

APPENDIX 9. SAMPLE RISK-SHARING AGREEMENT  
(subject to revision)

This Risk-Sharing Agreement (hereinafter referred to as "Agreement") is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between \_\_\_\_\_

whose address is \_\_\_\_\_

and its successors (hereinafter referred to as "HFA") and the undersigned Secretary of Housing and Urban Development and his/her successors and assigns acting by and through the Assistant Secretary for Housing-Federal Housing Commissioner (hereinafter referred to as "Commissioner").

WHEREAS, on October 5, 1992, the United States Congress enacted the Housing and Community Development Act of 1992, which Act authorizes, under Section 542(c) thereof, the development of a Risk-Sharing Pilot Program under which the Commissioner will enter into Risk-Sharing Agreements with qualified housing finance agencies and provide for full mortgage insurance through the Federal Housing Administration of loans for affordable housing originated by the qualified housing finance agencies;

WHEREAS, under the authority of Section 542(c), the Commissioner published implementing regulations at 24 CFR Part 266.

WHEREAS, the HFA seeks to participate in the Risk-Sharing Program, in accordance with Section 542(c), the regulations issued pursuant thereto and the terms set forth herein, in order to obtain full insurance on loans made by the HFA for affordable multifamily housing for persons in its community;

WHEREAS, the Commissioner seeks to enter into this Agreement with the HFA in order to test the effectiveness of Federal credit enhancement for loans for affordable multifamily housing through a system of risk-sharing agreements with the HFA; and

NOW THEREFORE, in consideration of the foregoing, the parties agree as follows:

ARTICLE I - ALLOCATION/CREDIT SUBSIDY

In furtherance of this Agreement,

- A. The Commissioner has made an initial set-aside of \_\_\_\_\_ units of affordable multifamily housing to be originated by the HFA.
- B. Of the units set-aside to the HFA, \_\_\_\_\_ units will be initially allocated to the HFA upon execution of this Agreement.
- C. Any set-aside of units in excess of the initial allocation will be held back by the Commissioner until the Commissioner has reviewed the HFA's use of its initial allocation. Upon completion of the Commissioner's review, the Commissioner will

make a determination as to whether he/she will advance all or a portion of the remaining units to the HFA or allocate all or a portion of the remaining units to another housing finance agency.

D. The Commissioner reserves the right to modify the number of units set forth in this Agreement to: 1) set-aside or allocate additional units in excess of the initial set-aside and allocation set forth above, or 2) to reduce such set-aside and allocations based on the Commissioner's review of the HFA's use of its prior allocation(s). Any such changes shall be incorporated by an addendum to this Agreement.

E. Credit subsidy is required for all insured projects, including projects insured pursuant to this Agreement. Credit subsidy is subject to availability based on quarterly allocation to HUD and to the Commissioner's outstanding instructions. The HFA shall be notified that the Firm Approval Letter will be delayed if credit subsidy has been exhausted in a particular quarter.

## ARTICLE II - DEFINITIONS

As used in this Agreement the term:

"Addendum" means that document attached to this Agreement.

"Allocation" means the portion of an HFA's set-aside, including the minimum number of units made available pursuant to Section 266.10(d), made available to an HFA under Section 542(c) which allocation may be increased or decreased from time to time in accordance with the Commissioner's administrative instructions.

"Amendment" means a modification of the terms and conditions of this Agreement requiring the consent of both the Commissioner and the HFA or a modification by HUD to 24 CFR Part 266.

"Contract of Insurance" means the agreement evidenced by the endorsement of the Commissioner upon the credit instrument given in connection with a mortgage, incorporating by reference the regulations in 24 CFR Part 266 and the applicable provisions of Section 542(c).

"Credit Subsidy" means the cost of a direct loan or loan guarantee under the Federal Credit Reform Act of 1990 as defined in Subpart B of Title 13 of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101-508, approved November 5, 1990).

"Dedicated Account" means an account maintained in a financial institution acceptable to the Commissioner which consists entirely of liquid assets (i.e., cash or cash equivalents or readily marketable securities.)

"Exhibit" means a document which provides names, titles and/or specimen signatures of principal staff of the HFA.

