

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

This Eleventh Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (this “Amendment”) is entered into as of the date set forth on Schedule A attached hereto as the Eleventh 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 (12 U.S.C. 5201 et seq.), as amended, and as the same may be amended from time to time (“EESA”);

WHEREAS, on February 19, 2016 Treasury announced that it would (i) extend the HHF Program through 2020, and (ii) make \$2 billion of additional assistance available under the HHF Program (the “Fifth Round Funding”) to help prevent foreclosure and stabilize housing markets in certain states that had previously received HHF Program funding for such purposes; and

WHEREAS, Treasury, HFA and Eligible Entity wish to enter into this Amendment to memorialize the extension of the HHF Program, increase the amount of HHF Program funds available to Eligible Entity hereunder, and make certain other changes to the terms of the Current HPA and the Exhibits and Schedules attached thereto.

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. End of Term. The definition of End of Term in Section 2(A)(14) of the Current HPA is hereby deleted and replaced with the following:

“End of Term” shall mean the last day of the calendar month in which the Eligible Entity makes the last disbursement of HHF Program funds in furtherance of the Services, which shall occur no later than December 31, 2021 (or such later date as Treasury may determine in its sole discretion with written notice to Eligible Entity and HFA). For the sake of clarity, Capital Draws shall not be permitted after the End of Term other than for payment of Permitted Expenses.

B. Bring Down Certificate. Section 2(A)(15) of the Current HPA is hereby amended by (i) striking “on each anniversary of the Effective Date during the Term (as defined below)” and replacing it with “on each anniversary of the Effective Date through September 30, 2016, and from and after October 1, 2016, no later than one hundred twenty (120) days after the end of each of their respective fiscal years”, and (ii) by adding to the end “A final certification shall be delivered by each of HFA and Eligible Entity on the Final Repayment Date (as defined in the Financial Instrument).”

C. Program Participation Cap. Section 3(D) of the Current HPA is hereby deleted in its entirety and replaced with the following:

D. The value of this Agreement is limited to the amount set forth in Schedule A as the Program Participation Cap, as may be adjusted from time to time as set forth on Schedule F attached hereto (the “Program Participation Cap”). Notwithstanding anything to the contrary contained herein, the aggregate Purchase Price payable to Eligible Entity under this Agreement with respect to all Services described on the Service Schedules may not exceed the amount of the Program Participation Cap.

D. Performance Reports. Section 4(A) is hereby amended by (i) striking the third sentence and replacing it with “HFA shall submit the Performance Report to Treasury or its designee no later than forty-five (45) days after the end of each calendar quarter and otherwise as requested by Treasury. After Treasury has communicated in writing that the Performance Report is in a form acceptable to Treasury, HFA shall promptly post the Performance Report to its website”; and (ii) adding to the end “A final Performance Report shall be delivered no later than forty-five (45) days after the end of the calendar quarter in which the End of Term occurs.”

E. Financial Reporting. Section 4(G) of the Current HPA is hereby deleted in its entirety and replaced with the following:

G. Each of HFA and Eligible Entity shall provide annual audited financial statements to Treasury no later than one hundred twenty (120) days after the end of its respective fiscal year, commencing with the first fiscal year ending after the Effective Date, and concluding with the fiscal year in which the End of Term occurs. Eligible Entity shall provide quarterly unaudited financial statements to Treasury no later than forty-five (45) days after the end of each quarter, commencing with the first full quarter ending after the Effective Date and concluding with the quarter in which the End of Term occurs.

F. Term. Section 5(A) of the Current HPA is hereby deleted in its entirety and replaced with the following:

(A) The term of this Agreement (“Term”) shall begin on the Effective Date and extend to the End of Term, or earlier termination of this Agreement by Treasury pursuant to the provisions hereof, or earlier suspension or termination of the Services by Treasury. Subject to the foregoing, new Services may be undertaken (e.g., approval of assistance actions with respect to unique homeowners or properties, including, where applicable, final underwriting decisions and payment schedules), through and including December 31, 2020 (or such later date as may be determined by Treasury in its sole discretion upon prior written notice to Eligible Entity). It is understood and agreed that certain administrative, monitoring, reporting, compliance and oversight obligations and requirements set forth in this Agreement and the Financial Instrument survive the expiration or termination of this Agreement or the End of Term, and that funds are to be reserved as set forth in Schedule C to pay for the cost of the same, through and including the Final Repayment Date.

G. Modifications.

(a) Section 9(A) of the Current HPA is hereby amended by inserting “and except as expressly set forth herein,” after “Subject to Section 9.B.,”

(b) Section 9(B) of the Current HPA is hereby amended by adding the following at the end:

Notwithstanding anything to the contrary contained herein, Treasury may approve revisions proposed by Eligible Entity and HFA to any Schedule or Exhibit attached hereto, by written notice to Eligible Entity and HFA, pursuant to a procedure established by Treasury in its sole discretion and provided to Eligible Entity and HFA. The applicable Schedule or Exhibit shall be deemed modified for all purposes hereunder as of the date such written notice is received pursuant to Section 8 hereof.

(c) Section 9(C) of the Current HPA is hereby amended by deleting the last sentence in its entirety.

H. Exhibit A. Exhibit A attached to the Current HPA is hereby deleted in its entirety and replaced with Exhibit A attached to this Amendment.

I. Schedule A. Schedule A attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule A attached to this Amendment.

J. Schedule B. Schedule B attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule B attached to this Amendment.

K. Reserved.

- L. Schedule F. A new Schedule F is added to the Current HPA in the form attached to this Amendment as Schedule F.
- M. Definitions. All references in the Current HPA to the "Agreement" shall mean the Current HPA, as further amended by this Amendment; all references in the Current HPA to the "Financial Instrument" shall mean the Amended and Restated Financial Instrument in the form attached to this Amendment as Exhibit A; and all references in the Current HPA to Exhibit A or Schedules A, B or F shall mean the Exhibit A or Schedules A, B or F attached to this Amendment. All references herein to the "HPA" shall mean the Current HPA, as further amended by this Amendment.

2. Substitution of Financial Instrument.

Eligible Entity shall deliver to Treasury on the date hereof an Amended and Restated Financial Instrument in the form attached to this Amendment as Exhibit A. By executing this Amendment, Treasury, HFA and Eligible Entity authorize The Bank of New York Mellon to cancel the Financial Instrument previously delivered under the Current HPA against delivery of such Amended and Restated Financial Instrument and direct The Bank of New York Mellon to return the cancelled Financial Instrument to (or at the direction of) the Eligible Entity.

3. 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 Amendment, the Amended and Restated Financial Instrument, and any other closing documentation delivered to Treasury in connection therewith, and to perform its obligations hereunder and thereunder.

(3) HFA has the full legal power and authority to enter into, execute, and deliver this Amendment and any other closing documentation delivered to Treasury in connection therewith, and to perform its obligations hereunder and thereunder.

