

SPECIAL COMMENT

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State HFA Multifamily Mortgage Loans Continue Strong Performance in 2012

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Summary Opinion

The loan portfolios securing rated Housing Finance Agency (HFA) multifamily bonds continued their strong performance in 2012 as delinquencies stayed low and losses were minimal, reflecting their conservative structures, credit enhancements and high levels of underlying equity investments. Strong management, and firm rental markets further supported performance.

We rate forty-one multifamily bond programs sponsored by nineteen state and two local HFAs. Bonds outstanding of \$15 billion financed 423,116 units at 4,540 projects. The multifamily mortgages are pledged to bonds issued under parity trust indentures. In addition, seventeen of the programs are secured by the full faith and credit or general obligation pledge of the issuing housing finance agency.

In late 2012 we surveyed the HFAs to obtain updated loan characteristics and performance information. Key findings of our June 30, 2012 survey include:

- » Only 0.99% of HFA multifamily mortgage loans were delinquent by more than 90 days, in workout, or were real estate owned (REO), down from 1.47% a year earlier. Only two HFAs reported losses on REOs sales over the prior five years. Losses totaled \$2.9 million, down significantly from the prior year in which six HFAs reported losses totaling \$14 million over the prior five years. This trend highlights the strong resale market for REO multifamily properties.
- » Eight-nine percent of HFA multifamily loans are first lien loans, which are the least volatile type of mortgage financing. Thirty-percent of the portfolio has credit enhancement, providing additional support from delinquency and default.
- » Thirty-eight percent of the mortgage loans included financing through the Low Income Housing Tax Credit equity program which lowers loan-to-value ratios and includes additional levels of project oversight. Additionally, 33.5% of the loans have rental subsidies from HUD, USDA or other federal programs which provides additional revenue source to the project.

Multifamily Portfolios Demonstrate Continued Strong Performance

Our recent survey of these programs found that the multifamily loans supporting these programs are continuing to perform well. As depicted in Exhibit 1, as of June 30, 2012, less than 1% of the loans were 90 days or more delinquent, in workout, or were Real Estate Owned (REO). REOs comprise half of these nonperforming assets. HFAs proactively work through properties experiencing financial challenges including low occupancy and debt service coverage or underfunded reserve levels with problems, electing their right to foreclose on defaulted properties and sell them at the highest attainable price, thereby limiting the losses to the HFA. In 2012, only two HFAs reported losses on REOs sales totaling \$2.9 million (0.02% of outstanding principal) over the prior five years, down significantly from a year ago when six HFAs reported \$14 million of five-year losses. The decline is attributable to HFA program and asset management strategies.

EXHIBIT 1

Loan Performance as of June 30, 2012

Loans 60 -89 Days Delinquent	0.24%
Loans 90+ Days Delinquent	0.23%
Foreclosure	0.07%
Real Estate Owned	0.45%
Projects in Workout	0.31%
Program Losses (5 year Amount in thousands)	(2,995)

Source: Moody's Q2 2012 Multifamily Survey

Program and asset management strategies utilized by housing finance agencies is a key driver of the loans' strong performance. The projects' physical and financial condition are regularly monitored by HFA staff. This oversight helps to identify weak performing projects in order to mediate property owners or provide the necessary resources to address occupancy issues. In some cases, HFAs will provide additional grants or second loans for capital repairs or rehabilitation.

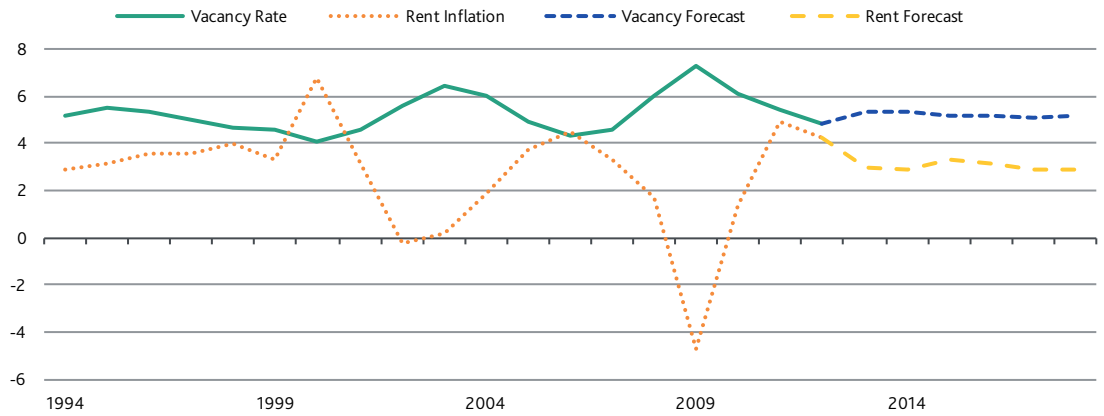
Virginia Housing Development Agency Turns \$10 Million 2011 Loss Into \$6 Million 2012 Gain

One notable agency that is very active in the multifamily market is the Virginia Housing Development Agency (VHDA) (G.O. Aa1 Stable). VHDA continuously monitors all of the properties in their portfolio producing quarterly reports and actively works out projects with financial difficulties. Our June 30, 2011 survey indicated that VHDA had \$10 million in loan losses over the prior 5 years. These losses were covered by a \$64.5 million loan loss reserve thereby not impairing the financial position of the HFA. Furthermore, VHDA's financial resources in combination with in-depth knowledge of local real estate markets and managing its REO properties enable it to generate revenue through operations during the down cycle and then sell the properties when values rose. This strategy resulted in a \$6.3 million 5-year gain in 2012.

