ELEVENTH AMENDMENT TO

COMMITMENT TO PURCHASE FINANCIAL INSTRUMENT
and
HFA PARTICIPATION AGREEMENT

This Eleventh Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Eleventh Amendment") is entered into as of the date set forth on Schedule A attached hereto as the Eleventh Amendment Date (the "Amendment Date"), by and among the United States Department of the Treasury ("Treasury"), the undersigned party designated as HFA whose description is set forth in Schedule A attached hereto (for convenience, a "state housing finance agency" or "HFA") and the undersigned institution designated by HFA to participate in the program described below ("Eligible Entity").

Recitals

WHEREAS, Treasury, HFA and Eligible Entity entered into that certain Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Original HPA") dated as of the Closing Date, as previously amended by that certain First Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "First Amendment"), as further amended by that certain Second Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Second Amendment"), as further amended by that certain Third Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Third Amendment"), as further amended by that certain Fourth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Fourth Amendment"), as further amended by that certain Fifth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Fifth Amendment"), as further amended by that certain Sixth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Sixth Amendment"), as further amended by that certain Seventh Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Seventh Amendment"), as further amended by that certain Eighth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Eighth Amendment"), as further amended by that certain Ninth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Ninth Amendment") and as further amended by that certain Tenth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Tenth Amendment"; and together with the Original HPA as amended thereby and by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth Amendment, Seventh Amendment, Eighth Amendment, and the Ninth Amendment, the "Current HPA"), dated as of their respective dates as set forth on Schedule A attached hereto, in connection with Treasury's federal housing program entitled the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets (the "HHF Program"), which was established pursuant to the Emergency Economic Stabilization Act of 2008 (P.L. 110-343), as amended, as the same may be amended from time to time ("EESA");

WHEREAS, HFA and Eligible Entity submitted a request to Treasury to make certain revisions to their Service Schedules and Permitted Expenses, as applicable, and Treasury has agreed to the same;

WHEREAS, HFA, Eligible Entity and Treasury wish to enter into this Eleventh Amendment to document all approved modifications to the Service Schedules and Permitted Expenses, as applicable;

Accordingly, in consideration of the representations, warranties, and mutual agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Treasury, HFA and Eligible Entity agree as follows.

Agreement

1. Amendments

A. Definitions. All references in the Current HPA to the "Agreement" shall mean the Current HPA, as further amended by this Eleventh Amendment; and all references in the Current HPA to Schedules A or B shall mean the Schedules A or B attached to this Eleventh Amendment. All references herein to the "HPA" shall mean the Current HPA, as further amended by this Eleventh Amendment.

B. Schedule A. Schedule A attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule A attached to this Eleventh Amendment.

C. Schedule B. Schedule B attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule B attached to this Eleventh Amendment.

D. Schedule C. Schedule C attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule C attached to this Eleventh Amendment.

2. Representations, Warranties and Covenants

A. HFA and Eligible Entity. HFA and Eligible Entity, each for itself, make the following representations, warranties and covenants to Treasury and the truth and accuracy of such representations and warranties and compliance with and performance of such covenants are continuing obligations of HFA and Eligible Entity, each as to itself. In the event that any of the representations or warranties made herein cease to be true and correct or HFA or Eligible Entity breaches any of its covenants made herein, HFA or Eligible Entity, as the case may be, agrees to notify Treasury immediately and the same shall constitute an Event of Default under the HPA.

(1) HFA and Eligible Entity each hereby certifies, represents and warrants as of the date hereof that each of the representations and warranties of HFA or Eligible Entity, as applicable, contained in the HPA are true, correct, accurate and complete in all material respects as of the date hereof. All covenants of HFA or Eligible Entity, as applicable, contained in the HPA shall remain in full force and effect and neither HFA, nor Eligible Entity is in breach of any such covenant.

(2) Eligible Entity has the full corporate power and authority to enter into, execute, and deliver this Eleventh Amendment and any other closing documentation delivered to Treasury in connection with this Eleventh Amendment, and to perform its obligations hereunder and thereunder.

(3) HFA has the full legal power and authority to enter into, execute, and deliver this Eleventh Amendment and any other closing documentation delivered to Treasury in connection with this Eleventh Amendment, and to perform its obligations hereunder and thereunder.

3. <u>Miscellaneous</u>

A. The recitals set forth at the beginning of this Eleventh Amendment are true and accurate and are incorporated herein by this reference.

B. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the HPA.

C. Any provision of the HPA that is determined to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of the HPA, and no such prohibition or unenforceability in any jurisdiction shall invalidate such provision in any other jurisdiction.

D. This Eleventh Amendment may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile or electronic copies of this Eleventh Amendment shall be treated as originals for all purposes.

[SIGNATURE PAGE FOLLOWS; REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

In Witness Whereof, HFA, Eligible Entity and Treasury by their duly authorized officials hereby execute and deliver this Eleventh Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement as of the Amendment Date.

