

Addendum to Mortgage Loan Purchase Agreement
Home Flex

This “Addendum” supplements the Mortgage Loan Purchase Agreement (Agreement) dated as of January 1, 2012, between the New Hampshire Housing Finance Authority, having its principal office in Bedford, NH (Authority), and the lending institution named below (Lending Institution):

Name of Lending Institution

Street Address

State *Zip Code*

SECTION A-1--Applicability

The existing Agreement continues to govern the overall relationship between the Lending Institution and the Authority, except as modified by this Addendum. This Addendum only applies to loans that the Lending Institution intends to sell to the Authority under the Authority’s Home Flex loan product. (In this Addendum, these loans shall be called “Home Flex Loans.”) The requirements in the Agreement that pertain to Section 143 of the Code do not apply to the Home Flex Loans, except as stated in this Addendum or other Authority guides.

SECTION A-2--Product Guidelines

The attached Exhibit A: “Product Fact Sheet,” which is incorporated in this Addendum and may be updated on the Authority’s website, provides a description of and the requirements for Home Flex Loans. All Home Flex Loans delivered to the Authority must comply with the guidelines and requirements stated in this Addendum and in the Product Fact Sheet in effect when the loan is reserved with the Authority.

SECTION A-3--Underwriting

Before making a reservation, the Lending Institution must first obtain an “approved/eligible” or “accept” finding, using an automated underwriting system (AUS) and using the appropriate underwriting for the mortgage insurer, i.e., FHA, RD or VA. If the Lending Institution uses an AUS other than Desktop Underwriting or Loan Prospector, the Lending Institution shall seek the Authority’s written approval of such other AUS.

In processing and closing Home Flex Loans, the Lending Institution shall: a) comply with all underwriting recommendations stated in the “AUS Findings”; and b) include documents related to showing compliance with all AUS Findings, otherwise the loan cannot be sold to the Authority. Furthermore, the Lending Institution shall verify that the proposed Home Flex Loan complies with all credit and product overlays stated in the Product Fact Sheet or other Authority guides or rules.

If the Lending Institution wants to underwrite outside of the AUS process, including any aspect of manual underwriting of a loan, the Lending Institution shall contact New Hampshire Housing for instructions.

SECTION A-4--Rate

The Authority will post the Home *Flex* Loan rates both online at the Authority's website and on the Authority's "Lender Online" system. Such rates are subject to change, including changes throughout the day, and are not considered locked until the Lending Institution makes a reservation with the Authority.

The rate lock, loan delivery and lender compensation for Home *Flex* Loans are detailed in attached Exhibit B (Home *Flex* Quick Reference: Rate Lock, Loan Delivery and Lender Compensation), which is incorporated in this Addendum.

SECTION A-5--Reservation and Rate Lock and SECTION A-6--Delivery and Notification

Once the Lending Institution has received the approved/eligible AUS Findings and no later than 20 days after receiving such AUS Findings, the Lending Institution may make a reservation with the Authority, using Lender Online. Lender Online will be open to accept reservations from 10 a.m. to 8 p.m. on weekdays that the Authority is open for business.

The rate lock, loan delivery and lender compensation for Home *Flex* Loans are detailed in attached Exhibit B (Home *Flex* Quick Reference: Rate Lock, Loan Delivery and Lender Compensation), which is incorporated in this Addendum.

SECTION A-7--Penalties and Fees

The Authority will be monitoring the Lending Institution's delivery performance and reserves the right to address the Lending Institution performance issues, including declaring the Lending Institution ineligible to deliver additional Home *Flex* Loans under this program.

SECTION A-8--Loan Fees

All loan fees charged to borrower by the Lending Institution for Home *Flex* Loans shall be normal and customary and shall not exceed \$900. If a loan closing is delayed and that delay is attributable *solely* to the borrower and such delay results in the Lender being paid less by the Authority, the Lending Institution may charge that borrower a rate extension fee. That extension fee shall not exceed the amount of lost compensation based on "Loan Acquisition Fees" stated in attached Exhibit B.

SECTION A-9--Documents and Closing File

The Lending Institution shall provide the Authority with the items requested by the Authority in the format requested by the Authority. To facilitate this process, the Authority will provide the Lending Institution with a Home *Flex* Loan "stacking list." The Lending Institution shall, in addition to the documents on the stacking list, send the Authority all documents in the file.

SECTION A-10 Data from Lender

The Lending Institution shall provide the Authority with all data required by the Authority to deliver the loan to the secondary market. The Authority may require data be submitted in a specified format, e.g., specific electronic file format. The Authority shall notify the Lending Institution at least 30 days before any new electronic data requirement is implemented.

If the Lending Institution's failure to timely provide such data results in the Authority: 1) being unable to timely deliver the loan to the secondary market; and 2) such delay results in the payment of fees or a loss to the

Authority, then the Authority may take steps to address such issues, including requiring the Lending Institution to repurchase the loan or pay the Authority for pair-off fees or loss in pricing incurred by the Authority.

