

ONE MORTGAGE PROGRAM AGREEMENT

This **ONE MORTGAGE PROGRAM AGREEMENT** (the "Agreement") is effective as of the ___ day of _____, 201_, by and between the MASSACHUSETTS HOUSING PARTNERSHIP FUND BOARD, a Massachusetts public instrumentality and body corporate and politic with an address of 160 Federal Street, Boston, MA 02110 ("MHP") and _____ (the "Lender"), a _____ (MHP and the Lender, each a "Party" and collectively, the "Parties").

RECITALS

MHP has established the ONE Mortgage Program (the "Program") to assist low and moderate-income families in obtaining financing to buy their first home.

Lender is engaged in the business of providing financing to homebuyers and would like to participate in the Program, so that it may provide such financing to qualified low and moderate-income families. To mitigate the Lender's credit risk, MHP funds and administers a loan loss reserve that accumulates for each Lender in a restricted account and is pooled to cover all loans (each a "Loan") that the Lender originates under the Program.

The Lender is required and agrees to use MHP's secure, web-based underwriting and loan processing tool, (<https://eS2.mhp.net>) ("eS2") to facilitate and expedite the pre-closing process, including the electronic submission of applications and reservations as more fully set forth in the Guidelines referenced below.

Further, the Lender is required and agrees to electronically transmit and receive data and information from MHP in agreed formats in substitution and/or supplementation of paper-based documents, including without limitation, the furnishing of monthly portfolio reports to MHP in electronic format on all outstanding Loans made pursuant to the Program as detailed in the Guidelines.

This Agreement is intended to set forth the material terms of the Parties' respective rights and obligations under the Program, and incorporates by reference the ONE Mortgage Program Guidelines, as same may be amended (the "Program Guidelines"), the ONE Mortgage Program Servicing Guidelines, as same may be amended (the "Servicing Guidelines") (collectively, hereinafter referred to as the "Guidelines"); any applicable Interest Subsidy Agreement, and the procedures and forms set forth therein appearing on MHP's website: www.mhp.net (the "MHP Website").

This Agreement and the Guidelines set forth and govern, among other things, underwriting and eligibility requirements, the allocation and administration of loan loss reserve funds for each Loan closed under the terms of the Program, and servicing and reporting requirements with respect to all Loans closed under the Program.

To the extent that the Parties have executed the 2005 Amended and Restated SoftSecond™ Loan Loss Reserve Agreement and eS2 Web-Based Application Agreement (collectively, the "SoftSecond™ Program Agreements"), the SoftSecond™ Program Agreements remain in full force and effect and applicable to all loans closed under and in accordance therewith ("SoftSecond™ Loans").

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. PROGRAM OVERVIEW

1.1 The Lender agrees to use eS2 and to adhere to the Guidelines, as same may be amended, and to follow the Program procedures set forth therein.

1.2 MHP may modify the Guidelines and its contents from time to time, subject to the approval of the Commonwealth of Massachusetts, acting by and through the Department of Housing and Community Development (“DHCD”), by modifying the same on the MHP Website, provided that MHP gives notice, via email, to the Lender’s Designated Representative identified in Section 1.4 below.

1.3 MHP has designated the following person as its Designated Representative, including for the purpose of receiving e-mail notification from the Lender:

(name) _____
(title) _____
(address) _____
(telephone) _____
(email) _____.

1.4 Lender has designated the following person as its Designated Representative, including for the purpose of receiving e-mail notification from MHP:

(name) _____
(title) _____
(address) _____
(telephone) _____
(email) _____.

1.5 Each party may notify the other party of a change in the Designated Representative via e-mail notification or via regular mail.

SECTION 2. PROGRAM REQUIREMENTS

2.1 The Lender shall originate Loans under the Program in conformity with the Guidelines and shall offer pricing to borrowers eligible under the Program consistent with the Guidelines.

2.2 To be eligible for participation in the Program, each borrower must be a “first time homebuyer” as defined in the Guidelines; occupy the home as a primary residence; and meet other eligibility criteria set forth in the Guidelines, including those concerning total household income and total household assets. Each home must be in the Commonwealth of Massachusetts, and constitute a condominium, single-family, two-family or three-family home. Also, each home must be purchased in a bona fide, arms length transaction.

