
2001 SERIES A INDENTURE

Between

COLORADO HOUSING AND FINANCE AUTHORITY

and

WELLS FARGO BANK WEST, NATIONAL ASSOCIATION, AS TRUSTEE

Dated as of December 1, 2001

Securing

MULTI-FAMILY/PROJECT CLASS I BONDS, 2001 SERIES A-1

and

MULTI-FAMILY/PROJECT CLASS II BONDS, 2001 SERIES A-2

and

MULTI-FAMILY/PROJECT CLASS III BONDS, 2001 SERIES A-2

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This 2001 SERIES A INDENTURE, dated as of December 1, 2001, between the Colorado Housing and Finance Authority, a body corporate and political subdivision of the State of Colorado (the "Authority"), and Wells Fargo Bank West, National Association, 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, with its principal office located in Denver, Colorado, as trustee (the "Trustee").

W I T N E S S E T H :

WHEREAS, the Authority has entered into a Master Indenture of Trust, dated as of March 1, 2000 (as amended, the "Master Indenture") with Norwest Bank Colorado, National Association, as predecessor to the Trustee for the purposes set forth therein; and

WHEREAS, the Master Indenture authorizes the Authority to issue Bonds pursuant to the Master Indenture and one or more Series Indentures; and

WHEREAS, this 2001 Series A Indenture is supplemental to, and is entered into in accordance with, the Master Indenture; and

WHEREAS, the Authority has determined to authorize the issuance of its Multi-Family/Project Class I Bonds, 2001 Series A-1, its Multi-Family/Project Class II Bonds, 2001 Series A-2 and its Multi-Family/Project Class III Bonds, 2001 Series A-2 (collectively, the "2001 Series A Bonds"); and

WHEREAS, the execution and delivery of this 2001 Series A Indenture has been in all respects duly and validly authorized by a resolution duly adopted by the Authority; and

WHEREAS, all things necessary to make the 2001 Series A Bonds, when executed by the Authority and authenticated by the Bond Registrar, valid and binding legal obligations of the Authority and to make this 2001 Series A Indenture a valid and binding agreement have been done.

NOW THEREFORE, THIS 2001 SERIES A INDENTURE WITNESSETH:

ARTICLE I

AUTHORITY AND DEFINITIONS

Section 1.1 Authority. This 2001 Series A Indenture is executed and delivered pursuant to the authority contained in the Act and Section 9.1(e) of the Master Indenture.

Section 1.2 Definitions. All terms which are defined in Section 1.1 of the Master Indenture shall have the same meanings, respectively, in this 2001 Series A Indenture, and, unless the context shall otherwise require, the following terms shall have the following respective meanings:

"1982B Bonds" means the Authority's Multi-Family Housing Insured Mortgage Revenue Bonds, 1982 Series B.

"2001 Series A Bonds" means, collectively, the 2001 Series A-1 Bonds and the 2001 Series A-2 Bonds.

"2001 Series A-1 Bonds" means the Colorado Housing and Finance Authority Multi-Family/Project Class I Bonds, 2001 Series A-1 authorized by, and at any time Outstanding pursuant to, the Indenture.

"2001 Series A-2 Bonds" means, collectively, the 2001 Series A-2 Class II Bonds and the 2001 Series A-2 Class III Bonds.

"2001 Series A-2 Class II Bonds" means the Colorado Housing and Finance Authority Multi-Family/Project Class II Bonds, 2001 Series A-2 authorized by, and at any time Outstanding pursuant to, the Indenture.

"2001 Series A-2 Class III Bonds" means the Colorado Housing and Finance Authority Multi-Family/Project Class III Bonds, 2001 Series A-2 authorized by, and at any time Outstanding pursuant to, the Indenture.

"2001 Series A Capitalized Interest Account" means the separate trust account by that name hereby created and established within the Acquisition Account.

"2001 Series A Class I Asset Requirement" means the requirement that, as of any date of calculation, the sum of (a) amounts held in the 2001 Series A subaccount of the Acquisition Account, the 2001 Series A subaccount of the Loan Recycling Account, the 2001 Series A subaccount of the Class I Debt Service Fund (to the extent such amounts are required to be used to pay principal of 2001 Series A Class I Bonds), the 2001 Series A subaccounts of the Redemption Fund (to the extent such amounts are required to be used to redeem 2001 Series A Class I Bonds) and the 2001 Series A subaccount of the Debt Service Reserve Fund, and (b) the sum of the quotients of the aggregate unpaid principal balances of Loans (by Loan type) and Authority Projects Related

to the 2001 Series A Bonds divided by the related Class I Asset Coverage Divisors set forth in Exhibit B hereto (or such smaller divisors as may be permitted by each Rating Agency, as evidenced by a Confirmation from each Rating Agency), be at least equal to the Aggregate Principal Amount of 2001 Series A Class I Bonds then Outstanding.

"2001 Series A Class I Bonds" means the 2001 Series A-1 Bonds.

"2001 Series A Class II Asset Requirement" means the requirement that, as of any date of calculation, the sum of (a) amounts held in the 2001 Series A subaccount of the Acquisition Account, the 2001 Series A subaccount of the Loan Recycling Account, the 2001 Series A subaccount of the Class I Debt Service Fund (to the extent such amounts are required to be used to pay principal of 2001 Series A Class I Bonds), the 2001 Series A subaccount of the Class II Debt Service Fund (to the extent such amounts are required to be used to pay principal of 2001 Series A Class II Bonds), the 2001 Series A subaccounts of the Redemption Fund (to the extent such amounts are required to be used to redeem 2001 Series A Class I Bonds or 2001 Series A Class II Bonds) and the 2001 Series A subaccount of the Debt Service Reserve Fund, and (b) the sum of the quotients of the aggregate unpaid principal balances of Loans (by Loan type) and Authority Projects Related to the 2001 Series A Bonds divided by the related Class I Asset Coverage Divisors and Class II Asset Coverage Divisors, respectively set forth in Exhibit B hereto (or such smaller divisors as may be permitted by each Rating Agency, as evidenced by a Confirmation from each Rating Agency), be at least equal to the Aggregate Principal Amount of 2001 Series A Class I Bonds and 2001 Series A Class II Bonds, respectively, then Outstanding.

"2001 Series A Class II Bonds" means the 2001 Series A-2 Class II Bonds.

"2001 Series A Class III Asset Requirement" means the requirement that, as of any date of calculation, the sum of (a) amounts held in the 2001 Series A subaccount of the Acquisition Account, the 2001 Series A subaccount of the Loan Recycling Account, the 2001 Series A subaccount of the Class I Debt Service Fund (to the extent such amounts are required to be used to pay principal of 2001 Series A Class I Bonds), the 2001 Series A subaccount of the Class III Debt Service Fund (to the extent such amounts are required to be used to pay principal of 2001 Series A Class III Bonds), the 2001 Series A subaccounts of the Redemption Fund and the 2001 Series A subaccount of the Debt Service Reserve Fund, and (b) the outstanding principal balance of Loans and Authority Projects Related to the 2001 Series A Bonds, be at least equal to 102% of the Aggregate Principal Amount of all 2001 Series A Bonds then Outstanding, or such lesser percentage as may be permitted by each Rating Agency, as evidenced by a Confirmation from each Rating Agency.

"2001 Series A Class III Bonds" means the 2001 Series A-2 Class III Bonds.

"Authority Projects Subaccount" means the subaccount so designated, which is created and established in the 2001 Series A subaccount of the Acquisition Account by Section 5.1(a)(i) of this 2001 Series A Indenture.

"Debt Service Reserve Fund Requirement" means, with respect to the 2001 Series A Bonds, (a) initially, \$1,834,000, and (b) thereafter, as of any date of calculation, the sum of (i) the maximum principal and interest payment due for any period of eight consecutive calendar months on Loans Related to the 2001 Series A Bonds that are insured or guaranteed by the United States of America and any agency or instrumentality thereof and (ii) the maximum principal and interest payment due for any period of twelve consecutive calendar months on Loans Related to the 2001 Series A Bonds that are not insured or guaranteed by the United States of America and any agency or instrumentality thereof. There shall be no Debt Service Reserve Fund Requirement related to proceeds of the 2001 Series A Bonds used to finance Authority Projects or related to unexpended proceeds of the 2001 Series A Bonds.

"FHLB Line of Credit" means the Advance, Pledge and Security Agreement dated as of March 1, 1999 between the Authority and the Federal Home Loan Bank of Topeka .

"Financial Guaranty Agreement" means the Financial Guaranty Agreement dated as of the date of issuance of the 2001 Series A Bonds, between the Authority and MBIA.

"Funding Agreement" means any of the Funding Agreements between the Authority and a Borrower, concerning the payment of certain amounts by such Borrower to the Authority in connection with the financing of such Borrower's Loan pursuant to this 2001 Series A Indenture or, with respect to any Housing Facility substituted for such Borrower's Housing Facility, any similar agreement entered into with respect thereto.

"Interest Payment Date" means each April 1 and October 1, commencing April 1, 2002.

"MBIA" means MBIA Insurance Corporation, its successors and assigns.

"Record Date" means, with respect to each Bond Payment Date, the fifteenth day of the month (whether or not a Business Day) next preceding such Bond Payment Date.

"Restricted Loan Subaccount" means the subaccount so designated, which is created and established in the 2001 Series A subaccount of the Acquisition Account by Section 5.1(a)(i) of this 2001 Series A Indenture, and which shall consist of the 2001A AMT Loan Subaccount (which shall also include the Clifton Village/Fox Run Loan Subaccount) and the 2001A Non-AMT Loan Subaccount.