"Firm Approval Letter" means a letter issued by the Commissioner or his/her designee to an HFA upon the positive completion of the HUD-retained reviews described in 24 CFR Section 266.210. The letter will apportion units and obligate credit subsidy to the property and provide that, so long as the HFA is in good standing, makes the required certifications at the time of the HUD closing, and absent fraud or misrepresentation by the HFA, the Commissioner shall endorse the property mortgage for insurance.

"Mortgage" means such single first lien upon the real estate as is commonly given to secure advances on, or the unpaid purchase price of, real estate under the laws of the jurisdiction where the real estate is situated, together with the credit instrument, if any, secured thereby.

"Mortgagee" refers to the original lender under a Mortgage and its successors approved by the Commissioner.

"Project" means the mortgaged property and all assets wherever situated, used in or owned by the owner of the Mortgaged property in the business conducted on the Mortgaged property.

"Reservation" means the number of units from an HFA's allocation committed upon issuance of a Firm Approval Letter. The number of units reserved may be adjusted upon endorsement, for a specific project to be insured under Section 542(c).

"Set-aside" includes the total number of units established by formula for use by an HFA under Section 542(c), excluding any minimum number of units allocated pursuant to 24 CFR Section 266.10(d). The initial Set-Aside may be increased or decreased from time to time by the Commissioner in accordance with the Commissioner's administrative instructions.

### ARTICLE III - CERTIFICATIONS

In consideration of the endorsement for full insurance by the Commissioner of loans covering the units set-aside in

Article I, Paragraph A of this Agreement, and in order to comply with the requirements of the risk-sharing program established by Section 542(c) and the regulations adopted by the Commissioner pursuant thereto, the HFA agrees and certifies for itself, and its successors, that in connection with any mortgage insured under Section 542(c) and so long as the Commissioner is obligated to insure mortgages pursuant to this Agreement that:

A. The HFA has been approved by the Commissioner as a Level I \_\_\_\_\_, and/or Level II \_\_\_\_\_ [check one or both as appropriate] Participant as defined in 24 CFR Sections 266.5 and 266.100(b).

B. The individuals (principal staff) employed by the HFA as the persons responsible for the overall underwriting decision and for project management, loan servicing and property disposition with respect to loans insured or to be insured under Section 542(c) are listed in Exhibit A to this Agreement.

The HFA agrees to notify the Commissioner promptly in writing any time the HFA changes principal staff.

C. The individuals, whose names, titles and specimen signatures appear in Exhibit B have authority to sign loan documents on behalf of the HFA and otherwise commit the HFA under the Section 542(c) Risk-Sharing Program. The HFA agrees to notify the Commissioner promptly in writing of any changes of individuals authorized to sign loan documents on behalf of the HFA and provide the Commissioner with specimen signatures of such new individuals.

D. The HFA shall allow periodic auditing and review by the Commissioner, the Inspector General and the General Accounting Office or their duly authorized agents regarding the HFA's participation in the risk-sharing program.

E. The HFA shall permit an inspection and examination of its financial records and records associated with loans insured under Section 542(c) by the Commissioner and/or his duly authorized agents upon reasonable notice.

F. The HFA has fully disclosed and provided copies of all of its underwriting standards and procedures, loan terms and conditions to the Commissioner, and, if the HFA operates as, or originates or processes any loans as a Level II agency, it has obtained the Commissioner's prior written approval to utilize such underwriting standards and procedures, loan terms and conditions. The HFA's originating, underwriting, closing, project management, servicing and property disposition procedures utilized in processing and servicing the loans insured or to be insured under Section 542(c) are incorporated herein by reference and made a part hereof.

G. The HFA shall notify the Commissioner before implementing any amendment to the HFA's underwriting standards and procedures, loan terms and conditions and will provide the Commissioner with copies of any amendments within \_\_\_\_\_ business days before implementation of such amendments by the HFA. If the HFA operates as, or originates or processes any loans as, a Level II agency, it shall also obtain the prior written approval of the Commissioner before implementing any amendment to its underwriting standards and procedures, loan terms and conditions.

