PENNSYLVANIA HOUSING FINANCE AGENCY

AND

THE PHILADELPHIA NATIONAL BANK,
as Trustee

SUPPLEMENTAL INDENTURE OF TRUST

Amending and Supplementing an Indenture of Trust dated as of April 1, 1982, as the same has been amended and supplemented, securing the Pennsylvania Housing Finance Agency Single Family Mortgage Revenue Bonds, Series A through Z and Series 1990-27.

Dated as of May 30, 1990
SUPPLEMENTAL INDENTURE OF TRUST

This Supplemental Indenture of Trust, made and dated as of the 30th day of May, 1990, by and between the Pennsylvania Housing Finance Agency (the "Agency") and The Philadelphia National Bank, as Trustee ("Trustee”):

WITNESSETH:

WHEREAS, the Agency and the Trustee entered into an Indenture of Trust made and dated as of the 1st day of April, 1982 (the "Original Indenture") pursuant to which the Agency has issued its Single Family Mortgage Revenue Bonds, Series A through Z and Series 1990-27; and

WHEREAS, such Original Indenture as amended pursuant to (a) a Resolution of the Agency on October 23, 1983, and pursuant to Supplemental Indentures made and dated as of June 15, 1984, April 1, 1985, July 1, 1985 and October 1, 1985, which Supplemental Indentures were all restated in a Supplemental Indenture dated as of June 1, 1986; (b) a Supplemental Indenture dated as of June 1, 1986; (c) a Supplemental Indenture dated as of October 1, 1987; (d) a Supplemental Indenture dated as of March 1, 1988; and (e) a Supplemental Indenture dated as of March 31, 1988; and

WHEREAS, in the resolutions authorizing the issuance of the Series R through Series Z Bonds, the Agency reserved the right to amend, by supplemental indenture and subject to the provisions of such resolutions, Section 707(A)(4) of the Indenture to provide that Mortgage Loans originated with the proceeds of the respective series of Bonds and exceeding 80% of the lower of the appraised value or the sales price of the Residence must be insured either (i) as currently required under the Indenture by primary mortgage insurance or (ii) by another similar form of credit enhancement or a self-insurance program of the Agency;

WHEREAS, by Resolution adopted May 10, 1990, the Agency authorized the issuance of $47,000,000 aggregate principal amount of its Single Family Mortgage Revenue Bonds, Series 1990-27 (the "Series 27 Bonds"); and

WHEREAS, in the Series 27 Resolution and subject to the terms thereof, the Agency authorized the execution of a supplement to the Indenture, for the purpose of confirming the availability of an Agency funded risk retention program through which the risk of mortgage default for mortgage loans originated with the proceeds of the Series 27 Bonds and exceeding 80% of the lower of the appraised value of the sale price of the Residence may be retained by the Agency; and

WHEREAS, the Original Indenture provides that it may be amended by supplemental indenture to add to the covenants and agreements of the Agency in the Original Indenture other covenants and agreements to be observed by the Agency and to insert such provisions clarifying matters or questions arising under the Original Indenture as are necessary or desirable and which are not contrary to or inconsistent with the Original Indenture as theretofore in effect.
NOW THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS:

Section 1. Definitions. Unless expressly given different meanings hereunder or in the recitals hereto, or the context clearly requires otherwise, all capitalized words or phrases used herein shall have the meanings assigned to them in the Original Indenture, as heretofore supplemented.

Section 2. Amendment to Section 707. The provisions of Section 707 of the Original Indenture are hereby amended to add a Section 707(C), which shall provide in full as follows:

"(C) In lieu of the requirements of Section 707(A)(4) above, with respect to Mortgage Loans originated with the proceeds of the Series R Bonds and all series of Bonds issued thereafter under this Indenture and exceeding 80% of the lower of the appraised value or sales price of the Residence, such Mortgage Loans shall be issued either (i) as provided in Section 707(A)(4) hereof or (ii) by another similar form of credit enhancement, including a self-insurance or risk retention program of the Agency."

Section 3. Confirmation. Except as amended and supplemented by this Supplemental Indenture and earlier Supplemental Indentures, the Original Indenture is hereby ratified and confirmed in all respects and made applicable in all respects to the Bonds, the holders thereof and the security therefor. The Original Indenture, as heretofore supplemented, and this Supplemental Indenture shall be read, taken and construed as one in the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture of Trust to be executed in their respective names by duly authorized officers and to be dated as of the 30th day of May, 1990.

[SEAL]
ATTEST: PENNSYLVANIA HOUSING
           FINANCE AGENCY
           By /s/ Carrie Barnes
               Secretary
           By /s/ Karl Smith
               Executive Director

[SEAL]
ATTEST: THE PHILADELPHIA NATIONAL
           BANK
           By /s/ Alan G. Finn
               Authorized Officer
           By /s/ Beverly Graham
               Authorized Officer