(End of Article I)

ARTICLE II

AUTHORIZATION AND ISSUANCE OF 2001 SERIES A BONDS

Section 2.1 Authorization of 2001 Series A Bonds. A Series of Bonds, to be issued hereunder in order to obtain moneys to carry out the purposes of the Indenture, is hereby created. Such 2001 Series A Bonds shall be issued in three classes: Class I Bonds, Class II Bonds and Class III Bonds. The 2001 Series A Class III Bonds shall be General Obligation Bonds for purposes of the Indenture. The 2001 Series A Bonds shall be designated as the "Colorado Housing and Finance Authority Multi-Family/Project Class I Bonds, 2001 Series A-1," "Colorado Housing and Finance Authority Multi-Family/Project Class II Bonds, 2001 Series A-2" and "Colorado Housing and Finance Authority Multi-Family/Project Class III Bonds, 2001 Series A-2."

The Aggregate Principal Amount of 2001 Series A-1 Bonds which may be issued and Outstanding under the Indenture shall not exceed \$24,350,000; the Aggregate Principal Amount of 2001 Series A-2 Class II Bonds which may be issued and Outstanding under the Indenture shall not exceed \$10,810,000; and the Aggregate Principal Amount of 2001 Series A-2 Class III Bonds which may be issued and Outstanding under the Indenture shall not exceed \$2,890,000. The 2001 Series A Bonds shall be issued only in fully registered form, without coupons.

Section 2.2 Maturity and Interest Rates.

(a) The 2001 Series A-1 Bonds shall mature, subject to the right of prior redemption as set forth in this 2001 Series A Indenture, on the dates and in the Aggregate Principal Amounts, and shall bear interest, payable on each Interest Payment Date, at the respective rates per annum set forth below:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
October 1, 2011	\$ 1,980,000	4.75%
October 1, 2023	4,950,000	5.40%
April 1, 2031	5,060,000	5.50%
April 1, 2043	12,360,000	5.55%

(b) The 2001 Series A-2 Class II Bonds shall mature, subject to the right of prior redemption as set forth in this 2001 Series A Indenture, on the dates and in the Aggregate Principal Amounts, and shall bear interest, payable on each Interest Payment Date, at the respective rates per annum set forth below:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
October 1, 2002	\$ 65,000	2.35%
October 1, 2003	165,000	2.75%
October 1, 2004	175,000	3.15%
October 1, 2005	185,000	3.50%
October 1, 2006	205,000	3.80%
October 1, 2007	210,000	4.05%
October 1, 2008	250,000	4.25%
October 1, 2009	265,000	4.40%
October 1, 2010	275,000	4.50%
October 1, 2011	290,000	4.60%
October 1, 2023	4,335,000	5.30%
October 1, 2032	4,390,000	5.375%

(c) The 2001 Series A-2 Class III Bonds shall mature, subject to the right of prior redemption as set forth in this 2001 Series A Indenture, on the dates and in the Aggregate Principal Amounts, and shall bear interest, payable on each Interest Payment Date, at the respective rates per annum set forth below:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
October 1, 2011	\$ 450,000	4.90%
October 1, 2022	1,090,000	5.55%
October 1, 2032	1,350,000	5.65%

Section 2.3 General Terms of 2001 Series A Bonds.

(a) The 2001 Series A Bonds shall be dated the date of initial issuance and delivery thereof. Interest on the 2001 Series A Bonds shall be payable on each Interest Payment Date until maturity or earlier redemption. Interest on the 2001 Series A Bonds shall be computed on the basis of a 360-day year of twelve 30-day months. The 2001 Series A Bonds shall be issued in the denomination of \$5,000 or any integral multiple thereof. Unless the Authority shall otherwise direct, the 2001 Series A-1 Bonds shall be numbered separately from 1 upward preceded by the legend RA1- prefixed to the number, the 2001 Series A-2 Class II Bonds shall be numbered separately from 1 upward preceded by the legend RA2II- prefixed to the number and the 2001 Series A-2 Class III Bonds shall be numbered separately from 1 upward preceded by the legend RA2III- prefixed to the number.

(b) The principal or Redemption Price of and interest on the 2001 Series A Bonds shall be payable in lawful money of the United States of America at the Corporate Trust

Office of the Paying Agent, in Denver, Colorado, or its successors as Paying Agent hereunder. At the written request of any Owner of at least \$1,000,000 Aggregate Principal Amount of 2001 Series A Bonds delivered to the Bond Registrar during any time while the 2001 Series A Bonds are not in book-entry form, the principal or Redemption Price of and interest on the 2001 Series A Bonds may be paid by wire transfer within the United States to the bank account number of such Owner on the registration records. In case of any such payment by wire transfer, the CUSIP number or numbers of the 2001 Series A Bonds being paid shall be included in the wire transfer.

(c) Each 2001 Series A Bond shall bear interest from the Interest Payment Date next preceding the date of authentication of such Bond, unless such Bond is authenticated on an Interest Payment Date, in which event such Bond shall bear interest from such Interest Payment Date, or unless such Bond is authenticated prior to the first Interest Payment Date, in which event such Bond shall bear interest from its dated date, or unless interest on such Bond shall be in default, in which event such Bond shall bear interest from the date to which interest has been paid in full or unless no interest shall have been paid on the 2001 Series A Class I Bonds, the 2001 Series II Bonds or the 2001 Series A Class III Bonds, as the case may be, in which event such Bond shall bear interest from its dated date. Payment of interest on any 2001 Series A Bond shall be made to the Person whose name appears on the registration records kept by the Bond Registrar as the registered owner thereof on the Record Date, such interest to be paid by check or draft mailed to the registered owner at his address as it appears on such registration records or at such other address as it may have filed with the Bond Registrar for that purpose, and the Bond Registrar shall keep a record in such registration records or at such other address as it appears on such registration records or at such other address as it may have filed with the Bond Registrar for that purpose.

Section 2.4 Forms of Bonds and Certificates of Authentication. The forms of the 2001 Series A-1 Bonds, the 2001 Series A-2 Class II Bonds and the 2001 Series A-2 Class III Bonds, including the Bond Registrar's Certificate of Authentication thereon, shall be substantially as set forth in Exhibits C, D and E, respectively, to this 2001 Series A Indenture. Any 2001 Series A Bonds may contain or have endorsed thereon such provisions, specifications and descriptive words and such opinions and certifications not inconsistent with the provisions of the Master Indenture and this 2001 Series A Indenture as may be necessary or desirable, as determined by an Authorized Officer prior to their authentication and delivery.

Section 2.5 Purposes. The 2001 Series A-1 Bonds are authorized to provide moneys to deposit in the 2001A AMT Loan Subaccount of the Restricted Loan Subaccount, for the making of portions of the Loans expected to be made to finance in part the Housing Facilities listed under Part 1 of Exhibit A hereto, or any other Housing Facilities or Projects that can be legally substituted therefor. The 2001 Series A-2 Bonds are authorized to provide moneys to deposit in the 2001A Non-AMT Loan Subaccount of the Restricted Loan Subaccount, for the making of portions of the Loans expected to be made to finance in part the Housing Facilities listed under Part 2 of Exhibit A hereto,

or any other Housing Facilities or Projects that can be legally substituted therefor, to provide moneys to deposit in the Authority Projects Subaccount, and to refund \$1,470,000 of the 1982B Bonds.

(End of Article II)

ARTICLE III

REDEMPTION OF 2001 SERIES A BONDS

Section 3.1 Special Redemption; Limitation on Cross-Calls.

(a) (i) In accordance with and for purposes of Sections 5.2(a)(iv) and 5.2(b)(iii) of this 2001 Series A Indenture, the 2001 Series A Bonds are subject to special redemption prior to maturity, in whole or in part at any time and from time to time on or before than December 1, 2004 or such later date as may be selected in accordance with Section 5.2(a)(iv) or 5.2(b)(iii) of this 2001 Series A Indenture) upon notice as provided in Section 3.2 of the Master Indenture, at a Redemption Price equal to 100% of the Aggregate Principal Amount of the 2001 Series A Bonds or portions thereof to be so redeemed, together with accrued interest to the date of redemption, from amounts transferred to the 2001 Series A subaccounts of the Redemption Fund from any unexpended proceeds of the 2001 Series A Bonds in the Restricted Loan Subaccount and the Authority Projects Subaccount.

(ii) The 2001 Series A Bonds are also subject to special redemption prior to maturity, in whole or in part at any time upon notice as provided in Section 3.2 of the Master Indenture, at a Redemption Price equal to 100% of the Aggregate Principal Amount of the 2001 Series A Bonds or portions thereof to be so redeemed, together with accrued interest to the date of redemption, from and to the extent there are moneys and/or Investment Securities in the 2001 Series A subaccounts of the Redemption Fund (other than as described in paragraph (i) above), on the 45th day prior to the redemption date.

(b) Moneys deposited in or transferred to the 2001 Series A subaccounts of the Redemption Fund as described in paragraph (a)(i) of this Section 3.1 shall be applied to redeem 2001 Series A Class I Bonds, 2001 Series A Class II Bonds and 2001 Series A Class III Bonds as follows: first, there shall be transferred to the 2001 Series A subaccount of the Class I Special Redemption Account the amount necessary to satisfy the 2001 Series A Class I Asset Requirement, calculated upon such transfer; second, there shall be transferred to the 2001 Series A subaccount of the Class II Special Redemption Account the amount necessary to satisfy the 2001 Series A Class II Asset Requirement, calculated upon such transfer; and third, the remainder of funds to be transferred shall be allocated to the 2001 Series A subaccount of the Class I Special Redemption Account, the 2001 Series A subaccount of the Class II Special Redemption Account and the 2001 Series A subaccount of the Class III Special Redemption Account on the basis of the respective ratios represented by the Aggregate Principal Amount of Outstanding 2001 Series A Class I Bonds, the Aggregate Principal Amount of Outstanding 2001 Series A Class II Bonds and the Aggregate Principal Amount of Outstanding 2001 Series A Class III Bonds, respectively, to the Aggregate Principal Amount of all 2001 Series A Bonds Outstanding.

(c) Before selecting Bonds to be redeemed as described in paragraph (a)(ii) of this Section 3.1 from Prepayments, the Authority shall consult with Bond Counsel to assure that the requirements of Section 42 of the Code and of Section 6.2 of this 2001 Series A Indenture will not be violated thereby.

