# SERVICE SCHEDULE B-1

## The Nevada Affordable Housing Assistance Corporation

## PRINCIPAL REDUCTION PROGRAM

## Summary Guidelines

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| **1. Program Overview** | The Principal Reduction Program ("PRP") will provide assistance to reduce the principal balance of primary (first priority) mortgages for borrowers with an eligible financial hardship and/or negative equity by: (a) principal reduction and a permanent modification or reamortization (recast) to achieve an affordable monthly payment ("Modification or Reamortization"); or (b) principal reduction of a "non-delinquent" borrower's primary mortgage in a significant negative equity position to an amount as close to and not less than 100% loan-to-value ("LTV") ratio as the amount of per-household assistance will permit to reduce the risk of potential default by such borrowers ("Negative Equity Reduction").<br><br>The assistance will be provided as a one-time payment to lenders/servicers up to a maximum of $100,000 per household.<br><br>A borrower's primary mortgage lender may agree to make a matching reduction to the principal balance of the primary mortgage. |
| **2. Program Goals** | The goal of the PRP is to help borrowers avoid foreclosure by reducing the principal balance of their primary mortgage to either (a) facilitate a permanent loan modification or reamortization that achieves an affordable monthly mortgage payment of their primary mortgage and/or (b) reduce a borrower's negative equity position on their primary mortgage to an amount as close to and not less than 100% LTV ratio as the amount of per-household assistance will permit. |
| **3. Target Population / Areas** | All qualified Nevada residents who could achieve an affordable primary mortgage payment and/or appropriate level of debt with a principal reduction. |
| **4. Program Allocation (Excluding Administrative Expenses)** | $ ~~95,447,398~~88,416,201 |
| **5. Borrower Eligibility Criteria** | General Eligibility:<br><br>• Legal U.S. resident or lawful permanent U.S. resident and |

Nevada resident.

- Borrower qualifies as a low-to-moderate income, based on per-household income not to exceed income limits set forth in program guidelines.
- Borrower must have an eligible financial hardship as determined by program criteria and underwriting guidelines.
- Borrower cannot have liquid assets, other than exempt retirement assets, in excess of (i) the amount of assistance being provided, or (ii) $30,000, whichever is less.
- Borrower's post-assistance housing expenses must meet the definition of an "Affordable Payment." For the purposes of PRP, "Affordable Payment" means the borrower's post-assistance, total monthly primary mortgage payment PITI (principal, interest, taxes and insurance, as applicable) including any escrowed homeowner's association dues or assessments, must be no greater than 38% of the gross household income excluding temporary income (e.g., unemployment or short-term disability benefits).
- Borrower agrees to provide all necessary documentation to satisfy program guidelines within the timeframes established by NAHAC, including a financial hardship affidavit.

<u>Additional Eligibility Criteria Applicable to Each Structure of Principal Reduction</u>:

(a) **Modification or Reamortization Structure** (i.e. principal reduction of a borrower's primary mortgage combined with either an interest rate reduction and/or term extension to achieve a permanent modification, or a reamortization of the remaining unpaid principal balance to achieve an Affordable Payment):

- *Eligible financial hardship*: reduced income due to underemployment, medical condition, divorce or death, as set forth in the program guidelines.
- Borrower's pre-assistance, total monthly primary mortgage payment PITI including any escrowed or non-escrowed assessments, is greater than 38% of the gross household income excluding temporary income (e.g., unemployment or short-term disability benefits).
- Borrower's post-assistance total monthly primary mortgage payment PITI including any escrowed or non-escrowed assessments is between 25% and 38% of the gross household income excluding temporary income (e.g., unemployment or short-term disability benefits).
- Borrowers whose primary income is from a fixed income source (as defined in program guidelines) must

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| | have gross household income equal to or less than 100% of family State Median Income (SMI). Borrowers are eligible to receive a full lien extinguishment if the unpaid principal balance of the first-lien mortgage loan is less than or equal to $50,000 and the Borrower's remaining housing expenses are consistent with the definition of an Affordable Payment.<br>• Borrowers whose primary income is *not* from a fixed income source must meet the additional following criteria:<br>  o Pre-assistance LTV must be greater than 80%; and<br>  o Post-assistance LTV must be greater than 80%; provided that post-assistance LTV may go below 80% only if no more than $20,000 is provided toward a principal reduction in order to lower the post-assistance housing-to-income ratio to 38%.<br>(b) **Negative Equity Reduction** (i.e. principal reduction of a "non-delinquent" borrower's primary mortgage that is in a severe negative equity position to an amount as close to and not less than 100% LTV ratio as the amount of per-household assistance will permit to reduce the risk of potential default by such borrower):<br>• *Eligible financial hardship*: (1) a negative equity position in which the primary mortgage LTV is 110% or more. Borrower must be current on the primary mortgage at the time of PRP application.<br>• Pre-assistance primary mortgage payment meets NAHAC's definition of an Affordable Payment. |
| **6. Property / Loan Eligibility Criteria** | • The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in Nevada and it must be their primary residence. Mobile homes are eligible if they are permanently affixed to the real property that is secured by the primary mortgage.<br>• For a Modification or Reamortization, the servicer must utilize the PRP monies to bring the primary mortgage current before applying PRP monies to the borrower's principal balance. Funds may be applied to cure delinquent first mortgage loan arrearages and non-escrowed property taxes and homeowners' association dues, fees and assessments.<br>• Current, unpaid principal balance (which includes the interest-bearing unpaid principal balance and any existing non-interest bearing forbearance balance) of the first-lien mortgage cannot |

