



Chapter one (1) Lender Participation

Section 100: Role of Participating Lender

The Authority's FirstHome Program is available for any qualifying home buyer of any qualifying home intended for primary residence in the State of Iowa. An approved participating lender is a lending institution that is licensed or has regulated authority to originate mortgages in the State of Iowa and has the ability to originate, process, underwrite, fund/close, and deliver the closed mortgage and subsequent documentation to The Authority and The Authority's master servicer pursuant to Program guidelines and process policies.

Generally, The Authority will have an "open window" for lender applications to become a participating lender. However, in order to maintain a sustainable program, The Authority, from time to time, may suspend accepting lender applications. Additionally, any lender whose participation in the program has been terminated will NOT be re-approved as a participating lender until the lapse of one year and sufficient documentation, to the satisfaction of The Authority, has been provided addressing the termination issue.

Upon the delivery and purchase of an eligible FirstHome or FirstHome Plus (FirstHome) mortgage, The Authority will pay the lender a servicing released fee of 1.75% of the mortgage balance or \$1,000, whichever is greater. If the lender is the "closing settlement agent", the lender may also charge up to \$250 for those services provided no other service provider is handling the closing settlement and/or charging a closing settlement fee. (Reasonable and customary "closing settlement" fee charged by the Realtor firm is allowed.) The lender's income relevant to the FirstHome mortgage is restricted to the servicing released fee and the settlement closing fee, when the lender is the "closing agent".

Participating lenders must be active in the origination process of FirstHome mortgages which result in closed and delivered mortgages. The minimum mortgage delivery standards for every six months for lenders lending in an MSA area is a minimum of five delivered mortgages or if lending in only rural areas (non-MSA) one closed mortgage delivery. Lenders (and respective branches) that have not originated a FirstHome Mortgage, even if approved as a participating lender, may not participate in an Authority administered subsidy programs.

Section 101: Types of Participating Lenders

Lenders may participate in The Authority's FirstHome Program by becoming a participating lender, a participating correspondent lender, or as a third party lender to a participating lender. Only lenders who have met and maintain satisfactory participating lender criteria and have an executed Mortgage Origination Agreement will be listed on The Authority's Participating Lender List. FirstHome mortgages must comply with all FirstHome parameters regardless of the origination process and type of participating lender.

A participating or participating correspondent lender is a lender who:

- Has been approved by The Authority and U S Bank Home Mortgage - MRBP division (USBHM), The Authority's designated master servicer, to participate in The Authority's FirstHome Program, and

- Actively promotes and participates in the origination process of FirstHome mortgages.

Active promotion of FirstHome Program includes offering FirstHome mortgages with any and all mortgage products the lender makes available to Iowa home buyers.

Under the participating correspondent lender arrangement, USBHM division offers a full menu of services to lenders that may otherwise be unable to participate in the FirstHome Program. The USBHM services include underwriting, table funding, agency sponsorship and MIC/LGC/LNG package submissions. The correspondent participating lender pays only for the services needed. The fee schedule for the USBHM services are consistent with USBHM guidelines and are at this time (but are subject to change with notice from USBHM), as follows:

- Table Funding - \$75 fee deducted at loan funding
- Underwriting Fee - \$300 fee per loan due at time of loan submission
- Wiring of HUD MIP - \$30 fee deducted at loan funding
- Case Binder Submission - \$35 fee deducted at loan funding

USBHM correspondent lender fees are not allowed third party closing costs on FirstHome mortgages.

To take advantage of USBHM's correspondent services, lender must complete a Correspondent Application with USBHM, submit the required documentation listed on the application and a \$250 application fee. More information may be obtained by contacting USBHM (Section 104 B.). Decisions are generally rendered within 5-10 business days of USBHM's receipt of the completed application.

When reviewed and approved, lenders will receive an approval packet containing information and then be required to execute USBHM's Correspondent Agreement and the FirstHome Program Mortgage Origination Agreement.