SECTION A-11--Representations and Warranties

The requirements stated in this Addendum are covered by the representations, warranties and repurchase provisions in the Agreement. In addition, the Lending Institution represents, warrants and acknowledges a repurchase obligation for failure to comply with the Agreement and this Addendum. Without limiting any other requirements, representations or warranties, the Lending Institution specifically represents and warrants that in underwriting and processing these Home *Flex* Loans, the Lending Institution shall comply with all recommendations stated in AUS Findings.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed as of the date written below and agree that except as modified in this Addendum, in all other respects the Agreement remains in full force.

Name of Lending Institution

**NEW HAMPSHIRE HOUSING
FINANCE AUTHORITY**

Name:
Title:
Typed or Printed Name of Signer

Dean J. Christon
Executive Director

Date of Execution

Date of Execution

EXHIBIT A TO MLPA ADDENDUM FOR HOME FLEX



New Hampshire Home *Flex*

Description:	Provides low and moderate-income persons with financing for the purchase of a home. Provided through a statewide network of participating lenders or correspondents	
Term:	30 years	
Interest Rate:	Established daily and published on www.nhhfa.org , www.GoNewHampshireHousing.com	
Loan Purpose:	Purchase of a primary residence, or limited cash out refinance	
Occupancy:	Must be owner occupied	
Eligible Borrowers:	Must meet current income and credit score requirements	
Eligible Properties:	<ul style="list-style-type: none"> • Owner occupied new or existing 1-4 unit homes • Manufactured home on its own land • Max 5 acres; larger tracts need to be pre-approved 	
Rehabilitation:	<ul style="list-style-type: none"> • RD Purchase Rehab up to \$40,000 – contractor required • FHA 203ks up to \$35,000 – contractor required 	
Doc Type:	Full Documentation	
Minimum Cash Investment:	<ul style="list-style-type: none"> • 1% of borrowers own funds NHHFA requirements <p>Mortgage insurance requirements may differ from this please follow the stricter requirement</p>	
Flex Plus: (formerly Cash Assistance)	<ul style="list-style-type: none"> • 3% assistance to help defray the cost of down payment, closing costs and prepaid escrows (purchase only) 	
Maximum LTV:	<ul style="list-style-type: none"> • Single units as per insurer • 2-4 units as per insurer 	
Income limits:	<ul style="list-style-type: none"> • Income as currently published by New Hampshire Housing 	
Purchase Price limits:	<ul style="list-style-type: none"> • No Purchase Price limits apply to this program 	
Reserves:	As per mortgage insurer	
Credit / FICO:	<ul style="list-style-type: none"> • 1-4 unit – NHHFA 620 min 	
Underwriting/ Ratios:	Max ratios 33/ 50%	
Collections:	\$250 per item to a max of \$1,000 – Medical \$1,000 – or insurer's requirements if stricter	
Homebuyer Education:	<ul style="list-style-type: none"> • 1 unit – none • 2-4 units – landlord education required 	
Mortgage Insurance:		Mortgage Insurance
	Per insurer requirement	FHA
	Per insurer requirement	VA
	Per insurer requirement	RD
Eligible Occupancy:	Owner occupied	
Gifts:	A gift letter is required. Verification of gift funds must be documented	
Interested Party Contributions:	<ul style="list-style-type: none"> • As per mortgage insurer requirements 	
Water Test:	Water test required for potability if private well	

Exhibit B
Addendum to Mortgage Loan Purchase Agreement: Home Flex

Loan Acquisition Fees: New Hampshire Housing shall pay the lender the following fee based on the loan's "Delivery Date." ("Delivery Date," shall mean the date New Hampshire Housing receives a closed loan with a fully complete loan file.)

Calendar Days from Loan Reservation to Receipt of Ready-to-Purchase Loan	Loan Acquisition Fee Paid to Lender (as a % of Loan Amount)
1-60	2.05
61-75	1.80
76-90	1.55
91-120	1.05
120+	No acquisition fee paid; acquisition subject to New Hampshire Housing agreement and potential penalty; rate lock expired.

Notes:

- In counting "calendar days," the day of the reservation and day of delivery are counted as days. Example: If a reservation is made on April 1, the loan must be delivered within 60 calendar days, which would mean delivered to New Hampshire Housing by May 30. If the delivery deadline is a weekend or holiday, the lender has until the following business day to deliver the loan.
- A "ready-to-purchase loan" means a loan delivered in the format specified in New Hampshire Housing's rules and including all documents as detailed in the Stacking List. Loan files that are delivered to New Hampshire Housing that are not ready-to-be-purchased loans, shall earn the acquisition fee based on when the file becomes complete.
- New Hampshire Housing, in its sole discretion, may elect to purchase or not purchase a loan delivered more than 120 days after reservation. Such loans have an expired rate lock. New Hampshire Housing reserves the right to charge the lender a penalty of up to 1% of the mortgage amount.