

**MISSISSIPPI HOME CORPORATION**

**Mississippi Home Corporation  
Single Family Mortgage Revenue Bonds**

**MORTGAGE REVENUE BOND  
MORTGAGE ORIGINATION AGREEMENT**

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Lender

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Servicer

Agreement dated as of \_\_\_\_\_ 20\_\_\_\_

**MORTGAGE REVENUE BOND MORTGAGE ORIGINATION AGREEMENT**  
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# MORTGAGE REVENUE BOND MORTGAGE ORIGINATION AGREEMENT

THIS MORTGAGE REVENUE BOND MORTGAGE ORIGINATION AGREEMENT (this "MRB Origination Agreement"), dated as of \_\_\_\_\_, 20\_\_\_\_, among the Mississippi Home Corporation (the "Corporation"), the institution designated as "Lender" on the cover page hereof (in such capacity, hereinafter referred to as the "Lender") and the institution designated as "Servicer" on the cover page hereof (in such capacity, hereinafter referred to as the "Servicer").

## WITNESSETH:

In consideration of the warranties, representations and mutual agreements herein set forth, the Corporation, the Lender and the Servicer hereby agree as follows:

### Section 1: Definitions

The following terms shall, for all purposes of this MRB Origination Agreement, have the following meanings:

**"Acquisition Cost"** shall mean the cost of acquiring a Residential Housing Unit as a completed residential unit from the seller as a completed Residential Housing Unit and includes the following:

- a) All amounts paid, either in cash or in kind, by the Eligible Borrower (or a related party or for the benefit of the Eligible Borrower) to the seller (or a related party or for the benefit of the seller) as consideration for the residence. The Acquisition Cost includes property that is a fixture under State law, such as light fixtures or wall-to-wall carpeting. If the Mortgagor purports to separately purchase such items, the cost of those items must be included in the Acquisition Cost. On the other hand, property which is not considered a fixture under State law, such as appliances or furniture, is not considered part of a residence and the cost of acquiring such items does not have to be included in the Acquisition Cost (unless the acquisition costs of such items exceed their fair market value, in which case the amount of the excess must be included in the Acquisition Cost). For example, if the Mortgagor agrees to purchase a refrigerator, washer, and dryer from the Seller for \$1,000 more than the fair market value of such items, such \$1,000 must be included in the Acquisition Cost. Similarly, if as part of the purchase of the residence the Mortgagor agrees to pay or assume liability for a debt of the seller, the amount of such debt must be included as part of the Acquisition Cost.
- b) If a residence is incomplete, the reasonable cost of completing the residence whether the cost of completing construction is to be financed by a Mortgage Loan. For example, where a Mortgagor purchases a building that is so incomplete that occupancy of the building is not permitted under local or State law, the Acquisition Cost includes the cost of completing the building so that occupancy of the building is permitted. For example, if a Mortgagor purchases an existing home and then pays a party unrelated to the seller \$3,000 to paint it, refinish the floors and make minor repairs, such \$3,000 is not included in the Acquisition Cost.
- c) If a residence is purchased subject to a ground rent, the capitalized value of the ground rent shall be calculated using a discount rate equal to the yield on the Bonds as specified by the Corporation.

The term "Acquisition Cost" does not include the following:

- a) The usual and reasonable settlement or financing costs. Settlement costs include titling and transfer costs, title insurance, survey fees, and other similar costs. Financing costs include credit reference fees, legal fees, appraisal expenses which are paid by the Mortgagor (but not the Seller) or other costs of financing the residence. However, such amounts will be excluded in determining Acquisition Cost only to the extent that the amounts do not exceed the usual and reasonable costs which would be paid by the buyer where financing is not provided under the MRB Program. For example, where the purchaser agrees to pay to the seller more than a pro rata share of property taxes, such an excess shall be treated as part of the Acquisition Cost.

- b) The value of services performed by the Mortgagor or members of the Mortgagor's family in completing the residence. For purposes of the preceding sentence, the family of an individual shall include only the individual's brothers and sisters (whether by whole or half-blood), spouse, ancestors, and lineal descendants. Where the Mortgagor builds a home alone or with the help of family members, the Acquisition Cost includes the cost of materials provided and work performed by sub-contractors (whether or not related to the Mortgagor) but does not include the imputed cost of any labor performed by the Mortgagor or a member of the Mortgagor's family in constructing the residence. Similarly, where the Mortgagor purchases an incomplete residence, the Acquisition Cost includes the cost of material and labor paid by the Mortgagor to complete the residence but does not include the imputed value of labor performed by the Mortgagor's family in completing the residence.
- c) The cost of land that has been owned by the Mortgagor for at least two (2) years before the date on which construction of the Residential Housing Unit begins.

**"Act"** shall mean the Mississippi Home Corporation Act, Section 43-33-701 et seq., Mississippi Code of 1972, as amended.

**"Annualized Gross Household Monthly Income"** shall mean current Gross Household Monthly Income multiplied by twelve.

**"Applications"** shall mean the applications, if any, by which the Lender offered to enter this MRB Origination Agreement, which offer was accepted by the Corporation.

**"Assignment of Mortgage Loan and Related Mortgage"** shall mean, if applicable, the instrument completed and executed by Lender, in recordable form, and pursuant to which Lender assigns and delivers the related Mortgage Loan and endorses the Mortgage to the Servicer, in connection with the purchase of the related Mortgage Loan by the Servicer.

**"Bonds"** shall mean the applicable series of the Corporation's Single-Family Mortgage Revenue Bonds issued pursuant to the related Governing Bond Document.

**"Business Day"** shall mean any day other than a Saturday, Sunday, legal holiday, or a day on which banking institutions in the State of New York, or the State are authorized by law to close.

**"Closing Date"** shall mean the date upon which the related Mortgage Loan is closed with a Mortgagor.

**"Code"** shall mean the Internal Revenue Code of 1986, as amended, together with corresponding and applicable final, temporary, or proposed regulations and revenue rulings issued or amended with respect thereto by the United States Treasury Department or Internal Revenue Service, to the extent applicable to the Bonds or the Mortgage Loans.

**"Commitment"** shall mean, with respect to any Mortgage Loan, a document from the Lender similar to the type the Lender would ordinarily provide prospective home buyers which firmly commits a Lender to lend a Mortgagor a stated amount of money for a stated period of time for the purchase of a particular Residential Housing Unit at a stated interest rate.

**"Compliance Package"** shall mean, for each Mortgage Loan originated under the MRB Program, the following mortgage documents:

1. FHA Worksheet, VA Loan Analysis or Fannie Mae Form 1008;
2. Verification of employment of Eligible Borrower and all other household members that are employed, or, if self-employed, provide executed current P&L; income verification; Current Pay stubs;
3. Income Calculation Worksheet (Exhibit N);
4. Automated Underwriting Findings;
5. Copy of most recent year's IRS tax transcript or signed copy of 1040 & schedules, if applicable, including any occupants 18 years old or older if not a full-time student.
6. Copy of Credit Report for all Borrowers
7. Copy of Fraud Guard Report or equivalent report for all Borrowers with Ownership/Occupancy modules;

8. Executed Borrower Certification (Exhibit E);
9. Occupancy Statement (SMART6 Only)
10. Executed Non-Borrower Statement (Exhibit G), if applicable.
11. Child Support Statement (Exhibit S), if applicable;
12. Copy of Appraisal (URAR or Conditional CRV);
13. Notification of Change Form (Exhibit O);
14. Mortgage Addendum for Loan Type (Must be recorded with 1<sup>st</sup> Mortgage DOT)
15. Attorney Information Form (Exhibit M)
16. MHC Letter of Explanation (if applicable);
17. Copy of Buydown Agreement (if applicable);
18. 203(k) Maximum Mortgage Worksheet (if applicable); and
19. Copy of Preliminary Closing Disclosure (HAT Only)

**"Conditional Commitment"** shall mean the written confirmation from the Corporation that the Corporation has reviewed and approved the Compliance Package with respect to a Mortgage Loan and the Lender may proceed to close such Mortgage Loan.

**"Conventional Mortgage Loans"** shall mean a Mortgage Loan other than an FHA, VA or USDA/RD Mortgage Loan which meets the requirements of Fannie Mae, and which contains the Mortgage Addendum Conventional Mortgage Loan (Exhibit J-3).

**"Corporation"** shall mean the Mississippi Home Corporation, its successors, and assigns. "Correspondent Bank" shall mean any lending institution which customarily provides services or otherwise aids in the financing of Mortgage Loans on Residential Housing Units; provided (i) such Correspondent Bank is a national bank qualified to do business in the State or a State banking corporation, (ii) if such Correspondent Bank is a savings and loan institution, it is a member of the Federal Savings and Loan Insurance Corporation, (iii) if such Correspondent Bank is a bank, it is a member of the Federal Deposit Insurance Corporation, and (iv) if such Correspondent Bank is a credit union, it is insured by an appropriate federal insurer, if any.

**"Custodial Agreement"** shall mean Form HUD 11715 from the Servicer to Ginnie Mae for the MRB Program.

**"Custodian"** shall mean the financial institution designated from time to time by the Servicer in accordance with the Ginnie Mae Guide.

**"Eligible Borrower"** shall mean the Mortgagor (or Mortgagors) and any other person who is expected to principally and permanently live in the residence being financed within a reasonable period of time (not to exceed 60 days) following the closing of the Mortgage Loan who is primarily or secondarily liable on the Mortgage, (iii) whose Annualized Gross Household Monthly Income does not exceed the Maximum Permissible Family Income Limits, as may be amended from time to time, (iv) who, solely with respect to Residential Housing Units located in Non-Targeted Areas, did not have a present ownership interest in a principal residence at any time during the three (3) year period preceding the Closing Date and (v) who has not had an existing mortgage (including a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow or any other form of owner-financing), whether or not paid off, on the Residential Housing Unit to be financed with such Mortgage Loan at any time prior to the execution of the Mortgage, other than a construction loan or an existing mortgage securing a financing having a term not exceeding 24 months; provided, however, that for purposes of this definition the term "Eligible Borrower" shall not include a co-signor of the Mortgage Loan who does not have an ownership interest in the Residential Housing Unit being financed pursuant to such Mortgage Loan and who will not be residing in such Residential Housing Unit.

**"Escrow Payments"** shall mean those payments required to be made under the terms of a Mortgage Loan by the Mortgagor and to be paid into an escrow account to cover expenses, which shall include, but not be limited to, all taxes, special assessments, leasehold payments, as well as hazard, flood, government insurance premiums.

**"Fannie Mae"** shall mean the Federal National Mortgage Association, a corporation organized and existing under the laws of the United States of America or any successor thereto.

**"Fannie Mae Conventional Mortgage Loan"** shall mean a mortgage loan secured by a Mortgage insured by Fannie Mae which mortgage loan is eligible for inclusion in a Fannie Mae Security and which contains the Mortgage Addendum-Conventional Mortgage Loans (Exhibit J- 3).

**"Fannie Mae Guaranty Fee"** shall mean the annual fee equal to .25% of the outstanding balance of the Conventional Mortgage Loans in a Fannie Mae Pool payable monthly to Fannie Mae by the Servicer in connection with the issuance of a Fannie Mae Security or such other annual fee for a series of Bonds.