Strong loan performance is also supported by a thriving rental market in many states. Nationally, rent inflation ranged between 4% and 5% over the last two years (Exhibit 2), and in 2012 vacancies were below 5%, a very low rate considered to be near full-occupancy less turnover. Vacancies are forecasted to remain at or above 5% for the next five years¹.

¹ CBRE Multi-housing Forecast baseline outlook data as of Q4 2012.

EXHIBIT 2
Multi-housing Vacancy and Rent Inflation (1994 -2018)

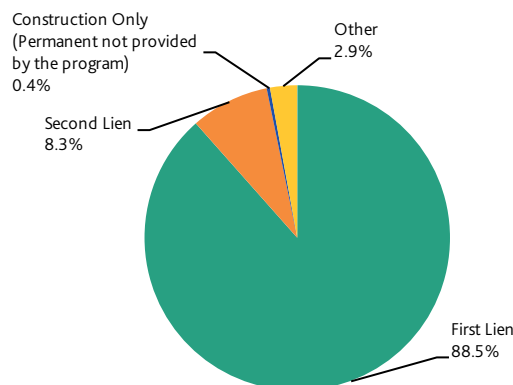


Source: CBRE Multi-housing Q4 2012

Strong Structural Characteristics Reduce Default Risk

Almost eighty-nine percent of mortgage loans are fully amortizing 30- or 40-year, fixed rate mortgages with a first lien on the underlying property (Exhibit 3). Level amortization eliminates the risk that a property would not be able to refinance a bullet maturity, which is the typical structure of conventionally financed multifamily loans. Debt service coverage of properties with fixed rate loans will be less volatile as they do not experience unexpected increases in mortgage payments which often could not be covered by an equivalent rent increase. Over 8% of the loans are second lien which often complements a larger first lien loan financed by the HFA. Some of these are rehabilitation loans offered by the HFA to maintain the condition of the properties'. The remaining 3% consists of construction only or other classifications with special amortization features. The risks associated with these types of loans are often covered by enhancements such as construction loan letters of credit or Issuer support.

EXHIBIT 3
Majority of Properties Benefit from First Lien Pledges

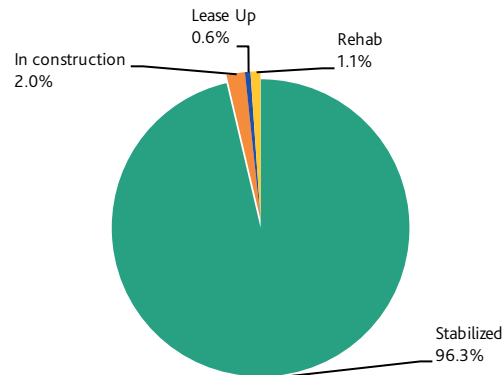


Source: Moody's Q2 2012 Multifamily Survey

Ninety-six percent of the projects have completed construction and have achieved stabilized operations, up from 85% the prior year (Exhibit 4). Two percent are in construction, 1.1% are in rehabilitation and 0.6% are completed but in lease-up. Stabilization provides more predictability in cash flows provided that occupancy remains robust. Although the construction loans introduce additional construction risk, HFAs use a variety of tools to mitigate these risks, including letters of credit, Agency GO pledges and management oversight. These mitigants are incorporated in our ratings of individual programs.

EXHIBIT 4

Ninety Six Percent of Properties are Stabilized



Source: Moody's Q2 2012 Multifamily Survey

Federal Subsidies Cover One Third of Projects

One-third of the mortgage loans outstanding benefit from rental subsidies under federal and state affordable housing programs (Exhibit 5). These include Section 8 (28.90%) and Section 236 (4.56%) subsidy contracts from the US Department of Housing and Urban Development (HUD). Rental subsidies include programs in which all or a portion of the monthly rental payments is paid directly by the US government, reducing the risk of non-payment by the renter and increasing the popularity of these programs. The 5% cut to rental subsidies mandated by federal sequestration is not likely to impair the ability of the properties to maintain normal operations². Similarly, the seven employee furlough days³ to be implemented by HUD in connection with sequestration is not likely to have a big credit impact. However, it could delay renewals which would be more of an issue for properties with non-conterminous contracts (13.79%).

EXHIBIT 5

One Third of Loans benefit from Federal Subsidies

	% of Projects	Amount (in 000's)
Section 8- Coterminous	15.11%	1,112,393
Section 8- Non-Coterminous	13.79%	2,533,775
Section 236	4.56%	733,352
Total	33.47%	4,379,520

Source: Moody's Q2 2012 Multifamily Survey

² OMB Report to the Congress on the Joint Committee Sequestration for Fiscal Year 2013, March 1, 2013

³ Reuters <http://www.reuters.com/article/2013/03/11/us-usa-fiscal-housing-idUSBRE92A0XU20130311>