HFA:

NEVADA HOUSING DIVISION

By: /s/ Shannon Chambers
Name:
Title:

TREASURY:

UNITED STATES DEPARTMENT OF THE TREASURY

By: ______________________________
Name: Timothy G. Massad
Title: Assistant Secretary for Financial Stability

ELIGIBLE ENTITY:

NEVADA AFFORDABLE HOUSING ASSISTANCE CORPORATION

By: /s/ Ash Mirchadani
Name:
Title:

EXHIBITS AND SCHEDULES

SCHEDULE A

BASIC INFORMATION

Eligible Entity Information:	
Name of the Eligible Entity:	Nevada Affordable Housing Assistance Corporation
Corporate or other organizational form:	Non-profit corporation
Jurisdiction of organization:	Nevada
Notice Information:	Nevada Affordable Housing Assistance Corporation
HFA Information:	
Name of HFA:	Nevada Housing Division[1]
Organizational form:	A Division of the Nevada Department of Business and Industry of the State of Nevada
Date of Application:	April 16, 2010
Date of Action Plan:	September 1, 2010
Notice Information:	Nevada Housing Division
Program Participation Cap:	$194,026,240.00
Portion of Program Participation Cap Representing Original HHF Funds:	$102,800,000.00
Portion of Program Participation Cap Representing Unemployment HHF Funds:	$ 34,056,581.00
Permitted Expenses:	$ 24,978,556.00
Closing Date:	June 23, 2010
First Amendment Date:	September 23, 2010

[1] Each Schedule A-1 attached to the Original HPA, the First Amendment and the Second Amendment shall remain a part of the Current HPA.

Second Amendment Date:	September 29, 2010
Third Amendment Date:	December 16, 2010
Fourth Amendment Date:	April 5, 2011
Fifth Amendment Date:	May 25, 2011
Sixth Amendment Date:	October 28, 2011
Seventh Amendment Date:	December 8, 2011
Eighth Amendment Date:	February 28, 2012
Ninth Amendment Date:	June 28, 2012
Tenth Amendment Date:	September 28, 2012
Eleventh Amendment Date:	August 28, 2013
Eligible Entity Depository Account Information:	See account information set forth in the Depository Account Control Agreement between Treasury and Eligible Entity regarding the HHF Program.

SCHEDULE B

SERVICE SCHEDULES

The Service Schedules attached as Schedule B to the Current HPA are hereby deleted in their entirety and replaced with the attached Service Schedules (numbered sequentially as Service Schedule B-1, Service Schedule B-2, et. seq.), which collectively comprise Schedule B to the HPA.

SERVICE SCHEDULE B-1

The Nevada Affordable Housing Assistance Corporation

PRINCIPAL REDUCTION PROGRAM

Summary Guidelines

1. Program Overview	To ensure that approximately 1,040 Nevada families are able to stay in their homes with a permanent change to their primary mortgages via principal reductions which will provide qualified homeowners a principal reduction of up to $50,000. This program will target borrowers pursuing loan modifications on a servicer matched 1:1 basis. HARP eligible borrowers will be processed on an unmatched basis. The following method will be used to reduce the principal balance of a borrower's primary mortgage: • Up to $50,000 in assistance will be provided as a one-time up-front payment to the lender/servicer; or • Up to $50,000 in assistance may be provided over a three-year period as a payment to the lender/servicer for borrowers who receive a matching contribution from their servicer.
2. Program Goals	The primary goal is to reduce first mortgage principal balances.
3. Target Population / Areas	The funding will be distributed via a geographic formula of 1/3+1/3+1/3 weight for unemployment + foreclosure rate + population. There will be target population segmentation into (a) the Clark County/Las Vegas valley area, (b) the Reno-Sparks SMSA area, and (c) all of rural Nevada. Where a finer breakdown is possible within each of the three geographic areas, zip code and census track targeting will be utilized.
4. Program Allocation (Excluding Administrative Expenses)	$ 52,000,000
5. Borrower Eligibility Criteria	• Legal US resident. • Borrower will be required to sign a financial hardship affidavit. Borrower eligibility criteria will be first analyzed by information provided during the application process. Typically, the application will commence by contacting Nevada's Hardest Hit Fund. If borrowers meet Nevada Hardest Hit Fund eligibility criteria, then servicer eligibility will be confirmed as a next step.

	Funding will be provided on a first-come, first-served basis within each geographical zone. Funding levels will vary by borrower. Borrowers will not always receive the maximum assistance amount of $50,000.
6. Property / Loan Eligibility Criteria	• Home is currently owner-occupied. • Pre-reduction/pre-modification principal balance must exceed 100% LTV based upon valuation obtained by NAHAC or the servicer. • Post-reduction/post-modification principal balance must fall between 100% and 150% LTV based upon valuation obtained by NAHAC or the servicer. • Mortgage balance cannot exceed the current GSE loan limit. • Homeowners pursuing principal reduction in conjunction with HARP must have a loan origination date prior to May 31, 2009 and must have a loan where Fannie Mae or Freddie Mac is the investor. • Must have a pre-assistance housing ratio greater than 25% on non-HARP transactions • Assistance is contingent upon successful achievement of modification or HARP.
7. Program Exclusions	• None.
8. Structure of Assistance	Depending on the agreement with the lender/servicer, the structure of assistance may be provided in one of two ways: • In the event there is no matching contribution by the servicer, borrowers will sign a promissory note and will agree to maintain homeownership for the twenty-four (24) months following assistance. • In the event the servicer provides a dollar for dollar match of funds provided by Nevada Hardest Hit Fund toward the borrower's Principal Reduction, no lien will be required. Assistance may be provided to the servicer in equal installments per the preference of the servicer over a three-year period, at months thirteen (13), twenty-five (25) and thirty-seven (37), provided the homeowner remains in the home and continues to make current mortgage payments. Alternatively, assistance may be paid to the servicer in one installment, so long as the borrower has successfully completed a trial modification when applicable.
9. Per Household Assistance	The maximum amount of mortgage principal reduction receivable by a qualified borrower is $50,000. The median amount is expected to be close to the maximum (skewed right poisson distribution) amount.
10. Duration of	Program funds will be distributed as a one-time payment unless the

