

**LENDER REPRESENTATION, CERTIFICATION
AND AGREEMENT RE:**

**ARIZONA P2P DOWN PAYMENT ASSISTANCE
LOAN PROGRAM**

This **REPRESENTATION, CERTIFICATION, AND AGREEMENT** (“Certification”) is made by Lender to, and for the benefit of, the Arizona Home Foreclosure Prevention Funding Corporation (“Corporation”), by and through the Arizona Department of Housing (“ADOH”), its administrator (collectively referred to as “Corporation/ADOH”) in connection with the Lender’s rights, representations, warranties, obligations, and duties under the Mortgage Origination Agreement (“MOA”) it has made with the Arizona Industrial Development Authority (“Authority”) in connection with the Authority’s “Home Plus” Mortgage Loan Program (and any other program sponsored by the Authority and covered by the MOA (collectively, the “Program”). Capitalized terms used herein and not otherwise defined have the meaning set forth in the MOA. Lender and Corporation/ADOH hereby acknowledge as follows:

RECITALS

WHEREAS, the Authority and the Lender have agreed to make available an additional source of down payment and closing cost assistance to qualified borrowers under the Program, and;

WHEREAS, the Authority has entered into a Down Payment Assistance Program Service Agreement with the Corporation (“Agreement”) pursuant to which additional down payment and closing cost assistance from the Corporation/ADOH’s “Pathway to Purchase” program (“P2P Down Payment Assistance”) will be offered to qualified borrowers (as an alternative to the Down Payment Assistance offered under the Home Plus Program) within the Program Area (or designated areas therein) (the “P2P DPA Program”); and

WHEREAS, the P2P Down Payment Assistance will be funded in conjunction with a first-lien mortgage loan made by the Lender under the Home Plus Program, and the P2P Down Payment Assistance will be funded by a second-lien mortgage loan to qualified borrowers made in accordance with the guidelines established by ADOH for the P2P DPA Program (the “P2P DPA Program Guidelines”); and

WHEREAS, ADOH will administer and operate the P2P DPA Program and the Lender will be required to comply with the P2P DPA Program Guidelines and work directly with ADOH in order to access the P2P Down Payment Assistance; and

WHEREAS, the P2P DPA Program will be available only with respect to Conventional Mortgage Loans that will be pooled into FHLMC Certificates (subject to change in the sole discretion of the Authority).

NOW, THEREFORE, in consideration of the rights and obligations set forth herein, Lender represents and certifies to Corporation/ADOH, and agrees to be bound by, the following:

REPRESENTATIONS, CERTIFICATIONS AND AGREEMENTS OF LENDER

Section 1. Recitals. The Recitals set forth are incorporated herein by reference in full.

Section 2. Addition of P2P Down Payment Assistance to Home Plus Program. P2P Down Payment Assistance shall be made available to qualified borrowers of first-lien mortgage loans originated under the Home Plus Program, subject to satisfaction of all the terms and conditions to the provision of P2P Down Payment Assistance as set forth in the P2P DPA Program Guidelines. The P2P Down Payment Assistance will be (i) available in the Program Area established for the Home Plus Program, subject to modification in the sole discretion of the Authority, and (ii) available only with respect to Conventional Mortgage Loans that will be pooled by the Servicer into FHLMC Certificates, subject to modification in the sole discretion of the Authority.

Section 3. Limited Liability. The provisions of the MOA relating to limited liability shall apply for purposes of this Certification and shall be deemed amended to include references to the funding of P2P Down Payment Assistance through the P2P DPA Program.

Section 4. Indemnity. The Lender shall pay, defend, protect, indemnify and hold the Authority, and Corporation/ADOH, and their respective directors, officers, employees, counsel, advisors and agents (each, an “Indemnified Party”) harmless for, from and against any and all liabilities directly or indirectly arising from or relating to any failure on the part of the Lender to perform its services, duties and obligations under the terms and provisions of this Amendment or any other Program Document.

Any party entitled to indemnification hereunder shall notify the Lender of the existence of any claim, demand or other matter to which the Lender’s indemnification obligation applies, and shall give the Lender a reasonable opportunity to defend the same at its own expense and with counsel satisfactory to the Indemnified Party, provided that the Indemnified Party shall at all times also have the right to participate fully in the defense. If the Indemnified Party is advised in an opinion of counsel that there may be legal defenses available to it which are different from or in addition to those available to the Lender or if the Lender shall, after receiving notice of the Lender’s indemnification obligation and within a period of time necessary to preserve any and all defenses to any claim asserted, fails to assume the defense or to employ counsel for that purpose satisfactory to the Indemnified Party, the Indemnified Party shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle the claim or other matter on behalf of, and at the risk and expense of, the Lender. The Lender shall be responsible for the costs and expenses of the Indemnified Party, including counsel fees and expenses, in conducting its defense.

The Indemnified Parties (other than the Authority) shall be entitled to enforce the provisions of the MOA and the Program Documents, all of which are incorporated herein by reference, for purposes of this Section 4 as they relate to the Lender’s obligations. The provisions of this Section 4 shall be in addition to all liability which the Lender may otherwise have under the Program or any Program Document and shall survive any termination of this Certification and any other Program Document.