(d) Except to the extent necessary to prevent an Event of Default, (a) moneys on deposit in the 2001 Series A subaccount of the Class I Special Redemption Account, in the 2001 Series A subaccount of the Class II Special Redemption Account and in the 2001 Series A subaccount of the Class III Special Redemption Account shall be applied only to the redemption of the 2001 Series A Class I Bonds, the 2001 Series A Class II Bonds and the 2001 Series A Class III Bonds, respectively, and (b) no moneys Unrelated to the 2001 Series A Bonds shall be transferred to the 2001 Series A subaccounts of the Special Redemption Account.

Section 3.2 Optional Redemption.

(a) The 2001 Series A Bonds shall be subject to redemption prior to maturity at the option of the Authority from any source, including without limitation the proceeds of refunding bonds or other financing provided by the Authority or from the sale or other voluntary disposition of Loans and Authority Projects, on and after October 1, 2011, in whole or in part at any time at a Redemption Price equal to the Aggregate Principal Amount of the 2001 Series A Bonds to be redeemed, plus accrued interest to the date of redemption.

(b) 2001 Series A Bonds shall be redeemed pursuant to this Section 3.2 only if all amounts owing to MBIA in connection with any Qualified Surety Bond in the Debt Service Reserve Fund have been paid in full.

Section 3.3 2001 Series A Class I Sinking Fund Installments.

(a) The 2001 Series A-1 Class I Bonds maturing on October 1, 2011 shall be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class I Sinking Fund Installments, upon notice as provided in Section 3.2 of the Master Indenture, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, in each case at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
April 1, 2003	\$ 15,000	October 1, 2007	\$ 115,000
October 1, 2003	95,000	April 1, 2008	120,000
April 1, 2004	95,000	October 1, 2008	120,000
October 1, 2004	100,000	April 1, 2009	125,000

April 1, 2005	100,000	October 1, 2009	125,000
October 1, 2005	105,000	April 1, 2010	130,000
April 1, 2006	105,000	October 1, 2010	130,000
October 1, 2006	110,000	April 1, 2011	135,000
April 1, 2007	115,000	October 1, 2011*	140,000

* Final maturity

(b) The 2001 Series A-1 Class I Bonds maturing on October 1, 2023 shall be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class I Sinking Fund Installments, upon notice as provided in Section 3.2 of the Master Indenture, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, in each case at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
April 1, 2012	\$ 145,000	April 1, 2018	\$ 210,000
October 1, 2012	150,000	October 1, 2018	210,000
April 1, 2013	150,000	April 1, 2019	215,000
October 1, 2013	155,000	October 1, 2019	225,000
April 1, 2014	160,000	April 1, 2020	230,000
October 1, 2014	165,000	October 1, 2020	235,000
April 1, 2015	175,000	April 1, 2021	245,000
October 1, 2015	180,000	October 1, 2021	250,000
April 1, 2016	185,000	April 1, 2022	260,000
October 1, 2016	190,000	October 1, 2022	270,000
April 1, 2017	195,000	April 1, 2023	270,000
October 1, 2017	200,000	October 1, 2023*	280,000

* Final maturity

(c) The 2001 Series A-1 Class I Bonds maturing on April 1, 2031 shall be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class I Sinking Fund Installments, upon notice as provided in Section 3.2 of the Master Indenture, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, in each case at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
April 1, 2024	\$ 290,000	April 1, 2028	\$ 370,000
October 1, 2024	300,000	October 1, 2028	380,000
April 1, 2025	310,000	April 1, 2029	395,000
October 1, 2025	320,000	October 1, 2029	405,000
April 1, 2026	330,000	April 1, 2030	420,000
October 1, 2026	335,000	October 1, 2030	435,000
April 1, 2027	345,000	April 1, 2031*	60,000
October 1, 2027	365,000		

* Final maturity

(d) The 2001 Series A-1 Class I Bonds maturing on April 1, 2043 shall be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class I Sinking Fund Installments, upon notice as provided in Section 3.2 of the Master Indenture, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, in each case at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
April 1, 2033	\$ 435,000	October 1, 2038	\$ 610,000
October 1, 2033	450,000	April 1, 2039	630,000
April 1, 2034	465,000	October 1, 2039	645,000
October 1, 2034	480,000	April 1, 2040	665,000
April 1, 2035	490,000	October 1, 2040	685,000
October 1, 2035	510,000	April 1, 2041	710,000
April 1, 2036	525,000	October 1, 2041	730,000
October 1, 2036	540,000	April 1, 2042	750,000
April 1, 2037	555,000	October 1, 2042	770,000
October 1, 2037	575,000	April 1, 2043*	550,000
April 1, 2038	590,000		

* Final maturity

(e) If the amount on deposit in the 2001 Series A subaccount of the Class I Debt Service Fund is not sufficient on any Bond Payment Date to pay the scheduled 2001 Series A Class I Sinking Fund Installment for such date, the amount of the insufficiency is to be added to the next scheduled 2001 Series A Class I Sinking Fund Installment, until paid.

Failure to pay a 2001 Series A Class I Sinking Fund Installment is not an Event of Default under the Indenture if sufficient moneys for such payment are not available in the 2001 Series A subaccount of the Class I Debt Service Fund.

Section 3.4 2001 Series A Class II Sinking Fund Installments.

(a) The 2001 Series A-2 Class II Bonds maturing on October 1, 2023 shall be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class II Sinking Fund Installments, upon notice as provided in Section 3.2 of the Master Indenture, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, in each case at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
April 1, 2012	\$ 155,000	April 1, 2018	\$ 175,000
October 1, 2012	160,000	October 1, 2018	180,000
April 1, 2013	165,000	April 1, 2019	185,000
October 1, 2013	165,000	October 1, 2019	190,000
April 1, 2014	170,000	April 1, 2020	195,000
October 1, 2014	180,000	October 1, 2020	205,000
April 1, 2015	180,000	April 1, 2021	210,000
October 1, 2015	185,000	October 1, 2021	220,000
April 1, 2016	190,000	April 1, 2022	185,000
October 1, 2016	190,000	October 1, 2022	165,000
April 1, 2017	170,000	April 1, 2023	170,000
October 1, 2017	170,000	October 1, 2023*	175,000

* Final maturity

(b) The 2001 Series A-2 Class II Bonds maturing on October 1, 2032 shall be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class II Sinking Fund Installments, upon notice as provided in Section 3.2 of the Master Indenture, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, in each case at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
April 1, 2024	\$ 180,000	October 1, 2028	\$ 165,000
October 1, 2024	190,000	April 1, 2029	165,000
April 1, 2025	195,000	October 1, 2029	180,000
October 1, 2025	200,000	April 1, 2030	185,000
April 1, 2026	195,000	October 1, 2030	190,000
October 1, 2026	165,000	April 1, 2031	585,000
April 1, 2027	160,000	October 1, 2031	525,000
October 1, 2027	160,000	April 1, 2032	385,000
April 1, 2028	160,000	October 1, 2032*	405,000

* Final maturity

(c) If the amount on deposit in the 2001 Series A subaccount of the Class II Debt Service Fund is not sufficient on any Bond Payment Date to pay the scheduled 2001 Series A Class II Sinking Fund Installment for such date, the amount of the insufficiency is to be added to the next scheduled 2001 Series A Class II Sinking Fund Installment, until paid. Failure to pay a 2001 Series A Class II Sinking Fund Installment is not an Event of Default under the Indenture if sufficient moneys for such payment are not available in the 2001 Series A subaccount of the Class II Debt Service Fund.

Section 3.5 2001 Series A Class III Sinking Fund Installments.

(a) The 2001 Series A-2 Class III Bonds maturing on October 1, 2011 shall be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class III Sinking Fund Installments, upon notice as provided in Section 3.2 of the Master Indenture, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, in each case at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
April 1, 2003	\$ 20,000	October 1, 2007	\$ 25,000
October 1, 2003	20,000	April 1, 2008	25,000
April 1, 2004	25,000	October 1, 2008	25,000
October 1, 2004	20,000	April 1, 2009	25,000
April 1, 2005	25,000	October 1, 2009	25,000
October 1, 2005	25,000	April 1, 2010	30,000

April 1, 2006	25,000	October 1, 2010	25,000
October 1, 2006	25,000	April 1, 2011	30,000
April 1, 2007	25,000	October 1, 2011*	30,000

* Final maturity

(b) The 2001 Series A-2 Class III Bonds maturing on October 1, 2022 shall be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class III Sinking Fund Installments, upon notice as provided in Section 3.2 of the Master Indenture, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, in each case at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
April 1, 2012	\$ 40,000	October 1, 2017	\$ 50,000
October 1, 2012	40,000	April 1, 2018	50,000
April 1, 2013	40,000	October 1, 2018	60,000
October 1, 2013	45,000	April 1, 2019	60,000
April 1, 2014	45,000	October 1, 2019	60,000
October 1, 2014	45,000	April 1, 2020	65,000
April 1, 2015	45,000	October 1, 2020	60,000
October 1, 2015	45,000	April 1, 2021	55,000
April 1, 2016	45,000	October 1, 2021	55,000
October 1, 2016	50,000	April 1, 2022	45,000
April 1, 2017	45,000	October 1, 2022*	45,000

* Final maturity

(c) The 2001 Series A-2 Class III Bonds maturing on October 1, 2032 shall be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class III Sinking Fund Installments, upon notice as provided in Section 3.2 of the Master Indenture, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, in each case at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date as follows:

<u>Date</u>	<u>Principal Amount</u>	<u>Date</u>	<u>Principal Amount</u>
April 1, 2023	\$ 55,000	April 1, 2028	\$ 70,000
October 1, 2023	55,000	October 1, 2028	70,000
April 1, 2024	55,000	April 1, 2029	70,000
October 1, 2024	60,000	October 1, 2029	75,000
April 1, 2025	60,000	April 1, 2030	75,000
October 1, 2025	60,000	October 1, 2030	75,000
April 1, 2026	60,000	April 1, 2031	75,000
October 1, 2026	70,000	October 1, 2031	85,000
April 1, 2027	70,000	April 1, 2032	80,000
October 1, 2027	65,000	October 1, 2032*	65,000

* Final maturity

(d) If the amount on deposit in the 2001 Series A subaccount of the Class III Debt Service Fund is not sufficient on any Bond Payment Date to pay the scheduled 2001 Series A Class III Sinking Fund Installment for such date, the amount of the insufficiency is to be added to the next scheduled 2001 Series A Class III Sinking Fund Installment, until paid. Failure to pay a 2001 Series A Class III Sinking Fund Installment is not an Event of Default under the Indenture if sufficient moneys for such payment are not available in the 2001 Series A subaccount of the Class III Debt Service Fund.

