

**EIGHTH AMENDMENT TO
COMMITMENT TO PURCHASE FINANCIAL INSTRUMENT
and
HFA PARTICIPATION AGREEMENT**

This Eighth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Eighth Amendment”) is entered into as of the date set forth on Schedule A attached hereto as the Eighth 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”), and as further amended by that certain Seventh Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Seventh Amendment”; and together with the Original HPA as amended thereby and by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment and the Sixth 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 Eighth 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 Eighth Amendment; and all references in the Current HPA to Schedules A, B or C shall mean the Schedules A, B or C attached to this Eighth Amendment. All references herein to the “HPA” shall mean the Current HPA, as further amended by this Eighth 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 Eighth 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 Eighth 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 Eighth 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 Eighth Amendment and any other closing documentation delivered to Treasury in connection with this Eighth 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 Eighth Amendment and any other closing documentation delivered to

Treasury in connection with this Eighth Amendment, and to perform its obligations hereunder and thereunder.

3. **Miscellaneous**

A. The recitals set forth at the beginning of this Eighth 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 Eighth 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 Eighth Amendment shall be treated as originals for all purposes.

[SIGNATURE PAGE FOLLOWS; REMAINDER OF PAGE
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In Witness Whereof, HFA, Eligible Entity and Treasury by their duly authorized officials hereby execute and deliver this Eighth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement as of the Amendment Date.

HFA:

SOUTH CAROLINA STATE HOUSING
FINANCE AND DEVELOPMENT
AUTHORITY

TREASURY:

UNITED STATES DEPARTMENT OF THE
TREASURY

By: /s/ Valerie M Williams
Name: Valerie M. Williams
Title: Executive Director

By: _____
Name: Mark McArdle
Title: Chief Homeownership
Preservation Officer

ELIGIBLE ENTITY:

SC HOUSING CORP.

By: /s/ Valerie M Williams
Name: Valerie M. Williams
Title: Executive Director

EXHIBITS AND SCHEDULES

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| Schedule A | Basic Information |
| Schedule B | Service Schedules |
| Schedule C | Permitted Expenses |

SCHEDULE A

BASIC INFORMATION

Eligible Entity Information:

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| Name of the Eligible Entity: | SC Housing Corp. ("SCHC") |
| Corporate or other organizational form: | Nonprofit corporation |
| Jurisdiction of organization: | South Carolina |

Notice Information:

HFA Information:

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| Name of HFA: | South Carolina State Housing Finance and Development Authority |
| Organizational form: | a public body, corporate and politic under the laws of the State of South Carolina |
| Date of Application: | June 1, 2010 |
| Date of Action Plan: | September 1, 2010 |

Notice Information:

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| <u>Program Participation Cap:</u> | \$295,431,547.00 |
| <u>Portion of Program Participation Cap Representing Original HHF Funds:</u> | \$138,000,000.00 |
| <u>Portion of Program Participation Cap Representing Unemployment HHF Funds:</u> | \$58,772,347.00 |
| <u>Permitted Expenses:</u> | \$54,005,984.00 |
| <u>Closing Date:</u> | August 3, 2010 |
| <u>First Amendment Date:</u> | September 23, 2010 |
| <u>Second Amendment Date:</u> | September 29, 2010 |
| <u>Third Amendment Date:</u> | December 16, 2010 |
| <u>Fourth Amendment Date:</u> | August 31, 2011 |

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| <u>Fifth Amendment Date:</u> | November 15, 2012 |
| <u>Sixth Amendment Date:</u> | October 30, 2013 |
| <u>Seventh Amendment Date:</u> | July 31, 2014 |
| <u>Eighth Amendment Date:</u> | September 29, 2015 |
| <u>Eligible Entity Depository Account Information:</u> | 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

SC State Housing Finance and Development Authority Monthly Payment Assistance Program Summary Guidelines