**"Fannie Mae Guides"** shall mean the Fannie Mae Selling and Servicing Guides, as amended from time to time, as modified by the Pool Purchase Contract.

**"Fannie Mae Security"** shall mean a single pool, guaranteed mortgage pass-through security, providing for the regularly scheduled monthly payments and any prepayments thereunder with the final regularly scheduled payment, issued by Fannie Mae in book entry form, recorded in the name of the Trustee or its nominee for the benefit of the Bondholders of the related series of Bonds, guaranteed as to timely payment of principal and interest by Fannie Mae and backed by Conventional Mortgage Loans in the related mortgage pool.

**"FHA"** shall mean the Federal Housing Administration of the United States Department of Housing and Urban Development, or any successor to its functions.

**"FHA Mortgage Loan"** shall mean a mortgage loan secured by a Mortgage insured by FHA under the provisions of the National Housing Act, as now and hereafter amended, which mortgage loan is eligible for inclusion in a Ginnie Mae Security, and which contains the Mortgage Addendum-FHA Mortgage Loans (Exhibit J-1).

**"First Time Homebuyer"** shall mean a Mortgagor(s) who has not had a present ownership interest in a principal residence at any time during the three-year period ending on the date of the application for such Mortgage Loan, as more fully described in Section 4(i) hereof.

**"Freddie Mac"** shall mean the Federal Home Loan Mortgage Association, a corporation organized and existing under the laws of the United States of America or any successor thereto.

**"Freddie Mac Conventional Mortgage Loan"** shall mean a mortgage loan secured by a Mortgage insured by Freddie Mac which mortgage loan is eligible for inclusion in a Freddie Mac PC and which contains the Mortgage Addendum-Conventional Mortgage Loans (Exhibit J-3).

**"Freddie Mac PC"** shall mean a single pool, guaranteed mortgage pass-through security, providing for the regularly scheduled monthly payments and any prepayments thereunder with the final regularly scheduled payment, issued by Freddie Mac in book entry form, recorded in the name of the Trustee or its nominee for the benefit of the Bondholders of the related series of Bonds, guaranteed as to timely payment of principal and interest by Freddie Mac and backed by Conventional Mortgage Loans in the related mortgage pool.

**"General Bond Resolution"** shall mean the Mississippi Home Corporation Single Family Mortgage Bond Resolution dated July 15, 2009 (the "General Bond Resolution"), duly adopted by the Members of the Corporation at its July 15, 2009 meeting, as the same may be amended or supplemented from time to time.

**"Ginnie Mae Security"** shall mean a custom pool, fully modified mortgage backed Ginnie Mae or Ginnie Mae II Security issued by the Servicer and representing Mortgage Loans originated by the Lender and other Lenders participating in the MRB Program and, if applicable, sold to the Servicer under this MRB Origination Agreement, registered in the name of the Trustee or its designee, guaranteed as to timely payment of principal and interest by Ginnie Mae pursuant to Section 306(g) of Title III of the National Housing Act of 1934 and the regulations promulgated thereunder.

**"Ginnie Mae Guaranty Agreement"** shall mean the one or more guaranty agreements in the form set forth in the Ginnie Mae Guide between the Servicer and Ginnie Mae now or hereafter in effect pursuant to which Ginnie Mae has agreed or will agree to guarantee Ginnie Mae Securities backed by Mortgage Loans.

**"Ginnie Mae Guide"** shall mean the Ginnie Mae I Mortgage-Backed Securities Guide, Ginnie Mae Handbook 5500.1 or the Ginnie Mae II Mortgage-Backed Security Guide, Ginnie Mae Handbook 5500.2, as applicable, as amended from time to time.

**"Governing Bond Document"** shall mean the particular Indenture or the General Bond Resolution, as applicable, in connection with the issuance of and providing security for a series of Bonds.

**"Gross Household Monthly Income"** shall mean the sum of gross household monthly pay; any additional income from overtime, part-time employment, bonuses, dividends, interest, royalties, pensions, VA compensation, part-time employment, net bonuses, dividends, interest, current over-time pay, net rental income (without regard to depreciation), royalties, etc.; and other income (such as alimony, child support, public assistance, sick pay, social security benefits, unemployment compensation, income received from trusts, and income received from business activities or investments). Information with respect to gross household monthly income may be obtained from the applicable sections of qualifying loan documents executed during the 4-month period ending on the Closing Date of the Mortgage Loan, provided that any gross household monthly income not included on the loan documents must be included by the Corporation in determining Gross Household Monthly Income. Thus, for example, if the Mortgagor does not include alimony on the loan documents, the Corporation in determining Gross Household Monthly Income must determine the amount of alimony and add that amount to the amount shown on the loan documents. The income to be considered in determining the Gross Household Monthly Income is the income of the Mortgagor (or Mortgagors) and any other person who is expected both to live in the residence being financed and to be secondarily liable on the Mortgage. For this purpose, the applicable sections of qualifying loan documents include lines 23D and 23E on the Application for VA or USDA/RD Home Loan Guaranty or for HUD/FHA Insured Mortgage (VA Form 26-1802a, HUD 92900, Jan. 1982).

**"Indenture"** shall mean the applicable Trust Indenture executed by the Corporation and the banking institution named therein, as amended and supplemented.

**"Invitation for Application"** shall mean the Corporation's invitation to the prospective Lenders to submit Applications to the Corporation, if applicable.

**"Lender"** shall mean any bank, bank or trust company, trust company, mortgage company, Mortgage Broker, savings bank, national banking association, savings and loan association, building and loan association, mortgage banker and any other lending institution, including the Veterans' Farm and Home Board, which customarily provides services or otherwise aids in the financing of Mortgages on Residential Housing Units; provided (i) the Lender is domiciled or qualified to do business in the State, (ii) such Lender is a FHA or USDA/RD-approved mortgagee, such Lender is a "Supervised Lender" as classified by VA under Section 500(d) of the Servicemen's Readjustment Act, (iv) such Lender shall not have made or have pending an assignment for the benefit of creditors or an application for the appointment of a trustee or receiver for all or a substantial part of the assets of the Lender and furthermore, there shall not have been commenced any proceedings relating to the Lender under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, liquidation or other laws of any jurisdiction, (v) if Fannie Mae Conventional Mortgage Loans are to be originated by the Lender, the Lender is a Fannie Mae approved lender in good standing acceptable to a PMI Insurer, (vi) if Freddie Mac Conventional Mortgage Loans are to be originated by the Lender, the Lender is a Freddie Mac approved lender in good standing acceptable to a PMI Insurer and (vii) such Lender satisfies the terms and requirements of the MRB Servicing Agreement.

**"Level Payment Mortgage Loans"** shall mean a Mortgage Loan with equal monthly payments which amortize such Mortgage Loan on a monthly level debt service basis over a period of thirty (30) years, based on an interest rate equal to the Loan Rate(s).

**"Loan Rate"** shall mean the interest rate or rates with respect to originated Mortgage Loans.

**"Maximum Permissible Acquisition Cost"** shall mean, with respect to a Residential Housing Unit, the appropriate amount set forth in Exhibit A hereto, as updated from time to time by the Corporation.

**"Maximum Permissible Family Income Limits"** shall mean, with respect to an Eligible Borrower, the appropriate amount set forth in Exhibit B and Exhibit C hereto, as updated from time to time by the Corporation.

**"Mortgage"** shall mean a mortgage, mortgage deed, deed of trust or other instrument, creating a first lien on a fee interest in the real property and improvements thereon constituting a Residential Housing Unit, or on a leasehold on such a fee interest for a fixed term of years which is greater than the term of the Mortgage Loan, located in the State subject only to the liens of taxes or special assessments which are not delinquent, building restrictions or other restrictive covenants or conditions, less than full mineral ownership or control, joint driveways, sewer rights, party walls, rights-of-way or other easements, or encroachments, provided that none of the foregoing, in the opinion of the Corporation materially affects the security for the Mortgage Loan.

**"Mortgage Broker"** shall mean an institution that originates Mortgage Loans and corresponds with another Lender which has been approved by the Corporation for purposes of this MRB Origination Agreement and such other Lender underwrites, and funds said Mortgage Loans originated by such Mortgage Broker.

**"Mortgage Loan"** shall mean a mortgage loan secured by a Mortgage and includes only Conventional Mortgage Loans, FHA Mortgage Loans, VA Mortgage Loans and USDA/RD Mortgage Loans, which was originated by the Lender, which was made by the Lender to an Eligible Borrower to finance the acquisition or construction of a Residential Housing Unit and not to acquire or replace an existing mortgage loan. The replacement of construction period loans and bridge loans or similar temporary initial financing shall not be treated as the acquisition or replacement of an existing mortgage. Temporary initial financing is any financing that has a term of 24 months or less and originally incurred within 24 months of the Closing Date. Each Mortgage Loan shall (i) contain terms and conditions which, as a minimum, substantially conform to the standards required for Mortgage Loans purchased by Fannie Mae, (ii) as a minimum, substantially satisfy the property and credit underwriting criteria of the Fannie Mae and (iii) be eligible for inclusion in a Pool backing a Ginnie Mae Security, Fannie Mae Security or Freddie Mac PC. Unless the context otherwise requires, the term "Mortgage Loan" shall include Fannie Mae Conventional Mortgage Loans, Freddie Mac Conventional Mortgage Loans, FHA Mortgage Loans, USDA/RD Mortgage Loans and VA Mortgage Loans, and includes both Targeted Area Mortgage Loans and Non-Targeted Area Mortgage Loans.

**"Mortgaged Property"** shall mean the real property with all improvements thereon covered by a Mortgage securing a Mortgage Loan.

**"Mortgagor"** shall mean the natural person or persons who executed the Mortgage securing a Mortgage Loan and/or signed the note evidencing such Mortgage Loan, except a person (such as a guarantor or cosigner) who does not have a present ownership interest in, and will not occupy, the Residential Housing Unit subject to the related Mortgage. The term "Mortgagor" shall also include natural persons who have assumed the obligations of a Mortgagor in accordance with this MRB Origination Agreement.

**"MRB Origination Agreement"** shall mean this Mortgage Revenue Bond Mortgage Origination Agreement among the Corporation, the Lender and the Servicer, as the same may be amended or supplemented from time to time.

**"MRB Program"** shall mean the Corporation's MRB program for the financing of Mortgage Loans through the purchase of Ginnie Mae Securities, Fannie Mae Securities and Freddie Mac PCs, as contemplated by this MRB Origination Agreement and the MRB Servicing Agreement.

**"MRB Servicing Agreement"** shall mean the Mortgage Revenue Bond Mortgage Servicing Agreement, between the Corporation and the Servicer with respect to the MRB Program.

**"Non-Targeted Area Mortgage Loan"** shall mean a Mortgage Loan which was originated to finance the acquisition or construction of a Residential Housing Unit located anywhere within the State, other than a Targeted Area as shown in Exhibit B hereto.

**"Notice to Borrower – Second Mortgage"** shall mean Mississippi Home Corporation's Second Mortgage Borrower Disclosure as shown in Exhibit T hereto.

**"Notice of Acknowledgment"** shall mean the Corporation's written notice and confirmation to the Lender of the Corporation's acceptance of the Lender's participation in the MRB Program, if applicable.



