

2022 B SUPPLEMENT TO DEPOSITORY AGREEMENT

Relating to

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

\$[190,000,000]
 SINGLE FAMILY MORTGAGE REVENUE BONDS
 2022 SERIES B

This agreement is the 2022 B Supplement to Depository Agreement (“Supplement to Depository Agreement”) dated as of [December 1, 2022]. It is among the TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS, a public and official agency of the State of Texas (together with its successors and assigns, the “Department”); THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association (together with its successors in trust under the Trust Indenture referred to below, the “Trustee”); and the TEXAS TREASURY SAFEKEEPING TRUST COMPANY, a special-purpose trust company organized under the laws of the State of Texas (together with its successors in such capacity, the “Trust Company”).

Preamble

The Texas Housing Agency, the predecessor to the Department (the “Agency”), Team Bank, a state banking corporation and predecessor in interest to the Trustee (“Team”), and the State Treasurer of the State of Texas (“State Treasurer”) entered into the Amended and Restated Depository Agreement, dated as of August 1, 1991 (together with the amendments described in the immediately following paragraph, the “Amended and Restated Depository Agreement”), relating to the Agency's (now the Department's) Single Family Mortgage Revenue Bonds issued pursuant to the Single Family Mortgage Revenue Bond Trust Indenture, dated as of October 1, 1980, between the Department and the Trustee (as amended and supplemented, the “Indenture”).

The Amended and Restated Depository Agreement was amended by that certain (i) 2005 B/C/D Supplement to Depository Agreement dated as of December 1, 2005 among the Department, the Trustee and the Trust Company in order to delete Section 5.04 in its entirety; (ii) 2013 Amendment to Single Family Mortgage Revenue Bond Amended and Restated Depository Agreement dated as of May 1, 2013 among the Department, the Trustee and the Trust Company; and (iii) 2016 A/B Supplement to Depository Agreement dated as of February 1, 2016 among the Department, the Trustee and the Trust Company in order to amend the contact information for the Trust Company in Section 7.01.

The Department and the Trustee entered into that certain Amended and Restated Single Family Mortgage Revenue Bond Trust Indenture dated as of June 1, 2017, amending and restating the Indenture (as amended and supplemented from time to time, the “Amended and Restated Single Family Indenture”), for the purpose of consolidating amendments previously made to the Indenture.

The Department is in the process of issuing its Single Family Mortgage Revenue Bonds, 2022 Series B (the “2022 Series B Bonds”) pursuant to a Seventy-Third Supplemental Single Family Mortgage Revenue Bond Trust Indenture dated as of [December 1, 2022], between the Department and the Trustee (the “2022 B Supplemental Indenture,” and together with the Amended and Restated Single Family Indenture, collectively referred to in this Supplement to Depository Agreement as the “Trust Indenture”).

The Trustee has succeeded to all of the interests of Team and Trust Company has succeeded to all of the interests of the State Treasurer in the Amended and Restated Depository Agreement, as amended.

The Department desires and has requested the Trustee and the Trust Company to enter into this Supplement to Depository Agreement to supplement the Amended and Restated Depository Agreement to create Accounts and

Subaccounts under the Amended and Restated Depository Agreement corresponding to the Accounts and Subaccounts being created under the Trust Indenture in connection with the issuance of the 2022 Series B Bonds.

Agreement

In consideration of the mutual agreements contained in this Supplement to Depository Agreement, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Department, the Trustee and the Trust Company agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions. Unless the context requires otherwise, all defined terms contained in the Amended and Restated Single Family Indenture, the 2022 B Supplemental Indenture, and the Amended and Restated Depository Agreement have the same meanings in this Supplement to Depository Agreement as such defined terms are given in each of the foregoing documents.

Section 1.02 Interpretation. This Supplement to Depository Agreement and all of the terms and provisions in it shall be liberally construed to effectuate the purposes of this Supplement to Depository Agreement and to achieve the purpose of providing additional security for the 2022 Series B Bonds.

Section 1.03 Titles and Headings. The titles and headings of the articles and sections of this Supplement to Depository Agreement have been for convenience and reference only. They are not to be considered a part of this Supplement to Depository Agreement and will not in any way modify or restrict the terms of this Supplement to Depository Agreement.

Section 1.04 Amended and Restated Depository Agreement to Remain in Force. Except as supplemented and amended by this Supplement to Depository Agreement, the Amended and Restated Depository Agreement remains in full force and effect as to the matters covered by it.

Section 1.05 Continuing Binding Effect. The terms and provisions of the Amended and Restated Depository Agreement, as amended, are in all respects binding upon and applicable to the parties to this Supplement to Depository Agreement. Further, deposits, withdrawals and transfers to, from and among the Accounts and Subaccounts described in Exhibit "A" of moneys and securities pertaining to the 2022 Series B Bonds, and the investment of the moneys and securities in all respects, including the maintaining of records and the providing of reports, be governed by the terms and provisions of the Amended and Restated Depository Agreement, a copy of which is attached as Exhibit "B" hereto.