Assistance	servicer elects the three-payment mode.
11. Estimated Number of Participating Households	Approximately 1,040 households could be assisted under this program.
12. Program Inception / Duration	The HAMP specific segment of this program began on March 1, 2010 and could last until December 31, 2017. The HARP specific segment of this program was introduced in July 2012 and could last until December 31, 2017.
13. Program Interactions with Other HFA Programs	The Principal Reduction Program is aimed at both the underemployed and the fully employed income qualified/limited home owners, not the unemployed. Thus, it is possible that a homeowner could receive a mortgage principal reduction through this program and then subsequently lose their job and eventually qualify for the Short-Sale Acceleration Program. It is also possible that a homeowner may receive assistance through the Second Mortgage Reduction Plan or Mortgage Payment Assistance programs. Each HARP eligible candidate will be screened for Second Mortgage Reduction Plan program eligibility.
14. Program Interactions with HAMP	Participating servicers will screen their databases for HAMP eligible borrowers on a regular basis and make referrals as appropriate.
15. Program Leverage with Other Financial Resources	While Nevada does not require a contribution from the servicer on transactions associated with HARP, it will be encouraged. Nevada will also request that the loan servicer waive certain fees like late charges, delinquency fees and penalties and recast the principal reduced loan and participate in its recordation.
16. Qualify as an Unemployment Program	☐ Yes ☑ No

SERVICE SCHEDULE B-2

The Nevada Affordable Housing Assistance Corporation

SECOND MORTGAGE REDUCTION PLAN

Summary Guidelines

1. Program Overview	The Second Mortgage Reduction Plan is aimed at assisting borrowers who have a second mortgage lien interfering with either a short-sale, refinance or modification of the first mortgage. The expected borrower pool is believed to be both unemployed and underemployed families.
2. Program Goals	The expected outcome of this program is to assist approximately 287 families remove the impediment of a second lien on their property such that either a short sale, refinancing or first mortgage modification can be carried out and thus prevent a foreclosure.
3. Target Population / Areas	The funding will be distributed via a geographic formula of 1/3+1/3+1/3 weight for unemployment + foreclosure rate + population. There will be target population segmentation into (a) the Clark County/Las Vegas valley area, (b) the Reno-Sparks SMSA area and (c) all of rural Nevada. Where a finer breakdown is possible within each of the three geographic areas, zip code and census track targeting will be utilized.
4. Program Allocation (Excluding Administrative Expenses)	$ 4,600,000
5. Borrower Eligibility Criteria	• Legal US resident. Borrower must be in default, facing imminent default or participating in a principal curtailment application under the HHF Principal Reduction Program with their HHF participating servicer. • Delinquency based on a financial hardship due to circumstances beyond the homeowner's control (no contrived defaults allowed). • Borrower will be required to sign a financial Hardship Affidavit. Eligibility criteria will be analyzed either on-line (through the borrower's visit to the web site and use of the 'screening tool'), directly at the intake portal of the contract agents (foreclosure mitigation and mediation agencies) or by the designated call center. If borrowers meet screening criteria, application packages will be assembled and forwarded onto the NAHAC underwriters who will do

	the full verifications/confirmation and begin the relationship with the participating banks/lenders/servicers to work through the calculation of aid levels. Funding will be provided on a first-come, first-served basis within each geographical zone. Monitoring of funding commitments/pipelines by zone will allow sufficient trend evidence to allow for sufficient lead time to 'cut-off' further funding commitments what might exceed available resources.
6. Property / Loan Eligibility Criteria	• Home is currently owner occupied. If vacant, homeowner must be able to prove that they moved due to extenuating circumstances and that the home was most recently used as a primary residence – not an investment property. • Should have only one existing mortgage and a second lien. In circumstances where there exists a third lien strictly associated with a governmental or non-profit sponsored 'down payment assistance program' the third lien relief will also be accepted for assistance under this program. • All second liens obtaining relief through this program element will be completely extinguished and have an accompanying lien release of the entire lien. • First mortgage balance cannot exceed the current GSE loan limit.
7. Program Exclusions	• If a program contribution of > $16,500 is needed by the servicer then the borrower would be ineligible.
8. Structure of Assistance	Depending on the agreement with the lender/servicer, the structure of assistance may be provided in one of two ways: • No lien will be required in the event the servicer provides a dollar for dollar match of funds provided by Nevada Hardest Hit Fund. • In the event there is no matching contribution by the servicer, assistance will be structured as a forgivable lien recorded against the property. Borrowers who follow through and earn the loan forgiveness will not be required to repay their lien. The lien has a term of three (3) years and is forgiven at a rate of 33% per year with full forgiveness at the end of year three (3). If the borrower sells the property before the forgiveness period expires, all net sale proceeds up to the unforgiven lien balance will be due and payable to NAHAC. All funds returned to NAHAC may be recycled until December 31, 2017; thereafter they must be returned to Treasury. • Assistance will be structured as a one-time payout to the servicer. In the event a program recipient subsequently participates in the NAHAC's Short Sale Acceleration Program, the lien recorded as a result of participation in the Second Mortgage Reduction Plan program

