

SERVICE SCHEDULE B-1

**SC State Housing Finance and Development Authority
Monthly Payment Assistance Program
Summary Guidelines**

<p>1. Program Overview</p>	<p>The Monthly Payment Assistance Program will assist eligible households that are experiencing a temporary reduction in income or financial hardship by making the full monthly first mortgage payment for a specified period of time or until the Assistance cap is reached. This Program will give eligible households the time and opportunity to replace lost income and/or make other household financial adjustments and decisions while remaining current on first mortgage payments. Eligibility will be reevaluated periodically during the assistance period.</p>
<p>2. Program Goals</p>	<p>To bridge eligible borrowers across a gap in employment, other temporary reduction in income, or catastrophic financial expenses, allowing them to stay current on their mortgage and avoid foreclosure.</p>
<p>3. Target Population/ Areas</p>	<p>This Program will be available in all 46 counties in South Carolina, and is intended to assist borrowers with a short-term affordability problem.</p>
<p>4. Program Allocation (Excluding Administrative Expenses)</p>	<p>\$114,538,443</p>
<p>5. Borrower Eligibility Criteria</p>	<ul style="list-style-type: none"> • Payment to Income ratio must exceed an affordable level as outlined in program and underwriting guidelines. • Borrower must provide documentation to evidence qualifying hardship per program guidelines. • All final eligibility determinations will be made by SCHC. • Funds will be available on a first-come first served basis. • Borrowers must not exceed the following liquid asset requirement for each eligible hardship: <ul style="list-style-type: none"> ○ For employment-related, death of a spouse or co-borrower or divorce related hardships, assets cannot exceed 12 times the monthly payment. ○ For catastrophic financial expenses, assets cannot exceed 6 times the monthly payment. <p>An eligible borrower must have at least one of the following qualifying financial hardships:</p>

	<ul style="list-style-type: none"> • Unemployment • Underemployment • Significant reduction in self-employment income • Death of a Spouse or co-borrower • Divorce • Catastrophic financial expenses <p>Additional eligibility criteria:</p> <ul style="list-style-type: none"> • To qualify as unemployed, a borrower must be unemployed and receiving unemployment insurance (“UI”) payments as administered by the State of South Carolina, or unemployed with available UI benefits exhausted within the previous 12 months. • To qualify as underemployed, a borrower must show a minimum 20% reduction in available household income. • To qualify as self-employed with a significant reduction in income, a borrower must show that gross receipts for a primary borrower’s business have been reduced a minimum of 20%. • To qualify for death of a spouse or co-borrower, a borrower must show a minimum 20% reduction in the available household income. • To qualify for divorce, a borrower must demonstrate a minimum 20% reduction in the available household income. • To qualify for catastrophic financial expense, a borrower must show that the catastrophic financial expense occurred through no fault of their own. Borrowers with an affordable payment to income ratio may be evaluated on a case by case basis as set forth in the program guidelines. <ul style="list-style-type: none"> ○ Catastrophic financial expense must be at least 3 times the monthly mortgage payment. ○ No portion of the assistance received as a result of a catastrophic financial expense hardship shall be reimbursed from other funding sources, including any subsidy or insurance reimbursement.
<p>6. Property/Loan Eligibility Criteria</p>	<ul style="list-style-type: none"> • Eligible loans must be fixed term, amortizing loans, and the original loan amount cannot exceed \$729,750. • Eligible properties must be owner-occupied 1-4 family primary residences located in South Carolina.
<p>7. Program Exclusions</p>	<p>Borrowers without a documented eligible hardship as described above in Section 5.</p>

