AMENDED AND RESTATED MASTER MORTGAGE ORIGINATION AGREEMENT
FOR
ESCAMBIA COUNTY HOUSING FINANCE AUTHORITY

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AMENDED AND RESTATED MASTER MORTGAGE ORIGINATION AGREEMENT FOR ESCAMBIA COUNTY HOUSING FINANCE AUTHORITY

THIS AMENDED AND RESTATED MASTER MORTGAGE ORIGINATION AGREEMENT (the "Agreement"), between the **LENDERS** executing this Agreement from time to time (each, a "Lender"); and the **ESCAMBIA COUNTY HOUSING FINANCE AUTHORITY**, together with its successors and assigns (the "Authority") amends and restates the Original MMOA, as herein defined, and is adopted and executed with regard to Programs (as defined herein) of the Authority established from time to time.

W I T N E S S E T H :

WHEREAS, the Florida Housing Finance Authority Law, being Part IV of Chapter 159, Florida Statutes, as amended, and other applicable provisions of law (the "Act"), provides for the creation of a housing finance authority in each county in the State of Florida and cooperation between such authorities for the purpose of alleviating a shortage of housing available at prices or rentals which persons or families of low, moderate or middle income can afford, and a shortage of capital for investment in such housing; and

WHEREAS, in accordance with the provisions of the Act, the Board of County Commissioners of each of the Participating Counties, as herein defined, has enacted ordinances and/or adopted resolutions determining that there is within each Participating County a shortage of affordable housing and capital for investment in such housing, and has authorized the Authority to operate within the territorial boundaries of such Participating County and has approved the implementation and administration by the Issuer of its Single Family (Multi County) First Time Homebuyer Mortgage Loan Program to be conducted within the boundaries of each Participating County to alleviate such shortages; and

WHEREAS, pursuant to the Act, the Authority is authorized to carry out the public purposes described therein by making loans directly to Eligible Persons and Families (as defined herein) who otherwise cannot borrow from conventional lending sources so long as such loans are secured by either first mortgages or subordinates mortgages and such loans are used to purchase, construct, rehabilitate, or refinance single-family residences with purchase prices that do not exceed purchase price limits in the County where the borrower's residence is to be located as mandated by federal law for tax-exempt single family bond programs, and by entering into any such contracts and other instruments made in connection therewith; and

WHEREAS, for the purpose of alleviating the shortage of affordable residential housing facilities and capital for investment in such facilities for low, moderate or middle income families or persons within the Eligible Loan Area (hereinafter defined, which constitutes a valid public purpose, the Authority may from time to time establish single family loan programs (each a "Program") and set aside funds of the Authority or issue its single family revenue bonds for the purchase from the Servicer (as defined herein) of mortgage-backed securities of the Government National Mortgage Association ("GNMA") evidencing the guarantee by GNMA of timely

payment of monthly principal and interest of qualifying FHA Insured, VA or RD Guaranteed Mortgage Loans, and mortgage-backed securities of the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("Freddie Mac") evidencing the guarantee by Fannie Mae or Freddie Mac, as applicable, of monthly principal and interest of qualifying Conventional Mortgage Loans, which FHA-Insured, VA or RD Guaranteed or Conventional Mortgage Loans are made to finance residential facilities within the Eligible Loan Area of the Authority intended for use as the permanent place of residence by families or persons of low, moderate or middle income (the "Mortgage Loans"); and

WHEREAS, the Mortgage Loans are to be originated pursuant to this Agreement and pursuant to an Invitation and a Program Administration Agreement (each as defined herein); and

WHEREAS, from time to time, there shall be prepared certain Administrator's Guidelines setting forth the terms and provisions of the related Program and governing the terms of such Program, including any applicable modifications to the terms hereof with respect to such Program, and such Administrator's Guidelines shall be deemed to be a part of this Agreement; and

WHEREAS, the Servicer and each participating Lender have entered into or will enter into a separate agreement which sets out the terms and conditions upon which the Servicer will manage a Lender's participation in the Program;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, each Lender and the Authority severally agree as follows:

ARTICLE I DEFINITIONS

All terms used in capitalized form and not otherwise defined herein, including the preambles hereto, shall have the respective meanings provided in the applicable Invitation or Lender Manual.

The following words and phrases shall have the following meanings:

"*Acknowledgment and Acceptance*" means, with respect to a Program, the Lender response to the Invitation pursuant to which a Lender offers to originate Mortgage Loans related to such Program in accordance with the provisions of this Agreement.

"*Acquisition Price*" means the cost of acquiring a Single Family Residence from the seller as a completed residential unit, as more fully described in Section 4.05 hereof or as set forth in the applicable Administrator's Guidelines.

"*Administrator's Guidelines*" means the guidelines prepared by the Program Administrator setting forth the guidelines and characteristics for the origination and delivery of Mortgage Loans in connection with a Program, as the same may be amended from time to time by the Program Administrator, as identified on the Program Administrator's website.

"*Application Start Date*" means the date on which Lenders may commence accepting applications for Mortgage Loans under a Program, which date shall be set forth in the applicable Invitation.

"*Assignment of Mortgage*" means the instrument completed and executed by a Lender, in recordable form, and pursuant to which a Lender assigns and delivers the related Mortgage and endorses the Mortgage Note to Servicer in connection with the purchase of the related Mortgage Loan by Servicer.

"Authority Directive" shall mean an electronically transmitted directive of the Authority to the Program Administrator issued from time to time and revising one or more terms or parameters of a Program, each of which Authority Directive shall take effect immediately and continue for the period contained in such Authority Directive, subject to extension by the Issuer in a subsequent Authority Directive.

"Bonds" means tax-exempt single family revenue bonds issued from time to time by the Authority.

"*Business Day*" means any day other than (i) a day that the Servicer is closed and (ii) a Saturday, Sunday, legal holiday or a day on which banking institutions in the State of Florida, or the state in which the principal office of the Servicer is located, are authorized by law to close or a day on which the New York Stock Exchange is closed.

"*Certificate Purchase Date*" means the date the Authority purchases a GNMA Certificate, Freddie Mac Security or a Fannie Mae Security pursuant to the Servicing Agreement.

"*Certificate Purchase Price*" means, when used with respect to a purchase from the Servicer of either a GNMA Certificate, Freddie Mac Security or a Fannie Mae Security, the purchase price of each GNMA Certificate, Freddie Mac Security and Fannie Mae Security in an amount equal to the percentage of the principal component of the aggregate unpaid principal balance of each GNMA Certificate, Freddie Mac Security or Fannie Mae Security plus accrued interest to, but not including, the Certificate Purchase Date, based on the type of loans associated with such GNMA Certificate, Freddie Mac Security or Fannie Mae Security as shown in the applicable Invitation for each Program.

"*Closing*" means any closing of a Mortgage Loan by a Lender for a Mortgagor.

"*Code*" means the Internal Revenue Code of 1986, as amended, and all subsequent tax legislation duly enacted by the Congress of the United States. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect with respect thereto and applicable to tax-exempt single family bond programs or the use of the proceeds thereof (including regulations first promulgated under the Internal Revenue Code of 1954) and shall also include revenue procedures, revenue rulings, or other published determinations of the Treasury Department or Internal Revenue Service of the United States.

"*Commitment*" means a binding written Commitment by a Lender to originate a Mortgage

Loan to an eligible borrower with respect to a specific Single Family Residence in accordance with this Agreement.

"*Commitment Fee*" means the fee, if any, submitted by each Lender to the Authority in connection with its Acknowledgment and Acceptance in an amount set forth in the Invitation, which amount is not refundable except as provided herein or in the Invitation.

"*Compliance File*" means the documents detailed in the Administrator's Guidelines pertaining to a particular Mortgage Loan.

"*Condominium Development*" or "*Condominium*" means a real estate development: (i) formed pursuant to the condominium statutes of the State and a recorded declaration and other constituent documents; (ii) the unit owners of which have title to a unit in a development, and may have the right to the exclusive use of certain limited common areas; and (iii) the common areas of which are administered and maintained by, but not owned by, an owners association, which may levy assessments against each unit estate.

"*Conventional Mortgage Loans*" means a Mortgage Loan other than an FHA/VA/RD Mortgage Loan which meets the requirements of this Origination Agreement and Fannie Mae or Freddie Mac, as applicable.

"*County***"** or *"Counties"* or *"Participating Counties"* means the Counties of the State as may be designated by the Authority for participation in a Program, as provided in the related Invitation and in the applicable Administrator's Guidelines Authority.

"*Current Annual Household Income*" means the total current annualized income of the mortgagor, spouse (occupants and non-occupants) and any other person who will live in the household who is 18 years of age or older and is obligated for payment of the mortgage debt as further described and defined in the Administrator's Guidelines and the regulations of Fannie Mae, Freddie Mac, VA, FHA or RD, as applicable.

"*Disaster Area Loan*" means a loan to homeowners for a personal residence located within a federally declared disaster area as permitted by Section 143(k)(11) of the Code.

"*Discount*" means a percentage of each Mortgage Loan to be retained by the Lender, if any, which percentage shall be set forth in the Administrator's Guidelines relating to a Program.

"*Down Payment Assistance Loan*" means a second mortgage loan made in conjunction with a Mortgage Loan under a Program, as described in the applicable Invitation.

"*Dwelling Unit*" means a residential unit that includes cooking, sleeping and individual bathroom facilities.

"*Eligible Loan Area*" means, with respect to a Program, the County and/or Participating Counties.

"*Eligible Persons and Families*" means one or more natural persons or a family, irrespective of race, creed, national origin, or sex, determined by the Authority in an applicable Invitation or

Administrator's Guidelines to be of low, moderate, or middle income, and which otherwise complies with the requirements of such Invitation or Administrator's Guidelines.

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

"*Fannie Mae Guaranty Fee*" means the annual fee for guaranteeing payment 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.

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

"*Fannie Mae Security*" means a single pool, guaranteed mortgage pass-through Fannie Mae Mortgage-Backed Security, providing for the regularly scheduled monthly payments and any prepayments thereunder, bearing interest at the related Pass-Through Rate, issued by Fannie Mae in book entry form, guaranteed as to timely payment of principal and interest by Fannie Mae and backed by Conventional Mortgage Loans in the related mortgage pool.

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

"*FHA Insurance*" means FHA mortgage insurance issued under one of the following FHA Insurance programs pursuant to the National Housing Act:

(a) FHA §203(b), Home Unsubsidized (including 223(e) declining area loans);

(b) FHA §234(c), Condominiums;

(c) FHA §203(b)(2), Veteran's Status;

(d) FHA §203(k), "Streamline Rehabilitation", provided that such loan meets all of the applicable requirements of FHA, GNMA and the Lender Manual; and provided further that no FHA Section 203(k) loan may be originated without the prior written consent of the Servicer;

(e) FHA §203(h); or

(f) any other FHA mortgage insurance program approved by the Authority and the Servicer.

"*FHA Insured*" means insured under FHA Insurance.

"*FHA/VA/RD Loans*" means Mortgage Loans which are FHA Insured, VA Guaranteed or RD Guaranteed.

"*First Time Homebuyer*" means a Mortgagor who has not had an ownership interest in a principal residence at any time during the three-year period ending on the date the Mortgage is executed, as more fully described in and subject to the exceptions as provided in Section 4.06 hereof.

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

"*Freddie Mac Guaranty Fee*" means the annual fee for guaranteeing payment of the outstanding balance of the Conventional Mortgage Loans in a Freddie Mac pool payable monthly to Freddie Mac by the Servicer in connection with the issuance of a Freddie Mac Security.

"*Freddie Mac Guides*" means the Freddie Mac Selling and Servicing Guides, as amended from time to time.

"*Freddie Mac Security*" means a single pool, guaranteed mortgage pass-through Freddie Mac Mortgage-Backed Security, providing for the regularly scheduled monthly payments and any prepayments thereunder, bearing interest at the related Pass-Through Rate, issued by Freddie Mac in book entry form, guaranteed as to timely payment of principal and interest by Freddie Mac and backed by Conventional Mortgage Loans in the related mortgage pool.