**"Participating Lender"** shall mean each lending institution, including the Lender, which has entered into an MRB Origination Agreement with the Corporation in connection with the MRB Program.

**"Planned Unit Development"** or "PUD" shall mean a real estate development of separately owned lots, other than a de minimis PUD, with: (i) contiguous or noncontiguous areas or facilities usually owned by an owners' association in which the owners of the lots have a stock or membership interest; (ii) title to the real estate under the dwelling units being held by the individual lot owners and not by the owners' association; (iii) the association having title to and administering the common areas, and levying monthly charges against the lot owners for common areas expenses; and (iv) membership in the owner's association not being severed from the ownership of an individual unit.

**"PMI Insurer"** shall mean any private mortgage insurance company approved by Fannie Mae and Freddie Mac and providing Private Mortgage Guaranty Insurance on Conventional Mortgage Loans.

**"Pool"** shall mean all the Mortgage Loans held in connection with a particular Ginnie Mae Security, Fannie Mae Security or Freddie Mac PC.

**"Pool Documentation Package"** shall mean those documents required to be submitted to Ginnie Mae in connection with the issuance of a Pool by Ginnie Mae in accordance with the Ginnie Mae Guide.

**"Pool Purchase Contract"** shall mean the Fannie Mae or Freddie Mac Pool Purchase Contract between the Servicer and Fannie Mae or Freddie Mac relating to the sale by the Servicer of Fannie Mae or Freddie Mac Conventional Mortgage Loans to Fannie Mae or Freddie Mac, respectively, and the servicing thereof.

**"Private Mortgage Guaranty Insurance"** shall mean a private mortgage guaranty insurance policy issued by a PMI Insurer with respect to a Fannie Mae Conventional Mortgage Loan or a Freddie Mac Conventional Mortgage Loan in accordance with the terms hereof in a form and providing coverage in an amount as shall be approved by Fannie Mae in accordance with the Fannie Mae Guide or Freddie Mac in accordance with the Freddie Mac Guides, as applicable.

**"Property Value"** shall mean the lower of (i) the appraised value of the Mortgaged Property as of a date within six (6) months of the Closing Date as appraised by an appraiser which would be used by the Lender if the Mortgage Loan were originated for sale to Ginnie Mae, Fannie Mae or Freddie Mac, or (ii) the purchase price paid for the Mortgaged Property by the Mortgagor.

**"Purchase"** shall mean any purchase pursuant to this MRB Origination Agreement whereby the Lender sells a Mortgage Loan to the Servicer.

**"Purchase Certification"** shall mean the written confirmation from the Corporation that the Corporation has reviewed and approved the Purchase Certification Package with respect to a Mortgage Loan and the Lender may proceed to include such Mortgage Loan in a Ginnie Mae Pool, Fannie Mae Security or Freddie Mac PC, if applicable, sell such Mortgage Loan to the Servicer.

**"Purchase Certification Package"** shall mean, with respect to each Mortgage Loan originated under the MRB Program, the following documents:

1. Executed Borrower Affidavit (Exhibit K);
2. Copy of executed Final Closing Disclosures (1st and 2nd Mortgage);
3. Copy of Recorded 2nd Mortgage Deed of Trust;
4. Copy of Executed Second Mortgage Note
5. Lender Wiring Instructions;
6. ACH Authorization Agreement (TRUSTY10 Only)
7. Copy of Executed Note (HAT Program Only); and
8. Copy of Executed Deed of Trust (HAT Program Only).

*FINAL DOCUMENTS* – Must be mailed or overnighted to MHC Attn: Single Family – 735 Riverside Dr., Jackson, MS 39202

1. Original Executed Second Mortgage Note (Exhibit Q); and
2. Original Executed Second Mortgage Deed of Trust (Exhibit R)

**"Purchase Date"** shall mean the date upon which payment is made to the Lender with respect to any Mortgage Loan sold to the Servicer or the Corporation's designee by the Lender under this MRB Origination Agreement.

**"Rate Setting Date"** shall mean the date on which the Corporation shall establish the Loan Rate (s) with respect to the Mortgage Loans.

**"Reservation"** shall mean the Corporation's Internet website generated confirmation and reservation to the Lender of the Reserved Amount and Rate with respect to an individual Mortgage Loan.

**"Reservation Date"** shall mean the date the Lender reserves a loan with the Corporation.

**"Reservation Fee"** shall mean the non-refundable fee, if applicable, payable to the Corporation (through the Corporation's website) upon submission of a Reservation Package by the Lender, which Reservation Fee shall be in an amount equal to \$200.00.

**"Reservation Package"** shall mean, with respect to a Mortgage Loan, the following:

1. Mortgage Revenue Bond Loan Reservation Confirmation (Exhibit P)
2. Copy of Executed Sales Contract
3. Copy of complete Executed Loan Application (1003)
4. Executed Notice to Mortgagor Regarding Potential Recapture Tax (Exhibit F)
5. Executed Notice to Borrower – Second Mortgage (Exhibit T)
6. Copy of Homebuyer Education Counseling Certificate
7. Executed HAT Loan Agreement (if applicable and must be mailed to MHC Attn: Single Family).

**"Reserved Amount"** shall mean the principal amount of a Mortgage Loan set forth in the Reservation.

**"Residential Housing Unit"** shall mean real property and the improvements situated thereon or an interest therein upon which is located or is to be constructed or structure with a permanent foundation to which it is permanently fixed, designed and to be used as a residence for a maximum of one family, including, without limitation, a condominium or a Planned Unit Development, each unit of which is designed and to be used as a residence for a maximum of one family (i) which is determined by qualified appraisal to have an expected useful life of not less than 30 years, (ii) which will be occupied by the Mortgagor as his or her principal residence within a reasonable time (not to exceed 60 days) after financing is provided, and (iii) the land appurtenant to which reasonably maintains the basic livability of the residence and does not provide, other than incidentally, a source of income to Mortgagor, including child care services on a regular basis of compensation. A Residential Housing Unit does not include rental houses, vacation homes or modular housing and mobile homes that are not permanently affixed to real property.

**"Second Mortgage"** shall mean the sum of (i) the origination fee in an amount up to one half percent (1.50%) of the principal amount of a Mortgage Loan and (ii) the amount paid with respect to each Mortgage Loan in accordance with Section 6(b) and 6(c) hereof to be applied towards the down payment, closing costs payable by the Mortgagor and Fannie Mae or Freddie Mac Private Mortgage Insurance, FHA Mortgage Insurance Premium, VA Funding fee or USDA Guaranteed fee, whichever is applicable.

**"Servicing Release Fee"** shall mean the fee payable to the Lender from the Servicer upon the Purchase of a Mortgage Loan in an amount agreed upon by the Servicer and the Lender.

**"State"** shall mean the State of Mississippi.

**"Targeted Area"** shall mean those census tracts and areas of the State identified by the Corporation in Exhibit C which constitute qualified census tracts or areas of chronic economic distress within the meaning of Section 143(j)(2) and (3) of the Code, as said Exhibit C may from time to time be amended by and supplemented by the Corporation.

**"Targeted Area Mortgage Loan"** shall mean a Mortgage Loan which was originated to finance the acquisition or construction of a Residential Housing Unit located within a Targeted Area as shown in Exhibit C hereto.

**"Trustee"** shall mean, with respect to the Bonds, the financial institution acting as trustee under the related Indenture or the General Bond Resolution, as designated by the Corporation, or any successor trustee appointed under the related Indenture or the General Bond Resolution, as applicable.

**"USDA/RD"** shall mean the United States Department of Agriculture/Rural Development, an agency of the United States of America, or any successors to its functions.

**"USDA/RD Mortgage Loan"** shall mean a mortgage loan secured by a Mortgage guaranteed by USDA/RD under the Section 502 Guaranteed Single Family Rural Housing Loan MRB Program, as now and hereafter amended, which mortgage loan is eligible for inclusion in a Ginnie Mae Security and which contains the Mortgage Addendum-VA/USDA/RD Mortgage Loans (Exhibit I-2) or a Fannie Mae Security or Freddie Mac PC (which is to be determined by the Servicer of said Mortgage Loan(s)).

**"VA"** shall mean the Veterans Administration.

**"VA Mortgage Loan"** shall mean a mortgage loan secured by a Mortgage guaranteed by the VA under the provisions of the Servicemen's Readjustment Act of 1944, or Chapter 37 of Title 38 of the United States Code, as now and hereafter amended, and which contains the Mortgage Addendum-VA/USDA/RD Mortgage Loans (Exhibit J-2).

## Section 2: Effective Date

This MRB Origination Agreement shall become effective on the date of execution and delivery hereof by the Lender, the Servicer, and the Corporation.

## Section 3: Origination Period; Reservations

Funds made available for the origination of Mortgage Loans will not be allocated to any Lender, but will be reserved on a first-come, first-served basis for all Participating Lenders until all such funds with respect to a series of Bonds shall have been reserved. Commencing on each applicable First Reservation Date, Participating Lenders may reserve available funds for purchase of Mortgage Loans on a case-by-case basis on the Corporation's Internet website reservation system or as otherwise allowed by the Corporation; provided, however, that, in its sole and absolute discretion, the Corporation shall reserve twenty percent (20%) of the available funds for the origination of Targeted Area Mortgage Loans. Unless waived by the Corporation, no Reservations will be awarded after the Final Reservation Date, if applicable, and, notwithstanding any waiver of the Final Reservation Date, if applicable, all Mortgage Loans with respect to a series of Bonds must close prior to the applicable Conditional Commitment Expiration Date, in accordance with Section 5. If the Lender is not acting as the Servicer, hereunder, all First Mortgage Loans with respect to a series of Bonds must be sold to the Servicer on or before the applicable thirty (30) calendar day period from the Date of the Loan Closing.

The Corporation will accept and process such Internet reservations from Participating Lenders requesting Reservations of funds for Mortgage Loans to be made to Eligible Borrowers in the order received. All Reservations will be made on a first-come, first-served basis until all available funds are utilized. It is a condition to any such Reservation that within three (3) Business Days following any reservation confirmation of funds, if granted, the Participating Lender must physically deliver the Reservation Package, including, without limitation, the Reservation Fee (in the form of a money order or certified check, no cash, or personal checks, payable to the Corporation). The Reservation will lapse automatically if the Compliance Package with respect to such Mortgage Loan is not submitted to the Corporation prior to 45 calendar days for new/existing property or 120 calendar days for a residence under construction which are the related Final Compliance Package Delivery Dates.

#### Section 4: Origination of Mortgage Loans; Mortgage Loan Terms

- a) The Lender shall use its best efforts to originate Mortgage Loans with respect to the MRB Program. The Lender may make Commitments anywhere in the State. All Mortgage Loans with respect to a series of Bonds must be closed on or prior to the related Conditional Commitment Expiration Date, in accordance with Section 5. If the Lender is not acting as the Servicer hereunder, all Mortgage Loans with respect to a series of Bonds must be sold to the Servicer on or prior to thirty (30) calendar days from the date of Loan Closing Date.

The Lender agrees to use reasonable diligence to originate Targeted Area Mortgage Loans, including, without limitation, periodic advertisements in newspapers and other media of the availability of mortgage funds under the MRB Program for persons intending to purchase Residential Housing Units in Targeted Areas.

