

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

This Sixteenth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Sixteenth Amendment”) is entered into as of the date set forth on Schedule A attached hereto as the Sixteenth 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 set forth on Schedule A attached hereto, as previously amended by those certain Amendments to Commitment to Purchase Financial Instrument and HFA Participation Agreement dated as of their respective dates as set forth on Schedule A attached hereto (each, an “Amendment” and together with the Original HPA as amended thereby, the “Current HPA”), 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”); and

WHEREAS, HFA, the Eligible Entity and Treasury wish to enter into this Sixteenth Amendment in connection with certain modifications of the Eligible Entity’s corporate organizational documents.

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 the 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 Sixteenth Amendment; and all references in the Current HPA to Schedules A or A-1 shall mean the Schedules A or A-1 attached to this Sixteenth Amendment. All references herein to the “HPA” shall mean the Current HPA, as further amended by this Sixteenth 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 Sixteenth Amendment.

C. Schedule A-1. Schedule A-1 attached to the Original HPA is hereby deleted in its entirety and replaced with Schedule A-1 attached to this Sixteenth Amendment.

D. Certain Schedules Unamended. Schedule A-1 attached to the First Amendment and Schedule A-1 attached to the Second Amendment are not amended by this Sixteenth Amendment and remain in full force and effect as set forth in the First Amendment and Second Amendment. Schedule B and Schedule C to the Current HPA are not amended by this Sixteenth Amendment and remain in full force and effect as set forth in the Fifteenth 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 Sixteenth Amendment and any other closing documentation delivered to Treasury in connection with this Sixteenth 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 Sixteenth Amendment and any other closing documentation delivered to Treasury in connection with this Sixteenth Amendment, and to perform its obligations hereunder and thereunder.

## 3. Miscellaneous

A. The recitals set forth at the beginning of this Sixteenth 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.

Approved Form

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 Sixteenth 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 Sixteenth Amendment shall be treated as originals for all purposes.

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

Approved Form

Approved Form

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

**HFA:**

NEVADA HOUSING DIVISION

**TREASURY:**

UNITED STATES DEPARTMENT OF THE  
TREASURY

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name: Mark McArdle  
Title: Deputy Assistant Secretary for  
Financial Stability

**ELIGIBLE ENTITY:**

NEVADA AFFORDABLE HOUSING  
ASSISTANCE CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

Approved Form

Approved Form

**EXHIBITS AND SCHEDULES**

Schedule A Basic Information

Schedule A-1 Modification to Agreement

Approved Form

**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

Physical Location:

3016 W. Charleston Boulevard, Suite 160  
Las Vegas, NV 89102

Mailing Address:

PO Box 15142  
Las Vegas, NV 89114  
Phone: (702) 570-5662  
Fax: (888) 502-2267

Email: mhanley@nahac.org  
Email: ssharp@rbsllaw.com

HFA Information:

Name of HFA: Nevada Housing Division<sup>1</sup>

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  
1535 Old Hot Springs Rd., Ste 50  
Carson City, NV 89706  
Attn: Administrator

---

<sup>1</sup> Each Schedule A-1 attached to the First Amendment, the Second Amendment and the Sixteenth Amendment shall remain a part of the HPA.

Approved Form

Phone: (775) 687-2040  
Fax: (775) 687-4040  
Email: [cjmanthe@housing.nv.gov](mailto:cjmanthe@housing.nv.gov)

<u>Program Participation Cap:</u>	\$194,026,240.00
<u>Portion of Program Participation Cap Representing Original HHF Funds:</u>	\$102,800,000.00
<u>Portion of Program Participation Cap Representing Unemployment HHF Funds:</u>	\$ 34,056,581.00
<u>Permitted Expenses:</u>	\$ 24,978,556.00
<u>Closing Date:</u>	June 23, 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>	April 5, 2011
<u>Fifth Amendment Date:</u>	May 25, 2011
<u>Sixth Amendment Date:</u>	October 28, 2011
<u>Seventh Amendment Date:</u>	December 8, 2011
<u>Eighth Amendment Date:</u>	February 28, 2012
<u>Ninth Amendment Date:</u>	June 28, 2012
<u>Tenth Amendment Date:</u>	September 28, 2012
<u>Eleventh Amendment Date:</u>	August 28, 2013
<u>Twelfth Amendment Date:</u>	June 12, 2014
<u>Thirteenth Amendment Date:</u>	February 19, 2015
<u>Fourteenth Amendment Date:</u>	June 25, 2015
<u>Fifteenth Amendment Date:</u>	October 28, 2015
<u>Sixteenth Amendment Date:</u>	May [__], 2016
<u>Eligible Entity Depository Account</u>	See account information set forth in the