(End of Article III)

ARTICLE IV

APPLICATION OF BOND PROCEEDS AND OTHER MONEYS

Section 4.1 Proceeds of the 2001 Series A-1 Bonds. The proceeds of the sale and delivery of the 2001 Series A-1 Bonds shall be deposited into the following funds and accounts:

(a) To the 2001A AMT Loan Subaccount of the Restricted Loan Subaccount of the 2001 Series A subaccount of the Acquisition Account, \$24,347,095.87 (provided, that the proceeds of the 2001 Series A-1 Bonds maturing on October 1, 2011 and April 1, 2031 shall be deposited in the Clifton Village/Fox Run Loan Subaccount therein and none of the proceeds of the other 2001 Series A-1 Bonds shall be deposited in said Clifton Village/Fox Run Loan Subaccount); and

(b) To the 2001 Series A Capitalized Interest Account, \$2,904.13

With respect to each of the following Housing Facilities, and based solely on information provided by the respective Borrowers with respect to the "aggregate basis" (as that term is used in Section 42(h)(4) of the Code) of the building(s) comprising each of the following Housing Facilities and the respective land upon which the building(s) is located, not less than the respective amounts designated below in the 2001A AMT Loan Subaccount of the Restricted Loan Subaccount shall be used to finance the building(s) comprising the Housing Facility and land upon which the building(s) are located:

<u>Housing Facility</u>	<u>Minimum 2001A AMT Loan Subaccount Amount</u>
Clifton Village	\$ 3,355,000
Sheridan Ridge	5,250,000
Spring Hollow	5,865,000
Mountain View Place	3,665,000
Belle Creek	8,750,700
Fox Run	133,000

Section 4.2 Proceeds of the 2001 Series A-2 Bonds. The proceeds of the sale and delivery of the 2001 Series A-2 Bonds shall be initially deposited into the 2001A Non-AMT Loan Subaccount of the Restricted Loan Subaccount of the 2001 Series A subaccount of the Acquisition Account. On December 11, 2001, \$1,470,000 of the amount in the 2001A Non-AMT Loan Subaccount of the Restricted Loan Subaccount of the 2001 Series A subaccount of the Acquisition Account shall be exchanged for an equal aggregate amount of funds available to pay an equal principal amount of the 1982B Bonds, and to be used solely to pay such principal amount of the 1982B Bonds. On December 11, 2001, \$5,066,000 of the amount in the 2001A Non-AMT Loan Subaccount of the Restricted Loan Subaccount of the 2001 Series A subaccount of the Acquisition

Account shall be used to pay an equal amount owed by the Authority under the FHLB Line of Credit, and simultaneously with such payment, the Authority shall pay an equal amount to the Trustee. The \$1,470,000 received in exchange for such proceeds on December 11, 2001, and the \$5,066,000 received from the Authority on December 11, 2001, together with the remaining amount in the 2001A Non-AMT Loan Subaccount of the Restricted Loan Subaccount of the 2001 Series A subaccount of the Acquisition Account, shall be deposited into the following funds and accounts:

- (a) To the 2001A Non-AMT Loan Subaccount of the Restricted Loan Subaccount of the 2001 Series A subaccount of the Acquisition Account, \$11,325,858.45;
- (b) To the 2001 Series A subaccount of the Authority Projects Subaccount of the Acquisition Account, \$1,595,920.34;
- (c) To the 2001 Series A Capitalized Interest Account, \$231,185.03;
- (d) To the 2001 Series A subaccount of the Cost of Issuance Account, \$177,278.89; and
- (e) To the Negative Arbitrage Account within the Program Fund, \$369,757.29, to be applied as provided in Section 4.3 of this 2001 Series A Indenture.

Section 4.3 Application of Other Moneys. On the date of issuance of the 2001 Series A Bonds, there shall be deposited (a) into the 2001 Series A subaccount of the Cost of Issuance Account an additional amount of Authority moneys equal to \$503,385.09, and (b) into the Negative Arbitrage Account within the Program Fund, an additional amount of Authority moneys equal to \$40,000, to be applied, together with the amount set forth in Section 4.2(e) of this 2001 Series A Indenture, to the following 2001 Series A subaccounts of said Negative Arbitrage Account, as follows:

<u>Negative Arbitrage Subaccount</u>	<u>Amount</u>
Sheridan Ridge	\$ 112,734.38
Spring Hollow	124,842.88
Belle Creek	170,541.49
Fox Run	600.35
Victory House	1,038.19

The Authority may, at any time on or after the date of issuance of the 2001 Series A Bonds, make additional deposits to the Program Fund, including the 2001 Series A Capitalized Interest Account and the 2001 Series A subaccount of the Cost of Issuance Account. If a Borrower shall have paid to the Authority an amount for deposit to the Negative Arbitrage Account or an amount representing a portion of the Costs of Issuance of the 2001 Series A Bonds to be used to finance such Borrower's Loan, such amount or amounts shall be repaid to such Borrower from amounts in the related

subaccount of the Negative Arbitrage Account or from amounts in the 2001 Series A subaccount of the Cost of Issuance Account, respectively, in whole or in part to the extent and under the circumstances provided in the related Funding Agreement, if any.

(End of Article IV)

ARTICLE V

ESTABLISHMENT OF CERTAIN SUBACCOUNTS;
APPLICATION OF 2001 SERIES A SUBACCOUNTS OF THE ACQUISITION ACCOUNT,
2001 SERIES A NEGATIVE ARBITRAGE SUBACCOUNTS AND
2001 SERIES A CAPITALIZED INTEREST ACCOUNT

Section 5.1 Establishment of Subaccounts.

(a) The following subaccounts are hereby created and established as special trust funds within the Funds and Accounts created and established pursuant to the Master Indenture:

- (i) the 2001 Series A subaccount of the Acquisition Account, which shall consist of the Restricted Loan Subaccount (consisting of the 2001A AMT Loan Subaccount [which shall also include the Clifton Village/Fox Run Loan Subaccount] and the 2001A Non-AMT Subaccount) and the Authority Projects Subaccount;
- (ii) the 2001 Series A subaccount of the Cost of Issuance Account;
- (iii) the 2001 Series A subaccount of the Loan Recycling Account;
- (iv) the 2001 Series A Capitalized Interest Account;
- (v) the 2001 Series A subaccount of the Revenue Fund;
- (vi) the 2001 Series A subaccount of the Rebate Fund;
- (vii) the 2001 Series A subaccount of the Excess Earnings Fund;
- (viii) the 2001 Series A subaccount of the Debt Service Reserve Fund;
- (ix) the 2001 Series A subaccount of the Class I Debt Service Fund;
- (x) the 2001 Series A subaccount of the Class II Debt Service Fund;
- (xi) the 2001 Series A subaccount of the Class III Debt Service Fund which shall include the 2001 Series A subaccount of the Authority Payment Account;
- (xii) the 2001 Series A subaccount of the Class I Special Redemption Account;

(xiii) the 2001 Series A subaccount of the Class II Special Redemption Account;

(xiv) the 2001 Series A subaccount of the Class III Special Redemption Account; and

(xv) separate 2001 Series A subaccounts of the Negative Arbitrage Account for each Housing Facility designated pursuant to Section 5.3 of this 2001 Series A Indenture.

Section 5.2 2001 Series A Subaccounts of the Acquisition Account.

(a) (i) *Deposit of Moneys to Restricted Loan Subaccount.* There shall be paid into the respective subaccounts of the Restricted Loan Subaccount the amounts specified in Article IV of this 2001 Series A Indenture. There may also be paid into the Restricted Loan Subaccount, at the option of the Authority, any amounts transferred pursuant to Section 5.2(b)(iii) of this 2001 Series A Indenture and any moneys received by the Authority from any other source, unless required to be otherwise applied as provided by the Indenture.

(ii) *Restriction on the Use of Moneys.* Proceeds of the 2001 Series A Bonds and other moneys deposited in the Restricted Loan Subaccount shall be applied to make Loans and for the other purposes authorized by the Indenture. None of the proceeds of the 2001 Series A-1 Bonds other than the 2001 Series A-1 Bonds maturing on October 1, 2023 and October 1, 2043 shall be used to finance any part of the Loan for the Clifton Village Housing Facility or the Fox Run Housing Facility.

(iii) *Disbursements from Restricted Loan Subaccount.* The Trustee shall withdraw moneys from the Restricted Loan Subaccount pursuant to paragraph (ii) of this Section 5.2(a) to finance or refinance Loans only upon delivery to the Trustee of an Authority Certificate to the effect that the requirements of Section 5.7 of the Master Indenture have been satisfied with respect to the Loans to be financed or refinanced and an Authority Request to finance or refinance such Loans.

(iv) *Unexpended Amounts.* Any moneys credited to the Restricted Loan Subaccount that are not used to finance or refinance Loans or for the other purposes authorized by the Indenture in accordance with paragraph (ii) of this Section 5.2(a), unless transferred at the direction of the Authority to the Authority Projects Subaccount, shall be transferred by the Trustee to the Redemption Fund pursuant to an Authority Request filed with the Trustee stating that the Authority no longer reasonably expects to apply the amount to be transferred for any such purpose. Such amounts shall be transferred not later than December 1, 2004, unless the Authority shall have filed with the Trustee an Authority Request specifying a later date or dates for such transfer, accompanied by a Cash Flow

Statement with respect to the 2001 Series A Bonds and an opinion of Bond Counsel to the effect that such action will not adversely affect the exclusion from gross income of interest on the 2001 Series A Bonds for federal income tax purposes, in which case such transfer shall occur on the later specified date or dates.