- b) Each Mortgage Loan shall bear interest at the applicable Loan Rate and be made in accordance with the Lender's current standard underwriting and servicing policies and procedures as are applicable in each case, to FHA Mortgage Loans, USDA/RD Mortgage Loans, VA Mortgage Loans, Fannie Mae, and Freddie Mac Conventional Mortgage Loans. In addition, each Mortgage Loan shall be a Level Payment Mortgage Loan, the payments on which shall commence on the first day of the month following the Closing Date if the Closing Date is on the first day of a month or (B) on the first day of the second month following the Closing Date if the Closing Date is after the 1st day of a month. Escrow payments with respect to each First Mortgage Loan are to be paid monthly in an amount sufficient to enable the Lender or, if applicable, the Servicer to pay all taxes, special assessments, leasehold payments and hazard and flood insurance premiums, when due.
- c) No Mortgage Loan shall (i) have been made for the purpose of interim construction or other temporary financing or (ii) be used to finance a Residential Housing Unit the work or structure of which was constructed at a site other than the site of its permanent foundation unless such Mortgage Loan would be acceptable for purchase by Ginnie Mae, Fannie Mae or Freddie Mac.
- d) The Lender shall comply: (i) as to VA Mortgage Loan, with the Servicemen's Readjustment Act, as amended and supplemented, and all rules and regulations issued thereunder, as to each FHA Mortgage Loan, with the National Housing Act, as amended and supplemented, and all rules and regulations issued thereunder, (iii) with respect to each USDA/RD Mortgage Loan, with the Section 502 Guaranteed Single Family Rural Housing Loan Program, as amended and supplemented, all rules and regulations issued thereunder, (iv) with respect to each Fannie Mae Conventional Mortgage Loan, with the Fannie Mae Guides, with respect to each Freddie Mac Conventional Mortgage Loan, with the Freddie Mac Guides and (v) any and all applicable laws governing or regulating the origination of residential mortgage loans.
- e) With respect to each First and Second Mortgage Loan, whichever is applicable, the closing costs, fees and charges, of whatever kind or nature, which are collected from the Mortgagor or from the Seller of the Residential Housing Unit shall not exceed the aggregate of the actual amounts expended for continuation of abstract, title insurance, deed tax, attorneys' fees, credit reports, surveys, loan review fees, loan application fee, inspection fees and certifications, appraiser's fees and filing and recording fees and other fees and charges, except loan discount points, required or permitted by FHA, USDA/RD, VA, Fannie Mae or Freddie Mac, as appropriate, and in all cases such other closing costs, fees and charges to the extent that all such costs, fees and charges do not exceed amounts charged in the State in cases where owner-financing is not provided through the use of Bond proceeds, as may be approved by the Corporation; (ii) the actual amounts paid or escrowed for taxes, leasehold payments and insurance premiums; (iii) an origination fee totaling up to but not in excess of 1.50% of the principal amount of such Mortgage. The fee's applicable to be charged to the Mortgagor on the Second Mortgage Closing Disclosure shall be a recording fee for the Second Mortgage Deed of Trust, second mortgage loan application fee, if applicable, and, if applicable, a Mortgagor paid Home Buyer Education Counseling fee.
- f) The Lender shall require that each Eligible Borrower provide a Borrower Certificate in form set forth in the Borrower Certification (Exhibit E) that the Eligible Borrower (i) intends to occupy the premises purchased with the proceeds of the Mortgage Loan as the principal residence of the Eligible Borrower within sixty (60) days after the closing of the Mortgage Loan; (ii) will not use the residence in a trade or business and will not deduct any portion of the cost of the

residence as a home business expense on the Eligible Borrower's federal income tax return; (iii) will not use the residence as investment property and will not receive any income from the residence or the land; (iv) will not use the residence as a recreational, vacation or second house; and (v) certifies that all of the land being purchased with the Residential Housing Unit reasonably maintains the basic livability of the Residential Housing Unit and will not provide a source of income to the Eligible Borrower. Each First Mortgage Loan shall provide that it shall become immediately due and payable if the Eligible Borrower fails to occupy said premises as aforesaid within said time period, or if any of the other representations is determined to be false and the Lender or the Servicer, if applicable, may declare the Mortgage Loan due and payable. Each Second Mortgage Loan shall provide that it shall become immediately due and payable if the Eligible Borrower fails to occupy, sell or refinance said premises as aforesaid within the first ten (10) years of the thirty (30) year mortgage.

- g) The Acquisition Cost of the Residential Housing Unit that is to be purchased with the proceeds of such Mortgage Loan may not exceed the applicable Maximum Permissible Acquisition Cost as of the date the Commitment was made to provide the Mortgage Loan. In determining the Acquisition Cost of a Residential Housing Unit, the Lender should refer to the definition of Acquisition Cost contained herein, complete an Acquisition Cost Worksheet contained in the Borrower Certification (Exhibit E) in connection with each Mortgage Loan.
- h) The principal amount of a Mortgage Loan shall not exceed the maximum percentage of the Property Value acceptable to FHA, USDA/RD, VA, Fannie Mae or Freddie Mac, as applicable; nor may the principal amount of the Mortgage Loan exceed the amount permitted for inclusion in a Pool under the Ginnie Mae Guide, Fannie Mae or Freddie Mac Guides.
- i) Except in the case of Targeted Area Mortgage Loans, each person executing the Mortgage (but not the mortgage note, which may be co-signed by a person who is not a First Time Homebuyer if such person will not have an ownership interest in the residence) and to whom financing is provided by the mortgage note must be a First Time Homebuyer. Each such person must not have had a present ownership interest in a principal residence at any time during the three-year period prior to the date of application for such Mortgage Loan. For purposes of the preceding sentence, Mortgagor's interest in the residence with respect to which the financing is being provided is not taken into account if such Mortgagor's interest in the residence was acquired with the proceeds of a bridge loan or construction loan with a term not exceeding twenty-four (24) months.

If there is more than one Mortgagor signing the Mortgage with respect to a particular residence, each of such Mortgagors must be a First Time Homebuyer. A person who is liable under the mortgage note secured by the Mortgage, but who does not have a present ownership interest in, and will not occupy, the residence subject to the Mortgage, need not be a First Time Homebuyer. For example, where a parent of a home purchaser co-signs the mortgage note for a child, but the parent takes no interest in the residence, nor plans to occupy the residence, it is not necessary that the parent meet the First Time Homebuyer requirement since the parent is not a Mortgagor of the residence. Examples of interests that constitute present ownership interests (and thus would result in a potential home purchaser failing to meet First Time Homebuyer requirements) are the following:

- a. A fee simple interest.
- b. A joint tenancy, a tenancy in common, or tenancy by the entirety.
- c. The interest of a tenant-shareholder in a cooperative.
- d. A life estate.
- e. A land contract or bond for deed contract (i.e., a contract pursuant to which possession and the benefits and burdens of ownership are transferred although legal title is not transferred until some later time); and
- f. An interest held in trust for Mortgagor (whether or not created by Mortgagor) that would constitute a present ownership interest if held directly by Mortgagor.

Examples of interest which do not constitute present ownership interest (and thus would not result in a potential home purchaser failing to meet First Time Homebuyer requirements) are the following:

- a. A remainder interest.
- b. A lease with or without an option to purchase.
- c. A mere expectancy to inherit an interest in a principal residence.
- d. The interest that a purchaser of a residence acquires on the execution of a purchase contract; and
- e. An interest in other than a principal residence during the previous three years.

For example, a person would not fail to meet the First Time Homebuyer requirements because such person owns rental property, a vacation home, or a mobile home or factory-build housing that is not permanently affixed to real property.

With respect to Non-Targeted Area Mortgage Loans, the Lender may obtain from each Mortgagor copies of Mortgagor's signed federal income tax returns which were filed with the Internal Revenue Service for the preceding three (3) years for which tax returns were required to have already been filed prior to the year in which the Closing occurs, and shall examine each return to determine whether Mortgagor has claimed a deduction for taxes on real property which was the Mortgagor's principal residence or a deduction for interest paid on a mortgage secured by real property which was Mortgagor's principal residence. If such deduction was claimed, the Lender may reject the application as non-qualifying. The Lender must require Mortgagor to execute the Borrower Certification (Exhibit E) that certifies that the mortgagor meets the 3-year IRC rule.

IF THE RESIDENTIAL HOUSING UNIT IS LOCATED IN A TARGETED AREA, THE MORTGAGOR NEED NOT BE A FIRST TIME HOMEBUYER. With respect to each Mortgage Loan, the Annualized Gross Household Monthly Income of the Mortgagor as indicated in the Borrower Certification (Exhibit E) and Income Calculation Worksheet (Exhibit N) may not exceed the Maximum Permissible Family Income.

- j) The Lender shall provide each Mortgagor with a completed statement in the form of the Notice to Mortgagor Regarding Potential Recapture Tax (Exhibit F) informing the Mortgagor of any potential recapture tax for federal income tax purposes on the sale or other disposition of the single-family residence and containing the information necessary for the Mortgagor to determine the amount of any such recapture tax.
- k) Each Mortgage Loan shall contain the Borrower Certification (Exhibit E) with respect to restrictions or assumptions of such Mortgage Loans and IRS Regulations in respect to qualified income, Acquisition Cost and First Time Homebuyer requirements.

#### Section 5: Compliance Review

The Lender shall forward the Compliance Package to the Corporation within 45 calendar days for new/existing properties or 120 calendar days for properties under construction which are the related Final Compliance Package Delivery Dates. The Corporation's online system will provide the Lender an email notification that the documents uploaded successfully, and within three (3) Business Days of the Corporation's receipt of such Compliance Package whether or not the Corporation has approved the Mortgage Loan for origination under the MRB Program and, if the Mortgage Loan will not be approved, the reasons therefore listed as conditions to be satisfied. The Lender may attempt to cure any condition(s) in the Compliance Package and resubmit such required documentation by uploading online to the Corporation provided, that such Mortgage Loan must be closed on or prior to the related Conditional Commitment Expiration Date aforesaid. With respect to all Mortgage Loans approved by the Corporation, the Corporation's online system will submit an email to the Lender reflecting the loan has been approved or if there are conditions to be satisfied. If the loan is approved, the Lender will then be able to print a MHC executed Conditional Commitment. No Mortgage Loan shall be closed without receipt of the Conditional Commitment. In the event the Corporation discovers that a Mortgage Loan was closed prior to the Corporation issuing a Conditional Commitment, at the Corporation's discretion, it can withhold the reimbursement of the related Second Mortgage to the Lender. The Lender shall pay all costs of preparing and furnishing the Compliance Package to the Corporation.

