

PRELIMINARY SUPPLEMENT DATED _____, 2015

SUPPLEMENT DATED [DECEMBER __, 2015]

to

OFFICIAL STATEMENT DATED [DECEMBER __, 2015]

Relating to

\$[_____]

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

Multi-Family Housing Revenue Bonds,

\$[_____] 2015 Series H-1 (Sustainable Neighborhood Bonds)

This Supplement (the "Supplement") sets forth certain information supplementary to that contained in the Official Statement, dated [December __, 2015] (the "Official Statement"), relating to the Multi-Family Housing Revenue Bonds, 2015 Series H-1 (the "2015 Series H-1 Bonds") issued by the New York City Housing Development Corporation (the "Corporation").

The information contained in this Supplement should be read together with the Official Statement, a copy of which may be found at www.nychdc.com. *This Supplement in general describes the 2015 Series H-1 Bonds only (i) upon and after the Conversion (defined below), (ii) while the Credit Enhancement Agreement (defined below) is in effect, (iii) while the 2015 Series H-1 Bonds bear interest at the Index Floating Rate and (iv) if the owners of the 2015 Series H-1 Bonds have not elected to tender the 2015 Series H-1 Bonds upon receipt of the Tender Option Notice.* Unless otherwise defined in this Supplement, all terms used herein shall have the same meanings as set forth in the Official Statement.

The Federal Home Loan Mortgage Corporation ("Freddie Mac") has agreed that upon completion of the 2015 Series H Development and the satisfaction of certain other conditions, it will issue a direct pay Credit Enhancement Agreement (the "Credit Enhancement Agreement") with respect to the 2015 Series H-1 Bonds to The Bank of New York Mellon, as trustee for the 2015 Series H-1 Bonds (the "Trustee"). The delivery of the Credit Enhancement Agreement and the satisfaction of certain other conditions set forth in the 2015 Series H Supplemental Resolution shall constitute the "Conversion" of the 2015 Series H Mortgage Loan.

The Resolutions provide that, if the Conversion occurs, the 2015 Series H Mortgage Loan will thereupon be released from the lien of the General Resolution and the 2015 Series H-1 Bonds will thereupon become a Series of Bonds that is separately secured from all other Bonds issued and to be issued under the General Resolution such that, after the date of the Conversion, no Revenues or assets pledged under the General Resolution will be available for the payment of the principal or Redemption Price of or interest on the 2015 Series H-1 Bonds and no revenues or assets pledged under the 2015 Series H Supplemental Resolution shall under any circumstances (including, but not limited to, the occurrence of an Event of Default under the General Resolution) be available for the payment of the principal or Redemption Price of or Sinking Fund Payments or interest on any Bonds (other than the 2015 Series H-1 Bonds) issued or to be issued under the General Resolution.

If the Conversion occurs, payments of the principal of and interest on the 2015 Series H-1 Bonds and the Purchase Price of the 2015 Series H-1 Bonds will thereupon be secured by a direct pay obligation under the Credit Enhancement Agreement.

If delivered, the Credit Enhancement Agreement will terminate on [_____], unless earlier terminated as described herein. If the Conversion occurs, Freddie Mac's obligations to make advances to the Trustee upon the proper presentation of documents which conform to the terms and conditions of the Credit Enhancement Agreement will be irrevocable.

From and after the Conversion, the 2015 Series H-1 Bonds will be subject to optional and mandatory redemption and optional and mandatory tender for purchase under the circumstances described in this Supplement.

The 2015 Series H-1 Bonds are special obligations of the Corporation, a corporate governmental agency constituting a public benefit corporation organized and existing under the laws of the State of New York. The 2015 Series H-1 Bonds are not a debt of the State of New York or of The City of New York and neither the State nor the City shall be liable thereon, nor shall the 2015 Series H-1 Bonds be payable out of any funds of the Corporation other than those of the Corporation pledged therefor. The Corporation has no taxing power.

IF THE CONVERSION OCCURS, FREDDIE MAC'S OBLIGATIONS WITH RESPECT TO THE 2015 SERIES H-1 BONDS WILL BE SOLELY AS PROVIDED IN THE CREDIT ENHANCEMENT AGREEMENT. THE OBLIGATIONS OF FREDDIE MAC UNDER THE CREDIT ENHANCEMENT AGREEMENT WILL BE OBLIGATIONS SOLELY OF FREDDIE MAC, A SHAREHOLDER-OWNED GOVERNMENT SPONSORED ENTERPRISE ORGANIZED UNDER THE LAWS OF THE UNITED STATES OF AMERICA. FREDDIE MAC WILL HAVE NO OBLIGATION TO PURCHASE, DIRECTLY OR INDIRECTLY, ANY OF THE 2015 SERIES H-1 BONDS, BUT WILL BE OBLIGATED, PURSUANT TO THE CREDIT ENHANCEMENT AGREEMENT, TO PROVIDE FUNDS TO THE TRUSTEE TO PAY THE PURCHASE PRICE OF THE 2015 SERIES H-1 BONDS UNDER THE CIRCUMSTANCES DESCRIBED HEREIN. THE 2015 SERIES H-1 BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR ANY OTHER AGENCY OR INSTRUMENTALITY OF THE UNITED STATES OF AMERICA OR OF FREDDIE MAC. THE 2015 SERIES H-1 BONDS ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA.

This Supplement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2015 Series H-1 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the New York City Housing Development Corporation or any of the Underwriters for the 2015 Series H-1 Bonds named on the inside cover pages of the Official Statement (collectively, the "Underwriters") to give any information or to make any representations other than as contained in the Official Statement and this Supplement. If given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The information set forth herein has been obtained from the New York City Housing Development Corporation, Freddie Mac and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriters or by any of such sources as to information from any other source. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Supplement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the New York City Housing Development Corporation or Freddie Mac since the date hereof. The Underwriters and the New York City Housing Development Corporation disclaim responsibility to update the information contained in the Official Statement or this Supplement.