Thirty Percent of Projects have Credit Enhancement

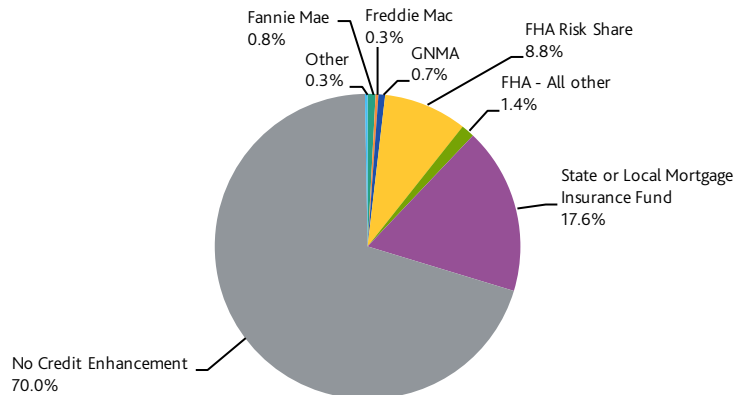
Thirty percent of the multifamily mortgage loans benefit from some form of credit enhancement that reduces the delinquency and default risks (Exhibit 6). FHA Risk Sharing is the most common form of credit enhancement, covering 8.8% of the loans, insurance under other FHA programs covers an additional 1.4%. In combination with debt service reserves structured into the bond programs, FHA insurance provides coverage for repayment of 100% of outstanding principal upon a mortgage default, in addition to accrued interest.

State or local government mortgage insurance funds insures almost 18% of mortgage loans. This category is skewed towards three large Issuers and consists primarily of mortgage insurance issued by the SONYMA Mortgage Insurance Fund (Aa1 Stable) which covers mortgage loans financed by the New York State Housing Finance Agency and the New York City Housing Development Corporation (NYHDC). NYHDC also provides enhancement for some mortgage loans through REMIC, a separate insurance fund affiliated with NYHDC. The Maryland Housing Fund (unrated) insures certain multifamily and group homes under Maryland Community Development Administration's Housing Revenue Bond Indenture.

Securitization of the loans by Ginnie Mae, Fannie Mae or Freddie Mac accounts for 1.8% of the loans. These mortgage backed securities provide for timely payment of principal and interest due on each mortgage loan.

EXHIBIT 6

30% of Multifamily Loans Benefit from Credit Enhancement



Source: Moody's Q2 2012 Multifamily Survey

Low Income Housing Tax Credit Remain a Popular Tool for Developing Affordable Housing

Thirty-eight percent of the loans finance projects that benefit from the Federal Low Income Housing Tax Credit (LIHTC) program. Under a LIHTC program, HFAs allocate tax credits to developers who in turn sell them to investors that receive a tax credit against their federal income tax for ten years. The sale proceeds are part of the equity that the developers use to finance the project, reducing borrowing costs. The savings are shared with renters in the form of lower rents. LIHTC strengthens a project's credit profile by lowering its loan-to-value ratio, reducing its monthly debt service costs, and providing additional project oversight and potential support by equity holders.

A Note on Methodology and Data Presented

This report discusses the results from 2012 surveys of Moody's rated multifamily bond programs. Data was reported by the respective HFAs and focused on various characteristics of the mortgage loans and underlying rental projects financed by bonds, including loan type, project status, credit enhancement, rental subsidies, low income housing tax credit equity and levels of loan delinquency and loss. We limited the survey to parity multifamily indentures sponsored by state and local HFAs. We did not include pure pass-through financings where the HFA issued bonds on behalf of a developer on a limited obligation basis, retains no further obligation and does not retain a material share of program profitability or residual value.

There are three new additions to the 2012 report. These include Minnesota Housing Finance Agency Multifamily Housing Bonds (Treasury HFA Initiative), New Hampshire Housing Finance Authority Multifamily Housing 1999 - 2006T and New Hampshire Housing Finance Authority Multifamily Housing 2009 Indenture (NIBP). We removed the South Dakota Multi Family Bond Program because it repaid all of its debt. Virginia Housing Finance Agency has presented consolidated June 30, 2012 data under Rental Housing Bonds to reflect the transfer of all General Purpose Bonds mortgages on 1/1/2013.

Information about the individual bond programs included in the survey is provided in Appendix A.

The programs are sponsored by the following 21 agencies:

Alaska Housing Finance Corporation	Montana Board Of Housing
California Housing Finance Agency	New Hampshire Housing Finance Authority
Colorado Housing & Finance Authority	New York City Housing Development Corporation
Connecticut Housing Finance Authority	New York State Housing Finance Agency
Housing Opportunities Commission of Montgomery County, Maryland	Oregon State Housing & Community Services Department
Illinois Housing Development Authority	Pennsylvania Housing Finance Agency
Iowa Finance Authority	Rhode Island Housing & Mortgage Finance Corporation
Maine State Housing Corporation	Vermont Housing Finance Agency
Maryland Community Development Administration	Virginia Housing Development Authority
Massachusetts Housing Finance Agency	Wisconsin Housing & Economic Development Authority
Minnesota Housing Finance Agency	

- » We have included the following key rating factors to provide guidance on how we generally assess each rating. Definitions are as follows.
- » Issuer Rating: rating derived from general obligation of the HFA
- » Portfolio Characteristics: insurance and construction status
- » Indenture Financial Performance: asset-to-debt ratio and program profitability
- » Loan Performance: current status and debt service coverage