H. If the HFA (a) does not meet the qualification requirements of 24 CFR 266.110(a) (i.e., top-tier rating or equivalent designation or has an overall "A" rating on its general obligation bonds), or (b) has an overall "A" rating but cannot provide the necessary legal opinion of counsel required by the second sentence of 24 CFR 266.105(b)(2), it has established a specifically identified Dedicated Account (meeting the requirements of 24 CFR 266.110(b) and the administrative requirements of the Commissioner) in \_\_\_\_\_ (insert name and address of financial institution), a financial institution which has assets of not less than \$100,000,000, is organized under the laws of the United States or a State thereof and is regulated and examined by the

Comptroller of the Currency, Federal Deposit Insurance Corporation or the Federal Reserve Board, and has a long term bank deposit rating of "A-1" or better by Moody's Investors Service or "A+" by Standard and Poor's. The Commissioner may determine that higher levels of reserves may be necessary.

I. If at any time the HFA loses the designation or rating, as applicable, set forth in 24 CFR 266.110(a), or can no longer provide the statement required by 24 CFR 266.105(b)(2), it shall, within 5 business days, provide the Commissioner with notice of the loss of its designation or rating or of its inability to provide the statement noted above. Within 15 business days after the loss of the HFA's designation or rating or its inability to provide the statement required by 24 CFR Section 266,105(b)(2), the HFA shall establish a Dedicated Account funded in accordance with Paragraph H above. The HFA must calculate the deposits to this Dedicated Account in accordance with the requirements of 24 CFR 266.110(b) so that the account reflects all loans in the HFA's portfolio insured under Section 542(c).

J. Within 90 days following the end of its fiscal year, the HFA shall furnish the Commissioner with a complete annual financial audit based upon an examination of the books and records of the HFA prepared and certified in accordance with the requirements of the State or locality in which the HFA is located.

K. The HFA shall at all times comply with the financial requirements of the Section 542(c) program and it shall notify the Commissioner of any pending or actual changes in its financial status that would adversely affect the HFA's operating or financial status within 5 business days after becoming aware of such pending or actual changes.

L. Within 90 days following the end of its fiscal year, the HFA shall furnish the Commissioner, along with a copy of the audit specified in Paragraph J above, a certification signed by an authorized official of the HFA that there have been no changes that would adversely affect the HFA's organization, business activities, financial status and other information submitted with its application to participate in the Section 542(c) program and that the HFA has complied with all eligibility requirements for participation in the program during the past year. If there has been a change in information submitted with the HFA's application relating to the HFA's organization, business activities, financial status or other information submitted with its application, the certification will state the nature of the change.

M. The HFA shall comply with the Fair Housing Act, as implemented by 24 CFR Part 100; titles II and III of the Americans with Disabilities Act of 1990, as implemented by 28 CFR Part 35; Section 3 of the Housing and Urban Development Act of 1968, (12 U.S.C. Section 1701u), implemented by 24 CFR Part 135, the Equal Credit Opportunity Act, implemented by 12 CFR Part 202; Executive Order 11063, as amended, and implemented by 24 CFR Part 107; Executive Order 11246, as implemented by 41 CFR

Part 60; other applicable Federal laws and regulations issued pursuant to these authorities; and applicable State and local fair housing and equal opportunity laws. In addition, the HFA shall require that mortgagors which receive Federal financial assistance must also certify to the HFA that, so long as the mortgage is insured under Section 542(c), it shall comply with title VI of the Civil Rights Act of 1964, as implemented by 24 CFR Part 1; the Age Discrimination Act of 1975, as implemented by 24 CFR 146; and section 504 of the Rehabilitation Act of 1973, as implemented by 24 CFR Part 8.

N. During the period that the Commissioner is the insurer of any mortgage endorsed under Section 542(c), the HFA shall remain the mortgagee of record and shall perform all functions in connection with loans originated under the 542(c) program including loan servicing (including workouts), property management and property disposition functions. The Commissioner shall have no obligation to recognize or deal with anyone other than the HFA in its role as mortgagee of record with respect to the rights and obligations of the HFA under the contract of mortgage insurance and this agreement.

O. The HFA shall retain records pertaining to origination and servicing of all mortgages insured under Section 542(c) for as long as the mortgage insurance remains in effect. In the event of a default and mortgage insurance claim, all records pertaining to the insured mortgage, the mortgage default and insurance claim shall be retained three (3) years after the date of final settlement as final settlement is described in 24 CFR Section 266.654.

