

**TRAVIS COUNTY HOUSING FINANCE CORPORATION
HILL COUNTRY HOME DOWN PAYMENT ASSISTANCE PROGRAM
REVISED LENDER AGREEMENT**

THIS LENDER AGREEMENT (this “Agreement”) is entered into as of October 15, 2019, by and between the **TRAVIS COUNTY HOUSING FINANCE CORPORATION** (the “Corporation”) and the lending institution executing this Agreement (the “Lender”) in connection with the Corporation’s Hill Country Home Down Payment Assistance Program (the “Program”).

W I T N E S S E T H :

WHEREAS, the Corporation expects to make funds available, but solely from funds available under the Program, to enable the Corporation to finance certain qualified mortgage loans (the “Mortgage Loans”) through the acquisition of fully-modified mortgage-backed securities issued on behalf of and guaranteed as to timely payment of principal and interest by the Government National Mortgage Association (the “GNMA Certificates” and/or the Federal Home Loan Mortgage Corporation (the “FHLMC Certificates”)); and

WHEREAS, the Lender wishes to participate in the Program and has agreed to make the Mortgage Loans to qualified borrowers pursuant to the Administrator’s Guidelines (as hereinafter defined);

NOW, THEREFORE, in consideration of the undertakings, terms and conditions set forth herein, the parties mutually agree as follows:

Section 1. Covenant To Originate and Sell Mortgage Loans. The Lender hereby acknowledges its receipt of the Administrator’s Guidelines established in connection with the Program. The Lender hereby covenants and agrees to originate mortgage loans in accordance with the Administrator’s Guidelines, including (without limitation) as of the date hereof the following requirements therein: (a) minimum 640 borrower FICO score; (b) 15/45/70 day mortgage loan deadlines; (c) \$134,260 borrower income limit (credit qualifying income); and (d) \$350,871 home purchase price limit. The income limit for the Program shall be equal to 140% of the applicable median family income as set-forth in the most recent Revenue Procedure published by the IRS. The purchase price limit is based on the Federal Housing Administration’s (FHA) program loan limits for each metropolitan statistical area as provided in the most recent Revenue Procedure published by the IRS. The Lender further understands and acknowledges that there is no first-time homebuyer requirement and no federal recapture tax associated with the Program. The Lender further agrees to sell such Mortgage Loans to U.S. Bank National Association, as master servicer (the “Master Servicer”), pursuant to the terms of the Program.

Section 2. Program Termination/Extension. This Agreement and the Lender’s ability to participate in the Program shall terminate on December 31, 2021 unless extended by the Corporation, which extension may contain conditions established by the Corporation in its sole discretion.

Section 3. Down Payment Assistance. The Corporation or its agent shall directly provide a forgivable second mortgage loan at Mortgage Loan closing, currently in an amount equal to

4.00%, 5.00% or 6.00% of the original principal amount of the Mortgage Loan (the “DPA Loan”) to eligible borrowers. Such DPA Loan shall be applied to the down payment on a Mortgage Loan and/or to closing costs.

The DPA Loan is a 10-year, forgivable loan. The DPA Loan becomes due and payable if the borrower sells, transfers or disposes of the property, if the borrower fails or ceases to occupy the property as the borrower’s primary residence, if borrower refinances or satisfies the first mortgage loan, or if the first mortgage loan becomes due and payable in full for any reason. Upon the occurrence of any of the actions described in this paragraph the repayment shall be equal to:

Time Elapsed	Percent of Loan Due
From signature date to first anniversary	100%
From first anniversary to second anniversary	90%
From second anniversary to third anniversary	80%
From third anniversary to fourth anniversary	70%
From fourth anniversary to fifth anniversary	60%
From fifth anniversary to sixth anniversary	50%
From sixth anniversary to seventh anniversary	40%
From seventh anniversary to eighth anniversary	30%
From eighth anniversary to ninth anniversary	20%
From ninth anniversary to tenth anniversary	10%
After tenth anniversary	0%

To the extent the DPA Loan is advanced by the Corporation on Mortgage Loans that do not close, are not purchased by the Master Servicer or are to be repurchased by the Lender prior to being pooled into a GNMA Certificate, the Lender hereby agrees to reimburse the Corporation with respect to such DPA Loan so advanced.

Section 4. Findings of the Corporation. In connection with the implementation of the Program, the Corporation finds that:

- (a) there exists a shortage of decent, safe and sanitary housing at prices which eligible families can afford within Travis County, Texas and the surrounding counties;
- (b) the Program will improve the quality of decent, safe and sanitary housing for eligible families;
- (c) the residential housing assistance provided pursuant to the Program will provide a public benefit;
- (d) the estimates of revenues received by the Corporation pursuant to the Program, together with all other subsidies, grants or other financial assistance received in

connection with the Program, are sufficient to pay the costs associated with the Program;
and

(e) for purposes of the Program, the term "low or moderate income" initially shall mean families earning \$134,260 or less annually (credit qualifying income).

Section 5. Amendment. Other than as provided in Section 2 above, this Agreement shall not be amended or otherwise modified except with the written consent of the parties hereto.

Section 6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law principles.

Section 7. Severability. If one or more provisions of this Agreement, or the applicability of any such provisions for any set of circumstances shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and enforceability of the remaining provisions of this Agreement or the applicability of the provisions found to be invalid or ineffective for a specific set of circumstances to other circumstances.

Section 8. Counterparts. This Agreement may be executed in counterparts by the parties hereto, and each such counterpart shall be considered an original and all such counterparts shall constitute one and the same instrument.

[Signature Page to Follow]

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

CORPORATION:

TRAVIS COUNTY HOUSING FINANCE
CORPORATION

By: _____
Andrea Shields, Managing Director

LENDER:

[NAME OF LENDER]

By _____
Name _____
Title _____