<p>8. Structure of Assistance</p>	<p>Assistance under this Program will be provided in the form of a nonrecourse zero-percent interest, non-amortizing, forgivable loan secured by a subordinate lien on the subject property. The loan will be forgiven over a five (5) year period at a rate of 20% per year. If property is sold or refinanced prior to the loan termination date, funds will be recovered should sufficient equity be available from the transaction.</p> <p>Any loan payoff proceeds will be recycled for use within the Program and used to provide assistance to additional homeowners in accordance with the Agreement.</p>
<p>9. Per Household Assistance</p>	<p>Assistance under this Program will be capped at \$36,000 per household. The sum of assistance provided through all Programs when a household is participating in multiple Programs is capped at \$36,000 per household.</p> <p>Expected Median: \$17,000.</p>
<p>10. Duration of Assistance</p>	<p>Assistance under this Program for employment related, death of a spouse or co-borrower and divorce hardships will be capped at 24 months.</p> <p>Assistance received for catastrophic related financial expenses will be capped at 6 months.</p>
<p>11. Estimated Number of Participating Households</p>	<p>It is expected that that 7,000 – 8,000 families will be assisted under this Program.</p>
<p>12. Program Inception/ Duration</p>	<p>This Program was originally rolled out statewide on January 20, 2011 and is expected to be available for 84 to 96 months.</p>
<p>13. Program Interactions with Other Programs (e.g. other HFA programs)</p>	<p>This Program will interact with:</p> <ul style="list-style-type: none"> • Direct Loan Assistance Program - Households that are delinquent at the time monthly assistance begins may be eligible for Direct Loan Assistance to help with any arrearage that exists. • Property Disposition Assistance Program - Households that are not self-supporting after exhausting allowable funding under this Program may be eligible for the Property Disposition Assistance Program. • Total Assistance for households participating in multiple Programs is capped at \$36,000 per household.

<p>14. Program Interactions with HAMP</p>	<p>The Program could effectively “hand off” the borrower to HAMP once the borrower is reemployed, if required. Households successfully coming out of the Program may be eligible for HAMP to obtain a permanent modification.</p> <p>The funds from this Program would be utilized prior to UP. Implementing the Program in this order is most beneficial to the borrower and the investor since payments would continue to be made instead of capitalized and no late charges or adverse credit report would occur. Should the borrower still be unemployed after the assistance from this Program ends, they may be eligible to roll into UP.</p> <p>Beneficiaries who participated in UP prior to making application to SC HELP would be eligible to participate in this Program.</p> <p>It is also expected that this Program may act as a front-end extension of existing forbearance with deed-in-lieu wrap programs.</p>
<p>15. Program Leverage with Other Financial Resources</p>	<p>None.</p>

SERVICE SCHEDULE B-2

SC State Housing Finance and Development Authority Direct Loan Assistance Program Summary Guidelines

<p>1. Program Overview</p>	<p>In some cases borrowers may have fallen behind on their mortgage payments, and have since regained the ability to make the full payment, or are eligible for funding under the Monthly Payment Assistance (“MPA”) program and have an accrued arrearage owed to the lender. Under the Direct Loan Assistance Program, funding in the form of a one-time payment will be provided to bring such loans current. Funds may also be made available for principal reductions ancillary to a reinstatement and to reduce or eliminate any forbearance in order ensure long-term affordability.</p>
<p>2. Program Goals</p>	<p>To help borrowers become current on their mortgage during or following a brief interruption or reduction in income and to ensure long-term affordability.</p>
<p>3. Target Population/ Areas</p>	<p>This Program will be available in all 46 counties in South Carolina.</p>
<p>4. Program Allocation (Excluding Administrative Expenses)</p>	<p>\$101,612,853</p>
<p>5. Borrower Eligibility Criteria</p>	<p>An eligible borrower must have at least one of the following qualifying hardships:</p> <ul style="list-style-type: none"> • Unemployment • Underemployment • Significant reduction in self-employment income • Death of a spouse or co-borrower • Divorce • Catastrophic health-related expenses or income interruption <p>Additional Eligibility criteria:</p> <ul style="list-style-type: none"> • Payment to Income ratio must not exceed an affordable level as outlined in program and underwriting guidelines unless borrower is approved for funding under the MPA program. • Borrower must provide documentation to evidence qualifying hardship per program guidelines. • Borrower must demonstrate that circumstances that led to

