0-	-0-	4,405,000
September 1, 2019	-0-	-0-	-0-

Period Ending	**Bond Series**	**Bond Series**	**Bond Series**
	2015 Series C (due 3/1/45) CUSIP: 63968MLT4	2016 Series A (due 3/1/46) CUSIP: 63968MMW6	2016 Series C (due 3/1/46) CUSIP: 63968MNX3
September 1, 2018	8,685,000	8,800,000	9,640,000
March 1, 2019	8,110,000	8,350,000	9,310,000
September 1, 2019	6,885,000	7,375,000	8,530,000
March 1, 2020	4,635,000	5,625,000	7,130,000
September 1, 2020	2,410,000	3,975,000	5,780,000
March 1, 2021	310,000	2,325,000	4,430,000
September 1, 2021	-0-	350,000	2,750,000
March 1, 2022	-0-	-0-	620,000
September 1, 2022	-0-	-0-	-0-

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APPENDIX E

SCHEDULE OF INVESTMENT AGREEMENTS AND OTHER INVESTMENTS

As of March 31, 2018, funds on deposit in the Funds and Accounts held under the General Indenture were on deposit in the following investment agreements or invested in US Treasury Obligations, US Agency Obligations and the Wells Fargo Advantage 100% Treasury Money Market Funds.

Description	Applicable Funds	Maturity	Balance
GENERAL INDENTURE			
Investment Agreements:			
GE Funding Capital Market Services, Inc.	Revenue	3/2/26	$3,818,785
	Revenue	3/2/35	4,270,600
	Revenue	9/1/31	15,827,772
	Revenue	2/28/35	4,729,447
	Debt Service Reserve and Mortgage Reserve	3/2/35	10,630,700
	Revenue	9/2/26	4,242,534
	Debt Service Reserve and Mortgage Reserve	3/2/26	12,224,664
	Debt Service Reserve and Mortgage Reserve	2/28/35	13,350,951
	Debt Service Reserve and Mortgage Reserve	9/2/26	2,100,000
	Total		**$71,195,453**
Trinity Funding Company	Revenue Fund	9/2/27	4,904,052
	Debt Service Reserve and Mortgage Reserve	9/2/27	7,223,582
	Total		**$12,127,634**
	Subtotal Investment Agreements		**$83,323,087***
Other Investments:			
Wells Fargo Advantage 100% Treasury Money Market Fund			14,512,097
Federal Home Loan Bank Discount Note			8,021,000
U S Treasury Securities			37,027,000
	TOTAL GENERAL INDENTURE		**$142,883,184**

*Subsequent to March 31, 2018, as the result of the execution by GE Funding Capital Market Services, Inc. of its judgement in *GE Funding Capital Market Services, Inc., et al. v. Nebraska Investment Finance Authority*, the amount listed above as the "Subtotal Investment Agreements" has been reduced by approximately $31,600,000. As described in "LITIGATION," no interest is currently being paid to NIFA with respect to amounts on deposit in the Investment Agreements described above. See "LITIGATION" herein.

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APPENDIX F

PROPOSED FORM OF OPINION OF BOND COUNSEL

Nebraska Investment Finance Authority
200 Commerce Court
1230 O Street
Lincoln, NE 68508

$217,660,000
Nebraska Investment Finance Authority
Single Family Housing Revenue Bonds
2018 Series C (Non-AMT)
2018 Series D (Variable Rate—AMT)

Dear Authority Members:

We have acted as bond counsel in connection with the issuance and sale by the Nebraska Investment Finance Authority (the "Authority") of $171,045,000 in aggregate principal amount of its Single Family Housing Revenue Bonds, 2018 Series C (the "2018 Series C Bonds" or the "Fixed Rate Offered Bonds"), and $46,615,000 in principal amount of its Single Family Housing Revenue Bonds, 2018 Series D (the "2018 Series D Bonds" or the "Variable Rate Offered Bonds," and collectively, with the Fixed Rate Offered Bonds, the "Offered Bonds"). The Offered Bonds are issuable as fully registered Bonds (as hereafter defined) without coupons as provided in the hereinafter-described Indenture. The Fixed Rate Offered Bonds are being issued in the denominations of $5,000 and whole multiples thereof. The Variable Rate Offered Bonds are being issued in denominations of $100,000 and integral multiples of $5,000 in excess thereof. The Offered Bonds shall be numbered as provided in the Indenture.

The Offered Bonds are issued pursuant to the Nebraska Investment Finance Authority Act, Sections 58-201 et seq., Reissue Revised Statutes of Nebraska, as amended (the "Act"), and pursuant to the General Indenture of Trust, dated as of July 1, 1994 (as amended, the "General Indenture"), as supplemented by the Supplemental Indenture of Trust, dated as of August 1, 2018 (the "Supplemental Indenture", and together with the General Indenture, the "Indenture"), each between the Authority and Wells Fargo Bank, National Association, Minneapolis, Minnesota, as trustee. Under certain terms and conditions, the General Indenture permits the issuance of additional series of bonds which are equally and ratably secured by the pledges and covenants in the Indenture. The Offered Bonds, all bonds heretofore issued pursuant to the General Indenture and any such additional bonds which may hereafter or concurrently be issued under the General Indenture are herein referred to as the "Bonds."

The Offered Bonds are limited obligations of the Authority, payable solely out of the revenues and moneys pledged therefor pursuant to the Indenture. The Authority has no taxing power. The Offered Bonds do not constitute a debt, liability or general obligation of the State of Nebraska (the "State") or any political subdivision thereof. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof is pledged to the payment of the principal of, premium if any, or the interest on the Offered Bonds.

The proceeds made available upon the issuance of the Offered Bonds will be used to (1) refund certain prior Bonds of the Authority previously issued pursuant to the General Indenture and (2) acquire, purchase and finance Mortgage Loans and Mortgage-Backed Securities (as each is defined in the Indenture).

The Offered Bonds are dated, mature, bear interest and are subject to redemption by the Authority prior to maturity at the times, in the manner and upon the terms provided in the Indenture.

In connection with the issuance of the Offered Bonds, we have examined (a) the resolution adopted by the Authority on December 13, 2017, authorizing the issuance of the Offered Bonds; (b) the Indenture, particularly certain covenants therein relating to the requirements for Mortgage Loans and Mortgage-Backed Securities to be financed or refinanced thereunder with proceeds made available upon the issuance of the Offered Bonds; (c) the

forms of the Origination Agreement, the Servicing Agreement and the Lender Manual, which documents require the delivery of certain affidavits and other documents prior to the financing of any Mortgage Loans and/or Mortgage-Backed Securities thereunder; and (d) such other opinions, documents, certificates and letters as we deem relevant and necessary in rendering this opinion.

From such examination, we are of the opinion that:

1. The Authority is a body politic and corporate, not a State agency but an independent instrumentality exercising essential public functions, duly organized and existing under the Constitution and laws of the State, particularly the Act.