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| | exceed the current GSE loan limit. |
| **7. Program Exclusions** | • Borrowers with liquid assets, other than exempt retirement assets, in excess of (i) the total amount of assistance provided, or (ii) $30,000, whichever is less.<br>• Borrower is in "active" bankruptcy. Borrowers who have previously filed bankruptcy are eligible for consideration only with proof of court order "Dismissal" or "Discharge".<br>• Borrowers in an active Home Affordable Modification Program (HAMP) trial period plan.<br>• Borrowers who fail to satisfy underwriting guidelines of the lender/servicer or NAHAC.<br>• Borrowers with a post-assistance LTV ratio greater than 140% or less than 100%. Post-assistance LTV ratio may be less than 100% only if it is necessary in order to provide the homeowner an Affordable Payment<br>• Borrowers with a post-assistance total monthly first-lien mortgage payment PITI, including any escrowed or non-escrowed assessments as applicable, is greater than NAHAC's definition of an Affordable Payment.<br>• Property is subject to a current foreclosure proceeding (judicial or non-judicial) under any lien encumbering the property, including the lien of a Homeowners Association, unless the lender/servicer or Homeowners Association agrees in writing to suspend their foreclosure proceeding and to record a rescission of their notice of default and/or notice of sale at closing.<br>• Property is abandoned, vacant or condemned.<br>• Property has more than two mortgages. |
| **8. Structure of Assistance** | The assistance will be administered as a one-time direct payment to the servicer.<br><br>The assistance will be structured as a 0% interest forgivable loan with no monthly payment evidenced by a promissory note with a sixty (60) month term. The loan will be secured by a junior lien on the property. If the borrower complies with the terms of the loan, the loan will be considered satisfied at the end of the sixty (60) month period following funding and the lien released.<br><br>There is no pro-rated forgiveness for this loan. Loan funds will only be repaid to Eligible Entity (NAHAC) in the event of a sale or a refinance that includes cash out and there are equity proceeds available prior to forgiveness.<br><br>In the event that NAHAC receives a 100% or greater match in funds by the lender/servicer and the borrower's post-assistance LTV is |

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| | 100% or greater, then NAHAC will not structure the assistance as a loan.<br><br>Borrowers will not always receive the maximum assistance amount of $100,000.<br><br>All funds returned to NAHAC will be used to assist additional borrowers in accordance with the Agreement. |
| **9. Per Household Assistance** | The maximum amount of mortgage principal reduction receivable by a qualified borrower is $100,000. |
| **10. Duration of Assistance** | Program funds will be distributed as a one-time payment to the servicer. |
| **11. Estimated Number of Participating Households** | Approximately 2,~~328~~ 156 households could be assisted under this program assuming an average assistance amount of $41,000. |
| **12. Program Inception / Duration** | This program began on March 1, 2010 and will continue until all funds are committed or December 31, 2020, whichever occurs first. |
| **13. Program Interactions with Other HFA Programs** | Borrowers may receive assistance from more than one HHF Program as long as the total combined assistance does not exceed $100,000. |
| **14. Program Interactions with HAMP** | PRP may work in conjunction with aspects of the Making Home Affordable Program to help eligible borrowers achieve desired housing debt-to-income ratios, permanent affordability and establish an appropriate level of mortgage debt. |
| **15. Program Leverage with Other Financial Resources** | NAHAC will require that the servicer waive all accrued and unpaid late charges and NSF fees at the time the modification agreement is completed. NAHAC will require the servicer to waive any association recast or modification fee. |

# SERVICE SCHEDULE B-2

## The Nevada Affordable Housing Assistance Corporation

## SECOND MORTGAGE REDUCTION PLAN

### Summary Guidelines

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| **1. Program Overview** | The Second Mortgage Reduction Plan (SMRP) will provide assistance to borrowers with an eligible financial hardship who have a second mortgage lien and who: (i) could achieve affordable monthly mortgage payments and an appropriate level of debt if their second mortgage (second lien) were eliminated; or (ii) could achieve affordable monthly mortgage payments and an appropriate level of debt with a principal reduction and reamortization (recast) or modification of their second mortgage.<br><br>The assistance will be provided as a one-time payment to lenders/servicers up to a maximum of $50,000 per household. |
| **2. Program Goals** | The goals of the SMRP are to help borrowers avoid foreclosure by reducing or eliminating the principal balance of their second mortgage or to facilitate a permanent loan modification or recast that achieves an affordable monthly mortgage payment and reduces the likelihood that a borrower will default. |
| **3. Target Population / Areas** | All qualified Nevada residents who could achieve affordable mortgage payments and an appropriate level of debt if their second mortgage were eliminated or reduced. |
| **4. Program Allocation (Excluding Administrative Expenses)** | $~~16,495,339~~8,494,267 |
| **5. Borrower Eligibility Criteria** | • Legal U.S. resident or lawful permanent U.S. resident and Nevada resident.<br>• Borrower qualifies as a low-to-moderate income, based on per-household income not to exceed income limits set forth in program guidelines.<br>• Borrower must have an eligible financial hardship as determined by program criteria and underwriting guidelines. Eligible financial hardships include (a) borrowers with a reduced income due to underemployment, medical condition, divorce or death, as set forth in the program guidelines, with a negative equity position in which the borrower's combined loan to value ratio ("CLTV") is 100% or more; or (b) a negative equity position in |

