

## HOME IN FIVE ADVANTAGE<sup>SM</sup> HOMEBUYER ASSISTANCE LOAN PROGRAM PROGRAM LENDER AGREEMENT

THIS PROGRAM LENDER AGREEMENT (this "*Agreement*"), dated as of the \_\_\_\_ of \_\_\_\_\_, 20\_\_, is entered into by and between The Industrial Development Authority of the City of Phoenix, Arizona, and The Industrial Development Authority of the County of Maricopa (collectively, the "*Authorities*") and the lending institution executing this Agreement (the "*Lender*") in connection with the Authorities' Home in Five Advantage Homebuyer Assistance Loan Program (the "*Program*").

WHEREAS, the Authorities expect to make funds available to qualified borrowers ("*Borrowers*"), but solely from funds available under the Program, in connection with certain qualified FHA-insured and VA-guaranteed (the "*Government Mortgage Loans*"), Fannie Mae HFA Preferred and Freddie Mac HFA Advantage mortgage loans (the "*Conventional Mortgage Loans*," and with the Government Mortgage Loans, collectively the "*Qualified Mortgage Loans*") together with subordinate lien loans ("*Second Loans*"), for the purchase of homes within Maricopa County including the City of Phoenix, as applicable; and

WHEREAS, Lender wishes to participate in the Program and has agreed to make Qualified Mortgage Loans to Borrowers pursuant to the attached Home in Five Program Guidelines associated with the Program, as may be amended from time to time ("*Program Guidelines*").

NOW, THEREFORE, in consideration of the promises set forth herein, the sufficiency of which is hereby confirmed, the parties mutually agree as follows:

*Section 1. Master Servicer.* All Lenders must be approved by and in good standing with **Lakeview Loan Servicing, LLC** (the "*Servicer*"), which has been approved by the Authorities as the sole purchaser of such Qualified Mortgage Loans from Lenders. Lenders will also be required to execute a Loan Correspondent Purchase and Sale Agreement and other agreements with such Servicer, as well as follow other Servicer guidelines as they may be updated or amended from time to time by the Servicer (collectively with the guidelines, the "*Servicer Agreements*"), regarding the origination, funding, delivery and purchase terms and conditions specifically for Qualified Mortgage Loans under this Program. Lender hereby covenants and agrees to originate Qualified Mortgage Loans in accordance with the Servicer Agreements and the Program Guidelines and to deliver such Qualified Mortgage Loans to the Servicer for purchase. Purchases by the Servicer of the Qualified Mortgage Loans thus originated, the reimbursement of the Program Assistance advanced by such Lender on behalf of the Authorities and the compensation due to the Lender as specified in the Program Guidelines, will be made following receipt and review of closing documents, including evidence of compliance with the Program Guidelines, HFA guidelines, applicable Mortgage Loan underwriting requirements, Freddie Mac requirements, and federal and state regulations.

*Section 2. Covenant to Originate Mortgage Loans.* The Lender hereby acknowledges its receipt and acceptance of the attached Program Guidelines established in connection with the Program, and the Lender hereby covenants and agrees to originate Qualified Mortgage Loans in accordance with the attached Program Guidelines as they may be updated or amended from time to time by the Authorities with notice to the Lender. The Program Guidelines, including but not limited to all representations, warranties and covenants made by the Lender therein, are incorporated by reference into this Agreement to the same extent as if set forth herein, and Lender agrees to be bound thereby for the benefit and protection of the other parties, and their successors and assigns.

Lender specifically represents and warrants to the Authorities: (a) all representations, warranties, covenants and indemnities that Lender may make at any time to a Servicer are automatically repeated with respect to each Qualified Mortgage Loan originated by Lender under this Program; (b) with respect to the origination of such Qualified Mortgage Loans, Lender agrees to indemnify the Authorities and the Administrator as referenced below and hold the Authorities and the Administrator harmless from all loss, liability and claims for the same purposes and to the same extent as made by Lender to the Servicer in any Agreements with such Servicer; (c) each Borrower on any Qualified Mortgage Loan that Lender shall originate under the Program will be qualified based on the Program Guideline requirements and that the Program Assistance as defined in the Program Guidelines was used in the appropriate manner for the amount and purposes intended, with no cash back to the Borrower, or any other

person; (d) Lender shall disclose the repayment terms and conditions of any Second Loan financing on behalf of the Authorities, using the Authorities' disclosure statement as provided, and if Lender so chooses, its own subordinate financing disclosures, at the appropriate times in accordance with applicable federal, state and local law, rules and regulations, and CFPB guidelines; (e) Lender shall accurately complete and generate the Second Loan closing documents as provided for review and signature by the Borrower on behalf of the Authorities; and (f) Lender is ultimately responsible for the return and receipt of the properly recorded first deed of trust and subordinate second lien deed of trust within 90 days of the loan closing to the Servicer.

Failure by the Lender to perform its obligations under this Agreement and the Program Guidelines may result in certain penalties, the repurchase of the subordinate financing or the suspension of its participation in the Program.

*Section 3. Program Participation Fee.* The Lender represents and warrants that it has paid to the Authorities, and the Authorities acknowledge receipt of, a one-time \$2,000 fee for participation in the Program by the Lender.

*Section 4. Amendments, Revisions.* Program specifics as defined herein, together with those specified in this Agreement, the Program Guidelines and all Servicer Agreements are subject to change with notice to the Lender. Any such changes will not adversely affect those Qualified Mortgage Loans for which a commitment has been made, except to the extent set forth in any Servicer Agreements.

*Section 5. Governing Law.* This Agreement shall be governed in accordance with federal laws and the laws of the State of Arizona, without regard to conflict of law principles.

*Section 6. Severability.* If one or more provisions of this Agreement, or the applicability of any such provisions for any set of circumstances shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and enforceability of the remaining provisions of this Agreement.

*Section 7. Notice of A.R.S. Section 38-511.* Notice is hereby given of the provisions of Arizona Revised Statutes Section 38-511. By this reference, the provisions of said statute are incorporated herein to the extent of their applicability to contracts of the nature of this Agreement under the law of the State of Arizona.

*Section 8. Notices.* The primary contacts and contact information for the Lender have been provided by the Lender in Exhibit A of this Agreement. The Lender agrees to cooperate with the Authorities, the Servicer and the Program Administrator in the marketing of the Program.

*Section 9. Counterparts.* This Agreement may be executed in counterparts by the parties hereto, and each such counterpart shall be considered an original and all such counterparts shall constitute one and the same instrument.


*Section 10. Termination.* The parties to this Agreement may terminate this Agreement without cause at any time by giving the other party at least thirty (30) business days' written notice.

[signatures on following page]

IN WITNESS THEREOF, the Authorities and the Lender have caused this Agreement and all attached exhibits to be executed by their respective duly authorized officers, all as of the date and year first above written.

AUTHORITIES:

THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE  
COUNTY OF MARICOPA

By   
Shelby L. Scharbach  
Executive Director

THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE  
CITY OF PHOENIX, ARIZONA

By   
Juan Salgado  
Chief Executive Officer

LENDER:

\_\_\_\_\_

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Acknowledged by:

PROGRAM ADMINISTRATOR  
STIFEL, NICOLAUS & COMPANY

By   
Scott Riffle  
Managing Director