Freddie Mac has not provided or approved any information in this Supplement or the Official Statement except with respect to the description under the heading "FREDDIE MAC" in this Supplement, takes no responsibility for any other information contained in this Supplement or the Official Statement, and makes no representation as to the contents of this Supplement or the Official Statement. Without limiting the foregoing, Freddie Mac makes no representation as to the suitability of the 2015 Series H-1 Bonds for any investor, the feasibility or performance of the 2015 Series H Development, or compliance with any securities, tax or other laws or regulations. Freddie Mac's role with respect to the 2015 Series H-1 Bonds is limited to issuing and discharging its obligations under the Credit Enhancement Agreement and exercising the rights reserved to it in the 2015 Series H Supplemental Resolution and the Reimbursement Agreement.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS SUPPLEMENT OR THE OFFICIAL STATEMENT.

The Underwriters have provided the following sentence for inclusion in this Supplement. The Underwriters have reviewed the information in this Supplement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

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Relating to

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NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Housing Revenue Bonds,
\$[_____]] 2015 Series H-1 (Sustainable Neighborhood Bonds)

This Supplement (the "Supplement") sets forth certain information supplementary to that contained in the Official Statement, dated [December __, 2015] (the "Official Statement"), relating to the Multi-Family Housing Revenue Bonds, 2015 Series H-1 (the "2015 Series H-1 Bonds") issued by the New York City Housing Development Corporation (the "Corporation").

This information contained in this Supplement should be read together with the Official Statement, a copy of which may be found at www.nychdc.com. *This Supplement in general describes the 2015 Series H-1 Bonds only (i) upon and after the Conversion (defined below), (ii) while the Credit Enhancement Agreement (defined below) is in effect, (iii) while the 2015 Series H-1 Bonds bear interest at the Index Floating Rate and (iv) if the owners of the 2015 Series H-1 Bonds have not elected to tender the 2015 Series H-1 Bonds upon receipt of the Tender Option Notice.* Unless otherwise defined in this Supplement, all terms used herein shall have the same meanings as set forth in the Official Statement.

INTRODUCTION

The proceeds of the 2015 Series H-1 Bonds are expected to be used by the Corporation to finance one (1) Mortgage Loan (the "2015 Series H Mortgage Loan") for the construction of one (1) Development (the "2015 Series H Development"). See "PLAN OF FINANCING—2015 Series H Mortgage Loan" in the Official Statement.

The Federal Home Loan Mortgage Corporation ("Freddie Mac") has agreed that upon completion of the 2015 Series H Development and the satisfaction of certain other conditions, it will issue a direct pay Credit Enhancement Agreement (the "Credit Enhancement Agreement") with respect to the 2015 Series H-1 Bonds to The Bank of New York Mellon, as trustee for the 2015 Series H-1 Bonds (the "Trustee"). The delivery of the Credit Enhancement Agreement and the satisfaction of certain other conditions set forth in the 2015 Series H Supplemental Resolution shall constitute the "Conversion" of the 2015 Series H Mortgage Loan.

[Conditions to the Conversion.]

The Resolutions provide that, if the Conversion occurs, the 2015 Series H Mortgage Loan will thereupon be released from the lien of the General Resolution and the 2015 Series H-1 Bonds will thereupon become a Series of Bonds that is separately secured from all other Bonds issued and to be issued under the General Resolution such that, after the date of the Conversion, no Revenues or assets pledged under the General Resolution will be available for the payment of the principal or Redemption Price of or interest on the 2015 Series H-1 Bonds and no revenues or assets pledged under the 2015 Series H Supplemental Resolution shall under any circumstances (including, but not limited to, the occurrence of

an Event of Default under the General Resolution) be available for the payment of the principal or Redemption Price of or Sinking Fund Payments or interest on any Bonds (other than the 2015 Series H-1 Bonds) issued or to be issued under the General Resolution.

If the Conversion occurs, payments of the principal of and interest on the 2015 Series H-1 Bonds and the Purchase Price of the 2015 Series H-1 Bonds will thereupon be secured by a direct pay obligation under the Credit Enhancement Agreement.

The 2015 Series H-1 Bonds are special obligations of the Corporation that, if the Conversion occurs, will thereafter be payable solely from payments under the 2015 Series H Mortgage Loan and other 2015 Series H Revenues pledged therefor under the 2015 Series H Supplemental Resolution, including any investment earnings thereon, all as provided in accordance with the terms of the 2015 Series H Supplemental Resolution. In addition, if the Conversion occurs, the 2015 Series H-1 Bonds will thereafter be payable from advances under the Credit Enhancement Agreement or any Alternate Security. The 2015 Series H-1 Bonds are not a debt of the State of New York or The City of New York and neither the State nor the City shall be liable thereon, nor shall the 2015 Series H-1 Bonds be payable out of any funds of the Corporation other than those of the Corporation pledged therefor. The Corporation has no taxing power.

SECURITY FOR THE 2015 SERIES H-1 BONDS

If the Conversion occurs, the Mortgage [and the Mortgage Note] will thereupon be amended and restated (as amended and restated, the "Mortgage" [and the "Mortgage Note", respectively]). Payment of the 2015 Series H-1 Bonds will thereupon be secured only by the 2015 Series H Mortgage Loan and the 2015 Series H Revenues or assets pledged under the 2015 Series H Supplemental Resolution, and not by any other mortgage loan or revenues or assets pledged under any other resolution, including, but not limited to, the General Resolution.

If the Conversion occurs, the Corporation will, pursuant to the terms of the 2015 Series H Supplemental Resolution and the Assignment and Intercreditor Agreement by and among the Corporation, the Trustee and Freddie Mac and acknowledged by the Mortgagor of the 2015 Series H Development (the "Assignment"), thereupon assign and deliver to Freddie Mac and the Trustee, as their interests may appear, subject to the reservation of certain rights by the Corporation, all of its right, title and interest in and to the 2015 Series H Mortgage Loan and the Mortgage Documents, including the Financing Agreement between the Mortgagor and the Corporation. Freddie Mac will have the right under the Assignment to direct the Trustee to assign the Mortgage Note and the Mortgage to Freddie Mac in certain events.