(b) (i) *Deposit of Moneys to Authority Projects Subaccount.* There shall be paid into the 2001 Series A subaccount of the Authority Projects Subaccount the amount specified in Section 4.2 of this 2001 Series A Indenture. There also may be paid into the Authority Projects Subaccount, at the option of the Authority, any amounts transferred pursuant to Section 5.2(a)(iv) of this 2001 Series A Indenture and any moneys received by the Authority from any other source, unless required to be otherwise applied as provided by the Indenture.

(ii) *Restrictions on the Use of Moneys.* Moneys deposited into the Authority Projects Subaccount shall be applied to finance or refinance Authority Projects and for the other purposes authorized by the Indenture.

(iii) *Unexpended Amounts.* Any moneys credited to the Authority Projects Subaccount that are not used to finance or refinance Authority Projects or for the other purposes authorized in the Indenture in accordance with paragraph (ii) of this Section 5.2(b), unless transferred at the direction of the Authority to the Restricted Loan Subaccount, shall be transferred by the Trustee to the Redemption Fund pursuant to an Authority Request filed with the Trustee stating that the Authority no longer reasonably expects to apply the amount to be transferred to finance or refinance Authority Projects or for the other purposes authorized in the Indenture. Such amount shall be transferred not later than December 1, 2004, unless the Authority shall have filed with the Trustee an Authority Request specifying a later date or dates for such transfer, accompanied by a Cash Flow Statement with respect to the 2001 Series A Bonds and an opinion of Bond Counsel to the effect that such action will not adversely affect the exclusion from gross income of interest on the 2001 Series A Bonds for federal income tax purposes, in which case such transfer shall occur on the later specified date or dates.

Section 5.3 2001 Series A Subaccounts of the Negative Arbitrage Account. The Authority hereby creates and establishes a separate special subaccount for each of the Housing Facilities specified in Section 4.3 of this 2001 Series A Indenture and may create and establish a separate special account for any Housing Facility substituted for any Housing Facility specified in Exhibit A hereto, each of which subaccounts shall be within the Negative Arbitrage Account of the Program Fund in the name and under the control of the Authority and which shall be known as the " Negative Arbitrage Account" (inserting therein the name of the Housing Facility) (collectively, the "2001A Negative Arbitrage Accounts"). Moneys in each 2001A Negative Arbitrage Account shall be subject to the lien and pledge of the Indenture until the withdrawal and application thereof in accordance with Section 4.4 of the Master Indenture. There shall be credited to each 2001A Negative Arbitrage Account on the date of issuance of the 2001 Series A Bonds or

the date of substitution of the related Housing Facility for another Housing Facility, as the case may be, Authority moneys in the amount specified in Section 4.3 of this 2001 Series A Indenture or the amount, if any, specified by the Authority on such date of substitution in an Authority Certificate.

Section 5.4 2001 Series A Capitalized Interest Account. On or before each Bond Payment Date for the 2001 Series A Bonds and before making any deposit pursuant to Section 4.6(c)(i)(C), (G) or (O) of the Master Indenture, the Trustee shall determine the amounts which have been deposited in the Revenue Fund since the preceding Bond Payment Date, if any, from (i) interest received on Loans made with the proceeds of the 2001 Series A Bonds and (ii) earnings on Investment Securities or other obligations in which the proceeds of the 2001 Series A Bonds have been invested. Upon making such determination, the Trustee shall withdraw from the 2001 Series A Capitalized Interest Account and deposit in the Class I Debt Service Fund, the Class II Debt Service Fund and the Class III Debt Service Fund (pro rata, based on the Aggregate Principal Amounts of the 2001 Series A Class I Bonds, the 2001 Series A Class II Bonds and the 2001 Series A Class III Bonds, respectively, Outstanding) the amount, if any, by which the interest becoming due and payable on such Bond Payment Date on the 2001 Series A Bonds exceeds the amount so determined. Any excess moneys in the 2001 Series A Capitalized Interest Account on the day following the Bond Payment Date next succeeding the completion of all Housing Facilities and Projects financed by the proceeds of the 2001 Series A Bonds shall be transferred to the 2001 Series A subaccount of the Revenue Fund upon receipt by the Trustee of an Authority Request.

(End of Article V)

ARTICLE VI

ADDITIONAL COVENANTS

Section 6.1 Servicing Fees. Servicing Fees with respect to Loans that are Related to the 2001 Series A Bonds shall not exceed 1.00% per annum of the outstanding principal balance of such Loans being serviced, unless the most recently filed Related Cash Flow Statement takes into account higher servicing fees.

Section 6.2 Tax Covenants.

(a) The Authority covenants for the benefit of the owners of the 2001 Series A Bonds that it will not take any action or omit to take any action with respect to the 2001 Series A Bonds or the proceeds thereof, any other funds of the Authority or any facilities financed with the proceeds of the 2001 Series A Bonds if such action or omission (i) would cause the interest on the 2001 Series A Bonds to lose the exclusion from gross income for federal income tax purposes under Section 103 of the Code, or (ii) would cause interest on the 2001 Series A-2 Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code except to the extent such interest is required to be included in adjusted current earnings adjustment applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2001 Series A Bonds until the date on which all obligations of the Authority in fulfilling the above covenant under the Code have been met.

(b) In connection therewith, the Authority hereby further covenants as follows:

(i) The Authority will enforce, and will not waive or consent to the noncompliance by any Person of, any material provisions of the Loans, the Loan Agreements, the Servicing Agreements and other documents related thereto; and

(ii) The Authority will not amend any material provision of the Loans, the Loan Agreements or the Servicing Agreements except upon filing with the Trustee a copy of any such amendment and an opinion of Bond Counsel to the effect that such amendment will not cause the interest on the 2001 Series A Bonds to be subject to inclusion in gross income under Section 103 of the Code and will not impair the security of the 2001 Series A Bonds.

(c) Notwithstanding the foregoing, the Authority will forgive or forbear payments due on one or more of the Loans in the amounts and at the times necessary in order to comply with subsection (a) of this Section 6.2.

For the purposes of subsections (b)(i) and (ii) of this Section 6.2, the Authority and the Trustee shall be entitled to rely conclusively upon an opinion of Bond Counsel to the effect that any particular provision in any of the documents listed in such subsections, which provision is proposed to be waived or amended, is not "material" for purposes of assuring the tax-exempt status of the interest payable on the 2001 Series A Bonds.

Section 6.3 Limitation on Payment of Fiduciary and Administrative Expenses and Limitations on Reserve Draws for 2001 Series A Class III Bonds.

(a) Fiduciary Expenses which may be paid from the 2001 Series A subaccount of the Revenue Fund pursuant to Section 4.6(c)(i)(M) of the Master Indenture may not exceed 1.00% of the Aggregate Principal Amount of all 2001 Series A Bonds then Outstanding.

(b) Administrative Expenses and Fiduciary Expenses which may be paid from the 2001 Series A subaccount of the Revenue Fund pursuant to Section 4.6(c)(i)(Q) of the Master Indenture may not exceed the amounts permitted by the then-current Cash Flow Statement.

(c) No transfers from the 2001 Series A subaccount of the Debt Service Reserve Fund pursuant to Section 4.8(c)(v) or (vi) of the Master Indenture may result in the amount on deposit in such subaccount of the Debt Service Reserve Fund being reduced to an amount less than the Debt Service Reserve Fund Requirement minus an amount equal to 1% of the Aggregate Principal Amount of 2001 Series A Bonds then Outstanding.

Section 6.4 Purchase of Qualified Surety Bond. The Authority shall cause MBIA to issue, concurrently with the issuance of the 2001 Series A Bonds, and maintain in the Debt Service Reserve Fund, a Qualified Surety Bond in an amount equal to the Debt Service Reserve Fund Requirement. In connection therewith, the Authority shall enter into the Financial Guaranty Agreement. The Trustee shall deliver a demand for payment under the Qualified Surety Bond at least three business days before the date on which any funds are required therefrom, as required by the Financial Guaranty Agreement. It shall be the duty of the Trustee to maintain adequate records, verified with MBIA, as to the amount available to be drawn at any given time under the Qualified Surety Bond issued by MBIA in connection with the issuance of the 2001 Series A Bonds, and as to the amounts paid and owing to MBIA under the terms of the Financial Guaranty Agreement.

Section 6.5 Additional Covenants and Agreements of the Authority and the Trustee for the Benefit of MBIA. So long as MBIA is the obligor with respect to a Qualified Surety Bond for the benefit of the owners of the 2001 Series A Bonds:

(a) The Trustee shall promptly furnish to MBIA any information relating to the 2001 Series A Bonds reasonably requested by MBIA.

(b) Other than with respect to a defaulted Loan, the Authority will not sell or transfer any Borrower's Loan or any other Loans substituted therefor for an amount less than an amount sufficient, together with other legally available moneys, to pay to MBIA all amounts, if any, then owing to MBIA under the Financial Guaranty Agreement.

(c) The Authority will not modify, supplement or amend the Master Indenture or this 2001 Series A Indenture in any manner which would adversely affect the security interest of MBIA granted in subsection (j) of this Section 6.5, or other rights or benefits specifically granted to MBIA hereunder, without the express written consent of MBIA.

(d) The Authority hereby agrees and acknowledges that MBIA is an intended beneficiary of this 2001 Series A Indenture.

(e) The Trustee shall, immediately upon the final redemption, defeasance or payment at maturity of the 2001 Series A Bonds, release to MBIA any Qualified Surety Bonds issued by MBIA with respect to the 2001 Series A Bonds.

(f) Notwithstanding anything to the contrary herein, no funds shall be released to the Authority free and clear of the lien of the Master Indenture unless and until MBIA has been paid in full all amounts, if any, then owing MBIA under the Financial Guaranty Agreement.