Appendix A

Multi Family Program Overview

Issuer	Program	Rating / Outlook	Key Rating Factors	Bonds					Loan Summary		Loan Type		
				Principal Outstanding (\$000s)	% Variable Rate	% VRDO	% Swapped	% Other Variable	Principal Outstanding (\$000s)	Number Of Loans	First Lien	Second Lien	Other Or In Construction
Alaska Housing Finance Corporation	Multi-Family Housing Development Bonds	Aa2 Stable	Issuer Rating	225,825	0%	0%	0%	0%	29,473	15	100.00%	0.00%	0.00%
California Housing Finance Agency	Multi-Family Housing Revenue III	A3 Negative	Issuer Rating	803,095	73%	59%	98%	14%	870,076	295	87.46%	9.15%	3.39%
	Housing Program Bonds	A3 Negative	Issuer Rating	32,650	100%	0%	0%	0%	35,449	53	67.92%	5.66%	26.42%
	Multifamily Housing Revenue Bonds II	Aa3 Negative	Issuer Rating/ Portfolio Characteristics / Indenture Financial Performance	32,145	0%	0%	0%	0%	31,931	10	100.00%	0.00%	0.00%
	California HFA Total			867,890					937,456	358			
Colorado Housing & Finance Authority	Multi-Family Project Bonds	Aaa(sf) / Aa2(sf) / A1(sf) Stable	Issuer Rating/ Portfolio Characteristics / Indenture Financial Performance/ Loan Performance	773,410	92%	92%	84%	0%	690,269	469	83.80%	0.00%	16.20%
	Multi-Family Hsg. Insured Mtge. Rev. Bds.	Aa2 (sf) Stable	Issuer Rating/ Portfolio Characteristics / Indenture Financial Performance	95,535	26%	26%	100%	0%	49,159	23	100.00%	0.00%	0.00%
	Colorado HFA Total			868,945					739,428	492			
Connecticut Housing Finance Authority	Mortgage Finance Program	Aaa Stable	Portfolio Characteristics / Indenture Financial Performance/ Loan Performance	630,540	15%	15%	51%	0%	586,121	179	100.00%	0.00%	0.00%
Housing Opportunities Commission of Montgomery County, Maryland	Multifamily Housing Development Bonds	Aaa Negative	Portfolio Characteristics / Indenture Financial Performance	313,580	23%	0%	91%	0%	305,959	34	100.00%	0.00%	0.00%
	Multifamily NIBP Indenture	Aaa Negative	Portfolio Characteristics / Indenture Financial Performance	51,350	0%	0%	0%	0%	51,350	2	100.00%	0.00%	0.00%
	Montgomery County HOC Total			364,930					357,309	36			

* New York City Housing Development Corporation has presented data as of 07/31/2012.

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Multi Family Program Overview

Issuer	Program	Rating / Outlook	Key Rating Factors	Bonds					Loan Summary		Loan Type		
				Principal Outstanding (\$000s)	% Variable Rate	% VRDO	% Swapped	% Other Variable	Principal Outstanding (\$000s)	Number Of Loans	First Lien	Second Lien	Other Or In Construction
Illinois Housing Development Agency	Housing Bond Program	Aa3 Stable	Indenture Financial Performance	375,605	15%	15%	0%	0%	415,413	122	94.26%	5.74%	0.00%
	Multi-Family Initiative Bonds	Aaa Negative	Portfolio Characteristics / Indenture Financial Performance/ Loan Performance	174,660	0%	0%	0%	0%	172,481	20	100.00%	0.00%	0.00%
	Affordable Hsg. Prog. Trust Fund Bonds	A2 Stable	Limited Issuer Pledge / State Contributions / Portfolio Characteristics / Loan Performance	57,290	0%	0%	0%	0%	35,610	13	100.00%	0.00%	0.00%
	Illinois HDA Total			607,555					623,504	155			
Iowa Finance Authority	Multifamily Housing Bonds	Aa3 Stable	Issuer Rating	52,895	69%	47%	41%	22%	42,131	7	100.00%	0.00%	0.00%
Maine State Housing Corporation	Mortgage Purchase Program Bonds	Aa1 Stable	Portfolio Characteristics / Indenture Financial Performance/ Loan Performance	376,752	37%	33%	82%	4%	347,861	615	100.00%	0.00%	0.00%
Maryland Department of Housing & Community Development	Housing Revenue Bonds	Aa2 Stable	Portfolio Characteristics / Indenture Financial Performance	378,590	0%	0%	0%	0%	380,368	58	100.00%	0.00%	0.00%
	Multi-Family Mortgage Revenue Bonds	Aaa Negative	Portfolio Characteristics / Indenture Financial Performance	155,060	0%	0%	0%	0%	125,458	22	100.00%	0.00%	0.00%
	Maryland DHCD Total			533,650					505,826	80			
Massachusetts Housing Finance Agency	Housing Bonds	Aa3 Stable	Portfolio Characteristics / Indenture Financial Performance/ Loan Performance	1,486,218	8%	2%	95%	6%	1,592,729	568	91.02%	8.98%	0.00%
	Multi-Family Housing Bonds, 2009 NIBP	Aaa Negative	Portfolio Characteristics / Indenture Financial Performance	317,750	2%	0%	0%	2%	271,119	19	100.00%	0.00%	0.00%
	Massachusetts HFA Construction Loan Notes	A2 Positive	Issuer Rating	149,240	18%	0%	0%	18%	66,755	20	0.00%	0.00%	100.00%
	Massachusetts HFA Total			1,953,208					1,930,603	607			

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Multi Family Program Overview

