

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

This Ninth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Ninth Amendment”) is entered into as of the date set forth on Schedule A attached hereto as the Ninth 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”), and as further amended by that certain Second Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Second Amendment”), and 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 as further amended by that certain Eighth Amendment to Commitment to Purchase Financing Instrument and HFA Participation Agreement (the “Eighth 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 and Seventh 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 Ninth 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 Ninth 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 Ninth Amendment. All references herein to the “HPA” shall mean the Current HPA, as further amended by this Ninth 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 Ninth 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 Ninth 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 Ninth 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 Ninth Amendment and any other closing documentation delivered to

Treasury in connection with this Ninth 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 Ninth Amendment and any other closing documentation delivered to Treasury in connection with this Ninth Amendment, and to perform its obligations hereunder and thereunder.

3. Miscellaneous

A. The recitals set forth at the beginning of this Ninth 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 Ninth 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 Ninth 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 Ninth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement as of the Amendment Date.

HFA:

DISTRICT OF COLUMBIA HOUSING
FINANCE AGENCY

By: /s/ Maria K. Day-Marshall
Name: Maria K. Day-Marshall
Title: Interim Executive Director

TREASURY:

UNITED STATES DEPARTMENT OF THE
TREASURY

By: _____
Name: Timothy J. Bowler
Title: Acting Assistant Secretary for
Financial Stability

ELIGIBLE ENTITY:

DISTRICT OF COLUMBIA HOUSING
FINANCE AGENCY

By: /s/ Maria K. Day-Marshall
Name: Maria K. Day-Marshall
Title: Interim Executive Director

EXHIBITS AND SCHEDULES

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

SCHEDULE A

BASIC INFORMATION

Eligible Entity Information:

Name of the Eligible Entity:

Corporate or other organizational form: body corporate and instrumentality of the District of Columbia, organized and existing under and pursuant to the District of Columbia Housing Finance Agency Act, D.C. Law 2-135, as amended (D.C. Code, § 42-2701.01 et. Seq.)

Jurisdiction of organization: District of Columbia

Notice Information:

HFA Information:

Name of HFA:

Organizational form: body corporate and instrumentality of the District of Columbia, organized and existing under and pursuant to the District of Columbia Housing Finance Agency Act, D.C. Law 2-135, as amended (D.C. Code, § 42-2701.01 et. Seq.)

Date of Application: September 1, 2010

Date of Action Plan: September 1, 2010

Notice Information: Same as Notice Information for Eligible Entity

Program Participation Cap: \$20,697,198.00

Portion of Program Participation Cap Representing Original HHF Funds: N/A

Portion of Program Participation Cap Representing Unemployment HHF Funds: \$ 7,726,678.00

<u>Permitted Expenses:</u>	\$ 4,156,998.00
<u>Closing Date:</u>	September 23, 2010
<u>First Amendment Date:</u>	September 29, 2010
<u>Second Amendment Date:</u>	December 16, 2010
<u>Third Amendment Date:</u>	March 31, 2011
<u>Fourth Amendment Date:</u>	May 25, 2011
<u>Fifth Amendment Date:</u>	October 28, 2011
<u>Sixth Amendment Date:</u>	March 29, 2012
<u>Seventh Amendment Date:</u>	December 14, 2012
<u>Eighth Amendment Date:</u>	September 20, 2013
<u>Ninth Amendment Date:</u>	July 11, 2014
<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

**District of Columbia Housing Finance Agency
HOMESAVER PROGRAM
Summary Guidelines**

1. Program Overview	<p>The HomeSaver Program will offer lump sum or ongoing monthly mortgage payments to eligible unemployed and underemployed District of Columbia (“District”) homeowners at risk of foreclosure. The program will also offer one-time assistance to eligible District homeowners at risk of foreclosure due to outstanding real property tax obligations under its Tax Lien Extinguishment component.</p> <p>The HomeSaver Program is made up of four components:</p> <ul style="list-style-type: none">• The LifeLine component will offer a one-time payment of up to six (6) months of mortgage delinquency, including 100% of principal, interest, taxes, insurance (“PITP”), late fees, condo fees, etc. in order to bring the mortgage current.• The Mortgage Assistance component will provide up to fifteen (15) or twenty four (24) months of payments equal to 100% of the monthly mortgage payment. Mortgage Assistance may include PITI, late fees, escrowed condo fees, etc. in order to keep the mortgage current.• The Restore component will be available for program participants who need a one-time payment to “catch up”, but who have sufficient resources to continue making timely, sustainable mortgage payments. Restore assistance may include PITI, late fees, condo fees, etc. in order to bring the mortgage current.• The Tax Lien Extinguishment component will offer a one-time payment to extinguish delinquent real property taxes for eligible District of Columbia homeowners. <p>Applicants will be referred to the HomeSaver Program after completion of an intake package. Intake packages will be reviewed by a U.S. Department of Housing and Urban Development (“HUD”) approved housing counseling agency and then forwarded to the HomeSaver Program for approval.</p>
2. Program Goals	Foreclosure prevention – The primary goal of the HomeSaver Program is to prevent foreclosures that will erode the base of