Section 5. No Indemnity by Authority or Corporation/ADOH. No provision of the MOA or this Certification shall result in any indemnification of the Lender by the Authority, or Corporation/ADOH.

Section 6. Availability of Funds. Every payment obligation of the Corporation or ADOH, or the Authority, if any, under this Certification, or the Agreement, is conditioned upon the availability of funds appropriated, allocated and or otherwise available for the payment of such obligation. If funds are not appropriated, allocated and available or if the appropriate is changed by the Arizona legislature, or due to any federal, state or other law, regulation, notice or ruling, or by any action of the federal government or the State of Arizona, or any agency, resulting in funds no longer being available for the continuance of this Certification or the Agreement, this Certification may be terminated by ADOH, the Corporation, or the

Authority or any other agency of the State of Arizona at the end of the period for which funds are available. No liability shall accrue to the Authority, the Corporation or ADOH, or any other agency of the State of Arizona in the event this Section 6 exercised, and the Authority, the Corporation, ADOH or any other agency of the State of Arizona shall not be obligated or liable for any future payments or for any damages as a result of termination under this Section 6.

Section 7. Right to Enforce MOA. Under the Certification, the Lender hereby incorporates herein by reference its representations, warranties, agreements, obligations, duties and responsibilities of the MOA and agrees to be bound by the MOA for the benefit of Corporation/ADOH, granting unto Corporation/ADOH all rights and remedies of the MOA to bring claims and take other permitted actions, and seek remedies, against the Lender for its failure to meet its obligations under this Certification and the MOA relating to the P2P Program, and the Lender by its execution of this Certification expressly agrees to and acknowledges such rights and remedies of Corporation/ADOH for such purposes.

Section 8. Record Retention. Pursuant to A.R.S. §§ 35-214 and 35-215, the Lender shall retain all records relating to this Certification for a period of five years after termination of the MOA. All records relating to the P2P DPA Program shall be subject to inspection and audit by the State of Arizona at reasonable times. Upon request, the Lender shall produce such records (including original records if requested) at the offices of the Authority.

Section 9. Notice of A.R.S. § 38-511 Cancellation. Notice is hereby given of the provisions of A.R.S. § 38-511, as amended. By this reference, the provisions of said statute are incorporated herein to the extent of their applicability to contracts of the nature of this Certification under the law of the State.

Section 10. Non-Discrimination. The Lender shall comply with Executive Order 2009-9, which mandates that all persons, regardless of race, color, religion, sex, age, or national origin shall have equal access to employment opportunities, and all other applicable state and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. Contractor shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

Section 11. E-Verify; Compliance requirements for A.R.S. § 41-4401 (Immigration Laws and EVerify Requirement).

(a) The Lender warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads in part: “After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the e-verify program.”)

(b) A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of this Certification and the Lender may be subject to penalties up to and including termination of the Certification.

(c) The Authority and Corporation/ADOH retains the legal right to inspect the papers of the Lender (including any Lender subcontractor employee) or any Lender to ensure that the Lender or subcontractor is complying with the warranty under Section 9(a).

Section 12. Overcharges. The Lender assigns to the Corporation/ADOH any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to Lender toward fulfillment of the Certification.

Section 13 Dispute Resolution. At the request of the Authority, ADOH or the Corporation, the parties to the Certification will resolve all disputes arising out of or relating to this Certification through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518 except as may be required by other applicable statutes.

Section 14. No Boycott. The Lender represents and warrants it is not engaged in a boycott of Israel as defined by A.R.S. § 35-393.01, as amended.

Section 15. Counterparts. This Certification may be executed in counterparts by the parties hereto, and each such counterpart and/or copy shall be considered an original and all such counterparts shall constitute one and the same instrument.

Section 16. Terms of Original Agreement Remain in Effect. All provisions of the MOA Agreement shall remain in full force and effect and shall continue to apply except as may be provided under this Certification.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

THIS REPRESENTATION, CERTIFICATION, AND AGREEMENT has been executed below by an authorized representative of the Lender.

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Lender Name [Printed]:

Designated Representative Signature:

Designated Representative Name [Print]:

Title of Designated Representative [Print]:

Email:

P2P Lender Contact List

Organizational Escalation:

Who do we contact for any major concerns with the organization after communications with someone from one of the two following areas.

	Name	Phone Number	Email
Sr. Organizational Contact			

Origination Escalation:

Who do we contact for any concerns regarding the origination of these transactions

	Name	Phone Number	Email
Sr. Sales Contact			

	Name	Phone Number	Email
Sale Communication			
Sales Transaction Construction			

Operations Escalation Contact:

Who do we contact for any concerns regarding operational issues on these transactions

	Name	Phone Number	Email
Sr. Operations Contact			

	Name	Phone Number	Email
Processing			
Closing			
Funding			
Shipping			
Compliance			

Lender Login Credentials:

Credential Login Issued by:

- 1. Location Specific Login*
- 2. Organization Specific Login*

	Name	Location Address	Email
Main Contact for Login Credentials			