4. **Miscellaneous**

A. The recitals set forth at the beginning of this 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 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 Amendment, the Amended and Restated Financial Instrument, and any other closing documentation delivered in connection therewith, 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 Eleventh Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement as of the Amendment Date.

HFA:

RHODE ISLAND HOUSING AND
MORTGAGE FINANCE CORPORATION

By: /s/ Peter Walsh
Name: Peter Walsh
Title: Deputy Director

TREASURY:

UNITED STATES DEPARTMENT OF THE
TREASURY

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

ELIGIBLE ENTITY:

RHODE ISLAND HOUSING AND
MORTGAGE FINANCE CORPORATION

By: /s/ Peter Walsh
Name: Peter Walsh
Title: Deputy Director

EXHIBITS AND SCHEDULES

Exhibit A	Form of Amended and Restated Financial Instrument
Schedule A	Basic Information
Schedule B	Service Schedules
Schedule F	HHF Fifth Round Funding Reallocation Model

EXHIBIT A

FORM OF AMENDED AND RESTATED FINANCIAL INSTRUMENT

This Amended and Restated Financial Instrument is delivered by the undersigned party (“Eligible Entity”) as provided in Section 1 of the Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Commitment”), entered into as of the Effective Date, as modified by those certain Amendments to Commitment to Purchase Financial Instrument and HFA Participation Agreement dated as of the dates set forth on Schedule A to the Commitment (together, the “Agreement”), by and among the United States Department of the Treasury (“Treasury”), the party designated as HFA in the Commitment (“HFA”) and Eligible Entity.

This Amended and Restated Financial Instrument is effective as of June 1, 2016. All of the capitalized terms that are used but not defined herein shall have the meanings ascribed to them in the Agreement.

Recitals

WHEREAS, Eligible Entity executed and delivered that certain Financial Instrument dated as of the Effective Date to Treasury (“Original Financial Instrument”); and

WHEREAS, Treasury and Eligible Entity desire to amend certain terms of the Original Financial Instrument regarding repayment of the Purchase Price in connection with the extension of the HHF Program through 2020 and availability of additional assistance under the HHF Program Fifth Round Funding; and

WHEREAS, Treasury and the Eligible Entity desire to restate and replace the Original Financial Instrument in its entirety.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Eligible Entity agrees as follows:

1. Eligible Entity Obligation; Purchase Price Consideration.

- (a) Eligible Entity shall perform all Services described in the Service Schedules in consideration for the Purchase Price described in subsection (b) below, in accordance with the terms and conditions of the Agreement, to the satisfaction of Treasury. The conditions precedent to the payment by Treasury of the Purchase Price with respect to the Services are set forth in Section 3(B) of the Agreement.
- (b) This Amended and Restated Financial Instrument is being purchased by Treasury pursuant to Section 3 of the Agreement through the payment by Treasury of various payments referred to collectively in the Agreement as the “Purchase Price”. This Amended and Restated Financial Instrument is being purchased by Treasury in connection with Eligible Entity’s participation in the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets program (the “HHF Program”) created under the Emergency Economic Stabilization Act of

2008 (12 U.S.C. 5201 et seq.) as amended, as the same may be amended from time to time (“EESA”).

2. Repayment of Purchase Price.

If a recipient of HHF Program funds repays any or all of the funds received from Eligible Entity in connection with the Services (“Repaid Funds”), and such repayment occurs on or before the Final Repayment Date (hereinafter defined), Eligible Entity shall deposit such Repaid Funds in the Depository Account and use such Repaid Funds to provide Services or to fund the Permitted Expenses to the extent the full amount as indicated on Schedule C to the Agreement has not been drawn from Treasury pursuant to Section 3(A) of the Agreement. Any Repaid Funds retained by Eligible Entity to fund Permitted Expenses shall correspondingly reduce the amount that Eligible Entity may draw from Treasury pursuant to Section 3(A) of the Agreement to fund Permitted Expenses.

For the sake of clarity, if a recipient of HHF Program funds repays any or all of the funds received from Eligible Entity in connection with the Services, and such repayment occurs after the Final Repayment Date, such repaid funds shall not be considered HHF Program funds.

3. Final Repayment. In the event Eligible Entity is holding any HHF Program funds, including, but not limited to, amounts reserved for payment of Permitted Expenses and Repaid Funds, as of the date that is ninety (90) days after the End of Term (the “Final Repayment Date”), all such funds shall be returned to Treasury or its designee prior to 1:00pm Eastern Time on the Final Repayment Date. For the sake of clarity, no Capital Draws will be permitted after the Final Repayment Date.

4. Security Interest. As security for the performance of the Services and the other obligations of Eligible Entity under the Agreement, as such obligations are evidenced in this Amended and Restated Financial Instrument, Eligible Entity has granted to Treasury a first lien priority security interest in the Depository Account and in any moneys, or investments, if any, held therein.

5. Representations, Warranties and Covenants. Eligible Entity represents and warrants that the representations and warranties set forth in the Agreement, on the date hereof, are, and on the date of each Capital Draw hereunder, shall be, true, correct, accurate and complete in all material respects. The truth and accuracy of such representations and warranties are continuing obligations of Eligible Entity. Additionally, all covenants of Eligible Entity set forth in Section 2 of the Agreement are incorporated herein by reference and Eligible Entity, on the date hereof, is not, and on the date of each Capital Draw hereunder, shall not be in breach of any such covenants. In the event that any of the representations or warranties made herein or in the Agreement cease to be true and correct, or the Eligible Entity breaches any of the covenants made herein or in the Agreement, Eligible Entity agrees to notify Treasury immediately and the same shall constitute an Event of Default hereunder.

6. Limitation of Liability

IN NO EVENT SHALL TREASURY, OR ITS OFFICERS, EMPLOYEES, AGENTS OR AFFILIATES BE LIABLE TO ELIGIBLE ENTITY WITH RESPECT TO THE SERVICES OR THE AGREEMENT, OR FOR ANY ACT OR OMISSION OCCURRING IN CONNECTION WITH THE FOREGOING, FOR ANY DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO DIRECT DAMAGES, INDIRECT DAMAGES, LOST PROFITS, LOSS OF BUSINESS, OR OTHER INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OF ANY NATURE OR UNDER ANY LEGAL THEORY WHATSOEVER, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER OR NOT THE DAMAGES WERE REASONABLY FORESEEABLE; PROVIDED, HOWEVER, THAT THIS PROVISION SHALL NOT LIMIT TREASURY'S OBLIGATION TO REMIT PURCHASE PRICE PAYMENTS TO ELIGIBLE ENTITY IN ACCORDANCE WITH THE AGREEMENT.

7. Indemnification

Eligible Entity agrees as set forth on Schedule E to the Agreement, which Schedule E is hereby incorporated into this Amended and Restated Financial Instrument by reference.

IN WITNESS WHEREOF, Eligible Entity hereby executes this Amended and Restated Financial Instrument on the date set forth below.