2. Pursuant to the Act, the Authority is empowered to (a) issue the Offered Bonds for the purposes of refunding certain of its prior bonds and making funds available to finance Mortgage Loans and Mortgage-Backed Securities, in each case, in order to finance single family housing in the State for low- and moderate-income persons, and (b) pledge and grant a security interest in the revenues and amounts in the Funds and Accounts established by the Indenture.

3. The Offered Bonds have been validly authorized, executed and issued in accordance with the laws of the State and represent valid and binding limited obligations of the Authority payable out of the revenues or moneys of the Authority pledged therefor pursuant to the Indenture. Pursuant to the Indenture, the principal of, premium, if any, and interest on the Offered Bonds are secured by a pledge of and security interest in Bond proceeds (other than proceeds deposited in trust for the retirement of outstanding Bonds), all Mortgage Loans and Mortgage-Backed Securities financed with proceeds of the Bonds, all Revenues (defined in the Indenture) derived therefrom, and all money, Permitted Investments (as defined in the Indenture) and other assets and income (except certain nonmortgage excess earnings) held in and receivable by Funds and Accounts established by or pursuant to the Indenture, all subject to the right of the Authority to direct withdrawals of amounts from said Funds and Accounts upon the conditions set forth in the Indenture.

4. The Indenture has been validly authorized, executed and delivered, is in full force and effect and is valid and binding on the Authority, and the holders of the Offered Bonds are entitled to the benefits thereof.

5. Under existing laws, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and continuing compliance with certain covenants designed to meet the requirements of the Internal Revenue Code of 1986, as amended (the "Code"): (a) interest on the Offered Bonds is excluded from gross income for federal income tax purposes; (b) interest on the 2018 Series C Bonds is not a specific preference item in calculating the federal alternative minimum tax imposed on individuals and corporations and is not included in adjusted current earnings of corporations in calculating the federal alternative minimum tax; and (c) interest on the 2018 Series D Bonds is a specific preference item in calculating the federal alternative minimum tax imposed on individuals and, for tax years beginning before January 1, 2018, on corporations. No federal alternative minimum tax applies to corporations for tax years beginning after December 31, 2017.

6. Interest on the Offered Bonds is exempt from income taxation by the State.

We express no opinion regarding any other consequences affecting the federal or state income tax liability of a recipient of interest on the Offered Bonds.

The opinion we have expressed herein as to the treatment of the interest borne by the Offered Bonds for federal income tax purposes is based upon laws, regulations, rulings and decisions in effect on the date hereof. Each purchaser of the Offered Bonds should consult his or her own tax advisor as regards any pending or proposed federal tax legislation.

The obligations of the Authority contained in the Offered Bonds and the Indenture, and the enforceability thereof, are subject to general principles of equity which may permit the exercise of judicial discretion, the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State, applicable bankruptcy, insolvency, moratorium or similar laws relating to or affecting creditors' rights generally, and the exercise by the United States of America of the powers delegated to it by the Constitution.

Very truly yours,

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APPENDIX G

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate, dated as of August 29, 2018 (this "Disclosure Certificate"), is executed and delivered by the NEBRASKA INVESTMENT FINANCE AUTHORITY, a body politic and corporate, not an agency of the State of Nebraska (the "State"), but an independent instrumentality exercising essential public functions organized and existing under the laws of the State (the "Issuer") in connection with the issuance of $217,660,000 in aggregate principal amount of its Single Family Housing Revenue Bonds, 2018 Series C and 2018 Series D (collectively, the "Offered Bonds"). The Offered Bonds are being issued pursuant to a General Indenture of Trust, dated as of July 1, 1994 (as amended, the "General Indenture"), as supplemented by a Supplemental Indenture of Trust, dated as of August 1, 2018 (the "Supplemental Indenture" and, together with the General Indenture, the "Indenture"), each between the Issuer and Wells Fargo Bank, National Association, as trustee (the "Trustee").

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Offered Bonds and to assist J.P. Morgan Securities LLC, Ameritas Investment Corp., D.A. Davidson & Co., First National Capital Markets, Inc. and George K. Baum & Company (the "Participating Underwriters") in complying with Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (17 C.F.R. § 240.15c2-12) (the "Rule").

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

"*EMMA*" means the MSRB's Electronic Municipal Market Access system ("EMMA") for municipal securities disclosure.

"*MSRB*" means the Municipal Securities Rulemaking Board. Reference is made to Commission Release No. 34-59062, December 8, 2008 (the "Release") relating to EMMA which became effective on July 1, 2009. To the extent applicable to this Disclosure Certificate, the Issuer shall comply with the Release and with EMMA.

Section 3. Provision of Annual Financial Information. The Issuer, as the "obligated person" for purposes of the Rule, hereby agrees to provide or cause to be provided at least annually to the MSRB financial information and operating data regarding the Issuer and the Single Family Mortgage Program (the "Program") of the type set forth in the Official Statement, dated August 1, 2018, with respect to the Offered Bonds (the "Official Statement") under the following captions or in the following Appendices (or portions thereof):

Under "SECURITY FOR THE BONDS – Debt Service Reserve Fund," the balance in the Debt Service Reserve Fund.
Under "SECURITY FOR THE BONDS – Mortgage Reserve Fund," the balance in the Mortgage Reserve Fund.
Appendix B—Audited Financial Statements.
Appendix C—Schedule of Outstanding Indebtedness.
Appendix D-1 and D-3.
Appendix E—Schedule of Investment Agreements and Other Investments.
Appendix H—Liquidity Facilities and Interest Rate Swap Agreements.

The financial and operating information described above will be filed no later than 270 days after the end of the fiscal year of the Issuer and may be provided in one document or in multiple documents, delivered in such manner (which shall be electronic and otherwise in accordance with EMMA from and after the date of issuance of the Offered Bonds) and by such time so that it is received by the date herein required. Such information will include audited financial statements prepared in accordance with generally accepted accounting principles as in effect from

time to time; provided, however, that the Issuer reserves the right to report securitized mortgage loans at amortized cost, rather than fair value; and provided further, however, that if audited financial statements are not available within 270 days after the end of the preceding fiscal year, unaudited financial statements will be provided with audited financial statements to follow when available.

All or a portion of the annual financial and operating information may be provided by way of cross-reference to other documents previously provided to the MSRB or filed with the Securities and Exchange Commission. If the cross-referenced document is a final official statement within the meaning of the Rule, it shall be available from the MSRB.

Section 4. Failure To File Annual Financial Information. The Issuer agrees to provide or cause to be provided to the MSRB, in a timely manner, not in excess of 10 business days after the occurrence of the event, notice of a failure by the Issuer to provide the annual financial and operating information described in Section 3 above when the same is due hereunder.

Section 5. Listed Events. The Issuer agrees to provide or cause to be provided to the MSRB notice (a "Listed Event Notice") of the occurrence of any of the following events (each, a "Listed Event") with respect to the Offered Bonds in a timely manner, not in excess of 10 business days after the occurrence of the event:

1. Principal and interest payment delinquencies;

2. Nonpayment-related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. 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 security, or other material events affecting the tax status of the security;

7. Modifications to rights of security holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution or sale of property securing repayment of the Offered Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;[1]

[1] This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer 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 Issuer, 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 Issuer.