The Mortgagor of the 2015 Series H Development will be required under the Mortgage Note to make payments sufficient to pay principal of and interest on the 2015 Series H-1 Bonds. If the Conversion occurs, the Mortgagor will thereupon enter into a Reimbursement and Security Agreement (the "Reimbursement Agreement") with Freddie Mac pursuant to which the Mortgagor will agree to reimburse Freddie Mac for any payments made by Freddie Mac under the Credit Enhancement Agreement. Failure of the Mortgagor to make payments when due under the 2015 Series H Mortgage Loan or the Reimbursement Agreement will result in an event of default under the 2015 Series H Mortgage Loan and the Reimbursement Agreement and may, at the option of the Initial Credit Facility Provider, result in a mandatory tender or redemption of all [or a portion] of the 2015 Series H-1 Bonds. See "DESCRIPTION OF THE 2015 SERIES H-1 BONDS—Credit Facility Provider's Right to Cause a Mandatory Tender for Purchase of 2015 Series H-1 Bonds upon an Event of Termination" and "—Redemption Provisions for 2015 Series H-1 Bonds—Mandatory Redemption Following an Event of

Termination” herein. See also “SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT” herein.

Credit Enhancement Agreement

[To be updated by Ballard Spahr.]

The following description of the Credit Enhancement Agreement does not purport to be complete or to cover all sections of the Credit Enhancement Agreement. Reference is made to the Credit Enhancement Agreement, which will be on file with the Trustee upon and after the Conversion, for the complete terms thereof and the rights, duties and obligations of Freddie Mac and the Trustee thereunder.

If the Conversion occurs, the Mortgagor will thereupon cause Freddie Mac to execute and deliver a direct pay Credit Enhancement Agreement to the Trustee for the 2015 Series H-1 Bonds.

Upon presentation by the Trustee of documents required by the Credit Enhancement Agreement and subject to the terms and conditions thereof, Freddie Mac will advance funds under such Credit Enhancement Agreement to the Trustee with respect to the payment of (i) the principal amount of the Mortgage Note to enable the Trustee to pay the principal amount of the 2015 Series H-1 Bonds (other than 2015 Series H-1 Bonds that are Purchased Bonds) when due by reason of maturity, redemption or acceleration; (ii) an amount equal to interest on the 2015 Series H Mortgage Loan to enable the Trustee to pay interest for up to [] days’ interest (computed at the Maximum Rate) on the 2015 Series H-1 Bonds (other than 2015 Series H-1 Bonds that are Purchased Bonds) when due; and (iii) the Corporation’s regularly scheduled fee, if such fee is not paid by the Mortgagor of the 2015 Series H Development to the Corporation in a timely manner.

Freddie Mac will also advance funds under the Credit Enhancement Agreement to the Trustee with respect to the payment of the principal amount of the 2015 Series H-1 Bonds and up to 35 days’ interest thereon (computed at the Maximum Rate) in order to pay the Purchase Price of 2015 Series H-1 Bonds tendered to the Trustee as Tender Agent and not remarketed.

The Credit Enhancement Agreement terminates on the first to occur of (a) the date the 2015 Series H-1 Bonds shall have been paid in full, (b) [], (c) the date on which the Trustee, after having received sufficient funds to redeem all of the 2015 Series H-1 Bonds Outstanding in accordance with the terms of the 2015 Series H Supplemental Resolution, shall have released all monies or securities held by it pursuant to the 2015 Series H Supplemental Resolution and shall have paid to Freddie Mac all amounts required to be paid under the 2015 Series H Supplemental Resolution, the Loan Agreement, the Reimbursement Agreement or the Credit Enhancement Agreement, and (d) the second Business Day following the effective date of any Alternate Security.

The Credit Enhancement Agreement constitutes a “Credit Facility” and the “Initial Credit Facility” under the 2015 Series H Supplemental Resolution and Freddie Mac constitutes a “Credit Facility Provider” and the “Initial Credit Facility Provider” under the 2015 Series H Supplemental Resolution.

FREDDIE MAC’S OBLIGATIONS WITH RESPECT TO THE 2015 SERIES H-1 BONDS ARE SOLELY AS PROVIDED IN THE CREDIT ENHANCEMENT AGREEMENT. THE OBLIGATIONS OF FREDDIE MAC UNDER THE CREDIT ENHANCEMENT AGREEMENT WILL BE OBLIGATIONS SOLELY OF FREDDIE MAC, A SHAREHOLDER OWNED GOVERNMENT SPONSORED ENTERPRISE ORGANIZED UNDER THE LAWS OF THE UNITED STATES OF AMERICA, AND WILL NOT BE BACKED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA. THE 2015 SERIES H-1 BONDS ARE NOT A DEBT OF THE UNITED

STATES OF AMERICA OR ANY OTHER AGENCY OR INSTRUMENTALITY OF THE UNITED STATES OF AMERICA OR OF FREDDIE MAC. THE 2015 SERIES H-1 BONDS ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA.

[THE 2015 SERIES H DEVELOPMENT AND THE MORTGAGOR]

Information with respect to the 2015 Series H Mortgage Loan and the 2015 Series H Development is provided in the Official Statement under "PLAN OF FINANCING—2015 Series H Mortgage Loan."

[Additional information regarding the 2015 Series H Development and/or information about the Mortgagor.]

FREDDIE MAC

[To be updated by Ballard Spahr.]

The information presented under this caption "FREDDIE MAC" has been supplied by Freddie Mac. None of the Corporation, the Trustee, the Mortgagor of the 2015 Series H Development or any Underwriter has independently verified such information, and none assumes responsibility for the accuracy of such information. The information is qualified in its entirety by reference to the Incorporated Documents, as defined below.

Freddie Mac is a shareholder-owned government-sponsored enterprise created on July 24, 1970 pursuant to the Federal Home Loan Mortgage Corporation Act, Title III of the Emergency Home Finance Act of 1970, as amended, 12 U.S.C. §§ 1451-1459 (the "Freddie Mac Act"). Freddie Mac's statutory mission is (i) to provide stability in the secondary market for residential mortgages; (ii) to respond appropriately to the private capital market; (iii) to provide ongoing assistance to the secondary market for residential mortgages (including activities relating to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities); and (iv) to promote access to mortgage credit throughout the United States (including central cities, rural areas and underserved areas) by increasing the liquidity of mortgage financing. Neither the United States nor any agency or instrumentality of the United States is obligated, either directly or indirectly, to fund the mortgage purchase or financing activities of Freddie Mac or to guarantee Freddie Mac's securities or obligations.

Freddie Mac's principal business consists of the purchase of (i) first-lien, conventional residential mortgages subject to certain maximum loan limits and other underwriting requirements under the Freddie Mac Act and (ii) securities backed by such mortgages. Freddie Mac finances its mortgage purchases and mortgage-backed securities purchases through the issuance of a variety of securities, primarily pass-through mortgage participation certificates and unsecured debt, as well as with cash and equity capital.