(g) Notwithstanding anything to the contrary herein, the Trustee shall not draw on any Qualified Surety Bond to fund any redemption or acceleration of 2001 Series A Bonds prior to their scheduled maturity. To the extent that the Debt Service Reserve Fund Requirement will be reduced as a result of any proposed redemption of 2001 Series A Bonds below the aggregate amount of any Qualified Surety Bonds then held by the Trustee with respect to the 2001 Series A Bonds, the Trustee shall cause each such Qualified Surety Bond to be reduced by the provider thereof, pro rata, in such a manner that the total amount available under all such Qualified Surety Bonds equals the Debt Service Reserve Fund Requirement.

(h) Amounts in the Revenue Fund shall be used when and as such amounts are available therefor pursuant to Section 4.6 of the Master Indenture to reinstate the available amount of any Qualified Surety Bond in the Debt Service Reserve Fund (such reinstatement to be pro rata based on the available amount of each Qualified Surety Bond used) and to pay MBIA all amounts owing under the Financial Guaranty Agreement before any such amounts are deposited as moneys therein to meet the Debt Service Reserve Fund Requirement for the 2001 Series A Bonds.

(i) Notwithstanding the provisions of Sections 11.1 and 11.2 of the Master Indenture, the Master Indenture shall not be discharged in its entirety or as to the 2001 Series

A Bonds until all amounts owing to MBIA in respect of any Qualified Surety Bond have been duly paid pursuant to the Financial Guaranty Agreement.

(j) The Authority pledges to MBIA all of its right, title and interest in all amounts held under the Master Indenture for the benefit of Owners to secure its obligations under the Financial Guaranty Agreement, subject only to the prior interest therein of the Trustee on behalf of the Owners. In furtherance thereof, the Authority shall forthwith take any and all action which, in the opinion of Bond Counsel or the Trustee, is necessary or appropriate to perfect or protect the interests of the Trustee therein on behalf of the Owners.

(End of Article VI)

ARTICLE VII

SEVERABILITY

Section 7.1 Severability and Invalid Provisions. If any one or more of the covenants or agreements provided in this 2001 Series A Indenture on the part of the Authority to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this 2001 Series A Indenture.

Section 7.2 Table of Contents and Section Headings Not Controlling. The Table of Contents and the headings of the several Articles and Sections of this 2001 Series A Indenture have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this 2001 Series A Indenture.

Section 7.3 Counterparts. This 2001 Series A Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

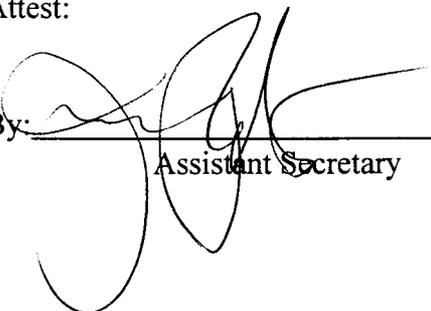
Section 7.4 Effective Date; Execution and Delivery. This 2001 Series A Indenture shall become effective upon its execution and delivery by the Authority and the Trustee.

IN WITNESS WHEREOF, the parties hereto have caused this 2001 Series A Indenture to be duly executed as of the day and year first above written.

COLORADO HOUSING AND FINANCE
AUTHORITY

By: 
Executive Director

Attest:

By: 
Assistant Secretary

WELLS FARGO BANK WEST, NATIONAL
ASSOCIATION, as Trustee

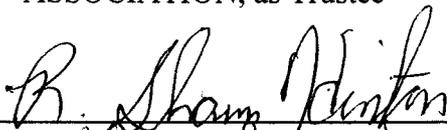
By: 
Title: Vice President

EXHIBIT A

RESTRICTED LOAN SUBACCOUNT LOANS

Part 1: AMT Loans

<u>Borrower</u>	<u>Housing Facility</u>	<u>Location</u>
Peregrine Property Trust	Sheridan Ridge	Arvada
Centennial East Housing Partners	Spring Hollow	Brighton
Rocky Mountain Mutual Housing	Clifton Village	Clifton
Housing Authority of the City of Aurora	Mountain View Village	Aurora
Rocky Mountain Mutual Housing	Belle Creek	Commerce City
Housing Authority of Grand County	Fox Run	Fraser

Part 2: Non-AMT Loan

<u>Borrower</u>	<u>Housing Facility</u>	<u>Location</u>
Atlantis Communities	Martinique	Denver
Colorado Coalition for the Homeless	Colorado Coalition	Denver
Healthy Living Systems Inc.	Country Roads	Stratton
Washington County Housing Authority	Victory House	Akron
Volunteers of America	Aristocrat Motel	Denver
Longs Peak Residence, Ltd.	Longs Peak Residence	Longmont
Uptown Partnership	Garfield Apartments	Denver
Uptown Partnership	Ronald McDonald House	Denver

EXHIBIT B

ASSET REQUIREMENTS SCHEDULE

<u>Loan Type</u>	<u>Asset Coverage Divisor</u>	
	<u>Class I</u>	<u>Class II</u>
Uninsured Loan	1.72	1.45
FHA-Insured Section 542(c) Loan	1.00	1.00
FHA-Insured non-Section 542(c) Loan	1.12	1.015
Authority Project	1.30	1.18
Other Loans	*	*

* As may be specified by the Rating Agencies from time to time, at the request of the Authority

EXHIBIT C

(FORM OF 2001 SERIES A-1 BONDS)

No. RA1-_____

\$ _____

COLORADO HOUSING AND FINANCE AUTHORITY
MULTI-FAMILY/PROJECT CLASS I BONDS
2001 SERIES A-1

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Authority or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

<u>DATE OF ORIGINAL ISSUE</u>	<u>MATURITY DATE</u>	<u>CUSIP</u>	<u>INTEREST RATE</u>
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October 1, 20__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Colorado Housing and Finance Authority (the "Authority"), a body corporate and political subdivision of the State of Colorado (the "State"), created and existing by virtue of the laws of the State, particularly the Colorado Housing and Finance Authority Act, constituting Part 7 of Article 4 of Title 29 of the Colorado Revised Statutes, as amended (the "Act"), for value received hereby promises to pay (but only from the funds, accounts and other security provided therefor) to the Registered Owner specified above, or to such Registered Owner's registered assigns or personal representatives, the Principal Amount specified above on the Maturity Date specified above, unless this Bond is redeemed prior thereto as provided below, upon its presentation and surrender as provided under the Master Indenture of Trust, dated as of March 1, 2000, as amended, between the Authority and Norwest Bank Colorado, National Association, as predecessor to Wells Fargo Bank West, National Association, as trustee (the "Trustee") and the 2001 Series A Indenture of Trust, dated as of December 1, 2001, between the Authority and the Trustee (collectively, the "Indenture"),

and to pay to the Registered Owner interest on such Principal Amount at the Interest Rate per annum above.

This Bond is one of a duly authorized issue of bonds of the Authority designated "Colorado Housing and Finance Authority Multi-Family/Project Class I Bonds 2001 Series A-1 (the "Bonds"), issued under and pursuant to the Act and the Indenture. This Bond constitutes a Class I Obligation (as defined in the Indenture) under the Indenture and is secured solely by the pledge and lien of the Trust Estate contained therein, which is in the following order of priority: first, to secure the payment of the principal of and interest on the Class I Obligations in accordance with the terms and the provisions of the Indenture, second, to secure the payment of the principal of and interest on the Class II Obligations (as defined in the Indenture) in accordance with the terms and the provisions of the Indenture, third, to secure the payment of the principal of and interest on the Class III Obligations (as defined in the Indenture) in accordance with the terms and the provisions of the Indenture, and fourth, to secure the payment of the principal of and interest on the Class IV Obligations (as defined in the Indenture) in accordance with the terms and provisions of the Indenture. The Registered Owner hereof, by acceptance of this Bond, consents to all of the terms and conditions of the Indenture, a copy of which is on file with the Trustee.

THIS BOND, TOGETHER WITH THE INTEREST HEREON, IS PAYABLE SOLELY FROM, AND SECURED BY, THE REVENUES OF THE AUTHORITY AND OTHER SECURITY PLEDGED THEREFOR UNDER THE INDENTURE, SUBJECT TO THE LIEN AND PLEDGE PRIORITY DISCUSSED ABOVE. IN NO EVENT SHALL THIS BOND CONSTITUTE AN OBLIGATION OR LIABILITY OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE AUTHORITY). THE AUTHORITY HAS NO TAXING POWER NOR DOES IT HAVE THE POWER TO PLEDGE THE GENERAL CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE AUTHORITY, OR TO PLEDGE THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE STATE SHALL NOT BE LIABLE FOR THIS BOND, AND THIS BOND SHALL NOT CONSTITUTE A DEBT OF THE STATE.

Any term used herein as a defined term but not defined herein shall be defined as in the Indenture.

This Bond is transferable, as provided in the Indenture, only upon the records of the Authority kept for that purpose at the Corporate Trust Office of the Trustee by the Registered Owner hereof in person, or by his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new registered Bond or Bonds, and in the same series, maturity and aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Authority and the Trustee shall deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The Bonds are issuable in the form of registered Bonds without coupons in the denominations of \$5,000 or any integral multiples of \$5,000 ("Authorized Denominations"). The owner of any Bonds may surrender the same at the above mentioned office of the Trustee, in exchange for an equal aggregate principal amount of Bonds of the same series and maturity of any of the Authorized Denominations, in the manner, subject to the conditions and upon the payment of the charges provided in the Indenture. Pursuant to Section 29-4-722 of the Act, Bonds issued under the Act shall be negotiable instruments under the laws of the State, subject only to applicable provisions for registration.

This Bond bears interest on the Principal Amount specified above, payable to the Registered Owner hereof on April 1, 2002 and on each April 1 and October 1 thereafter at the Interest Rate per annum specified above, until maturity or earlier redemption. Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

The principal or Redemption Price of and interest on the Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Paying Agent. At the written request of any Owner of at least \$1,000,000 Aggregate Principal Amount of Bonds delivered to the Bond Registrar during any time while the Bonds are not in book-entry form, the principal or Redemption Price of and interest on the Bonds may be paid by wire transfer within the United States to the bank account number of such Owner on the registration records. Any such payment by wire transfer, the CUSIP number or numbers of the Bonds being paid shall be included in the wire transfer.