Approved Form

Information:

Depository Account Control Agreement  
between Treasury and Eligible Entity  
regarding the HHF Program.

Approved Form



Approved Form

**SCHEDULE A-1**

Schedule A-1 to the Original HPA is hereby deleted in its entirety and replaced with the attached Schedule A-1, which, together with Schedules A-1 attached to the First Amendment and to the Second Amendment, collectively comprise Schedule A-1 to the HPA.

Approved Form

**SCHEDULE A-1**

**The following shall constitute additional and/or modified terms to the Agreement and are hereby incorporated into the Agreement:**

- 1. Section 2B. of the Agreement is amended by adding clause (4) at the end thereof:**

- “2. Representations, Warranties and Covenants**

- “B. Eligible Entity. \* \* \***

- “(4) A majority of the members of the board of directors of Eligible Entity are representatives and/or employees of the State of Nevada.”**

- 2. Sections 4A. and 4.C. through 4.F. of the Agreement are replaced with the following:**

- “4. Oversight; Internal Control Program**

- “A. Eligible Entity shall develop and maintain operational and performance metrics and maintain a detailed financial reporting system to track, to the satisfaction of Treasury, homeowners receiving assistance from Eligible Entity, including metrics used to measure the effectiveness of the Services against the stated objectives of Treasury and Eligible Entity pursuant to the Service Schedules. Such information shall be compiled into a report in a form that will be provided by Treasury and may be modified from time to time as Treasury determines (the “Performance Report”); provided that Treasury, in its sole discretion, may modify the form of the Performance Report at any time. Eligible Entity shall submit the Performance Report to Treasury or its designee on a periodic basis and as otherwise requested by Treasury and shall also post the completed Performance Report to its website quarterly (based on a calendar year) by the fifteenth (15th) day of the second month following the end of such quarter. Treasury, in its sole discretion, may request that Eligible Entity modify its performance criteria or seek additional metrics as necessary. Treasury may make any or all data reported by Eligible Entity available to the public. It is Treasury’s policy not to release personal identifying information in its possession unless required to do so by law.**

- “C. Eligible Entity acknowledges that Treasury may develop and implement practices to monitor and detect fraud related to**

loan modifications and any other programs contemplated pursuant to the Services and to monitor compliance with applicable consumer protection and fair lending laws, including among other laws, the Applicable Laws. Eligible Entity covenants that it will fully and promptly cooperate with Treasury's inquiries about any alleged, perceived or actual fraud and comply with any anti-fraud and legal compliance procedures which Treasury may require.

"D. Eligible Entity covenants that it will develop and implement an internal control program to ensure that HHF Program participants are meeting program requirements; to monitor, detect and prevent loan modification fraud; and to monitor compliance with applicable laws and regulations, including consumer protection and fair lending laws, among other things (the "Internal Antifraud and Compliance Monitoring Program"). The Internal Antifraud and Compliance Monitoring Program shall be developed and complete within ninety (90) days from the Effective Date, unless Treasury, in its sole discretion, consents to an extension of such time period. A copy of the plan for the Internal Antifraud and Compliance Monitoring Program, including, but not limited to, the approach, tools, techniques, staffing, cost and status of and time to implementation shall be submitted to Treasury within the time period set forth in the preceding sentence. Eligible Entity acknowledges that the Internal Antifraud and Compliance Monitoring Program will be monitored as provided in this Agreement. Eligible Entity shall notify Treasury in writing if it desires to make any material modifications to its Internal Antifraud and Compliance Monitoring Program and the same shall be subject to Treasury's approval. Additionally, Eligible Entity shall cooperate with Treasury with respect to its findings and any inquiries based on any review by Treasury or its designee of the Internal Antifraud and Compliance Monitoring Program or the results and data therefrom.