[INSERT FULL LEGAL NAME OF ELIGIBLE ENTITY]

By: _____
Name: _____
Title: _____

Date: _____, 2016

SCHEDULE A

BASIC INFORMATION

Eligible Entity Information:

Name of the Eligible Entity: Rhode Island Housing and Mortgage Finance Corporation¹

Corporate or other organizational form: a public corporation of the state of Rhode Island, established and existing under the Rhode Island Housing and Mortgage Finance Corporation Act, as amended Chapter 42-55, State of Rhode Island General Laws.

Jurisdiction of organization: Rhode Island

Notice Information:

HFA Information:

Name of HFA: Rhode Island Housing and Mortgage Finance Corporation¹

Organizational form: a public corporation of the state of Rhode Island, established and existing under the Rhode Island Housing and Mortgage Finance Corporation Act, as amended Chapter 42-55, State of Rhode Island General Laws.

Date of Application: May 27, 2010

Date of Action Plan: September 1, 2010

Notice Information:

Program Participation Cap: \$115,975,303.00

Portion of Program Participation Cap
Representing Original HHF Funds: \$43,000,000.00

Portion of Program Participation Cap
Representing Unemployment HHF Funds: \$13,570,770.00

¹ References in the Agreement to the term “HFA” shall mean the Rhode Island Housing and Mortgage Finance Corporation (“Rhode Island Housing”) in its capacity as HFA as such term is used in the Agreement; and references in the Agreement to the term “Eligible Entity” shall mean Rhode Island Housing, in its capacity as Eligible Entity as such term is used in the Agreement.

<u>Rounds 1-4 Funding Allocation:</u>	\$79,351,573.00
<u>Round 5 Funding Allocation:</u>	\$36,623,730.00
<u>Permitted Expenses:</u>	Amount on file with Treasury
<u>Closing Date:</u>	August 3, 2010
<u>First Amendment Date:</u>	September 23, 2010
<u>Second Amendment Date:</u>	September 29, 2010
<u>Third Amendment Date:</u>	December 16, 2010
<u>Fourth Amendment Date:</u>	May 25, 2011
<u>Fifth Amendment Date:</u>	January 25, 2012
<u>Sixth Amendment Date:</u>	March 29, 2012
<u>Seventh Amendment Date:</u>	December 14, 2012
<u>Eighth Amendment Date:</u>	July 17, 2013
<u>Ninth Amendment Date:</u>	January 31, 2014
<u>Tenth Amendment Date:</u>	November 24, 2015
<u>Eleventh Amendment Date:</u>	June 1, 2016
<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.

Eligible Entity Depository Account Information: 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

Rhode Island Housing's

Loan Modification Assistance (LMA)

Summary Guidelines

1. Program Overview	<p>Loan Modification Assistance (LMA) will provide up to \$50,000 to help facilitate an affordable mortgage modification, recast or curtailment. This assistance must bring the total housing debt to income ratio to 38% or below.</p> <p>Rhode Island Housing will consider, on a case-by-case basis, investor program guidelines that utilize affordable mortgage definitions that result in a modification with a total housing debt to income ratio greater than 38%.</p> <p>Lender/Service must present modification plan for HHFRI approval and a final modification agreement prior to release of funds. Lender/Service is required to provide a fully executed modification agreement to affirm the approved use of funds.</p> <p>LMA is designed to address items that may be negatively impacting the homeowners ability to obtain a modification. Funding can be used to address:</p> <ul style="list-style-type: none">• insufficient income: unemployment or underemployment• insufficient equity• delinquent mortgage payments including escrows• escrow shortage payments• payment of non-escrowed taxes or insurances• satisfaction of delinquent condo or planned unit development (PUD) homeowners association dues and special assessments• satisfaction of subordinate liens, superior real estate tax liens or other liens related to the property
2. Program Goals	To help Rhode Island homeowners at risk of foreclosure obtain a modification.
3. Target Population/Areas	<p>Low- to moderate-income homeowners suffering a program eligible financial hardship, as defined in the program guidelines, related to reduction of income or other demonstrated financial hardship.</p> <p>Hardest Hit Funds, designed to prevent foreclosure, are offered statewide.</p>

4. Program Allocation (Excluding Administrative Expenses)	Program allocation amount on file with Treasury
5. Borrower Eligibility Criteria	<p>In order to be eligible for assistance under LMA, the borrower must have a monthly mortgage payment that is greater than 31% of their gross monthly household income.</p> <p>In the event the servicer is subject to investor or insurer income hardship calculation requirements, HHFRI will consider use of alternate models to calculate gross monthly household income. The servicer must provide documentation evidencing the alternate model used.</p> <p>All homeowners will be required to complete a Hardship Affidavit.</p> <p>Homeowner must be able to document hardship circumstances that place the borrower at risk of foreclosure. A hardship is defined as an uncontrollable increase in expense (excluding consumer debt) or an uncontrollable decrease in income that places the homeowner at risk of foreclosure. Examples of a hardship include: underemployment, reduction of income, unemployment, death or disability in family, unforeseen medical expense, costly home repairs necessary for habitability or an extended loss of rental income due to an inability to secure a tenant. A loss of home value does not, in itself, constitute a financial hardship, but may be considered to be a contributing factor in the evaluation of the request for assistance.</p> <p>Household income may not exceed 140% of area median income.</p> <p>Borrower is able to satisfy program guidelines.</p>
6. Property/Loan Eligibility Criteria	Assistance will be provided to owner-occupied one-to four-family Rhode Island properties and condominiums, provided the original mortgage was not greater than \$729,750.
7. Program Exclusions	<p>Homeowner has cash reserves and/or non-retirement liquid assets exceeding \$15,000.</p> <p>Homeowners who previously received Hardest Hit Funds and failed to satisfy the terms of the assistance and or defaulted on their HHF obligation.</p>
8. Structure of	Funds will be provided in the form of a zero-percent interest, non-

Assistance	recourse, non-amortizing loan secured by the property and forgivable at 20% per year over five (5) years, if the homeowner fulfills his or her obligations on a timely basis under the assistance agreement. Borrowers who refinance, transfer title or sell the property within the five-year period must repay the loan on a pro-rata basis provided there is sufficient equity from such refinance, title transfer or sale. If assistance is paid directly to tax authority, condominium association or other agency on behalf of the Borrower at closing or in installments said disbursements will be referenced in the Promissory Note. Funds will be returned to the HHF Program for additional use in accordance with the Agreement.
9. Per Household Assistance	LMA will provide up to \$50,000 to achieve a loan modification. When combined with other HHF programs, up to \$50,000 in total HHF assistance per household may be available for homeowners who are at risk of foreclosure.
10. Duration of Assistance	Assistance will be paid directly to the existing servicer in a one-time lump sum.
11. Estimated Number of Participating Households	We estimate that we will serve 711 homeowners based on the maximum program limit and program allocation at this time.
12. Program Inception/Duration	The program began November 1, 2010 and will last until program funds have been exhausted, but no later than December 31, 2020.
13. Program Interactions with Other HFA Programs	Additional aid may be available to eligible homeowners through other HHFRI programs up to program limits
14. Program Interactions with HAMP	Funds will be paid to the servicer through this program to help the homeowner qualify for a modification.
15. Program Leverage with Other Financial Resources	This program is designed to complement and supplement HAMP, Non-HAMP or other lender/servicer workout solutions. Lender/servicers must be willing to participate.