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| <p>1. Program Overview</p> | <p>The Monthly Payment Assistance Program will assist eligible households that are experiencing a temporary reduction in income by making the full monthly first mortgage payment for a specified period of time or until the Assistance cap is reached. This Program will give eligible households the time and opportunity to replace lost income and/or make other household financial adjustments and decisions while remaining current on first mortgage payments. Eligibility will be reevaluated periodically during the assistance period.</p> |
| <p>2. Program Goals</p> | <p>To bridge eligible borrowers across a gap in employment or other temporary reduction in income, and allow them to stay current on their mortgages.</p> |
| <p>3. Target Population/ Areas</p> | <p>This Program will be available in all 46 counties in South Carolina, and is intended to assist borrowers with a short-term affordability problem.</p> |
| <p>4. Program Allocation (Excluding Administrative Expenses)</p> | <p>\$100,425,563.00</p> |
| <p>5. Borrower Eligibility Criteria</p> | <p>An eligible borrower must have at least one of the following qualifying hardships:</p> <ul style="list-style-type: none"> • Unemployment • Underemployment • Significant reduction in self-employment income <p>Additional eligibility criteria:</p> <ul style="list-style-type: none"> • To qualify as unemployed for the Program, a borrower must be unemployed and receiving unemployment insurance (“UI”) payments as administered by the State of South Carolina, or unemployed with available UI benefits exhausted within the previous 12 months. • To qualify as underemployed, a borrower must show a minimum 20% reduction in available household income. • To qualify as self-employed with a significant reduction in income, a borrower must show that gross receipts for a primary borrower’s business have been reduced a minimum of 20%. • Payment to Income ratio must exceed an affordable level |

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| | <p>as outlined in program and underwriting guidelines.</p> <ul style="list-style-type: none"> • Borrower must provide documentation to evidence qualifying hardship per program guidelines. • All final eligibility determinations will be made by SCHC. • Funds will be available on a first-come first served basis. |
| 6. Property/Loan Eligibility Criteria | <ul style="list-style-type: none"> • Eligible loans must be fixed term, amortizing loans, and the original loan amount cannot exceed \$729,750. • Eligible properties must be owner-occupied 1-4 family primary residences located in South Carolina. |
| 7. Program Exclusions | Borrowers without a documented eligible hardship as described above in Section 5. |
| 8. Structure of Assistance | <p>Assistance under this Program will be provided in the form of a nonrecourse zero-percent interest, non-amortizing, forgivable loan secured by a subordinate lien on the subject property. The loan will be forgiven over a five (5) year period at a rate of 20% per year. If property is sold or refinanced prior to the loan termination date, funds will be recovered should sufficient equity be available from the transaction.</p> <p>Any loan payoff proceeds will be recycled for use within the Program and used to provide assistance to additional homeowners until December 31, 2017, at which time any proceeds shall be returned to Treasury.</p> |
| 9. Per Household Assistance | <p>Assistance under this Program will be capped at \$36,000 per household. The sum of assistance provided through all Programs when a household is participating in multiple Programs is capped at \$36,000 per household.</p> <p>Expected Median: \$17,000.</p> |
| 10. Duration of Assistance | Assistance under this Program will be capped at 24 months. |
| 11. Estimated Number of Participating Households | It is expected that that 5,000 – 6,000 families will be assisted under this Program. |
| 12. Program Inception/ Duration | This Program was originally rolled out statewide on January 20, 2011 and is expected to be available for 36-48 months. |
| 13. Program Interactions with Other Programs (e.g. other HFA) | <p>This Program will interact with:</p> <ul style="list-style-type: none"> • Direct Loan Assistance Program - Households that are delinquent at the time monthly assistance begins may be |