"*GNMA*" means the Government National Mortgage Association, a wholly owned corporate instrumentality of the United States within the Department of Housing and Urban Development. Its powers are prescribed generally by Title III of the National Housing Act, as amended (12 U.S.C., §1716 et seq.).

"*GNMA Certificate*" means the fully modified GNMA I or GNMA II Mortgage Pass-Through Certificate (or the electronically transmitted confirmation provided for hereinafter), issued by the Servicer in exchange for Mortgage Loans and in the form set forth in the GNMA Guide, as defined herein and guaranteed as to timely payment of principal and interest by GNMA pursuant to Section 306(g) of Title III of the National Housing Act of 1934, as amended, and the regulations promulgated thereunder and backed by FHA Insured Mortgage Loans, VA Guaranteed Mortgage Loans or RD Guaranteed Mortgage Loans made by the Lenders.

"*Guide*" or "*GNMA Guide*" means the GNMA Mortgage-Backed Securities Guide or Guides, then in effect on the date of its application, if any, hereunder.

"*GNMA Guaranty*" means the one or more guaranty agreements of GNMA set forth on each of the GNMA Certificates (or transmitted electronically) pursuant to which GNMA has agreed to guarantee the timely payment of GNMA Certificates.

"*Invitation*" means the program invitation and determinations distributed by the Authority to each Lender (and potential Lenders) relating to a Program.

"*Lender*" means a financial institution executing this Agreement and the Participating Lender Agreement which are agreements to originate Mortgage Loans hereunder and sell such Mortgage Loans and the servicing in connection therewith to the Servicer.

"*Lender Manual*" means the guide prepared by the Servicer and established pursuant to this Agreement for the origination and delivery of Mortgage Loans to be purchased by the Servicer and the eligibility, credit and security underwriting standards applicable thereto, as may be amended from time to time by the Servicer, as identified on the Servicer's website.

"*Manufactured Home*" means a structure manufactured in a factory after June 15, 1976 which is delivered to a homesite and affixed on a permanent foundation. The dwelling must be eligible for 30-year real estate mortgage financing and be eligible for FHA Insurance, VA Guaranty or RD Guaranty and inclusion in a GNMA Certificate or eligible for inclusion as a Conventional Mortgage Loan in a Freddie Mac Security or a Fannie Mae Security. No Manufactured Home will be financed under any Program without the consent of the Authority, the Program Administrator for such Program and the Servicer for such Program.

"*Maximum Acquisition Price*" means the maximum purchase price of a Single Family Residence, as announced from time to time by the Authority and posted in the Administrator's Guidelines, which maximum purchase price shall be based on the "Safe Harbor" average area purchase prices published from time to time by the United States Treasury Department or from surveys or other compilations of acquisition prices that in the opinion of nationally recognized bond counsel represent acceptable methods for determination of such average acquisition prices for purposes of Section 143 of the Code and in compliance with any requirements for the County or Counties. Acquisition Price limits are also subject to the applicable FHA/VA/RD limits for the respective Counties within the Eligible Loan Area.

"*Maximum Current Annual Household Income*" means, with respect to Mortgage Loans originated on new and existing Single Family Residences in the County or Counties, the applicable limits announced from time to time by the Authority and posted in the Administrator's Guidelines, which amounts shall be based on state and area median income figures published by the United States Department of Housing and Urban Development from time to time.

"*Mortgage*" means the written instrument securing the related Mortgage Loan and encumbering a Single Family Residence, which instrument shall be the then-effective form required by FHA for FHA Insured Mortgages, the form required by VA for VA Guaranteed Mortgages, and the form required by RD for RD Guaranteed Mortgages, as applicable, with appropriate riders, and which instrument for Conventional Mortgage Loans shall be in the form required by Freddie Mac or Fannie Mae, as applicable, with appropriate riders.

"*Mortgage File*" means the mortgage documents listed in the applicable Lender Manual provided by the Servicer, pertaining to a particular Mortgage Loan.

"*Mortgage Loan*" means a qualified first lien mortgage loan at a fixed rate of interest for a loan term of 30 years (unless as otherwise shall be provided in the Invitation or Administrator's Guidelines for a Program) from the date of the first payment of principal and interest to an Eligible Person or Family evidenced by a Mortgage Note secured by a related first-lien Mortgage on a Single Family Residence located within the Eligible Loan Area and in conformity with the mortgage loan origination standards of FHA, VA and/or RD and the mortgage loan origination procedures of

GNMA, Freddie Mac, Fannie Mae or the Lender Manual, as applicable, which the Servicer purchases from Lender pursuant to this Agreement and the terms of which comply with this Agreement.

"*Mortgage Note*" means the then-effective form of mortgage note required by FHA for FHA Insured loans, the form required by VA for VA Guaranteed loans, the form required by RD for RD Guaranteed Loans and the form required by Freddie Mac or Fannie Mae for Conventional Mortgage Loans, as applicable, with appropriate riders, executed to evidence the Mortgagor's obligation to repay the Mortgage Loan.

"*Mortgagee Single Interest Hazard Insurance Policy*" means a mortgagee single interest hazard insurance policy or any similar policy maintained with respect to each Single Family Residence by the Servicer.

"*Mortgagor*" means any person who has a present ownership interest in a Single Family Residence subject to the related Mortgage and/or executes the Mortgage (but does not include any person who executes only the Mortgage Note as a cosigner or guarantor and who does not have a present ownership interest in the Single Family Residence).

"*Non-qualifying Mortgage Loan*" means a Mortgage Loan which does not conform to the Program, GNMA Guide, Fannie Mae Guide, Freddie Mac Guide or the Lender Manual purchased under this Agreement with respect to which includes but is not limited to the following examples:

(a) The Lender fails to deliver to the Servicer all documents of the Mortgage Loan (described in the Lender Manual) on a timely basis, or the Servicer determines that such documentation for the Mortgage Loan does not conform to the requirements of the Program, the GNMA Guide, the Fannie Mae Guide, the Freddie Mac Guide or the Lender Manual.

(b) GNMA, Freddie Mac, Fannie Mae or the Servicer determines that the Mortgage Loan is not of acceptable quality or is not eligible for sale under the Program, the GNMA Guide, the Freddie Mac Guide, the Fannie Mae Guide, or the Lender Manual.

(c) Mortgagor fails to occupy the related Single Family Residence as a principal residence within 60 days after execution of the related Mortgage.

"*Notice Address*" means, unless otherwise designated pursuant to Section 7.05 hereof:

(a) As to the Authority, the address shown on the Invitation, with a copy to such parties as indicated in the Invitation.

(b) As to Servicer, the address indicated in the Lender Manual.

(c) As to Program Administrator, the address indicated in the Administrator's Guidelines.

(d) As to Lender, the address shown in the Acknowledgment and Acceptance.

"*Notice of Acceptance*" means, with respect to each Program, the form of notice to be given by the Authority to each Lender for such Program, with a copy to the Servicer and the Program Administrator, by which each Lender is notified of their acceptance to participate in a Program.

"Original MMOA" shall mean the Master Mortgage Origination Agreement dated as of July I, 2012, as amended by the First Amendment dated as of August 31, 2012,and as amended by the Second Amendment dated as of September 8, 2026, by and among the Participants named therein, the Servicer; Housing and Development Services, Inc., d/b/a eHousingPlus; U.S. Bank Trust Company, National Association (formerly known as U.S. Bank National Association), as Trustee (the "Trustee"), and the Authority.

"*Origination Fee*" means a fee, if any, to be retained by the Lender as partial compensation for originating each Mortgage Loan, payable in the manner provided in Section 4.03 hereof, the amount of which shall be set forth in the applicable Invitation or Administrator's Guidelines.

"*Origination Period*" means, with respect to each Program and subject to Section 4.10 hereof, the period for the Servicer's Purchase of Mortgage Loans from the Lenders commencing on the related Application Start Date and ending on the date (or dates) set forth in the Invitation or Administrator's Guidelines with respect to a Program, unless extended by the Authority with the consent of the Servicer.

"*Participation Fee*" means a fee, if any, payable to the Authority by the Mortgagor and/or the seller, in such amount and payable at such times as shall be set forth in the applicable Invitation or Administrator's Guidelines.

"Participating Lender Agreement" means an agreement between the Servicer and each Lender as to the terms and conditions under which the Servicer will purchase a Mortgage Loan from a Lender.

"Planned Unit Development" or "*PUD*" means a real estate development of separately owned lots, 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 owners association not being severed from the ownership of an individual unit.

"*PMI Insurer*" means any private mortgage insurance company approved by Fannie Mae or Freddie Mac, as applicable, and providing Private Mortgage Guaranty Insurance on Conventional Mortgage Loans.

"Pool" means all of the Mortgage Loans held as part of a particular GNMA, Fannie Mae or Freddie Mac pool of Mortgage Loans, which may relate to one or more GNMA Certificates, Fannie Mae Securities or Freddie Mac Securities, respectively.

"*Pool Documentation Package"* means those documents as required to be submitted to (a) GNMA in connection with the submission of a Pool for guaranty by GNMA in accordance with the GNMA Guide, (b) Freddie Mac in connection with the submission of a Pool for a guaranty by Freddie Mac in accordance with Freddie Mac Guides and (c) Fannie Mae in connection with the submission of a Pool for a guaranty by Fannie Mae in accordance with the Fannie Mae Guides.

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

"*Private Mortgage Guaranty Insurance*" means a private mortgage guaranty insurance policy issued by a PMI Insurer with respect to a 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 or Freddie Mac, as applicable, in accordance with the applicable Fannie Mae Guides or Freddie Mac Guides.

"*Program*" means the Authority's programs for the financing of Mortgage Loans through the purchase of GNMA Certificates, Freddie Mac Securities and Fannie Mae Securities, as contemplated by this Agreement and authorized by the Authority from time to time.

"*Program Administration Agreement"* or "*Administration Agreement*" means, with respect to a specified Program, the Program Administration Agreement between the Authority and the Program Administrator.

"*Program Administrator*" or "*Administrator*" means such entity appointed by the Authority as Program Administrator under the Administration Agreement and any successor thereto.

"*Program Allocation*" if applicable, means, with respect to each Lender participating in a Program, the aggregate principal amount of Mortgage Loans for Single Family Residences that the Authority has notified Lender it can originate for sale to the Servicer.

"*Program Documents*" shall mean this Agreement, the Servicing Agreement, the Invitation, the Program Administration Agreement and the Participating Lender Agreement as such documents relate to a particular Program, as such documents may be amended or supplemented from time to time.

"*Purchase*" means any purchase by the Servicer of a Mortgage Loan from a Lender pursuant to Section 4.09 of this Agreement.

"*Purchase Date*" means the date on which a Purchase of a Mortgage Loan by the Servicer occurs as set forth in the Lender Manual.

"*Qualified Appraiser*" means an individual or firm that is approved by FHA, VA and/or RD or acceptable to the PMI Insurer and/or GNMA, Freddie Mac or Fannie Mae, as applicable, to act in

such capacity.

"*RD*" means the Rural Development Service (formerly the Farmers Home Administration) of the United States Department of Agriculture, its successors and assigns.

"*RD Guarantee*" means a guaranty of a Mortgage Loan pursuant to the Rural Development Service's Guaranteed Rural Housing Loan Program, and RD Guaranteed shall have a correlative meaning.

"*Repurchase Price*" means, with respect to a Mortgage Loan to be repurchased by a Lender pursuant to Section 4.11, the amount more fully described in the Participating Lender Agreement, plus any amounts advanced by the Issuer to pay the Lender Profit, or as established in the applicable Administrator's Guidelines.

"*Servicer*" means, with respect to a Program, the mortgage servicing institution designated by the Authority in the Invitation or any substitute thereafter appointed by the Authority.

