

Material Event Notice

Colorado Housing and Finance Authority
Multi-Family/Project Bonds
2002 Series B
CUSIP#: 196479EY1, 196479EZ8

The proceeds from the sale of the Colorado Housing and Finance Authority Multi-Family/Project Bonds, 2002 Series B (the "2002 Series B Bonds") were used to make the 2002B Interim Loan to American Housing Preservation Corporation ("AHPC"). In turn, these funds were loaned by AHPC to borrowers as interim loans for the purpose of defraying the costs of their acquisition of certain multi-family housing projects (the "2002B Projects"). It was (and continues to be) contemplated that (i) permanent mortgage financing would be obtained for each 2002B Project by each related borrower (or by AHPC on behalf of such borrower), (ii) the proceeds of any such permanent mortgage loan so obtained (whether from the Authority or otherwise) would be used by the related borrower to pay a prerequisite "release price" for such 2002B Project as full payment for the related interim loan and (iii) any such payment would be used by AHPC to prepay amounts due under the 2002B Interim Loan. Such prepayments by AHPC of the 2002B Interim Loan are expected to be used by the Authority to redeem 2002 Series B Bonds under the 2002 Series B Indenture.

AHPC used amounts received as the 2002B Interim Loan to fund an interim loan in the aggregate principal amount of \$10.2 million to Courthouse Square Housing L.P. (the "Courthouse Square Loan"). A permanent mortgage loan has recently been obtained by the borrower of the Courthouse Square Loan from the Authority, funded with proceeds of the Authority's Multi-Family/Project Bonds, 2002 Series C. The borrower has used funds received from such permanent loan to pay the release price for the related 2002B Project as full payment for the Courthouse Square Loan. AHPC has used such loan payment to prepay amounts due under the 2002B Interim Loan.

On September 1, 2003, the Authority expects to use prepayments of the 2002B Interim Loan received from AHPC in connection with the Courthouse Loan payment to redeem \$9,965,000 of the 2002 Series B Bonds under the optional redemption provision of the 2002 Series B Indenture.