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**PENNSYLVANIA HOUSING FINANCE AGENCY**

**AND**

**CORESTATES BANK, N.A.**  
**(formerly The Philadelphia National Bank),**  
**as Trustee**

**SUPPLEMENTAL INDENTURE OF TRUST**

**Amended and Supplementing an Indenture of Trust dated 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 Series Z and Series 1990-27 through Series 1991-32.**

**Dated as of March 25, 1992**

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## SUPPLEMENTAL INDENTURE OF TRUST

This Supplemental Indenture of Trust, made and dated as of the 25th day of March 1992, by and between the PENNSYLVANIA HOUSING FINANCE AGENCY (the "Agency") and CORESTATES BANK, N.A. (formerly The Philadelphia National Bank), as Trustee (the "Trustee"):

### W I T N E S S E T H:

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 through Series 1991-32; and

WHEREAS, the Original Indenture was 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 March 1, 1988; (e) a Supplemental Indenture dated as of March 31, 1988; (f) a Supplemental Indenture dated as of September 14, 1989; and (g) a Supplemental Indenture dated as of May 30, 1990; 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 terms used herein shall have the meanings ascribed to them in the Original Indenture, as heretofore supplemented.

Section 2. Amendment to Definition of Investment Securities. The definition of Investment Securities in Section 101 of the Original Indenture is hereby amended and restated in its entirety as follows:

"Investment Securities' shall mean and include any of the following obligations, to the extent the same are at the time legal for investment of funds of the Agency under the Act, including amendments thereto hereafter made, or under other applicable law:

(1) direct obligations of or obligations the timely payment of principal and interest on which is unconditionally guaranteed by the United States of America;

(2) any bond, debenture, note, participation certificate or other similar obligation issued by any of the following agencies: Government National Mortgage Association, Federal Land Bank, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Farm Credit Banks Consolidated Statewide, Tennessee Valley Authority, United States Postal Service, Farmers' Home Administration, Export-Import Bank, Federal National Mortgage Association's interest and/or principal only strips are purchased, the Agency may be required, at the request of the rating services, to provide cash flows demonstrating that such investment will not produce a materially adverse effect on the ratio of Revenues to expenses in any Bond Year; Financing Corporation, Resolution Funding Corporation, Student Loan Marketing Association and Federal Home Loan Mortgage Corporation ("FHLMC"), provided the timely payment of principal and interest on such investment securities issued by FHLMC is guaranteed by FHLMC;

(3) any bond, debenture, note, participation certificate or other similar obligation issued by any other federal agency and backed by the full faith and credit of the United States other than as provided in (1) hereof;

(4) Public Housing Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America or temporary notes, preliminary loan notes or project notes issued by public agencies or municipalities, in each case, fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(5) direct and general obligations of or obligations guaranteed by the Commonwealth, to the payment of the principal of and interest on which the full faith and credit of the Commonwealth is pledged provided the Commonwealth's rating is at least equal to the then current rating of the Bonds;

(6) direct and general obligations of any state of the United States, to the payment of the principal of and interest on which the full faith and credit of such

state are pledged, but only if, at the time of their purchase hereunder, such obligations are rated in either of the two highest rating categories by either Standard and Poor's or Moody's rating service or, upon the discontinuance of either or both of such services, such other nationally recognized rating service or services, as the case may be, as shall be determined in a Supplemental Indenture pursuant to Section 802;

(7) deposits in interest-bearing time or demand deposits, or certificates of deposit, secured (i) as provided under the laws of the Commonwealth or (ii) as to principal by investments described in clauses (1) through (6) above, provided that the rating of the provider of such investment is at least equal to the then current rating of the Bonds;

(8) repurchase agreements fully collateralized by Investment Securities of the types described in clauses (1) through (3) above, provided that the rating of the provider of such investment is at least equal to the then current rating of the Bonds;

(9) deposits in mutual or money market funds which invest solely in Investment Securities of the types described in clauses (1) through (3) above or in repurchase agreements fully collateralized by Investment Securities of the types described in clauses (1) through (3) above and with total assets (deposited funds) of \$1,000,000,000 or greater, provided such fund's rating is at least equal to the then current rating of the Bonds;

(10) investment agreements with an entity whose long-term unsecured debt obligations are rated not less than "AA" by Standards & Poor's Corporation and "Aa" by Moody's Investors Service, Inc; and

(11) short-term investment agreements with a maturity not greater than one year with an entity whose short-term unsecured debt obligations are rated A-1+ by Standard & Poor's Corporation and P-1 by Moody's Investors Service.

The Investment Securities described in the preceding clauses (7) and (8) may be deposits in, certificates of deposit of, or repurchase agreements with the Trustee provided the Trustee's rating is at least equal to the then current rating of the Bonds."

Section 3. Application of Money in Revenue Account. The provisions of Section 503(B) (6) (c) of the Original Indenture are hereby amended and restated in their entirety as follows:

"(c) payment to the Agency for deposit in its general fund to the extent of surpluses in excess of \$150,000 as determined by a Statement of Projected Revenues and Expenses delivered to the Trustee pursuant to Section 506(A) hereof. Provided, however, that surpluses in excess of One-Hundred Fifty

Thousand Dollars (\$150,000) shall not be released to the Agency unless (i) the principal balance of all Mortgage Loans plus amounts on deposit in all funds and accounts under the Indenture (excluding amounts in the Self Insurance Fund unless otherwise agreed to by the rating services then rating the Bonds) shall exceed 102% of the principal amount of the Bonds Outstanding including accrued interest thereon. For the purposes of this paragraph, investments in funds and accounts will be valued at the lower of cost or market, except that investments in Capital Reserve Fund will, for purposes of this calculation, be valued at amortized cost. In calculating the Statement of Projected Revenues and Expenses pursuant to Section 506(A) hereof, the Agency shall use reasonable investment rate assumptions and shall assume a 60-day lag in payments on all Mortgage Loans not originated as the date of such calculation."

Section 4. 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 holder thereof and the security therefor. The Original Indenture, as heretofore supplemented, and this Supplemental Indenture shall be read, taken and construed as one and 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 25th day of March, 1992.

[SEAL]  
ATTEST:

By /s/ Carrie Barnes  
Secretary

PENNSYLVANIA HOUSING  
FINANCE AGENCY

By /s/ Karl Smith  
Executive Director

[SEAL]  
ATTEST:

/s/Judy A. Wisniewski  
Authorized Officer

CORESTATES BANK, N.A.  
(formerly The Philadelphia  
National Bank)

By /s/Earl W. Dennison, Jr.  
Authorized Officer