Issuer	Program	Rating / Outlook	Key Rating Factors	Bonds					Loan Summary		Loan Type		
				Principal Outstanding (\$000s)	% Variable Rate	% VRDO	% Swapped	% Other Variable	Principal Outstanding (\$000s)	Number Of Loans	First Lien	Second Lien	Other Or In Construction
Minnesota Housing Finance Agency	Rental Housing Bonds	Aa1 Stable	Issuer Rating	105,870	0%	0%	0%	0%	175,684	165	88.48%	4.24%	7.27%
	Multifamily Housing Bonds (Treasury HFA Initiative)	Aaa Negative	Issuer Rating	15,000	0%	0%	0%	0%	15,000	1	100.00%	0.00%	0.00%
	Minnesota HFA Total			120,870					190,684	166			
Montana Board Of Housing	Multifamily Mortgage Bonds	Aa2 Stable	Portfolio Characteristics / Indenture Financial Performance	8,285	0%	0%	0%	0%	10,426	20	100.00%	0.00%	0.00%
New Hampshire Housing Finance Authority	Multi-Family Housing Bonds (2000-2008 Indenture)	Aa2 Negative	Portfolio Characteristics / Indenture Financial Performance	73,650	0%	0%	0%	0%	71,639	21	100.00%	0.00%	0.00%
	Multifamily Housing 1999 - 2006T	Aaa Negative	Portfolio Characteristics / Indenture Financial Performance	41,655	0%	0%	0%	0%	40,408	16	100.00%	0.00%	0.00%
	Multifamily Housing 2009 Indenture (NIBP)	Aa2 Negative	Portfolio Characteristics / Indenture Financial Performance	18,300	0%	0%	0%	0%	16,715	3	100.00%	0.00%	0.00%
	NH HFA Total			133,605					128,762	40			
New York City Housing Development Corporation*	Multifamily Housing Revenue Bonds	Aa2 Stable	Portfolio Characteristics / Indenture Financial Performance / Loan Performance	4,012,015	15%	0%	0%	15%	3,981,161	936	61.54%	38.46%	0.00%
	Multifamily Secured Mortgage Revenue Bonds	Aa1 Stable	Portfolio Characteristics / Indenture Financial Performance	66,655	0%	0%	0%	0%	101,659	14	100.00%	0.00%	0.00%
	NYCHDC Total			4,078,670					4,082,820	950			
New York State Housing Finance Agency	Affordable Housing Revenue Bonds- Open Resolution (NIBP)	Aa1 Stable	Portfolio Characteristics / Indenture Financial Performance	399,140	0%	0%	0%	0%	396,518	29	100.00%	0.00%	0.00%
	Affordable Housing Revenue Bonds	Aa2 Stable	Portfolio Characteristics / Indenture Financial Performance	385,330	0%	0%	0%	0%	389,082	55	100.00%	0.00%	0.00%
	New York HFA Total			784,470					785,600	84			

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Multi Family Program Overview

Issuer	Program	Rating / Outlook	Key Rating Factors	Bonds					Loan Summary		Loan Type		
				Principal Outstanding (\$000s)	% Variable Rate	% VRDO	% Swapped	% Other Variable	Principal Outstanding (\$000s)	Number Of Loans	First Lien	Second Lien	Other Or In Construction
Oregon State Housing & Community Services Department	Multifamily Housing Rev. Bd. Prog	Aaa Negative	Portfolio Characteristics / Indenture Financial Performance	159,235	9%	9%	100%	0%	155,066	38	100.00%	0.00%	0.00%
	Multiple Purpose Bonds Series 2005A	A1 Stable	Issuer Rating	3,605	0%	0%	0%	0%	2,817	20	100.00%	0.00%	0.00%
	Oregon State HCSD Total			162,840					157,883	58			
Pennsylvania Housing Finance Agency	Rental Housing Bonds	Aa2 Stable	Issuer Rating	74,695	100%	100%	112%	0%	96,488	77	100.00%	0.00%	0.00%
	Multi-Family Development Bonds	Aa2 Stable	Issuer Rating	27,965	85%	0%	100%	85%	42,591	54	100.00%	0.00%	0.00%
	Residential Development Bonds	Aa2 Stable	Issuer Rating	12,565	0%	0%	0%	0%	13,432	21	100.00%	0.00%	0.00%
	Pennsylvania HFA Total			115,225					152,511	152			
Rhode Island Housing & Mortgage Finance Commission	Multi-Family Funding Program	Aaa Negative	Portfolio Characteristics / Indenture Financial Performance	91,125	0%	0%	0%	0%	91,178	12	100.00%	0.00%	0.00%
	Multi-Family Development Bonds	Aa2 Stable	Portfolio Characteristics / Indenture Financial Performance	15,890	0%	0%	0%	0%	15,871	6	83.33%	16.67%	0.00%
	Multi-Family Housing Bonds	Aa2 Stable	Portfolio Characteristics / Indenture Financial Performance	4,380	0%	0%	0%	0%	3,868	2	100.00%	0.00%	0.00%
	Rhode Island HMFC Total			111,395					110,917	20			
Vermont Housing Finance Agency	Multi Purpose - Program 15 & Multifamily Mortgage - Program 21	Aa3 Stable	Portfolio Characteristics / Indenture Financial Performance / Loan Performance	68,412	0%	0%	0%	0%	71,381	132	62.88%	0.00%	37.12%
	Initiative Multifamily Bonds Series 2009 B	Aaa Negative	Portfolio Characteristics / Indenture Financial Performance / Loan Performance	30,054	0%	0%	0%	0%	29,257	10	100.00%	0.00%	0.00%
	Vermont HFA Total			98,466					100,638	142			