SERVICE SCHEDULE B-2

Rhode Island Housing's

Temporary and Immediate Homeowner Assistance (TIHA)

Summary Guidelines

1. Program Overview	<p>The Temporary and Immediate Homeowner Assistance (TIHA) can provide up to \$30,000 for partial or full reinstatement or other mortgage related default assistance. Mortgage related default assistance may help pay delinquent taxes, insurances and association dues.</p> <p>TIHA funds can be used to address:</p> <ul style="list-style-type: none">• delinquent mortgage payments including escrows• escrow shortage payments• payment of non-escrowed taxes or insurances• satisfaction of delinquent condo or planned unit development (PUD) homeowners association dues and special assessments• satisfaction of subordinate liens, superior real estate tax liens or other liens related to the property
2. Program Goals	To help a homeowner avoid foreclosure when faced with temporary or immediate crisis.
3. Target Population/Areas	<p>Low- to moderate-income homeowners suffering a program eligible financial hardship, as defined in the program guidelines, related to reduction of income or other demonstrated financial hardship.</p> <p>Hardest Hit Funds, designed to prevent foreclosure, are offered statewide.</p>
4. Program Allocation (Excluding Administrative Expenses)	Program allocation amount on file with Treasury
5. Borrower Eligibility Criteria	<p>TIHA provides one-time lump sum mortgage reinstatement assistance for eligible homeowners.</p> <p>Borrower must demonstrate that the hardship resulted in a housing debt-to-income ratio greater than 31% and caused the delinquency. Borrower's post-assistance housing payment must be affordable (based on criteria set forth in program guidelines).</p>

	<p>All homeowners will be required to complete a Hardship Affidavit.</p> <p>Homeowner must be able to document the reason for the hardship. A hardship is defined as an uncontrollable increase in expenses (excluding consumer debt) or an uncontrollable decrease in income that has placed the homeowner at risk of foreclosure.</p> <p>Examples of a hardship include: underemployment, reduction of income, unemployment, death or disability in family, unforeseen medical expense, costly home repairs necessary for habitability or an extended loss of rental income due to an inability to secure a tenant. A loss of home value does not, unto itself, constitute a financial hardship, but may be considered to be a contributing factor in the evaluation of the request for assistance.</p> <p>Household income may not exceed 140% of area median income.</p> <p>Borrower is able to satisfy program guidelines.</p>
<p>6. Property/Loan Eligibility Criteria</p>	<p>Assistance will be provided to owner-occupied one-to four-family Rhode Island properties and condominiums, provided the original mortgage was not greater than \$729,750.</p>
<p>7. Program Exclusions</p>	<p>Homeowner has cash reserves and/or non-retirement liquid assets exceeding \$15,000.</p> <p>Homeowners who previously received Hardest Hit Funds and failed to satisfy the terms of the assistance and or defaulted on their HHF obligation.</p>
<p>8. Structure of Assistance</p>	<p>Funds will be provided in the form of a zero-percent interest, non-recourse, non-amortizing loan secured by the property and forgivable at 20% per year over 5 years, if the homeowner fulfills his or her obligations on a timely basis under the assistance agreement. Borrowers who refinance, transfer title or sell the property within the five-year period must repay the loan on a pro-rata basis provided there is sufficient equity from such refinance, title transfer or sale. If assistance is paid directly to tax authority, condominium association or other agency on behalf of the Borrower at closing or in installments said disbursements will be referenced in the Promissory Note. Funds will be returned to the HHF Program for additional use in accordance with the Agreement.</p>
<p>9. Per Household Assistance</p>	<p>The amount of assistance available under TIHA is up to \$30,000 per household.</p>

	When combined with other HHF programs, up to \$30,000 in total HHF assistance per household may be available for homeowners who are at risk of foreclosure.
10. Duration of Assistance	Assistance will be paid directly to the existing servicer, taxing authority or lien holder in a one-time lump sum.
11. Estimated Number of Participating Households	We estimate that we will serve 879 homeowners based on the maximum program limit and program allocation at this time.
12. Program Inception/Duration	November 1, 2010 until program funds are exhausted.
13. Program Interactions with Other HFA Programs	Additional aid may be available to eligible homeowners through other HHFRI programs up to program limits.
14. Program Interactions with HAMP	This program does not interact with HAMP.
15. Program Leverage with Other Financial Resources	None. Lender/servicers must be willing to participate.

SERVICE SCHEDULE B-3

Rhode Island Housing's

Moving Forward Assistance

Summary Guidelines

1. Program Overview	<p>The Moving Forward Assistance Program (MFA) will provide eligible homeowners who can no longer afford to stay in their home with up to \$10,500 to assist in the transition.</p> <p>The MFA assistance can be used to facilitate a short sale or deed in lieu of foreclosure and/or assist with moving and relocation expenses. Eligible homeowners can receive up to a \$2,000 allowance to pay for moving and relocation expenses and up to \$8,500 towards satisfaction of a subordinate lien to facilitate a short sale/deed-in-lieu. Moving and relocation expenses may be disbursed directly to eligible homeowners. Moving and relocation expenses above this amount will be paid when documented. The total amount available for facilitation of short sale/deed in lieu plus moving expenses cannot exceed \$10,500. When MFA funds are used to encourage a short sale or satisfy other real estate liens the amount cannot exceed the amount of the lender charge-off.</p> <p>MFA assistance is available to homeowners who resided in the property within one of the following time frames: (i) within six (6) months of application for HHF assistance, or (ii) within ninety (90) days prior to the property having been listed as a short sale. In no case shall MFA assistance be provided where the short sale or deed-in-lieu transaction has occurred prior to the disbursement of assistance.</p> <p>In some circumstances, the best outcome for borrower, lender and community may be for the borrower to relinquish the property in an orderly process. MFA assistance can take the form of a contribution to the primary or secondary lender to help facilitate a short sale or deed in lieu of foreclosure. It could also be used to provide the borrower relocation assistance including a security deposit/first and last month's rent, moving expenses, or utility deposit MFA assistance could be used to satisfy subordinate or superior real estate tax liens against the real estate that prevent the homeowner from transferring clear title. These liens may include mechanics liens, defects,</p>
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	inheritance taxes, water fees, fire district or sewer fees, condo fees, PUD lien sale or other legal encumbrances on the property or to satisfy judgments or loan deficiency balances resulting from a short sale.
2. Program Goals	Rhode Island Housing envisions that these monies would be used to complement other federal or lender programs designed specifically to stabilize communities by providing assistance to borrowers who have suffered a financial hardship and as a result are no longer financially able to stay in their home.
3. Target Population/Areas	<p>Low- to moderate-income homeowners suffering a program eligible financial hardship, as defined in the program guidelines, who can no longer afford to stay in their home and require transition assistance.</p> <p>Hardest Hit Funds, designed to prevent foreclosure, are offered statewide.</p>
4. Program Allocation (Excluding Administrative Expenses)	Program allocation amount on file with Treasury
5. Borrower Eligibility Criteria	<p>Borrower must be able to document the reason for the hardship and will be required to complete a Hardship Affidavit.</p> <p>A hardship is defined as an uncontrollable increase in housing expense or an uncontrollable decrease in income that has placed the homeowner at risk of foreclosure. Examples of a hardship include: underemployment, reduction of income, unemployment, death or disability in family, unforeseen medical expense, and costly home repairs necessary for habitability. A loss of home value does not, unto itself, constitute a financial hardship, but may be considered to be a contributing factor in the evaluation of the request for assistance.</p> <p>Household income may not exceed 140% of area median income.</p> <p>Borrower is able to satisfy program guidelines.</p>
6. Property/Loan Eligibility Criteria	Assistance will be provided to owner-occupied one-to four-family Rhode Island properties and condominiums, provided the original mortgage was not greater than \$729,750.