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| <p>programs)</p> | <p>eligible for Direct Loan Assistance to help with any arrearage that exists.</p> <ul style="list-style-type: none"> • Property Disposition Assistance Program - Households that are not self-supporting after exhausting allowable funding under this Program may be eligible for the Property Disposition Assistance Program. • Total Assistance for households participating in multiple Programs is capped at \$36,000 per household. |
| <p>14. Program Interactions with HAMP</p> | <p>The Program could effectively “hand off” the borrower to HAMP once the borrower is reemployed, if required. Households successfully coming out of the Program may be eligible for HAMP to obtain a permanent modification.</p> <p>The funds from this Program would be utilized prior to UP. Implementing the Program in this order is most beneficial to the borrower and the investor since payments would continue to be made instead of capitalized and no late charges or adverse credit report would occur. Should the borrower still be unemployed after the assistance from this Program ends, they may be eligible to roll into UP.</p> <p>Beneficiaries who participated in UP prior to making application to SC HELP would be eligible to participate in this Program.</p> <p>It is also expected that this Program may act as a front-end extension of existing forbearance with deed-in-lieu wrap programs.</p> |
| <p>15. Program Leverage with Other Financial Resources</p> | <p>None.</p> |

SERVICE SCHEDULE B-2

SC State Housing Finance and Development Authority Direct Loan Assistance Program Summary Guidelines

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| 1. Program Overview | In some cases borrowers may have fallen behind on their mortgage payments, and have since regained the ability to make the full payment, or are eligible for funding under the Monthly Payment Assistance (“MPA”) program and have an accrued arrearage owed to the lender. Under the Direct Loan Assistance Program, funding in the form of a one-time payment will be provided to bring such loans current. Funds may also be made available for principal reductions ancillary to a reinstatement and to reduce or eliminate any forbearance in order ensure long-term affordability. |
| 2. Program Goals | To help borrowers become current on their mortgage during or following a brief interruption or reduction in income and to ensure long-term affordability. |
| 3. Target Population/ Areas | This Program will be available in all 46 counties in South Carolina. |
| 4. Program Allocation (Excluding Administrative Expenses) | \$ 92,250,000.00 |
| 5. Borrower Eligibility Criteria | An eligible borrower must have at least one of the following qualifying hardships: <ul style="list-style-type: none">• Unemployment• Underemployment• Significant reduction in self-employment income• Death of a spouse• Divorce• Catastrophic health-related expenses or income interruption Additional Eligibility criteria: <ul style="list-style-type: none">• Payment to Income ratio must not exceed an affordable level as outlined in program and underwriting guidelines unless borrower is approved for funding under the MPA program.• Borrower must provide documentation to evidence qualifying hardship per program guidelines.• Borrower must demonstrate that circumstances that led to the delinquency have been resolved unless borrower is |

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| | <p>approved for funding under the MPA program.</p> <ul style="list-style-type: none"> • All final eligibility determinations will be made by SCHC. • Funds will be available on a first-come first served basis. |
| 6. Property/Loan Eligibility Criteria | <ul style="list-style-type: none"> • Eligible loans must be fixed term, amortizing loans and the original loan amount cannot exceed \$729,750. • Eligible properties must be owner-occupied 1-4 family primary residences located in South Carolina. |
| 7. Program Exclusions | Borrowers without a documented eligible hardship as described above in Section 5. |
| 8. Structure of Assistance | <p>Assistance under this Program will be provided in the form of a nonrecourse zero-percent interest, non-amortizing, forgivable loan secured by a subordinate lien on the subject property. The loan will be forgiven over a five (5) year period at a rate of 20% per year. If property is sold or refinanced prior to the loan termination date, funds will be recovered should sufficient equity be available from the transaction.</p> <p>Any loan payoff proceeds will be recycled for use within the Program and used to provide assistance to additional homeowners until December 31, 2017, at which time any proceeds shall be returned to Treasury.</p> |
| 9. Per Household Assistance | <p>Assistance under this Program will be capped at \$36,000 per household for eligible borrowers deemed INELIGIBLE for the MPA program.</p> <p>Assistance under this Program will be capped at \$25,000 per household for eligible borrowers also deemed ELIGIBLE for the MPA program.</p> <p>The sum of assistance provided through all Programs when a household is participating in multiple Programs is capped at \$36,000 per household.</p> <p>Expected Median: \$8,000.</p> |
| 10. Duration of Assistance | Program is a one-time payment per household. |
| 11. Estimated Number of Participating Households | It is expected that that 10,500 – 11,500 families will be assisted under this Program. |

