

**HOME IN FIVE ADVANTAGE MORTGAGE ORIGINATION PROGRAM
AMENDED AND RESTATED LENDER AGREEMENT**

Dated as of October 1, 2015

THIS AMENDED AND RESTATED LENDER AGREEMENT (this "*Agreement*"), dated as of October 1, 2015, is entered into by and between The Industrial Development Authority of the County of Maricopa and The Industrial Development Authority of the City of Phoenix, Arizona (collectively, the "*Authorities*") and the lending institution executing this Agreement (the "*Lender*") in connection with the Authorities' Home in Five Advantage Mortgage Origination Program (the "*Program*").

WHEREAS, the Authorities expect to make funds available, but solely from funds available under the Program, to enable the Authorities to finance certain qualified FHA-insured, VA-guaranteed, USDA-RD (the "*Government Mortgage Loans*") and Fannie Mae HFA Preferred mortgage loans (the "*Conventional Mortgage Loans*" and together with the Government Mortgage Loans, (the "*Mortgage Loans*") pursuant to the Program within Maricopa County including the City of Phoenix through the acquisition of fully-modified mortgage-backed securities issued on behalf of and guaranteed as to timely payment of principal and interest by the Government National Mortgage Association or by the Federal National Mortgage Association; and

WHEREAS, the Lender wishes to participate in the Program and has agreed to make mortgage loans to qualified borrowers pursuant to the Administrator's Guidelines associated with the Program and prepared by Housing Development Services, LLC d/b/a eHousingPlus at the direction of the Authorities (the "*Administrator's Guidelines*"), as may be amended from time to time.

NOW, THEREFORE, in consideration of the promises set forth herein, the parties mutually agree as follows:

Section 1. Covenant to Originate Mortgage Loans. The Lender hereby acknowledges its receipt of the Administrator's Guidelines established in connection with the Program. The Lender hereby covenants and agrees to originate Mortgage Loans in accordance with the Administrator's Guidelines, as may be amended from time to time, with notice to the Lender, including (without limitation) as of the date hereof, the following requirements therein for either or both the Government Mortgage Loans or the Conventional Mortgage Loans: (i) a minimum borrower FICO score, (ii) a maximum debt-to-income (DTI) ratio, (iii) Mortgage Loan deadlines outlined in the Administrator's Guidelines, (iv) a maximum borrower annual income limit, (v) a maximum home purchase price limit, and (vi) HUD-approved homebuyer education requirements. The Lender further understands and acknowledges that there is no first-time homebuyer requirement for the Government Mortgage Loans nor federal recapture tax for any Mortgage Loans associated with the Program.

Section 2. 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. This Agreement and the Lender's ability to participate in the Program shall terminate when, as, and if the Authorities determine to modify or terminate the Program.

Section 3. Down Payment Assistance. The Lender shall advance the down payment and closing cost assistance at Mortgage Loan closing in an amount not to exceed 4.00% (net 3.00% to the homebuyer, after the origination fee charged by the Lender per Section 4 below) of the principal amount of the Mortgage Loan (the "Grant") to eligible borrowers in accordance with the terms of the Administrator's Guidelines; provided, however, that the Grant shall be increased by 1.00% (the "Additional Grant") in an amount not to exceed 5.00% (net 4.00%) of the principal amount of the Mortgage Loan (subject to the Authorities' limits on cumulative Additional Grant totals or other subsequent change by the Authorities) with respect to borrowers who are Qualified Veterans, Military Personnel, Peace Officers, First Responders, Emergency Personnel, Detention Officers and Teachers as set forth in the Administrator's Guidelines. The Grant shall be applied to a down payment on the Mortgage Loan and/or to closing costs. Eligible Mortgage Loans shall be purchased on behalf of the Authorities by U.S. Bank National Association, as Servicer (the "Servicer"), pursuant to the terms of the Program. The Servicer, on behalf of the Authorities, shall reimburse the Lender for the Grant advanced with respect to a Mortgage Loan upon its purchase from the Lender by the Servicer, and the Authorities in turn shall directly reimburse the Servicer for the Grant. The Grant is a true grant/gift and is not repayable by the borrower. A Grant acknowledgement form or gift letter must be executed by the borrower.

Section 4. Lender Compensation. The Lender's compensation for Mortgage Loans originated under the Program shall be an origination fee not to exceed 1.00% of the principal amount of the Mortgage Loans. An additional 1.00% servicing release fee will be paid to the Lender by the Servicer upon the purchase of the loan by the Servicer – up to 2.00% total lender compensation. VA Loans will be purchased at a 0.50% discount, and therefore Lender compensation of up to 1.50% will be obtained with respect to VA Loans under the Program.

Section 5. Findings of the Authorities. In connection with the implementation of the Program, the Authorities find that:

- (a) there exists a shortage of decent, safe and sanitary housing at prices which eligible families can afford within the Authorities' jurisdiction;
- (b) private enterprise and investment have been unable, without assistance, to provide an adequate supply of decent, safe and sanitary housing at prices which eligible families can afford within the Authorities' jurisdiction;
- (c) the Program will improve the quality of decent, safe and sanitary housing for eligible families;

(d) the residential housing assistance provided pursuant to the Program will provide a public benefit; and

(e) the estimates of revenues received by the Authorities pursuant to the Program, together with all other subsidies, grants or other financial assistance received in connection with the Program, are sufficient to pay the costs associated with the Program.

Section 6. Amendment. This Agreement shall not be amended or otherwise modified except with the consent of the parties hereto.

Section 7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona, without regard to conflict of law principles.

Section 8. 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 or the applicability of the provisions found to be invalid or ineffective for a specific set of circumstances to other circumstances.


Section 9. 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 10. 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.

IN WITNESS WHEREOF, the Authorities and the Lender have caused this Agreement 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
Executive Director

LENDER:

By
Name: _____
Title: _____