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| | which the borrower's CLTV is 115% or more.<br>• Borrowers qualifying with a hardship as described in (a), in the previous bullet, must also have pre-assistance, total monthly mortgage payments for their primary and second mortgages PITI (principal, interest, taxes and insurance, as applicable) including any escrowed or non-escrowed homeowner's association dues or assessments, greater than 38% of the gross household income excluding temporary income (e.g., unemployment or short-term disability benefits).<br>• Borrower cannot have liquid assets, other than exempt retirement assets, in excess of (i) the amount of assistance being provided, or (ii) $30,000, whichever is less.<br>• Borrower's post-assistance housing expenses must meet the definition of an "Affordable Payment." For the purposes of SMRP, "Affordable Payment" means the borrower's post-assistance, total monthly mortgage payments for the primary and second mortgages PITI including any escrowed or non-escrowed homeowner's association dues or assessments must be between 25% and 38% of the gross household income excluding temporary income (e.g., unemployment or short-term disability benefits).<br>• Borrower agrees to provide all necessary documentation to satisfy program guidelines within the timeframes established by NAHAC, including a financial hardship affidavit. |
| **6. Property / Loan Eligibility Criteria** | • The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in Nevada and it must be their primary residence.<br>• Mobile homes are eligible if they are permanently affixed to the real property that is secured by the first and second mortgages.<br>• The servicer must utilize the SMRP monies to bring the second mortgage current before applying SMRP monies to the borrower's principal balance.<br>• SMRP monies may be used to bring delinquent property taxes; Homeowners Association dues, fees and assessments; and property related insurance as set forth in program guidelines (collectively "Property Related Expenses") current at closing.<br>• If the amount of SMRP monies is not sufficient to extinguish the second mortgage, the servicer/lender must agree to reamortize or modify the second mortgage or apply the funds as curtailment if the borrower's pre-assistance housing-to-income ratio is affordable, as set forth in program guidelines.<br>• Current, unpaid principal balance (which includes the interest-bearing unpaid principal balance and any existing non-interest bearing forbearance balance) of the first-lien mortgage cannot exceed the current GSE loan limit. |

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| | • Post-assistance combined principal balance of the primary and second mortgages must not be less than 100% CLTV based upon valuation obtained by NAHAC or the servicer. |
| **7. Program Exclusions** | • Borrower is in "active" bankruptcy. Borrowers who have previously filed bankruptcy are eligible for consideration only with proof of court order "Dismissal" or "Discharge".<br>• Borrowers in an active Home Affordable Modification Program (HAMP) or a Second Lien Modification Program ("2MP") trial period plan.<br>• Property is listed for sale.<br>• Property is currently subject to a current foreclosure proceeding (judicial or non-judicial) under any lien encumbering the property, including the lien of a Homeowner's Association, unless the lender/servicer or Homeowner's Association agrees in writing to suspend their foreclosure proceeding and to record a rescission of their notice of default and/or notice of sale at closing.<br>• Borrowers with liquid assets, other than exempt retirement assets, in excess of (i) the total amount of assistance provided, or (ii) $30,000, whichever is less.<br>• Property is abandoned, vacant or condemned.<br>• Property has more than two mortgages.<br>• Property is subject to a first priority lien securing a Home Equity Line of Credit. |
| **8. Structure of Assistance** | The assistance will be administered as a one-time direct payment to the servicer. The assistance will be structured as a 0% interest forgivable loan with no monthly payment evidenced by a promissory note with a sixty (60) month term. The loan will be secured by a junior lien on the property. If the borrower complies with the terms of the loan, the loan will be considered satisfied at the end of the sixty (60) month period following funding and the lien released.<br>Borrowers will not always receive the maximum assistance amount of $50,000.<br>If the borrower defaults under the terms of the loan prior to the maturity date of the note evidencing the assistance loan, the loan will be due and payable to NAHAC. If the borrower sells the property or obtains a refinancing where the borrower is eligible to receive cash out of the transaction before the maturity date of the note, all net equity proceeds after payment of borrower's closing costs (with the commission to real estate brokers, if applicable, by the borrower limited to 6 percent) and the payment to the holders of the senior deeds of trust, will be due and payable to NAHAC to satisfy payment of all or a portion of the loan funds. |

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| | All funds returned to NAHAC will be used to assist additional borrowers in accordance with the Agreement. |
| **9. Per Household Assistance** | The maximum amount of second mortgage principal reduction receivable by a qualified borrower is $50,000. |
| **10. Duration of Assistance** | Program funds will be disbursed as a onetime payment to the servicer. |
| **11. Estimated Number of Participating Households** | Approximately ~~1,195~~616 households could be assisted under this program assuming an average assistance amount of $13,800. |
| **12. Program Inception / Duration** | This program began on March 1, 2010 and will continue until all funds are committed or December 31, 2020, whichever occurs first. |
| **13. Program Interactions with Other HFA Programs** | This program could interact with the Principal Reduction Program and other HHF Programs pre- and post-assistance. Borrowers may receive assistance from more than one HHF Program as long as the total combined assistance does not exceed $100,000. |
| **14. Program Interactions with HAMP** | This program does not interact with HAMP. The HAMP program is now closed to new applications. |
| **15. Program Leverage with Other Financial Resources** | While NAHAC does not require a contribution from the servicer, it will be encouraged and in addition, servicers will be requested to waive fees. |