The Bonds are subject to redemption prior to maturity at the option of the Authority from any source, including, without limitation, the proceeds of refunding bonds or other financing provided by the Authority or from the sale or other voluntary disposition of Loans or Authority Projects, on and after October 1, 2011, in whole or in part at any time at a Redemption Price equal to the Aggregate Principal Amount of the Bonds to be redeemed, plus accrued interest to the redemption date. In the event of a partial optional redemption, the Authority shall direct the Class, tenor, series, maturity or maturities, and the amounts thereof to be redeemed.

The Bonds are subject to special redemption prior to maturity, in whole or in part at any time and from time to time on or before December 1, 2004 or such later date as may be selected in accordance with the Indenture) at a redemption price equal to 100% of the principal amount of the Bonds or portions thereof to be so redeemed, together with accrued interest to the date of redemption, from amounts transferred to the 2001 Series A subaccounts of the Redemption Fund from any unexpended proceeds of the 2001 Series A Bonds in the Restricted Loan Subaccount and the Authority Project Subaccount. Moneys on deposit in the subaccounts of the Redemption Fund shall be used pursuant to this paragraph to redeem bonds according to Class as provided in the Indenture.

The Bonds are also subject to special redemption prior to maturity, in whole or in part at any time at a redemption price equal to 100% of the principal amount of the Bonds or portions thereof to be so redeemed, together with accrued interest to the date of redemption from and to the extent

there are moneys and/or Investment Securities in the 2001 Series A subaccount of the Class I Special Redemption Account, on the 45th day prior to the redemption date.

The Bonds shall also be redeemed prior to their maturity, in part, by lot by payment of 2001 Series A Class I Sinking Fund Installments, on each of the dates set forth in the Indenture, at a Redemption Price equal to 100% of the principal amount of such Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Notice of redemption shall be given by mail or Electronic Means by the Trustee to the Registered Owner of any Bond designated for redemption in whole or in part no less than 30 nor more than 60 days prior to the Redemption Date. The failure to mail such notice with respect to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond with respect to which notice was so mailed.

If notice of redemption is given as required and money for the payment of the Redemption Price is held by the Paying Agent, then interest on the Bonds or portions thereof called for redemption shall cease to accrue on the Redemption Date.

If any moneys held by the Trustee or Paying Agent in trust for the payment of interest on or principal of any Bonds remain unclaimed for a period of three years after the date on which such moneys were payable, the Trustee or Paying Agent will, upon written notice from the Authority, pay such amounts to the Authority or the Bank, as provided in the Indenture. Thereafter, such Registered Owners must look to the Authority for payment of such moneys.

The Indenture provides that the occurrences of certain events constitute Events of Default. If certain Events of Default occur, the Trustee may, and upon the written request of the Registered Owners of a sufficient percentage in aggregate principal amount of Outstanding Bonds (as provided in the Indenture), give 30 days notice in writing to the Authority of its intention to declare all Outstanding Bonds immediately due and payable. At the end of such 30-day period, the Trustee may, and upon the written consent the Owners of the of a sufficient percentage in aggregate principal amount of Outstanding Bonds (as provided in the Indenture), declare all Outstanding Bonds immediately due and payable. An Event of Default and its consequences may be waived as provided in the Indenture. Registered Owners may not enforce the Indenture or the Bonds except as provided in the Indenture.

The Act provides that neither the members of the Authority nor any authorized person executing bonds issued pursuant to the Act shall be personally liable for such bonds by reason of the execution or issuance thereof.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Colorado Housing and Finance Authority has caused this Bond to be executed in its name by the manual or facsimile signature of its Chair and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon and attested by the manual or facsimile signature of its Executive Director.

COLORADO HOUSING AND FINANCE
AUTHORITY

By: _____
Chair

(SEAL)

Attest:

Executive Director

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds described in the within-mentioned Indenture of the Colorado Housing and Finance Authority.

Date of Authentication: _____

WELLS FARGO BANK WEST,
NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

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

(Please Insert Social Security or Other Identifying Number of Transferee)

(Please Print or Type Name and Address of Transferee)

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

_____ Attorney to transfer the within bond

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

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) should be guaranteed by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

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

EXHIBIT D

(FORM OF 2001 SERIES A-2 CLASS II BONDS)

No. RA2II-_____

\$ _____

COLORADO HOUSING AND FINANCE AUTHORITY
MULTI-FAMILY/PROJECT CLASS II BONDS
2001 SERIES A-2

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Authority or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

<u>DATE OF</u> <u>ORIGINAL ISSUE</u>	<u>MATURITY</u> <u>DATE</u>	<u>CUSIP</u>	<u>INTEREST</u> <u>RATE</u>
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October 1, 20__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Colorado Housing and Finance Authority (the "Authority"), a body corporate and political subdivision of the State of Colorado (the "State"), created and existing by virtue of the laws of the State, particularly the Colorado Housing and Finance Authority Act, constituting Part 7 of Article 4 of Title 29 of the Colorado Revised Statutes, as amended (the "Act"), for value received hereby promises to pay to the Registered Owner specified above, or to such Registered Owner's registered assigns or personal representatives, the Principal Amount specified above on the Maturity Date specified above, unless this Bond is redeemed prior thereto as provided below, upon its presentation and surrender as provided under the Master Indenture of Trust, dated as of March 1, 2000, as amended, between the Authority and Norwest Bank Colorado, National Association, as predecessor to Wells Fargo Bank West, National Association, as trustee (the "Trustee") and the 2001 Series A Indenture of Trust, dated as of December 1, 2001, between the Authority and the Trustee

(collectively, the "Indenture"), and to pay to the Registered Owner interest on such Principal Amount at the Interest Rate per annum above.

This Bond is one of a duly authorized issue of bonds of the Authority designated "Colorado Housing and Finance Authority Multi-Family/Project Class II Bonds 2001 Series A-2" (the "Bonds"), issued under and pursuant to the Act and the Indenture. This Bond constitutes a Class II Obligation (as defined in the Indenture) under the Indenture and is secured solely by the pledge and lien of the Trust Estate contained therein, which is in the following order of priority: first, to secure the payment of the principal of and interest on the Class I Obligations (as defined in the Indenture) in accordance with the terms and the provisions of the Indenture, second, to secure the payment of the principal of and interest on the Class II Obligations in accordance with the terms and the provisions of the Indenture, third, to secure the payment of the principal of and interest on the Class III Obligations (as defined in the Indenture) in accordance with the terms and the provisions of the Indenture, and fourth, to secure the payment of the principal of and interest on the Class IV Obligations (as defined in the Indenture) in accordance with the terms and provisions of the Indenture. The Registered Owner hereof, by acceptance of this Bond, consents to all of the terms and conditions of the Indenture, a copy of which is on file with the Trustee.

THIS BOND, TOGETHER WITH THE INTEREST HEREON, IS PAYABLE SOLELY FROM, AND SECURED BY, THE REVENUES OF THE AUTHORITY AND OTHER SECURITY PLEDGED THEREFOR UNDER THE INDENTURE, SUBJECT TO THE LIEN AND PLEDGE PRIORITY DISCUSSED ABOVE. IN NO EVENT SHALL THIS BOND CONSTITUTE AN OBLIGATION OR LIABILITY OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE AUTHORITY). THE AUTHORITY HAS NO TAXING POWER NOR DOES IT HAVE THE POWER TO PLEDGE THE GENERAL CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE AUTHORITY, OR TO PLEDGE THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE STATE SHALL NOT BE LIABLE FOR THIS BOND, AND THIS BOND SHALL NOT CONSTITUTE A DEBT OF THE STATE.

Any term used herein as a defined term but not defined herein shall be defined as in the Indenture.

This Bond is transferable, as provided in the Indenture, only upon the records of the Authority kept for that purpose at the Corporate Trust Office of the Trustee by the Registered Owner hereof in person, or by his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new registered Bond or Bonds, and in the same series, maturity and aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Authority and the Trustee shall deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The Bonds are issuable in the form of registered Bonds without coupons in the denominations of \$5,000 or any integral multiples of \$5,000 ("Authorized Denominations"). The owner of any Bonds may surrender the same at the above mentioned office of the Trustee, in exchange for an equal aggregate principal amount of Bonds of the same series and maturity of any of the Authorized Denominations, in the manner, subject to the conditions and upon the payment of the charges provided in the Indenture. Pursuant to Section 29-4-722 of the Act, Bonds issued under the Act shall be negotiable instruments under the laws of the State, subject only to applicable provisions for registration.

This Bond bears interest on the Principal Amount specified above, payable to the Registered Owner hereof on April 1, 2002 and on each April 1 and October 1 thereafter at the Interest Rate per annum specified above, until maturity or earlier redemption. Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

The principal or Redemption Price of and interest on the Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Paying Agent.

The Bonds are not subject to redemption prior to maturity at the option of the Authority.

The Bonds are subject to special redemption prior to maturity, in whole or in part at any time and from time to time on or before December 1, 2004 or such later date as may be selected in accordance with the Indenture) at a redemption price equal to 100% of the principal amount of the Bonds or portions thereof to be so redeemed, together with accrued interest to the date of redemption, from amounts transferred to the 2001 Series A subaccounts of the Redemption Fund from any unexpended proceeds of the 2001 Series A Bonds in the Restricted Loan Subaccount and the Authority Project Subaccount. Moneys on deposit in the subaccounts of the Redemption Fund shall be used pursuant to this paragraph to redeem bonds according to Class as provided in the Indenture.

Notice of redemption shall be given by mail or Electronic Means by the Trustee to the Registered Owner of any Bond designated for redemption in whole or in part no less than 30 nor more than 60 days prior to the Redemption Date. The failure to mail such notice with respect to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond with respect to which notice was so mailed.