	<p>the delinquency have been resolved unless borrower is approved for funding under the MPA program.</p> <ul style="list-style-type: none"> • All final eligibility determinations will be made by SCHC. • Funds will be available on a first-come first served basis.
6. Property/Loan Eligibility Criteria	<ul style="list-style-type: none"> • Eligible loans must be fixed term, amortizing loans and the original loan amount cannot exceed \$729,750. • Eligible properties must be owner-occupied 1-4 family primary residences located in South Carolina.
7. Program Exclusions	Borrowers without a documented eligible hardship as described above in Section 5.
8. Structure of Assistance	<p>Assistance under this Program will be provided in the form of a nonrecourse zero-percent interest, non-amortizing, forgivable loan secured by a subordinate lien on the subject property. The loan will be forgiven over a five (5) year period at a rate of 20% per year. If property is sold or refinanced prior to the loan termination date, funds will be recovered should sufficient equity be available from the transaction.</p> <p>Any loan payoff proceeds will be recycled for use within the Program and used to provide assistance to additional homeowners in accordance with the Agreement.</p>
9. Per Household Assistance	<p>Assistance under this Program will be capped at \$36,000 per household for eligible borrowers deemed INELIGIBLE for the MPA program.</p> <p>Assistance under this Program will be capped at \$25,000 per household for eligible borrowers also deemed ELIGIBLE for the MPA program.</p> <p>The sum of assistance provided through all Programs when a household is participating in multiple Programs is capped at \$36,000 per household.</p> <p>Expected Median: \$8,000.</p>
10. Duration of Assistance	Program is a one-time payment per household.
11. Estimated Number of Participating Households	It is expected that that 11,000 – 12,000 families will be assisted under this Program.

12. Program Inception/ Duration	This Program was originally rolled out statewide on January 20, 2011 and is expected to be available for 84 to 96 months.
13. Program Interactions with Other Programs (e.g. other HFA programs)	<p>This Program will interact with the following South Carolina HFA Hardest-Hit Fund Programs:</p> <ul style="list-style-type: none"> • Monthly Payment Assistance Program – Households with an arrearage and a temporarily reduced level of income may be eligible for the Program and the MPA program to cure the immediate delinquency and to insure that further delinquencies are not incurred. • Property Disposition Assistance Program - Households that are not self-supporting after exhausting allowable funding under this Program may be eligible for the Property Disposition Assistance Program. • Total Assistance for households participating in multiple Programs is capped at \$36,000 per household.
14. Program Interactions with HAMP	Households successfully coming out of the Program may be eligible for HAMP to obtain a permanent modification.
15. Program Leverage with Other Financial Resources	Servicer/Investor will be required to waive all non-expense fees (i.e. late fees).

SERVICE SCHEDULE B-3

SC State Housing Finance and Development Authority Modification Assistance Program Summary Guidelines

1. Program Overview	<p>The majority of lenders in South Carolina are offering troubled borrowers the opportunity to modify their loans under certain circumstances, with the most notable of these programs being the Home Affordable Modification Program (“HAMP”). Under the Modification Assistance Program, funding in the form of a one-time payment will be provided to help borrowers qualify for a modification, a recast (re-amortization) of their outstanding first mortgage principal balance, or a full lien extinguishment to improve a borrower’s likelihood of long term mortgage sustainability.</p> <p>Funds provided under this Program can be used to reinstate delinquent amounts, reduce or eliminate any forbearance amounts, provide limited reductions in outstanding first mortgage principal or fully extinguish liens.</p>
2. Program Goals	To improve a borrower’s likelihood of receiving a modification or lower payment, and to help ensure long term affordability for eligible borrowers.
3. Target Population/ Areas	This Program will be available in all 46 counties in South Carolina.
4. Program Allocation (Excluding Administrative Expenses)	\$12,000,000.00
5. Borrower Eligibility Criteria	<p>Eligible borrowers must have a program eligible financial hardship due to unemployment, loss of income, reduction of income, or other demonstrated financial hardships through no fault of their own. Borrowers will be required to provide documentation to support the hardship.</p> <p>Additional eligibility criteria:</p> <ul style="list-style-type: none">• Borrower must be employed or receiving income from a fixed income source.• Current housing debt-to-income ratio must be greater than 25%.• Post-assistance housing debt-to-income ratio must be less than or equal to 45%.• Borrower must meet all additional requirements