# SERVICE SCHEDULE B-3

## The Nevada Affordable Housing Assistance Corporation

## SHORT-SALE ACCELERATION PROGRAM

### Summary Guidelines

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| **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 100 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)** | $289,179 |
| **5. Borrower Eligibility Criteria** | • Legal U.S. resident or lawful permanent U.S. resident.<br>• Borrower must have short-sale approval in place with lender if pursuing a short-sale.<br>• Borrower must provide verification of short-sale approval or deed in lieu of foreclosure agreement.<br>• Borrower will be required to sign a financial hardship affidavit attesting to their inability to make mortgage payments.<br>• Borrower must be in default or facing imminent default.<br>• Borrower must be experiencing financial hardship due to circumstances beyond the borrower's control (no contrived defaults allowed).<br>• 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 and serves as the borrower's primary residence. If vacant, borrower 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. |

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| | 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 100 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 terminated on December 31, 2012. |
| **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. |

## SERVICE SCHEDULE B-4

### The Nevada Affordable Housing Assistance Corporation

### MORTGAGE ASSISTANCE PROGRAM (MAP)

### Summary Guidelines

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| **1. Program Overview** | The Mortgage Assistance Program (MAP) will provide temporary financial assistance to eligible Nevada borrowers who wish to remain in their homes, but have suffered a loss of income due to unemployment or underemployment<br><br>MAP provides mortgage payment assistance equal to the lesser of \$3,000 per month or 100% of the PITI (principal, interest, tax, insurance, as applicable) and any escrowed or non-escrowed homeowner's association dues or assessments, for up to eighteen (18) months, with the purpose of preventing avoidable foreclosures until such time that the borrower retains employment sufficient to meet the demands of satisfying their regular mortgage payment |
| **2. Program Goals** | MAP's goal is to help borrowers remain in their homes and prevent avoidable foreclosures despite loss of income due to unemployment or underemployment.<br><br>MAP will reinstate a delinquent first mortgage loan before making monthly payments in order to prevent foreclosure, and provide a borrower with additional time to find alternate employment and replace income needed to make their mortgage payment.<br><br>MAP is designed to assist borrowers who are currently receiving Nevada Department of Employment, Training, and Rehabilitation (DETR) unemployment benefits, and includes borrowers whose unemployment benefits lapsed or expired within 90 days of the request for MAP assistance.<br><br>MAP was designed to complement other loss mitigation programs, including increasing a borrower's eligibility for an extended written forbearance plan and/or loan modification. |
| **3. Target Population / Areas** | MAP is designed to target low-to-moderate income borrowers and address the needs of a borrower's specific situation in lieu of targeting certain regions or counties. |
| **4. Program Allocation (Excluding Administrative** | \$~~43,043,410~~33,160,266 |

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| **Expenses)** | |
| **5. Borrower Eligibility Criteria** | <u>General Requirements</u>:<br>• Legal U.S. resident or lawful permanent U.S. resident and Nevada resident.<br>• Borrower qualifies as low-to-moderate income based on per-household income thresholds not to exceed income limits set forth in program guidelines.<br>• Borrower must complete and sign a Hardship Affidavit / 3rd Party Authorization to document the reason for the hardship.<br>• Borrowers who have recently encountered a financial hardship due to underemployment or unemployment, including those whose unemployment hardship is related to their military service.<br>• Borrower's total monthly first-lien mortgage payment PITI and escrowed homeowner's association dues or assessments must exceed 31 percent of the borrower's gross monthly household income, excluding temporary income (e.g., unemployment or short-term disability benefits).<br>• Borrower must agree to provide all necessary documentation to satisfy program guidelines within the timeframes established by NAHAC.<br>• Borrower must be currently receiving Nevada Department of Employment, Training and Rehabilitation (DETR) unemployment benefits, and includes borrowers whose unemployment benefits lapsed or expired within 90 days of the request for MAP assistance.<br>• General program eligibility is determined by NAHAC based on information received from the borrower. Program-specific eligibility is determined by NAHAC on a first-come, first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions.<br>• If the maximum program amount is not sufficient to both reinstate a delinquent first mortgage loan and provide at least six (6) monthly mortgage payments (including non-escrowed taxes and homeowner's association dues or assessments), NAHAC may, if approved by the loan servicer, commence monthly mortgage payments without reinstatement of the delinquent loan. |
| **6. Property / Loan Eligibility Criteria** | • The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in Nevada and it must be their primary residence. Mobile homes are eligible if they are permanently affixed to the real property that is secured by the primary mortgage. |