On September 7, 2008, the Director of the Federal Housing Finance Agency ("FHFA") appointed FHFA as conservator of Freddie Mac in accordance with the Federal Housing Finance Reform Act of 2008 (the "Reform Act") and the Federal Housing Enterprises Financial Safety and Soundness Act of 1992. On September 7, 2008, in connection with the appointment of FHFA as conservator, Freddie Mac and the U.S. Department of the Treasury ("Treasury") entered into a Senior Preferred Stock Purchase Agreement. Also, pursuant to its authority under the Reform Act, Treasury announced that it has established the Government Sponsored Enterprise Credit Facility (a lending facility to ensure credit availability to Freddie Mac, Fannie Mae, and the Federal Home Loan Banks that will provide secured funding on an as needed basis under terms and conditions established by the Treasury Secretary to protect

taxpayers) and a program under which Treasury will purchase Government Sponsored Enterprise (including Freddie Mac) mortgage-backed securities (MBS) in the open market. The announcements by FHFA and Treasury and descriptions of these programs are available at their respective websites: <http://www.OFHEO.gov> and <http://www.Treasury.gov>.

Freddie Mac registered its common stock with the U.S. Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 (the "Exchange Act"), effective July 18, 2008. As a result, Freddie Mac files annual, quarterly and current reports, proxy statements and other information with the SEC. Prior to July 18, 2008, Freddie Mac prepared an annual Information Statement (containing annual financial disclosures and audited consolidated financial statements) and Information Statement Supplements (containing periodic updates to the annual Information Statement).

As described below, Freddie Mac incorporates certain documents by reference in this Supplement, which means that Freddie Mac is disclosing information to you by referring you to those documents rather than by providing you with separate copies. Freddie Mac incorporates by reference in this Supplement its proxy statement, and all documents that Freddie Mac files with the SEC pursuant to Section 13(a), 13(c) or 14 of the Exchange Act, after July 18, 2008 and prior to the completion of the offering of the 2015 Series H-1 Bonds, excluding any information that Freddie Mac may "furnish" to the SEC but that is not deemed to be "filed." Freddie Mac also incorporates by reference its Registration Statement on Form 10, in the form declared effective by the SEC on July 18, 2008 (the "Registration Statement"). These documents are collectively referred to as the "Incorporated Documents" and are considered part of this Supplement. You should read this Supplement, in conjunction with the Incorporated Documents. Information that Freddie Mac incorporates by reference will automatically update information in this Supplement. Therefore, you should rely only on the most current information provided or incorporated by reference in this Supplement.

You may read and copy any document Freddie Mac files with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. These SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>.

Freddie Mac makes no representations as to the contents of the Official Statement and this Supplement, the suitability of the 2015 Series H-1 Bonds for any investor, the feasibility of performance of any project, or compliance with any securities, tax or other laws or regulations. Freddie Mac's role is limited to discharging its obligations under the Credit Enhancement Agreement.

FREDDIE MAC'S OBLIGATIONS WITH RESPECT TO THE 2015 SERIES H-1 BONDS ARE SOLELY AS PROVIDED IN THE CREDIT ENHANCEMENT AGREEMENT. THE OBLIGATIONS OF FREDDIE MAC UNDER THE CREDIT ENHANCEMENT AGREEMENT WILL BE OBLIGATIONS SOLELY OF FREDDIE MAC, A SHAREHOLDER-OWNED, GOVERNMENT-SPONSORED ENTERPRISE ORGANIZED UNDER THE LAWS OF THE UNITED STATES OF AMERICA. FREDDIE MAC HAS NO OBLIGATION TO PURCHASE, DIRECTLY OR INDIRECTLY, ANY OF THE 2015 SERIES H-1 BONDS, BUT WILL BE OBLIGATED, PURSUANT TO THE CREDIT ENHANCEMENT AGREEMENT, TO PROVIDE FUNDS TO THE TRUSTEE TO PAY THE PURCHASE PRICE OF THE 2015 SERIES H-1 BONDS UNDER THE CIRCUMSTANCES DESCRIBED HEREIN. THE 2015 SERIES H-1 BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA, ANY AGENCY THEREOF, OR OF FREDDIE MAC, AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA OR BY FREDDIE MAC.

DESCRIPTION OF THE 2015 SERIES H-1 BONDS

General

This section, "DESCRIPTION OF THE 2015 SERIES H-1 BONDS," in general describes the 2015 Series H-1 Bonds only (i) upon and after the Conversion, (ii) while the Credit Enhancement Agreement is in effect, (iii) while the 2015 Series H-1 Bonds bear interest at the Index Floating Rate and (iv) if the owners of the 2015 Series H-1 Bonds have not elected to tender the 2015 Series H-1 Bonds upon receipt of the Tender Option Notice. The terms of the 2015 Series H-1 Bonds prior to the satisfaction of the foregoing conditions are described in the Official Statement under "DESCRIPTION OF THE INDEX FLOATING RATE BONDS."

The 2015 Series H-1 Bonds will bear interest at a floating rate, initially reset quarterly based on an interest rate index as described herein and are subject to optional and mandatory tender as described herein. The 2015 Series H-1 Bonds will mature on the dates and in the amounts set forth on the inside cover pages of the Official Statement.

Interest on the 2015 Series H-1 Bonds shall be payable on each 2015 Series H Reset Date (as defined below), commencing on the first 2015 Series H Reset Date immediately following the date on which the Conversion occurs (the "Conversion Date"), and shall be computed on the basis of a 360-day year for the actual number of days elapsed. The 2015 Series H-1 Bonds will bear interest at a variable rate equal to Three-Month LIBOR (as defined below) plus _____ percent (___%). Three-Month LIBOR with respect to a Floating Rate Term beginning on a particular 2015 Series H Reset Date shall be determined on the Determination Date which immediately precedes such 2015 Series H Reset Date. The 2015 Series H-1 Bonds will be subject to a maximum interest rate of [twelve percent (12%)] per annum (the "Index Floating Rate Maximum Rate"). The variable rate on the 2015 Series H-1 Bonds shall be established for each Floating Rate Term and shall, with respect to such Floating Rate Term, be in effect from the 2015 Series H Reset Date that is the first day of such Floating Rate Term or the Conversion Date, as applicable, until (but not including) the next 2015 Series H Reset Date (or earlier redemption date).