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Multi Family Program Overview

Issuer	Program	Rating / Outlook	Key Rating Factors	Bonds					Loan Summary		Loan Type		
				Principal Outstanding (\$000s)	% Variable Rate	% VRDO	% Swapped	% Other Variable	Principal Outstanding (\$000s)	Number Of Loans	First Lien	Second Lien	Other Or In Construction
Virginia Housing Development Authority	Rental Housing Bonds**	Aa1 Stable	Issuer Rating	2,476,095	0%	0%	0%	0%	3,214,038	1,229	98.37%	1.46%	0.16%
Wisconsin Housing & Economic Development Authority	Housing Revenue Bonds	Aa3 Stable	Issuer Rating	448,610	43%	0%	81%	0%	454,591	279	100.00%	0.00%	0.00%
Combined Total				15,020,721					15,488,583	5,684			

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Multi Family Program Overview

Issuer	Program	Projects							Insurance Or Guaranty							
		Number Of Projects	Number Of Units	Stabilized	Construction	In Lease Up	Other	FHA Risk Share	Other FHA	Ginnie Mae	Fannie Mae	Freddie Mac	State/Local Insurance Fund	Other Guaranty	None	
Alaska Housing Finance Corporation	Multi-Family Housing Development Bonds	15	1,289	100%		0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
California Housing Finance Agency	Multi-Family Housing Revenue III	235	28,123	100%		0%	0%	0%	21.36%	1.36%	0.00%	4.75%	0.00%	0.00%	0.00%	72.54%
	Housing Program Bonds	50	2,656	100%		0%	0%	0%	1.89%	0.00%	0.00%	3.77%	0.00%	0.00%	0.00%	94.34%
	Multifamily Housing Revenue Bonds II	10	1,572	100%		0%	0%	0%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	California HFA Total	295	32,351													
Colorado Housing & Finance Authority	Multi-Family Project Bonds	424	11,807	100%		0%	0%	0%	12.15%	1.92%	0.00%	0.00%	0.00%	0.00%	4.26%	81.66%
	Multi-Family Hsg. Insured Mtge. Rev. Bds.	18	1,423	100%		0%	0%	0%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Colorado HFA Total	442	13,230													
Connecticut Housing Finance Authority	Mortgage Finance Program	145	14,844	93%		2%	4%	0%	1.12%	11.17%	0.00%	0.00%	0.00%	0.00%	1.12%	86.59%
Housing Opportunities Commission of Montgomery County, Maryland	Multifamily Housing Development Bonds	31	4,519	100%		0%	0%	0%	88.24%	0.00%	8.82%	2.94%	0.00%	0.00%	0.00%	0.00%
	Multifamily NIBP Indenture	2	291	50%		0%	50%	0%	0.00%	0.00%	50.00%	0.00%	50.00%	0.00%	0.00%	0.00%
	Montgomery County HOC Total	33	4,810													
Illinois Housing Development Agency	Housing Bond Program	87	12,968	100%		0%	0%	0%	9.84%	0.82%	0.00%	0.00%	0.00%	0.00%	0.00%	89.34%
	Multi-Family Initiative Bonds	18	2,465	95%		5%	0%	0%	70.00%	0.00%	5.00%	20.00%	5.00%	0.00%	0.00%	0.00%
	Affordable Hsg. Prog. Trust Fund Bonds	13	1,599	100%		0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
	Illinois HDA Total	118	17,032													
Iowa Finance Authority	Multifamily Housing Bonds	7	977	100%		0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Maine State Housing Corporation	Mortgage Purchase Program Bonds	420	9,947	100%		0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Maryland Department of Housing & Community Development	Housing Revenue Bonds	54	7,973	100%		0%	0%	0%	12.07%	0.00%	50.00%	10.34%	5.17%	17.24%	0.00%	5.17%
	Multi-Family Mortgage Revenue Bonds	18	2,099	55%		27%	0%	18%	77.27%	0.00%	0.00%	0.00%	4.55%	0.00%	18.18%	0.00%
	Maryland DHCD Total	72	10,072													

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** Virginia Housing Finance Agency has presented consolidated June 30, 2012 data under Rental Housing Bonds to reflect the transfer of all General Purpose Bonds mortgages on 1/1/2013.