	may be extinguished.
9. Per Household Assistance	The maximum amount of second mortgage lien relief from this program will be $8,500 when the borrower is pursuing a short sale. In the event the home is not listed as a short sale, then the maximum amount of assistance will increase to $16,500.
10. Duration of Assistance	One-time payment.
11. Estimated Number of Participating Households	It is estimated that approximately 500 borrowers/families could receive second lien relief under this program. If the level of lender participation exceeds 40% versus the program's 60% or the average program funding level averages less than the maximum of $16,500 in necessary funding to create the second lien relief, then there could be an increase in the number of borrowers assisted.
12. Program Inception / Duration	The Second Mortgage Reduction Plan program began on March 1, 2010 and could last up to 36 months.
13. Program Interactions with Other HFA Programs	None.
14. Program Interactions with HAMP	HAMP eligible borrowers will be considered for 2MP which is designed to assist in the modification of a second lien when applicable. Borrowers that are not eligible for 2MP may be considered for the Nevada Hardest Hit Fund Second Mortgage Reduction Plan program.
15. Program Leverage with Other Financial Resources	The basis of the Second Mortgage Reduction Plan program is to 'free up' the first mortgage note holder to complete the necessary modification or refinance to keep the borrower current and in their home. In order to leverage the second lien relief funds, the program requires participating lenders to contribute a minimum of $0.40 for each $0.60 contributed by this program, except in the event the second or third lien is held by a down payment assistance program provider, in which event no matching funds will be required.
16. Qualify as an Unemployment Program	☐ Yes ☑ No

<u>**SERVICE SCHEDULE B-3**</u>

The Nevada Affordable Housing Assistance Corporation

SHORT-SALE ACCELERATION PROGRAM

Summary Guidelines

1. Program Overview	The Short-Sale Acceleration Program is aimed at assisting borrowers who are beginning or need to initiate the short-sale process, deed in lieu of foreclosure or a similar foreclosure mitigation measure to relieve themselves of the mortgage burdens that they cannot sustain—even with a material loan principal reduction.
2. Program Goals	It is expected that at a $5,000 level of average funding per family approximately 60 families facing imminent foreclosure threat will have the burden of their home mortgage eliminated.
3. Target Population / Areas	Those Nevadans that are facing imminent threat of foreclosure.
4. Program Allocation (Excluding Administrative Expenses)	$300,000
5. Borrower Eligibility Criteria	• Legal US resident. • Borrower must have short-sale approval in place with lender if pursuing a short sale. • Borrower must provide verification of short sale approval or deed in lieu of foreclosure agreement. • Borrower will be required to sign a financial hardship affidavit attesting to their inability to make mortgage payments. • Borrower must be in default or facing imminent default. • Borrower must be experiencing financial hardship due to circumstances beyond the homeowner's control (no contrived defaults allowed). • Borrowers who chose to leave the State of Nevada will not receive the rental assistance component of benefits under this program, but will be entitled to all others.

6. Property / Loan Eligibility Criteria	• Home is currently owner-occupied. If vacant, homeowner must be able to prove that they moved due to extenuating circumstances and that the home was most recently used as a primary residence – not an investment property. • Borrowers with a second lien will also be considered for the Second Mortgage Reduction Plan program.
7. Program Exclusions	• None.
8. Structure of Assistance	This program is direct assistance through direct payment to vendors at closing of the escrow, or immediately post-short sale closing. The payments will not be structured as a loan.
9. Per Household Assistance	The maximum program benefit per household is $8,025. Assistance can be used to cover the cost of up to three (3) months of rent (not to exceed $4,500), fees incurred by a storage facility (not to exceed $1,000) and/or certain fees which are interfering with the short sale closing – specifically HOA liens and utility liens.
10. Duration of Assistance	Assistance will be a one-time set of payments.
11. Estimated Number of Participating Households	The Business Plan calls for this program element to assist up to 60 families complete their home abandonment/ownership through a short sale and matriculate to a rental property somewhere else in Nevada.
12. Program Inception / Duration	The Short Sale Acceleration Program began on March 1, 2010 and could last up to 34 months.
13. Program Interactions with Other HFA Programs	This program cannot be used when HAFA is also being utilized.
14. Program Interactions with HAMP	None
15. Program Leverage with Other Financial Resources	In the event the short sale program recipient has incurred a lien as a result of earlier participation in NAHAC's Principal Reduction, Second Mortgage Reduction Plan or Mortgage Assistance Program, then the lien may be extinguished for the purpose of helping to facilitate the short sale request.
16. Qualify as an Unemployment Program	☐ Yes ☑ No

SERVICE SCHEDULE B-4

The Nevada Affordable Housing Assistance Corporation

MORTGAGE ASSISTANCE PROGRAM (MAP)