	<p>established by the servicer.</p> <p>Borrowers primary source of income - fixed - may be eligible for a full lien extinguishment, recast or modification:</p> <ul style="list-style-type: none"> • Gross household income is equal to or less than 125% of the state median income limit for South Carolina. <p>Borrowers primary source of income – all other sources - may be eligible for a recast or modification:</p> <ul style="list-style-type: none"> • Pre-assistance LTV must be greater than 80%. • Post-assistance LTV must be equal to or greater than 80%. • Post-assistance LTV may go below 80% if no more than \$20,000 in assistance is provided for principal reduction in order to achieve a post assistance housing debt-to-income ratio between 25% and 45%. <p>Funds will be allocated on a first-come/approved, first-served basis. Borrowers must meet program underwriting criteria.</p>
<p>6. Property/Loan Eligibility Criteria</p>	<ul style="list-style-type: none"> • Eligible loans must be fixed term, fully amortizing, and the original loan amount cannot exceed \$729,750. • Eligible properties must be owner-occupied 1– 4 family primary residences located in South Carolina.
<p>7. Program Exclusions</p>	<ul style="list-style-type: none"> • Borrowers without a documented eligible hardship as described above in Section 5. • Borrowers have previously received funding through the Direct Loan Assistance and/or the Monthly Payment Assistance programs in an amount that exceeds limits as defined in underwriting guidelines for each program.
<p>8. Structure of Assistance</p>	<p>Assistance under this Program will be provided in the form of a nonrecourse zero-percent interest, non-amortizing, forgivable loan secured by a subordinate lien on the subject property. The loan will be forgiven over a ten (10) year period at a rate of 20% per year starting after the end of the sixth (6th) year. If property is sold or refinanced prior to the loan termination date, funds will be recovered should sufficient equity be available from the transaction.</p> <p>Any loan payoff proceeds will be recycled for use within the Program and used to provide assistance to additional homeowners in accordance with the Agreement.</p>

9. Per Household Assistance	<p>Assistance under this Program will be capped at \$36,000 per household.</p> <p>Expected Median: \$25,000.</p>
10. Duration of Assistance	<p>Program is a one-time payment per household.</p>
11. Estimated Number of Participating Households	<p>It is expected that 350 - 450 families will be assisted under this Program.</p>
12. Program Inception/ Duration	<p>This Program was rolled out in January 2014, and is expected to run for 48 to 60 months.</p>
13. Program Interactions with Other Programs (e.g. other HFA programs)	<p>This Program will interact with the following South Carolina HFA Hardest-Hit Fund Programs:</p> <ul style="list-style-type: none"> • Monthly Payment Assistance Program - Households that are not self-supporting after exhausting allowable funding under the Monthly Payment Assistance Program may be eligible for this Program, subject to any previous assistance caps defined in underwriting guidelines. • Direct Loan Assistance Households that are not self-supporting after exhausting allowable funding under the Direct Loan Assistance Program may be eligible for this Program, subject to any previous assistance caps defined in underwriting guidelines.
14. Program Interactions with HAMP	<p>This Program can be used in conjunction with HAMP to improve a borrower's likelihood of success and to help ensure long term affordability for borrowers.</p>
15. Program Leverage with Other Financial Resources	<p>Servicer/Investor will be required to waive all non-expense fees (i.e., late fees).</p>

SERVICE SCHEDULE B-4

SC State Housing Finance and Development Authority Property Disposition Assistance Program Summary Guidelines

1. Program Overview	There may be a segment of borrowers whose position is unrecoverable, and who need assistance in gracefully exiting homeownership. The Property Disposition Assistance Program will be used to assist households who are able to complete a short sale or deed-in-lieu of foreclosure. The funds are provided as a one-time payment and are intended to provide deposits and other funds needed to transition from homeownership to renting.
2. Program Goals	To assist households who are able to complete a short sale or deed-in-lieu of foreclosure by providing deposits and other funds needed to transition from homeownership to renting.
3. Target Population/ Areas	This Program will be available in all 46 counties in South Carolina, and is intended to assist borrowers with a long-term or permanent affordability problem with little expectation for financial recovery.
4. Program Allocation (Excluding Administrative Expenses)	\$2,000,000
5. Borrower Eligibility Criteria	<ul style="list-style-type: none">• Borrower must provide documentation to evidence qualifying hardship per program guidelines.• Delinquency event must be ongoing with little or no expectation for financial recovery (i.e. prolonged under-employment, divorce, death of a spouse, etc.).• Application for assistance must be completed prior to completion of short sale or deed-in-lieu of foreclosure.• Short sale or deed-in-lieu of foreclosure must be complete prior to final approval and funding.• All final eligibility determinations will be made by SCHC.• Funds will be available on a first-come first served basis.
6. Property/Loan Eligibility Criteria	Eligible properties must be owner-occupied 1– 4 family primary residences located in South Carolina.
7. Program Exclusions	Borrower receiving assistance under the Home Affordable Foreclosure Alternative (HAFA) Program.

