



***The Portland Housing Bureau
Home Purchase Assistance Program
An Invitation to Participate - Correspondent Lenders***

The Portland Housing Bureau (“PHB”) is pleased to introduce the *Home Purchase Assistance Program*, for which all originated loans will be funded, purchased and serviced by **360 Mortgage Group LLC**, an Austin TX based GNMA, Fannie Mae and Freddie Mac approved seller/servicer. Gino Berchock and Andy Gottman from 360 Mortgage will provide you with the correspondent lending/ broker package you will need to complete and submit to 360 Mortgage, an approval process that should take 2-3 weeks.

The *Home Purchase Assistance* SM Program offers Freddie Mac Home Possible for HFAs (“HFA Advantage”) 30-year fixed mortgage loans of up to 97% of the purchase price and Second Loan financing of up to 8% in size, evidenced by a Second Promissory Note and recorded as a Second Trust/Deed/subordinate lien on the Property. The Second Loan is to be repaid, with no accrued interest, if the property is sold or if the original mortgage loan is refinanced within the first 10 years from the loan closing date. This repayment obligation is forgiven, 1/120th per full month for as long as the borrower(s) reside(s) in the home. After the 10-year term has expired, the subordinate lien is released free and clear.

Program benefits for your consideration are:

- Multiple loan rate and Second Loan options.
- First time homebuyers and repeat buyers are eligible.
- \$1,000 minimum Borrower contribution; there is no minimum reserve requirement.
- 620 minimum credit score for all Borrowers.
- Qualifying Income (Freddie Mac guidelines) of up to \$113,960 regardless of family size.
- No delivery fees and no price adjustments for below 660 credit scores or higher DTI ratios.
- Additional subsidies for very low (\$37,350) and low-income (\$59,650) borrowers.
- Lower (“charter”) mortgage insurance (MI) coverage – e.g., 18% coverage for 95.01-97% loans.
- Lender Paid MI options are available.
- These are not bond loans! No first-time homebuyer requirement, no federal recapture, no tax returns, no household income requirement, no affidavits, no pre-close compliance review.
- 1% Origination fees are funded for all HFA Advantage loans of up to \$150,000.

We have attached a Program Lender Agreement for signature, Program Guidelines and a sample Rate Sheet. Signed Program Lender Agreements should be emailed to Ira Bailey at PHB at the email address below. Once received, you will also be provided with online access to a Registration Form with the applicable loan documents. Give us a call, let us help you sign up for this exciting new program!

<p>PHB Primary Contact Ira Bailey ira.bailey@portlandoregon.gov (503) 823-2368</p>	<p>360 Mortgage Primary Contact Tiffany Hardy thardy@360mtg.com (801) 808-8283</p>	<p>GKB Primary Contact Jim Stretz stretz@gkbaum.com (303) 391-5496</p>
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Portland Housing Bureau
Home Purchase Assistance Program
Program Lender Agreement (for Correspondent Lenders & Brokers)

This Program Lender Agreement (this “Agreement”) is entered into as of _____, 2019, by and among the Portland Housing Bureau (the “Sponsor”), George K. Baum & Company, as Administrator and the lending institutions executing this Agreement (the “Lender”) in connection with the origination of Qualified Mortgage Loans and funding of the Program Assistance under the Sponsor’s *Home Purchase Assistance Program* (the “Program”).

WHEREAS, the Sponsor desires to make mortgage loans, second loan and/or grants available, but solely from funds derived from the Program, to enable the Sponsor to finance the down payment to qualified borrowers for the purchase of properties within the Sponsor’s jurisdiction or to refinance existing mortgage loans, and

WHEREAS, the Lender desires to participate in the Program and has agreed to make Qualified Mortgage Loans to qualified Borrowers pursuant to the Program Guidelines, as such may be jointly modified from time to time by the Sponsor; and

NOW, THEREFORE, in consideration of the promises set forth herein, the sufficiency of which is hereby confirmed, the parties mutually agree as follows:

Section 1. Covenant to Originate Mortgage Loans. The Lender hereby acknowledges their receipt and acceptance of the attached Program Guidelines established in connection with the Program, and the Lender hereby covenants and agrees to originate Qualified Mortgage Loans in accordance with the attached Program Guidelines as they may be amended from time to time by the Sponsor (as such may be amended, the “Program Guidelines”) with notice to the Lender. The Program Guidelines, including but not limited to all representations, warranties and covenants made by the Lenders therein, are incorporated by reference into this Program Lender Agreement to the same extent as if set forth herein, and Lender agrees to be bound thereby for the benefit and protection of the other parties, and their successors and assigns. Failure by the Lender to perform its obligations under this Program Lender Agreement, and the Program Guidelines may result in a suspension of its participation in the Program.