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| | • Current, unpaid principal balance (which includes the interest-bearing unpaid principal balance and any existing non-interest bearing forbearance balance) of the first-lien mortgage cannot exceed the current GSE loan limit.<br>• The property securing the mortgage loan must not be abandoned, vacant or condemned. |
| **7. Program Exclusions** | • A Notice of Default (“NOD”) has been recorded on the subject property’s first mortgage loan more than 60 days prior to the date of request for MAP assistance.<br>• Borrower has a subordinate lien that is in foreclosure as evidenced by a recorded NOD or Notice of Trustee’s Sale (“NOS”).<br>• Borrower is in “active” bankruptcy. Borrowers who have previously filed bankruptcy are eligible for consideration only with proof of court order “Dismissal” or “Discharge”.<br>• Borrower’s “hardship” is a result of voluntary resignation of employment.<br>• Borrower in an active HAMP trial modification is not eligible for MAP consideration unless the trial is cancelled.<br>• Borrower becomes fully employed at any time during the MAP benefit period.<br>• Borrower is actively being reviewed for a short sale, or a deed in lieu.<br>• Property is subject to a first priority lien securing a Home Equity Line of Credit (“HELOC”). |
| **8. Structure of Assistance** | NAHAC will structure the assistance as a non-recourse, non-interest bearing subordinate loan in favor of the Eligible Entity (NAHAC) secured by a junior lien recorded against the property in the amount of the total reduced PITI and any escrowed or non-escrowed homeowner’s association dues or assessments, and equal to the total amount of HHF unemployment assistance. At the conclusion of (5) five years, the subordinate loan will be released. There is no pro-rated forgiveness for this loan. Loan funds will only be repaid to Eligible Entity (NAHAC) in the event of a sale or a refinance that includes cash out and there are equity proceeds available prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance in accordance with the Agreement. |
| **9. Per Household Assistance** | Up to $54,000 per household in total, equaling the lesser of $3,000 per month or 100% of PITI (principal, interest, tax, insurance, as applicable) and any escrowed borrower’s association dues or assessments (and in all cases, subject to the HHF program maximum benefit cap of $100,000 with respect to monies previously received |

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| | under other HHF programs, if any). |
| **10. Duration of Assistance** | Borrower participation in MAP is limited to eighteen (18) months maximum. |
| **11. Estimated Number of Participating Households** | Approximately ~~5,245~~4,044. This figure is based on loans with unpaid principal balances ranging from $100,000 to $300,000 with an average funding of $8,200. |
| **12. Program Inception / Duration** | This program began on March 1, 2010 and will continue until all funds are committed or December 31, 2020, whichever occurs first. |
| **13. Program Interactions with Other HFA Programs** | Other HFA program benefits may be available to the borrower provided the HHF program maximum benefit cap of $100,000 has not been exceeded, and program funds are available. The borrower is required to apply separately for each HFA program. |
| **14. Program Interactions with HAMP** | MAP may work in conjunction with aspects of the Making Home Affordable Program to help eligible borrowers achieve desired housing debt-to-income ratios, permanent affordability and establish an appropriate level of mortgage debt. |
| **15. Program Leverage with Other Financial Resources** | Upon completion of all MAP benefit assistance payments and based on borrower need, the servicer agrees to consider an extension of any foreclosure prevention program, as applicable and per investor guidelines.<br><br>NAHAC will request that the loan servicer waive fees (e.g., NSF and late charges). |

<u>**SERVICE SCHEDULE B-5**</u>

**The Nevada Affordable Housing Assistance Corporation**

**MORTGAGE ASSISTANCE PROGRAM**

**ALTERNATIVE (MAPA)**

**Summary Guidelines**

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| **1. Program Overview** | The Nevada Mortgage Assistance Program Alternative (MAPA) is designed to help keep first mortgages current for approximately 415 individuals who are not currently working and collecting a fixed income such as that associated with one of the following:<br><br>• Retirement<br>• Disability<br>• Social Security<br><br>The program will assist those qualified families by paying the lesser of:<br><br>(a) $1,000 of the principal, interest, property taxes and property insurance (PITI) (when impounded) toward the monthly first mortgage payment or<br><br>(b) Total first mortgage payment due for the aforementioned components.<br><br>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 Participation Period).<br><br>MAPA payments are aimed at providing a financial bridge to income restricted, unemployed borrowers that are in pursuit of a homeownership sustainment program.<br><br>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.<br><br>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 |

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| | 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.<br><br>If, during or after the MAPA Participation Period, the borrower can demonstrate that he/she can sustain mortgage payments with a debt-to-income ratio (DTI) below 43%, the borrower may become eligible for additional reinstatement assistance (Reinstatement). In order to achieve a DTI below 43%, the borrower may, but is not required to enroll in a homeownership sustainment program. Reinstatement assists qualified borrowers by providing up to $12,500 to eliminate arrearages and bring the loan current. Reinstatement is only applicable when the entire amount of arrearages can be eliminated. |
| **1. Program Goals** | The MAPA goal is to assist fixed-income borrowers in keeping their homes during a period of temporary financial hardship and, thereby, prevent avoidable defaults and foreclosures. MAPA in conjunction with subsequent homeownership sustainment programs and Reinstatement aims to decrease both the number and probability of future foreclosures in Nevada. |
| **2. 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. |
| **3. Program Allocation (Excluding Administrative Expenses)** | $1,613,451 |
| **4. 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.<br><br>Thus, borrower eligibility criteria will consist of:<br><br>• Legal U.S. resident or lawful permanent U.S. resident.<br>• Borrower must be in default or facing imminent default.<br>• Borrower must be experiencing financial hardship due to circumstances beyond the borrower's control (no contrived defaults allowed).<br>• Borrower will be required to sign a financial hardship affidavit attesting to their inability to make mortgage payments. |

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| | 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.<br><br>Basic eligibility criteria will be analyzed either on-line (through the borrower's visit to the website 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. |
| **1. Property / Loan Eligibility Criteria** | • Home is currently owner occupied and serves as the borrower's primary residence.<br>• Mortgage balance is less than the current GSE loan limit. |
| **2. 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. |
| **3. 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.<br><br>This program is administered through direct payments to the servicer. All MAPA assistance will be structured as a 0% interest, forgivable loan secured by a lien recorded against the subject property. The lien has a term of three (3) years and is forgiven following final funding at a rate of thirty-three percent (33%) per year with full forgiveness at the end of year three (3) provided the borrower complies with the terms of the loan. The loan will be repayable if the borrower defaults under the terms of the loan or if the borrower sells the property before the three (3) year time period expires and there is equity in the property after payment of the 1$^{st}$ priority lien holder. All funds returned to NAHAC will be recycled until December 31, 2017; thereafter any remaining funds must be |