7. Program Exclusions	<p>Homeowner has cash reserves and/or non-retirement liquid assets exceeding \$15,000.</p> <p>Homeowners who previously received Hardest Hit Funds and failed to satisfy the terms of the assistance and or defaulted on their HHF obligation.</p>
8. Structure of Assistance	Funds are provided to eligible homeowners as a non-recoverable grant.
9. Per Household Assistance	<p>Up to \$10,500 per family is available under this program to facilitate a short sale or deed in lieu of foreclosure and/or to assist the homeowner with relocation.</p> <p>When combined with other HHF programs, up to \$30,000 in total HHF assistance may be available for homeowners who are at risk of foreclosure.</p>
10. Duration of Assistance	Participation in this program is a one-time payment.
11. Estimated Number of Participating Households	We estimate that we will serve 88 homeowners based on the maximum program limit and program allocation at this time.
12. Program Inception/Duration	November 1, 2010 until program funds have been exhausted, but no later than December 31, 2020.
13. Program Leverage /Interactions with Other HFA Programs	MFA can provide assistance, up to the household cap, if a homeowner has used other HHF programs and subsequently can no longer afford to stay in the home.
14. Program Interactions with HAMP	MFA can provide assistance, up to the household cap, if a homeowner has obtained a HAMP or a lender/servicer workout or other HHF program assistance and subsequently can no longer afford to stay in the home.
15. Program Leverage with Other Financial Resources	Rhode Island Housing intends to leverage its current emergency and rental assistance programs which include www.homelocatorri.net and other relocation services which include Homeless Protection and Rapid Placement (HPRP) and Road Home Emergency Housing Assistance.

SERVICE SCHEDULE B-4

Rhode Island Housing

Mortgage Payment Assistance - Unemployment Program (MPA-UP) for Unemployed and/or Underemployed Homeowners

Summary Guidelines

1. Program Overview	<p>The Mortgage Payment Assistance - Unemployment Program (MPA-UP) will provide up to \$30,000 in assistance to help stabilize unemployed and/or underemployed homeowners.</p> <p>MPA-UP assistance may be used to pay partial mortgage and mortgage-related expenses until the maximum household assistance amount is reached or the homeowner returns to work.</p> <p>Monthly mortgage payment assistance term cannot be less than twelve (12) months or exceed twenty four (24) months or \$30,000, whichever is reached first.</p> <p>Homeowners' monthly payment contribution will be 31% of household income but not less than \$250.</p> <p>The homeowner may continue receiving assistance for up to two (2) months after reemployment or substantially increased employment, as long as the program household assistance limit has not been reached. Assistance funds will be paid directly to the lender/servicers. Rhode Island Housing or its designee will collect the homeowner's portion of the payment.</p> <p>MPA-UP assistance may be used to make ongoing partial mortgage payments and related expenses such as:</p> <ul style="list-style-type: none">• Escrows• Taxes and insurance• Condo association fees <p>This Program will work as both a stand alone program or to complement other HHFRI programs. Homeowners may receive assistance from one or more HHFRI Programs, up to the maximum program and household limit.</p>
2. Program Goals	<p>To assist unemployed and/or underemployed homeowners to remain in their homes and make on-time, monthly payments on their mortgages during their hardship so that they may avoid delinquency and foreclosure; and to help stabilize homeowners so that they can obtain a sustainable loan modification, if</p>

	necessary, after they have regained full employment.
3. Target Population / Areas	<p>Low- to moderate-income, unemployed and/or underemployed homeowners suffering a program eligible financial hardship.</p> <p>Hardest Hit Funds, designed to prevent foreclosure, are offered statewide.</p>
4. Program Allocation (Excluding Administrative Expenses)	Program allocation amount on file with Treasury
5. Borrower Eligibility Criteria	<p>Eligible borrowers are unemployed or underemployed homeowners, who through no fault of their own, are unable to make their mortgage payments and are at risk of imminent default or foreclosure, as specified in the program guidelines. Borrowers will be required to provide a financial hardship affidavit with appropriate documentation on the cause of their unemployment or underemployment. Unemployment will be verified by obtaining a copy of the homeowner’s unemployment benefit rate decision letter and copies of two (2) months bank statements to verify the unemployment direct deposit, or by automated verification through the Rhode Island Department of Labor and Training (DLT).</p> <p>If information from DLT is unavailable, a letter or other written verification from the former employer indicating job loss was not the fault of the borrower will serve as a substitute.</p> <p>Eligible borrowers must have monthly mortgage payments that are greater than 31% of their gross monthly household income.</p> <p>All eligible borrowers must be able to document the unemployment hardship that has placed them at risk of imminent default or foreclosure.</p> <p>Household income must be fully documented and verifiable, income limits apply based on borrowers household gross annual income and family size.</p> <p>Household income may not exceed 140% of area median income.</p> <p>Self-employed borrowers will be required to document loss of business and income and submit appropriate documentation.</p>

	<p>Homeowner will be required to contribute to their contractual monthly mortgage obligation. They must make their portion of the mortgage payment as directed by Rhode Island Housing or its designee, on time; and must actively seek reemployment during the assistance period.</p> <p>Borrower is able to satisfy program guidelines.</p>
6. Property / Loan Eligibility Criteria	Assistance will be provided to owner-occupied one-to four-family Rhode Island properties and condominiums, provided the original mortgage was not greater than \$729,750.
7. Program Exclusions	<p>Homeowner has cash reserves and/or non-retirement liquid assets exceeding \$15,000.</p> <p>Homeowners who previously received Hardest Hit Funds and failed to satisfy the terms of the assistance and or defaulted on their HHF obligation.</p>
8. Structure of Assistance	Funds will be provided in the form of a zero-percent interest, non-recourse, non-amortizing loan secured by the property and forgivable at 20% per year over five (5) years, if the homeowner fulfills his or her obligations on a timely basis under the assistance agreement. Borrowers who refinance, transfer title or sell the property within the five-year period must repay the loan on a pro-rata basis provided there is sufficient equity from such refinance, title transfer or sale. If assistance is paid directly to tax authority, condominium association or other agency on behalf of the Borrower at closing or in installments said disbursements will be referenced in the Promissory Note. Funds will be returned to the HHFRI Program for additional use in accordance with the Agreement.
9. Per Household Assistance	<p>The amount of assistance under MPA-UP is up to \$30,000 per household (including borrowers who are currently receiving assistance and who demonstrate a continued hardship per program guidelines).</p> <p>When combined with other HHF programs, \$30,000 in total HHF household assistance may be available for homeowners who are at risk of foreclosure.</p>
10. Duration of Assistance	The duration of the assistance is determined by the individual need of each eligible borrower, but is up to two (2) years of payment assistance or the maximum household limit, whichever is reached first. The homeowner may continue receiving