Multi Family Program Overview

Issuer	Program	Projects						Insurance Or Guaranty								
		Number Of Projects	Number Of Units	Stabilized	In Construction	Lease Up	Other	FHA Risk Share	Other FHA	Ginnie Mae	Fannie Mae	Freddie Mac	State/Local Insurance Fund	Other Guaranty	None	
Massachusetts Housing Finance Agency	Housing Bonds	374	43,731	100%	0%	0%	0%	20.25%	2.29%	0.00%	0.00%	0.00%	0.00%	0.00%	77.46%	
	Multi-Family Housing Bonds, 2009 NIBP	19	2,915	58%	42%	0%	0%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Massachusetts HFA Construction Loan Notes	20	3,150	0%	100%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	
	Massachusetts HFA Total	413	49,796													
Minnesota Housing Finance Agency	Rental Housing Bonds	146	9,149	99%	0%	0%	1%	8.48%	3.64%	0.00%	0.00%	0.00%	0.00%	0.00%	87.88%	
	Multifamily Housing Bonds (Treasury HFA Initiative)	1	306	0%	0%	0%	100%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Minnesota HFA Total	147	9,455													
Montana Board Of Housing	Multifamily Mortgage Bonds	19	541	100%	0%	0%	0%	45.00%	10.00%	0.00%	0.00%	0.00%	0.00%	0.00%	45.00%	
New Hampshire Housing Finance Authority	Multi-Family Housing Bonds (2000-2008 Indenture)	21	1,290	100%	0%	0%	0%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Multifamily Housing 1999 - 2006T	16	975	100%	0%	0%	0%	81.25%	0.00%	0.00%	0.00%	0.00%	0.00%	18.75%	0.00%	
	Multifamily Housing 2009 Indenture (NIBP)	3	303	100%	0%	0%	0%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	NH HFA Total	40	2,568													
New York City Housing Development Corporation*	Multifamily Housing Revenue Bonds	756	107,384	91%	3%	2%	3%	0.00%	1.71%	0.53%	1.28%	0.75%	95.73%***	0.00%	0.00%	
	Multifamily Secured Mortgage Revenue Bonds	14	1,353	100%	0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	
	NYCHDC Total	770	108,737													
New York State Housing Finance Agency	Affordable Housing Revenue Bonds- Open Resolution (NIBP)	29	4,077	3%	28%	7%	62%	0.00%	0.00%	0.00%	3.45%	13.79%	82.76%	0.00%	0.00%	
	Affordable Housing Revenue Bonds	55	7,138	76%	11%	2%	11%	0.00%	0.00%	0.00%	0.00%	0.00%	87.27%	12.73%	0.00%	
	New York HFA Total	84	11,215													
Oregon State Housing & Community Services Department	Multifamily Housing Rev. Bd. Prog	42	3,861	100%	0%	0%	0%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	Multiple Purpose Bonds Series 2005A	19	562	100%	0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	
	Oregon State HCSD Total	61	4,423													

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*** New York City Housing Development Corporation Multifamily Housing Revenue Bonds state/local insurance fund numbers includes loans secured by LOCs.

Multi Family Program Overview

Issuer	Program	Projects						Insurance Or Guaranty							
		Number Of Projects	Number Of Units	Stabilized	In Construction	Lease Up	Other	FHA Risk Share	Other FHA	Ginnie Mae	Fannie Mae	Freddie Mac	State/Local Insurance Fund	Other Guaranty	None
Pennsylvania Housing Finance Agency	Rental Housing Bonds	77	7,285	100%	0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
	Multi-Family Development Bonds	54	3,576	100%	0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
	Residential Development Bonds	21	1,515	100%	0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
	Pennsylvania HFA Total	152	12,376												
Rhode Island Housing & Mortgage Finance Commission	Multi-Family Funding Program	12	1,288	100%	0%	0%	0%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Multi-Family Development Bonds	5	287	100%	0%	0%	0%	66.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	33.33%
	Multi-Family Housing Bonds	2	204	100%	0%	0%	0%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Rhode Island HMFC Total	19	1,779												
Vermont Housing Finance Agency	Multi Purpose - Program 15 & Multifamily Mortgage - Program 21	92	3,825	100%	0%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
	Initiative Multifamily Bonds Series 2009 B	10	791	50%	0%	0%	50%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Vermont HFA Total	102	4,616												
Virginia Housing Development Authority	Rental Housing Bonds**	971	98,705	98%	2%	0%	0%	0.00%	0.90%	0.08%	0.00%	0.00%	0.00%	0.00%	99.02%
Wisconsin Housing & Economic Development Authority	Housing Revenue Bonds	215	14,353	98%	2%	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Combined Total		4,540	423,116												

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Multi Family Program Overview