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| | returned to Treasury.<br><br>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. |
| **4. Per Household Assistance** | The maximum MAPA assistance should not exceed $1,000/month per recipient for up to nine (9) months for a total aggregate mortgage payment assistance of $9,000.<br><br>Reinstatement candidates will be eligible to receive a limited, one-time payment of up to $12,500.<br><br>The combined maximum amount of MAPA assistance available to a qualified borrower is $21,500. |
| **5. Duration of Assistance** | MAPA will last up to nine (9) months. |
| **6. 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 176 households.<br><br>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 for Reinstatement candidates, a total of approximately forty-two (42) households. |
| **7. Program Inception / Duration** | This program began February 2012 and terminated on October 1, 2012. |
| **8. Program Interactions with Other HFA Programs** | The MAPA program could have some form of interactions with the other HHF programs both pre- and post-assistance. Borrowers may receive assistance from more than one HHF program as long as the total combined assistance does not exceed $100,000. |
| **9. Program Interactions with HAMP** | MAPA recipients that become employed or have an improvement in their economic situation during the period of assistance may also benefit from HAMP.<br><br>MAPA funds may be applied prior to HAMP since it is most beneficial to both the borrower and mortgage servicer as payments would be made instead of capitalized and no additional late charges accrued. |
| **10. Program Leverage** | NAHAC will work directly with a loan servicer in conjunction with |

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| **with Other Financial Resources** | each MAPA borrower to ensure that MAPA funds are strictly used for MAPA-eligible purposes. NAHAC accounting staff will communicate with the servicer to ensure that the MAPA payments are credited only toward current amounts of PITI due on the borrower's first mortgage. Funds will not be applied toward past due penalties except in those instances where the borrower qualifies for Reinstatement. |

## SERVICE SCHEDULE B-6

**The Nevada Affordable Housing Assistance Corporation**

**HOME RETENTION PROGRAM**

**PROGRAM DEFUNDED ON JUNE 25, 2015**

# <u>SERVICE SCHEDULE B-7</u>

## The Nevada Affordable Housing Assistance Corporation

## NEVADA RECAST REFINANCE AND MODIFICATION PROGRAM (NRRM)

## PROGRAM DEFUNDED ON JUNE 25, 2015

**SCHEDULE B-8**

**The Nevada Affordable Housing Assistance Corporation ("NAHAC")**

**MORTGAGE REINSTATEMENT ASSISTANCE PROGRAM (MRAP)**

**Summary Guidelines**

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| **1. Program Overview** | The Mortgage Reinstatement Assistance Program ("MRAP") is one of NAHAC's federally-funded programs developed to provide temporary financial assistance to eligible borrowers who wish to remain in their homes, but are in imminent danger of losing their home to foreclosure.<br><br>MRAP provides funds to help income-qualified borrowers cure their delinquent first mortgage loan arrearages, which may also include payments needed to reinstate their loans from foreclosure. Assistance with curing delinquent, non-escrowed property taxes and homeowners' association dues is only available in conjunction with other assistance on the homeowner's mortgage loan. |
| **2. Program Goals** | MRAP will prevent avoidable foreclosures by helping borrowers reinstate their past due first mortgage loans.<br><br>MRAP will also mitigate the need for large reinstatement dollars to be capitalized with remaining loan balance, and thus, broaden the population of borrowers who qualify for modification. |
| **3. Target Population / Areas** | MRAP is designed to target low-to-moderate income borrowers and address the needs of a borrower's specific situation in lieu of targeting certain regions or counties. |
| **4. Program Allocation (Excluding Administrative Expenses)** | $ ~~14,111,197~~3,026,610 |
| **5. Borrower Eligibility Criteria** | • Borrower qualifies as low-to-moderate income based on per-household income not to exceed income limits set forth in program guidelines.<br>• Borrower must complete and sign a Hardship Affidavit / 3rd Party Authorization to document the reason for the hardship.<br>• Borrowers who have recently encountered a financial hardship due to their military service are eligible.<br>• Borrower has adequate income to sustain reinstated first- lien |

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| | mortgage loan, per NAHAC approved investor guidelines.<br>• Borrower cannot have liquid assets, other than exempt retirement assets, in excess of (i) the amount of assistance being provided, or (ii) $30,000, whichever is less.<br>• Borrower must agree to provide all necessary documentation to satisfy program guidelines within the timeframes established by NAHAC.<br>• Mortgage loan is delinquent as substantiated by borrower's hardship documentation. The delinquency and the total amount required to cure the delinquency is verified with the servicer.<br>• The first lien mortgage delinquency amount must be less than the MRAP benefit available to the borrower.<br>• Loans in foreclosure are eligible.<br>• The borrower's total monthly first-lien mortgage payment PITI (principal, interest, taxes and insurance, as applicable), and any escrowed or non-escrowed homeowner's association dues or assessments, payment must be a maximum of 38% of the gross household income excluding temporary income (e.g., unemployment or short-term disability benefits) to meet the definition of an affordable payment.<br>• On a case by case basis, NAHAC reserves the right to review and approve investor program guidelines that utilize affordable mortgage definitions greater than 38%.<br>• General program eligibility is determined by NAHAC based on information received from the borrower. Program-specific eligibility is determined by NAHAC on a first-come, first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions. |
| **6. Property / Loan Eligibility Criteria** | • Current, unpaid principal balance (which includes the interest-bearing unpaid principal balance and any existing non-interest bearing forbearance balance) of the first-lien mortgage loan cannot exceed the current GSE loan limit.<br>• The property securing the mortgage loan must not be abandoned, vacant or condemned.<br>• The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in Nevada and it must be their primary residence. Mobile homes are eligible if they are permanently affixed to the real property that is secured by the first lien. |
| **7. Program Exclusions** | • Borrower is in "active" bankruptcy. Borrowers who have previously filed bankruptcy are eligible for consideration only with proof of court order "Dismissal" or "Discharge".<br>• MRAP benefit assistance request for reinstatement with a first- |