2.3 Borrowers purchasing a condominium, single family, two family or three family home through the Program must make a minimum down payment on the home in the amounts set forth in the Guidelines.

2.4 The financing provided by the Lender for the purchase of a home by the borrower through the Program shall consist of a first mortgage loan with a thirty (30) year fixed rate in an amount consistent with the loan-to-value requirements set forth in the Guidelines. No points shall be charged on the Loan.

2.5 Borrowers deemed eligible by MHP in accordance with the terms of the Guidelines may also receive, subject to the availability of funds, a subordinate deferred payment zero (0) interest loan from MHP (the "Interest Subsidy") reducing the effective interest rate on the Loan in amounts set forth in the Guidelines. The subordinate loan shall be evidenced by an Interest Subsidy Agreement, Interest Subsidy Note and Interest Subsidy Mortgage, respectively (collectively, the "Interest Subsidy Documents").

2.6 MHP shall cash-fund the present value of the Interest Subsidy to Lender at the closing of the Loan. Lender shall invest funds and apply same to the borrower's payment obligations in accordance with the provisions of the Interest Subsidy Agreement.

2.7 If the borrower does not use all or any portion of the Interest Subsidy, the Lender shall return any unused portion to MHP upon prepayment of the Loan resulting from the sale or refinancing of the mortgaged property as more fully described in the Servicing Guidelines.

SECTION 3. PROGRAM PROCEDURES

3.1 The Lender shall follow the procedure for originating, closing and servicing Loans under the Program outlined in the Guidelines.

3.2 If applicable, the Lender shall prepare and see to execution of the Interest Subsidy Documents, on behalf of MHP and shall arrange for the recording of the Interest Subsidy Mortgage at the appropriate Registry of Deeds on the closing date of the Loan.

3.3 Promptly upon closing the Loan to the borrower, the Lender shall send the closing documents listed in the Closing Documents Checklist in eS2 to MHP. Upon MHP's receipt and satisfaction with such documents, MHP shall make a deposit in the ONE Mortgage Loan Loss Reserve Fund in the amount provided in Section 4 hereof and shall wire to the Lender the present value of the Interest Subsidy in accordance with the Guidelines.

3.4 The Lender, or the Lender's servicer, shall service the Loan to the borrower in accordance with the Servicing Guidelines and, in connection therewith, shall, among other things, provide electronic monthly portfolio reports to MHP and electronically notify MHP if the Loan is paid by the borrower prior to the maturity date (e.g. the first mortgage note is prepaid in connection with a refinance or sale, or paid, deemed paid, satisfied or deemed satisfied as a result of foreclosure or acceptance of a deed in lieu of foreclosure, etc.).

SECTION 4. LOAN LOSS RESERVE FUND

4.1 Funding of the Loan Loss Reserve Fund

- A. Provided that there is an outstanding Program reservation and all Program Loan closing requirements have been met, within five (5) days of the receipt of written notice from the

Lender, in a form satisfactory to MHP, that a Loan has been originated under the Program and a closing has occurred, MHP shall deposit in a separate and distinct account entitled the "ONE Mortgage Loan Loss Reserve Fund" (a) for the first five (5) Loans originated by the Lender under the Program, an amount equivalent to five percent (5%) of the principal amount of the Loans and (b) for all other Loans originated by the Lender under the Program, an amount equivalent to one percent (1%) of the original principal amount of the Loans.