No later than the close of business on the second Business Day following each Determination Date, the Trustee shall give notice of the interest rate determined on such Determination Date to the Corporation and to each Bond owner of the 2015 Series H-1 Bonds who has filed its name and address with the Trustee for such purpose.

For the purposes of this section "DESCRIPTION OF THE 2015 SERIES H-1 BONDS," the following terms shall have the following meaning:

"Determination Date" means the date which is two (2) London Banking Days prior to the next 2015 Series H Reset Date. A "London Banking Day" is any date on which commercial banks in London are open for general business (including dealings in foreign exchange and foreign currency deposits).

"Floating Rate Term" means the period commencing on a 2015 Series H Reset Date and ending on the last calendar day prior to the next succeeding 2015 Series H Reset Date.

"Three-Month LIBOR" means the per annum rate for deposits in United States dollars for three (3) months which appears on the Bloomberg Screen US3000M<Index>HP or another page of that or any other financial reporting service in general use in the financial services industry (or any successor thereto) ("LIBOR Page") as of 11:00 a.m., London, England time, on a Determination Date. If on a Determination Date such rate does not appear on the LIBOR Page, the Trustee will request the principal

London office of each of at least two major banks, determined by the Trustee, that are engaged in transactions in the London interbank market, to provide the Trustee with its offered quotation for United States dollar deposits for three (3) months to prime banks in the London interbank market as of 11:00 a.m., London, England time, on such date. If at least two such major banks provide the Trustee with such offered quotations, "Three-Month LIBOR" on such date will be the arithmetic mean (rounded, if necessary, to the nearest one-sixteenth of a percent, with a one thirty-second being rounded upwards) of all such quotations. If on such date fewer than two of the major banks provide the Trustee with such an offered quotation, "Three-Month LIBOR" on such date will be the arithmetic mean (rounded, if necessary, to the nearest one-sixteenth of a percent, with a one thirty-second being rounded upwards) of the offered rates which one or more leading banks in the City of New York (other than the Trustee or another bank owned by, or affiliated with, the Trustee) are quoting as of 11:00 a.m., New York City time, on such date to leading European banks for United States dollar deposits for three (3) months; provided, however, that if such banks are not quoting as described above, "Three-Month LIBOR" will be the "Three-Month LIBOR" applicable to the most recent Floating Rate Term for which "Three-Month LIBOR" was available.

"2015 Series H Reset Date" means February 1, May 1, August 1 and November 1 of each year, commencing on the first 2015 Series H Reset Date immediately following the Conversion Date.

Interest Rate Change

The 2015 Series H-1 Bonds are subject to conversion to an alternate method of determining the interest rate thereon and to conversion to an interest rate fixed to maturity, in either case upon the terms and conditions described herein, on any 2015 Series H Reset Date (but if prior to six years after the Conversion Date, only with the prior written consent of the Credit Facility Provider, if any, so long as no Act of Bankruptcy with respect to the Credit Facility Provider has occurred).

No change in the method of determining the interest rate on the 2015 Series H-1 Bonds shall be made unless the Trustee has received, at least 30 days prior to the date on which the method of determining the interest rate on the 2015 Series H-1 Bonds changes (the "Interest Method Change Date"), among other things, (1) a Certificate of an Authorized Officer of the Corporation specifying (a) the date which is to be the Interest Method Change Date and (b) the method of determining the interest rate which shall take effect on such date, and (2) a Bond Counsel's Opinion to the effect that the proposed change in the method of determining the interest rate on the 2015 Series H-1 Bonds is consistent with the provisions of the 2015 Series H Supplemental Resolution.

In the event of an Interest Method Change Date, and following the provision of notice of mandatory purchase of the 2015 Series H-1 Bonds, the Trustee receives notice from the Corporation that a change in the method of determining the interest rate on the 2015 Series H-1 Bonds cannot be effected, the Interest Method Change Date shall be canceled. The Trustee shall promptly deliver or mail by first class mail, postage prepaid, a notice to the owners of the 2015 Series H-1 Bonds stating that such change shall not occur (and the reasons therefor) and that the related mandatory tender shall be canceled.

Optional and Mandatory Purchase of 2015 Series H-1 Bonds

Purchase of 2015 Series H-1 Bonds on Demand of Owner

On any 2015 Series H Reset Date beginning with [the earlier of (i)] the 2015 Series H Reset Date on or immediately following the sixth anniversary of the Conversion Date [and (ii) February 1, 2027], all or a portion of the 2015 Series H-1 Bonds, in any authorized denomination, shall be purchased at a price equal to 100% of the principal amount thereof, plus accrued interest to the purchase date (the "Purchase

Price”), upon delivery by the owner of a written, personal, electronic or telephonic notice of tender to the Corporation prior to 5:00 p.m., New York City time, in a form satisfactory to the Corporation (said notice to be irrevocable and effective upon receipt); provided, however, that no 2015 Series H-1 Bonds shall be purchased unless any remaining 2015 Series H-1 Bonds shall be in an authorized denomination as provided in the 2015 Series H Supplemental Resolution. Each such notice shall (i) state the aggregate principal amount of the 2015 Series H-1 Bonds to be purchased and the numbers of such 2015 Series H-1 Bonds to be purchased and (ii) state the date on which such 2015 Series H-1 Bonds are to be purchased, which date shall be the fourth 2015 Series H Reset Date next succeeding the date of delivery of such notice. The first date on which such notice may be delivered is the 2015 Series H Reset Date immediately following the fifth anniversary of the Conversion Date.

Any 2015 Series H-1 Bond for which a demand for purchase has been made as described in the preceding paragraph shall be delivered to the Tender Agent at or prior to 12:00 noon, New York City time, on the date designated for purchase, with an appropriate endorsement for transfer to the Tender Agent or accompanied by a bond power endorsed in blank.