#### Section 6: Closings; Purchase Certification

- a) Upon receipt of a Conditional Commitment from the Corporation with respect to a Mortgage Loan, the Lender shall proceed to close such Mortgage Loan in a timely manner. A Conditional Commitment with respect to a Mortgage Loan shall lapse automatically if the Closing Date for such Mortgage Loan shall not occur prior to the related Conditional Commitment Expiration Date in accordance with Section 5.
- b) Lender shall provide at the Loan Closing, the Corporation's Borrower Affidavit (Exhibit K), the Mortgage Addendum – FHA Insured Loans (Exhibit J-1) or the Mortgage Addendum – VA or USDA/RD Guaranteed Loans (Exhibit J-2) or the Mortgage Addendum – Fannie Mae/Freddie Mac (Exhibit J-3), whichever is applicable, which shall be recorded with

the First Mortgage Loan Deed of Trust, the Corporation's Second Mortgage Note (Exhibit Q) and the Corporation's Second Mortgage Deed of Trust (Exhibit R) and the Second Mortgage Closing Disclosure in the Lenders Name and Loan Number and the Second Mortgage funds, according to the applicable program, subject to change upon notice from the Corporation, to cover the Borrowers eligible closing costs, down payment and mortgage insurance. The Corporation will reimburse the Lender upon receipt of the complete and accurate Purchase Certification Document Package.

- c) If applicable, the Corporation shall reimburse the Second Mortgage to the lender. The closing attorney shall, if applicable, pay the Lender the origination fee with respect to such Mortgage Loan and shall apply the remainder of such Second Mortgage towards the down payment, mortgage insurance and closing costs payable by the Mortgagor; provided, however, that the Second Mortgage shall not be used to reimburse the Mortgagor for either (i) items paid outside of closing unless the seller has paid such items and the sales contract provides that the buyer shall reimburse the seller at closing for such costs, or (ii) items prepaid at closing, e.g. tax escrows or prepaid interest. The Second Mortgage paid with respect to each Mortgage Loan shall not exceed the related Second Mortgage amount.
- d) The Lender shall submit the Purchase Certification Package with respect to a Mortgage Loan to the Corporation on or prior to the Corporation issuing the Purchase Certification to the Lender. The Corporation shall notify the Lender by online email within five (5) Business Days subsequent to the receipt of the Purchase Certification Package whether or not the Corporation has approved the Mortgage Loan for Purchase and, if the Mortgage Loan will not be approved, the reasons therefor. The Lender may attempt to cure any defect in the Purchase Certification Package and resubmit such Purchase Certification document(s) to the Corporation provided that such Mortgage Loan must be pooled to back a Ginnie Mae Security, Fannie Mae Security or Freddie Mac PC issued no later than two (2) months from date of closing and purchase by the Servicer and without exception, no later than the related Final MRB Program Security Issuance Date, if applicable. With respect to all Mortgage Loans approved by the Corporation, the Corporation shall provide access to the Lender to print a Purchase Certification once approved by the Corporation. NO MORTGAGE LOAN MAY BE (i) POOLED BY THE SERVICER TO BACK A GINNIE MAE SECURITY, FANNIE MAE SECURITY OR FREDDIE MAC PC OR (ii) SOLD TO THE SERVICER WITHOUT A PURCHASE CERTIFICATION FROM THE CORPORATION WITH RESPECT TO SUCH MORTGAGE LOAN WITHOUT PRIOR APPROVAL FROM THE CORPORATION.
- e) Approval of a Mortgage Loan for Purchase shall be in the sole discretion of the Corporation.

### Section 7: Purchases of Mortgage Loans

THE PROVISIONS INCLUDED IN THIS SECTION 7 SHALL BE APPLICABLE ONLY IF (i) THE LENDER IS NOT ACTING AS THE SERVICER HEREUNDER OR (ii) THE CORPORATION SHALL REQUIRE THE LENDER TO SELL ITS MORTGAGE LOANS TO A PARTICIPATING SERVICING INSTITUTION UNDER THE MRB PROGRAM PURSUANT TO SECTION 13(a) HEREOF.

- a) The Servicer shall be obligated to purchase and pay for any Mortgage Loan offered for sale by the Lender under this MRB Origination Agreement, but only if, with respect to each Mortgage Loan, the Lender has complied with all requirements contained in this MRB Origination Agreement, the Corporation has issued a Purchase Certification with respect thereto and has met all the Servicer's purchase requirements. A Mortgage Loan may be delivered to the Servicer prior to the Lender's receipt of a certificate or policy of insurance by FHA or a PMI Insurer, a guaranty certificate of USDA/RD or a guaranty certificate of VA, as applicable, if the Lender has received a commitment for such insurance or guaranty, as the case may be, and such commitment is delivered to the Servicer. If such insurance or guaranty is not delivered to the Servicer or the Corporation, as applicable, within sixty (60) days of the Closing Date, the Lender shall repurchase such Mortgage Loan in accordance with Section 12 hereof.
- b) Within three (3) Business Days after receipt of a Purchase Certification for each Mortgage Loan, the Lender must sell such First Mortgage Loan to the Servicer, provided however, that, the Servicer shall not be obligated to purchase First Mortgage Loans subsequent to the related Final Sale Date, if applicable. Servicer will make every effort to pool First Mortgage closed loans monthly, if applicable, unless otherwise instructed by the Corporation.

- c) The Purchase Date for each Mortgage Loan shall be on such Business Days of each month agreed to by the Servicer and the Lender during the period commencing on the related First Reservation Date, if applicable, and the related Closing Date, and the purchases shall occur at the times and places as determined by the Servicer.
- d) The purchase price payable by the Servicer to the Lender on the Purchase Date for each Mortgage Loan purchased by the Servicer shall be the sum of (i) 100% of the unpaid principal amount of the Mortgage Loan, (ii) accrued, but unpaid, interest to the Purchase Date and (iii) the Servicing Release Fee, if any.
- e) Prior to the Purchase Date, the Lender will assign and transfer each Mortgage Loan to the Servicer in exchange for payment of the purchase price on the Purchase Date as provided in this MRB Origination Agreement. Under the MRB Servicing Agreement, after the Purchase Date the Servicer will perform all servicing functions relating to each Mortgage Loan until such Mortgage Loans are securitized in a Pool. After the issuance date of each Ginnie Mae Security, Fannie Mae Security or Freddie Mac PC, the Ginnie Mae Guide, the Fannie Mae Guide, and the Freddie Mac Guide will govern the Servicer.

### Section 8: Representations and Covenants of the Lender Regarding Mortgage

The Lender hereby represents to, and covenants with, the Corporation and the Servicer, as of the Closing Date of each Mortgage Loan and, if applicable, as of the Purchase Date that:

- a) The Mortgage Loan is lawful under all applicable local, State and federal laws, rules and regulations which govern the affairs of the Lender and the Mortgagor, including without limitation all applicable real estate settlement procedures, truth-in-lending, usury and anti-discrimination laws.
- b) The Lender has complied with all the terms, conditions and requirements of the Act and this MRB Origination Agreement.
- c) The note or bond evidencing the Mortgage Loan is a legal, valid and binding obligation of the maker thereof and is enforceable in accordance with its terms. No counterclaim, set-off, defense or right of rescission exists which can be asserted and maintained by the Mortgagor or any successor in interest of the Mortgagor against the Lender or, if applicable, the Servicer, as assignee of said Mortgage Loan.
- d) The Lender has no knowledge of any improvement on the real property subject to the Mortgage Loan being in violation of any laws or regulations affecting the premises including, without limitation, applicable building, zoning and environmental protection laws or regulations.
- e) The Lender has no knowledge that the real property subject to the Mortgage Loan has been damaged by waste, fire, earthquake, windstorm, flood, tornado or other cause.
- f) The Lender has no knowledge of any condemnation proceeding being instituted or threatened against any portion of the Mortgaged Property subject to the Mortgage Loan.
- g) The improvements on the real property securing the Mortgage Loan are covered by a valid and subsisting policy of standard hazard insurance in an amount required by FHA, VA, USDA/RD, or the PMI Insurer, as applicable, with proper endorsement to the Servicer.
- h) The Lender has no knowledge of any facts or circumstances, economic or otherwise, which may have an adverse effect on the credit of any Mortgagor, the prospect of prompt payment of any Mortgage Loan or the value of any security therefor.
- i) All taxes and standard hazard insurance premiums due and payable have been paid and escrows for future payments which are adequate to fully pay such taxes at the completed property assessment rate and escrows for future monthly payments of 1/12 of the annual standard hazard insurance premium which will be adequate to fully pay each annual standard hazard insurance premium have been established.



- j) If the Mortgage Loan resulted from a correspondent agreement with another mortgage lending institution, the correspondent qualifies as a Correspondent Bank.
- k) The Mortgagor is not delinquent in the payment of any installment of principal, interest or other amounts due under the terms of the Mortgage Loan.
- l) No term, covenant or condition of the note or bond evidencing the Mortgage Loan and the Mortgage securing the Mortgage Loan has been waived, altered or modified except as consented to in writing by the Corporation and the Servicer.
- m) The Mortgage Loan is not subject to any existing assignment or pledge; the Lender has good title thereto and, if applicable, the full right and authority to sell, assign and transfer the same and to endorse and deliver the note or bond to the Servicer, free and clear of all encumbrances.
- n) The Mortgage Loan is covered by a valid and subsisting title insurance policy or initial binder, the benefits of which run to the Servicer, if applicable, which title insurance policy or initial binder is on the current standard American Land Title Association mortgage insurance form issued by a title insurer licensed to do business in the State in an amount at least equal to the outstanding principal balance of the Mortgage Loan. Such title insurance policy must insure the lien of the Mortgage Loan as a valid first lien subject only to property taxes and assessments not yet due and payable and those title exceptions acceptable under guidelines promulgated by Ginnie Mae, Fannie Mae or Freddie Mac, as applicable.
- o) All necessary documents have been executed, and the Lender has taken all steps to perfect its and, if applicable, the Servicer's legal and record title to, and to protect its and, if applicable, the Servicer's interest in, the Mortgage Loan.
- p) The Mortgage, applicable Mortgage Addendum (Exhibits J-1, J-2 or J-3), and any other document required to be registered, recorded or filed in a public office to perfect the mortgage lien against third parties has been duly and timely filed, registered or recorded in the proper public office in order to give constructive notice thereof to all subsequent purchasers or encumbrancers.
- q) The lien of, or estate created by, the Mortgage Loan has not been satisfied, subordinated or impaired, in whole or in part, except for the payment of principal and interest to the Purchase Date as disclosed to the Corporation and the Servicer by the Lender. No part of any Mortgaged Property has been released therefrom, other than releases agreed to in writing by the Corporation and the Servicer.
- r) The Lender has determined that the Mortgage Loan would constitute a prudent investment for its own account.
- s) The Mortgage Loan is eligible under the terms of the Ginnie Mae Guide, the Fannie Mae or Freddie Mac Guides, and the related Ginnie Mae Guaranty Agreement or Pool Purchase Contract, as applicable, for inclusion in a Pool.
- t) Each Fannie Mae and Freddie Mac Conventional Mortgage Loan is insured under valid and effective Private Mortgage Guaranty Insurance issued by a PMI Insurer and meeting the requirements of this MRB Origination Agreement and the Fannie Mae and Freddie Mac Guides to the extent private mortgage insurance for the Fannie Mae and Freddie Mac Conventional Mortgage Loans is required by Fannie Mae and Freddie Mac Guides.
- u) To the best of its knowledge, after reasonable inquiry, the Mortgagor is an Eligible Borrower, and the Mortgaged Property qualifies for a Mortgage Loan under the MRB Program.

