

FIRST SUPPLEMENT TO
MASTER INDENTURE OF TRUST

This First Supplement to Master Indenture of Trust, dated as of February 1, 2016, is between the COLORADO HOUSING AND FINANCE AUTHORITY, a body corporate and political subdivision of the State of Colorado (the “Authority”), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, duly organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America (the “Trustee”).

WITNESSETH:

WHEREAS, the Authority and the Trustee entered into a Master Indenture of Trust dated as of June 1, 2013 (the “Master Indenture”), and desire to amend and supplement the Master Indenture.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained and contained in the Master Indenture, the Authority and the Trustee agree as follows:

Section 1. The following definition is hereby added to Section 1.1 of the Master Indenture:

“Stand-Alone Series” means a Series of Bonds so designated in the Related Series Indenture, and with respect to which (i) Loan Repayments, Prepayments and other Revenues Related to such Series shall not be applied to the payment Debt Service Payments or Redemption Price of any Series of Bonds other than such Series, and (ii) Loan Repayments, Prepayments and other Revenues Unrelated to such Series shall not be applied to the payment Debt Service Payments or Redemption Price of such Series.

Section 2. The following definitions in Section 1.2 of the Master Indenture are hereby amended to read as follows:

“Administrative Expenses” means all the Authority’s expenses of administering its activities under the Indenture and the Act. Such expenses may include, without limiting the generality of the foregoing, (i) Fiduciary Expenses, (ii) the fees and expenses of any auction agent, market agent and any broker-dealer then acting under a Series Indenture with respect to auction rate Bonds, (iii) the fees and expenses of any calculation agent then acting under a Series Indenture with respect to index-based Bonds, (iv) the costs of any remarketing of any Bonds, including the fees and expenses of any remarketing agent then acting under a Series Indenture with respect to such Bonds, (v) the fees and expenses due to any Liquidity Facility Provider with respect to any Bonds for which a Liquidity Facility is in place, (vi) to the extent not paid pursuant to Section 4.5(c)(i)(C) hereof, the fees and expenses payable from the Trust Estate due to

any Loan Payment Enhancement Facility Provider with respect to any Bonds for which a Loan Payment Enhancement Facility is in place, (vii) the fees and expenses of the Authority incurred in connection with the preparation of legal opinions and other authorized reports or statements attributable to the Bonds, (ix) fees and expenses associated with the delivery of a substitute Loan Payment Enhancement Facility or Liquidity Facility under a Series Indenture, (viii) fees and expenses associated with the monitoring of the Bonds, the Loans, MBS and the Housing Facilities by the Rating Agencies, (x) fees and expenses associated with (but not payments under) Derivative Products, (xi) Costs of Issuance not paid from proceeds of Bonds, and (xii) salaries, supplies, utilities, labor, materials, office rent, maintenance, furnishings, equipment, machinery and apparatus, including information processing equipment, telephone, software, insurance premiums, legal, accounting, management, consulting and banking services and expenses, travel and other operating costs of the Authority, and payments to pension, retirement, dental, health and hospitalization and life and disability insurance benefits, and any other employee benefits; and any other expenses required or permitted to be paid by the Authority, all to the extent properly allocable to a financing under the Indenture. Administrative Expenses allocable to more than one Series of Bonds shall be allocated among such Series pro rata, in proportion to the Outstanding Aggregate Principal Amount of each such Series.

"Cash Flow Statement" means, with respect to any particular Bonds, a certificate prepared by or on behalf of the Authority (which may be prepared by a financial or other advisor on behalf of the Authority) with respect to Cash Flows setting forth, for the period extending from the date of such certificate to the latest maturity of the Bonds then outstanding, (i) all Revenues expected to be received during such period; (ii) the application of all such Revenues in accordance with the Indenture; (iii) the resulting balances on each Bond Payment Date and Derivative Payment Date, if any; and establishing under all scenarios included in the Cash Flows, that anticipated Revenues will be at least sufficient to pay the principal of and interest on the Obligations when due and all Administrative Expenses payable under the Indenture when due. Each Cash Flow Statement shall be accompanied by all supporting Cash Flows. Reference to a Cash Flow Statement with respect to a Series shall be taken to mean a Cash Flow Statement with respect to such Series and any other Series to which it has been linked for Cash Flow Statement purposes. A Stand-Alone Series shall not be linked to any other Series for Cash Flow Statement purposes, and for purposes of a Cash Flow Statement Related to a Stand-Alone Series, only the Revenues and the Administrative Expenses Related to such Series and the principal of and interest on such Series shall be taken into account.

"Confirmation" means a letter from each Rating Agency then rating a Series confirming that the action proposed to be taken by the Authority will not, in and of itself, result in a lowering, suspension or withdrawal of the ratings then applicable to any Bonds. A Confirmation shall be required with respect to a

Stand-Alone Series only in connection with actions proposed to be taken by the Authority with respect to such Stand-Alone Series.

“Servicing Fees” means (a) any fees paid to or retained by a Servicer in connection with the servicing obligations undertaken by the Servicer in accordance with the Related Servicing Agreement and (b) any fees retained by or expenses reimbursed to the Authority with respect to Loans serviced by the Authority, in each case not in excess of the amount assumed in the most recently filed applicable Cash Flow Statement.