P. The HFA shall maintain a Lender's Fidelity Bond/Surety Bond and Errors and Omissions Insurance in a form and amount satisfactory to the Commissioner

Q. The HFA shall issue Debentures as defined in 24 CFR Section 266.638 acceptable to the Commissioner as collateral for the full amount of its risk-sharing obligation under this agreement pending final settlement of any insurance claim. The Debentures shall be backed by the full faith and credit of the HFA. If the HFA operates as a department or division of the State in which it is located, or as a unit of local government, and the HFA cannot pledge the full faith and credit of the HFA, the HFA shall collateralize its obligation through a letter of credit, reinsurance, or other form of credit acceptable to the Commissioner.

R. Any reinsurance obtained by the HFA to cover its portion of the risk shall: (i) be subordinate to the HUD-insured mortgage; (ii) not affect reimbursement to the Commissioner, notwithstanding the timing of the actual settlement between the HFA and the reinsurer; (iii) not be used to reduce any reserve or fund balance requirements established by the Commissioner; and (iv) not result in the Federal Government incurring any liability as a result of the reinsurance agreement.

S. With respect to any project mortgage endorsed for

insurance under Section 542(c), the HFA shall furnish to the Commissioner project information in a format specified by the Commissioner in HUD Handbook 4590.01. Basic underwriting and closing information shall accompany the initial and final closing dockets submitted for each project. Information relating to project management, servicing and disposition shall be submitted to the Commissioner on a periodic basis after endorsement in accordance with the requirements set forth in Handbook 4590.01.

T. The HFA shall enforce the Regulatory Agreement between the HFA and mortgagor and take action against the mortgagor for violation of any provision(s) thereof.

U. The HFA shall perform annual physical inspections of all projects insured under Section 542(c) and shall submit a copy of the inspection report to the Commissioner (i.e., showing and certifying that the project is in safe and sanitary condition). If a project is not in safe and sanitary condition, the HFA will provide the Commissioner with a summary of required actions, with target dates, to correct unresolved findings.

V. The HFA shall analyze the project's annual audit and within 30 days of the date of the audit, provide the Commissioner with a copy of the audit. Within 6 months of the audit the HFA shall provide the Commissioner with a summary of unresolved findings disclosed in the audit and a summary of actions planned, with target dates, to correct unresolved findings.

W. The HFA shall submit semi-annual reports to the Commissioner for all projects insured under Section 542(c) setting forth the original mortgage amounts and outstanding principal balances on mortgages the HFA has underwritten, the status of all projects (e.g., whether current, in default, acquired, under workout agreement, in bankruptcy, etc.). For projects where the mortgagor has declared bankruptcy, the HFA will submit information containing the date the bankruptcy was filed and the date the HFA requested the Court to dismiss the bankruptcy proceedings.

X. All appraisal functions will be completed by Certified General Appraisers licensed in the state in which the property is located, and all appraisal functions will be completed in accordance with the Uniform Standards of Professional Appraisal Practice.

Y. In the event of a default on a multifamily mortgage insured under Section 542(c) which results in the Commissioner having to pay a claim under a Contract of Insurance to the HFA, the HFA will, upon determination of the loss, assume the percentage of loss specified in an Addendum to this Agreement (such Addendum being made a part of this Agreement) and in the endorsement panel of the mortgage note, and reimburse the Commissioner, pursuant to administrative instructions of the Commissioner, the amount based on that percentage pursuant to 24 CFR Section 266.654. (The HFA's percentage of loss specified in the Addendum for a particular project must be consistent with the percentage of loss associated with the HFA's approval level specified in Paragraph A

of Article III of this Agreement. A loan which refinances an HFA-financed loan which was in monetary default (as that term is defined in 24 CFR Section 266.626) 12 months prior to the application for refinancing hereunder, the HFA's percentage of loss specified in the Addendum shall be at least 50 percent of the risk). An HFA-financed loan which goes into default after the submission of an application for refinancing of such loan under Section 542(c), will not be eligible for insurance under Section 542(c).

Z. The HFA shall require that the mortgagor keep the improvements now existing or hereafter erected on the mortgaged property insured against loss by fire and such other hazards, casualties, and contingencies, as may be stipulated by the Commissioner upon the insurance of the mortgage and other hazards as may be required from time to time by the HFA. All such insurance shall be evidenced by a standard Fire and Extended Coverage Insurance Policy or policies, in amounts not less than necessary to comply with the applicable coinsurance clause percentage, but in no event shall the amounts of coverage be less than eighty per centum (80%) of the actual cash value of the insurable improvements and equipment of the project, and in default thereof the HFA shall have the right to obtain such insurance in accordance with the mortgage. Such hazard insurance policies shall be endorsed with the standard mortgagee clause with loss payable to the HFA. The hazard insurance policy shall be deposited with the HFA.