## Section 9: Lender Representations, Warranties and Covenants

The Lender represents and warrants to, and covenants with, the Corporation and, if applicable, the Servicer that:

- a) The Lender is a "mortgage lender" as that term is defined in the Act and is currently authorized to make Mortgage Loans in the State.
- b) The Lender is a corporation or association duly organized and validly existing and in good standing under the laws of the jurisdiction under which it was organized and is existing and has the power and authority, corporate and other, to own its properties and carry on its business as now being conducted and is duly qualified to do such business in the State.
- c) The Lender has the power (i) to execute and deliver this MRB Origination Agreement, (ii) to accept the terms hereof, (iii) to enter into the transactions contemplated hereby, and the acceptance and performance hereof has been duly authorized by all necessary corporate and other action.
- d) During the term of this MRB Origination Agreement, the Lender will remain subject to supervision and examination by State or federal authorities, as may be applicable, and it will remain in good standing and qualified to do business under the laws of the United States of America, the state of its organization and of the State, will not dissolve or otherwise dispose of all or substantially all of its assets and will not voluntarily consolidate with or merge into any other entity or permit one or more other entities to consolidate with or merge into it; provided, however, that the Lender may, without violating the covenant contained in this subsection, consolidate with or merge into another entity, or permit one or more entities to consolidate with or merge into it, or sell or otherwise transfer to another such entity all or substantially all of its assets as an entirety and thereafter dissolve; if the surviving, resulting or transfer entity, as the case may be, (i) shall be subject to the supervision and examination of the State or federal authorities, as may be applicable, (ii) shall assume in writing all of the obligations, representations and warranties of the Lender hereunder (in the case of a sale of all or substantially all of the Lender's assets, the Corporation and the Servicer shall release the Lender in writing, concurrently with and contingent upon such assumption, from all liability hereunder) and (iii) shall be either an FHA-approved mortgagee in good standing or an eligible lender in good standing of USDA/RD or VA guaranteed mortgage loans, if Fannie Mae Conventional Mortgage Loans are originated by such entity, a Fannie Mae approved lender in good standing or if Freddie Mac Conventional Mortgage Loans are originated by such entity, a Freddie Mac approved lender in good standing.
- e) The Lender is not under any cease-and-desist order or other order of a similar nature, temporary or permanent, of any federal or State authority, nor are there any proceedings presently in progress or to its knowledge contemplated which would, if successful, lead to the issuance of any such order which, if issued, would materially adversely affect the ability of the Lender to perform its obligations hereunder.
  - i. The Lender is an FHA-approved Mortgagee; and/or
  - ii. The Lender is a "Supervised Lender" as classified by VA under Section 500(d) of the Servicemen's Readjustment Act; and/or
  - iii. If the Lender originates USDA/RD Mortgage Loans, such Lender is an eligible lender under the USDA/RD Section 502 Single Family Rural Housing Loan Program; and/or
  - iv. If the Lender originates Fannie Mae Conventional Mortgage Loans, such Lender is a Fannie Mae approved lender in good standing acceptable to a PMI Insurer.
  - v. If the Lender originates Freddie Mac Conventional Mortgage Loans, such Lender is a Freddie Mac approved lender in good standing acceptable to a PMI Insurer.
- f) This MRB Origination Agreement is a valid and binding agreement of the Lender, enforceable according to its terms, the making and performance of which have been duly authorized by all necessary corporate and other action and will

not constitute a violation of any law, any requirement imposed by any judicial, arbitral body or governmental instrumentality, or the charter or by-laws of the Lender, or a default under any agreement or instrument by which it is bound or affected.

- g) Neither the execution and delivery of this MRB Origination Agreement nor the performance of the transactions contemplated by this MRB Origination Agreement by the Lender requires the consent or approval of any governmental instrumentality nor, if such consent or approval is required, it has been obtained.
- h) The Lender's current standard underwriting and servicing policies and procedures satisfy the Ginnie Mae, Fannie Mae and Freddie Mac Guides or the mortgage seller and servicer guidelines of Ginnie Mae, Fannie Mae or Freddie Mac.
- i) The Lender will examine the affidavit, certifications and documents required by this MRB Origination Agreement and will make such investigation as it deems necessary to verify the facts stated therein and will determine such facts to be true and correct; and, that it will collect from the Mortgagor only such costs, fees and charges authorized by the Corporation herein.
- j) Any review or approval by the Servicer or the Corporation of any Mortgage Loan or the credit or tax compliance information in connection therewith or the issuance by the Corporation of either a Conditional Commitment or a Purchase Certification hereunder shall not relieve the Lender of any responsibility or liability for the performance or nonperformance of its obligations hereunder.
- k) Lender will not knowingly take or omit to take any action or permit any action which is within its control to be taken which would impair the exclusion from gross income for federal income tax purposes of interest on any series of Bonds; the Lender (including any "related person" thereof, within the meaning of Section 144(a)(3) of the Code) may purchase Bonds; however, it shall not, pursuant to any arrangement, formal or informal, purchase Bonds in an amount related to the amount of Mortgage Loans originated by the Lender pursuant to this MRB Origination Agreement.
- l) The Lender will comply, (i) with respect to each FHA Mortgage Loan, with the National Housing Act of 1934, as amended, with all rules and regulations issued thereunder and with all applicable administrative publications, (ii) with respect to each VA Mortgage Loan, with the Servicemen's Readjustment Act, as amended, with all rules and regulations issued thereunder and with all administrative publications, (iii) with respect to USDA/RD Mortgage Loans, with all rules and regulations of the Section 502 Single Family Rural Housing Loan Program of USDA/RD, (iv) with respect to each FHA Mortgage Loan, VA Mortgage Loan and USDA/RD Mortgage Loan, as determined as of the date of each Purchase hereunder, with all the requirements of, and the "Representations and Warranties of Lender" set forth in, the Ginnie Mae Guide, (v) with respect to each Conventional Mortgage Loan, as determined as of the date of each Purchase hereunder, with all the requirements of the Fannie Mae or Freddie Mac Guides, and (vi) any and all applicable laws governing or regulating the origination of mortgage loans, including, but without limitation, any applicable "truth in lending" or disclosure laws.
- m) The Lender will comply with the non-discrimination provisions of the Civil Rights Act of 1964, the regulations promulgated thereunder, and Executive Order 11246, Equal Employment Opportunity, dated September 24, 1965.
- n) Notwithstanding any other provisions of this MRB Origination Agreement, under no circumstances shall this MRB Origination Agreement or the relationship between the Corporation and the Lender created hereby be construed as creating a fiduciary relationship between the Corporation and the Lender or as granting to or creating in the Lender any legal or equitable interest, right or title in or to any funds or accounts created under the applicable Governing Bond Document.
- o) The Lender shall, from time to time, timely provide to the Servicer and the Corporation at Lender's expense copies of all documents, loan applications and all related materials from its file on each Mortgage Loan.
- p) The Lender shall keep proper books, records and accounts in which complete and correct copies of all certificates and documents required to be filed with it hereunder shall be maintained and preserved for a reasonable period of time. The Lender shall make such books and records available for inspection by the Corporation, the Servicer, the Trustee,

Ginnie Mae, Fannie Mae, Freddie Mac and the Custodian during reasonable hours and under reasonable conditions. The Corporation, the Servicer, the Trustee, Ginnie Mae, Fannie Mae, Freddie Mac, and the Custodian shall have the right to require the Lender to furnish said documents, at Lender's expense, as the Corporation, the Servicer, the Trustee, Ginnie Mae, Fannie Mae, Freddie Mac or the Custodian, in their respective sole discretion and from time to time, deem necessary to determine that the provisions of the applicable Governing Bond Document, the Custodial Agreement, the MRB Servicing Agreement and this MRB Origination Agreement have been complied with and to satisfy the Corporation's recordkeeping requirements.

- q) The Lender shall use diligent, reasonable efforts to become and to remain familiar with all Ginnie, Fannie Mae and Freddie Mac rules and regulations applicable to the origination and sale of mortgage loans, including, but not limited to, any changes or proposed changes in the Ginnie Mae, Fannie Mae and Freddie Mac servicing rates, size of Pools, if also acting as the Servicer of said Mortgage Loans or other features affecting the Purchase of Mortgage Loans hereunder. Any failure of the Corporation or the Servicer to inform Lender of changes or proposed changes in Ginnie Mae, Fannie Mae and Freddie Mac rules and regulations affecting the MRB Program shall not relieve Lender of its obligations under this subsection (u).

#### Section 10: Servicer Representations, Warranties and Covenants

The Servicer represents and warrants to, and covenants with, the Lender and the Corporation that:

- a) The Servicer is a corporation, duly organized, validly existing and in good standing under the laws of the state of its organization, is duly qualified and in good standing to transact business in the State, and possesses all requisite authority, power, licenses, permits and franchises to conduct any and all business contemplated by this MRB Origination Agreement and the MRB Servicing Agreement and to execute, deliver and comply with its obligations under the terms of this MRB Origination Agreement and the MRB Servicing Agreement, the execution and delivery and performance of which have been duly authorized by all necessary corporate action.
- b) The execution and delivery of this MRB Origination Agreement and the MRB Servicing Agreement by the Servicer in the manner contemplated herein and therein and the performance and compliance with the terms hereof and thereof by it will not violate (i) its certificate of incorporation or bylaws or similar organizational documents, or (ii) any laws which could have any material adverse effect whatsoever upon the validity, performance or enforceability of any of the terms of this MRB Origination Agreement or the MRB Servicing Agreement applicable to the Servicer, and will not constitute a material default (or an event which, with notice or lapse of time, or both, would constitute a material default) under, or result in the breach of, any material contract, agreement or other instrument to which the Servicer is a party or which may be applicable to it or any of its assets.
- c) The execution and delivery of this MRB Origination Agreement and the MRB Servicing Agreement by the Servicer in the manner contemplated herein and therein and the performance and compliance with the terms hereof and thereof by it do not require the consent or approval of any governmental authority, or if such consent or approval is required, it has been obtained.
- d) This MRB Origination Agreement and the MRB Servicing Agreement, and all documents and instruments contemplated hereby and thereby, which are executed and delivered by the Servicer, will constitute valid, legal and binding obligations of the Servicer, enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by applicable debtor relief laws.
- e) The Servicer is a Fannie Mae-approved seller-servicer, Ginnie Mae-approved issuer-servicer, Freddie Mac-approved issuer-servicer, FHA-approved mortgagee, USDA/RD-approved lender, VA-approved lender, and an authorized issuer of Ginnie Mae Securities, seller of Fannie Mae Securities, seller of Freddie Mac PCs and will remain so approved for the term of this MRB Origination Agreement and the MRB Servicing Agreement.
- f) With respect to the servicing of Mortgage Loans, the Servicer will comply, (i) as to each FHA Mortgage Loan, with the National Housing Act of 1934, as amended, all rules and regulations issued thereunder and all applicable administrative

publications, (ii) as to each VA Mortgage Loan, with the Servicemen's Readjustment Act, as amended, all rules and regulations issued thereunder and all applicable administrative publications, (iii) as to each USDA/RD Mortgage Loan, with the Section 502 Guaranteed Single Family Rural Housing Loan Program of USDA/RD, as amended, all rules and regulations issued thereunder and all applicable administrative publications, (iv) as to each FHA Mortgage Loan, VA Mortgage Loan and USDA/RD Mortgage Loan, with the provisions of the Ginnie Mae Guide and all other applicable rules, regulations, policies and guidelines of Ginnie Mae, and (v) as to each Conventional Mortgage Loan, with the provisions of the related Pool Purchase Contract, the Fannie Mae and Freddie Mac Guides and all other applicable rules of Fannie Mae and Freddie Mac.