13. The consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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

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

Each Listed Event Notice shall be in electronic form and shall be so captioned and prominently state the date, title and (to the extent less than all of the Offered Bonds are affected by the related Listed Event) CUSIP numbers of the Offered Bonds.

The Issuer may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, but the Issuer does not undertake any commitment to provide such notice of any event except those events listed above.

Section 6. Termination of Reporting Obligation. Pursuant to paragraph (b)(5)(iii) of the Rule, the Issuer's obligation to provide annual financial and operating information and notice of certain events, as set forth herein, shall automatically terminate if and when the Issuer no longer remains an obligated person with respect to the Offered Bonds, which shall occur upon payment or redemption of the Offered Bonds in full or upon the legal defeasance of the Offered Bonds in accordance with the Indenture.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage an agent to assist the Issuer in disseminating information hereunder (the "Dissemination Agent"). The Issuer may discharge any such Dissemination Agent with or without appointing a successor Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, without the consent of the holders of the Offered Bonds, under the following conditions:

(a) The amendment or waiver may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the obligated person or type of business conducted;

(b) This Disclosure Certificate, as amended or with the provision so waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not materially impair the interests of the holders of the Offered Bonds, as determined either by parties unaffiliated with the Issuer (such as the Trustee for the Offered Bonds or nationally recognized bond counsel), or by approving vote of the holders of the Offered Bonds pursuant to the terms of the Indenture at the time of the amendment or waiver.

The Issuer shall provide notice of each amendment or waiver which changes the accounting principles followed by the Issuer in preparation of its annual financial information to the MSRB. The initial annual financial information provided by the Issuer after the amendment or waiver shall explain, in narrative form, the reasons for the amendment or waiver and the effect of the change, if any, in the type of operating data or financial information being provided.

Section 9. Default. This Disclosure Certificate is intended to be for the sole benefit of the holders of the Offered Bonds (for such purpose, beneficial owners of the Offered Bonds shall also be considered holders of the Offered Bonds) and shall create no rights in any other person or entity (except the Trustee, and then only as set forth below).

This Disclosure Certificate shall be enforceable by or on behalf of any such holder of the Offered Bonds, provided that the right of any holder of the Offered Bonds to challenge the adequacy of the information furnished

pursuant to this Disclosure Certificate shall be limited to an action by or on behalf of the holders of Offered Bonds representing at least a majority of the aggregate outstanding principal amount of the Offered Bonds. This Disclosure Certificate is also enforceable on behalf of the holders of the Offered Bonds by the Trustee, and the Trustee may, and upon the written direction of the owners of not less than a majority of the aggregate outstanding principal amount of the Offered Bonds shall, proceed, subject to the indemnification and other provisions of the Indenture, to protect and enforce the rights of the owners of the Offered Bonds pursuant to this Disclosure Certificate. Any failure by the Issuer to comply with the provisions of this Disclosure Certificate shall not be an Event of Default under the Indenture.

The rights of the holders of the Offered Bonds and the Trustee to enforce the provisions of this Disclosure Certificate shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the Issuer's obligations under this Disclosure Certificate and the Issuer, its members, officers and employees shall incur no liability under this Disclosure Certificate by reason of any act or failure to act hereunder. Without limiting the generality of the foregoing and except as otherwise provided in the Indenture with respect to the Trustee, neither the commencement nor the successful completion of an action to compel performance under this Section shall entitle the Trustee or any other person to attorneys' fees, financial damages of any sort or any other relief other than an order or injunction compelling performance.

Section 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Trustee and the holders of the Offered Bonds (for such purpose, beneficial owners of the Offered Bonds shall also be considered holders of the Offered Bonds) and shall create no rights in any other person or entity.

Section 11. Choice of Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State of Nebraska, provided that to the extent this Disclosure Certificate addresses matters of federal securities laws, including the Rule, this Disclosure Certificate shall be construed in accordance with such federal securities laws and official interpretations thereof.

NEBRASKA INVESTMENT FINANCE AUTHORITY

By _____
Executive Director

APPENDIX H

LIQUIDITY FACILITIES AND INTEREST RATE SWAP AGREEMENTS

Liquidity Facilities

As of March 31, 2018, the following liquidity facilities had been entered into by NIFA with the Federal Home Loan Bank of Topeka, as standby bond purchaser and Wells Fargo Bank, National Association, as tender agent and trustee, in connection with certain Prior Series Bonds.

Series of Bonds	Effective Date	Expiration Date	Outstanding Principal Amount of Bonds Subject to Liquidity Facility
Series 2010 B	December 29, 2010	March 1, 2019	$95,305,000
Series 2013 F	November 26, 2013	March 2, 2020	30,395,000
Series 2014 B	August 28, 2014	March 2, 2020	32,110,000
Series 2015 B	May 14, 2015	March 2, 2020	32,455,000
Series 2015 D	September 30, 2015	March 2, 2020	31,520,000
Series 2016 B	April 27, 2016	March 2, 2020	27,535,000
Series 2016 D	November 30, 2016	March 2, 2020	27,155,000
Series 2017 C	September 27, 2017	March 1, 2019	44,150,000
Series 2018 B	March 28, 2018	March 1, 2019	32,000,000
Total Outstanding Principal Amount of Bonds Subject to Liquidity Facility as of March 31, 2018			$352,625,000

In connection with the issuance of the 2018 Series D Bonds, NIFA expects to enter into a Standby Bond Purchase Agreement, dated as of August 29, 2018, with the Federal Home Loan Bank of Topeka, as standby bond purchaser, and Wells Fargo Bank, National Association, as tender agent and trustee, with an expiration date of March 1, 2019. A portion of the 2010 Series B Bonds equal to the aggregate principal amount of the 2018 Series D Bonds will be refunded and redeemed in connection with the issuance of the Offered Bonds and the principal commitment of the liquidity facility associated with the 2010 Series B Bonds will be reduced by a like amount.

Interest Rate Swap Agreements

As of March 31, 2018, in connection with certain Bonds issued under the Indenture, the following interest rate swap agreements had been entered into by NIFA and the counterparties listed below. (All such agreements subject to earlier termination in accordance with their terms.)