"Servicing Agreement" means an agreement between the Authority and the Servicer relating to the purchase and servicing of Mortgage Loans originated in connection with a Program.

"*Servicing Officer*" means any officer of the Servicer involved in, or responsible for, the administration and servicing of the Mortgage Loans as evidenced by a certificate of the Servicer delivered to the Authority; provided that the designated officers of the Servicer may be changed from time to time by subsequent certificates delivered to the Authority.

"*Single Family Residence*" means a new or existing residential unit which is taxed as real property under the laws of the State, which complies with Section 4.05 hereof and which is located within the Eligible Loan Area, including a unit in a Condominium or Planned Unit Development meeting GNMA, Freddie Mac or Fannie Mae standards, and acceptable to FHA, VA or RD, as applicable, including two-, three- or four-family residences, and ownership of which is in fee simple, and land appurtenant to the residential unit, (i) which is designed and intended primarily for residential housing, (ii) which is determined by qualified appraisal as provided herein to have an expected useful life of not less than 30 years, (iii) which will be occupied by the Mortgagor as his or her principal residence within a reasonable time (i.e., not later than 60 days) after the closing date of the Mortgage Loan, (iv) the Acquisition Price of which does not exceed the Maximum Acquisition Price, and (v) 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 the Mortgagor. A Single Family Residence is "new" if it has not been occupied prior to the issuance of a commitment to a mortgagor for a Mortgage Loan financing such Single Family Residence under the Program. A Single Family Residence is "existing" if it has been occupied prior to such commitment.

"*Standard Hazard Insurance Policy*" means a standard homeowner's fire insurance policy with extended coverage as approved by the Insurance Commissioner of the State, as required by Section 4.16 hereof.

"*State*" means the State of Florida.

"*Targeted Area Allocation*" means, with respect to each Program, that portion, if any, of the Lender's Program Allocation which must be used to make Mortgage Loans in Targeted Areas, as designated in the Invitation or in the applicable Administrator's Guidelines.

"*Targeted Area Loan*" means any Mortgage Loan funding the acquisition of a Mortgagor's residence that is located in a Targeted Area.

"*Targeted Areas*" means the areas listed as such in the Administrator's Guidelines, and subject to amendment from time to time by the Authority.

"*Underinsured Cause*" means any cause of damage to property subject to a Mortgage where the cost of the complete restoration of such property is not fully reimbursable by the insurance policies required to be maintained in connection with the related Mortgage Loan.

"*VA*" means the Department of Veterans Affairs, an agency of the United States of America, or any successor to its functions.

"*VA Guaranteed*" means guaranteed by the VA under the Serviceman's Readjustment Act of 1944, as amended.

"*VA Guaranty*" means a guaranty by the VA under the Serviceman's Readjustment Act of 1944, as amended, provided such guaranty shall be in accordance with Section 4.02 hereof.

"*Veteran*" means a Mortgagor who is a "veteran" (as defined in 38 U.S.C. Section 101) who has not previously obtained a loan financed by single family mortgage revenue bonds utilizing the veteran exception set forth in Section 143(d)(2)(D) of the Code.

ARTICLE II REPRESENTATIONS

Section 2.01. Representations, Warranties and Covenants of the Authority.

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

(a) The Authority is a separate public body corporate and politic, duly organized and created by the Board of County Commissioners of Escambia County, Florida, under the Constitution and laws of the State and the Act. Pursuant to the Act and certain resolutions duly adopted by the Authority, the Authority has duly authorized the making of this Agreement.

(b) The Authority has complied with all of the provisions of the Constitution and laws of the State and Counties, including the Act, and has full power and authority to consummate all transactions contemplated by this Agreement and any and all other agreements, documents and instruments relating thereto.

Section 2.02. Representations, Warranties and Covenants of Lender.

Each Lender represents and warrants to, and covenants with the Authority (each of which representations, warranties and covenants herein and with respect to any Mortgage Loan originated by Lender hereunder shall survive the purchase of Mortgage Loans originated by Lender) that:

(a) Lender is and will continue to be an entity duly organized and existing under the laws of the state in which it was created, or is duly chartered or incorporated under federal law, is duly authorized to transact business in the State, and customarily provides service or otherwise aids in financing mortgages located in the State.

(b) Lender agrees that during the term of this Agreement it will remain subject to supervision and examination by State or federal authorities, as may be applicable, and that it will remain in good standing and qualified to do business under any applicable laws of the United States of America, the state of its organization and of the State. Lender agrees that during the term of this Agreement, it 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 without the consent of the Authority; provided, that Lender may, without violating this paragraph, 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 entity all or substantially all of its assets as an entirety and thereafter dissolve, provided the surviving, resulting or transferee entity, as the case may be, shall be subject to the supervision and examination of the State or federal authorities, as may be applicable, shall constitute a "Lender" as defined herein and shall assume in writing all of the obligations of Lender under this Agreement (in the case of a sale of all or substantially all of a Lender's assets, the Authority shall release Lender in writing, concurrently with and contingent upon such assumption, from all

liability to Authority hereunder).

(c) Lender has the power to accept the terms of this Agreement and to execute and deliver this Agreement and enter into the transactions contemplated by this Agreement, and the acceptance and performance of this Agreement have been duly authorized by all necessary corporate and other action.

(d) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, shall conflict with or result in any breach or violation of any of the terms, conditions or provisions of any applicable laws, including regulations, or any agreement or instrument to which Lender is now a party or by which it is bound, or constitute a default under any of the foregoing.

(e) Lender will not take any action 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 Bonds of the Authority.

(f) Lender is not under any cease and desist order or other order or injunction 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 or threatened, which would, if successful, lead to the issuance of any such order.

(g) Lender shall furnish such documents as may reasonably be requested by the Authority or other parties to the transactions contemplated hereby.

(h) Lender is and will remain during the term of this agreement, in good standing with the Servicer, and (i) an FHA-approved mortgagee, with direct endorsement underwriting authority preferred, in good standing, (ii) an approved lender in good standing for VA-guaranteed mortgage loans (with automatic approval authority preferred), unless waived by the Servicer, (iii) a GNMA approved "issuer-servicer" in good standing, and (iv) if Conventional Mortgage Loans to be purchased under the Fannie Mae or Freddie Mac programs are to be originated, a Fannie Mae or Freddie Mac approved lender in good standing acceptable to the PMI Insurer, unless waived by the Servicer. The Lender will notify the Servicer in writing at such time as its status with respect to items (i) - (iv) in this paragraph (h) changes.

(i) 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 Serviceman's Readjustment Act, as amended, with all rules and regulations issued thereunder and with all administrative publications, (iii) with respect to each Mortgage Loan, with all the requirements of, and the "Representations and Warranties of Lender" set forth in, the GNMA Guide, Freddie Mac Guides, Fannie Mae Guides, the

Lender Manual and the Administrator's Guidelines, as applicable, (iv) any and all applicable laws governing or regulating the origination of mortgage loans and (v) approved by and in good standing with the Servicer.

(j) Lender (i) is currently authorized to make mortgage loans in the State, (ii) is currently originating mortgage loans for single family residences within the Eligible Loan Area, (iii) has an office located within the Eligible Loan Area (unless otherwise waived by the Authority) and (iv) is a "lending institution" as that term is defined in the Florida Housing Finance Authorities Law, Section 159.601, et seq.

(k) Lender agrees to indemnify and hold harmless the Authority and its respective directors, officers, agents and employees from and against any and all claims, losses, damages or liabilities (including, without limitation, reasonable legal fees and expenses) arising out of, with respect to, or in connection with any performance, or failure to perform, by Lender of any act required hereunder or the breach of any representation or warranty made herein or breach of law.

(l) There is no litigation pending or, to the Lender's knowledge, threatened, against the Lender affecting the right of any of the present members of the Board of Directors or officers of the Lender to their respective offices or their jurisdiction or authority over the affairs of the Lender, nor in any way questioning the execution or validity of this Agreement; there are no other legal or governmental proceedings (other than ordinary routine litigation incident to the business conducted by the Lender) pending or, to the Lender's knowledge, threatened by governmental authority or others to which the Lender is (or may be) a party or by which the Lender is (or may be) bound or by which any property of the Lender is (or may be) subject, which, individually or, in the aggregate, could have a material adverse effect on the financial position or results of the operations of the Lender.

(m) There are no bankruptcy, insolvency, reorganization or other similar proceedings (including proceedings whereby a regulatory body is to take managerial control of Lender) instituted by or against the Lender, and the Lender has not made any assignment for the benefit of its creditors or voluntarily suspended payment of its obligations.

(n) All information provided by Lender to the Authority in connection with a particular Program will be true and correct when given and each Lender will notify the Authority the Program Administrator and the Servicer in writing within three Business Days of any material change in such information.

(o) The Lender will comply with the non-discrimination provisions of the Civil Rights Act of 1964 and the regulations promulgated thereunder, Executive Order 11246, Equal Employment Opportunity, dated September 24, 1965 and the Fair Housing Amendments Act of 1988.

(p) In connection with the transactions contemplated by the Program Documents, the Lender will not directly or indirectly contract or enter into any agreement with any other mortgage lender or any other person or institution (except the Authority or its agents) with respect to any aspect of its participation in the Program, other than any agreement expressly authorized by the Program Documents. In particular, the Lender warrants that, prior to the delivery of any Acknowledgment and Acceptance to the Authority, it will not have communicated or agreed with any other mortgage lender or any other person or institution as to the amount of Mortgage Loans it has committed and agreed to originate under the Program.

(q) No information, certificate of an officer or statement furnished in writing, or report required hereunder, delivered to any Servicer, any Program Administrator, the Authority or any trustee for an issue of Bonds will, to the knowledge of the Lender, contain any untrue statement of a material fact or omit a material fact necessary to make the information, certificate, statement or report not misleading.

(r) Lender shall promptly notify the Authority, any trustee for an issue of Bonds, any Program Administrator and the Servicer, in writing, of any suspension or termination of powers to do business as contemplated by this Agreement, or any substantial changes in personnel of Lender's loan originating staff or administration.

(s) Lender shall use diligent, reasonable efforts to become and to remain familiar with all FHA, VA, RD, GNMA and/or Fannie Mae and/or Freddie Mac, if applicable, rules and regulations applicable to the Program. Any failure of the Authority or Servicer to inform Lender of changes in FHA, VA, RD, GNMA and/or Fannie Mae and/or Freddie Mac rules and regulations affecting the Program shall not relieve Lender of its obligations under this subsection.

(t) In instances, if any, where in the reasonable judgment of the Servicer, based upon adverse information with respect to a Mortgage Loan received by the Servicer in connection with the origination of a Mortgage Loan, inspection of a Single Family Residence is advisable, the Servicer may require the originating Lender, and Lender hereby covenants, to (A) inspect the Single Family Residence prior to Purchase of the Mortgage Loan by Servicer to determine whether it (1) constitutes a completed Single Family Residence, (2) contains land in excess of normal requirements, (3) shows evidence of use or design for use in a trade or business of the Mortgagor and (4) is occupied by the Mortgagor as Mortgagor's principal residence, and (B) certify to the Servicer in writing as to the foregoing facts.

(u) Prior to Purchase by the Servicer, Lender shall service the Mortgage Loans, which shall include posting payments and paying taxes.

(v) Each Lender represents and warrants that the Lender will fulfill all repurchase requirements and make-whole requirements under this Agreement and any related Participating Lender Agreement for a Program or any prior program agreements offered by the Authority.

(w) The Lender agrees to comply with any applicable provisions of the Florida Public Records Act, Chapter 119, Florida Statutes.

ARTICLE III ISSUANCE OF BONDS; APPLICATION OF BOND PROCEEDS

Section 3.01. Issuance of Bonds; Application of Bond Proceeds.

The Authority may, from time to time, issue, sell and deliver its Bonds on the terms and basis set forth in the applicable trust indenture for such Bonds and apply the proceeds of such Bonds in the manner required by such trust indenture.