Section 3. Section 2.4) of the Master Indenture is hereby amended to read as follows:

Section 2.4 Ratings. Notwithstanding any other provision of Sections 2.2 and 2.3 of this Master Indenture, so long as there are Outstanding Bonds rated by a Rating Agency, the Authority will not issue any additional Bonds (including Bonds issued or to be issued on a forward purchase basis) if such issuance would result in a lowering, suspension or withdrawal of the ratings then applicable to any Bonds. No Confirmation of any ratings of a Stand-Alone Series shall be required in connection with the issuance of Bonds of any other Series.

Section 4. The introductory paragraph of Section 4.1(e) of the Master Indenture is hereby amended to read as follows:

(e) Subject to the provisions of any Series Indenture, the Authority may reallocate moneys, investments, Loans and MBS (or portions thereof or interests therein) among Series, other than a Stand-Alone Series, under any of the following circumstances:

Section 5. Section 4.5(c)(i) of the Master Indenture is hereby amended to read as follows:

(c) Allocation of Revenues from Revenue Fund

(i) On the last Business Day prior to each Bond Payment Date or Derivative Payment Date, or more frequently if required by a Series Indenture, or on the other dates specifically provided below, the Trustee shall withdraw from each subaccount of the Revenue Fund and deposit into the following Funds or Accounts and shall pay to the following parties the following amounts, in the following order of priority, the requirements of each such Fund, Account or party (including the making up of any deficiencies in any such Fund or Account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied, and the results of such satisfaction being taken into account, before any payment or transfer is made subsequent in priority:

(A) On each May 1, into the Related subaccounts of the Rebate Fund, an amount to be calculated by the Authority which, when added to the amount already within such respective subaccounts, will equal the

Rebate Requirement Related to the Tax-exempt Bonds of each respective Series, as determined by the Authority;

(B) On each May 1, to the Related subaccounts of the Excess Earnings Fund, an amount to be calculated by the Authority which, when added to the amount already within such respective subaccounts, will equal the amount determined by the Authority to be required to be on deposit therein;

(C) To the Loan Payment Enhancement Facility Provider, if any, with respect to the Related Series of Bonds, to the extent provided in the Loan Payment Enhancement Facility, for the reimbursement of advances of, or other direct or indirect source of funds for, the timely payment of regularly scheduled Loan Repayments, with interest thereon at the rate provided in the Loan Payment Enhancement Facility, and for payment of compensation and expenses of the Loan Payment Enhancement Facility Provider payable from the Trust Estate;

(D) Into the Related subaccount of the Debt Service Fund (x) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of interest becoming due and payable on such Bond Payment Date or Derivative Payment Date upon all Bonds of the Related Series then Outstanding and any Authority Derivative Payment secured on a parity with the Bonds accrued and unpaid as of such date; plus (y) the amount, if any, needed to increase the amount in such subaccount to include the aggregate amount of Principal Installments becoming due and payable on the Outstanding Bonds of the Related Series on such Bond Payment Date; provided however, that if such Bond Payment Date is not a date for the payment of a Principal Installment on Related Bonds, such transfer shall include an amount that, if made in substantially equal installments on each subsequent Bond Payment Date to and including the next Bond Payment Date that is a date for the payment of a Principal Installment on Related Bonds, will equal the amount of the Principal Installments becoming due and payable on Outstanding Related Bonds on the next such Bond Payment Date;

(E) Except with respect to a Stand-Alone Series, into each Unrelated subaccount of the Debt Service Fund, after making any transfer into such subaccount required by Section 4.7(c)(i) of this Master Indenture, on a proportionate basis with all other such Unrelated subaccounts or as otherwise provided in a Series Indenture or directed by Authority Request, any deficiency in such subaccount resulting from the lack of moneys sufficient to make the deposit required by paragraph (D) of this Section 4.5(c)(i) as of such date;

(F) Into the Related subaccount of the Debt Service Reserve Fund, the amount, if any, needed to increase the amount in such subaccount (including the Related Interest Reserve Account), together with the available amount of any Qualified Surety Bond therein, to the Debt Service Reserve Fund Requirement of the Related Series of Bonds;

(G) Except with respect to a Stand-Alone Series, into each Unrelated subaccount of the Debt Service Reserve Fund, on a proportionate basis with all other such Unrelated subaccounts or as otherwise provided in a Series Indenture or directed by Authority Request, any deficiency in such subaccount resulting from the lack of Related Revenues sufficient to make the deposit required by paragraph (F) of this Section 4.5(c)(i) as of such date;

(H) To the Authority, the amount of any reasonable and necessary Fiduciary Expenses with respect to the Related Series of Bonds previously incurred but not reimbursed to the Authority or reasonably anticipated to be payable in the following six months (or directly to the Fiduciaries, Fiduciary Expenses with respect to the Related Series of Bonds, when and as payable); provided, however, that in no event shall the aggregate of all Fiduciary Expenses with respect to the Related Series of Bonds paid directly to Fiduciaries or to the Authority under this paragraph (H) exceed any limitation set forth in the Related Series Indenture for any period;