Issuer	program	Subsidy contracts			Equity	Loan delinquency			
		Section 8 - coterminous	Section 8 - non-coterminous	Section 236	Low income housing tax credit	90+ days delinquent	REO	In workout	Loss
Alaska Housing Finance Corporation	Multi-Family Housing Development Bonds	0.00%	0.00%	0.00%	6.67%	0.00%	0.00%	0.00%	-
California Housing Finance Agency	Multi-Family Housing Revenue III	0.00%	8.81%	1.69%	73.22%	0.00%	0.00%	0.00%	-
	Housing Program Bonds	0.00%	3.77%	0.00%	41.51%	0.00%	0.00%	0.00%	-
	Multifamily Housing Revenue Bonds II	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	-
	California HFA Total								-
Colorado Housing & Finance Authority	Multi-Family Project Bonds	85.71%	14.29%	0.00%	0.00%	0.48%	0.52%	0.00%	(765)
	Multi-Family Hsg. Insured Mtge. Rev. Bds.	34.78%	0.00%	0.00%	65.22%	0.00%	0.00%	5.56%	-
	Colorado HFA Total								(765)
Connecticut Housing Finance Authority	Mortgage Finance Program	44.13%	0.00%	6.15%	100.00%	0.58%	0.14%	0.00%	-
Housing Opportunities Commission of Montgomery County, Maryland	Multifamily Housing Development Bonds	0.00%	35.29%	8.82%	50.00%	0.00%	0.00%	0.00%	-
	Multifamily NIBP Indenture	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	-
	Montgomery County HOC Total								-
Illinois Housing Development Agency	Housing Bond Program	27.05%	36.07%	20.49%	33.61%	0.50%	0.00%	0.00%	-
	Multi-Family Initiative Bonds	0.00%	40.00%	0.00%	100.00%	0.00%	0.00%	0.00%	-
	Affordable Hsg. Prog. Trust Fund Bonds	0.00%	7.69%	0.00%	100.00%	0.00%	0.00%	0.00%	-
	Illinois HDA Total								-
Iowa Finance Authority	Multifamily Housing Bonds	0.00%	28.57%	0.00%	71.43%	0.00%	0.00%	0.00%	-
Maine State Housing Corporation	Mortgage Purchase Program Bonds	0.00%	28.13%	0.00%	33.01%	1.20%	0.00%	0.00%	-
Maryland Department of Housing & Community Development	Housing Revenue Bonds	22.41%	13.79%	6.90%	100.00%	0.00%	0.00%	0.00%	-
	Multi-Family Mortgage Revenue Bonds	0.00%	18.18%	0.00%	81.82%	0.00%	0.00%	0.00%	-
	Maryland DHCD Total								-
Massachusetts Housing Finance Agency	Housing Bonds	0.00%	24.82%	13.20%	0.00%	0.00%	0.00%	0.00%	-
	Multi-Family Housing Bonds, 2009 NIBP	0.00%	94.74%	5.26%	100.00%	0.00%	0.00%	0.00%	-
	Massachusetts HFA Construction Loan Notes	0.00%	0.00%	0.00%	85.00%	0.00%	0.00%	0.00%	-
	Massachusetts HFA Total								-
Minnesota Housing Finance Agency	Rental Housing Bonds	4.24%	56.36%	13.94%	18.79%	0.00%	0.00%	0.00%	-
	Multifamily Housing Bonds (Treasury HFA Initiative)	0.00%	100.00%	0.00%	100.00%	0.00%	0.00%	0.00%	-
	Minnesota HFA Total								-
Montana Board Of Housing	Multifamily Mortgage Bonds	0.00%	30.00%	0.00%	55.00%	0.00%	0.00%	0.00%	-
New Hampshire Housing Finance Authority	Multi-Family Housing Bonds (2000-2008 Indenture)	0.00%	19.05%	0.00%	52.38%	0.00%	0.00%	0.00%	-
	Multifamily Housing 1999 - 2006T	0.00%	68.75%	0.00%	50.00%	0.00%	0.00%	0.00%	-
	Multifamily Housing 2009 Indenture (NIBP)	0.00%	0.00%	0.00%	33.33%	0.00%	0.00%	0.00%	-
	NH HFA Total								-
New York City Housing Development Corporation*	Multifamily Housing Revenue Bonds	0.00%	1.07%	3.31%	26.07%	0.00%	0.00%	0.43%	-
	Multifamily Secured Mortgage Revenue Bonds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-
	NYCHDC Total								-

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Multi Family Program Overview

Issuer	program	Subsidy contracts			Equity	Loan delinquency			
		Section 8 - coterminous	Section 8 - non-coterminous	Section 236	Low income housing tax credit	90+ days delinquent	REO	In workout	Loss
New York State Housing Finance Agency	Affordable Housing Revenue Bonds- Open Resolution (NIBP)	0.00%	41.38%	24.14%	100.00%	0.00%	0.00%	0.00%	-
	Affordable Housing Revenue Bonds	0.00%	29.09%	21.82%	96.36%	0.00%	0.00%	0.00%	-
	New York HFA Total								
Oregon State Housing & Community Services Department	Multifamily Housing Rev. Bd. Prog	0.00%	0.00%	0.00%	84.21%	0.00%	0.00%	0.00%	-
	Multiple Purpose Bonds Series 2005A	0.00%	80.00%	0.00%	5.00%	0.00%	0.00%	0.00%	-
	Oregon State HCSD Total								-
Pennsylvania Housing Finance Agency	Rental Housing Bonds	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-
	Multi-Family Development Bonds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-
	Residential Development Bonds	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-
	Pennsylvania HFA Total								-
Rhode Island Housing & Mortgage Finance Commission	Multi-Family Funding Program	0.00%	100.00%	0.00%	100.00%	0.00%	0.00%	0.00%	-
	Multi-Family Development Bonds	0.00%	33.33%	0.00%	83.33%	0.00%	0.00%	0.00%	-
	Multi-Family Housing Bonds	0.00%	100.00%	0.00%	100.00%	0.00%	0.00%	0.00%	-
	Rhode Island HMFC Total								-
Vermont Housing Finance Agency	Multi Purpose - Program 15 & Multifamily Mortgage - Program 21	25.00%	31.82%	8.33%	53.03%	0.00%	0.00%	0.00%	-
	Initiative Multifamily Bonds Series 2009 B	0.00%	90.00%	0.00%	80.00%	0.00%	0.00%	0.00%	-
	Vermont HFA Total								-
Virginia Housing Development Authority	Rental Housing Bonds**	13.18%	0.00%	3.34%	53.54%	0.16%	1.79%	1.00%	-
Wisconsin Housing & Economic Development Authority	Housing Revenue Bonds	9.32%	13.98%	3.94%	37.63%	0.00%	0.36%	0.00%	(2,230)
Combined Total									(2,995)

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Industry Outlook:

- » [Outlook for US State Housing Finance Agencies for 2013 Remains Negative, March 2013 \(151219\)](#)

Special Comments:

- » [The Sequester Series: Low to Moderate Impact on Public Finance Housing, April 2013 \(152073\)](#)
- » [State HFA Multifamily Mortgage Loans Continue Strong Performance in 2012- Excel Data \(152147\)](#)

Rating Methodology:

- » [Moody's Approach to Analyzing Pools of Multifamily Properties, October 2001 \(70700\)](#)

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