Section 3.02. No Legal or Equitable Interest of Lender in Funds or Accounts Under an Indenture.

The Lender shall have no legal or equitable right to any funds or accounts created by or pursuant to a trust indenture relating to the issuance by the Authority of its Bonds, or to any of the proceeds of such Bonds, Commitment Fees or other moneys or investments contained in such funds or accounts or otherwise pledged to the payment of the principal of, premium, if any, and interest on such Bonds pursuant to the trust indenture relating to the issuance of such Bonds.

ARTICLE IV COMMITMENTS TO BUY AND SELL MORTGAGE LOANS

Section 4.01. Commitments To Buy and Sell Mortgage Loans; Program Allocations; Targeted Area Allocations.

(a) *Invitations to Participate; Acknowledgment and Acceptance; Program Allocations*. In connection with each Program established by the Authority, the Authority shall distribute an Invitation to Lenders. In order to be considered for participation in a Program, a Lender shall deliver an Acknowledgment and Acceptance in the form and at the time designated by the Authority. Subsequent to the Authority's receipt of the Acknowledgment and Acceptance, the Authority shall, in its sole and absolute discretion, provide Program Allocations to all Lenders selected for participation in the Program or, if applicable, create a first-come, first-served pool. Upon the Authority's delivery of a Notice of Acceptance to each Lender with respect to a Program and subject to any reservation of a Program Allocation for any of the Mortgage Loans described in paragraph (b) of this Section 4.01, Lender agrees to use its best efforts to originate and thereafter sell and assign to the Servicer, Mortgage Loans conforming to the requirements of this Agreement in an aggregate principal amount equal to Lender's Program Allocation or otherwise allowable amount if a reservation pool is established, at the Mortgage Loan purchase price set forth in the Invitation for such Program plus, in each case interest accrued thereon, if applicable, to the date of Purchase

(less unearned prepaid interest) at the rate stated in the Mortgage Note, as determined by the Servicer, all on the conditions and terms set forth in the Program Documents. The purchase price for each Mortgage Loan shall be paid in accordance with Section 4.09 hereof. The Servicer's obligation to purchase and take delivery is subject to the availability of sufficient funds being available from the Authority or a trust indenture relating to an issue of Bonds to purchase GNMA Certificates or cause Fannie Mae Securities or Freddie Mac Securities to be issued. Notwithstanding the foregoing, no Lender shall originate a Disaster Area Loan until the Servicer has notified each Lender that the Authority has authorized the purchase of Disaster Area Loans.

Lender acknowledges that as a condition to the purchase of each of the Mortgage Loans by the Servicer, the Mortgage Loan shall (i) be current in payments of principal, interest and tax and insurance escrows and (ii) be in compliance with the applicable requirements of FHA, VA, RD, GNMA, Fannie Mae, Freddie Mac, the Program Documents, the Administrator's Guidelines, the Lender Manual, the GNMA Guide and/or Fannie Mae Guides and/or Freddie Mac Guides, if applicable, and the PMI Insurer with respect to Conventional Mortgage Loans, if applicable.

Lender understands and agrees that Commitments shall be made to applicants on a first-come, first-served basis. Lender is required to utilize procedures to ensure the application of the first-come, first-served requirement.

In its sole and absolute discretion, the Authority may establish deadlines for Mortgage Loan commitments, Mortgage Loan closing and Mortgage Loan deliveries for any type of Mortgage Loan to be originated under a Program. Any such deadlines shall be set forth in the applicable Administrator's Guidelines and Lender Manual. If the Lender fails to meet any such deadline, any Mortgage Loan submitted by Lender after such deadlines shall be automatically cancelled, unless an extension is allowable under the applicable Program. In a Program with Program Allocations, the Authority, in its sole discretion, may reallocate all or part of such unused Program Allocation either to a general pool or to other Lenders, as the Authority deems appropriate. Upon any such reallocation, the Authority will make provision for application of Commitment Fees on such terms as it deems equitable and in the best interests of the Program, provided that no Lender shall be entitled to reimbursement of more than the Commitment Fees it has paid and only in the event that such amounts are collected by or from another Lender.

In its sole and absolute discretion, the Authority may repurchase all or any portion of a Lender's Program Allocation by paying or arranging for the payment of the Commitment Fees theretofore paid by the Lender proportionate to the amount of Program Allocation being repurchased.

During the Origination Period with respect to a Program, a Lender, with the prior written consent of the Authority and the Program Administrator, may transfer all or a portion of its Program Allocation to one or more other Lenders. A Lender's request for consent to such transfer shall set forth the terms and conditions of the transfer and the proposed transferee, all of which must be acceptable to the Authority and the Program Administrator. The Authority and the Program Administrator shall advise the affected Lenders of the decision with respect to any requested transfer by sending a notice in writing to such Lenders. In no event may a Lender charge

or receive any fee or remuneration for the Program Allocation being transferred, other than reimbursement for the pro rata portion of such Lender's Commitment Fee relating to the Program Allocation, or portion thereof, being transferred.

All Program Allocations shall terminate automatically upon the termination of the related Origination Period. Nothing in this Section 4.01 shall be construed to permit the origination or Purchase of any Mortgage Loan following the end of the related Origination Period.

Lender shall originate Mortgage Loans and close and deliver such Mortgage Loans at such times as will enable the Servicer to Purchase such Mortgage Loans during the related Origination Period, and as set forth in the Invitation, the Administrator's Guidelines and the Lender Manual.

The provisions of each Invitation, the Acknowledgment and Acceptance and Notice of Acceptance are incorporated herein by reference and are deemed to be a part of this Agreement; provided, however, that IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN PROVISIONS OF ANY INVITATION, ANY ACKNOWLEDGMENT AND ACCEPTANCE, ANY NOTICE OF ACCEPTANCE AND THIS AGREEMENT, THE PROVISIONS OF THE APPLICABLE PROGRAM INVITATION SHALL CONTROL.

(b) Targeted Area Set Asides; Targeted Area Pool; Targeted Area Allocations; Targeted Area Loan Amount.

(i) A portion of the funds made available by the issuance of Bonds, other than Bonds issued to refund all or a portion of Bonds of another issue, in amounts specified by the Internal Revenue Code and the applicable Treasury Regulations equal to the Targeted Area Allocation shall be made available exclusively for the purpose of making Targeted Area Loans as provided herein, except as may otherwise be provided in the Invitation for a specific issue of Bonds. The Targeted Area Allocation, if any, shall be set forth in the applicable Invitation or Administrator's Guidelines. If Program Allocations to Lenders are to be utilized, each Lender may be required to reserve for a period of one year from the Application Start Date with respect to a Program related to an issue of Bonds, the amount set forth as such Lender's Targeted Area Allocation for the origination of Mortgage Loans to finance Single Family Residences located in Targeted Areas; provided, however, that unless otherwise approved by the Lender, no Lender's Targeted Area Allocation shall exceed 20% of such Lender's Program Allocation. During such one year period from the Application Start Date, the Servicer shall not be obligated to purchase from a Lender Mortgage Loans that are originated to finance Single Family Residences not located in Targeted Areas in an aggregate principal amount greater than such Lender's total Program Allocation less the amount of such Lender's Targeted Area Allocation. The Lender shall use reasonable diligence to originate Mortgage Loans for acquisition of Single Family Residences in Targeted Areas in an amount at least equal to the Lender's Targeted Area Allocation. At the end of 12 months, moneys previously designated for the purchase of Targeted Area Mortgage Loans may be used to purchase spot loans.

(ii) If Program Allocations to Lenders are to be utilized, each Lender may be required to reserve for a period of one year from the Application Start Date with respect

to a Program related to an issue of Bonds, the amount set forth as such Lender's Targeted Area Allocation for the origination of Mortgage Loans to finance Single Family Residences located in Targeted Areas; provided, however, that unless otherwise approved by the Lender, no Lender's Targeted Area Allocation shall exceed 20% of such Lender's Program Allocation. During such one year period from the Application Start Date, the Servicer shall not be obligated to purchase from a Lender Mortgage Loans that are originated to finance Single Family Residences not located in Targeted Areas in an aggregate principal amount greater than such Lender's total Program Allocation less the amount of such Lender's Targeted Area Allocation. The Lender shall use reasonable diligence to originate Mortgage Loans for acquisition of Single Family Residences in Targeted Areas in an amount at least equal to the Lender's Targeted Area Allocation. At the end of 12 months, moneys previously designated for the purchase of Targeted Area Mortgage Loans may be used to purchase spot loans.

Section 4.02. Mortgage Loan Terms.

Mortgage Loans shall be made only to Eligible Persons and Families, as defined herein and in the Invitation, for the purpose of providing financing for the purchase of a Single Family Residence, at an Acquisition Price not in excess of the Maximum Acquisition Price for such Single Family Residence, and not for the purpose of refinancing any existing loan, or a construction period loan, bridge loan or similar temporary initial financing of 24 months or less. There shall be no minimum principal amount required for Mortgage Loans, and no application for a Mortgage Loan shall be rejected solely on the basis that the principal amount is too low.

Each Mortgage Loan to be sold to a Servicer must be evidenced by a Mortgage Note secured by a first lien Mortgage on the Single Family Residence acquired thereby and made in accordance with Lender's then current underwriting policies and the then current underwriting policies of FHA, VA, RD, the PMI Insurer, if any, GNMA, Freddie Mac and Fannie Mae, as applicable, and all other requirements established by this Agreement and the then current criteria set forth in the GNMA Guide, the Freddie Mac Guides, the Fannie Mae Guides, the Administrator's Guidelines or the Lender Manual, as applicable, and in any event subject to final review by the Servicer. All Mortgage Loans eligible for inclusion in a GNMA Certificate shall be insured by FHA, guaranteed by VA or guaranteed by RD, as applicable, and all Mortgage Loans eligible for inclusion in a Fannie Mae Security or Freddie Mac Security shall be insured by a PMI Insurer to the extent required by Fannie Mae or Freddie Mac.

Each Mortgage Loan (i) shall bear interest at the rate set forth in the related Invitation, as modified by the Authority from time to time, (ii) shall provide for level monthly payments of principal and interest due the first day of each month (which payments shall be accompanied by amounts for deposit in an escrow account to provide for timely payment of taxes and insurance), (iii) shall have an original term of not to exceed 360 months, (iv) shall be assumable only under the terms and conditions set forth in Section 4.17 herein, (v) shall comply in all respects with the Program Documents, the GNMA Guide, the Freddie Mac Guides, the Fannie Mae Guides, the Administrator's Guidelines, the Lender Manual and FHA, VA, RD or PMI Insurer's rules and regulations, as applicable, (vi) shall be in a principal amount not exceeding such amount as conforms to the eligibility and credit underwriting standards specified herein and the applicable

limitations of Freddie Mac, Fannie Mae, FHA, VA or RD, as applicable, the Program Documents, the Lender Manual, the Administrator's Guidelines, the GNMA Guide, the Freddie Mac Guides and the Fannie Mae Guides, and (vii) shall be the subject of a mortgagee's title insurance policy, if required by the Servicer or the Administrator's Guidelines. Each Mortgage shall have attached to it written provisions as to assumption and/or acceleration in the applicable form set forth in the Lender Manual. Lender shall originate all Mortgage Loans in accordance with the loan origination, eligibility and credit underwriting standards of FHA, VA, RD, Freddie Mac or Fannie Mae, as applicable, and the GNMA Guides, the Freddie Mac Guides, the Fannie Mae Guides, the Administrator's Guidelines and the Lender Manual.

Additionally, the Notices to Buyers (in the applicable form set forth in the Administrator's Guidelines and Lender Manual) must be used in connection with the origination of FHA Insured, VA Guaranteed Mortgage Loans or Conventional Mortgage Loans, respectively. A copy of the executed Notice to FHA Buyers, Notice to Veterans or Notice to Conventional Buyers, as applicable, must accompany the application for insurance or guaranty, Form HUD 92900 or Fannie Mae Form 1003, and be included in the Mortgage File.