AA. The HFA shall ensure that loans insured hereunder shall be on properties which comply with the affordable housing requirements defined in 24 CFR 266.5.

#### ARTICLE IV - MORTGAGE INSURANCE ENDORSEMENT

Absent fraud or material misrepresentation on the part of the HFA, the Commissioner shall endorse any mortgage presented for mortgage insurance by the HFA in accordance with the provisions of Section 542(c), subject to the Commissioner's right to adjust the amount of mortgage insurance in accordance with 24 CFR Section 266.417, so long as the HFA is in good standing with the Commissioner, and has been issued a Firm Approval Letter pursuant to 24 CFR Section 266.300(c) and/or Section 266.305(c), and submits with each loan to be endorsed a closing docket in accordance with 24 CFR Section 266.420(b) and written certifications that:

a. The property covered by the mortgage is free from all liens other than the lien of the FHA insured mortgage, except that the property may be subject to such inferior lien or liens, as approved by the HFA, as long as the insured mortgage has first priority for payment.

b. All contractual obligations in connection with the mortgage transaction, including the purchase of the property and the improvements to the property, have been paid. An exception is made for obligations that are approved by the HFA and determined by the HFA to be inferior to the lien of the



insured mortgage. Pursuant to 24 CFR Section 266.415(b), this certification is made at final closing only.

c. The property owner has submitted and the HFA has approved an Affirmative Fair Housing Marketing Plan which complies with the provisions set forth in 24 CFR Part 200, Subpart M.

d. Equal employment requirements were followed by the property owner pursuant to Executive Order 11246 as implemented by 41 CFR Part 60.

e. The property owner has executed the regulatory agreement which complies with the provisions set forth in 24 CFR Section 266.505.

f. The property has been processed, prudently underwritten (including a determination that a market exists for the project), cost certified (if the loan is being submitted for final endorsement) and closed in full compliance with the HFA's standards and requirements and are in full compliance with HUD standards established in connection with approval of advances for insurance and cost certification. (Note: For mortgages originated under Level II, the certification will state "in full compliance with the underwriting standards and loan terms and conditions as approved by the Commissioner.") Further, the loan shall be serviced and the property managed in accordance with procedures disclosed and made a part of this Agreement.

g. For periodic advances cases, that each advance made was proportionate to construction progress as evidenced by HFA inspection prior to approval of the advance.

h. The HFA's Dedicated Account, if required, has been established and has been increased by the amounts required pursuant to 24 CFR Section 266.110(b).

i. For property's subject to Davis-Bacon Act requirements under 24 CFR Section 266.225, laborers and mechanics employed in the construction of the project have been paid not less than the prevailing wages determined by the Secretary of Labor in accordance with 24 CFR Section 266.225(a).

#### ARTICLE V - SANCTIONS

Upon a violation of any of the provisions of this Agreement by the HFA, or upon commission of any violation cited in 24 CFR Section 266.120, or of the administrative requirements established by the Commissioner for the Section 542(c) program, the Commissioner or his designee may declare a default under this agreement and impose any of the sanctions set forth at 24 CFR Section 266.125. Any sanction imposed by the Commissioner will be in accordance with the provisions of 24 CFR Section 266.125(d). Any sanction involving a suspension or withdrawal of the HFA's participation in the Section 542(c) program will not affect any mortgage insurance endorsement in effect on the date of the suspension or withdrawal action.

#### ARTICLE VI - AMENDMENTS/MODIFICATIONS

A. This Agreement shall not be modified or amended without the consent of both parties hereto, except for changes made by the Commissioner to items covered by Article VII, and amendments or modifications that may be made by the Commissioner as set forth in the attached Addendum to this Agreement which:

(1) specify the number of units allocated or set-aside to the HFA, and 2) other changes that conform to statutory or regulatory amendments. No such modification or amendment will adversely affect the interest of a HFA for any project for which a Firm Approval letter has been issued.