- B. MHP shall provide written notice to the Lender of the deposit of such monies to the ONE Mortgage Loan Loss Reserve Fund for each Loan closed under the Program (the "MHP Funding Notice").
- C. MHP shall administer and invest the ONE Mortgage Loan Loss Reserve Fund in accordance with the terms of this Agreement and the Guidelines. Interest or other earnings on the ONE Mortgage Loan Loss Reserve Fund shall accrue to and be payable to MHP.
- D. Notwithstanding anything to the contrary contained herein, to the extent that the Lender has outstanding SoftSecond™ Loans and has a loan loss reserve balance with MHP in connection with such loans, the Lender shall submit loan loss reserve claims and MHP shall pay such claims, up to the maximum allowable recovery, in accordance with the terms of the SoftSecond™ Program Agreements.
- E. Whenever a Loan under the Program is repaid in full, whether at maturity or otherwise, and the Lender issues a discharge of the mortgage securing the Loan, the Lender shall notify MHP in writing via the monthly portfolio report described in the Servicing Guidelines. In the event that the Lender's Maximum Allowable Recovery, as defined in Section 4.2E below, is greater than zero (0), MHP shall be entitled to withdraw from the ONE Mortgage Loan Loss Reserve Fund an amount equal to the lesser of a) one percent (1%) of the original principal amount of the Loan which has been repaid or prepaid or b) the balance of the Lender's Maximum Allowable Recovery.
- F. MHP will maintain records and accounts on the ONE Mortgage Loan Loss Reserve Fund, which will be available for reasonable inspection by the Lender. The moneys contributed to the ONE Mortgage Loan Loss Reserve Fund by MHP shall be held in a separate account for the benefit of the Parties hereto subject to the application of such moneys as provided herein. The Lender shall not have a lien on or pledge of any amount on deposit from time to time in the ONE Mortgage Loan Loss Reserve Fund or the proceeds thereof. Deposits made to the ONE Mortgage Loan Loss Reserve Fund on account of the Lender shall be invested jointly with contributions made on account of all Lenders participating in the Program.

4.2 Payment on Losses

- A. The Lender must utilize all loss mitigation options possible to enable Program borrowers to sustain homeownership.
- B. Provided the Lender has received a MHP Funding Notice in connection with a Loan, the Lender may submit a claim to MHP for the payment of Qualifying Loan Losses, as defined in Section 4.2.D below, in accordance with this Agreement and the Servicing Guidelines (a "Loan Loss Reserve Claim") accompanied by the MHP Funding Notice, or a copy thereof.

- C. Except as may otherwise be provided in the Servicing Guidelines, a Loan Loss Reserve Claim may be submitted for Qualifying Loan Losses established only after the Lender has recovered the maximum amount to minimize its loss on the Loan through the disposition of the mortgaged property to a bonafide purchaser for value in an arm's length transaction and if appropriate, in the Lender's best business judgment, directly from the borrower in a deficiency action. The Lender is required to be in substantial compliance with the Servicing Guidelines in order to preserve its right to place a Loan Loss Reserve Claim.
- D. The Lender shall be able to claim payment from the ONE Mortgage Loan Loss Reserve Fund for Qualifying Loan Losses. Qualifying Loan Losses are unrecovered losses and expenses on the Loan that the Lender would be entitled to recover in a foreclosure proceeding (including unpaid principal, interest, late fees and reasonable costs as defined in the Servicing Guidelines). Qualifying Loan Losses resulting from an event other than a completed foreclosure or deed in lieu of foreclosure must be due to an involuntary hardship as defined in the Servicing Guidelines. When making a claim for Qualifying Loan Losses, the Lender shall provide to MHP a schedule itemizing the losses claimed as unrecovered and a certification that the Lender has exercised its best efforts to obtain recovery through foreclosure and deficiency actions, if any, against the borrower, and pursuant to any guarantee, as more fully described in the Servicing Guidelines.
- E. Upon MHP's approval of a Loan Loss Reserve Claim submitted in accordance herewith and in accordance with the Servicing Guidelines, the Lender shall be reimbursed an amount equal to the lesser of (a) eighty percent (80%) of the Qualifying Loan Losses and (b) the Lender's Maximum Allowable Recovery at the time that such claim is approved by MHP. The Maximum Allowable Recovery is equal to (a) the deposits made by MHP to the ONE Mortgage Loan Loss Reserve Fund for the benefit of the Lender pursuant to the Section 4.1A above, minus (i) any and all prior payments made by MHP to the Lender from the ONE Mortgage Loan Loss Reserve Fund and (ii) any MHP Loan Loss Reserve Claim processing fees, if applicable .
- F. MHP shall make payment to the Lender on an approved Loan Loss Reserve Claim to the extent provided above, no later than thirty (30) days following the end of the calendar quarter of the year in which the claim is submitted.
- G. To the extent payments to the Lender for Qualifying Loan Losses reduce the balance of the Lender's ONE Mortgage Loan Loss Reserve Fund, MHP will be under no obligation to make further deposits to the ONE Mortgage Loan Loss Reserve Fund except in accordance with Section 4.1A above, as new Loans are originated and closed.