At the time of each initial application in connection with a Program related to an issue of Bonds, Lender shall deliver to Mortgagor a copy of the Notice to Mortgagor of Potential Recapture Tax on Sale of Single Family Residence in the form set forth in the Administrator's Guidelines and Lender Manual which form shall be acknowledged by the Mortgagor, and at the time of closing with a statement completed by the related Lender and acknowledged by the Mortgagor 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 in the form set forth in the Administrator's Guidelines and Lender Manual. This requirement shall not apply to Programs unrelated to an issue of Bonds or, if the Program is related to an issue of Bonds, if the Authority and the related Servicer have received an opinion of bond counsel indicating that the federal income tax status of the interest on the related Bonds will not be adversely affected by the failure to provide such statement. The Authority will notify each Lender, the Servicer and any trustee for such Bonds that it has received such opinion of bond counsel.

Each Mortgagor, if required by the loan type, must participate in a home ownership and personal finance counseling program as described in the Administrator's Guidelines and Lender Manual. Completion of the program must be documented by a letter or certificate in the Mortgage File from the sponsor of the program.

With respect to a unit of a Condominium or a PUD, such unit must be acceptable to Freddie Mac, Fannie Mae, FHA, VA or the PMI Insurer, as applicable, and must meet applicable GNMA, Freddie Mac or Fannie Mae standards. There is no restriction on the percentage of Condominium or PUD Mortgage Loans that a Lender may originate.

With respect to Manufactured Homes, each such home must meet FHA guidelines and the Servicer's requirements as outlined in the Lender Manual, provided no Manufactured Homes may

be originated hereunder without the consent of the Authority, Program Administrator and Servicer.

Section 4.03. Processing, Origination Fees and Closing Costs.

In connection with each Mortgage Loan, the Lender may, as permitted by FHA, VA, RD, Freddie Mac or Fannie Mae, as applicable, charge and collect from the Mortgagor or seller of a Single Family Residence at the time of Closing of the Mortgage Loan such application fees, funding fees, tax service fee, the Origination Fee (which Origination Fee shall not in any event exceed the applicable Freddie Mac, Fannie Mae, FHA, VA or RD limits), or Discount, as shall be set forth in the related Administrator's Guidelines, and all reasonable and customary out-of-pocket costs permitted by law paid or incurred by Lender, including but not limited to notary fees, settlement fees, document preparation fees, hazard, mortgage or life insurance premiums, survey, title insurance premiums, appraisal fees, attorneys' fees, the preliminary Mortgage Loan review fee, documentary and intangible taxes, if any, recording or registration taxes, the tax service contract fees and life of loan flood monitoring fees as specified in the Administrator's Guidelines and Lender Manual, and charges, prepaid escrow deposits and similar charges. The HUD-1 Settlement Statement and related loan documents shall separately and distinctly disclose the fees set forth above that are payable to the Program Administrator or Servicer. In addition, Lender may collect at the time of loan application (i) an application fee not to exceed the costs of the appraisal and the credit report (any moneys remaining out of the application fee must be refunded or credited at the time of Closing) and (ii) such portion of the Participation Fee as shall be set forth in the related Invitation, from the Mortgagor or Seller as permitted by Freddie Mac, Fannie Mae, FHA, VA or RD, as applicable. **Florida law contains provisions related to any exemption of notes and mortgages from documentary stamp and/or intangible taxes, as set forth in detail in the Administrator's Guidelines.** Such fees and expenses may be collected only once in connection with the origination of the Mortgage Loan and shall not exceed limits established from time to time by federal law or State law and in any event may not exceed like amounts charged in such area in cases where financing is not provided through tax-exempt Bonds. The Lender may collect from the seller of a Single Family Residence the portion, if any, of the Origination Fee that may not be collected from a Mortgagor due to federal or State law restrictions.

Section 4.04. Verification Concerning Mortgager's Federal Income Tax Returns.

Prior to Closing, unless otherwise required by a specific Program Invitation or Administrator's Guidelines, Lender will obtain from the IRS, by filing an IRS Form 4506-T, copies of each potential Mortgagor's tax transcripts for the three immediately preceding calendar years filed by the Mortgagor. In lieu of the foregoing, the Mortgagor may indicate in the appropriate space in the Mortgagor's Affidavit that the Mortgagor was not required to file returns during any of the preceding three years for which returns are unavailable. The Lender shall verify from such tax transcripts or other available information that, during such three year period, the Mortgagor did not claim deductions for taxes or interest on indebtedness with respect to real property constituting his or her principal residence, unless there exists an exception to the foregoing in the Administrator's Guidelines.

Section 4.05. Acquisition Price of a Residence.

The Acquisition Price of a Single Family Residence may not exceed the Maximum Acquisition Price. The Acquisition Price of a Single Family Residence is the cost of acquiring the Single Family Residence from the seller as a completed residential unit. The Acquisition Price *includes* the following:

(a) All amounts paid, either in cash or in kind, by the purchaser (or a related party or for the benefit of the purchaser) to the seller (or a related party or for the benefit of the seller) as consideration for the Single Family Residence. A Single Family Residence includes property that is a fixture under local law, such as light fixtures or wall-to-wall carpeting. Thus, if the purchaser purports separately to purchase such items, the cost of those items must be included in the cost of acquisition. On the other hand, property which is not considered a fixture under local law, such as appliances, is not considered part of a Single Family Residence and the cost of acquiring such items does not have to be included in the cost of acquiring the residence (unless the acquisition costs of such items exceeds their fair market value, in which case the amount of the excess must be included in the acquisition cost of the residence). Thus, if the purchaser agrees to purchase the 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 cost of acquisition. Similarly, if as part of the purchase of the Single Family Residence the purchaser agrees to pay or assume liability for a debt of the seller, the amount of such debt must be included as part of the cost of acquiring the Single Family Residence.

(b) If a Single Family Residence is incomplete, the reasonable cost of completing the Single Family Residence whether or not the cost of completing construction is to be financed with proceeds of the Mortgage Loan. Where a Mortgagor purchases a building which is so incomplete that occupancy of the building is not permitted under local law, the acquisition cost includes the cost of completing the building so that occupancy of the building is permitted. Thus, if a builder normally sells residences with an uncompleted recreation room but a completed third floor and a garage, but is selling a residence with no garage and an uncompleted recreation room and third floor to a Mortgagor, the cost of completion of the third floor (but not the recreation room) and the cost of addition of a garage must be included in the cost of acquisition of the Single Family Residence. On the other hand, if a Mortgagor purchases an existing home and then spends $3,000 to paint it, refinish the floors and make minor repairs, such $3,000 is not included in the cost of acquisition of the Single Family Residence.

(c) Where a Single Family 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, if any, calculated in accordance with Section 148 of the Code.

The Acquisition Price *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 or other similar costs. Financing costs include credit reference fees, legal fees, appraisal expenses, "points" which are paid by the buyer (but not points paid by the seller, even though borne by the buyer through a higher Acquisition Price) or other costs of financing the Single Family 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 through a qualified mortgage bond program. For example, if the purchaser agrees to pay to the seller more than a pro rata share of property taxes, such excess shall be treated as part of the Acquisition Price of a Single Family Residence.

(b) The value of services performed by the Mortgagor or members of the Mortgagor's family in completing the Single Family Residence (or a Dwelling Unit constituting part of the Single Family Residence). For purposes of the preceding sentence, the family of an individual shall include only the individual's brothers and sisters (whether by the whole or half-blood), spouse, ancestors and lineal descendants. For example, where the Mortgagor builds a home alone or with the help of family members, the Acquisition Price includes the cost of materials provided and work performed by subcontractors (whether or not related to the Mortgagor) but does not include the imputed cost of any labor actually performed by the Mortgagor or a member of the Mortgagor's family in constructing the Single Family Residence. Similarly, where the Mortgagor purchases an incomplete Single Family Residence the acquisition cost includes the cost of material and labor paid by the Mortgagor to complete the Single Family Residence but does not include the imputed value of the Mortgagor's labor or the labor of the Mortgagor's family in completing the Single Family Residence.

(c) The cost of land which has been owned by the Mortgagor for at least two years prior to the date on which construction of the Single Family Residence (or a Dwelling Unit constituting part of the Single Family Residence) begins.

Section 4.06. First Time Homebuyer.

Except with respect to Single Family Residences located in a Targeted Area and Disaster Area and certain exceptions that apply to Veterans, or as otherwise provided in a specific Program Invitation or applicable Administrator's Guidelines, each Mortgagor 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 Closing. For the purposes of the preceding sentence, the Mortgagor's interest in the residence with respect to which the financing is being provided is not taken into account.

In the event that there is more than one Mortgagor with respect to a particular residence, each of such Mortgagors must meet the three-year requirement. A person who is liable under the Mortgage Note (i.e., a cosigner) secured by the Mortgage but who does not have a present ownership interest in the residence subject to the Mortgage need not meet the three-year

requirement. For example, where a parent of a home purchaser cosigns the Mortgage Note for a child but the parent takes no interest in the residence, it is not necessary that the parent meet the three-year requirement since the parent is not a Mortgagor of the residence. Cosigners may only provide additional security and may not be utilized to qualify a Mortgagor for a Mortgage Loan. Examples of interests which constitute present ownership interests (and thus would result in a potential purchaser failing to meet the First Time Homebuyer requirements) are the following:

(a) A fee simple interest;

(b) A joint tenancy, 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 contract for deed (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);

(f) An interest held in trust for the Mortgagor (whether or not created by the Mortgagor) that would constitute a present ownership interest if held directly by the Mortgagor; and

(g) An interest in a mobile home or factory-made housing that is required to be taxed as real property under State law, is permanently affixed to realty and with respect to which the Mortgagor owns the realty on which it is affixed.

Examples of interest which do not constitute present ownership interests (and thus would not result in potential home purchasers failing to meet the 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;

(e) An interest in other than a principal residence during the previous three years; and

(f) An interest in a mobile home or factory-made housing that is not required to be taxed as real property under State law, is not permanently affixed to realty or with

respect to which the Mortgagor does not own the realty on which it is affixed.

Section 4.07. Program Administration Guidelines.

Requirements for Lenders to submit the Compliance File documentation to the Program Administrator are specified in the applicable Administrator's Guidelines provided by the Program Administrator for each Program, the provisions of which shall be incorporated herein by reference. Requirements for Lender to submit the Mortgage File documentation to the Servicer are specified in the applicable Lender Manual provided by the Servicer for each Program, the provisions of which shall be incorporated herein by reference.

Lenders are required to utilize the Program Administrator's Web-based (internet) "Loan Management System" for the reservation tracking and reporting processes necessary to originate Mortgage Loans under the Program and the Program Website to access all required guidelines, forms, notices and other pertinent program information.

Section 4.08. Submission of Mortgage Files to the Servicer.

(a) Lender shall submit to the Servicer, with respect to each Mortgage Loan, the documents described in and at the times no later than those times required in the Lender Manual. Lender shall pay all costs of preparing and furnishing such files to the Servicer. The Servicer will not purchase any Mortgage Loan that does not have Compliance Approval (as defined in the Administrator's Guidelines) by the Program Administrator. Preliminary review and approval does not assure the subsequent Purchase of a Mortgage Loan by the Servicer in the event that factual changes occur with respect to the Mortgage File or the Program between the date of preliminary approval and such Purchase Date.

(b) Prior to the delivery of the Mortgage File to the Servicer in connection with a Purchase, the Lender shall record or file for record an Assignment of Mortgage in all offices necessary to perfect the assignment of the Mortgage to the Servicer under the laws of the State. All notices to insurers under any insurance policies maintained with respect to a Mortgage Loan for the assignment to Servicer of the servicing of such Mortgage Loan shall be given by each Lender prior to Purchase by the Servicer. Immediately upon Purchase, written notice shall be given to the Mortgagor that servicing has been assigned to the Servicer and that future payments on the Mortgage Loan are to be made to the Servicer. Lender shall also provide to the Servicer or the Authority such other reports or information regarding the Mortgage Loan being sold by such Lender as may be reasonably requested by the Servicer or the Authority.