	<p>assistance for up to two (2) months after reemployment or substantially increased employment, as long as the program household limit has not been reached.</p> <p>Assistance will be paid directly to the existing servicer, municipality, association, insurer or lien holder and may be distributed in a lump sum or on a monthly basis until the maximum program amount is reached.</p> <p>Assistance will be terminated if an approved HHF homeowner becomes more than two (2) months delinquent in his/her portion of the monthly mortgage obligation.</p>
11. Estimated Number of Participating Households	We estimate that we will serve 2,454 homeowners based on the maximum program limit and program allocation at this time.
12. Program Inception / Duration	December 1, 2010 until program funds have been exhausted, but no later than December 31, 2020.
13. Program Interactions with Other HFA Programs	<p>MPA-UP program provides up to \$30,000 in assistance and acts as a gateway to other HHFRI programs.</p> <p>Program funds may be used in combination with other HHFRI programs up to program and household limits.</p>
14. Program Interactions with HAMP	MPA-UP complements other lender/servicer workout plans, including any offered under MHA.
15. Program Leverage with Other Financial Resources	There is no investor match required for this program. However, lender/servicers must be willing to participate.

SERVICE SCHEDULE B-5

Principal Reduction Program

Hardest Hit Fund

Summary Guidelines

1. Program Overview	In the current housing crisis, many borrowers have found themselves owing more than their homes are worth (i.e. are “underwater”); there is also growing evidence that these loans are more likely to default, and that principal reduction may further the long-term sustainability of a loan. This program, designed by Bank of America, provides financial assistance, matched by the investor, to reduce the principal balance of underwater mortgages. The assistance (up to \$25,000) will be matched on a dollar-for-dollar basis. Borrowers may access the program through the HFA either directly or by referral from servicer (with HFA approval).
2. Program Goals	<p>Leverage HHF dollars by reducing the principal balances of “underwater mortgages” (specifically mortgages for which the mark-to-market LTV is greater than 115%) and provide financial assistance to qualifying homeowners to remain in their homes during this period of steep declines in value.</p> <p>A reduction in principal can achieve desired income and loan-to-value ratios that result in an affordable payment for a customer on the existing mortgage loan or can be used in conjunction with a loan modification.</p>
3. Target Population / Areas	The target population includes customers whose loans are at least sixty (60) days or more delinquent, where hardship is documented. The goal of the program is to target and address the needs of a customer’s specific situation in lieu of targeting certain regions or counties.
4. Program Allocation (Excluding Administrative Expenses)	Program allocation amount on file with Treasury

5. Borrower Eligibility Criteria	Generally consistent with HAMP Criteria <ul style="list-style-type: none"> • At least sixty (60) days delinquent or in imminent default
6. Property/Loan Eligibility Criteria	The property must be the customer's principal residence; other criteria include: <ul style="list-style-type: none"> • Owner-Occupied, Single-Family 1-4 unit property • First Lien, Purchase or Rate & Term Refinance • Unpaid principal balance below \$729,750 • Property not vacant or condemned
7. Program Exclusions	Exclusions include: <ul style="list-style-type: none"> • Mortgage is a Cash-out-Refinance • Loan Originated after 1/1/2009 • LTV < 115% • Notice of trustee sale has been recorded and the trustee sale is scheduled within seven (7) days of date application received by servicer. <p>Homeowners who previously received Hardest Hit Funds and failed to satisfy the terms of the assistance and or defaulted on their HHF obligation.</p>
8. Structure of Assistance	Assistance will not be structured as a loan, since there is a dollar-for-dollar match on assistance. HHFRI assistance will be provided in accordance with the Servicers Principal Reduction schedule.
9. Per Household Assistance	Up to \$25,000 HHF dollars (not including investor match).
10. Duration of Assistance	HHFRI assistance will be provided in accordance with the Servicers Principal Reduction schedule.
11. Estimated Number of Participating Households	32
12. Program	Approximately one to three years or until HHF funds are fully

Inception / Duration	utilized.
13. Program Interactions with Other HFA Program	Additional aid may be available to eligible homeowners under Temporary and Immediate Homeowner Assistance (TIHA) and Moving Forward Assistance (MFA) up to program limits.
14. Program Interactions with HAMP and other Programs	HHF / Investor principal reduction will be the first step in the principal reduction assistance waterfall, prior to the HAMP alternative waterfall (per the guidance contained within the MHA Handbook) and any proprietary servicer programs. Borrower may access this program after unemployment assistance, but must be able to demonstrate their ability to sustain the modified mortgage.
15. Program Leverage with Other Financial Resources	The applicable investor matches state contributed HHF principal reduction funds on a dollar-for-dollar basis. Servicer waives certain NSF and late charges.
16. Servicer reporting to HFA	The servicer will be able to identify all loans which received assistance through a HHF program and provide the HFA updates on the status of the loan (e.g. current/delinquent, foreclosure, short sale, etc.) on a quarterly basis for a period of twelve (12) months after assistance ends.

SERVICE SCHEDULE B-6

Rhode Island Hardest Hit Fund

Down Payment Assistance (DPA) Program

Summary Guidelines

1. Program Overview	The Down Payment Assistance (DPA) Program will provide an incentive to qualified homebuyers who purchase and occupy an eligible property in targeted hardest hit areas in Rhode Island. The DPA loans are only available to eligible homebuyers who obtain first mortgage financing through Rhode Island Housing's single-family mortgage program.
2. Program Goals	<p>The goal of the DPA Program is to provide an incentive to encourage homebuyers, who are already planning to buy a home, to choose an eligible property within a hardest hit neighborhood. Eligible Properties are defined in section 6 below.</p> <p>Encouraging homeownership in housing markets that have been hardest hit by unemployment and foreclosures will strengthen demand in those areas, stabilize the housing market and prevent future foreclosures.</p> <p>Rhode Island will identify meaningful indicators that will enable them to track and quantify the DPA Program's impact in targeted areas.</p>
3. Target Population / Areas	<p>The DPA program will target those communities in the state that where most impacted by the state's foreclosure crisis. RIH evaluated all communities in the state at a zip code level and identified targeted areas based on higher than average indicators of seriously delinquent mortgage loans, negative equity, short sales, REO sales, and foreclosure rates.</p> <p>The following are targeted hardest hit areas: Warwick, Providence, Pawtucket, Johnston, West Warwick, Woonsocket, Central Falls, Cranston, North Providence, and East Providence.</p>
4. Program Allocation	Program allocation amount on file with Treasury.