	<p>homeowners in the District, which already lags behind the national average in the rate of homeownership. Additionally, each applicant will work with a HUD approved housing counseling agency.</p> <p>Synergistic interaction – The DCHFA will partner with other organizations (i.e. DOES and the Urban Institute) to define the universe of potential candidates for the HomeSaver Program, perform outreach and intake and ultimately deliver timely assistance to prevent foreclosure. DOES is the District agency that administers the District’s Unemployment Insurance and job training programs. The Urban Institute (the “Institute”) has conducted extensive research into housing issues in the District, including mortgage delinquencies and foreclosures. The Institute gathers data, conducts research, evaluates programs, offers technical assistance overseas, and educates Americans on social and economic issues to foster sound public policy and effective government.</p> <p>Simplicity – The DCHFA will employ a HomeSaver Program design that seeks to minimize administrative costs, thereby maximizing the amount of dollars available for assistance.</p>
<p>3. Target Population / Areas</p>	<p>The HomeSaver Program will be available to eligible homeowners throughout the District.</p>
<p>4. Program Allocation (Excluding Administrative Expenses)</p>	<p>\$16,540,200</p>
<p>5. Borrower Eligibility Criteria</p>	<p>Eligible program participants will be District homeowners identified on the most recent deed of trust, or deed, who currently occupy their home as a primary residence.</p> <p>In addition, candidates for the LifeLine, Mortgage Assistance and Restore component assistance must also meet the following criteria:</p> <ul style="list-style-type: none"> • LifeLine & Mortgage Assistance – <i>unemployed</i> homeowners who have received UI benefits within six (6) months of application; or <i>underemployed</i> homeowners who (i) have had an involuntary reduction in gross income such that the homeowner’s income is 75% or less of the homeowner’s pre-hardship income (which reduction occurred after the origination of the current mortgage), (ii) have a current gross income less

	<p>than or equal to 120% of Area Median Income (“AMI”), and (iii) have a monthly PITI payment that is greater than 38% of the homeowner’s gross monthly income.</p> <ul style="list-style-type: none"> • Restore – <i>re-employed</i> homeowners who (i) have received UI benefits within six (6) months of application, (ii) have a current gross income less than or equal to 120% of AMI, and (iii) have a monthly PITI payment that is less than or equal to 38% of the homeowner’s gross monthly income. <p>In addition, candidates for the Tax Lien Extinguishment component must also meet the following criteria:</p> <ul style="list-style-type: none"> • Homeowner must have experienced an eligible involuntary financial hardship, which includes reduced income due to: <ul style="list-style-type: none"> ○ Change in employment; ○ Medical hardship; ○ Death of a spouse or co-borrower; ○ Divorce; or ○ Disability; • Homeowner must have a current gross income less than or equal to 120% of AMI; • Monthly PITI payment (or taxes and insurance if no mortgage exists) that is less than or equal to 38% of gross monthly income; • Homeowner must be current on monthly mortgage payments (excluding taxes) if a mortgage exists; • Homeowner must have a real property tax delinquency of at least \$2,500; and • Homeowner must not have liquid assets in an amount that exceeds three (3) times the real property tax delinquency. <p>All program participants will be required to sign a Hardship Affidavit attesting to their inability to make mortgage payments or reinstate their delinquency due to unemployment, substantial underemployment, or other eligible financial hardship that occurred through no fault of their own.</p>
<p>6. Property / Loan Eligibility Criteria</p>	<p>Single-family home or condominium.</p>
<p>7. Program Exclusions</p>	<ul style="list-style-type: none"> • Homeowners with an outstanding mortgage balance greater than \$729,750; • Unemployed or re-employed homeowners who have not received unemployment benefits within six (6) months of application (LifeLine, Mortgage Assistance, and Restore) or

	<p>homeowners who have not had a minimum 25% involuntary reduction in income (not applicable to homeowners receiving assistance under the Tax Lien Extinguishment component);</p> <ul style="list-style-type: none"> • Homeowners whose income is over 120% of AMI; • Homeowners who have received a foreclosure notice; • Homeowners who are in active bankruptcy; • Residential cooperative units; • Homeowners unable to substantiate past and present income or who fail to provide required program documentation as requested.
<p>8. Structure of Assistance</p>	<p>All loans will be recorded as non-recourse junior liens against the property and will be non-amortizing. Loans will be forgiven at a rate of 20% per year such that in year six (6) the loan will be forgiven and the lien released.</p> <p>If assistance is paid directly (or through a settlement agent) to the District of Columbia Office of Tax and Revenue, the homeowner will execute an additional, simultaneous Demand Note in the amount of the delinquent property taxes.</p> <p>The loan will only be repayable if the program participant sells or refinances the property prior to expiration of the lien period, and then only to the extent there is sufficient equity to pay that portion of the loan that has not been forgiven. Notwithstanding the foregoing, if a program participant refinances prior to full forgiveness, and the participant is not receiving any cash from the refinance, the HomeSaver loan will subordinate to the new loan and will continue to be forgiven.</p> <p>Loan funds repaid by program participants will be returned to the program or recaptured until December 31, 2017. After December 31, 2017, any remaining returned or recaptured funds will be returned to Treasury.</p>
<p>9. Per Household Assistance</p>	<p>Maximum program assistance is \$32,385 per household (or \$38,400 per household for applicants who initiate an application on or after October 1, 2013).</p> <p>DCHFA estimates an average amount of assistance of \$21,688 per household under the LifeLine, Mortgage Assistance and Restore components; and DCHFA estimates an average amount of assistance of \$5,620 per household under the Tax Lien Extinguishment component.</p>