- g) The Servicer will comply with the non-discrimination provisions of the Civil Rights Act of 1964, the regulations promulgated thereunder, and Executive Order 11246, Equal Employment Opportunity, dated September 24, 1965.
- h) The Servicer will do every act necessary or reasonable to perform its duties under this MRB Origination Agreement.
- i) The Servicer agrees that as long as it shall continue to serve in the capacity contemplated under the terms of this MRB Origination Agreement and the MRB Servicing Agreement, it will remain in good standing under the laws of the state of its organization and qualified under the laws of the State to do business in the State, will not dissolve or otherwise dispose of all or substantially all of its assets and will not voluntarily consolidate with or merge into any other entity or permit one or more other entities to consolidate with or merge into it; provided, however, that the Servicer may, without violating the covenant contained in this subsection, consolidate with or merge into another entity, or permit one or more entities to consolidate with or merge into it, or sell or otherwise transfer to another such entity all or substantially all of its assets as an entirety and thereafter dissolve, if the surviving, resulting or transferee entity, as the case may be, shall have a net worth as indicated by its most recent quarterly financial statement equal to or greater than the net worth of the Servicer as indicated by its most recent quarterly financial statement, shall be qualified under the laws of the State to do business in the State, shall be qualified under the laws and have necessary approvals required of the Servicer to perform the Servicer's duties hereunder and under the MRB Servicing Agreement, and shall assume in writing all of the obligations of the Servicer hereunder, in which event the Corporation, shall release the Servicer in writing, concurrently with and contingent upon such assumption, from all obligations so assumed. No merger by or sale of the assets of the Servicer under this subsection shall occur without reasonable prior notice to the Corporation and the Trustee sufficient to allow the Corporation to present any objections to the proposed merger or sale of assets in writing to the Servicer, Fannie Mae, Ginnie Mae and Freddie Mac. Any entity into which, pursuant to the terms hereof, the Servicer may be merged or consolidated, or any entity resulting from any merger, conversion or consolidation to which the Servicer shall be a party, pursuant to the terms hereof, or any entity succeeding to the business of the Servicer, pursuant to the terms hereof, shall be the successor of the Servicer hereunder without the execution or filing of any document or instrument, or any further act on the part of any of the parties hereto. The Servicer agrees to provide to the Corporation and the Trustee a certificate of an accountant and an opinion of counsel, acceptable to the Corporation, demonstrating that the requirements of this paragraph have been complied with.
- j) No information or statement furnished in writing or report required hereunder or under the MRB Servicing Agreement delivered to the Lender, the Corporation or the Trustee will, to the knowledge of the Servicer, contain any untrue statement of a material fact or omit a material fact necessary to make the information, statements or report not misleading.
- k) Neither the Servicer nor any "related person" as defined in Section 144(a)(3) of the Code shall acquire, pursuant to an arrangement, formal or informal, Bonds in an amount related to the amount of Mortgage Loans to be acquired by the Servicer under the MRB Program.
- l) The Servicer is familiar with all Ginnie Mae, Fannie Mae and Freddie Mac rules and regulations applicable to the MRB Program and shall use diligent, reasonable efforts to remain familiar with such rules applicable to the origination and servicing of mortgage loans, including, but not limited to, any changes or proposed changes in the Ginnie Mae, Fannie Mae and Freddie Mac servicing rate, size of Pools or other features affecting the purchase of Mortgage Loans.
- m) Each mortgage file relating to a Mortgage Loan shall be maintained by the Servicer for a minimum of three years from the date such Mortgage Loan is fully paid or otherwise terminated.

## Section 11: Corporation Representations and Warranties

The Corporation represents and warrants to with the Lender and the Servicer that:

- a) The Corporation shall make upon the Lender's and the Servicer's reasonable prior written request to conduct, with the Corporation's supervised access during reasonable hours and under reasonable conditions, the review of the Corporation's security policies, facilities and/or pertinent records.
- b) The Corporation shall throughout the term of this MRB Origination Agreement, use reasonable efforts to ensure that all Mortgage Loans originated hereunder satisfy all the requirements set forth in Section 4 hereof.

## Section 12: Damages; Repurchase.

The Lender shall be liable to the Corporation and the Servicer for any damages, including, without limitation, costs and reasonable attorneys' fees, suffered by the Corporation or the Servicer by reason of the untruth of any representation or the breach of any covenant or warranty made by the Lender herein or in connection with the transactions hereby contemplated. In addition, with respect to any Mortgage Loan, in the event that any representation by the Lender shall prove to be untrue when made, or in the event of any breach of covenant or warranty, or in the event the Lender fails to deliver all documentation within the required time period, the Lender shall, at the option of and upon the demand of the Corporation or the Servicer, repurchase promptly any such Mortgage Loan for an amount equal to the sum of one hundred percent (100%) of the unpaid principal balance of the Mortgage Loan at the time of repurchase with adjustment for accrued interest at the time of repurchase as well as any and all insurance or property proceeds received, (ii) the aggregate amount of any advances and interest thereon and (iii) the amount of any reasonable attorney fees, legal expenses, court costs or other expenses incurred by the Corporation and the Servicer in connection with such Mortgage Loan and the repurchase thereof. Each Mortgage Loan shall contain the applicable Mortgage Addendum (Exhibit J-1, J-2 or J-3).

## Section 13: Miscellaneous

- a) The Lender understands and agrees that notwithstanding anything herein to the contrary, on or before the related Final Sale Date, if applicable, the Corporation, in its sole and absolute discretion, may require the Lender to sell any First Mortgage Bond Loans that have not yet been pooled to form the basis of a Ginnie Mae Security, a Fannie Mae Security or a Freddie Mac PC to the Corporation or any mortgage servicing entity designated by the Corporation for a purchase price equal to the aggregate outstanding principal amount of such Mortgage Loans, plus accrued interest.
- b) With the prior approval of the Corporation, the Lender may enter into correspondent agreements with Correspondent Banks whereby such Correspondent Banks agree to originate Mortgage Loans on behalf of such Lender; provided, however, that only the Lender shall be entitled to pool such Mortgage Loans in connection with the issuance of a Ginnie Mae Security, Fannie Mae Security or Freddie Mac PC or sell such Mortgage Loans to the Servicer and provided, further, that such correspondent agreements shall not relieve the Lender any of its duties, responsibilities, representations, warranties or obligations under this MRB Origination Agreement.
- c) The provisions of this MRB Origination Agreement cannot be waived or modified unless such be in writing and signed by the party to be charged with such waiver or modification; provided, however, that the Corporation may supplement or modify this MRB Origination Agreement without the consent of the Lender or the Servicer if (i) such supplement or modification does not materially alter the rights and obligations of the Lender or the Servicer hereunder or (ii) such supplement or modification shall be required to maintain the exclusion of interest on any series of Bonds from the gross income of the recipients thereof.
- d) The Lender and the Servicer hereby agree to comply with any reasonable standards with respect to procedures in order to implement the provisions of this MRB Origination Agreement.
- e) Certain responsibilities of the Corporation may be performed from time to time by agents designated by the Corporation. Each Lender shall provide any reports, information, certificates or other materials required to be made available to the

Corporation by the Lender under this MRB Origination Agreement to such agents upon its request for same.

- f) All agreements, representations and warranties contained herein or made in writing by or on behalf of the Lender and the Servicer in connection with the transactions contemplated hereby shall survive the execution and delivery of this MRB Origination Agreement, the sale or delivery of the Mortgage Loans and payment therefore, any disposition thereof by the Servicer, and any investigation at any time made by the Corporation, the Servicer or the Lender.
- g) Invalidation of any one of the provisions of this MRB Origination Agreement, by judgment or court order, shall in no way affect any other provisions herein contained, which provisions shall remain in full force and effect.
- h) This MRB Origination Agreement shall not become effective until (1) there is delivered to the Corporation the MRB Servicing Agreement executed by the Servicer, if applicable.
- i) This MRB Origination Agreement shall be governed by the laws of the State, and the Lender consents to jurisdiction of the courts of the State.
- j) This MRB Origination Agreement shall not be assignable by the Lender or the Servicer without the written consent of the other parties hereto, and in the event of any attempted assignment thereof without such written consent, the Corporation may, terminate this MRB Origination Agreement as to its obligations hereunder.
- k) This MRB Origination Agreement and all obligations and rights arising hereunder shall bind and inure to the benefit of the Corporation, the Lender, the Servicer and their respective successors in interest and permitted assigns.
- l) This MRB Origination Agreement may be executed in one or more counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same agreement.
- m) All communications between the parties hereto shall be in writing, addressed, if to the Corporation at the following address: Mississippi Home Corporation, 735 Riverside Drive, Jackson, MS 39202, Attention: Executive Director, and if to the Lender at its address shown on the Application, and if to the Servicer at its address set forth in the MRB Servicing Agreement or at such other address as any party shall designate to the others in writing.
- n) This MRB Origination Agreement may be amended, changed, modified or altered without consent of the owners of any series of Bonds only (i) if such amendment, change, modification or alteration shall be allowed by the Governing Bond Document and shall not materially adversely affect the interests of the owners of the Bonds, (ii) so as to add additional rights acquired in accordance with the provisions of this MRB Origination Agreement, or (iii) in connection with any other change therein, including changes made possible by changes to Section 143 of the Code and regulations pursuant thereto, which will not adversely affect the rating on the Bonds. Except for the amendments, changes or modifications as provided in this paragraph, neither the Corporation nor the Trustee shall consent to any other amendment, change or modification of this MRB Origination Agreement without satisfying the applicable provisions of the Governing Bond Document.

#### Section 14: Termination

Upon the happening of any one or more of the following events, the Corporation may terminate this MRB Origination Agreement with respect to the Lender and shall be entitled to take whatever action at law or in equity as may be necessary or desirable to (i) collect any amounts due or to become due hereunder or other damages, or (ii) enforce performance and observance of any obligation, agreement or covenant hereunder:

- a) Failure by the Lender duly to observe or perform in any material respect any other covenant, condition or agreement herein to be observed or performed, for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, given to the Lender by the Corporation unless the Corporation shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Corporation will not unreasonably withhold their consent to an extension of such time

if corrective action is instituted by the Lender within the applicable period and diligently pursued until the default is corrected;

- b) The Lender has been required to repurchase a Mortgage Loan pursuant to Section 12 hereof and the Lender has not timely repurchased said Mortgage Loan upon proper notice hereunder;
- c) A decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding up or liquidation of its affairs, shall have been entered against the Lender and such decree or order shall have remedies in force undischarged or unstayed for a period of sixty (60) days;
- d) The Lender shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to the Lender or of or relating to all or substantially all of its property;
- e) The Lender shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors, or voluntarily suspend payment of its obligations; and/or
- f) The Corporation shall discover or be notified that any representation of or warranty by the Lender to the Corporation is false in any material respect.
- g) The Lender shall have the right to terminate this Agreement for any reason, or no reason, at any time upon ninety (90) days written notice to the Corporation. Upon such notice, the Lender will not submit any further Reservation request.