B. The HFA hereby agrees that its written consent to an Addendum executed by the Commissioner which modifies this Agreement to list: (1) changes in its principal staff or individuals with authority to sign loan documents; (2) changes to existing HFA underwriting standards and procedures, loan terms and conditions; and/or (3) a change in the financial institution in which the Dedicated Account is deposited, will not be necessary if such change(s) was requested by the HFA in writing.

#### ARTICLE VII - INCORPORATION OF REGULATIONS

The regulations set forth in 24 CFR Part 266 are incorporated into this Agreement by reference and made a part hereof. The HFA shall, at all times, comply with the applicable regulations and with all other applicable Federal laws, rules and regulations.

#### ARTICLE VIII - WARRANTY

The HFA warrants that it has not, and will not, execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that, in any event, the requirements of this Agreement and the regulations set forth in 24 CFR Part 266 and any administrative requirements established by the Commissioner are paramount and controlling as to the rights and obligations set forth herein and supersede any other requirements in conflict herewith.

#### ARTICLE IX - MISCELLANEOUS

The Article headings set forth in this Agreement are not intended to be a limitation on what materials are included within each Article.

This Agreement shall bind, and the benefits shall inure to, the parties, their successors and assigns so long as any Contract of Insurance remains in full force and effect.

The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions hereof.

In witness hereof, the undersigned have caused this Agreement to be duly executed as of the date and year first written above.

Department of Housing and  
Urban Development

Housing Finance Agency

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

WARNING: U.S. Criminal Code, Section 1001, Title 18 U.S.C.,  
"Whoever, in any matter within the jurisdiction of any department  
or agency of the United States knowingly and willfully...makes  
any false, fictitious or fraudulent statements or  
representations, or makes or uses any false writing or document  
knowing the same to contain any false, fictitious or fraudulent  
statement or entry, shall be fined not more than \$10,000 or  
imprisoned not more than five years, or both."

ADDENDUM TO RISK-SHARING AGREEMENT

No. \_\_\_\_\_

This addendum modifies the Risk-Sharing Agreement (agreement),  
and/or any addendum thereto, by and  
between \_\_\_\_\_

\_\_\_\_\_ (HFA) whose address is

\_\_\_\_\_ and the Assistant Secretary for Housing-Federal Housing  
Commissioner (the Commissioner) dated the \_\_\_\_ day of \_\_\_\_\_,  
199\_\_.

The purpose of this addendum is to [check one]:

A.  Reserve units and to establish the risk-share  
percentage between the HFA and Commissioner for Project  
Number \_\_\_\_\_ located at \_\_\_\_\_.

Units reserved \_\_\_\_\_  
Risk-share apportionment  
HUD \_\_\_\_\_/HFA \_\_\_\_\_

B.  Modify the present set-aside of units.

The number of units presently set-aside is \_\_\_\_\_, which  
is  increased by \_\_\_\_\_ units,  decreased by \_\_\_\_\_  
units to a total of \_\_\_\_\_ units.

C.  Modify the present allocation of units.

The number of units available from the HFA approved  
allocation is \_\_\_\_\_ which is  increased by \_\_\_\_\_ units,  
 decreased by \_\_\_\_\_ units to a total of \_\_\_\_\_ units.

D.  New principal staff or individuals with authority to  
sign loan documents or commit the HFA under the  
Section 542(c) program are:

E. ( ) New provisions, or changes to existing, HFA underwriting standards and procedures, loan terms and conditions are incorporated by reference into the Risk-Sharing Agreement and are as follows:

F. ( ) The name and address of the new financial institution in which dedicated account is deposited is:

\_\_\_\_\_  
(Name of Financial Institution)

\_\_\_\_\_  
(Address)

F. [Reserved for other purposes.]

Department of Housing and  
Urban Development

\_\_\_\_\_  
Authorized Agent

Date \_\_\_\_\_

EXHIBIT A

The following individuals (principal staff) are employed by the HFA as the persons responsible for the overall underwriting decision and for project management, loan servicing and property disposition with respect to loans insured or to be insured under Section 542(c):

\_\_\_\_\_  
(Name and Title)

\_\_\_\_\_  
(Name and Title)

EXHIBIT B

The following individuals, whose names, titles and specimen signatures appear below, have the authority to sign loan documents on behalf of the HFA and otherwise commit the HFA under the Section 542(c) Risk-Sharing Program.

\_\_\_\_\_  
(Name and Title)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name and Title)

\_\_\_\_\_  
(Signature)