Any 2015 Series H-1 Bonds not so delivered to the Tender Agent on or prior to the purchase date (“Undelivered 2015 Series H-1 Bonds”) for which there has been irrevocably deposited in trust with the Trustee or the Tender Agent an amount of moneys sufficient to pay the Purchase Price of such Undelivered 2015 Series H-1 Bonds shall be deemed to have been purchased at the Purchase Price. IN THE EVENT OF A FAILURE BY AN OWNER OF 2015 SERIES H-1 BONDS TO DELIVER ITS 2015 SERIES H-1 BONDS ON OR PRIOR TO THE PURCHASE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE PURCHASE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED 2015 SERIES H-1 BONDS, AND ANY UNDELIVERED 2015 SERIES H-1 BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE 2015 SERIES H SUPPLEMENTAL RESOLUTION, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Mandatory Purchase of 2015 Series H-1 Bonds on Interest Method Change Date, Facility Change Date and Discretionary Tender Date

The 2015 Series H-1 Bonds shall be subject to mandatory tender for purchase (in the case of a mandatory tender prior to six years after the Conversion Date, with the prior written consent of the Credit Facility Provider, if any, so long as no Act of Bankruptcy with respect to the Credit Facility Provider has occurred) on (i) any Interest Method Change Date, (ii) any Facility Change Date (other than in connection with the delivery of the Credit Enhancement Agreement) or (iii) any 2015 Series H Reset Date at the discretion of the Corporation (a “Discretionary Tender Date”; an Interest Method Change Date, any such Facility Change Date and a Discretionary Tender Date are each a “Change Date”), at the Purchase Price. The Trustee shall deliver, or mail by first class mail, postage prepaid, a notice not later than fifteen (15) days prior to the Change Date to the owner of each 2015 Series H-1 Bond, at its address shown on the registration books of the Corporation held by the Trustee. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, the Change Date and reason therefor, that all owners of 2015 Series H-1 Bonds shall be deemed to have tendered their 2015 Series H-1 Bonds for purchase on the Change Date, and the Purchase Price for such 2015 Series H-1 Bonds.

Owners of 2015 Series H-1 Bonds shall be required to tender their 2015 Series H-1 Bonds to the Tender Agent for purchase at the Purchase Price on the Change Date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any Undelivered 2015 Series H-1 Bonds for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of such Undelivered 2015 Series H-1

Bonds shall be deemed to have been purchased at the Purchase Price on the Change Date. IN THE EVENT OF A FAILURE BY AN OWNER OF 2015 SERIES H-1 BONDS TO DELIVER ITS 2015 SERIES H-1 BONDS ON OR PRIOR TO THE CHANGE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE CHANGE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED 2015 SERIES H-1 BONDS, AND ANY UNDELIVERED 2015 SERIES H-1 BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE 2015 SERIES H SUPPLEMENTAL RESOLUTION, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Credit Facility Provider's Right to Cause a Mandatory Tender for Purchase of 2015 Series H-1 Bonds upon an Event of Termination

Pursuant to the 2015 Series H Supplemental Resolution, for so long as the Credit Facility is in effect, upon the receipt by the Trustee of written notice from the Credit Facility Provider that one or more events of default have occurred under the Reimbursement Agreement (defined in the 2015 Series H Supplemental Resolution as an "Event of Termination"), including, but not limited to, a default under the 2015 Series H Mortgage Loan or a failure to reimburse the Credit Facility Provider under the Reimbursement Agreement, the Credit Facility Provider may specify a date (a "Change Date") on which all [or a portion] of the 2015 Series H-1 Bonds shall be subject to mandatory tender for purchase, which Change Date shall not be later than eight (8) days following receipt by the Trustee of the direction to purchase such 2015 Series H-1 Bonds. [If only a portion of the 2015 Series H-1 Bonds are to be subject to mandatory tender for purchase, the particular 2015 Series H-1 Bonds to be tendered (which shall be in authorized denominations) shall be selected by the Trustee by lot, using such method as it shall determine in its sole discretion, except that the Trustee shall not select any 2015 Series H-1 Bond for tender which would result in any remaining 2015 Series H-1 Bond not being in an authorized denomination as provided in the 2015 Series H Supplemental Resolution.] Upon receipt of such written notice from the Credit Facility Provider, the Trustee shall immediately deliver by overnight express mail or courier service, a notice of mandatory tender for purchase [to the Remarketing Agent and] to the owner of each 2015 Series H-1 Bond [to which such notice relates] at its address shown on the registration books of the Corporation held by the Trustee. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. See "SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT" herein.

Any notice of mandatory tender of 2015 Series H-1 Bonds relating to an Event of Termination specified by the Credit Facility Provider shall set forth, in substance, the Change Date and reason therefor, that all owners of [affected] 2015 Series H-1 Bonds shall be deemed to have tendered their 2015 Series H-1 Bonds for purchase on the Change Date and the Purchase Price for such 2015 Series H-1 Bonds. Owners of 2015 Series H-1 Bonds [to which a notice of mandatory tender for purchase relates] shall be required to tender their 2015 Series H-1 Bonds to the Tender Agent for purchase at the Purchase Price on the Change Date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any Undelivered 2015 Series H-1 Bonds for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the Purchase Price of such Undelivered 2015 Series H-1 Bonds shall be deemed to have been purchased at the Purchase Price on the Change Date. IN THE EVENT OF A FAILURE BY AN OWNER OF [AFFECTED] 2015 SERIES H-1 BONDS TO DELIVER ITS 2015 SERIES H-1 BONDS ON OR PRIOR TO THE CHANGE DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE CHANGE DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNDELIVERED 2015 SERIES H-1 BONDS, AND ANY UNDELIVERED 2015 SERIES H-1 BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFITS OF THE 2015 SERIES H SUPPLEMENTAL RESOLUTION, EXCEPT FOR THE PAYMENT OF THE PURCHASE PRICE THEREFOR.

Redemption Provisions for 2015 Series H-1 Bonds

After the Conversion Date, the 2015 Series H-1 Bonds will be subject to optional, mandatory redemption and sinking fund redemption prior to maturity, as described below.