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| | lien total monthly first lien mortgage payment PITI and any escrowed homeowner's association dues or assessments, payment of greater than 38% of the borrower's gross monthly household income, excluding temporary income (e.g., unemployment or short-term disability benefits) will be considered unaffordable and is excluded from MRAP reinstatement benefit assistance. Such borrowers with unaffordable payments may be considered for Principal Reduction Program ("PRP") assistance.<br>• The total past due arrearage of the first mortgage loan exceeds the maximum available MRAP benefit amount.<br>• Loan is less than two (2) payments past due as of the date of request for assistance.<br>• Property is subject to a first priority lien securing a Home Equity Line of Credit ("HELOC"). |
| **8. Structure of Assistance** | NAHAC will structure the assistance as non-recourse, non-interest bearing subordinate loan in favor of the Eligible Entity (NAHAC) secured by a junior lien recorded against the property in the amount of the HHF assistance. At the conclusion of (5) five years, the subordinate loan will be released. There is no pro-rated forgiveness for this loan. Loan funds will only be repaid to Eligible Entity (NAHAC) in the event of a sale or a refinance that includes cash out and there are equity proceeds available prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance in accordance with the Agreement. |
| **9. Per Household Assistance** | Up to $54,000 per household in total for PITI and any escrowed homeowner's association dues or assessments, arrearages (and in all cases, subject to the HHF program maximum benefit cap of $100,000 with respect to monies previously received under other HHF programs, if any). |
| **10. Duration of Assistance** | Available in a single, lump-sum disbursement.<br><br>NAHAC reserves the right to provide additional MRAP benefits, not to exceed the maximum program assistance amount per household, to previous MRAP recipients if the homeowner has suffered a subsequent, qualifying hardship. |
| **11. Estimated Number of Participating Households** | Approximately ~~973~~208. This figure is based on loans with unpaid principal balances ranging from $ 100,000 to $300,000 with an average funding of $ 14,500. |
| **12. Program Inception /Duration** | The statewide launch of MRAP was November 1, 2016 and it will continue until December 31, 2020 or until funding is fully reserved, whichever comes first. |

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| **13. Program Interactions with Other HFA/Programs** | Other HFA program benefits may be available to the borrower provided the HHF program maximum benefit cap of $100,000 has not been exceeded, and program funds are available. The borrower is required to apply separately for each HFA program. |
| **14. Program Interactions with HAMP** | MRAP can serve as a gateway to HAMP which may include principal reduction of borrower's mortgage. |
| **15. Program Leverage with Other Financial Resources** | NAHAC will require that the servicer waive all accrued and unpaid late charges and NSF fees for all payments funded with MRAP benefits. |

**SERVICE SCHEDULE B-9**

**The Nevada affrodable Housing Assistance Corporation**

**DOWN PAYMENT ASSISTANCE (DPA) PROGRAM**

**Summary Guidelines**

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| **1. Program Overview** | The Down Payment Assistance (DPA) Program will provide an incentive to qualified homebuyers to purchase a primary residence in targeted areas in Nevada. Providing incentives to qualified homebuyers in housing markets that have been hardest hit by serious delinquency, negative equity, distressed sales, and foreclosures will strengthen demand in those areas, stabilize housing prices and prevent future foreclosures. This Program will be offered in specific Zip Codes in Nevada. |
| **2. Program Goals** | The goal of the DPA Program is to prevent future foreclosures by assisting with the stabilization of housing prices in targeted areas. The Nevada Affordable Housing Assistance Corporation (NAHAC) will identify meaningful indicators that will enable them to track and quantify the DPA Program's impact in the targeted areas. |
| **3. Target Population/Areas** | Targeted areas ("Targeted Area") are as follows:<br>This component will be offered to the following Zip Codes: 89011, 89030, 89031, 89032, 89048, 89060, 89081, 89101, 89102, 89103, 89104, 89106, 89107, 89108, 89109, 89110, 89115, 89118, 89119, 89120, 89121, 89122, 89128, 89142, 89146, 89156, 89169, 89301.<br><br>For these specific areas NAHAC evaluated five (5) housing market distress indicators across the entirety of Nevada. The Targeted Area exceeded the statewide rate in at least four (4) out of the five (5) distressed housing market indicators which include: Delinquency rate; REO sales rate; Short sales rate; Negative Equity; and the Foreclosure rate. |
| **4. Program Allocation (Excluding** | $36,000,000 |