Counterparty	Outstanding Notional Amount	Termination Date	Fixed Rate	Floating Rate Spread to SIFMA	Semiannual Fixed/Floating Payment Dates
Barclays Bank plc	48,015,000	9/1/38	3.942	0.12	3/1 and 9/1
Royal Bank of Canada	24,910,000	3/1/38	3.945	0.12	3/1 and 9/1
Royal Bank of Canada	62,075,000	9/1/32	3.889	0.22	3/1 and 9/1

Counterparty	Outstanding Notional Amount	Termination Date	Fixed Rate	Floating Rate Spread to SIFMA	Semiannual Fixed/Floating Payment Dates
The Bank of New York Mellon*	$93,450,000	9/1/31	4.013%	0.12%	3/1 and 9/1

Threshold Tables

The Threshold Tables for each interest rate swap agreement listed above, as set forth in the respective credit support annex, are as follows:

NIFA THRESHOLD TABLE

Ratings Level				
Moody's	**S&P**	**The Bank of New York Mellon***	**Royal Bank of Canada**	**Barclay's Bank**
A3 or better	A- or better	Infinity	Infinity	Infinity
Baa1	BBB+	$10,000,000	$10,000,000	$10,000,000
Baa2	BBB	$5,000,000	$5,000,000	$5,000,000
Baa3	BBB-	$1,000,000	$1,000,000	$1,000,000
Below Baa3	Below BBB-	$0	$0	$0

BANK COUNTERPARTY THRESHOLD TABLE

Ratings Level				
Moody's	**S&P**	**The Bank of New York Mellon***	**Royal Bank of Canada**	**Barclay's Bank**
Aa3 or better	AA- or better	Infinity	Infinity	Infinity
A1	A+	Infinity	$15,000,000	$10,000,000
A2	A	$15,000,000	$10,000,000	$5,000,000
A3	A-	$10,000,000	$1,000,000	$0
Baa1	BBB+	$1,000,000	$0	$0
Below Baa1	Below BBB+	$0	$0	$0

Definitions:

"The Bank of New York Mellon" means The Bank of New York Mellon
"Barclay's Bank" means Barclay's Bank PLC
"Royal Bank of Canada" means Royal Bank of Canada

*NIFA, in connection with certain of its Single Family Housing Revenue Bonds, previously entered into an interest rate swap with Deutsche Bank AG ("Deutsche Bank"), with a Trade Date of December 23, 2010, in the original Notional Amount of $237,415,000 (the "Original Swap"). Pursuant to a Novation Confirmation dated June 14, 2018, Deutsche Bank has transferred its interest in the Original Swap to The Bank of New York Mellon (the "Transferred Swap"). The Transferred Swap has a Novation Trade Date and Effective Date of June 14, 2018. The Notional Novated Amount of the Transferred Swap on the Effective Date was $93,450,000. Note: The Bank of New York Mellon Credit Support Annex does not specify Moody's ratings for NIFA thresholds.

Notional Amounts

Notional Amounts for each interest rate swap agreement listed above, as set forth in the respective confirmation, are as follows:

	The Bank of New York Mellon* Termination Date 9/1/31	Barclays Bank PC Termination Date 9/1/38	Royal Bank of Canada Termination Date 9/1/32	Royal Bank of Canada Termination Date 3/1/38	GRAND TOTAL
09/01/18	85,165,000	45,765,000	57,570,000	24,025,000	212,525,000
03/01/19	77,225,000	43,375,000	53,095,000	23,075,000	196,770,000
09/01/19	69,705,000	41,045,000	48,785,000	21,865,000	181,400,000
03/01/20	63,410,000	38,785,000	44,670,000	20,700,000	167,565,000
09/01/20	57,955,000	36,595,000	40,730,000	19,560,000	154,840,000
03/01/21	52,915,000	34,470,000	36,980,000	18,450,000	142,815,000
09/01/21	48,340,000	32,405,000	33,430,000	17,380,000	131,555,000
03/01/22	44,135,000	30,405,000	30,055,000	16,340,000	120,935,000
09/01/22	40,380,000	28,475,000	26,930,000	15,330,000	111,115,000
03/01/23	36,835,000	26,605,000	24,035,000	14,350,000	101,825,000
09/01/23	33,365,000	24,805,000	21,475,000	13,405,000	93,050,000
03/01/24	30,090,000	23,065,000	19,085,000	12,495,000	84,735,000
09/01/24	26,975,000	21,385,000	16,835,000	11,610,000	76,805,000
03/01/25	23,995,000	19,775,000	14,700,000	10,765,000	69,235,000
09/01/25	21,130,000	18,220,000	12,660,000	9,945,000	61,955,000
03/01/26	18,430,000	16,730,000	10,780,000	9,155,000	55,095,000
09/01/26	15,935,000	15,300,000	9,020,000	8,400,000	48,655,000
03/01/27	13,535,000	13,935,000	7,595,000	7,675,000	42,740,000
09/01/27	11,335,000	12,630,000	6,255,000	6,985,000	37,205,000
03/01/28	9,195,000	11,390,000	5,025,000	6,325,000	31,935,000
09/01/28	7,305,000	10,210,000	3,885,000	5,690,000	27,090,000
03/01/29	5,485,000	9,100,000	2,665,000	5,090,000	22,340,000
09/01/29	3,845,000	8,045,000	1,955,000	4,525,000	18,370,000
03/01/30	2,365,000	7,050,000	1,345,000	3,990,000	14,750,000
09/01/30	990,000	6,125,000	835,000	3,490,000	11,440,000
03/01/31	70,000	5,260,000	400,000	3,015,000	8,745,000
09/01/31		4,460,000	120,000	2,580,000	7,160,000
03/01/32		3,715,000	20,000	2,170,000	5,905,000
09/01/32		3,180,000		1,855,000	5,035,000
03/01/33		2,690,000		1,575,000	4,265,000
09/01/33		2,240,000		1,310,000	3,550,000
03/01/34		1,830,000		1,070,000	2,900,000
09/01/34		1,460,000		855,000	2,315,000
03/01/35		1,135,000		660,000	1,795,000
09/01/35		845,000		490,000	1,335,000
03/01/36		600,000		340,000	940,000
09/01/36		395,000		220,000	615,000
03/01/37		235,000		115,000	350,000
09/01/37		110,000		45,000	155,000
03/01/38		35,000			35,000

*NIFA, in connection with certain of its Single Family Housing Revenue Bonds, previously entered into an interest rate swap with Deutsche Bank AG ("Deutsche Bank"), with a Trade Date of December 23, 2010, in the original Notional Amount of $237,415,000 (the "Original Swap"). Pursuant to a Novation Confirmation dated June 14, 2018, Deutsche Bank has transferred its interest in the Original Swap to The Bank of New York Mellon (the "Transferred Swap"). The Transferred Swap has a Novation Trade Date and Effective Date of June 14, 2018. The Notional Novated Amount of the Transferred Swap on the Effective Date was $93,450,000.

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APPENDIX I

CERTAIN INFORMATION RELATING TO THE STANDBY PURCHASER

The following information has been obtained from the Standby Purchaser for inclusion herein. Such information is not guaranteed as to accuracy or completeness by NIFA or the Underwriters and is not to be construed as a representation by NIFA or the Underwriters. Neither NIFA nor any of the Underwriters has verified this information, and no representation is made by any of them as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to its date or the date hereof.

The Federal Home Loan Bank of Topeka (the "Standby Purchaser") is a federally chartered corporation owned by financial institutions organized under the laws of the United States and is located in Topeka, Kansas. The Standby Purchaser promotes housing and economic development by offering wholesale funding and related products and services that help member financial institutions provide affordable credit in their communities. With approximately $53.1 billion in assets and $2.5 billion in total capital as of March 31, 2018 (based on unaudited financial statements in the Standby Purchaser's Form 10-Q for the quarter ended March 31, 2018), the Standby Purchaser serves nearly 730 member stockholders throughout Colorado, Kansas, Nebraska and Oklahoma. The Standby Purchaser is one of the Federal Home Loan Banks established by Congress in 1932 to relieve financial strains on thrift institutions and to promote homeownership. The 11 Federal Home Loan Banks are regulated by the Federal Housing Finance Agency in Washington, D.C.