SECTION 5. eS2 and Electronic Communications

5.1 The Lender is required and agrees to use eS2 to facilitate and expedite the pre-closing process, including the electronic submission of applications and reservations as more fully set forth in the Guidelines.

5.2 The Lender is required and agrees to electronically transmit to and receive data and information from MHP in agreed formats in substitution and/or supplementation of paper-based documents, including without limitation, the furnishing of monthly portfolio reports to MHP in electronic format, on all outstanding Loans made pursuant to the Program as detailed in the Guidelines.

5.3 The Lender has designated the following person(s) as its Lender Administrator(s) who shall be responsible for administering the access of the Lender's employees to eS2:

Region 1:(name)_____

(title)_____

(address)_____

(telephone)_____

(email)_____.

Region 2:(name)_____

(title)_____

(address)_____

(telephone)_____

(email)_____.

Region 3:(name)_____

(title)_____

(address)_____

(telephone)_____

(email)_____.

The Lender shall promptly notify MHP of a change in the Lender Administrator(s) via e-mail notification or via regular mail.

5.4 Access to eS2 will be restricted for the use of Lender personnel in performing their duties as Lender employees in connection with the ONE Mortgage Program.

5.5 eS2 information obtained by the Lender will not be used for personal or non-business purposes and shall only be used in the normal course of the Lender's business and only for the purposes of carrying out the Lender's business as a Program lender.

5.6 MHP shall provide a User ID and temporary password to each Lender Administrator (the "Lender Administrator Account"). Lender Administrator(s) shall not share his/her password information with other Lender employees including his/her supervisor. The Lender Administrator shall be responsible for providing each Lender employee requiring access to eS2 to perform his or her duties as in connection with the Program (each, an "eS2 User") with an eS2 Account (a "User Account"), maintaining and updating a log of all passwords relating to User Accounts, safeguarding such logs and data, and monitoring and restricting access by the eS2 User to only that data and information on eS2 that is necessary in order for such eS2 User to perform his or her duties as a Lender employee in connection with the Program.

5.7 Immediately upon the termination or departure of an eS2 User from the employ of the Lender, the Lender Administrator shall notify MHP via email and take all steps necessary to terminate the relevant User Account to prevent access to eS2 by such former employee.

5.8 The Lender shall notify MHP immediately upon the termination or departure of the Lender Administrator, whereupon MHP shall terminate the Lender Administrator Account.

5.9 The Lender shall designate and shall notify MHP of the designation of a replacement Lender Administrator (acting, interim or permanent) within three (3) working days of the departure of the former Lender Administrator.

5.10 Each Party may electronically transmit to or receive from the other Party any application, certificate, or other communication required or allowed under this Agreement and related agreements, if any (singly, the "Document", collectively, the "Documents"), including any Documents required or allowed by the Guidelines. Documents shall not be deemed to have been properly received, and no Document shall give rise to any obligation, until accessible to the designated receiving party, and in no event shall such Document be deemed to be considered as having been received if the sender receives an e-mail indicating that the Document was "undeliverable".

5.11 Any Document properly transmitted and received pursuant to this Agreement shall be considered to be a "writing", "notice" or "demand" as the case may be, under this Agreement.

5.12 No Party shall be liable for any failure to perform its obligations in connection with any Document where such failure results from any act of God or other cause beyond such Party's reasonable control, including, without limitation, any mechanical, electronic or communications failure, which prevents such Party from transmitting or receiving any Document(s).