If notice of redemption is given as required and money for the payment of the Redemption Price is held by the Paying Agent, then interest on the Bonds or portions thereof called for redemption shall cease to accrue on the Redemption Date.

If any moneys held by the Trustee or Paying Agent in trust for the payment of interest on or principal of any Bonds remain unclaimed for a period of three years after the date on which such moneys were payable, the Trustee or Paying Agent will, upon written notice from the Authority, pay

such amounts to the Authority or the Bank, as provided in the Indenture. Thereafter, such Registered Owners must look to the Authority for payment of such moneys.

The Indenture provides that the occurrences of certain events constitute Events of Default. If certain Events of Default occur, the Trustee may, and upon the written request of the Registered Owners of a sufficient percentage in aggregate principal amount of Outstanding Bonds (as provided in the Indenture), give 30 days notice in writing to the Authority of its intention to declare all Outstanding Bonds immediately due and payable. At the end of such 30-day period, the Trustee may, and upon the written consent the Owners of the of a sufficient percentage in aggregate principal amount of Outstanding Bonds (as provided in the Indenture), declare all Outstanding Bonds immediately due and payable. An Event of Default and its consequences may be waived as provided in the Indenture. Registered Owners may not enforce the Indenture or the Bonds except as provided in the Indenture.

The Act provides that neither the members of the Authority nor any authorized person executing bonds issued pursuant to the Act shall be personally liable for such bonds by reason of the execution or issuance thereof.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Colorado Housing and Finance Authority has caused this Bond to be executed in its name by the manual or facsimile signature of its Chair and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon and attested by the manual or facsimile signature of its Executive Director.

COLORADO HOUSING AND FINANCE
AUTHORITY

By: _____
Chair

(SEAL)

Attest:

Executive Director

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds described in the within-mentioned Indenture of the Colorado Housing and Finance Authority.

Date of Authentication: _____

WELLS FARGO BANK WEST,
NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

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

(Please Insert Social Security or Other Identifying Number of Transferee)

(Please Print or Type Name and Address of Transferee)

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

_____ Attorney to transfer the within bond

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

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) should be guaranteed by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

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

EXHIBIT E

(FORM OF 2001 SERIES A-2 CLASS III BONDS)

No. RA2III-_____

\$ _____

COLORADO HOUSING AND FINANCE AUTHORITY
MULTI-FAMILY/PROJECT CLASS III BONDS
2001 SERIES A-2

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Authority or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

<u>DATE OF</u> <u>ORIGINAL ISSUE</u>	<u>MATURITY</u> <u>DATE</u>	<u>CUSIP</u>	<u>INTEREST</u> <u>RATE</u>
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October 1, 20__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Colorado Housing and Finance Authority (the "Authority"), a body corporate and political subdivision of the State of Colorado (the "State"), created and existing by virtue of the laws of the State, particularly the Colorado Housing and Finance Authority Act, constituting Part 7 of Article 4 of Title 29 of the Colorado Revised Statutes, as amended (the "Act"), for value received hereby promises to pay to the Registered Owner specified above, or to such Registered Owner's registered assigns or personal representatives, the Principal Amount specified above on the Maturity Date specified above, unless this Bond is redeemed prior thereto as provided below, upon its presentation and surrender as provided under the Master Indenture of Trust, dated as of March 1, 2000, as amended, between the Authority and Norwest Bank Colorado, National Association, as predecessor to Wells Fargo Bank West, National Association, as trustee (the "Trustee") and the 2001 Series A Indenture of Trust, dated as of December 1, 2001, between the Authority and the Trustee

(collectively, the "Indenture"), and to pay to the Registered Owner interest on such Principal Amount at the Interest Rate per annum above.

This Bond is one of a duly authorized issue of bonds of the Authority designated "Colorado Housing and Finance Authority Multi-Family/Project Class III Bonds 2001 Series A-2" (the "Bonds"), issued under and pursuant to the Act and the Indenture. This Bond constitutes a Class III Obligation (as defined in the Indenture) under the Indenture and is secured by the full faith and credit of the Authority in addition to the pledge and lien of the Trust Estate contained therein, which is in the following order of priority: first, to secure the payment of the principal of and interest on the Class I Obligations (as defined in the Indenture) in accordance with the terms and the provisions of the Indenture, second, to secure the payment of the principal of and interest on the Class II Obligations (as defined in the Indenture) in accordance with the terms and the provisions of the Indenture, third, to secure the payment of the principal of and interest on the Class III Obligations in accordance with the terms and the provisions of the Indenture, and fourth, to secure the payment of the principal of and interest on the Class IV Obligations (as defined in the Indenture) in accordance with the terms and provisions of the Indenture. The Registered Owner hereof, by acceptance of this Bond, consents to all of the terms and conditions of the Indenture, a copy of which is on file with the Trustee.

THIS BOND, TOGETHER WITH THE INTEREST HEREON, IS A GENERAL OBLIGATION OF THE AUTHORITY AND IS ALSO PAYABLE FROM, AND SECURED BY, THE REVENUES OF THE AUTHORITY AND OTHER SECURITY PLEDGED THEREFOR UNDER THE INDENTURE, SUBJECT TO THE LIEN AND PLEDGE PRIORITY DISCUSSED ABOVE. IN NO EVENT SHALL THIS BOND CONSTITUTE AN OBLIGATION OR LIABILITY OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE AUTHORITY). THE AUTHORITY HAS NO TAXING POWER NOR DOES IT HAVE THE POWER TO PLEDGE THE GENERAL CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE AUTHORITY, OR TO PLEDGE THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE STATE SHALL NOT BE LIABLE FOR THIS BOND, AND THIS BOND SHALL NOT CONSTITUTE A DEBT OF THE STATE.

Any term used herein as a defined term but not defined herein shall be defined as in the Indenture.

This Bond is transferable, as provided in the Indenture, only upon the records of the Authority kept for that purpose at the Corporate Trust Office of the Trustee by the Registered Owner hereof in person, or by his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new registered Bond or Bonds, and in the same series, maturity and aggregate principal amounts, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Authority and the Trustee shall deem and treat the person in whose name this Bond is registered as the absolute

owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The Bonds are issuable in the form of registered Bonds without coupons in the denominations of \$5,000 or any integral multiples of \$5,000 ("Authorized Denominations"). The owner of any Bonds may surrender the same at the above mentioned office of the Trustee, in exchange for an equal aggregate principal amount of Bonds of the same series and maturity of any of the Authorized Denominations, in the manner, subject to the conditions and upon the payment of the charges provided in the Indenture. Pursuant to Section 29-4-722 of the Act, Bonds issued under the Act shall be negotiable instruments under the laws of the State, subject only to applicable provisions for registration.

This Bond bears interest on the Principal Amount specified above, payable to the Registered Owner hereof on April 1, 2002 and on each April 1 and October 1 thereafter at the Interest Rate per annum specified above, until maturity or earlier redemption. Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

The principal or Redemption Price of and interest on the Bonds shall be payable in lawful money of the United States of America at the Corporate Trust Office of the Paying Agent.

The Bonds are not subject to redemption prior to maturity at the option of the Authority.

The Bonds are subject to special redemption prior to maturity, in whole or in part at any time and from time to time on or before December 1, 2004 or such later date as may be selected in accordance with the Indenture) at a redemption price equal to 100% of the principal amount of the Bonds or portions thereof to be so redeemed, together with accrued interest to the date of redemption, from amounts transferred to the 2001 Series A subaccounts of the Redemption Fund from any unexpended proceeds of the 2001 Series A Bonds in the Restricted Loan Subaccount and the Authority Project Subaccount. Moneys on deposit in the subaccounts of the Redemption Fund shall be used pursuant to this paragraph to redeem bonds according to Class as provided in the Indenture.

Notice of redemption shall be given by mail or Electronic Means by the Trustee to the Registered Owner of any Bond designated for redemption in whole or in part no less than 30 nor more than 60 days prior to the Redemption Date. The failure to mail such notice with respect to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond with respect to which notice was so mailed.

If notice of redemption is given as required and money for the payment of the Redemption Price is held by the Paying Agent, then interest on the Bonds or portions thereof called for redemption shall cease to accrue on the Redemption Date.

If any moneys held by the Trustee or Paying Agent in trust for the payment of interest on or principal of any Bonds remain unclaimed for a period of three years after the date on which such moneys were payable, the Trustee or Paying Agent will, upon written notice from the Authority, pay such amounts to the Authority or the Bank, as provided in the Indenture. Thereafter, such Registered Owners must look to the Authority for payment of such moneys.

The Indenture provides that the occurrences of certain events constitute Events of Default. If certain Events of Default occur, the Trustee may, and upon the written request of the Registered Owners of a sufficient percentage in aggregate principal amount of Outstanding Bonds (as provided in the Indenture), give 30 days notice in writing to the Authority of its intention to declare all Outstanding Bonds immediately due and payable. At the end of such 30-day period, the Trustee may, and upon the written consent of the Owners of the of a sufficient percentage in aggregate principal amount of Outstanding Bonds (as provided in the Indenture), declare all Outstanding Bonds immediately due and payable. An Event of Default and its consequences may be waived as provided in the Indenture. Registered Owners may not enforce the Indenture or the Bonds except as provided in the Indenture.

The Act provides that neither the members of the Authority nor any authorized person executing bonds issued pursuant to the Act shall be personally liable for such bonds by reason of the execution or issuance thereof.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Colorado Housing and Finance Authority has caused this Bond to be executed in its name by the manual or facsimile signature of its Chair and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon and attested by the manual or facsimile signature of its Executive Director.

COLORADO HOUSING AND FINANCE
AUTHORITY

By: _____
Chair

(SEAL)

Attest:

Executive Director

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds described in the within-mentioned Indenture of the Colorado Housing and Finance Authority.

Date of Authentication: _____

WELLS FARGO BANK WEST,
NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

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

(Please Insert Social Security or Other Identifying Number of Transferee)

(Please Print or Type Name and Address of Transferee)

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

_____ Attorney to transfer the within bond

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

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) should be guaranteed by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

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

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