<p>(Excluding Administrative Expenses)</p>	
<p>5. Borrower Eligibility Criteria</p>	<p>Eligible borrowers must qualify for and meet all applicable income and purchase price limitations and requirements of Rhode Island Housing’s single-family first-time buyer loan programs.</p> <p>Allowable first mortgage loans are 30-year, fixed-rate loans insured or guaranteed by the Federal Housing Administration (FHA), Veterans Administration (VA), U.S. Department of Agriculture – Rural Development (RD) or GSE.</p> <p>Eligible borrowers must also meet the following criteria:</p> <ul style="list-style-type: none"> • Borrowers must be First-time Homebuyers. For the purpose of the DPA Program, a First-time Homebuyer is someone who has not had an ownership interest in their primary residence in the past three years, unless purchasing a home in a Federally Designated Targeted Area as specified in the Rhode Island Housing Program Guide. • Borrowers must be credit-worthy and meet Rhode Island Housing’s underwriting guidelines and applicable Agency (FHA, VA, USDA-RD) or GSE or requirements. • Borrowers must meet income limits that do not exceed 140% of the Area Median Income (“AMI”). • Borrowers must complete a pre-purchase homebuyer education course and receive a certificate of completion. • Homebuyers must occupy the home as their primary residence and satisfy all mortgage occupancy requirements as applicable. • Borrowers must be legal U.S. citizens or lawful permanent residents or otherwise meet the applicable Agency (FHA, VA, USDA-RD) or GSE requirements. • Borrowers must be able to provide a Dodd-Frank affidavit.
<p>6. Property/Loan Eligibility</p>	<ul style="list-style-type: none"> • The property must be a single-family home, a condominium

<p>Criteria</p>	<p>unit, a townhouse, a two-four family dwelling unit of which one unit is to be occupied by the mortgagor as his or her principal residence.</p> <ul style="list-style-type: none"> • Must be the borrower’s primary residence. • An “Eligible Property” is a single-family residential property that has been the subject of any of the following Qualifying Events: a mortgage foreclosure, receivership or other state or municipal property disposition program, transfer by deed in lieu of foreclosure, or approval for short sale by a mortgage lender. The homebuyer(s) must occupy the property as their primary residence, and be the first owner(s) to have occupied the property since the Qualifying Event. • Property must be located in a HHF Targeted Area. • Property must meet Rhode Island Housing HFA Homebuyer Loan Program guidelines. • Meet all applicable Agency (FHA, VA, USDA-RD) or GSE underwriting guidelines.
<p>7. Program Exclusions</p>	<ul style="list-style-type: none"> • Borrowers, properties and/or loans do not meet DPA Program eligibility requirements or Agency/Fannie Mae underwriting criteria. • Dodd-Frank exclusion for having been convicted of a mortgage-related felony in the past ten years. • Homeowners who previously received Hardest Hit Funds and failed to satisfy the terms of the assistance and or defaulted on their HHF obligation.
<p>8. Structure of Assistance</p>	<p>Down payment assistance, including reasonable and customary closing costs, will be made available to homeowners in the form of a zero-percent (0%) interest, non-recourse, and forgivable second mortgage loan with a five-year term. This loan will be evidenced by a note and mortgage. The second mortgage will be forgivable at the rate of 20% per year over the five year term of the loan.</p> <p>If the borrower sells the home during any part of the loan term,</p>

	<p>the remaining principal balance will be due to Rhode Island Housing in the event there are sufficient equity proceeds from the sale. If there is not enough equity in the home to repay the entire amount due, Rhode Island Housing may forgive the excess portion or all of the remaining principal balance.</p>
<p>9. Per Household Assistance</p>	<p>\$20,000</p>
<p>10. Duration of Assistance</p>	<p>DPA Program funds will be released in one lump sum at closing to eligible homebuyers.</p>
<p>11. Estimated Number of Participating Households</p>	<p>We estimate that we will serve 235 homeowners based on the maximum program limit and program allocation at this time.</p>
<p>12. Program Inception / Duration</p>	<p>The DPA Program will begin in 2015 and it is projected that the allocation will be expended by December 31, 2020.</p>
<p>13. Program Interactions with Other HFA Programs</p>	<p>The DPA Program will take advantage of an existing infrastructure of participating lenders who are already actively originating both first mortgages and down payment assistance loans as part of Rhode Island Housing’s current single-family mortgage program. A borrower who obtains the \$20,000 DPA may be evaluated for other assistance programs, but may not receive additional down payment assistance from Rhode Island Housing. This does not restrict or exclude a homebuyer from being evaluated for a RIH tax credit, closing cost or other non-downpayment assistance subsidy programs. While first-time borrowers must participate in Rhode Island Housing approved pre-purchase homebuyer counseling, post-purchase counseling is also available. If the borrower has received HHF assistance under any other HHF program, the maximum amount of all assistance may not exceed \$70,000.</p>
<p>14. Program Interactions with HAMP and other Programs</p>	<p>None.</p>

15. Program Leverage with Other Financial Resources	Funds may be leveraged by Rhode Island Housing, lenders or municipal partners using additional subsidy programs.
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SCHEDULE F

HHF FIFTH ROUND FUNDING REALLOCATION MODEL

This Schedule F describes a uniform model (the “Reallocation Model”) designed to maximize the utilization of the \$2 billion made available under the HHF Program Fifth Round Funding. In general, the Reallocation Model reallocates unused Fifth Round funding to states participating in the HHF Program that meet certain defined criteria for utilization of HHF Program funds. The aggregate amount obligated under the Fifth Round Funding will not increase at any time.

I. Definitions

- (a) “2016 Utilization Threshold” shall mean having Drawn at least 70% of the Rounds 1-4 Funding Allocation.
- (b) “2017 Utilization Threshold” shall mean having Drawn at least 95% of the Rounds 1-4 Funding Allocation.
- (c) “2018 Utilization Threshold” shall mean having Drawn at least 80% of the Program Participation Cap.
- (d) “Annual Reallocation Amount” shall mean the aggregate amount, if any, by which the Program Participation Caps set forth in all HFA Participation Agreements are reduced pursuant to the Reallocation Model, as applied with respect to each Utilization Threshold.
- (e) “Drawn” shall mean having made Capital Draws pursuant to Section 3(A) of the Agreement.
- (f) “HFA Participation Agreements” shall mean, collectively, the Commitments to Purchase Financial Instrument and HFA Participation Agreements entered into by the States, as amended from time to time.
- (g) “Population” shall mean the most recent *Annual Estimate of the Resident Population for a State* as determined by the United States Census Bureau from time to time.
- (h) “Recipient State” shall mean each State that has achieved the Utilization Threshold for the applicable year, provided that such State is not then in default under its HFA Participation Agreement. Notwithstanding the foregoing, in the event a State declines an increase to its Program Participation Cap and Round 5 Funding Allocation for which it is eligible pursuant to this Schedule F, such State shall not be considered a Recipient State.
- (i) “Rounds 1-4 Funding Allocation” is the amount set forth on Schedule A as “Rounds 1-4 Funding Allocation.”
- (j) “Round 5 Funding Allocation” is the amount set forth on Schedule A as “Round 5 Funding Allocation”, as adjusted from time to time in accordance with this Schedule F.