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| **Administrative Expense)** | |
| **5. Borrower Eligibility Criteria** | Eligible borrowers must qualify for and meet all requirements of the Nevada Affordable Housing Assistance Corporation (NAHAC) Down Payment Assistance Program. Allowable first mortgage loans will be "Qualified Mortgages" (QM) that are 30-year, fixed-rate loans from the Federal Housing Administration (FHA), U.S. Department of Veterans Affairs (VA), U.S. Department of Agriculture-Rural Development (USDA-RD) and Fannie Mae HFA Preferred. Eligible Borrowers must also meet the following criteria:<br><br>• Borrower(s) income not to exceed $98,500.<br>• Purchase Price limit to $400,000.<br>• Each borrower must complete a homebuyer education course before closing. The homebuyer education requirement may be met by taking a pre-purchase course from a list of providers approved by the Nevada Housing Division.<br>• The homebuyer will work through one of the approved and participating mortgage lenders or a mortgage lender participating in one of the NHD's comparable homebuyer programs. The lender will be the borrower's point of contact throughout the process, working with the homebuyer to obtain a qualifying mortgage and registration for the DPA loan.<br><br>Each borrower will be required to provide a satisfactory Dodd-Frank certificate. |
| **6. Property/Loan Eligibility Criteria** | • The property must be a single-family home, a condominium unit, a townhome, or a two-four family dwelling unit of which one unit is to be occupied by the mortgagor as his or her principal residence.<br>• Must be the borrower's primary residence.<br>• Property must be located in the Targeted Area.<br>• Meet all applicable DPA, Ginnie Mae (FHA, VA, USDA-RD) or Fannie Mae underwriting guidelines.<br>• Must be a resale of an existing property.<br><br>Property must be within the purchase price limit. |
| **7. Program Exclusions** | • Borrowers, properties and loans not assisted through the Home is Possible homebuyer program.<br>• Dodd-Frank exclusion for having been convicted of a mortgage-related felony in the past ten years. |
| **8. Structure of** | Down Payment Assistance, including reasonable and customary closing |

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| **Assistance** | costs, will be made available to the homeowners as follows: Assistance will be structured as a one-time up-front, forgivable loan in the amount of the assistance provided to eligible borrowers. A promissory note evidencing the loan will be for a term of three (3) years in favor of NAHAC and placed on the property as a junior lien. A forgiveness clause will extinguish the loan amount at 1/36 of the loan amount per month, provided the borrower has satisfied all terms of the loan. The terms of these loans will be zero-interest, zero-payment for the duration of the loan. The loan will be considered satisfied upon expiration of a three-year term and NAHAC will release the lien connected with the note. All or part of the loan funds will be repaid to NAHAC in the event that a sale or a refinance takes place. Homebuyer cannot have ownership interest in another property.<br><br>Any proceeds that are returned to NAHAC will be reutilized to assist additional homeowners in accordance with the Agreement. |
| **9. Per Household Assistance** | The lesser of 10 percent of the purchase price amount or $20,000. |
| **10. Duration of Assistance** | Available in a single, lump-sum disbursement.<br><br>DPA Program funds will be used to reimburse the lender, via US Bank as Master Servicer for the program, who pre-funds the DPA at closing once it is determined that all DPA component requirements have been met. |
| **11. Estimated Number of Participating Households** | It is anticipated that the DPA Program will assist approximately 1,800 households. |
| **12. Program Inception/ Duration** | The DPA Program will begin in TBD and will continue until December 31, 2020 or until funding is fully reserved, whichever comes first. |
| **13. Program Interactions with Other Programs (e.g. other HFA programs)** | The DPA program will take advantage of existing infrastructure of participating lenders who are already actively originating Home is Possible Loans. If the borrower has received HHF assistance under any other Program Component, they will be excluded from receiving assistance under this component.<br><br>Any borrower receiving funds from the DPA Program will not be eligible for other down payment assistance programs offered by the Nevada Housing Division. |
| **14. Program Interactions with** | None. |

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| **HAMP** | |
| **15. Program Leverage with Other Financial Resources** | None. |

## SCHEDULE C

## PERMITTED EXPENSES

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| ***One-Time / Start-Up Expenses:*** | |
| Initial Personnel | $361,409 |
| Building, Equipment, Technology | $114,868 |
| Professional Services | $302,034 |
| Supplies / Miscellaneous | $11,836 |
| Marketing / Communications | $23,333 |
| Travel | $7,404 |
| Website Development /Translation | $14,400 |
| Contingency | $0 |
| **Subtotal** | **$835,284** |
| | |
| ***Operating / Administrative Expenses:*** | |
| Salaries | $11,937,190 |
| Professional Services (Legal, Compliance, Audit, | $2,364,657 |
| Travel | $136,148 |
| Buildings, Leases & Equipment | $980,119 |
| Information Technology & Communications | $4,088,718 |
| Office Supplies / Postage and Delivery / Subscriptions | $270,380 |
| Risk Management/ Insurance | $314,358 |
| Training | $15,150 |
| Marketing/PR | $456,805 |
| Miscellaneous | $25,000 |
| **Subtotal** | **$20,588,525** |
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| ***Transaction Related Expenses:*** | |
| Recording Fees | $353,806 |
| Wire Transfer Fees | $167,275 |
| ***Counseling Expenses*** | |
| File Intake | $2,430,804 |
| Decision Costs | $102,661 |
| Successful File | $55,500 |
| Key Business Partners On-Going | $713,821 |
| **Subtotal** | **$3,823,867** |
| | |
| **Grand Total** | **$25,247,676** |
| **% of Total Award** | **12.87%** |
| **Award Amount** | $196,247,650 |