Summary Guidelines

1. Program Overview	The Nevada Mortgage Assistance Program (MAP) is designed to help keep first mortgages current for approximately 4,033 families who have an unemployed or underemployed wage earner. The program will assist those qualified families by making up to the lesser of: (a) $1,000 of the principal, interest, property taxes and property insurance (when impounded) excluding home owner association fees or (b) total payment due for those four components, to the family's monthly first mortgage payment only. Further, the borrower will be responsible for contributing a minimum of $75 per month toward completing the full payment due. MAP payments may be extended for qualified families for up to nine (9) months. The MAP payments are aimed at providing a financial bridge to unemployed or underemployed persons. For the purpose of this program, unemployed will be defined as an individual that is not currently working. Underemployed will be defined as any individual that is in in default or in a situation of imminent threat of going into default on their mortgage due to a change in economic status or a material reduction in measureable income, all subject to satisfaction of all other borrower eligibility criteria. Borrowers will submit their partial payment to the NAHAC where it will be combined with the HHF funds and a full remittance made to the loan servicer for the loan. Borrowers can apply either through participating lenders/servicers who have received special training or directly through the NAHAC offices after first completing an appropriate screening tool and being given an appointment with the NAHAC loan underwriter. MAP payments will invoke a non-recourse lien which will have an earned forgiveness embedded in the Note. Borrowers who are able to sustain their homeownership for thirty-six (36) successive months following their enrollment in MAP assistance will have their lien extinguished. A final component of the MAP program will be a reinstatement component which will provide up to $12,500 per qualified borrower who can verify that they have overcome a previous financial hardship and their mortgage payment is sustainable - less than 43% of their household income. Under this final phase of the MAP, borrowers who can demonstrate that they can sustain their mortgage on an ongoing basis, but have an arrearage or accrued penalties will be eligible for a

	reinstatement benefit. Reinstatement will only be allocated in those instances where the entire past due balance and/or accrued penalties can be eliminated such that the borrower is in good standing post assistance.
2. Program Goals	The MAP program's goal is to increase the probability that a borrower and/or recipient's family has a stronger chance of sustaining homeownership with the assistance from the HHF program. The enhanced home ownership through re-employment and job maintenance should decrease both the numbers and probability of foreclosures. The reinstatement benefit for MAP recipients that can demonstrate the sustainability of their mortgage is intended to prevent future foreclosures by helping borrowers regain current status. Sustainability for purposes of reinstatement means lending ratios equal or better than those of the Principal Reduction Program.
3. Target Population / Areas	The State of Nevada is currently enduring the United States' highest unemployment rate in its workforce. However, the highest levels of unemployed persons in Nevada are primarily centered in the two urban areas (Clark County/Las Vegas area and Reno/Sparks MSA) versus the rural agricultural and mining areas. With the assistance of the Nevada Department of Employment, Training and Rehabilitation's (DETR) published data, MAP funds will be allocated on a pro-rata basis to jurisdictions based on a ratio of actual number of unemployed to total State-wide unemployed as a general allocation matter. However, a semiannual assessment will be undertaken to ensure allocations of remaining funds are representative of changes to the unemployed and underemployed populations in all jurisdictions.
4. Program Allocation (Excluding Administrative Expenses)	$36,297,684
5. Borrower Eligibility Criteria	To ensure both consistencies with previously approved Participation Agreement programs and to lessen the burdens of administering the MAP program, adherence to the same underwriting qualification standards will be generally utilized. Thus, borrower eligibility criteria will consist of: • Legal US resident. • Borrower must be in default or facing imminent default. • Borrower must be experiencing financial hardship due specifically

	to unemployed or underemployed status. • Borrower will be required to sign a financial hardship affidavit attesting to their inability to make mortgage payments. • Reinstatement candidates must demonstrate sustainability of current payments with existing mortgage by demonstrating a housing ratio of less than 43% of their household income but still have little or no ability to independently extinguish past missed payments, penalties or fees. Basic eligibility criteria will be analyzed either on-line (through the borrower's visit to the web site and use of the 'screening tool'), directly at the NAHAC offices or by the designated call center. If applicants meet screening criteria, application packages will be assembled by the NAHAC underwriters who will do the full verifications/confirmation, enter the applicant's data into the NAHAC database and accounts payable systems and begin the relationship with the borrower's participating banks/lenders/servicers to ensure aid is acceptable to them.
6. Property / Loan Eligibility Criteria	• Home is currently owner-occupied. • Mortgage balance cannot exceed the current GSE loan limit.
7. Program Exclusions	• None.
8. Structure of Assistance	This program is administered through direct payment to the Servicer. All MAP program assistance will be structured as a 0% interest, forgivable lien recorded against the property, which will be forgiven over a period of time not to exceed 3 years. The loans will only be repayable if the borrower sells the property before the 3 year time period expires and there is sufficient equity to pay the loan. All funds returned to NAHAC may be recycled until December 31, 2017; thereafter they must be returned to Treasury. The MAP assistance will be structured as an 'earned forgiveness' loan that is forgiven 33% each year. MAP recipients who qualify for reinstatement will have their up to $12,500 payments made on a 'one-time basis' directly to the mortgage servicer.
9. Per Household Assistance	The planned MAP program level of assistance should average approximately $1,000/month per recipient for up to nine (9) months or an expected average total mortgage payment assistance of $9,000. Reinstatement candidates will be limited to a 'one-time' amount that is the lesser of up to $12,500 or 100% of the delinquent payments fees or penalties accrued leading up to their MAP program original eligibility.