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| 12. Program Inception/ Duration | This Program was originally rolled out statewide on January 20, 2011 and is expected to be available for 48-60 months. |
| 13. Program Interactions with Other Programs (e.g. other HFA programs) | <p>This Program will interact with the following South Carolina HFA Hardest-Hit Fund Programs:</p> <ul style="list-style-type: none"> • Monthly Payment Assistance Program – Households with an arrearage and a temporarily reduced level of income may be eligible for the Program and the MPA program to cure the immediate delinquency and to insure that further delinquencies are not incurred. • Property Disposition Assistance Program - Households that are not self-supporting after exhausting allowable funding under this Program may be eligible for the Property Disposition Assistance Program. • Total Assistance for households participating in multiple Programs is capped at \$36,000 per household. |
| 14. Program Interactions with HAMP | Households successfully coming out of the Program may be eligible for HAMP to obtain a permanent modification. |
| 15. Program Leverage with Other Financial Resources | Servicer/Investor will be required to waive all non-expense fees (i.e. late fees). |

SERVICE SCHEDULE B-3

SC State Housing Finance and Development Authority Modification Assistance Program Summary Guidelines

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| 1. Program Overview | <p>The majority of lenders in South Carolina are offering troubled borrowers the opportunity to modify their loans under certain circumstances, with the most notable of these programs being the Home Affordable Modification Program (“HAMP”). Under the Modification Assistance Program, funding in the form of a one-time payment will be provided to help borrowers qualify for a modification, a recast (re-amortization) of their outstanding first mortgage principal balance, or a full lien extinguishment to improve a borrower’s likelihood of long term mortgage sustainability.</p> <p>Funds provided under this Program can be used to reinstate delinquent amounts, reduce or eliminate any forbearance amounts, provide limited reductions in outstanding first mortgage principal or fully extinguish liens.</p> |
| 2. Program Goals | To improve a borrower’s likelihood of receiving a modification or lower payment, and to help ensure long term affordability for eligible borrowers. |
| 3. Target Population/ Areas | This Program will be available in all 46 counties in South Carolina. |
| 4. Program Allocation (Excluding Administrative Expenses) | \$12,000,000.00 |
| 5. Borrower Eligibility Criteria | <p>Eligible borrowers must have a program eligible financial hardship due to unemployment, loss of income, reduction of income, or other demonstrated financial hardships through no fault of their own. Borrowers will be required to provide documentation to support the hardship.</p> <p>Additional eligibility criteria:</p> <ul style="list-style-type: none">• Borrower must be employed or receiving income from a fixed income source.• Current housing debt-to-income ratio must be greater than 25%.• Post-assistance housing debt-to-income ratio must be less than or equal to 45%.• Borrower must meet all additional requirements |

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| | <p>established by the servicer.</p> <p>Borrowers primary source of income - fixed - may be eligible for a full lien extinguishment, recast or modification</p> <ul style="list-style-type: none"> • Gross household income is equal to or less than 125% of the state median income limit for South Carolina. <p>Borrowers primary source of income – all other sources - may be eligible for a recast or modification</p> <ul style="list-style-type: none"> • Pre-assistance LTV must be greater than 80%. • Post-assistance LTV must be equal to or greater than 80%. • Post-assistance LTV may go below 80% if no more than \$20,000 in assistance is provided for principal reduction in order to achieve a post assistance housing debt-to-income ratio between 25% and 45%. <p>Funds will be allocated on a first-come/approved, first-served basis. Borrowers must meet program underwriting criteria.</p> |
| <p>6. Property/Loan Eligibility Criteria</p> | <ul style="list-style-type: none"> • Eligible loans must be fixed term, fully amortizing, and the original loan amount cannot exceed \$729,750. • Eligible properties must be owner-occupied 1-4 family primary residences located in South Carolina. |
| <p>7. Program Exclusions</p> | <ul style="list-style-type: none"> • Borrowers without a documented eligible hardship as described above in Section 5. • Borrowers have previously received funding through the Direct Loan Assistance and/or the Monthly Payment Assistance programs in an amount that exceeds limits as defined in underwriting guidelines for each program. |
| <p>8. Structure of Assistance</p> | <p>Assistance under this Program will be provided in the form of a nonrecourse zero-percent interest, non-amortizing, forgivable loan secured by a subordinate lien on the subject property. The loan will be forgiven over a ten (10) year period at a rate of 20% per year starting after the end of the sixth (6th) year. If property is sold or refinanced prior to the loan termination date, funds will be recovered should sufficient equity be available from the transaction.</p> <p>Any loan payoff proceeds will be recycled for use within the Program and used to provide assistance to additional homeowners until December 31, 2017, at which time any proceeds shall be returned to Treasury.</p> |