Moody's Investors Service, Inc. ("Moody's") currently rates the Standby Purchaser's long-term bank deposits as "Aaa" and short-term bank deposits as "P-1." S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P") rates the Standby Purchaser's long-term counterparty credit as "AA+" and its short-term counterparty credit as "A-1+." Further information with respect to such ratings may be obtained from Moody's and S&P, respectively. No assurances can be given that the current ratings of the Standby Purchaser and its instruments will be maintained.

Copies of the Standby Purchaser's Form 10-K filed with the SEC (containing audited financial statements) and copies of all other reports filed by the Standby Purchaser with the SEC (including Forms 10-K, 10-Q and 8-K) can be found at the SEC's website at www.sec.gov.

PAYMENTS OF THE PURCHASE PRICE OF VARIABLE RATE OFFERED BONDS IN THE WEEKLY MODE WILL BE MADE PURSUANT TO THE STANDBY BOND PURCHASE AGREEMENT IF REMARKETING PROCEEDS ARE NOT AVAILABLE. ALTHOUGH THE STANDBY BOND PURCHASE AGREEMENT IS A BINDING OBLIGATION OF THE STANDBY PURCHASER, THE VARIABLE RATE OFFERED BONDS ARE NOT DEPOSITS OR OBLIGATIONS OF THE FEDERAL HOME LOAN BANK OF TOPEKA AND ARE NOT GUARANTEED BY SUCH BANK. THE VARIABLE RATE OFFERED BONDS ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY AND ARE SUBJECT TO CERTAIN INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED.

The information concerning the Standby Purchaser contained herein is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced herein. The inclusion of the information herein shall not create any implication that there has been no change in the affairs of the Standby Purchaser since the date hereof or that the information contained or referred to in this Official Statement is correct as of any time subsequent to its date.

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APPENDIX J

CERTAIN DEFINITIONS WITH RESPECT TO THE VARIABLE RATE OFFERED BONDS IN THE WEEKLY MODE

"*Alternate Index*" means an index that is alternate to the SIFMA Index and comprised of those series of bonds that the Remarketing Agent reasonably believes are representative of the tax exempt variable rate demand note market, each satisfying the following criteria: (i) in series having an outstanding principal amount of at least $10,000,000; (ii) rated in the highest short term rating category by Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc.; (iii) issued by issuers most closely resembling the component issuers selected by Municipal Market Data in most recently establishing the SIFMA Index; (iv) subject to tender by the holders thereof for purchase on not more than seven days' notice; and (v) the interest on which is (A) variable on a weekly basis, (B) payable monthly, (C) excludable from gross income for federal income tax purposes under the Code and (D) not subject to an "alternative minimum tax" or similar tax under the Code, unless all tax exempt bonds are subject to such tax.

"*Alternate Liquidity Facility*" means any Liquidity Facility subsequent to the Initial Liquidity Facility that NIFA may provide pursuant to the Series 2018 C/D Supplemental Indenture; provided, however, that the delivery of each Liquidity Facility shall result in a short-term rating of Variable Rate Offered Bonds of not less than "A-1+" by S&P, as evidenced by a rating letter delivered when such Liquidity Facility is delivered.

"*Bank Interest Rate*" means the rate of interest on all Bank-Owned Bonds at any time as determined and calculated in accordance with the provisions of the Liquidity Facility (which, under the terms of the Initial Liquidity Facility, and subject to certain exceptions, is expected to be the One Month LIBOR Rate (as such term is defined in the Initial Liquidity Facility) from time to time in effect plus 1.5%), but which Bank Interest Rate shall not exceed the lesser of 25% per annum or the maximum allowable interest rate in the State of Nebraska.

"*Bank-Owned Bonds*" means Variable Rate Offered Bonds purchased with funds provided by a Standby Purchaser pursuant to a Liquidity Facility and retained by such Standby Purchaser (or its transferee), except as such retention may be pursuant to the Section of the Series 2018 C/D Supplemental Indenture providing for retention of remarketable Variable Rate Offered Bonds.

"*Conversion Date*" means the date on which any of the Variable Rate Offered Bonds are Converted to Bonds bearing interest at a Long-Term Fixed Interest Rate.

"*Conversion Tender*" means a mandatory tender of any Variable Rate Bonds as a result of the Bank's receipt of a Notice of Bank Purchase (Mandatory Tender) in connection with the Conversion of such Variable Rate Bonds to the Long-Term Fixed Rate.

"*Convert*," "*Converted*" or "*Conversion*," as appropriate, means the conversion of the interest rate on any Variable Rate Offered Bonds to Long-Term Fixed Interest Rates.

"*Default Tender*" means a mandatory tender of the Variable Rate Bonds as a result of the Bank's delivery of a Notice of Termination Date to the Trustee, the Remarketing Agent, NIFA and the Tender Agent upon the occurrence of an Event of Default as described in Article VIII of the Initial Liquidity Facility.

"*Effective Rate*" means the rate of interest, which rate shall be less than or equal to the Maximum Rate, payable on the Variable Rate Bonds prior to Conversion or FRNs on and after a Floating Rate Change Date, determined for each Effective Rate Period (and for Bank Bonds, except as otherwise stated in the related Liquidity Facility, the Bank Interest Rate).

"*Effective Rate Date*" means the date on which the Variable Rate Bonds begin to bear interest at the Effective Rate, as described in the Mode Period Chart (and with respect to Bank-Owned Bonds, except as otherwise stated in the related Liquidity Facility, each day), including any Mode Change Date and with respect to FRNs after a

Floating Rate Change Date, the date specified in a Certificate relating to that Floating Rate Change and, thereafter, the Thursday following the Rate Determination Date.

"*Effective Rate Period*" means the period during which interest accrues under a particular Mode or at an FRN Rate from one Effective Rate Date to and including the day preceding the next Effective Rate Date.

"*Election Tender*" means a mandatory tender at the election of NIFA of the Variable Rate Bonds on any Business Day (with respect to Variable Rate Bonds during any Flexible Mode Period, Term Mode Period or Floating Rate Period only at the end of an applicable period).

"*Expiration Tender*" means a mandatory tender of the Variable Rate Bonds in the Weekly Mode Period as a result of the Bank's delivery of notice pursuant to Section 10.09 of the Initial Liquidity Facility to the effect that the Expiration Date thereof will not be extended.

"*Floating Rate Change*" means a change to all or a portion of the Variable Rate Bonds to bear interest at a new FRN Rate.

"*Floating Rate Change Date*" means the date on which a Floating Rate Change is effective.

"*Floating Rate Change Tender*" means a Mandatory Tender of any Variable Rate Bonds pursuant to Section 6 of Exhibit F of the Series 2018 C/D Supplemental Indenture as a result of a Floating Rate Change.

"*FRN(s)*" means 2018 Series D Bonds bearing interest at an FRN Rate.