Notwithstanding anything herein to the contrary, the representations made by the Lender with respect to each Mortgage Loan shall survive any termination of this MRB Origination Agreement.



IN WITNESS WHEREOF, the parties hereto have caused this MRB Origination Agreement to be executed by their duly authorized officers as of the date hereof.

MISSISSIPPI HOME CORPORATION

By: \_\_\_\_\_  
Scott Spivey, Executive Director

[Signatures Continued on the Following Page]

[Counterpart Signature Page to the MRB Mortgage Origination Agreement]

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Lender

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By:

Name/Title (Print):

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Servicer

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By:

Name/Title (Print):

EXHIBIT A - MAXIMUM PERMISSIBLE ACQUISITION COST

MRB COUNTY ACQUISITION LIMITS FOR TARGET AND NON-TARGET COUNTIES

TARGETED AREAS:

\$309,000

NON-TARGETED AREAS:

\$258,000

## EXHIBIT B - MAXIMUM PERMISSIBLE FAMILY INCOME LIMITS

| Effective as of 6/16/2023 |        | MORTGAGE REVENUE BOND INCOME LIMITS |                    |              |        |                   |                    |
|---------------------------|--------|-------------------------------------|--------------------|--------------|--------|-------------------|--------------------|
| COUNTY                    | TARGET | 1 to 2                              | 3+                 | COUNTY       | TARGET | 1 to 2            | 3+                 |
| Adams                     | *      | \$86,160                            | \$100,520          | Leflore      | NT/T   | \$71,800/\$86,160 | \$82,570/\$100,520 |
| Alcorn                    | NT/T   | \$71,800/\$86,160                   | \$82,570/\$100,520 | Lincoln      | NT/T   | \$71,800/\$86,160 | \$82,570/\$100,520 |
| Amite                     | *      | \$86,160                            | \$100,520          | Lowndes      | NT/T   | \$78,500/\$94,200 | \$90,275/\$109,900 |
| Attala                    | *      | \$86,160                            | \$100,520          | Madison      | NT/T   | \$79,900/\$95,880 | \$91,885/\$111,860 |
| Benton                    | *      | \$86,160                            | \$100,520          | Marion       | NT/T   | \$71,800/\$86,160 | \$82,570/\$100,520 |
| Bolivar                   | NT/T   | \$71,800/\$86,160                   | \$82,570/\$100,520 | Marshall     | *      | \$86,160          | \$100,520          |
| Calhoun                   | *      | \$86,160                            | \$100,520          | Monroe       | NT/T   | \$71,800/\$86,160 | \$82,570/\$100,520 |
| Carroll                   |        | \$76,500                            | \$87,975           | Montgomery   | *      | \$86,160          | \$100,520          |
| Chickasaw                 | *      | \$86,160                            | \$100,520          | Neshoba      |        | \$71,800          | \$82,570           |
| Choctaw                   |        | \$71,800                            | \$82,570           | Newton       | NT/T   | \$71,800/\$86,160 | \$82,570/\$100,520 |
| Claiborne                 | *      | \$86,160                            | \$100,520          | Noxubee      | *      | \$86,160          | \$100,520          |
| Clarke                    | NT/T   | \$71,800/\$86,160                   | \$82,570/\$100,520 | Oktibbeha    | NT/T   | \$74,200/\$89,040 | \$85,330/\$103,880 |
| Clay                      | *      | \$86,160                            | \$100,520          | Panola       | *      | \$86,160          | \$100,520          |
| Coahoma                   | *      | \$86,160                            | \$100,520          | Pearl River  | NT/T   | \$76,000/\$91,200 | \$87,400/\$106,400 |
| Copiah                    | *      | \$86,160                            | \$100,520          | Perry        | *      | \$86,160          | \$100,520          |
| Covington                 | NT/T   | \$71,800/\$86,160                   | \$82,570/\$100,520 | Pike         | *      | \$86,160          | \$100,520          |
| Desoto                    |        | \$81,000                            | \$93,150           | Pontotoc     |        | \$72,800          | \$83,720           |
| Forrest                   | NT/T   | \$79,000/\$94,800                   | \$90,850/\$110,600 | Prentiss     | *      | \$86,160          | \$100,520          |
| Franklin                  | *      | \$86,160                            | \$100,520          | Quitman      | *      | \$86,160          | \$100,520          |
| George                    | *      | \$86,160                            | \$100,520          | Rankin       |        | \$79,900          | \$91,885           |
| Greene                    | *      | \$86,160                            | \$100,520          | Scott        | *      | \$86,160          | \$100,520          |
| Grenada                   | NT/T   | \$71,800/\$86,160                   | \$82,570/\$100,520 | Sharkey      | *      | \$86,160          | \$100,520          |
| Hancock                   | NT/T   | \$72,200/\$86,640                   | \$83,030/\$101,080 | Simpson      |        | \$71,800          | \$82,570           |
| Harrison                  | NT/T   | \$72,200/\$86,640                   | \$83,030/\$101,080 | Smith        |        | \$72,800          | \$83,720           |
| Hinds                     | NT/T   | \$79,900/\$95,880                   | \$91,885/\$111,860 | Stone        | *      | \$86,160          | \$100,520          |
| Holmes                    | *      | \$86,160                            | \$100,520          | Sunflower    | *      | \$86,160          | \$100,520          |
| Humphreys                 | *      | \$86,160                            | \$100,520          | Tallahatchie | *      | \$86,160          | \$100,520          |
| Issaquena                 | *      | \$86,160                            | \$100,520          | Tate         |        | \$71,800          | \$82,570           |
| Itawamba                  |        | \$72,200                            | \$83,030           | Tippah       |        | \$71,800          | \$82,570           |
| Jackson                   | NT/T   | \$85,300/\$102,360                  | \$98,095/\$119,420 | Tishomingo   |        | \$71,800          | \$82,570           |
| Jasper                    | NT/T   | \$71,800/\$86,160                   | \$82,570/\$100,520 | Tunica       | *      | \$86,160          | \$100,520          |
| Jefferson                 | *      | \$86,160                            | \$100,520          | Union        |        | \$72,600          | \$83,490           |
| Jefferson Davis           | *      | \$86,160                            | \$100,520          | Walthall     | *      | \$86,160          | \$100,520          |
| Jones                     | *      | \$86,160                            | \$100,520          | Warren       | NT/T   | \$75,300/\$90,360 | \$86,595/\$105,420 |
| Kemper                    | *      | \$86,160                            | \$100,520          | Washington   | *      | \$86,160          | \$100,520          |
| Lafayette                 | NT/T   | \$76,200/\$91,440                   | \$87,630/\$106,680 | Wayne        | *      | \$86,160          | \$100,520          |
| Lamar                     | NT/T   | \$79,000/\$94,800                   | \$90,850/\$110,600 | Webster      | NT/T   | \$76,200/\$91,440 | \$87,630/\$106,680 |
| Lauderdale                | NT/T   | \$71,800/\$86,160                   | \$82,570/\$100,520 | Wilkinson    | *      | \$86,160          | \$100,520          |
| Lawrence                  | *      | \$86,160                            | \$100,520          | Winston      | *      | \$86,160          | \$100,520          |
| Leake                     | *      | \$86,160                            | \$100,520          | Yalobusha    |        | \$71,800          | \$82,570           |
| Lee                       |        | \$85,600                            | \$98,440           | Yazoo        | *      | \$86,160          | \$100,520          |

\* Persons buying in these counties are eligible to use this product & do not have to be first time homebuyers. In the other counties, buyers must not have owned or had an interest in a principal residence in the last 3 years.

NT/T - Split counties which have both non-target & target areas. Acquisition Limits: \$332,000 (targeted areas) / \$275,000 (non-target areas)

# EXHIBIT C - MORTGAGE REVENUE BOND CHECKLIST

## BOND PROGRAM CHECKLIST Forms in blue are MHC required forms.

E-Signatures are acceptable on all the forms except the Mortgage Note & Deed of Trust

Mortgagor: «MortgagorName»

MRB Reservation Number: «LoanNumber»

### RESERVATION PACKAGE

MHC must receive the uploaded Reservation package documents within 10 calendar days of receiving the reservation confirmation.

- Reservation Confirmation
- Copy of Executed Sales Contract or HUD Property Disp. Form 9548 or VA Res. Purchase/Sale Agreement Form VRM SC
- Copy of Complete Executed Loan Application
- Executed Potential Recapture Tax Form
- Notice to Borrower – Second Mortgage
- Copy of Homebuyer Education Certificate

### COMPLIANCE PACKAGE

MHC requires 3 business days for compliance review. An email will be sent to confirm the Conditional Commitment approval or to provide a list of conditions.

- FHA Transmittal or VA Loan Analysis or Fannie Mae 1008
- Verification of Employment(s) and pay stub(s) (All Applicable Household Members)
- MHC Income Calculation Worksheet
- Automated Underwriting Findings (DU/DO/LP/FHA Total Scorecard)
- Copy of most recent year's IRS tax transcript or signed copy of 1040 & schedules, if applicable, including any occupants 18 years old and older if not a full-time student. If working with self-employed household occupants, then two (2) years tax transcripts/1040's will be required.
- Copy of Credit Report for all Borrowers
- Copy of Fraud Guard or equivalent Report with Ownership/Occupancy module for all Borrowers
- Executed Borrower Certification (EASY8, TRUSTY10, DPA14)
- Occupancy Statement (SMART6 Only)
- Executed Non-Borrower Statement
- Child Support Statement- MUST INCLUDE SUPPORTING DOCS
- Copy of Appraisal (URAR or Conditional CRV)
- Notification of Change Form
- Mortgage Addendum for Loan Type (Must be recorded with 1<sup>st</sup> Mortgage DOT)
- Attorney Information Form
- MHC Letter of Explanation Form
- 203(k) Maximum Mortgage Worksheet
- Copy of Preliminary Closing Disclosure (HAT Only)

### PURCHASE CERTIFICATION (PC) PACKAGE UPLOAD ONLINE

- Executed Borrower Affidavit with MHC RES #
- Copy of Final Executed Closing Disclosures (1st & 2nd Mortgage, including seller CD)
- Copy of Recorded 2nd Mortgage Deed of Trust
- Lender Wiring Instructions
- ACH Authorization Agreement (Trusty10 Only)
- Copy of Executed Second Mortgage Note

### SECOND MORTGAGE FINAL DOCUMENTS

Must be mailed to MHC ATTN: Single Family, 735 Riverside Drive, Jackson, MS 39202

- Original Executed Second Mortgage Note (Must be Wet Signature)
- Original Executed Recorded Second Mortgage Deed of Trust (Must be Wet Signature)

Upon receipt of the Purchase Certification Package, MHC will update the loan status to Purchase Certification (PC) & reimburse the downpayment funds to the Lender within 2-business days after the loan status change. Once updated to a PC status, lender must print the PC/PA & deliver it with the first mortgage loan to the MRB Servicer.