(I) Except with respect to a Stand-Alone Series, to the Authority, the amount of any reasonable and necessary Fiduciary Expenses with respect to Unrelated Series of Bonds, on a proportionate basis with all other Unrelated Series of Bonds or as otherwise provided in a Series Indenture or directed by Authority Request, any deficiency resulting from the lack of moneys sufficient to make the deposit required by paragraph (H) of this Section 4.5(c)(i) as of such date;

(J) To the Authority, the amount of any reasonable and necessary Administrative Expenses with respect to the Related Series of Bonds previously incurred but not reimbursed to the Authority or reasonably anticipated to be payable in the following six months; provided, however, that in no event shall the aggregate of such amounts paid to the Authority, plus amounts paid to the Authority with respect to such Series of Bonds pursuant to paragraphs (H) and (I) above and plus all Fiduciary Expenses with respect to the Related Series of Bonds paid directly to Fiduciaries exceed any limitations set forth in the Related Series Indenture; and

(K) Except with respect to a Stand-Alone Series, to the Authority, the amount of any reasonable and necessary Administrative

Expenses with respect to Unrelated Series of Bonds, on a proportionate basis with all other Unrelated Series of Bonds or as otherwise provided in a Series Indenture or directed by Authority Request, any deficiency resulting from the lack of moneys sufficient to make the deposit required by paragraph (J) of this Section 4.5(c)(i) as of such date.

Section 6. Section 4.7(c)(ii) of the Master Indenture is hereby amended to read as follows:

(ii) Except with respect to a Stand-Alone Series, in the event that the amount transferred to a subaccount of the Debt Service Fund pursuant to paragraph 4.6(c)(i)(E) is insufficient to pay the interest and Principal Installments, if any, due on Bonds of the Related Series on the next succeeding Bond Payment Date, the Trustee shall transfer from Unrelated subaccounts in the Debt Service Reserve Fund on a proportionate basis or as otherwise directed by Authority Request, first from subaccounts of the Interest Reserve Account, and then if and to the extent necessary from the Related subaccount of the Debt Service Reserve Fund from subaccounts of the Debt Service Reserve Fund, to such subaccount of the Debt Service Fund the amount of such insufficiency.

Section 7. Section 4.8(c) of the Master Indenture is hereby amended to read as follows:

(c) Notwithstanding anything contained herein to the contrary, except with respect to a Stand-Alone Series and except as otherwise provided in a Series Indenture, the Authority may by the delivery of an Authority Request to the Trustee at any time prior to the transmission of notices of redemption, instruct the Trustee to transfer moneys on deposit in a subaccount of an Account in the Redemption Fund to another subaccount of the same Account in the Redemption Fund to be applied as provided herein to the redemption of Bonds of a different Series. Each such Authority Request (i) shall certify that it is consistent with the most recently filed Related Cash Flow Statement (which may, if necessary, link the Related Series) and not prohibited by the Related Series Indentures and (ii) shall be accompanied by evidence of the satisfaction of all Asset Requirements for the Related Series.

Section 8. Section 6.1 of the Master Indenture is hereby amended by the addition of the following paragraph thereto:

The provisions of this Article VI shall apply to a Stand-Alone Series only in the case of an Event of Default described in paragraphs (a) or (b) above with respect to such Stand-Alone Series, to an Event of Default described in paragraph (c) above affecting such Stand-Alone Series and to an Event of Default described in paragraph (d) above. Each reference to a Bond or Bonds or Obligations in this Article VI shall mean and include Bonds of a Stand-Alone Series only in the case of an Event of Default described in the preceding sentence that applies to such Stand-Alone Series. In no event shall moneys, securities, Revenues, payments and receipts and the income therefrom in or payable to any of the accounts and subaccounts Related to a Stand-Alone Series be used to pay bonds of any other Series.

Section 9. The amendments to the Master Indenture made by this First Supplement to Master Indenture of Trust shall become effective as of the date hereof.


Section 10. Except as specifically amended hereby, all of the terms and conditions of the Master Indenture shall remain in full force and effect and unamended hereby. No reference to this First Supplement to Master Indenture of Trust need be made in any instrument or document at any time referring to the Master Indenture, a reference to the Master Indenture in any of such to be deemed to be reference to the Master Indenture as amended hereby. This First Supplement to Master Indenture of Trust may be executed in any number of counterparts and by separate parties hereto on separate counterparts, each of which when executed shall be deemed an original, but all such counterparts taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this First Supplement to Master Indenture of Trust to be duly executed as of the day and year first above written.

[Signature page follows]

[Signature page to First Supplement to Master Indenture of Trust]

COLORADO HOUSING AND FINANCE
AUTHORITY

By 

Chief Financial Officer

Attest:



Assistant Secretary

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By _____
Title: _____

[Signature page to First Supplement to Master Indenture of Trust]

COLORADO HOUSING AND FINANCE
AUTHORITY

By _____
Chief Financial Officer

Attest:

Assistant Secretary

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By _____
Title: Watson T. Barger, Vice President