(c) Notwithstanding the delivery procedures of this Section 4.08, the Servicer may, in its discretion in connection with a Purchase, accept Mortgage Files which contain certified copies of the Mortgage and the Assignment of Mortgage in lieu of the originals of same and a valid commitment for the issuance of a mortgagee's title insurance policy in lieu of a title insurance policy and may approve the applicable Mortgage Loan for Purchase without such originals or certificate if the Mortgage File is otherwise complete, all other

Mortgage File documents are present and the Mortgage Loan is subject in all respects to all terms and conditions of this Agreement. The original recorded Mortgage and original recorded Assignment of Mortgage, the title insurance policy and FHA Mortgage Insurance Certificate, VA Loan Guaranty Certificate, RD Guaranty Certificate or Private Mortgage Guaranty Insurance, if applicable, must be submitted to the Servicer within 90 days from the Purchase Date of the subject Mortgage Loan. Failure to provide documentation within this timeframe may result in penalties or possible repurchase of the Mortgage Loan. The Servicer shall, upon receipt of such originals and certified copies, if applicable, file copies of same with the related Mortgage File.

(d) The Purchase of Mortgage Loans hereunder shall take place on each Purchase Date, pursuant to the schedule of Purchase Dates established by the Servicer with respect to a Program. Only Mortgage Loans submitted in accordance with this Section 4.08 and which conform to the requirements of this Agreement will be purchased by the Servicer on any Purchase Date. All amounts collected by the Lender representing escrow payments for insurance and taxes with respect to a Mortgage Loan shall be held in escrow and remitted to the Servicer not later than the Purchase Date or as directed by the Servicer. All notices to FHA, VA, RD, the PMI Insurer, Freddie Mac or Fannie Mae which are required to be given under applicable FHA, VA, RD, PMI Insurer, Freddie Mac or Fannie Mae requirements shall be given by the Lender prior to Purchase. In the event that Lender receives any payment on a Mortgage Loan after the Purchase of such Mortgage Loan, the Lender forthwith shall forward such payment (properly endorsed to the Servicer, if the payment was payable to Lender) to the Servicer.

(e) The Servicer will have no obligation to purchase Mortgage Loans unless they are eligible hereunder and conform to all requirements of this Agreement and any Participating Lender Agreement, including but not limited to bearing interest at the rate specified in Section 4.02 hereof.

(f) The Servicer will not be obligated to Purchase any Mortgage Loan unless the documents described in the Lender Manual with respect to such Mortgage Loan have been received by the Servicer for review not later than thirty (30) days following the Closing date, or such later date as may be approved by the Servicer for good cause.

(g) Lender shall deliver the original executed Mortgage, Mortgage Note and Assignment of Mortgage to the Servicer in the following manner: (i) the Mortgage Note shall bear the endorsement set forth on the back thereof "Payable, without recourse, to the order of" the Servicer, and be executed by a duly authorized officer of the Lender; (ii) the related Mortgage, together with the Assignment of Mortgage, or a true and correct copy of such executed Mortgage and Assignment of Mortgage, and assurance that the originals thereof have been delivered for recording in the office of the Clerk of the applicable County sufficient to constitute the Servicer's ownership of the Mortgage and Mortgage Note. Lender shall further perform any other action or deed as the Servicer may direct to cause the proper filing or recording of the Assignment of Mortgage in such other places and in

such other manner, form or condition satisfactory to the Servicer as is necessary to perfect the Servicer's security interest in each such Mortgage Note and related Mortgage.

Section 4.09. Purchase of Mortgage Loans By the Servicer.

For each Mortgage Loan originated by a Lender which is in compliance with all the terms and conditions of this Agreement, the applicable Administrator's Guidelines and Lender Manual and any applicable Participating Lender Agreement, for which the Mortgage File and other documents have been prepared and presented to the Servicer in the form required or permitted hereby and thereby and for which Servicer certifies that all of the other conditions of this Agreement, any applicable Administrator's Guidelines and Lender Manual or Participating Lender Agreement have been fulfilled, the Servicer will pay to Lender, under the terms and conditions specified herein and therein and in the Invitation, on each Purchase Date for each Mortgage Loan a purchase price equal to the amount set forth in the Administrator's Guidelines (in each case plus any accrued interest less unearned prepaid interest), less, the tax service contract fees and life of loan flood monitoring fees as specified in the Administrator's Guidelines and Lender Manual, as well as any amounts collected by Lender during the servicing of the Mortgage Loan prior to purchase by the Servicer, to be transferred to the Servicer.

Lender acknowledges that, as a condition of the Purchase of the Mortgage Loan by Servicer, the Mortgage Loan shall (i) be current in payments of principal and interest, taxes and insurance, if required, and (ii) be in compliance with the requirements of Fannie Mae, FHA, VA or RD, as applicable, the GNMA Guide, the Freddie Mac Guides or the Fannie Mae Guides, the PMI Insurer, the Lender Manual, this Agreement and any Participating Lender Agreement.

Section 4.10. Termination of Origination Period by Servicer for Failure To Purchase GNMA Certificates or Fannie Mae Securities.

The Lenders acknowledge that the Servicer with respect to a Program may terminate the Origination Period for such Program at any time upon written notice to Lenders if the trustee for an issue of Bonds or the Authority, if a Program is not related to an issue of Bonds, fails to purchase GNMA Certificates, Freddie Mac Securities or Fannie Mae Securities in accordance with the related Program due to insufficient funds being available for such purchase. Such Servicer will not be required to purchase any Mortgage Loans which have not been purchased by the Servicer prior to the date of a notice delivered pursuant to this Section 4.10.

Section 4.11. Defective Documents and Non-qualifying Mortgage Loans; Repurchase of Loans by Lender.

(a) A "Defect" will exist with respect to a Mortgage Loan if:

(i) Any document constituting a part of the Mortgage File, in the reasonable opinion of the Authority, the Servicer, or a trustee for an issue of Bonds, is defective or inaccurate in any respect or shall not be valid and binding or the Lender fails to make timely delivery of any document required for a

Mortgage File;

(ii) Any representation or warranty of the Lender in the sole judgment of the Administrator or Servicer, is untrue or incorrect in any material respect;

(iii) The Mortgagor fails to make any payment due under the Mortgage Loan through the first payment due under the Mortgage Loan following the purchase of the Mortgage Loan by the Servicer;

(iv) The Mortgage Loan is not eligible for inclusion in a Pool backing a GNMA Certificate, Freddie Mac Security or Fannie Mae Security, as applicable, pursuant to the Lender Manual, GNMA Guide, Freddie Mac Guides or Fannie Mae Guides, as applicable, or, after pooling, is required to be withdrawn from the Pool or repurchased pursuant to the GNMA Guide, Freddie Mac Guides, the Fannie Mae Guides, or the Lender Manual, as applicable.

If, following the Purchase of any Mortgage Loan, and notwithstanding the review of the related Mortgage File by the Servicer, a Defect is discovered with respect to the Mortgage Loan, then the Lender who sold the Mortgage Loan to the Servicer shall, if the Defect is susceptible to cure, cure such Defect within a period of 60 days from the time it receives notice of the existence of such Defect or such shorter period as may be required by law or this Agreement, and if any Defect with respect to a Mortgage Loan is not cured within such 60-day period, or such shorter period if applicable, or if the Defect is not susceptible of cure, the Lender who sold the Mortgage Loan to the Servicer shall, not later than 30 days after expiration of the cure period or, if the Defect is not susceptible to cure, receipt of the notice to it of the Defect, repurchase the Mortgage Loan from the Servicer for a price equal to the Repurchase Price.

In all cases, whether or not the Mortgage Loan has been repaid or otherwise satisfied, a Lender shall indemnify and hold harmless the Authority and the Servicer, and the trustee for an applicable issue of Bonds for any loss, damage, forfeiture, penalty or expenses (including reasonable attorneys' fees) incurred by any one or more of them in connection with or as a result of a Defect with respect to any Mortgage Loan sold to the Servicer by the Lender. For the purpose of this Section 4.11, the falsity of a representation by a Mortgagor respecting some fact or facts that (i) the Lender is entitled to rely upon under the provisions of this Agreement, (ii) is of such nature that, although false, security for payment of the pertinent Mortgage Loan is not thereby adversely affected, (iii) is relied upon by the Lender in good faith, (iv) does not require withdrawal of the Mortgage Loan from the applicable Pool and (v) in the opinion of bond counsel, does not adversely affect the tax-exempt status of any related issue of Bonds, shall not be deemed a defect or inaccuracy.

The Repurchase Price of a defective Mortgage Loan shall be remitted by the Lender to the Servicer, with written notice from the Lender to the Authority and the trustee for an issue of related Bonds of the amount of such remittance and the Mortgage Loan

concerned and, upon compliance with all of the terms of this Section 4.11 by such Lender, the Servicer will assign and deliver the related Mortgage File to the Lender without recourse. The Lender hereby waives any statutes of limitations or other laws that might otherwise be raised in defense to any repurchase obligation hereunder. If a Lender fails to repurchase a defective Mortgage Loan at the time and in the manner provided in this Section, the Servicer will terminate all of the Lender's rights pursuant to Section 6.01 hereof, and may pursue any and all other remedies that may be available hereunder or otherwise at law or in equity.

(b) EACH LENDER CLOSES MORTGAGE LOANS WITH THE RISK THAT IT MAY HAVE TO REPURCHASE SUCH MORTGAGE LOANS FROM THE SERVICER AS PROVIDED IN THIS SECTION 4.11.

Section 4.12. Representations, Warranties and Covenants of Lender Concerning Mortgage Loans.

Lender hereby represents and warrants to, and covenants with, the Authority, the trustee for a related issue of Bonds, the Program Administrator and the Servicer as to each Mortgage Loan delivered for Purchase that:

(a) The information set forth in each Mortgage File and the Compliance File will be true and correct at the Purchase Date, each Mortgage Loan shall have been closed after the delivery of this Agreement, and each Mortgage Loan satisfies all applicable requirements set forth in this Agreement, any Participating Lender Agreement, the applicable Lender Manual, the GNMA Guide, the Freddie Mac Guides and the Fannie Mae Guides, including full disbursement of Mortgage Loan proceeds as reflected in the HUD-1 statement;

(b) Each Mortgage Loan will be made by Lender at the price set forth in the Administrator's Guidelines with processing fees not to exceed those set forth in Section 4.03 hereof, will be secured by a Mortgage which shall constitute a first mortgage lien on a Single Family Residence occupied by the Mortgagor as such Mortgagor's principal place of residence (not more than 15 percent of the total area of the residence will be used in a trade or business including child care services on a regular basis for compensation) and not an investment, rental property or a recreational home and will be located within the Eligible Loan Area, will be substantially in accordance with then current underwriting policies of Lender, the underwriting standards set forth in the Lender Manual, GNMA Guide, the Freddie Mac Guides and/or the Fannie Mae Guides and the requirements established hereby, subject to acceptance of Freddie Mac, Fannie Mae, FHA, VA or RD, as applicable, or of the PMI Insurer under the PMI Policy will be made for the purpose of purchasing or providing permanent financing for such Single Family Residence and not for the purpose of refinancing any existing loan, other than a construction period loan, bridge loan or similar temporary initial financing of 24 months or less, will have level monthly debt service payments (plus require payments for deposit in an escrow account to provide for the timely

payment of taxes, insurance and similar payments), will be made to an Eligible Person or Family, as Mortgagor, and will not be assumable except as provided in Section 4.17;

(c) Each Mortgage Loan will provide for the final payment of the balance of all principal and interest within the time periods authorized in the Invitation and Administrator's Guidelines;