<p>10. Duration of Assistance</p>	<p>The maximum duration of assistance will be fifteen (15) months (twenty-four (24) months for applicants who initiate an application on or after October 1, 2013).</p> <ul style="list-style-type: none"> • LifeLine – One-time payment equal to up to six (6) months of monthly payments. • Mortgage Assistance – Payments of PITI for up to fifteen (15) months (twenty-four (24) months for applications initiated on or after October 1, 2013). • Restore – One-time payment not to exceed fifteen (15) months of assistance (twenty-four (24) months for applications initiated on or after October 1, 2013). • Tax Lien Extinguishment – One-time payment equal to the delinquent real property taxes. <p>If eligible, homeowners may participate in one or more components. For example, if a program participant receives LifeLine assistance to bring his/her mortgage current after a six (6) month delinquency, the participant may still be eligible for up to nine (9) months of Mortgage Assistance payments, as long as the total amount of assistance does not exceed \$32,385 and the total duration does not exceed fifteen (15) months (\$38,400 and twenty-four (24) months, respectively for applicants on or after October 1, 2013).</p> <p>Additionally, participants who enroll as unemployed borrowers and regain employment while receiving assistance from HomeSaver, but at a wage that is 75% or less of their pre-hardship employment wage, can continue to receive assistance as underemployed borrowers, assuming all eligibility criteria are met, including gross income at or under 120% of AMI and such that the monthly mortgage payment (PITI) is greater than 38% of the participant’s gross monthly income (LifeLine and Mortgage Assistance).</p>
<p>11. Estimated Number of Participating Households</p>	<p>650 – 1,300</p>
<p>12. Program Inception / Duration</p>	<p>The HomeSaver Program began January 18, 2011 and is expected to continue for approximately three (3) years or until all funds are exhausted, but not later than December 31, 2017.</p>
<p>13. Program Interactions with Other HFA Programs</p>	<p>Homeowners may access other District programs. The DCHFA will explore partnerships with other District agencies that have programs assisting District residents at risk of foreclosure,</p>

	including the Department of Housing and Community Development (“DHCD”) and the Department of Insurance Securities and Banking (“DISB”). DISB provides foreclosure mitigation assistance and DHCD funds foreclosure prevention counseling and other federal programs including the Neighborhood Stabilization Program.
14. Program Interactions with HAMP	Eligible homeowners may also access Federal programs including HAMP and HAMP UP. Homeowners may utilize HAMP UP before or after the HomeSaver Program.
15. Program Leverage with Other Financial Resources	The DCHFA will provide \$458,248 of in-kind administrative expenses to the HomeSaver Program. The HomeSaver Program requires no financial contribution from servicers or lenders, however, loan modifications or contributions/fee waivers are permitted (but not required).
16. Qualify as an Unemployment Program	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

SCHEDULE C

PERMITTED EXPENSES

Washington D.C.	
<i>One-time / Start-Up Expenses:</i>	
Initial Personnel	\$76,829.00
Building, Equipment, Technology	\$166,968.00
Professional Services	\$12,000.00
Supplies / Miscellaneous	\$0.00
Marketing /Communications	\$7,500.00
Travel	\$5,000.00
Website development /Translation	\$1,412.00
Contingency	\$0.00
Subtotal	\$269,709.00
<i>Operating / Administrative Expenses:</i>	
Salaries	\$1,430,195.00
Professional Services (Legal, Compliance, Audit, Monitoring)	\$131,300.00
Travel	\$0.00
Buildings, Leases & Equipment	\$100,933.00
Information Technology & Communications	\$346,671.00
Office Supplies/Postage and Delivery/Subscriptions	\$15,483.00
Risk Management/ Insurance	\$0.00
Training	\$0.00
Marketing/PR	\$19,426.00
Miscellaneous	\$10,000.00
Subtotal	\$2,054,008.00
<i>Transaction Related Expenses:</i>	
Recording Fees	\$922,655.00
Wire Transfer Fees	\$98,762.00
<i>Counseling Expenses</i>	
File Intake	\$0.00
Decision Costs	\$0.00
Successful File	\$732,649.00
Key Business Partners On-Going	\$79,215.00
Subtotal	\$1,833,281.00

Grand Total	\$4,156,998.00
% of Total Award	20.08%
Award Amount	\$20,697,198.00