Section 1.06 Authority. This Supplement to Depository Agreement is executed and delivered pursuant to the Act and the Amended and Restated Depository Agreement.

Section 1.07 Successors and Assigns. All covenants and agreements in this Supplement to Depository Agreement among the Department, Trustee and Trust Company shall bind their respective successors and assigns, whether so expressed or not.

Section 1.08 Severability Clause. In case any provision in this Supplement to Depository Agreement is found by a court to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired by such finding.

Section 1.09 Benefits of Supplement to Depository Agreement. Nothing in this Supplement to Depository Agreement, the Trust Indenture, or in the 2022 Series B Bonds, express or implied, gives to any Person, other than the parties to this Supplement to Depository Agreement, their successors under it, and the owners of the 2022 Series B Bonds, any benefit or any legal or equitable right, remedy or claim under this Supplement to Depository Agreement.

Section 1.10 Governing Law. This Supplement to Depository Agreement is governed by the laws of the State of Texas.

Section 1.11 Execution in Several Counterparts. This Supplement to Depository Agreement may be simultaneously executed in several counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

Section 1.12 Compliance with Texas Government Code. The representations in Section 4.10 of the 2022 B Supplemental Indenture are expressly incorporated by reference into this Supplement to Depository Agreement.

ARTICLE II

CREATION AND OPERATION OF ACCOUNTS AND SUBACCOUNTS

Section 2.01 Creation of Accounts and Subaccounts. In accordance with Section 7.03 of the Amended and Restated Depository Agreement, the Department creates with the Trust Company, the additional Accounts and Subaccounts described in Exhibit "A" attached to this Supplement to Depository Agreement and made a part of it, relating to the 2022 Series B Bonds in the previously established Mortgage Loan Fund, Revenue Fund, Debt Service Fund and Expense Fund.

Section 2.02 Investment of Certain Funds. The Department instructs the Trustee and the Trust Company to invest funds relating to the 2022 Series B Bonds held in the 2022 B Mortgage Loan Account, the 2022 B Costs of Issuance Account, the 2022 B Revenue Account and the 2022 B Redemption Subaccount, in accordance with the Department's written instructions to the Trustee and the Trust Company.

EXECUTED as of the date first above written.

TEXAS DEPARTMENT OF HOUSING AND
COMMUNITY AFFAIRS

By: _____
Interim Director of Bond Finance

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By: _____
Authorized Signatory

Trustee Signature Page to 2022B Supplement to Depository Agreement

TEXAS TREASURY SAFEKEEPING TRUST
COMPANY

By: _____
Authorized Officer

EXHIBIT "A"

FUNDS, ACCOUNTS AND SUBACCOUNTS

MORTGAGE LOAN FUND [§502(1), Ind.] (Moneys in all Accounts and Subaccounts held by the Trustee and maintained and invested by the Trust Company pursuant to the Depository Agreement)

2022 B Mortgage Loan Account [§2.12(a), 73rd Supp.]

2022 B Proceeds Account [§2.12(a)(i)(A)(1), 73rd Supp.] [temporary]

2022 B Costs of Issuance Account [§2.12(a)(i)(A)(2), 73rd Supp.] [temporary]

2022 B Down Payment Assistance Subaccount, within the 2022 B Mortgage Loan Account [§2.12(a)(i)(B)(1), 73rd Supp.]

2022 B Administrative Subaccount, within the 2022 B Mortgage Loan Account [§2.12(a)(i)(B)(2), 73rd Supp.]

REVENUE FUND [§502(2), Ind.] (Moneys in all Accounts and Subaccounts held by the Trustee and maintained and invested by the Trust Company pursuant to Depository Agreement)

2022 B Revenue Account [§2.12(a), 73rd Supp.]

2022 B Capitalized Interest Subaccount, within the 2022 B Revenue Account [§2.12(a)(ii), 73rd Supp.]

DEBT SERVICE FUND [§502(3), Ind.] (Moneys in the following Subaccounts held by the Trustee and maintained and invested by the Trust Company)

2022 B Principal Subaccount [§2.12(a), 73rd Supp.]

2022 B Interest Subaccount [§2.12(a), 73rd Supp.]

2022 B Redemption Subaccount [§2.12(a), 73rd Supp.]

EXPENSE FUND [§502(5), Ind.] (Moneys in all Accounts held by the Department and maintained and invested by the Trust Company)

2022 B Expense Account [§2.12(a), 73rd Supp.]

2022 B Rebate Account [§2.12(a)(iii), 73rd Supp.]

80 SFI Expense Fund/Operating Reserve [Already Established - §505(1), Ind.]

NOTE: Not shown above are:

- (a) Surplus Revenues Mortgage Loan Fund created by Section 2.11 of the 14th Supp.;
- (b) Series 1994A Mortgage Loan Revenue Account created by Section 2.3 of the 16th Supp.; and
- (c) Surplus Revenues Account created by Section 2.3 of the 16th Supp.

EXHIBIT "B"

AMENDED AND RESTATED DEPOSITORY AGREEMENT