Lender specifically represents and warrants to the Sponsor: (a) all representations, warranties, covenants and indemnities that Lender may make at any time to a Servicer are automatically repeated with respect to each Qualified Mortgage Loan originated by Lender under this Program; (b) with respect to the origination of such Qualified Mortgage Loans, Lender agrees to indemnify the Sponsor and the Administrator and hold the Sponsor and the Administrator harmless from all loss, liability and claims for the same purposes and to the same extent as made by Lender to the Servicer in any Agreements with such Servicer; and (c) each Borrower on any Qualified Mortgage Loan that Lender shall originate under the Program will be qualified based on the Program Guideline requirements and that the Borrower Assistance as defined in the Program Guidelines was used in the appropriate manner for the amount and purposes intended, with no cash back to the Borrower, or any other person.

Section 2. Master Servicer. All Lenders must be approved by and in good standing with **360 Mortgage Group LLC** (the “Servicer”) approved by the Sponsor as the sole purchaser and Servicer of such Qualified Mortgage Loans. Lenders will also be required to execute Correspondent Lender/Broker Agreements and other agreements with such Servicer, as well as follow other Servicer guidelines as it shall from time to time promulgate them (collectively with the guidelines, the “Servicer Agreements”), regarding the origination, funding, delivery and purchase terms and conditions specifically for Qualified Mortgage Loans under this Program. Lender hereby covenants and agrees to originate Mortgage Loans in accordance with the Servicer Agreements and the Program Guidelines as amended from time to time and to deliver such Qualified Mortgage Loans to the Servicer for funding and purchase. Fundings and purchases by the Servicer of the Qualified Mortgage Loans thus originated will be made following receipt and review of closing documents, including evidence of compliance with Sponsor guidelines, applicable Mortgage Loan underwriting requirements, FHA, VA, Fannie Mae and Freddie Mac requirements, federal and state regulations.

Section 3. Amendments, Revisions. Program specifics as defined herein, together with those specified in this Program Lender Agreement, the Program Guidelines and all Servicer Agreements are subject to change with notice to the Lenders. Any such changes will not adversely affect those Mortgage Loans for which a commitment has been made, except to the extent set forth in any Servicer Agreements.

Section 4. Governing Law. This Agreement shall be governed in accordance with federal laws and the laws of the State of Oregon, without regard to conflict of law principles.

Section 5. Exclusive Jurisdiction. The parties to this Agreement agree and consent to the jurisdiction of and venue in the courts in Multnomah County, Oregon in all disputes arising out of or relating to this Agreement.

Section 6. Severability. If one or more provisions of this Agreement, or the applicability of any such provisions for any set of circumstances shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and enforceability of the remaining provisions of this Agreement.

Section 7. Notices. The primary contacts and contact information for the Lender have been provided by the Lender in Exhibit A of this Agreement.

Section 8. Counterparts. This Agreement may be executed in counterparts by the parties hereto, and each such counterpart shall be considered an original and all such counterparts shall constitute one and the same instrument.

Section 9. Termination. The parties to this Agreement may terminate this Agreement with or without cause, at any time by giving the other party at least thirty (30) business day written notice.

In the event of any conflict between the terms hereof and the terms of any Servicer Agreements, the Servicer Agreements shall prevail and conclusively determine the rights and obligations of the parties.

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

Sponsor

Portland Housing Bureau

Authorized Officer's Signature

Shannon Callahan

Authorized Officer's Name (Please Print)

Bureau Director

Title

Date

Correspondent Lender

Company Name (Participant Lender)

Authorized Officer's Signature

Authorized Officer's Name (Please Print)

Title

Date

George K. Baum & Company as Administrator

Authorized Officer's Signature

Authorized Officer's Name (Please Print)

Title

Date

Portland Housing Bureau
Lender Contact Information / Authorization

Program Name: *Portland Housing Bureau Home Purchase Assistance Program*

Lender/Broker Name: _____

Mailing Address: _____

Main Phone Number: _____

Main Email Address: _____

Website (if applicable) _____

Portland Branch Offices

Address/City	Primary Contact	Telephone Number	Email

If you have your own listing of Branch offices and contact information, please attach to this form.

Does the Program have authorization to use your Address/City, Primary Contact and/or Telephone Number in its marketing material or for posting to its web site? (Y/N) _____

Corporate Offices by Department

Department	Primary Contact	Telephone Number	Email	2 nd Loan Confirm **
Administration				
Bulletin/Notices				
Lock Desk				
Processing				
Final Documents				
Underwriting				
Other				

** Lenders are asked to mark an “X” next to the Primary Contact who should receive via email from DocuSign a Second Loan Confirmation once completed by the loan officer/loan processor.

By providing telephone numbers and email addresses, consent is given to receive telephone calls and emails sent by or on behalf of PHB, GKB and/or 360 Mortgage or affiliates until such consent are withdrawn in writing.