8. Structure of Assistance	Assistance under this Program will be provided directly to the homeowner, and will not be structured as a loan, nor will it be secured by the subject property. No payments may be made directly to homeowners until a short sale or deed-in-lieu is completed.
9. Per Household Assistance	Assistance under this Program will be capped at \$5,000 per household. Expected Median: \$5,000.
10. Duration of Assistance	Program is a one-time payment.
11. Estimated Number of Participating Households	It is expected that that 350 - 450 families will be assisted under this Program.
12. Program Inception/ Duration	This Program will be available statewide during the third quarter of 2011. It is expected that it will run for 72 to 84 months.
13. Program Interactions with Other Programs (e.g. other HFA programs)	This Program will interact with the following South Carolina HFA Hardest Hit Fund Programs: <ul style="list-style-type: none"> • Monthly Payment Assistance Program - Households that are not self-supporting after exhausting allowable funding under the Monthly Payment Assistance Program may be eligible for this Program. • Direct Loan Assistance - Households that are not self-supporting after exhausting allowable funding under the Direct Loan Assistance Program may be eligible for this Program.
14. Program Interactions with HAMP	None.
15. Program Leverage with Other Financial Resources	None.

SERVICE SCHEDULE B-5

SC State Housing Finance and Development Authority Neighborhood Initiative Program (NIP) Summary Guidelines

1. Program Overview	Under the Neighborhood Initiative Program (“NIP”), the South Carolina State Housing Finance and Development Authority (“SCSHFDA”) will work with units of local government and qualified non-profit organizations (together, “Partners”) to strategically target residential (single and multifamily) properties for demolition, site improvement, and acceptable reuse within the state of South Carolina.
2. Program Goals	The primary purpose and goal of NIP is to decrease foreclosures and stabilize homeowner property values in communities across South Carolina through the demolition of vacant, abandoned, and blighted residential structures, and subsequent greening/improvement. SCSHFDA will work with program Partners to identify meaningful indicators that will enable them to track and quantify the NIP’s impact in the designated communities.
3. Target Population/ Areas	NIP will be available in all 46 counties in South Carolina, but will only be authorized in areas with a demonstrated need and comprehensive implementation plan in place. SCSHFDA program guidelines will ensure that demolition and greening/improvement will promote increased values of neighboring properties and will have a positive effect on preserving existing neighborhoods.
4. Program Allocation (Excluding Administrative Expenses)	\$30,000,000

<p>5. Property Eligibility Criteria</p>	<ul style="list-style-type: none"> • Vacant, abandoned, and blighted standard residential (1-4 units) and multifamily residential (4+ units) properties located in South Carolina. • Properties that qualify for demolition under state and federal law. <p>For any requests submitted on or after January 15, 2016, properties must not be legally occupied at the time of any review or approval by the HFA or eligible entity (as applicable) for blight elimination activity.</p> <p>Subject to the foregoing, SCSHFDA will determine property eligibility using information provided by the participating Partners. SCSHFDA’s determination will be based on factors including, but not limited to:</p> <ul style="list-style-type: none"> • Habitability • Structural condition • Impact on community preservation and public safety
<p>6. Ownership/Loan Eligibility Criteria</p>	<ul style="list-style-type: none"> • Participating Partner must hold title to the property (may acquire title as part of the NIP transaction). • Property must be subject to a loan that can be modified or extinguished.
<p>7. Program Exclusions</p>	<ul style="list-style-type: none"> • Commercial (non-residential) structures. • Properties listed on a national, state, or local historic register.
<p>8. Structure of Assistance</p>	<p>SCSHFDA will determine acceptability of project sites (targeted neighborhoods, communities, etc.) in direct consultation with participating Partners.</p> <p>Participating Partners will be responsible for property acquisition (if applicable), demolition work, final site improvements/site greening, and on-going property maintenance.</p> <p>Partners will submit to SCSHFDA the following for each proposed demolition site:</p> <ul style="list-style-type: none"> • Property ownership and/or acquisition information including full address and deed. • Pre-demolition inspection with photos. • Cost estimates and/or evidence of the expenditures necessary to carry out any environmental remediation required by law. • Any other miscellaneous information identified regarding the property (e.g., hazards, adverse findings, easements...etc.). • Invoice for demolition costs.

	<ul style="list-style-type: none"> • Proof of any acquisition cost (if applicable). • Post-demolition inspection with photos. • Summary post-demolition plan/goal for the property. <p>Upon receipt of the above documentation, SCSHFDA will provide Hardest Hit funding to the participating Partner after said Partner's execution of a mortgage and note in favor of SC Housing Corp., which note shall be in an amount equal to the total assistance requested.</p> <p>Total assistance will provide for acquisition costs (if applicable), demolition, final site improvements/site greening costs, a \$3,000 one-time property maintenance fee to cover maintenance expenses for a period of three (3) years, and \$1,750 for administrative expenses. The participating Partner may request up to two disbursements per property after meeting project milestones as described in NIP guidelines. The mortgage in favor of SC Housing Corp. must be executed prior to any disbursement.</p> <p>The note will be 0%, non-amortizing loan, forgivable over a three (3) year term at 33.33% per year as long as covenants are met; outstanding balance of loan will be due on sale, transfer, or unauthorized use of the property. The mortgage will be recorded through public records and ongoing loan servicing (i.e., repayments and lien releases) and monitoring will be handled by SCSHFDA. Any repayment of NIP funds will be re-invested back into the NIP allocation in accordance with the Agreement.</p> <p>Special considerations may be made by SCSHFDA to release or subordinate its lien prior to the end of the term based on the merit of the request and to promote positive economic impact on the local community, as set forth in the NIP guidelines.</p>
<p>9. Per Property Assistance</p>	<p>Maximum of \$35,000 per residential property. Maximum assistance amount includes acquisition costs (if applicable); demolition and greening/improvement costs; \$1,750 for administrative expenses; and a one-time \$3,000 maintenance fee to cover maintenance expenses for a period of three (3) years.</p>
<p>10. Duration of Assistance</p>	<p>One-time assistance per property payable in multiple disbursements.</p>
<p>11. Estimated Number of Properties Assisted</p>	<p>It is expected that 850 – 1,100 properties will be served.</p>
<p>12. Program Inception/Duration</p>	<p>NIP will be available statewide during the third quarter of 2014. It is expected that it will run for 60 months.</p>

13. Program Interactions with Other Programs (e.g. other HFA programs)	NIP will not interact with other SCSHFDA Hardest-Hit Fund Programs. SCSHFA-owned or mortgaged properties may be eligible under NIP.
14. Program Interactions with HAMP	NIP will not interact with HAMP.
15. Program Leverage with Other Financial Resources	None

SCHEDULE C

Permitted Administrative Expenses

South Carolina	
	Total
<i>One-time / Start-Up Expenses:</i>	
Initial Personnel	\$126,004
Building, Equipment, Technology	\$280,977
Professional Services	\$148,912
Supplies / Miscellaneous	\$9,524
Marketing /Communications	\$1,935
Travel	\$2,723
Website development /Translation	\$0
Contingency	\$0
Subtotal	\$570,075
<i>Operating / Administrative Expenses:</i>	
Salaries	\$11,022,645
Professional Services (Legal, Compliance, Audit, Monitoring)	\$895,296
Travel	\$173,208
Buildings, Leases & Equipment	\$641,505
Information Technology & Communications	\$4,886,093
Office Supplies/Postage and Delivery/Subscriptions	\$487,964
Risk Management/ Insurance	\$200,000
Training	\$100,000
Marketing/PR	\$3,544,580
Miscellaneous	\$573,810
Subtotal	\$22,525,101
	7.10%
<i>Transaction Related Expenses:</i>	
Recording Fees	\$20,000
Wire Transfer Fees	\$750,000
<i>Counseling Expenses</i>	
File Intake	\$0
Decision Costs	\$0
Successful File	\$0
Key Business Partners On-Going	\$33,445,349
Subtotal	\$34,215,349
Grand Total	\$57,310,525
% of Total Award	18.05%
Award Amount	\$317,461,821