10. Duration of Assistance	The MAP assistance will last up to 9 months.
11. Estimated Number of Participating Households	Based upon average assistance of $9,000, the expected number of potential recipients should be approximately 4,033.
12. Program Inception / Duration	This program began on March 1, 2010 and could last through December 31, 2017.
13. Program Interactions with Other HFA Programs	The MAP program could have some forms of interaction with the other HHF programs. Specifically, if a MAP program recipient does achieve re-employment status and would possibly be a candidate for a HHF Principal Reduction Program, then NAHAC will advise the borrower of such. However, if the recipient drops out of the MAP program due to failing to remit their portion of the monthly mortgage payment, and it appears evident that the borrower may lose their home due to lack of means to sustain the mortgage, then the borrower will be advised about the HHF short-sale program.
14. Program Interactions with HAMP	HHF Funds (MAP) would be utilized prior to HAMP or after a HAMP trial period has been successfully completed by the homeowner.
15. Program Leverage with Other Financial Resources	NAHAC will work with loan servicers for each qualified recipient to ensure that the funds from the MAP program payments are utilized strictly for the borrower's 'current first mortgage loan payments, excluding homeowner association dues and fees and not to 'make up' any past due penalties or payments. NAHAC accounting staff will communicate with the servicer to ensure that the MAP payments are credited only toward current amounts of principal, interest, property taxes and property insurance due by the borrower on their first mortgage. If this means that the borrower and servicer have to execute some form of forbearance or forgiveness on past due amounts, NAHAC will be prepared to assist the borrower with the servicer on this. It is hoped that the servicers will cooperate on these matters. But until NAHAC actually begins distributing Servicer Participation Agreements for the MAP program, actual servicer participation cannot be accurately determined.
16. Qualify as an Unemployment Program	☑ Yes ☐ No

SERVICE SCHEDULE B-5

The Nevada Affordable Housing Assistance Corporation

MORTGAGE ASSISTANCE PROGRAM ALTERNATIVE (MAPA)

Summary Guidelines

1. Program Overview	The Nevada Mortgage Assistance Program Alternative (MAPA) is designed to help keep first mortgages current for approximately 167 individuals who are not currently working and collecting a fixed income such as that associated with one of the following: • Retirement • Disability • Social Security The program will assist those qualified families by paying the lesser of: (a) $1,000 of the principal, interest, property taxes and property insurance (when impounded) toward the monthly first mortgage payment (b) Total first mortgage payment due for the four aforementioned components Further, the borrower will be responsible for contributing a minimum of $75 per month toward completing the full payment due. MAPA payments may be extended for qualified families for up to nine (9) months. MAPA payments are aimed at providing a financial bridge to income restricted, unemployed homeowners that are in pursuit of a homeownership sustainment program. For the purpose of this program, the target population will include individuals which cannot return to the workforce through no fault of their own and are in default or in a situation of imminent threat of going into default due to limited income – subject to satisfaction of all other borrower eligibility criteria. Borrowers will submit their partial payment to NAHAC where it will be combined with the HHF funds and a full remittance made to the loan servicer. Borrowers can apply directly through the NAHAC offices after first completing an appropriate screening tool and being given an appointment with the NAHAC loan underwriter. MAPA payments will invoke a non-recourse lien

	which will have an earned forgiveness embedded in the Note. Borrowers who are able to sustain their homeownership for thirty-six (36) successive months following closing will have their lien extinguished. A final component of MAPA will be a reinstatement component which will provide up to $12,500 per qualified borrower who participated in MAPA and has subsequently enrolled in a homeownership sustainment program or can demonstrate that their economic situation has improved in such a way that the mortgage payment is now sustainable – less than 43% of their household income. Under this final phase of MAPA, those borrowers who can demonstrate that they can sustain homeownership through their verifiable enrollment in a homeownership sustainment program, are entitled to a reinstatement benefit which will cover un-extinguished arrearage/penalties and missed payments. Reinstatement will only be allocated in those instances where the entire past due balance and/or accrued penalties can be eliminated such that the borrower is in good standing post assistance.
2. Program Goals	The MAPA program's goal is to increase the probability that a recipient sustaining homeownership with assistance from the HHF program. Enhanced homeownership through MAPA, subsequent homeownership sustainment programs and reinstatement should decrease both the numbers and probability of foreclosures. The reinstatement benefit for qualified MAPA recipients is intended to prevent future foreclosures by helping borrowers regain current status. Sustainability for purposes of reinstatement means lending ratios equal or better than those of the Principal Reduction Program.
3. Target Population / Areas	Funding will be distributed on a first-come, first-served basis with target populations spanning (a) the Clark County/Las Vegas valley area, (b) the Reno-Sparks SMSA area and (c) all of rural Nevada.
4. Program Allocation (Excluding Administrative Expenses)	$850,000
5. Borrower Eligibility Criteria	To ensure both consistencies with previously approved Participation Agreement programs and to lessen the burdens of administering the MAPA program, adherence to the same underwriting qualification standards will be generally utilized.