"*FRN Index*" means either SIFMA Index or LIBOR Index.

"*FRN Rate*" means, with respect to any FRNs, the interest rate determined in accordance with Section 2 of Exhibit H of the Series 2018 C/D Supplemental Indenture on a Rate Determination Date which shall be the sum of the FRN Index and the applicable FRN Adjustment Factor, if any, determined for those FRNs.

"*Index Rate*" means the SIFMA Index or, for so long as the SIFMA Index is not calculated and published by Municipal Market Data, the Alternate Index.

"*Initial Liquidity Facility*" means the Standby Bond Purchase Agreement by and among NIFA, the Federal Home Loan Bank of Topeka and Wells Fargo Bank, National Association, as Tender Agent and as Trustee, and dated as of August 29, 2018.

"*Liquidity Facility*" means, for purposes of the Variable Rate Offered Bonds, any Liquidity Facility provided pursuant to the Series 2018 C/D Supplemental Indenture, including the Initial Liquidity Facility and any Alternate Liquidity Facility.

"*Long-Term Fixed Interest Rate*" means a long-term interest rate fixed to maturity of a Converted Variable Rate Offered Bond, established in accordance with the Series 2018 C/D Supplemental Indenture.

"*Mandatory Tender*" means the mandatory tender for purchase of all or a portion of the Variable Rate Bonds in the Weekly Mode Period on any date on which the Variable Rate Bonds in the Weekly Mode Period are subject to mandatory tender for purchase in accordance with the Series 2018 C/D Supplemental Indenture, whether as the result of a Conversion Tender, Mode Tender, a Floating Rate Change Tender, Default Tender, Expiration Tender or Termination Tender, in each case at a price equal to the principal amount thereof plus accrued interest if the date of Mandatory Tender is other than an Interest Payment Date for such Variable Rate Bonds.

"*Mandatory Tender Date*" means each date on which Variable Rate Offered Bonds are subject to Mandatory Tender.

"*Maximum Rate*" means (i) with respect to the Variable Rate Offered Bonds, 15% per annum or (ii) with respect to Bank-Owned Bonds, the lesser of 25% per annum or the maximum allowable interest rate in the State.

"*Mode*" means the manner in which the interest rate on a subseries of Variable Rate Bonds is adjusted on each Rate Determination Date, consisting of a Daily, Weekly, Monthly, Quarterly, Semiannual, Flexible, or Term Mode Period.

"*Mode Change*" means a change in Mode Period.

"*Mode Change Date*" means the date of effectiveness of a Mode Change.

"*Mode Period*" means each period beginning on the first Effective Rate Date for the Variable Rate Bonds, or the first Effective Rate Date following a change from one Mode to another and ending on the date immediately preceding the first Effective Rate Date following the next such change in Mode.

"*Mode Tender*" means a mandatory tender of the Variable Rate Bonds as a result of the Bank's receipt of a Notice of Bank Purchase (Mandatory Tender) in connection with a Mode Change with respect to some portion or all of the Variable Rate Bonds.

"*Notice Parties*" means NIFA, the Remarketing Agent, the Tender Agent, the Standby Purchaser, the Rating Agency and the Trustee.

"*Rate Determination Date*" means the date on which the Effective Rate for the Effective Rate Period following each such Rate Determination Date is determined, as described in the Mode Period Chart in the Series 2018 C/D Supplemental Indenture, and with respect to FRNs, as described in the Series 2018 C/D Supplemental Indenture.

"*Remarketing Agent*" means J.P. Morgan Securities LLC and its successors and assigns, unless another remarketing agent shall be duly appointed in accordance with the Indenture.

"*Remarketing Agreement*" means the Remarketing Agreement relating to the Variable Rate Offered Bonds between J.P. Morgan Securities LLC and NIFA (or any similar agreement), as it may be amended or supplemented from time to time in accordance with its terms.

"*SIFMA Index*" means the rate determined on the basis of an index based upon the weekly interest rate of tax-exempt variable rate issues included in a database maintained by Municipal Market Data which meet specific criteria established by the Securities Industry and Financial Markets Association (formerly the Bond Market Association) or any successor.

"*Tender Agent*" means Wells Fargo Bank, National Association, a national banking association, organized and existing under the laws of the United States of America, and its successors and assigns.

"*Tender Notice*" means an irrevocable notice of tender delivered by a Holder to the Remarketing Agent and the Tender Agent not later than 5:00 p.m., New York City time, on any Business Day at least seven calendar days prior to the purchase date, which shall be a Business Day and shall be set forth in such Tender Notice.

"*Termination Tender*" means a mandatory tender of the Variable Rate Bonds as a result of NIFA's termination of the Initial Liquidity Facility pursuant to Section 2.02 thereof.

"*Variable Rate*" means the rate of interest, which rate shall be less than or equal to the Maximum Rate, payable on the Variable Rate Offered Bonds prior to Conversion to Long-Term Fixed Interest Rates, as determined for each Series of Variable Rate Bonds on each Rate Determination Date for the applicable Mode and Mode Period pursuant to the Series 2018 C/D Supplemental Indenture.

"*Variable Rate Bond Purchase Date*" means, for a Variable Rate Offered Bond in the Weekly Mode, any Business Day identified in a properly delivered Tender Notice by the owner of said Variable Rate Offered Bond pursuant to the terms of the Series 2018 C/D Supplemental Indenture.

"*Variable Rate Bond Purchase Price*" means (i) an amount equal to the principal amount of any Variable Rate Offered Bonds in the Weekly Mode purchased on any Variable Rate Offered Bonds Purchase Date, plus accrued interest, if any, to the Variable Rate Offered Bonds Purchase Date, or (ii) an amount equal to the principal amount of any Variable Rate Offered Bonds in the Weekly Mode purchased on a Mandatory Tender Date, plus accrued interest, if any, to the Mandatory Tender Date.

APPENDIX K

CERTAIN TERMS OF THE INITIAL LIQUIDITY FACILITY

This Appendix contains a brief summary of certain provisions of the Initial Liquidity Facility to be entered into with the Standby Purchaser. Such summary does not purport to be comprehensive or definitive. All references in this Official Statement to the Initial Liquidity Facility are qualified by reference to such document and capitalized terms used, but not defined herein, shall have the meanings assigned to such terms in the Initial Liquidity Facility. A copy of the Initial Liquidity Facility is on file with the Trustee, the Tender Agent and NIFA. The Initial Liquidity Facility may be amended at any time without the consent of or notice to the holders of the Variable Rate Offered Bonds. Any Alternate Liquidity Facility may have terms substantially different from those of the Initial Liquidity Facility. Various words or terms used in the following summary are defined in this Official Statement, the Initial Liquidity Facility or the Indenture, and reference thereto is made for full understanding of their import. For further information regarding the Standby Purchaser, the obligor under the Initial Liquidity Facility, see Appendix I—"CERTAIN INFORMATION RELATING TO THE STANDBY PURCHASER." See also "THE OFFERED BONDS—Interest—General—Variable Rate Offered Bonds - Weekly Mode" and "—Description of the Variable Rate Offered Bonds" herein and Appendix J—"CERTAIN DEFINITIONS WITH RESPECT TO THE VARIABLE RATE OFFERED BONDS IN THE WEEKLY MODE."