"E. Eligible Entity shall provide Treasury or its designee with access to all internal control reviews and reports that relate to the Services, including those proposed by independent auditing firms, to enable Treasury to examine Eligible Entity and its contractors, if any, for compliance with applicable provisions of EESA, the HHF Program, this Agreement and Applicable Laws. A copy of the reviews and reports will be provided to Treasury upon request.

"F. Eligible Entity shall respond promptly to Treasury's request for information regarding how the Eligible Entity's

program(s) described in the Service Schedules will interact with new or changed housing programs funded by EESA's Troubled Asset Relief Program."

**3. Section 6 of the Agreement is amended as follows:**

A. Section 6A.(2) of the Agreement is replaced with the following:

**“6. Defaults, Acts of Bad Faith and Early Termination; Remedies for and Effects of Defaults, Acts of Bad Faith and Early Termination”**

“A. The following constitute events of default by HFA or Eligible Entity under this Agreement (each, an “Event of Default” and, collectively, the “Events of Default”):

“(2) HFA is dissolved or its existence as a unit or instrumentality of state government is terminated (unless HFA’s duties, responsibilities and obligations as the state’s housing finance agency, including specifically its duties, responsibilities and obligations under this Agreement, are transferred to and assumed by a successor state unit or instrumentality of state government approved by Treasury), or a majority of the members of the board of directors of Eligible Entity shall fail to be representatives and/or employees of the State of Nevada.”

B. Sections 6B.(3) and (5) of the Agreement are replaced with the following:

“B. Treasury, in its sole discretion, may take any or all of the following actions upon the occurrence of an Event of Default:

“(3) Treasury may require Eligible Entity to submit to additional administrative oversight, including, but not limited to, additional compliance controls and quality control reviews.

“(5) Treasury may require Eligible Entity to submit to additional information and reporting requirements with respect to its financial condition and ability to continue to meet its obligations under this Agreement.”

**4. HFA Certification.**

## Approved Form

Notwithstanding the Form of HFA Certification attached to the Agreement as Exhibit B-1, HFA shall be permitted to modify such form to delete the following statements prior to submission to Treasury as required by the Agreement:

“Eligible Entity does not have HHF Program funds on hand of more than \$ \_\_\_\_\_. [INSERT AN AMOUNT EQUAL TO 5% OF THE PROGRAM PARTICIPATION CAP]

HFA knows of no material deficiencies in the Internal Antifraud and Compliance Monitoring Program.”

### **5. Capital Draw Requests.**

Notwithstanding the Form of Capital Draw Request attached to the Agreement as Exhibit C, HFA shall not be a party to, nor required to sign any Capital Draw Requests submitted by Eligible Entity. Eligible Entity shall be permitted to modify the Form of Capital Draw Request accordingly prior to submission to Treasury for approval.

### **6. Further Modifications.**

Notwithstanding anything to the contrary in the Agreement, the Nevada Housing Division, a Division of the Department of Business and Industry of the State of Nevada, which is designated as the "HFA" in the Agreement:

- A. is not and will not be involved in providing the Services;
- B. will not be required to implement or administer any data monitoring or collecting systems or perform any other duties related to the Services other than what is necessary in connection with its limited role as set forth in the Agreement as modified by this Schedule A-1;
- C. is not obligated to expend any funds in connection with or related to the Agreement, the Services or the HHF Program; and
- D. it is acknowledged and agreed that the HFA’s role is strictly limited to participation of its representatives and/or employees as members of the Eligible Entity’s Board of Directors.

### **7. Ratification.**

Except as herein modified and amended, the terms and conditions of the Agreement, including the Schedules and Exhibits included as a part thereof, and all of the documents executed with respect to the foregoing are hereby ratified and affirmed and shall remain in full force and effect. All references in any of the foregoing to the “Agreement” shall be deemed to refer to the Agreement, including the Schedules and Exhibits included as a part thereof, as further modified and amended by this Schedule A-1.