	Thus, borrower eligibility criteria will consist of: • Legal US resident. • Borrower must be in default or facing imminent default. • Borrower must be experiencing financial hardship due to circumstances beyond the homeowner's control (no contrived defaults allowed). • Borrower will be required to sign a financial hardship affidavit attesting to their inability to make mortgage payments. • Reinstatement candidates must demonstrate sustainability of current payments. By definition that would mean that their mortgage payment is less than 43% of their household income. The borrower must also demonstrate they still have little or no ability to extinguish past missed payments, penalties or fees. Reinstatement will only be allocated in those instances where the entire past due balance and/or accrued penalties can be eliminated such that the borrower is in good standing post assistance.
	Basic eligibility criteria will be analyzed either on-line (through the borrower's visit to the web site and use of the 'screening tool'), directly at the NAHAC offices or by the designated call center. If borrowers meet screening criteria, application packages will be assembled by the NAHAC underwriters who will do the full verifications/confirmation, enter the borrower's data into the NAHAC database and accounts payable systems and begin the relationship with the borrower's participating banks/lenders/ servicers to ensure aid is acceptable to them.
6. Property / Loan Eligibility Criteria	• Home is currently owner occupied. • Mortgage balance cannot exceed the current GSE loan limit.
7. Program Exclusions	Borrowers that have received nine (9) months of assistance through MAP will be ineligible for assistance through MAPA. In the event a borrower has received less than nine (9) months of assistance through MAP or MAPA, the borrower can reapply to receive assistance through either program on a pro-rata basis where any borrower will receive a maximum of nine (9) months of combined assistance.
8. Structure of Assistance	Borrower must proactively pursue homeownership sustainment program which must be verified with forty-five (45) days of closing on MAPA or borrower will be disenrolled from program. This program is administered through direct payment to the

	Servicer. Payments will be structured as a non-interest bearing, forgivable lien recorded against the property. The lien will be automatically forgiven over the 36 month timeframe following closing. Forgiveness will occur in equal installments of 33.33% annually. The lien will only be repayable if the borrower sells the property inside of the thirty-six (36) month timeframe and IF there is sufficient equity to pay the remaining unforgiven balance. All funds returned to NAHAC may be recycled until December 31, 2017; thereafter they must be returned to Treasury. MAPA recipients who qualify for reinstatement will have up to $12,500 in reinstatement funds made on a 'one-time basis' directly to the mortgage servicer.
9. Per Household Assistance	Planned MAPA assistance (not including reinstatement) should average approximately $1,000/month per recipient for up to nine (9) months or an expected average total mortgage payment assistance of $9,000. Reinstatement is limited to a 'one-time' amount that is the lesser of up to $12,500 or 100% of the delinquent payments fees or accrued penalties.
10. Duration of Assistance	MAPA will last up to 9 months.
11. Estimated Number of Participating Households	Based upon average assistance of $9,000 per household, it is anticipated that 75% of the program funds be exhausted by monthly mortgage payment expenditures – for a total of approximately 71 households. The average reinstatement payout is expected to be $12,500 per eligible borrower with a portion of MAPA eligible borrowers also qualifying and receiving reinstatement benefits. The remaining 25% of program funds are anticipated to be used in this category – for a total of 17 households.
12. Program Inception / Duration	This program began in February 2012 and could last through December 31, 2012.
13. Program Interactions with Other HFA Programs	MAPA recipients could have some interaction with other HHF programs. MAPA recipients that have a second mortgage could possibly become candidates for the Second Mortgage Reduction Plan program. If a MAPA recipient is unable to remit their portion of the

	monthly mortgage payment due to lack of means to sustain the mortgage, then they could pursue the HHF short-sale program.
14. Program Interactions with HAMP	MAPA recipients that achieve re-employment status or have an improvement in their economic situation could also benefit from HAMP. MAPA funds would be used prior to HAMP since it is most beneficial to both the homeowner and mortgage servicer as payments would be made instead of capitalized and no additional late charges accrued.
15. Program Leverage with Other Financial Resources	NAHAC will work with loan servicers for each qualified recipient to ensure that funds from MAPA payments are utilized strictly for the borrower's first mortgage loan payments to include principal, interest, taxes and insurance (excluding homeowner association dues). Funds will not be applied toward past due penalties except in those instances where the borrower qualifies for reinstatement.
16. Qualify as an Unemployment Program	☐ Yes ☑ No

SERVICE SCHEDULE B-6

The Nevada Affordable Housing Assistance Corporation

HOME RETENTION PROGRAM

Summary Guidelines

1. Program Overview	The Home Retention Program ("HRP" or "Program") is being administered by Home Means Nevada, Inc. ("HMN") in partnership with Nevada Affordable Housing Assistance Corporation ("NAHAC"). Funding under this Program is designed to provide directed assistance to eligible borrowers with the intent to permanently reduce the borrower's primary loan amount to an affordable level to achieve a monthly total housing payment that does not exceed 31% of the borrower's monthly income. Borrowers meeting the eligibility requirements described in Section 5 below may be eligible for assistance. HRP will be used to facilitate permanent modifications by contributing a dollar-for-dollar match up to $100,000 to reduce the unpaid principal balance of an eligible borrower's primary mortgage. Program funding may not be used to reduce the principal balance of an eligible borrower's mortgage loan below 100% of the current market value of the property. The structure of the assistance is described in Section 8.
2. Program Goals	To help homeowners avoid foreclosure by permanently modifying a borrower's primary mortgage to achieve an affordable monthly housing payment. To achieve a 75% success rate in loans assisted under the Program that continue to make on-time monthly payments for at least twelve (12) months after the permanent modification occurred.
3. Target Population/Areas	The targeted populations are households whose loans HMN is able to acquire. Eligible loan pools include loans owned by Government Sponsored Entities, the U.S. Department of Housing & Urban Development, commercial banks, state chartered banks, and credit unions.
4. Program Allocation (Excluding Administrative Expenses)	$75,000,000
5. Borrower Eligibility Criteria	• Must be a legal U.S. Citizen or lawful permanent U.S. resident. • Must demonstrate an ability to maintain a financial obligation for the home based upon an affordable mortgage with a total monthly