THE INITIAL LIQUIDITY FACILITY IS ONLY AVAILABLE TO VARIABLE RATE OFFERED BONDS WHILE SUCH BONDS ARE IN THE WEEKLY MODE.

NIFA expects to execute and deliver the Initial Liquidity Facility with the Standby Purchaser on the date of delivery of the Variable Rate Offered Bonds. Subject to the terms and conditions therein, the Initial Liquidity Facility requires the Standby Purchaser to provide funds for the purchase of Variable Rate Offered Bonds in the Weekly Mode that have been tendered by the Holder thereof or are subject to mandatory tender but are not remarketed by the Remarketing Agent. The Variable Rate Offered Bonds held by the Standby Purchaser shall bear interest at the Bank Interest Rate in accordance with the Initial Liquidity Facility. All obligations of the Standby Purchaser to purchase Variable Rate Offered Bonds pursuant to the Initial Liquidity Facility will expire on March 1, 2019, unless NIFA and the Standby Purchaser agree to extend the term of the Initial Liquidity Facility as provided therein.

Conditions Precedent to Obligations of Standby Purchaser

The obligation of the Standby Purchaser to purchase Variable Rate Offered Bonds in the Weekly Mode on any particular Purchase Date under the Initial Liquidity Facility is subject to the condition that a long-term rating of such Variable Rate Offered Bonds by S&P of not lower than "BBB-" shall be in effect.

Termination of Initial Liquidity Facility by Standby Purchaser

If NIFA fails to timely pay to the Standby Purchaser any commitment fee after the same becomes due or upon the occurrence of certain other events of default as described in the Initial Liquidity Facility (see "Events of Default and Remedies" in this Appendix K), the Standby Purchaser may terminate the Initial Liquidity Facility by giving notice of termination to the Trustee, the Tender Agent, NIFA and the Remarketing Agent, such termination to become effective 30 days after receipt by the Tender Agent of such notice. Upon receipt of such written notice by the Trustee, the Trustee is to give notice to all Holders of the Variable Rate Offered Bonds, and the Variable Rate Offered Bonds will be subject to mandatory tender for purchase as described in "THE OFFERED BONDS—Description of the Variable Rate Offered Bonds—Mandatory Tender" and the Standby Purchaser has agreed to purchase tendered Variable Rate Offered Bonds in the Weekly Mode on the terms and conditions of the Initial Liquidity Facility notwithstanding the occurrence of such events of default (subject to satisfaction of applicable conditions precedent to the Standby Purchaser's obligation to do so).

Termination of Standby Bond Purchase Agreement by NIFA

Upon the withdrawal, suspension or reduction in the Standby Purchaser's short-term counterparty credit rating by S&P below "A-1" or the default by the Standby Purchaser in honoring its payment obligations under the Initial Liquidity Facility or the Standby Purchaser seeking compensation for increased costs to the Standby Purchaser as described in the Initial Liquidity Facility and the payment to the Standby Purchaser of all fees, expenses and other amounts payable under the Initial Liquidity Facility and the payment to the Standby Purchaser of all principal and accrued interest owing on any Bank-Owned Bonds, NIFA may terminate the Initial Liquidity Facility. Upon delivery of an Alternate Liquidity Facility satisfying the requirements of the Series 2018 C/D Supplemental Indenture, the Initial Liquidity shall terminate. In the event of either such termination, the Variable Rate Offered Bonds in the Weekly Mode will be subject to mandatory tender for purchase.

Alternate Liquidity Facility

NIFA may replace any Liquidity Facility with a new Liquidity Facility (an "Alternate Liquidity Facility") substantially conforming to the coverage amount requirements set forth in the Series 2018 C/D Supplemental Indenture, provided that the Alternate Liquidity Facility is accompanied by (i) a favorable opinion of Bond Counsel to the effect that delivery of the Alternate Liquidity Facility will not impair the exclusion of interest on the Offered Bonds from gross income for purposes of federal or state income taxation (subject to the inclusion of any exceptions contained in the opinion delivered upon original issuance of the Offered Bonds), (ii) an opinion of Bond Counsel stating that the delivery is authorized under the Indenture and complies with its terms, (iii) an opinion of counsel to the provider of the Alternate Liquidity Facility stating that such Alternate Liquidity Facility is a legal, valid, binding and enforceable obligation of such obligor in accordance with its terms and (iv) written evidence satisfactory to the Standby Purchaser of the provision for purchase from the Standby Purchaser of all Bank-Owned Bonds at a price equal to the principal amount thereof plus accrued and unpaid interest to the date of purchase, and payment of all amounts due it under the terms of the Liquidity Facility on or before the effective date of such Alternate Liquidity Facility.

NIFA shall notify the Notice Parties of its intention to deliver an Alternate Liquidity Facility at least 30 days prior to the proposed date of delivery of the Alternate Liquidity Facility (the "Substitution Date"). Upon receipt of such notice, the Trustee shall mail irrevocable notice of the anticipated delivery of the Alternate Liquidity Facility, including the name of its issuer, by first-class mail, or transmitted in such other manner (such as by electronic means) as may be customary for the industry, to the Holders of the Variable Rate Offered Bonds at least 15 days prior to the Substitution Date, along with a notice of Mandatory Tender of such Variable Rate Offered Bonds on such date. The Variable Rate Offered Bonds having the benefit of the current Liquidity Facility will be subject to Mandatory Tender on the Substitution Date as described in "THE OFFERED BONDS—Description of the Variable Rate Offered Bonds—Mandatory Tender," regardless of whether the Alternate Liquidity Facility is delivered on such date.

Mandatory Tender Under Initial Liquidity Facility (With No Right To Retain)

Upon any event constituting a Mandatory Tender, the Tender Agent shall give notice to the Holders of the Variable Rate Offered Bonds subject to the Mandatory Tender that such Variable Rate Offered Bonds will be subject to mandatory tender for purchase at a purchase price equal to 100% of the principal amount thereof, plus accrued interest to the date of purchase (payable by the Standby Purchaser) on the date set forth for purchase in such notice.

Under certain circumstances, as described above in "Conditions Precedent to Obligations of Standby Purchaser," the obligation of the Standby Purchaser to purchase Variable Rate Offered Bonds in the Weekly Mode may terminate, in certain cases without prior notice.