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| 9. Per Household Assistance | <p>Assistance under this Program will be capped at \$36,000 per household.</p> <p>Expected Median: \$25,000.</p> |
| 10. Duration of Assistance | <p>Program is a one-time payment per household.</p> |
| 11. Estimated Number of Participating Households | <p>It is expected that 450 – 550 families will be assisted under this Program.</p> |
| 12. Program Inception/ Duration | <p>This Program was rolled out in January 2014, and is expected to run for 36 months.</p> |
| 13. Program Interactions with Other Programs (e.g. other HFA programs) | <p>This Program will interact with the following South Carolina HFA Hardest-Hit Fund Programs:</p> <ul style="list-style-type: none"> • Monthly Payment Assistance Program - Households that are not self-supporting after exhausting allowable funding under the Monthly Payment Assistance Program may be eligible for this Program, subject to any previous assistance caps defined in underwriting guidelines. • Direct Loan Assistance Households that are not self-supporting after exhausting allowable funding under the Direct Loan Assistance Program may be eligible for this Program, subject to any previous assistance caps defined in underwriting guidelines. |
| 14. Program Interactions with HAMP | <p>This Program can be used in conjunction with HAMP to improve a borrower’s likelihood of success and to help ensure long term affordability for borrowers.</p> |
| 15. Program Leverage with Other Financial Resources | <p>Servicer/Investor will be required to waive all non-expense fees (i.e., late fees).</p> |

SERVICE SCHEDULE B-4

SC State Housing Finance and Development Authority Property Disposition Assistance Program Summary Guidelines

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| 1. Program Overview | There may be a segment of borrowers whose position is unrecoverable, and who need assistance in gracefully exiting homeownership. The Property Disposition Assistance Program will be used to assist households who are able to complete a short sale or deed-in-lieu of foreclosure. The funds are provided as a one-time payment and are intended to provide deposits and other funds needed to transition from homeownership to renting. |
| 2. Program Goals | To assist households who are able to complete a short sale or deed-in-lieu of foreclosure by providing deposits and other funds needed to transition from homeownership to renting. |
| 3. Target Population/ Areas | This Program will be available in all 46 counties in South Carolina, and is intended to assist borrowers with a long-term or permanent affordability problem with little expectation for financial recovery. |
| 4. Program Allocation (Excluding Administrative Expenses) | \$ 1,750,000.00 |
| 5. Borrower Eligibility Criteria | <ul style="list-style-type: none">• Borrower must provide documentation to evidence qualifying hardship per program guidelines.• Delinquency event must be ongoing with little or no expectation for financial recovery (i.e. prolonged under-employment, divorce, death of a spouse, etc.).• Application for assistance must be completed prior to completion of short sale or deed-in-lieu of foreclosure.• Short sale or deed-in-lieu of foreclosure must be complete prior to final approval and funding.• All final eligibility determinations will be made by SCHC.• Funds will be available on a first-come first served basis. |
| 6. Property/Loan Eligibility Criteria | Eligible properties must be owner-occupied 1-4 family primary residences located in South Carolina. |
| 7. Program Exclusions | Borrower receiving assistance under the Home Affordable Foreclosure Alternative (HAFA) Program. |