	housing payment equal to or less than 45% of their gross monthly income. • Must meet the CLTV requirements as follows: • Must have either: (a) a current unpaid principal balance (UPB) equal to or greater than 105% of the property's current market value and meet one of the following financial hardships, and provide a financial hardship affidavit: o Reduced income due to changes in employment. o Medical condition(s). o Divorce. o Death. or (b) a UPB equal to or greater than 125% of the property's current market value.
6. Property/Loan Eligibility Criteria	• Property may not be abandoned, vacant or condemned. • Property must be owner-occupied. • The property must be a single family home, a condominium, a townhome, a manufactured or mobile home on foundation permanently affixed to real estate owned by the borrower, or a two-four family dwelling unit of which one unit is occupied by the borrower as their principal residence with a UPB equal to or less than $500,000. • Mortgage must be a loan with a UPB that equals or exceeds the required percentages described in Section 5 above. Market value will be established by a Brokers Price Opinion or appraisal completed within the last ninety (90) days by an appraiser or licensed real estate broker licensed and in good standing under Nevada statutes. • Note has been acquired by HMN.
7. Program Exclusions	• Borrowers whose UPB is less than 105% of the property's current market value. • Borrowers who are in an active Chapter 7 or 13 bankruptcy.
8. Structure of Assistance	The Program may permanently modify and reduce the first mortgage loan to an amount that does not exceed the greater of: • A loan amount equal to 100% of the current market value of the property; or • A loan amount resulting in a monthly total housing payment that does not exceed 45% of the borrower's adjusted gross monthly income. There is a required dollar-for-dollar match. As a result of this match, the

	final amount of assistance will be determined by (i) subtracting the current market value of the property from borrower's unpaid principal balance as defined by the last promissory note(s) executed by the mortgagee multiplied by 50% or (ii) $100,000, whichever is less. In addition, the borrower will execute a zero percent (0%) interest, zero payment mortgage loan secured by a subordinate lien in favor of HMN equal to the lesser of the amount of assistance provided or 20% of current market value. The lien will be extinguished after the borrower maintains a zero (0) delinquent payment record for 12 months from date the assistance was provided. If the homeowner does not comply with the requirements of this Program and defaults within the first 12 months, then alternative resolutions, including short sale, deed-in-lieu, or foreclosure, will be pursued. In such an event, 50% of the net proceeds of the subordinate lien will be due to NAHAC. The sales price will be reduced by the following: • Usual and customary cost of sale and attorney's fees. • Taxes and any other payments due to federal, state and/or local government entities. • Satisfaction of the first mortgage loan amount due to HMN and it successors and assigns. If there are insufficient or no net proceeds available after reducing the sale amount by the above items, all or a portion of the note will be forgiven as not to create an additional hardship on the borrower at the time of closing. Any loan proceeds that are returned to the Program will be reutilized to assist additional borrowers.
9. Per Household Assistance	$100,000; $65,000 is the estimated median amount of assistance.
10. Duration of Assistance	Assistance will be disbursed in full upon the loan closing for qualified applicants.
11. Estimated Number of Participating Households	A minimum of 1,150 households.
12. Program Inception/Duration	This Program will begin in September 2013 or when the notes are purchased by HMN whichever is sooner. It is projected that assistance will be expended over a three-year period of time. However, repayment of assistance may extend this time frame up to one additional year. Recaptured funds may be recycled and used in the Program until December 31, 2017, at which time all remaining funds will be returned to

	Treasury.
13. Program Interactions with Other Programs (e.g. other HFA programs)	HRP may interact with Mortgage Assistance Program (“MAP”). Borrowers may receive assistance from more than one NAHAC program as long as the total combined assistance does not exceed $100,000.
14. Program Interactions with HAMP	None.
15. Program Leverage with Other Financial Resources	As the Program will reduce the existing first mortgage loan; there will be a minimum 1:1 private capital leveraged match. Lender match amounts shall be documented at the time of closing of the modification.
16. Qualify as an Unemployment Program	Yes ☑ No

SCHEDULE C

PERMITTED EXPENSES

	Nevada
One-time / Start-Up Expenses:	
Initial Personnel	$361,409.00
Building, Equipment, Technology	$114,868.00
Professional Services	$302,034.00
Supplies / Miscellaneous	$11,836.00
Marketing /Communications	$23,333.00
Travel	$7,404.00
Website development /Translation	$14,400.00
Contingency	$0.00
Subtotal	**$835,284.00**
Operating / Administrative Expenses:	
Salaries	$6,342,251.00
Professional Services (Legal, Compliance, Audit, Monitoring)	$3,006,755.00
Travel	$385,500.00
Buildings, Leases & Equipment	$739,120.00
Information Technology & Communications	$1,708,974.00
Office Supplies/Postage and Delivery/Subscriptions	$525,715.00
Risk Management/ Insurance	$304,646.00
Training	$14,511.00
Marketing/PR	$553,350.00
Miscellaneous	$0.00
Subtotal	**$13,580,822.00**
Transaction Related Expenses:	
Recording Fees	$1,083,881.00
Wire Transfer Fees	$132,200.00
Counseling Expenses	
File Intake	$8,289,169.00
Decision Costs	$277,200.00
Successful File	$250,000.00
Key Business Partners On-Going	$530,000.00

Subtotal	**$10,562,450.00**
Grand Total	**$24,978,556.00**
% of Total Award	**12.87%**
Award Amount	$194,026,240.00