

MORTGAGE ORIGINATION AGREEMENT

THIS MORTGAGE ORIGINATION AGREEMENT (this “Agreement”) is entered into as of _____, 2018, by and between the **CAPITAL AREA FINANCE AUTHORITY** (the “Authority”) and the lending institution executing this Agreement (the “Lender”).

WITNESSETH:

WHEREAS, the Authority expects to make funds available under the one or more single-family mortgage loan finance initiatives (the “Program”) pursuant to which certain qualifying FHA-insured or VA- or USDA-RHS-guaranteed single family mortgage loans or Conventional single family mortgage loans complying with Freddie Mac guidelines (as further described on the attached Program Addendums) that will be made by Lenders to an eligible borrower (a “Borrower”) to purchase a single-family residence and pursuant to which such single-family mortgage loans (the “Mortgage Loans”) will be securitized by mortgage-backed, pass-through certificates (the “Mortgage Certificates” or “MBS”) ; and

WHEREAS, Lenders wishing to participate in the Program must execute this Agreement to which is attached and made a part hereof one or more mortgage loan program addendums (a “Program Addendum”) describing the specifics of mortgage loan programs available to the lender upon execution of this MOA to include but not limited to household income limits, if applicable, of a Borrower, purchase price limits for a house to be financed by a Mortgage Loan, credit scores of a Borrower, down payment and closing cost assistance levels to a Borrower, etc; Program Addenda will be coded with the Lending Program name and date and may be updated from time to time.

NOW, THEREFORE, in consideration of the undertakings, terms and conditions set forth herein, the parties mutually agree as follows:

Section 1. Covenant To Originate Mortgage Loans. The Lender hereby acknowledges and agrees to originate Mortgage Loans in accordance with the Program Addendum.

Section 2. Program Term. This Agreement and the Lender’s participation in the Program pursuant to any Program Addendum shall terminate immediately upon written notification by the Authority; provided that Lenders shall be permitted to originate a Mortgage Loan in accordance with a Program Addendum and the Authority shall make available funds to originate such Mortgage Loans if a firm commitment has been made by a Lender to a Borrower prior to the Lender receiving written notification from the Authority.

Section 3. Down Payment Assistance. If down payment or closing cost assistance is authorized by a Program Addendum, such assistance shall be applied toward down payment or closing costs in accordance with the terms of the Program Addendum. Lenders shall be reimbursed for and down payment or closing cost assistance advanced to a Borrowers upon the purchase of the mortgage loans by the Authority or a master servicer designated in the applicable Program Addendum

Section 4. Findings of the Authority. In connection with the implementation of the Program, the Authority finds that:

- (a) there exists a shortage of decent, safe and sanitary housing at prices which eligible families can afford within the Authority’s jurisdiction and in other jurisdictions within which the Authority has or will enter into a Cooperative Endeavor Agreement with the governing authority, the local finance authority or a governmental entity thereof to finance Mortgage Loans therein;
- (b) the Program will improve the quality of decent, safe and sanitary housing for eligible families of the Borrowers;
- (c) the Program will provide a public benefit;

(d) the estimate of revenues received by the Authority pursuant to the Program is sufficient to pay the costs associated with the Program.

Section 5. Amendment. This Agreement shall not be amended or otherwise modified except with the written consent of the parties hereto. Provided however, that Program Addenda may be updated from time to time and any such updated Program Addendum shall be deemed to be a part of this Mortgage Origination Agreement. Updated Program Addenda will be posted to the Authority's website and is otherwise available as indicated on each addendum. It is the responsibility of the lender to use the most recent loan criteria.

Section 6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana, without regard to conflict of law principles.

Section 7. Severability. If one or more provisions of this Agreement, or the applicability of any such provisions for any set of circumstances shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and enforceability of the remaining provisions of this Agreement or the applicability of the provisions found to be invalid or ineffective for a specific set of circumstances to other circumstances.

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

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

AUTHORITY:

CAPITAL AREA FINANCE AUTHORITY

By: _____
Mark Drennen, Executive Director

LENDER: _____

By _____

Name _____

Title _____

Please return two original copies to:
CAPITAL AREA FINANCE AUTHORITY
Attn: Kristin Delahoussaye
601 Saint Ferdinand Street
Baton Rouge, LA 70802