(d) The principal amount of a Mortgage Loan will not exceed any applicable loan-to-value limits as established by Fannie Mae, FHA, VA or RD, as applicable, and GNMA, Freddie Mac or Fannie Mae, as applicable;

(e) As of the Purchase Date, each Mortgage Loan will be secured by the Mortgage as required under the Lender Manual, GNMA Guide, Freddie Mac Guides or Fannie Mae Guides, which will constitute a valid first lien on the property financed by the Mortgage Loan, eligible for sale to the agencies subject only to (i) the lien of current (accrued but not yet due and payable) real property taxes and assessments, (ii) building and use restrictions not accompanied by title reverter or forfeiture provisions on account of violation and that are not and will not be violated by occupancy and use of the improvements on the property and the property itself for the residential purposes for which the improvements were designed and constructed, (iii) rights-of-way and easements for roads, streets, utilities and other similar installations, whether or not of record, provided that such rights-of-way and easements are either of the kind (including location, area occupied, and nature of the installation thereon) acceptable to commercial lending institutions generally, or have been taken into account and reflected in the appraisal made (and correspondingly in the loan amount) in connection with the origination of the Mortgage Loan, and (iv) other defects, irregularities, encumbrances, easements, mineral reservations and conveyances and clouds on title that are acceptable to commercial lending institutions generally; provided, however, that none of the foregoing liens or encumbrances shall be permitted if in the opinion of recognized Florida counsel acceptable to the Servicer such lien(s) or encumbrance(s) individually or in the aggregate materially impairs the security of the Mortgage;

(f) As of the Purchase Date, Lender shall have in its possession with respect to the property financed by the Mortgage Loan and secured by the Mortgage an American Land Title Association approved mortgagee title insurance policy, or a commitment therefor (in either case, with the title insurance premium paid, or, if unpaid, with the Lender having the money for payment of the premium and assuming the responsibility for payment), in an amount at least equal to the outstanding principal amount of the Mortgage Loan naming Lender and its successors and assigns as insureds, and insuring that the Mortgage constitutes a first lien on such property, subject only to the exceptions described in subsection (e);

(g) As of the Purchase Date, the improvements upon the real property subject to the Mortgage Loan will be covered by a valid and existing Standard Hazard Insurance

Policy and Flood Insurance Policy and Condominium insurance, as applicable, and as required by the Lender Manual, GNMA Guide, the Freddie Mac Guides or Fannie Mae Guides, as applicable;

(h) The terms, covenants, and conditions of the Mortgage Loan shall not have been and shall not prior to the Purchase be waived, altered, impaired or modified in any respect, except for such waivers, alterations and the like effected by Lender prior to the Purchase Date acceptable to Lender, GNMA, Freddie Mac or Fannie Mae, as applicable, pursuant to the Lender Manual, GNMA Guide, Freddie Mac Guides or Fannie Mae Guides, as applicable, and, if applicable, to the PMI Insurer;

(i) As of the Purchase Date, the Mortgage Loan shall be current as to principal and interest payments and payments for tax and insurance escrows and there shall be no delinquent tax or delinquent assessment lien against the property financed by the Mortgage Loan unless allowed by the Lender Manual, GNMA Guide, Freddie Mac Guides or Fannie Mae Guides, as applicable;

(j) As of the Purchase Date, Lender shall not have done any act to create an offset, defense or counterclaim to the Mortgage Loan, including the obligation of the Mortgagor to pay the unpaid principal of and interest on the Mortgage Loan unless allowed by the Lender Manual, GNMA Guide, Freddie Mac Guides or Fannie Mae Guides, as applicable, and, if applicable, the PMI Insurer;

(k) Each Mortgage shall be filed and recorded in the public records of the County in which the Single Family Residence is located, in the office of the Clerk of the applicable County, and any different or other recording that might hereafter be required by the laws of the State to perfect the lien of real estate mortgages against the adverse or competing claim of third parties by giving public notice thereof also shall have been accomplished as required by the Lender Manual, GNMA Guide, Freddie Mac Guides or Fannie Mae Guides, as applicable;

(l) As of the Purchase Date, as to each Mortgage, there shall be no mechanics', laborers' or materialmen's liens or claims therefor outstanding for work, labor, or materials affecting the property encumbered by the Mortgage securing the Mortgage Loan that are or might be or become liens prior to, or equal with, the lien of the Mortgage, unless the title insurance specified in Section 4.12(f) insures against such risks and such risks are permitted by the Lender Manual, GNMA Guide, Freddie Mac Guides or Fannie Mae Guides, as applicable;

(m) To the best knowledge of Lender, the physical property financed or improved by the Mortgage Loan shall be free of material damage and shall be in general good repair on the Purchase Date;

(n) Each Mortgage Loan, at the time it shall have been made, shall have conformed to all disclosures required to be made by the Real Estate Settlement Procedures

Act and the Federal Truth-in-Lending Act and all other applicable State and federal laws and regulations;

(o) Each Mortgage Loan at the time it shall have been made shall have complied with applicable State and federal usury laws;

(p) To the best knowledge of Lender, as of the Purchase Date the Mortgagor of a Mortgage Loan shall not have conveyed such Mortgagor's right, title to or interest in the property to any third party;

(q) As of the Purchase Date, 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;

(r) Lender has reviewed applicable credit reports and related documents required in connection with any application by the potential Mortgagor to assure itself, prior to approving such application, that such potential Mortgagor has the capacity to repay the Mortgage Loan;

(s) As of the Purchase Date, Lender has no knowledge of any circumstances or conditions with respect to the Mortgagor, the Single Family Residence, the Mortgage Loan or any related document that could reasonably be expected to cause prudent private investors in the secondary market to regard the Mortgage Loan as an unacceptable investment, or cause the Mortgage Loan to become delinquent or to adversely affect the value or the marketability of the Mortgage Loan, and Lender has no knowledge of any circumstances which would cause the invalidation or cancellation of the FHA Insurance, VA Guaranty or RD Guaranty of the Mortgage, or, if applicable, any Private Mortgage Guaranty Insurance;

(t) As of the Purchase Date, the Mortgagor shall have agreed to make payments on the Mortgage Loan and such Mortgage Loan is in accordance with this Agreement and the applicable Program;

(u) As of the Purchase Date, Lender has no knowledge or other reason to believe that any of the representations and statements contained in the affidavits of the seller, the Mortgagor and the Lender or any other information submitted in connection with origination of the Mortgage Loan are not true and correct;

(v) Each Mortgage and Assignment of Mortgage to Servicer shall have been filed and properly recorded prior to the Purchase of the related Mortgage Loan, and any different or other recording that might hereafter be required by laws of the State to perfect the lien of real estate mortgages against the adverse or competing claims of third parties by giving

public notice thereof or to perfect Servicer's ownership of the Mortgage Loan shall also have been accomplished;

(w) To the best knowledge of Lender, after the exercise of due diligence, each Mortgage Loan shall be in compliance with the requirements of Section 143 of the Code and the applicable Program;

(x) Each Conventional Mortgage Loan shall be insured under valid and effective Private Mortgage Guaranty Insurance issued by a PMI Insurer and meeting the requirements of this Agreement, the Freddie Mac Guides and the Fannie Mae Guides if and to the extent private mortgage insurance for the Mortgage Loan is required by the Freddie Mac Guides and the Fannie Mae Guides, as applicable;

(y) Each Mortgage Loan is of acceptable quality and is eligible for sale to GNMA, Freddie Mac, or Fannie Mae whose Mortgage Loan eligibility specifications are outlined in the applicable guides and whose decision regarding acceptable quality and eligibility is determinative;

(z) Each Second Mortgage Loan or Assistance Grant will be made in accordance with the terms of the applicable Lender's Guide and will meet all requirements thereof; and

(aa) All final documentation with respect to the Mortgage Loan must be delivered to the Servicer within 90 days of the date of purchase. Failure to provide documentation within 90 days may result in penalties or possible repurchase of the Mortgage Loan.

It is understood and agreed that the representations, warranties and covenants set forth in this Section shall survive the sale of the Mortgage Loans by Lender to the Servicer and that the representations, warranties and covenants shall inure to the benefit of the transferees and assigns of the Servicer which may include GNMA, Freddie Mac, Fannie Mae, any trustee for and bondholders of an issue of Bonds by the Authority and the Authority. Upon discovery by Lender, the trustee for any applicable issue of Bonds, GNMA, Freddie Mac, Fannie Mae, the Servicer, the Program Administrator or the Authority of a breach of any of the foregoing representations, warranties and covenants, the party discovering such breach shall give prompt written notice to the others. Within 30 days of its discovery or its receipt of notice of breach, Lender shall cure such breach in the manner set forth in Section 4.11 hereof.

Section 4.13. Proceeds of Commitment Fee.

The Commitment Fee, if any, submitted to the Authority or a trustee for an applicable issue of Bonds with the Acknowledgment and Acceptance in the form of a certified or cashier's check shall be held by the Authority or trustee for an applicable issue of Bonds and applied in accordance with the terms of the Invitation or any related indenture securing such applicable issue of Bonds.

Section 4.14. Prohibition of Discrimination.

Lender will consider all applications in the order in which they are received, on a fair and equal basis, will not arbitrarily reject a Mortgage Loan application because of the location (other than Eligible Loan Area limitations) and/or age of the property, and will not, in the case of a proposed Mortgagor, arbitrarily vary the terms of a Mortgage Loan or the application procedures therefor or reject a Mortgage Loan applicant because of the race, color, religion, national origin, age, sex, or familial or marital status of such applicant or military status; provided, however, that a Lender may refuse to accept applications for Mortgage Loans to refinance construction loans if Lender desires and intends to make no such loans under this Agreement.

No Lender shall enter into any agreement or arrangement with any person, firm or corporation to prefer any applicant or group of applicants for Mortgage Loans over any other applicant or group of applicants for such Mortgage Loans without the express approval of the Authority, nor may applications for such loans be accepted for processing, or arrangements for the acceptance or handling of such applications be made, prior to the related Application Start Date. In accepting, evaluating and acting upon such applications, Lender shall comply, if applicable, with the Federal Equal Credit Opportunity Act and Regulation B promulgated thereunder.

Section 4.15. Disclosures to Borrowers.

If the applicable loan is made in connection with a Program related to an issue of Bonds, Lender shall provide to each prospective Mortgagor at the time of (i) receipt of loan application, a copy of the Notice to Mortgagor of Potential Recapture Tax on Sale of Single Family Residence in the form set forth in the Administrator's Guidelines and as provided in the Lender Manual, and (ii) the loan closing, with a statement completed by the related Lender and acknowledged by the Mortgagor 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 in the form set forth in the Administrator's Guidelines and Lender Manual (or such substitute forms as shall be designated by the Authority and provided to Lenders by the Program Administrator).

Section 4.16. Requirement of Standard Hazard Insurance and Flood Insurance.

The Single Family Residence securing any Mortgage Loan must be covered by the Standard Hazard Insurance meeting the requirements as then described in the applicable Administrator's Guidelines, unless additional requirements are provided in the Lender Manual.

Section 4.17. Assumption Restrictions.

Assumption will only be permitted if consented to by the Authority and authorized by the Lender Manual.

Section 4.18. Lender To Transfer Mortgage Loans and Servicing Thereof to Servicer.

Prior to the Purchase Date, Lender shall assign and transfer each Mortgage Loan and the servicing thereof to the Servicer in exchange for payment of the Purchase price on the Purchase Date as provided in this Agreement. Under the Servicing Agreement, on and after the Purchase Date, Servicer will perform all servicing functions relating to each Mortgage Loan. After the issuance date of each Pool, Servicer will be governed by the GNMA Guide, the Freddie Mac Guides or Fannie Mae Guides, as applicable, and the MBS Agreement and Pool Purchase Contract.

Section 4.19. Second Mortgage Program.

