

## **WE DEKALB MORTGAGE ORIGINATION PROGRAM LENDER AGREEMENT**

THIS LENDER AGREEMENT (this “*Agreement*”) is entered into as of \_\_\_\_\_, by and between the Development Authority of DeKalb County, (Georgia) (the “*Authority*”) and the lending institution executing this Agreement (the “*Lender*”) in connection with the Authority’s WE DeKalb Mortgage Origination Program (the “*Program*”).

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

WHEREAS, the Lender wishes to participate in the Program and has agreed to make Mortgage Loans to qualified borrowers (each a “Mortgagor”) pursuant to the Administrator’s Guidelines (as hereinafter described);

NOW, THEREFORE, in consideration of the foregoing premises and the covenants, representations warranties and agreements set forth herein, the parties mutually agree as follows:

*Section 1. Covenant to Originate Mortgage Loans.* The Lender hereby acknowledges its receipt of the Administrator’s Guidelines established in connection with the Program. The Lender hereby covenants and agrees to originate mortgage loans in accordance with the Administrator’s Guidelines as may be amended from time to time with notice to the Lender.

*Section 2. Program Term.* This Agreement and the Lender’s ability to participate in the Program shall terminate when, as, and if the Authority determines to modify or terminate the program.

*Section 3. Approval by U.S. Bank Home Mortgage.* U.S. Bank Home Mortgage has been selected to serve as the Program’s loan servicer (the “Servicer”). The Lender hereby acknowledges that it must be approved by the Servicer to sell Mortgage Loans to the Servicer, which Mortgage Loans shall be originated pursuant to the Administrator’s Guidelines. The Lender hereby acknowledges that the Servicer (not the Authority) makes all decisions related to the initial qualification and continued eligibility of Lenders with which it will transact business and the Authority is not a party to the Participating Lender Agreement between the Lender and the Servicer. The Lender agrees to hold the Authority harmless from any loss, damage or expense that the Lender may sustain as a result of any failure on the part of the Servicer to properly perform its services, duties and obligations with respect to the Participating Lender Agreement. The Lender further warrants that so long as this Agreement is in force and effect, the Lender shall comply with the terms and provisions of the Participating Lender Agreement between the Lender and the Servicer, and the Lender agrees that any default by the Lender under said Participating Lender Agreement shall constitute a default under this Agreement.

Lender’s Authorized Representative Initials: \_\_\_\_\_

*Section 4. Down Payment Assistance.* In connection with the Program, each Mortgagor will be provided a down payment assistance grant equal to four percent (4%) or five percent (5%) of the original principal amount of the Mortgagor's Mortgage Loan (the "DPA Grant") depending on the mortgage rate chosen. The DPA Grant is being provided by the Authority, as evidenced by the Gift Letter and other requirements established in HUD Mortgagee Letter 2013-14. As a convenience and in accordance with the requirements established in HUD Mortgagee Letter 2013-14, the Lender will fund each DPA Grant at the time of closing of each Mortgage Loan. The Servicer will reimburse the Lender for the DPA Grant at the time of the sale of the mortgage loan to the Servicer. The DPA Grant is not a loan and is not repayable by a Mortgagor.

In the event the Servicer does not receive a Mortgage Loan from the Lender for which the Lender has provided a DPA Grant or does not purchase a Mortgage Loan from the Lender for any reason (a "Nonconforming Mortgage Loan"), including but not limited to, the Lender's failure to follow the Administrator's Guidelines or a breach by the Lender of its Participating Lender Agreement with the Servicer, the Lender acknowledges that it may not receive reimbursement of the DPA Grant.

*Section 5. Lender Compensation.* The Lender's gross compensation for mortgage loans originated under the Program shall not exceed 2.50% of the principal amount of the mortgage loans. Lender compensation assumes that the lender will collect a 1.00% origination fee as defined in the Administrator's Guidelines and will be paid an additional servicing release premium of 1.50% for FHA and Freddie Mac HFA Advantage Mortgage Loans (1.00% for VA loans).

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

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

*Section 8. Severability.* If one or more provisions of this Agreement, or the applicability of any such provisions for any set of circumstances shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and enforceability of the remaining provisions of this Agreement or the applicability of the provisions found to be invalid or ineffective for a specific set of circumstances to other circumstances.

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

*Section 10. Indemnification.* The Lender shall protect, indemnify and hold the Authority harmless from and in respect to, any and all losses, liabilities, reasonable costs and expenses, including attorney's fees, that may be incurred by the Authority with respect to or proximately resulting from any breach of any representation, warranty or covenant of the Lender under this Agreement.

*Section 11. Termination.* The Lender agrees that the Authority has to the right to suspend or terminate the Lender from participating in the Program or any other program established, administered or facilitated by the Authority for any reason. Additionally, the Lender acknowledges that the Authority has

the right to suspend or terminate the ability for all Program lenders to submit new loan reservations due to certain situations that may arise during the administration of the Program. The Servicer will purchase any Mortgage Loans reserved by the Lender prior to suspension or termination date as long as they are delivered pursuant to the terms of the Administrator's Guidelines.

The Lender acknowledges that the Servicer may terminate or suspend the Lender and thereby restrict the Lender's ability to deliver loans under the terms and provisions of the Participating Lender Agreement between the Lender and the Servicer, and that loan reservations may be terminated under certain conditions applicable to the Program. In these instances, the Servicer may not purchase Mortgage Loans reserved pursuant to the terms of the Administrator's Guidelines from the Lender during the time of the suspension. The Lender agrees to hold the Authority harmless from any loss, damage or expense that the Lender may sustain as a result of suspension or termination of the Lender under the Servicer's Participating Lender Agreement.

*Section 12. Notices.* Any notice provided for herein shall be deemed given when personally delivered, delivered and received via overnight courier or mailed and received via certified or registered mail, postage prepaid, return receipt requested, addressed to the following:

If to the Authority:      Development Authority of DeKalb County, (Georgia)  
   c/o Raymond James  
   Attn: Chris Spelbring  
   951 East Byrd Street, Suite 930  
   Richmond, VA 23219  
   Telephone: (804) 225-1161  
   Facsimile: (804) 225-1180  
   Email: chris.spelbring@raymondjames.com  
   cc: marketing@decidedekalb.com  
   cc: tjfilipowicz@decidedekalb.com

If to the Lender:            \_\_\_\_\_  
   \_\_\_\_\_  
   \_\_\_\_\_  
   \_\_\_\_\_  
   \_\_\_\_\_  
   \_\_\_\_\_  
   \_\_\_\_\_

Either party may change its address for purposes of this Agreement by provided written notice hereunder to the other party.

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

AUTHORITY:

DEVELOPMENT AUTHORITY OF DEKALB COUNTY,  
(GEORGIA)

By

Name: Ray Gilley  
Title: President

LENDER:

\_\_\_\_\_

By

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