Optional Redemption

The 2015 Series H-1 Bonds will be subject to redemption, at the option of the Corporation (in the case of a redemption prior to six years after the Conversion Date, with the prior written consent of the Credit Facility Provider, if any, so long as no Act of Bankruptcy with respect to the Credit Facility Provider has occurred), in whole or in part, at any time prior to maturity on any 2015 Series H Reset Date, including any such 2015 Series H Reset Date after delivery of a notice of mandatory purchase to the Corporation, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2015 Series H-1 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

Mandatory Redemption from 2015 Series H Recoveries of Principal

The 2015 Series H-1 Bonds will be subject to mandatory redemption, in whole or in part, at any time prior to maturity, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2015 Series H-1 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from amounts representing: (a) 2015 Series H Recoveries of Principal derived from or with respect to the 2015 Series H Mortgage Loan deposited in the 2015 Series H Redemption Account other than (i) proceeds of an optional prepayment of the 2015 Series H Mortgage Loan by the Mortgagor thereof, or (ii) proceeds of the sale, assignment, endorsement or other disposition of the 2015 Series H Mortgage Loan (other than a sale, assignment, endorsement or other disposition required pursuant to the 2015 Series H Supplemental Resolution in the event of a default under the 2015 Series H Supplemental Resolution or made when, in the sole judgment of the Corporation, the 2015 Series H Mortgage Loan is in default) and (b) any other monies made available under the 2015 Series H Supplemental Resolution in connection with the redemptions described in clause (a) above.

The 2015 Series H-1 Bonds will be subject to mandatory redemption, in whole or in part, at any time prior to maturity (in the case of a redemption prior to six years after the Conversion Date, with the prior written consent of the Credit Facility Provider, if any, so long as no Act of Bankruptcy with respect to the Credit Facility Provider has occurred), at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2015 Series H-1 Bonds or portions thereof to be so redeemed; plus accrued interest to the Redemption Date, from amounts representing (a) 2015 Series H Recoveries of Principal derived from or with respect to the 2015 Series H Mortgage Loan deposited in the 2015 Series H Redemption Account and resulting from (i) proceeds of an optional prepayment of the 2015 Series H Mortgage Loan by the Mortgagor thereof (which optional prepayment may be derived from proceeds of a new series of bonds issued by the Corporation) or, (ii) proceeds of the sale, assignment, endorsement or other disposition of the 2015 Series H Mortgage Loan (other than a sale, assignment, endorsement or other disposition required pursuant to the 2015 Series H Supplemental Resolution in the event of a default under the 2015 Series H Supplemental Resolution or made when, in the sole judgment of the Corporation, the 2015 Series H Mortgage Loan is in default) and (b) any other monies made available under the 2015 Series H Supplemental Resolution in connection with the redemptions described in clause (a) above.

Mandatory Redemption on Bankruptcy of Credit Facility Provider

The 2015 Series H-1 Bonds will be subject to mandatory redemption, in whole, at any time prior to maturity, if, within thirty (30) days after an Act of Bankruptcy of the Credit Facility Provider, the Trustee has not received a new Credit Facility, at a Redemption Price equal to one hundred percent

(100%) of the principal amount of the 2015 Series H-1 Bonds to be redeemed, plus accrued interest to the Redemption Date.

Mandatory Redemption upon Declaration of Acceleration Following an Event of Default

The 2015 Series H-1 Bonds will be subject to mandatory redemption, in whole, at any time prior to maturity, without notice, upon a declaration of acceleration by the Trustee as a remedy for a 2015 Series H Event of Default under the 2015 Series H Supplemental Resolution, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2015 Series H-1 Bonds to be redeemed, plus accrued interest to the Redemption Date (which Redemption Date shall be the date of such declaration of acceleration).

Mandatory Redemption Following an Event of Termination

The 2015 Series H-1 Bonds will be subject to mandatory redemption, in whole or in part, at any time prior to maturity, without notice, upon a declaration of acceleration by the Trustee as a remedy for an Event of Termination under the 2015 Series H Supplemental Resolution, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the 2015 Series H-1 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date (which Redemption Date shall be the date of such declaration of acceleration).

Sinking Fund Redemption

The 2015 Series H-1 Bonds will be subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on the dates and in the principal amounts set forth in a Certificate of an Authorized Officer of the Corporation delivered to the Trustee on or prior to the Conversion Date.

Selection of Bonds to be Redeemed

In the event of redemption of less than all the 2015 Series H-1 Bonds of the same Series, the Trustee shall select the 2015 Series H-1 Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in [the General Resolution or] the 2015 Series H Supplemental Resolution, no 2015 Series H-1 Bond shall be selected for redemption if the portion of such 2015 Series H-1 Bond remaining after such redemption would not be in a denomination authorized by the 2015 Series H Supplemental Resolution.

Corporation's Right to Purchase Bonds

The Corporation retains the right to purchase any 2015 Series H-1 Bonds, at such times, in such amounts and at such prices as the Corporation shall determine, [subject to the provisions of the General Resolution,] and, thereby, reduce its obligations, including Sinking Fund Payments, for such 2015 Series H-1 Bonds. [See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates" in Part II of the Official Statement.]

Notice of Redemption

When the Trustee receives notice from the Corporation of its election or direction to redeem 2015 Series H-1 Bonds, or is otherwise required to redeem all or a portion of 2015 Series H-1 Bonds, the Trustee will give notice, in the name of the Corporation, of the redemption of such 2015 Series H-1 Bonds or portions thereof. Such notice will specify the 2015 Series H-1 Bonds to be redeemed, the

Redemption Date, any conditions precedent to such redemption and the place or places where amounts due upon such redemption will be payable. Not less than fifteen (15) days before the Redemption Date for the 2015 Series H-1 Bonds (other than a Redemption Date that is also a mandatory tender date), the Trustee is to mail a copy of such notice to the registered owners of any 2015 Series H-1 Bonds, or portions thereof, which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any 2015 Series H-1 Bonds or portions thereof after the Redemption Date if notice has been given and if sufficient monies have been deposited with the Trustee to pay the principal or applicable Redemption Price of and interest on such 2015 Series H-1 Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

SUMMARY OF CERTAIN PROVISIONS OF THE CONSTRUCTION PHASE FINANCING AGREEMENT

[To come from Ballard Spahr.]

[Conditions to Conversion.]

SUMMARY OF CERTAIN PROVISIONS OF THE REIMBURSEMENT AGREEMENT

[To be updated by Ballard Spahr.]

The obligations of the Mortgagor to Freddie Mac under the Credit Enhancement Agreement are evidenced by a Reimbursement and Security Agreement (the "Reimbursement Agreement") between the Mortgagor and Freddie Mac. The Reimbursement Agreement governs obligations of the Mortgagor to Freddie Mac on account of Freddie Mac providing such credit enhancement.