(a) Lender hereby acknowledges that the Authority may, with respect to a Program, establish Second Mortgage Programs in one or more of the Participating Counties whereby the Authority makes its own funds or funds under the respective Series of Bonds available to originate Down Payment Assistance Loans to assist qualifying applicants with down payments and closing costs associated with Mortgage Loans originated pursuant to this Agreement. Any related Second Mortgage Program(s) offered in connection with a Program will be more fully described in the applicable Administrator's Guidelines. Moneys available under Second Mortgage Programs must be used on a first-come, first-served basis to applicants purchasing a Single Family Residence located in such Participating Counties subject to the terms, conditions and restrictions of the applicable Second Mortgage Program, all as specified and to the extent described in the applicable Administrator's Guidelines. Lenders must advise all eligible borrowers of the availability of any related Second Mortgage Program(s) in the applicable Participating Counties and shall not refuse to originate an otherwise qualified Mortgage Loan on the basis of the applicant's participation in the respective Second Mortgage Program.

(b) Lenders will be required to deliver the required documentation for the Second Mortgage Loan as specified in the Lender's Guide. In the event a Second Mortgage Loan is required to be repurchased pursuant to Section 4.11 or the related Mortgage Loan is not eligible for Purchase by the Servicer, the Servicer and the Issuer will execute and deliver all necessary documentation to transfer ownership of the Second Mortgage to Lender and Lender will reimburse Authority for the Second Mortgage.

ARTICLE V LENDER

Section 5.01. Liability of Lender.

Lender shall be liable under this Agreement only to the extent that obligations are explicitly imposed upon and undertaken by Lender.

Section 5.02. Limitation on Liability of Directors, Officers, Employees and Agents of Lender.

No director, officer, employee or agent of Lender shall be under any liability to the Local HFA, any trustee or bondholders for a related issue of Bonds for any action taken or for refraining from the taking of any action in good faith pursuant to this Agreement, or for errors in judgment.

Section 5.03. Lender Not To Resign.

Upon the receipt of a Program Allocation with respect to a Program, except with respect to the applicability of Section 2.02(b) hereof, Lender shall not resign from the obligations and duties hereby imposed on it with respect to such Program except upon determination that its duties hereunder are no longer permissible under applicable law or regulation. Any such determination permitting the resignation of Lender shall be made on the basis of evidence satisfactory to the Authority and the Servicer. Notwithstanding the foregoing, nothing contained herein shall require the Lender to request a Program Allocation for any Program nor shall anything contained herein require the Authority to provide the Lender with a Program Allocation for any Program.

Lenders resigning pursuant hereto shall not be entitled to reimbursement of Commitment Fees paid with respect to such Lender's unused Program Allocation.

Section 5.04. Maintenance of Errors and Omissions Policy and Fidelity Bond.

Each Lender shall obtain and maintain an errors and omissions policy and fidelity bond, or self-insurance coverage in form and, in amounts required by FHA, VA, RD, GNMA, Freddie Mac or Fannie Mae for parties acting in their capacity under the Program.

Section 5.05. Lender Approval and Management.

The Servicer will review each Lender's application, to determine the Lender's eligibility to participate in the Authority's Programs. This review will be based upon the eligibility standards adopted by the Servicer. The Servicer shall also conduct any periodic recertifications, which will include but not be limited to, a review of the Lender's financial information, to assure that the Lender continues to be qualified to participate in the various Authority Programs.

The Servicer has reserved the right to modify the eligibility standards at any time during this contract period. Should the modification of terms occur, all parties bound by this agreement will be notified and the new eligibility standards will become effective upon the date of said notification. Any new Lender applications received or existing Lender recertifications performed on or after the notification date will be subject to the newly published eligibility standards.

The Servicer will enter into a separate Participating Lender Agreement with every qualifying Lender. In the event of a conflict between the terms of the Participating Lender Agreement and this Agreement, with regard to the requirements owed by the Lender to the Servicer, the Participating Lender Agreement shall control.

ARTICLE VI CAUSES PERMITTING TERMINATION

Section 6.01. Causes of Termination Defined; Remedies.

Pursuant to the Servicing Agreement, the Servicer will be granted the authority to suspend or terminate a Lender, if that Lender is found to be in breach of any of the terms or

conditions of the Agreement or fails to qualify as a Lender or take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance of any obligation, agreement or covenant of Lender hereunder upon the happening of any one or more of the following events:

(a) Failure by Lender promptly to originate and offer Mortgage Loans complying with the requirements of this Agreement to the Servicer for Purchase on behalf of the Authority.

(b) 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 Lender and such decree or order shall have remained in force undischarged or unstayed for a period of 60 days.

(c) 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 Lender or relating to all or substantially all of its property.

(d) 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.

(e) The Authority, the trustee for any applicable issue of Bonds by the Authority, the Program Administrator or the Servicer shall have actual knowledge that any representation of or warranty by Lender to the Servicer, the Authority, the trustee for any applicable issue of Bonds or the Program Administrator is false in any material respect.

(f) There occurs prior to Purchase of any Mortgage Loan a change in status of the Lender originating such Mortgage Loan with respect to Lender's approvals as either an FHA, VA or RD approved mortgagee, a GNMA issuer-servicer or Freddie Mac or Fannie Mae approved lender or a material adverse change in the Lender's financial condition.

(g) Lender shall fail to perform or observe any warrant, covenant, representation, agreement or condition on its part contained herein or under any agreement for a prior program offered by the Authority and the continuance thereof for a period of thirty (30) days after written notice thereof to the Lender by the Authority, the Servicer or a trustee or any applicable issue of Bonds by the Authority.

Section 6.02. No Remedy Exclusive.

Unless otherwise expressly provided, no remedy herein conferred upon or reserved is intended to be exclusive of any other available remedy, but each remedy shall be cumulative and shall be in addition to other remedies given under this Agreement or existing at law or in equity. No delay or omission to exercise any right or power accruing under this Agreement upon the happening of any event set forth in Section 6.01 hereof shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle a trustee for an applicable issue of Bonds by the Authority, on behalf of the Authority, to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article.

Section 6.03. Agreement To Pay Attorneys' Fees and Expenses.

In the event Lender should fail to perform its obligations under any of the provisions of this Agreement and the Authority, the trustee for an applicable issue of Bonds by the Authority, the Program Administrator or the Servicer should employ attorneys or incur other expenses for the enforcement of performance or observance of any obligation or agreement on the part of Lender herein contained, Lender agrees that it will pay or reimburse the Authority, the trustee for an applicable issue of Bonds by the Authority, the Program Administrator or the Servicer on demand the reasonable fees of attorneys (and legal assistants) and such other incurred expenses.

Section 6.04. Liability of the Authority.

The Authority shall not be liable for the appointment or removal of a successor Lender or owe any duty with respect to such appointment or removal, except for its own willful misconduct. Notwithstanding any provision to the contrary in this Agreement, the Authority shall not be liable in any respect for the appointment or removal of a successor Lender by the Servicer or the Authority or owe any duty with respect to such appointment or removal other than as otherwise provided herein.

ARTICLE VII MISCELLANEOUS PROVISIONS

Section 7.01. Amendments, Changes and Modifications.

This Agreement may be amended, changed, modified, altered or terminated only in writing executed by the parties hereto and, if applicable, with the written consent of the Servicer, the Program Administrator and any trustee for an applicable issue of Bonds by the Authority. The consent of the Lenders shall not be necessary for amendments needed to conform this Agreement or the applicable Administrator's Guidelines to the terms and conditions of a Program or as established by the Authority from time to time.

Section 7.02. Recordation of This Agreement.

This Agreement, or a memorandum of any portion or portions hereof executed by the

Authority and Lender, is subject to recordation among the Land Records of the County or Counties, and in any other appropriate public office or elsewhere if directed by the Authority.

Section 7.03. Limitation on Rights of Bondholders.

No bondholder shall have any right to institute a suit with respect to this Agreement except as provided in the trust indenture for the applicable issue of Bond by the Authority and for the equal benefit of all bondholders with respect to any applicable issue of Bonds by the Authority.

Section 7.04. Governing Law.

This Agreement shall be construed in accordance with the laws of the State, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

Section 7.05. Notices.

All notices, certificates or other communications hereunder, unless otherwise provided herein or in the Lender Manual or Administrator's Guidelines to be provided by email transmission, shall be sufficiently given and shall be deemed given when delivered or mailed by certified or registered mail, postage prepaid, return receipt requested, addressed to the appropriate Notice Address. A duplicate copy of each notice, certificate or other communication given hereunder to the Authority, any trustee for an applicable issue of Bonds by the Authority, the Program Administrator or the Servicer shall also be given to the others. The Authority, the Lender, the trustee for an applicable issue of Bonds by the Authority, the Program Administrator or the Servicer may, by a notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 7.06. Severability.

In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 7.07. Further Assurances and Corrective Instruments.

To the extent permitted by law, the Authority and Lender agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Agreement.

Section 7.08. Term of This Agreement.

This Agreement shall be in full force and effect from the date hereof and shall continue in effect so long as any applicable issue of Bonds by the Authority, GNMA Certificates, Freddie

Mac Securities or Fannie Mae Securities collateralized by Mortgage Loans are outstanding or GNMA, Freddie Mac or Fannie Mac shall own any Mortgage Loans made hereunder, whichever is later. It is intended that this Agreement amend and replace the Original MMOA in its entirety. However, notwithstanding the provisions of this paragraph, for a period of up to ninety days from the date of approval of this Agreement by the Authority, the Participants named in the Original MMOA shall be permitted to continue to originate mortgage loans in connection with the Authority's Programs under the auspices of the Original MMOA until they have executed this Agreement or until they shall advise the Authority that they do not wish to serve as Lenders under this Agreement.

Section 7.09. No Rights Conferred On Others.

Nothing in this Agreement shall confer any right upon any person other than the Authority, the trustee for any applicable issue of Bonds by the Authority, the Servicer, the Program Administrator, GNMA, Freddie Mac, Fannie Mae and Lender.

Section 7.10. Limited Liability; No Debt or General Obligation.

All obligations of the Authority incurred hereunder and any liability incurred by the Authority with respect to any breach of any such obligation shall not constitute a debt of the County or Counties, the State, the Authority or any political subdivision thereof nor shall any such party be liable thereon, nor shall Lender, the bondholders for any applicable issue of Bonds by the Authority or any other persons have the right to require or compel the exercise of the ad valorem taxing power of the County or Counties or any other political subdivision of the State for the payment, obligations or other liability due hereunder and in no event shall such payment be payable out of any funds or properties other than those of the Authority which are legally available for such purposes. The Authority has no taxing power.

Section 7.11. Discretion of the Servicer.

With respect to any disputes between the Servicer and the Lender which arise concerning the terms and provisions of this Agreement or the Participating Lender Agreement, the meaning thereof, or decisions to be made thereunder, the judgment of the Servicer shall govern.

[End of Document]

IN WITNESS WHEREOF, this Agreement is executed as of September 8, 2026.

ESCAMBIA COUNTY HOUSING FINANCE AUTHORITY

ATTEST:

By: _____

Name: Frederick J. Gant

Title: Chair

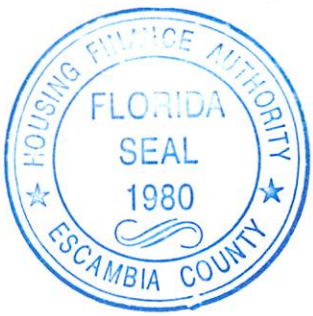
By: _____

Name:

Title: Secretary/Treasurer

IN WITNESS WHEREOF, this Agreement is executed as of September 8, 2026.

ATTEST:



By: Sandra J. Ward

Name: Sandra J. Ward.

Title: Secretary/Treasurer

ESCAMBIA COUNTY HOUSING FINANCE AUTHORITY

By: _____

Name:

Title: Chair

_____

as Lender

Dated:_____

By:_____

Name:

Title: