

LENDER INVITATION
2010 FIRST TIME
HOMEBUYER
PROGRAM

PROGRAM SIZE

The overall program size is expected to be approximately **\$41,700,000**. Loans may be originated at interest rates and in cumulative amounts identified by the Dakota County Community Development Agency (the “CDA”) from time to time, as indicated on the website of U.S. Bank Home Mortgage – MRBP Division , as Servicer/Administrator for the program.

FIRST MORTGAGE TERMS

Mortgage Loans will be originated and sold pursuant to the terms of an Origination, Sale and Servicing Agreement, which will be in substantially the form attached to this invitation.

- 30-year fixed-rate mortgage loan.
- The initial interest rate is expected to be 4.99%. Any change in the rate will be specified by the CDA from time to time and posted on the U.S. Bank Home Mortgage website.
- **ONLY FHA and VA Loans may be originated.** Unless Lenders are notified otherwise by the CDA, no conventional loans may be originated under this program.
- 1% Origination Fee, no points.
- \$225 Compliance Review Fee, \$150 Transfer Fee and \$85 Tax Service Fee, per loan.

INCOME LIMITS

The program income limits will initially be \$83,900 for 1 and 2 person households and \$92,290 for households of 3 or more.

PURCHASE PRICE LIMITS

Initial purchase price limits will be as follows:

Single Unit:	\$276,683
Duplex (Existing only):	\$389,205

NEW CONSTRUCTION

Mortgage Loans will be **immediately** available for existing homes throughout Dakota County and for new construction within Dakota County in the Cities of Apple Valley, Burnsville, Eagan, Empire Township, Farmington, Hastings, Inver Grove Heights, Lakeville, Mendota Heights, Rosemount, South St. Paul, Sunfish Lake and West St. Paul. Mortgage Loans for new construction in other parts of Dakota County will not be available for the first 10 months of the origination period.

DOWNPAYMENT ASSISTANCE LOANS

Downpayment Assistance Loans (“DPLs”) will be available to all borrowers, subject to the following conditions:

- Non-interest bearing, deferred payment loan;
- Payable at maturity of the related Mortgage Loan, or earlier upon sale, refinancing, or other events identified in the related documents;
- Secured by a promissory note and a subordinate mortgage;
- Borrowers must have used at least \$750 of their own funds to pay closing costs or the downpayment;
- Must be used for closing costs or a downpayment – no cash may be disbursed to a mortgagor;
- The minimum principal amount of a DPL is \$1,000; the maximum principal amounts are set forth below for households with incomes as set forth below;
- Not available for duplexes.

<i>For Households with the following Household incomes (adjusted for family size):</i>	<i>The Maximum Principal Amount of a DPL is follows:</i>
At or below 50% of median family income:	10% of the Mortgage Loan, but not more than \$10,000
Over 50% and at or under 80% of median family income:	5% of the Mortgage Loan, but not more than \$7,500
Over 80% of median family income:	2.5% of the Mortgage Loan

DPLs will be originated and initially funded by the Lenders, in the name of the issuer. The Lender will be reimbursed for the DPL by the Servicer/Administrator in an amount equal to the principal amount thereof. There will be no additional origination or other fees payable with respect to DPLs.

SERVICER/ADMINISTRATOR

U.S. Bank Home Mortgage – MRBP Division

LENDER COMPENSATION

Total of 1.5% of the outstanding principal amount of the first Mortgage Loan, payable through the lender keeping the 1% Origination Fee charged to borrowers and selling the first Mortgage Loan to the Servicer at a price which includes a servicing release premium of 0.5% of the outstanding principal amount of the first Mortgage Loan.

LENDER PARTICIPATION FEES

A non-refundable fee of \$1,500 is due with the return of the executed signature pages to the Origination Agreement and Lender Certificate (as defined herein).

LOAN ORIGINATION/FINAL DOCUMENTS

Mortgage Loans will be originated and sold to the Servicer pursuant to the terms and conditions set forth in an Origination, Sale and Servicing Agreement dated as of December 1, 2009 (the “Origination Agreement”) in substantially the form enclosed. Please review the terms of the Origination Agreement carefully. A final form of the Origination Agreement will be provided to each Lender in connection with the Lender Training. The Servicer will cause GNMA Certificates to be issued and sold to the Trustee.

PARTICIPATING LENDER REQUIREMENTS

The CDA seeks lenders who understand low and moderate income buyers and who are willing to devote the necessary time to promoting the program. A Lender must:

- Have an office and/or capacity to take applications in Dakota County.
- Assign adequate staff to promote the program.
- Meet lender participation requirements of the Servicer or negotiate an arrangement with them. For requirements please contact the MRBP Lender Help Desk, with U.S. Bank at 1-800-562-5165 or mrbp.helpdesk@usbank.com.

LENDER TRAINING SESSIONS

To participate in the Program and to be listed on the CDA’s marketing materials, loan officers are required to attend a training session. The dates and time of lender training will be communicated to participating lenders by email.

ONLINE RESERVATIONS

On behalf of the CDA, the Servicer will use an Internet reservation system for the administration of the program. Lenders will be permitted to register loans on-line. The system will be available through password entry via the Servicer's website (www.mrbp.usbank.com). The requirements for access to the system, the process and available features will be described in the lender training.

REQUIRED SUBMISSIONS

1. If you are interested in the program, please return the attached *Lender Information Sheet* to Leslie Lundeen and the attached *US Bank Home Mortgage Lender Contact Information / Authorization* to the Servicer by email as indicated on each sheet at your earliest convenience.

2. To participate in the program, the following must be delivered by January 18, 2010:
 - A check for the Program Participation Fee in the amount of \$1,500, payable to Dakota County Community Development Agency;
 - Three fully executed copies of the lender signature pages for the attached Origination, Sale and Servicing Agreement; and
 - Three fully executed copies of the attached Lender's Certificate;

All of the above items should be sent to the attention of:

Leslie Lundeen
Leonard, Street and Deinard
150 South Fifth Street, Suite 2300
Minneapolis, Minnesota 55402
(612) 335-1897

Please refer questions to Deborah Haugh at the Dakota County Community Development Agency (651) 675-4530. Questions regarding FHA or VA approval or underwriting should be directed to the MRBP Lender Help Desk, with U.S. Bank at 1-800-562-5165 or mrbp.helpdesk@usbank.com. Thank you.

LENDER INFORMATION SHEET – JANUARY 2010

In order to keep our records current, please complete this form and return it to Leslie Lundeen at leslie.lundeen@leonard.com at your earliest convenience.

**DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY
FIRST-TIME HOMEBUYER PROGRAM**

Lending Institution Name: _____

LOCAL CONTACT (REQUIRED):

Contact Person (Name and Title): _____

Street Address: _____

City/State/Zip: _____

Email: _____ Phone #: _____

OUT-OF-STATE CONTACT INFORMATION (OPTIONAL):

Contact Person (Name and Title): _____

Street Address: _____

City/State/Zip: _____

Email: _____ Phone#: _____

To whom would you like future program information to be sent? Local Out of State

LOAN ORIGINATORS

To be listed on the Issuer's marketing materials, originators will be required to participate in a lender training/update session. Please list the loan officers that will be working with the program.

Loan Officer	Phone number	email
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Loan Officer	Phone number	email
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Loan Officer	Phone number	email
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LENDER INFORMATION SHEET – CONT.

ORGANIZATION/COMPANY PROFILE

- 1. Provide general background and history of your company** (Information to include but not limited to-- the number of branches or locations of offices in Dakota County; description of your organizational structure--number of originators/processors/support staff; general depth of experience of originators who will be originating under the Dakota County program; overall lending philosophy; length of time in the business)

- 2. Describe your organization’s experience with single family mortgage revenue bond programs.** (Information to include but not limited to—other MRB programs your company has participated in – state or local; number of staff assigned to or working with this type of product; how your company markets these types of programs)

- 3. Describe your company’s commitment to lending for low and moderate income buyers and/or first time homebuyers.** (Include information regarding portfolio lending products available to this market; marketing plans for advertising the Dakota County First Time Homebuyer Program; number of staff who will be assigned to work with the program; and buyer intake process)

US Bank Home Mortgage - MRBP Division

Lender Contact Information / Authorization

Bond Program: _____

Lender Name: _____

Mailing Address: _____

Main Phone Number: _____

Main Fax Number: _____

Website (if applicable) _____

MERS ID # (if applicable): _____

	Name	Phone	Fax
Main Contact:	_____	_____	_____
Main Contact E-mail:	_____		
Underwriting Manager:	_____	_____	_____
Underwriting E-mail:	_____		
Shipping Supervisor:	_____	_____	_____
Shipping E-mail:	_____		
Shipping Staff:	_____	_____	_____
Processing Manager:	_____	_____	_____
Processing E-mail:	_____		
Exception Contact:	_____	_____	_____
Exceptions E-mail:	_____		
Final Documents:	_____	_____	_____
Final Docs E-mail:	_____		
Lender Scorecard Recipient:	_____	_____	_____
Scorecard E-mail:	_____		

Wire Instructions:
Bank Name: _____
ABA Number: _____ Account Number: _____
Account Name: _____

Purchase Advice Attn: _____ Phone: _____

Fax # for Purchase Advice: _____

E-Mail address: _____

Authorized Signature: _____

Fax this completed authorization form to: 866-640-1285 - **Attn: Heather Rivera** -OR-

Scan and email this completed authorization form to: mrbp.helpdesk@usbank.com

Updated – 03-27-08