Procedure for Purchase

On each Purchase Date on which the Variable Rate Offered Bonds in the Weekly Mode are to be purchased by the Tender Agent, (i) by no later than 10:00 a.m. New York City time, the Remarketing Agent shall give the Tender Agent and the Standby Purchaser electronic notice of the aggregate principal amount of tendered Variable Rate Offered Bonds that it has remarketed on such Variable Rate Offered Bonds Purchase Date, and (ii) by no later than 11:00 a.m., New York City time, the Tender Agent shall give the Standby Purchaser notice by facsimile and in writing of the Variable Rate Offered Bonds Purchase Date and the aggregate Variable Rate Offered Bonds Purchase Price of the tendered Variable Rate Offered Bonds required to be purchased by the Standby Purchaser pursuant to the Initial Liquidity Facility, and the amount of principal and interest, respectively, constituting such Purchase Price. Upon receipt of the notice set forth in (ii) above, the Standby Purchaser, unless it determines that its obligation to purchase pursuant to the Initial Liquidity Facility has been suspended or terminated in accordance therewith, shall, by no later than 1:30 p.m., New York City time, make available to the Tender Agent, in immediately available funds, such Variable Rate Offered Bonds Purchase Price, to be deposited in accordance with the Series 2018 C/D Supplemental Indenture. As soon as such funds become available, the Tender Agent is required to purchase therewith, for the account of the Standby Purchaser, that portion of the tendered Variable Rate Offered Bonds in the Weekly Mode for the purchase of which immediately available funds are not otherwise then available for such purposes under the Indenture. The Tender Agent is required to remit as soon as practicable to the Standby Purchaser such funds which are not so used to purchase tendered Variable Rate Offered Bonds.

THE INITIAL LIQUIDITY FACILITY PROVIDES FUNDS ONLY FOR PAYMENT OF THE VARIABLE RATE OFFERED BONDS DURING THE WEEKLY MODE PERIOD AS DESCRIBED ABOVE. THE INITIAL LIQUIDITY FACILITY DOES NOT SECURE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE VARIABLE RATE OFFERED BONDS. THE INITIAL LIQUIDITY FACILITY MAY BE TERMINATED AS DESCRIBED ABOVE.

Bank-Owned Bonds

Any Variable Rate Offered Bonds purchased by the Standby Purchaser shall constitute Bank-Owned Bonds and have all of the characteristics of Bank-Owned Bonds as set forth in the Series 2018 C/D Supplemental Indenture. All Bank-Owned Bonds shall bear interest at the Bank Interest Rate as from time to time in effect, provided that at no time shall Bank-Owned Bonds bear interest at a rate in excess of 25% per annum. In the event that Bank-Owned Bonds bear interest at the Maximum Rate for any period, the Standby Purchaser shall receive interest on account of Bank-Owned Bonds only at the Maximum Rate for such period (the difference between (x) the interest payable to the Standby Purchaser if the Bank-Owned Bonds had continuously borne interest at the Bank Interest Rate and (y) the interest actually paid to the Standby Purchaser at the Maximum Rate is referred to below as the "Excess Bank-Owned Bond Interest"). Notwithstanding any subsequent reduction in the Bank Interest Rate, Bank-Owned Bonds shall bear interest from and after the date on which any Excess Bank-Owned Bond Interest is accrued at the Maximum Rate until the date on which the interest paid to the Standby Purchaser on Bank-Owned Bonds in excess of the Bank Interest Rate equals such Excess Bank-Owned Bond Interest, provided that, upon termination of the Initial Liquidity Facility, in consideration for the limitation of the rate of interest otherwise payable thereunder, NIFA has agreed to pay, to the extent permitted by law, the Standby Purchaser a fee equal to the amount of all unpaid Excess Bank-Owned Bond Interest, provided that no such amount shall be paid to the extent payment thereof would violate applicable usury law or law governing maximum interest rates. To the extent permitted by law, interest shall accrue on, and be payable by NIFA with respect to, all unpaid Excess Bank-Owned Bond Interest at a rate per annum equal to the One-Month LIBOR Rate plus 1.50%.

Under the terms of the Initial Liquidity Facility, NIFA has agreed that if any Bank-Owned Bond cannot be remarketed within 91 days of the purchase date relating to such Bank-Owned Bond, then NIFA has agreed to purchase each such Bank-Owned Bond in equal semiannual principal installments, the first such installment being payable on the first Interest Payment Date on the Variable Rate Offered Bonds in the March or September, whichever first occurs on or following the ninety-first day after such purchase date and on each such Interest Payment Date thereafter so that such Bank-Owned Bond is paid in full in 10 equal semiannual payments.

Events of Default and Remedies

The following events, among others, constitute Events of Default under the Initial Liquidity Facility. Reference is made to the Initial Liquidity Facility for a complete listing of all Events of Default.

(a) Any principal of, or interest on, any Variable Rate Offered Bond or any Bank-Owned Bond or certain other amounts owed to the Standby Purchaser shall not be paid when due (including any grace period, if applicable); or

(b) Any representation or warranty made by or on behalf of NIFA in the Initial Liquidity Facility or in any Related Document or in any certificate or statement delivered thereunder shall be incorrect or untrue in any material respect when made or deemed to have been made; or

(c) NIFA shall materially default in the due performance or observance of any other term, covenant or agreement contained in the Initial Liquidity Facility and such default shall remain unremedied for a certain period after the Standby Purchaser shall have given written notice thereof to NIFA; or

(d)(i) NIFA shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or NIFA shall make a general assignment for the benefit of its creditors; (ii) there shall be commenced against NIFA any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of 60 days; (iii) there shall be commenced against NIFA any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged or stayed or bonded pending appeal within 30 days from the entry thereof; (iv) NIFA shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) NIFA shall generally not, or shall be unable to, or so admit in writing its inability to, pay its debts; or

(e) Any material provision of the Initial Liquidity Facility shall at any time for any reason cease to be valid and binding on NIFA or any other party thereto or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by NIFA or such other party thereto or by any governmental agency having jurisdiction, or NIFA or such other party shall deny that it has any or further liability or obligation under any such document; or

(f) NIFA shall default in any payment of principal of or premium, if any, or interest on any debt payable from the Trust Estate for the Bonds or on any general obligation debt of NIFA (excluding the notional principal amount of any swaps, caps or other interest rate hedging devices) in excess of $10,000,000 and such default shall continue beyond the date 10 days after the due date thereof; or

(g) One or more final unappealable judgments against NIFA for the payment of money and not covered by insurance, or attachments against the property of NIFA the operation or result of which, individually or in the aggregate, equal or exceed $10,000,000 and failure of NIFA to vacate, bond, stay or contest in good faith such judgment, writ, warrant of attachment or other process for a period of 30 days or failure to pay or satisfy such judgment within 60 days or as otherwise required by such judgment, writ or warrant of attachment; or

(h) Any Event of Default (other than a payment default) as defined in the Indenture or any "event of default" (other than a payment default) under any instrument authorizing the issuance of debt constituting a general obligation of NIFA which is not cured within any applicable cure period.

Following the occurrence of certain of the above-referenced Events of Default, the Standby Purchaser may take any one or more of the following actions, among others. Reference is made to the Initial Liquidity Facility for a complete listing of all consequences of Events of Default.

(i) In the case of any Event of Default, the Standby Purchaser may give written notice of such Event of Default and of the termination of the Initial Liquidity Facility on the thirtieth day following receipt by the Tender Agent of such notice.

(ii) Upon the occurrence of any Event of Default, the Standby Purchaser will have all remedies provided at law or equity, including, without limitation, specific performance; provided, however, the Standby Purchaser agrees to purchase Variable Rate Offered Bonds on the terms and conditions of the Initial Liquidity Facility.

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