The following statements are a brief summary of certain provisions of the Reimbursement Agreement. The summary does not purport to be complete, and reference is made to the Reimbursement Agreement for a full and complete statement of the provisions thereof. Capitalized terms used in this section and not otherwise defined will have the meanings given them in the Reimbursement Agreement, a copy of which is on file with the Trustee.

Under the Reimbursement Agreement, the Mortgagor has promised to repay Freddie Mac all sums of money Freddie Mac has advanced to the Trustee for the principal payments of or the interest on the Mortgage Loan, any payments made for Purchased Bonds upon a failed remarketing and any payment made of the Corporation's regularly scheduled fee. The Reimbursement Agreement also provides that the Mortgagor will pay the Freddie Mac Credit Enhancement Fee (as set forth in the Reimbursement Agreement), the Servicing Fee and other fees and expenses as provided therein.

Under the provisions of the Reimbursement Agreement, Freddie Mac may declare an Event of Default if:

- (a) the Mortgagor fails to pay when due any amounts payable by the Mortgagor under the Reimbursement Agreement, including, without limitation, any fees, costs or expenses;
- (b) the Mortgagor fails to observe or perform any of the terms, covenants, conditions or agreements set forth in the Reimbursement Agreement or in any of the other Owner Documents (taking into account any applicable cure period), including any obligations with respect to a subsequent Hedge Agreement;

(c) an Event of Default occurs under the Reimbursement Mortgage or any of the other Owner Documents (taking into account any applicable cure period);

(d) any representation or warranty made by or on behalf of the Mortgagor under the Reimbursement Agreement or any of the other Owner Documents or in any certificate delivered by the Mortgagor to Freddie Mac or the Freddie Mac Servicer pursuant to the Reimbursement Agreement or any other Mortgagor Document shall be inaccurate or incorrect in any material respect when made or deemed made;

(e) Freddie Mac shall have given the Mortgagor written notice that Purchased Bonds have not been remarketed as of the ninetieth day following purchase by the Trustee on behalf of the Mortgagor and the Mortgagor has not reimbursed Freddie Mac for the amount advanced to purchase the Purchased Bonds, or has not paid in full all fees and other amounts due to Freddie Mac under the Reimbursement Agreement; and

(f) a default or event of default occurs under the terms of any other indebtedness permitted to be incurred by the Mortgagor (after taking into account any applicable cure period).

Upon an Event of Default, Freddie Mac may declare all the obligations of the Mortgagor under the Reimbursement Agreement to be immediately due and payable, in which case all such obligations shall become due and payable, without presentment, demand, protest or notice of any kind, including notice of default, notice of intent to accelerate or notice of acceleration. In addition to the foregoing, Freddie Mac may take any other action at law or equity without notice or demand, as it deems advisable, to protect and enforce its rights against the Mortgagor in and to the Project, if any. Upon the occurrence of an Event of Default under the Reimbursement Agreement, Freddie Mac has the option to keep the 2015 Series H-1 Bonds outstanding or cause a mandatory tender or redemption of the 2015 Series H-1 Bonds.

Freddie Mac shall have the right, to be exercised in its discretion, to waive any Event of Default under the Reimbursement Agreement. Unless such waiver expressly provides to the contrary, any waiver so granted shall extend only to the specific event or occurrence and not to any other similar event or occurrence which occurs subsequent to the date of such waiver.

The obligations of the Mortgagor under the Reimbursement Agreement will be secured by the Reimbursement Mortgage. The Reimbursement Mortgage will be subordinate to the Mortgage, subject to the terms of the Assignment. Bondholders will have no rights under and are not third-party beneficiaries under the Reimbursement Mortgage.

The Reimbursement Agreement can be amended by Freddie Mac and the Mortgagor without the consent of, or notice to, the Corporation, the Trustee or the holders of the 2015 Series H-1 Bonds.

CERTAIN LEGAL MATTERS

On the Conversion Date, certain legal matters will be passed upon for Freddie Mac by its Office of General Counsel and by its Special Counsel, Ballard Spahr LLP, Washington, D.C.

RATING

If the Conversion occurs, the ratings assigned to the 2015 Series H-1 Bonds will thereupon be withdrawn. No rating will be assigned to the 2015 Series H-1 Bonds at the time of issuance of the 2015 Series H-1 Bonds for the period beginning on the Conversion Date. On the Conversion Date, Moody's Investors Service, Inc., is expected to assign to the 2015 Series H-1 Bonds a rating based on the security

for the 2015 Series H-1 Bonds provided by the Credit Enhancement Agreement.

FURTHER INFORMATION

The information contained in this Supplement is subject to change without notice and no implication should be derived therefrom or from the sale of the 2015 Series H-1 Bonds that there has been no change in the affairs of the Corporation from the date hereof. Pursuant to the 2015 Series H Supplemental Resolution, the Corporation has covenanted to keep proper books of record and account in which full, true and correct entries will be made of all its dealings and transactions under the 2015 Series H Supplemental Resolution and to cause such books to be audited for each fiscal year. The 2015 Series H Supplemental Resolution requires that such books be open to inspection by the Trustee and the owners of not less than 5% of the 2015 Series H-1 Bonds outstanding issued thereunder during regular business hours of the Corporation and that the Corporation furnish a copy of the auditor's report, when available, upon the request of the owner of any Outstanding 2015 Series H-1 Bond.

Additional information may be obtained upon request to New York City Housing Development Corporation, 110 William Street, 10th Floor, New York, New York 10038, (212) 227-5500 or through its internet address: www.nychdc.com.

MISCELLANEOUS

Any statement in this Supplement involving matters of opinion, whether or not expressly so stated, are intended as such, and not as representations of fact. This Supplement is not to be construed as an agreement or contract between the Corporation and the purchasers or owners of any 2015 Series H-1 Bonds.

This Supplement is submitted in connection with the remarketing of the 2015 Series H-1 Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. This Supplement and the distribution thereof has been duly authorized and approved by the Corporation and this Supplement has been duly executed and delivered on behalf of the Corporation.

NEW YORK CITY HOUSING DEVELOPMENT
CORPORATION

By: _____

Gary D. Rodney
President

APPENDIX A

**SUMMARY OF CERTAIN PROVISIONS OF THE 2015 SERIES H SUPPLEMENTAL
RESOLUTION**