SECTION 6. TERM OF AGREEMENT AND TERMINATION OF AGREEMENT

6.1 The term of this Agreement shall be from the date of execution and delivery by the Parties until such time as the Parties agree that there is no longer a need for the continuation of funding of the ONE Mortgage Loan Loss Reserve Fund or until all amounts held under this Agreement have been applied as provided in the Agreement. Notwithstanding the foregoing, and the cessation of the Lender's participation in the Program, the terms of the Agreement pertaining to the recapture of loan loss reserve funds in the event of prepayment of Loans closed under the Program, set forth in Section 4.1E and as further detailed in the Guidelines, survive any termination of the Agreement and remain in full force and effect.

6.2 The Lender shall be in breach of this Agreement if MHP determines, in its reasonable discretion, that the Lender, or its agent(s), if applicable, has failed to comply with the Guidelines and/or Servicing Guidelines after written notice of such non-compliance is provided to the Lender's Designated Representative and MHP has determined, in its sole discretion, that the Lender has failed to take satisfactory corrective action. In such case, MHP may send written notice of termination of this Agreement to the Lender and from and after the termination date set forth therein, all rights and obligations of the Parties hereunder shall cease, subject to the provisions of Section 6.1 above.

SECTION 7. GENERAL TERMS AND CONDITIONS.

7.1 Neither DHCD, MHP, nor any officer, director, employee or agent of DHCD or MHP shall be liable for responsible for any action taken or omitted by DHCD or MHP hereunder in good faith and in the reasonable belief that such action taken or omitted is authorized or within the discretion or rights or powers conferred by this Agreement. Neither DHCD nor MHP shall be under any obligation or duty to perform any act which would involve it in expense or liability or to advance any of its own money unless expressly provided herein without being properly indemnified. MHP and DHCD shall be fully protected in acting upon any notice, consent, statement, opinion or other paper or document believed by it to be genuine and to have been presented by the proper party.

7.2 The expenses incurred by each Party hereto incident to the execution, delivery and performance by each party under this Agreement, unless expressly provided herein, shall be paid for by each Party.

7.3 This Agreement may be amended at any time and from time to time by one or more writings executed by all Parties hereto or as provided herein.

7.4 All notices or demands under this Agreement shall be sufficient if made in writing and mailed to the Parties hereunder at their respective addresses set forth herein via certified mail and shall also be deemed sufficient if sent via email to the party's Designated Representative and received by the Party's Designated Representative electronically. If sent via certified mail, such notices shall be sent to MHP at 160 Federal Street, 2nd Floor, Boston, MA 02110 Attn: Homeownership Director, and to the Lender at _____.

7.5 The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of the remaining terms or provisions.

7.6 Time shall be of the essence of each and every provision of this Agreement.

7.7 This Agreement represents the entire agreement between the Parties with respect to the matters contained herein, and there are no other agreements express or implied other than those set forth herein.

7.8 This Agreement shall not be deemed to constitute the Parties as partners or joint venturers, nor shall any Party be deemed to constitute the other Party as its agent.

7.9 This Agreement shall be binding on the parties' successors and assigns provided, however, that this Agreement shall not be assigned by the Lender without the prior written consent of MHP. To the extent that the MHP approves the assignment, sale or transfer of Loans or servicing of Loans to a third party, such assignment, sale or transfer shall be expressly subject to the applicable terms and conditions of this Agreement and all provisions of the Servicing Guidelines as the same may be amended.

7.10 This Agreement shall be construed in accordance with the laws of The Commonwealth of Massachusetts.

7.11 This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto were upon the same instrument.

IN WITNESS WHEREOF, MHP and the Lender have each duly executed, or caused to be duly executed, this Agreement in multiple copies, in the name and behalf of each of them, (acting individually or by their respective officers or appropriate legal representatives, as the case may be, thereunto duly authorized) as a sealed instrument as of the day and year first above written.

MASSACHUSETTS HOUSING PARTNERSHIP FUND BOARD

BY: _____

ITS: _____
Hereunto Duly Authorized

LENDER: _____

BY: _____

ITS: _____
Hereunto Duly Authorized