- (k) “Share of Annual Reallocation Amount” shall mean a Recipient State’s share of the applicable Annual Reallocation Amount, as determined using the methodology described in Section IV below. If the Annual Reallocation Amount is zero, then the Share of Annual Reallocation Amount will be zero for the applicable year.
- (l) “State” shall mean any or each of Alabama, Arizona, California, Florida, Georgia, Illinois, Indiana, Kentucky, Michigan, Mississippi, New Jersey, Nevada, North Carolina, Ohio, Oregon, Rhode Island, South Carolina, Tennessee, and Washington, D.C.
- (m) “Utilization Threshold” means each of the 2016 Utilization Threshold, the 2017 Utilization Threshold and the 2018 Utilization Threshold.

II. Reduction of Program Participation Cap and Round 5 Funding Allocation:

- (a) If Eligible Entity does not achieve the 2016 Utilization Threshold on or before December 31, 2016, each of the Program Participation Cap and Round 5 Funding Allocation shall be reduced by an amount equal to 50% of the Round 5 Funding Allocation as of such date.
- (b) If Eligible Entity does not achieve the 2017 Utilization Threshold on or before December 31, 2017, each of the Program Participation Cap and the Round 5 Funding Allocation shall be reduced by up to 100% of the Round 5 Funding Allocation as of such date.
- (c) If Eligible Entity does not achieve the 2018 Utilization Threshold on or before December 31, 2018, each of the Program Participation Cap and Round 5 Funding Allocation shall be reduced by an amount equal to that portion of the Round 5 Funding Allocation which has not yet been Drawn nor obligated with respect to a unique homeowner or property as of such date.

III. Increase of Program Participation Cap and Round 5 Funding Allocation:

- (a) If Eligible Entity achieves the 2016 Utilization Threshold on or before December 31, 2016, each of the Program Participation Cap and Round 5 Funding Allocation shall be increased by the State’s Share of the Annual Reallocation Amount with respect to such date.
- (b) If Eligible Entity achieves the 2017 Utilization Threshold on or before December 31, 2017, each of the Program Participation Cap and the Round 5 Funding Allocation shall be increased by the State’s Share of the Annual Reallocation Amount with respect to such date.
- (c) If Eligible Entity achieves the 2018 Utilization Threshold on or before December 31, 2018, each of the Program Participation Cap and Round 5 Funding Allocation shall be increased by the State’s Share of the Annual Reallocation Amount with respect to such date.

IV. Methodology for Determining Recipient State’s Share of Annual Reallocation Amount

If Eligible Entity has achieved the Utilization Threshold and the Annual Reallocation Amount is greater than zero for the applicable year, the Program Participation Cap and Round 5 Funding Allocation will be increased by an amount calculated as follows:

First, calculate the “Per Capita Amount” for each Recipient State. The Per Capita Amount shall be calculated as the Annual Reallocation Amount divided by the sum of the Population of all Recipient States.

Second, calculate the “Utilization Percentage” for each Recipient State.

The Utilization Percentage with respect to the 2016 Utilization Threshold and the 2017 Utilization Threshold shall be calculated as the lesser of (I) the ratio of (x) aggregate Capital Draws made by the Recipient State under its HFA Participation Agreement as of December 31, 2016 and December 31, 2017, respectively, to (y) the Recipient State’s Rounds 1-4 Funding Allocation as of such dates, or (II) 100%.

The Utilization Percentage with respect to the 2018 Utilization Threshold shall be calculated as the ratio of (x) aggregate Capital Draws made by the Recipient State under its HFA Participation Agreement as of December 31, 2018, to (y) such Recipient State’s Program Participation Cap as of such date.

Third, calculate a “Utilization Score” for each Recipient State by standardizing the Utilization Percentages using the z-score methodology, a standard statistical standardization procedure. The Utilization Score for each Recipient State is calculated as (I)(x) the Utilization Percentage for such Recipient State, less (y) the mean Utilization Percentage for all Recipient States (“Average”), divided by (II) the standard deviation of the Utilization Percentages for all Recipient States. If a Recipient State’s Utilization Percentage is greater than the Average, the Utilization Score will be positive. If a Recipient State’s Utilization Percentage is less than Average, the Utilization Score will be negative.

Fourth, calculate a “Need Factor” for each Recipient State. The Need Factor is a fixed dollar amount which will be multiplied by each Utilization Score to determine the dollar amount by which each Recipient State’s Per Capita Amount will be adjusted. The Need Factor is calculated as the dollar amount that would result in the highest adjusted Per Capita Amount for a Recipient State being no more than three (3) times that of the lowest adjusted Per Capita Amount for a Recipient State (*i.e.*, a Min/Max Factor of 3).

Fifth, calculate an “Adjusted Per Capita Amount” for each Recipient State by adding to or subtracting from the Recipient State’s Per Capita Amount the product of (x) the Need Factor and (y) the Recipient State’s Utilization Score. Recipient States with positive Utilization Scores will have dollars added to the Recipient State’s Per Capita Amount, and Recipient States with negative Utilization Scores will have dollars subtracted from the Recipient State’s Per Capita Amount.

Sixth, calculate the “Share of the Annual Reallocation Amount” for each Recipient State by first multiplying the Recipient State’s Adjusted Per Capita Amount by the Recipient State’s

Population to arrive at a “Preliminary Share”. The Preliminary Share for each Recipient State is then normalized to arrive at the Share of the Annual Reallocation Amount by multiplying (x) a ratio, the numerator of which is the Preliminary Share for such Recipient State and the denominator of which is the sum of the Preliminary Shares for all Recipient States, and (y) the Annual Reallocation Amount.

V. Notices; Modifications

- (a) Treasury will notify Eligible Entity in writing of any adjustment to the Program Participation Cap and Round 5 Funding Allocation pursuant to this Schedule F. Related adjustments to program allocations and other amounts set forth in the Service Schedules, and Permitted Expenses set forth on Schedule C, shall be made as set forth in such written notice.
- (b) For the avoidance of doubt, a written amendment to the Agreement shall not be required to effectuate an adjustment of the Program Participation Cap or Round 5 Funding Allocation pursuant to this Schedule F. The Program Participation Cap and Round 5 Funding Allocation set forth on Schedule A to the Agreement shall be deemed to be modified upon receipt of the written notice sent pursuant to Section V(a) above.
- (c) Treasury reserves the right to unilaterally modify or supplement the terms and provisions of this Schedule F, at any time with prior written notice to the Eligible Entity.