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| 8. Structure of Assistance | Assistance under this Program will be provided directly to the homeowner, and will not be structured as a loan, nor will it be secured by the subject property. No payments may be made directly to homeowners until a short sale or deed-in-lieu is completed. |
| 9. Per Household Assistance | Assistance under this Program will be capped at \$5,000 per household. Expected Median: \$5,000. |
| 10. Duration of Assistance | Program is a one-time payment. |
| 11. Estimated Number of Participating Households | It is expected that that 250 – 300 families will be assisted under this Program. |
| 12. Program Inception/ Duration | This Program will be available statewide during the third quarter of 2011. It is expected that it will run for 60-72 months. |
| 13. Program Interactions with Other Programs (e.g. other HFA programs) | This Program will interact with the following South Carolina HFA Hardest Hit Fund Programs: <ul style="list-style-type: none"> • Monthly Payment Assistance Program - Households that are not self-supporting after exhausting allowable funding under the Monthly Payment Assistance Program may be eligible for this Program. • Direct Loan Assistance - Households that are not self-supporting after exhausting allowable funding under the Direct Loan Assistance Program may be eligible for this Program. |
| 14. Program Interactions with HAMP | None. |
| 15. Program Leverage with Other Financial Resources | None. |

SERVICE SCHEDULE B-5

SC State Housing Finance and Development Authority Neighborhood Initiative Program (NIP) Summary Guidelines

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| 1. Program Overview | Under the Neighborhood Initiative Program (“NIP”), the South Carolina State Housing Finance and Development Authority (“SCSHFDA”) will work with units of local government and qualified non-profit organizations (together, “Partners”) to strategically target residential (single and multifamily) properties for demolition, site improvement, and acceptable reuse within the state of South Carolina. |
| 2. Program Goals | The primary purpose and goal of NIP is to decrease foreclosures and stabilize homeowner property values in communities across South Carolina through the demolition of vacant, abandoned, and blighted residential structures, and subsequent greening/improvement. SCSHFDA will work with program Partners to identify meaningful indicators that will enable them to track and quantify the NIP’s impact in the designated communities. |
| 3. Target Population/ Areas | NIP will be available in all 46 counties in South Carolina, but will only be authorized in areas with a demonstrated need and comprehensive implementation plan in place. SCSHFDA program guidelines will ensure that demolition and greening/improvement will promote increased values of neighboring properties and will have a positive effect on preserving existing neighborhoods. |
| 4. Program Allocation (Excluding Administrative Expenses) | \$35,000,000.00 |

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| <p>5. Property Eligibility Criteria</p> | <ul style="list-style-type: none"> • Vacant, abandoned, and blighted standard residential (1-4 units) and multifamily residential (4+ units) properties located in South Carolina. • Properties that qualify for demolition under state and federal law. <p>In addition, SCSHFDA will determine property eligibility using information provided by the participating Partners. SCSHFDA’s determination will be based on factors including, but not limited to:</p> <ul style="list-style-type: none"> • Habitability • Structural condition • Impact on community preservation and public safety |
| <p>6. Ownership/Loan Eligibility Criteria</p> | <ul style="list-style-type: none"> • Participating Partner must hold title to the property (may acquire title as part of the NIP transaction). • Property must be subject to a loan that can be modified or extinguished. |
| <p>7. Program Exclusions</p> | <ul style="list-style-type: none"> • Commercial (non-residential) structures. • Properties listed on a national, state, or local historic register. |
| <p>8. Structure of Assistance</p> | <p>SCSHFDA will determine acceptability of project sites (targeted neighborhoods, communities, etc.) in direct consultation with participating Partners.</p> <p>Participating Partners will be responsible for property acquisition (if applicable), demolition work, final site improvements/site greening, and on-going property maintenance.</p> <p>Partners will submit to SCSHFDA the following for each proposed demolition site:</p> <ul style="list-style-type: none"> • Property ownership and/or acquisition information including full address and deed. • Pre-demolition inspection with photos. • Cost estimates and/or evidence of the expenditures necessary to carry out any environmental remediation required by law. • Any other miscellaneous information identified regarding the property (e.g., hazards, adverse findings, easements...etc.). • Invoice for demolition costs. • Proof of any acquisition cost (if applicable). • Post-demolition inspection with photos. • Summary post-demolition plan/goal for the property. <p>Upon receipt of the above documentation, SCSHFDA will</p> |

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| | <p>provide Hardest Hit funding to the participating Partner after said Partner's execution of a mortgage and note in favor of SC Housing Corp., which note shall be in an amount equal to the total assistance requested.</p> <p>Total assistance will provide for acquisition costs (if applicable), demolition, final site improvements/site greening costs, and a \$2,000 one-time project management and property maintenance fee to cover management and maintenance expenses for a period of three (3) years. The participating Partner may request up to two disbursements per property after meeting project milestones as described in NIP guidelines. The mortgage in favor of SC Housing Corp. must be executed prior to any disbursement.</p> <p>The note will be 0%, non-amortizing loan, forgivable over a three (3) year term at 33.33% per year as long as covenants are met; outstanding balance of loan will be due on sale, transfer, or unauthorized use of the property. The mortgage will be recorded through public records and ongoing loan servicing (i.e., repayments and lien releases) and monitoring will be handled by SCSHFDA. Any repayment of NIP funds will be re-invested back into the NIP allocation. All funds remaining in NIP will be returned to Treasury after December 31, 2017.</p> <p>Special considerations may be made by SCSHFDA to release or subordinate its lien prior to the end of the term based on the merit of the request and to promote positive economic impact on the local community, as set forth in the NIP guidelines.</p> |
| 9. Per Property Assistance | Maximum of \$35,000 per residential property. Maximum assistance amount includes acquisition costs (if applicable); demolition and greening/improvement costs; and a one-time project management and maintenance fee to cover management and maintenance expenses for a period of three (3) years. |
| 10. Duration of Assistance | One-time assistance per property payable in multiple disbursements. |
| 11. Estimated Number of Properties Assisted | It is expected that 1,000 – 1,300 properties will be served. |
| 12. Program Inception/Duration | NIP will be available statewide during the third quarter of 2014. It is expected that it will run for 36 months. |
| 13. Program Interactions with Other Programs (e.g. other HFA programs) | NIP will not interact with other SCSHFDA Hardest-Hit Fund Programs. SCSHFDA-owned or mortgaged properties may be eligible under NIP. |

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| 14. Program Interactions with HAMP | NIP will not interact with HAMP. |
| 15. Program Leverage with Other Financial Resources | None |

SCHEDULE C

Permitted Administrative Expenses

| South Carolina | |
|--|----------------------|
| | Total |
| <i>One-time / Start-Up Expenses:</i> | |
| Initial Personnel | \$169,280 |
| Building, Equipment, Technology | \$82,000 |
| Professional Services | \$125,000 |
| Supplies / Miscellaneous | \$55,000 |
| Marketing /Communications | \$10,000 |
| Travel | \$10,000 |
| Website development /Translation | \$25,000 |
| Contingency | \$50,000 |
| Subtotal | \$526,280 |
| <i>Operating / Administrative Expenses:</i> | |
| Salaries | \$5,505,917 |
| Professional Services (Legal, Compliance, Audit, Monitoring) | \$430,000 |
| Travel | \$265,000 |
| Buildings, Leases & Equipment | \$1,528,000 |
| Information Technology & Communications | \$1,225,000 |
| Office Supplies/Postage and Delivery/Subscriptions | \$215,000 |
| Risk Management/ Insurance | \$270,000 |
| Training | \$290,000 |
| Marketing/PR | \$3,390,000 |
| Miscellaneous | \$255,690 |
| Subtotal | \$13,374,607 |
| | 4.53% |
| <i>Transaction Related Expenses:</i> | |
| Recording Fees | \$21,500 |
| Wire Transfer Fees | \$1,115,200 |
| <i>Counseling Expenses</i> | |
| File Intake | \$2,317,502 |
| Decision Costs | \$1,755,700 |
| Successful File | \$17,693,250 |
| Key Business Partners On-Going | \$17,201,945 |
| Subtotal | \$40,105,097 |
| Grand Total | \$54,005,984 |
| % of Total Award | 18.28% |
| Award Amount | \$295,431,547 |