A third party originating lender is a lender who has entered into a correspondent arrangement with a participating lender who provides underwriting and closing oversight of the mortgage process, takes ownership of the mortgage via table funding or assignment prior to delivery to USBHM and ensures and warrants the delivered mortgage meets FirstHome Program parameters. The third party originating lender may be listed as a participating lender on The Authority's Participating Lender List, if all participating lender criteria in Section 102 is met except item 7 and the Mortgage Origination Agreement has been executed.

Section 102: Participating Lender Criteria

In order to become a participating lender, lenders must meet established criteria (below), demonstrate the expertise, ability and capacity to provide affordable mortgage services, and demonstrate financial stability. To be approved as a participating lender, the following criteria are applicable:

1. Be an Iowa licensed or State of Iowa or federally regulated financial institution and provide copy of documentation thereof.
2. Provide evidence of active mortgage origination in the State of Iowa by all offices (branches) who will be originating FirstHome mortgages. FirstHome originating offices shall be physically located where home buyers seeking FirstHome mortgages may easily and in person go to the originating office. (While internet applications are acceptable, if the office originating the loan is not located within twenty miles of the State border, that office may not participate as an origination center except as a mortgage support center for said participating lender.)
3. Must have the appropriate agency approvals, be knowledgeable and have the ability to perform credit and property underwriting in compliance with Fannie Mae and/or Freddie Mac, FHA, VA

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and/or RD guidelines as applicable. (Lenders may utilize contract underwriting provided by private mortgage insurance companies or contract with master servicer (USBMH) as a participating correspondent lender but may not pass the fee for these services to the homebuyer or seller.)

4. Ensure that all staff (and any third party contractors or third party originating lenders) are knowledgeable about FirstHome Program and the guidelines thereof; practice prudent mortgage lending policies; utilize the most current underwriting criteria applicable for the specific loan type; and have procedures in place to protect the home buyers from fraud, misrepresentation or negligence.

5. Must have systems in place to electronically register loans and upload scanned Adobe documents via Lender Online®, the lender portal to The Authority. (This includes the ability to access the internet; convert loan documents to Adobe and upload those documents to The Authority. Lenders who do not have the ability to electronically upload documents will pay The Authority \$100 per each “package” The Authority uploads for the Lender. IFA will bill the lender on a monthly basis. Lender not paid current will not be allowed to participate in the FirstHome Program.)

6. Must attend lender training which includes “new lender” and other designated mandatory training. (Current required training is IFA Participating Lender, USBHM Delivery, IFA MRB Compliance and Lender Online. Presentations are available for viewing at IFA’s website www.IowaFinanceAuthority.gov, For Lenders & Realtors.)

7. Have a minimum net worth of \$400,000 and \$1,000,000 warehouse line of credit. (Participating correspondent lenders using the master servicer “table funding service” and third party, participating lenders’ minimum net worth requirement is \$100,000 and do not need a credit warehouse line.)

8. Be covered by a minimum of \$300,000 errors and omissions insurance or financial institution bond and a deductible of no more than \$50,000.

9. Have the financial capacity to repurchase FirstHome mortgages that do not meet performance and quality standards as defined in the Mortgage Origination Agreement.

10. Be able to service the initial payment(s) for any mortgage which is not delivered or purchased before payments are due.

11. Is responsible for updating participating lender contact information as staffing or location changes occur and at least annually with annual financial reports to The Authority.

Section 103: Maintaining Participating Lender Approval

Participating lenders must proactively promote The Authority’s FirstHome Program, provide FirstHome Plus grant information to eligible home buyers, and encourage all FirstHome mortgagors to request the free Owner’s Title Guaranty Certificate. As stated above insufficient number of FirstHome mortgages based on the participating branch location, may result in the lender (or respective branch) suspension as a participating lender. It is expected that participating lenders with branches in MSAs will originate five mortgages and those in rural areas one mortgage within every six month period. Additionally, participating lenders shall include FirstHome mortgage information with any and all mortgage product information the lender makes available to Iowa home buyers.

To remain as a participating lender, the lender must:

1. Comply with all terms of the Mortgage Origination Agreement and the FirstHome Program Manual.

2. Provide copies of annual audited financial statements (or financial reports) within ninety (90) days of their fiscal year end and updated contact or branch location information.

3. Notify the Authority if any regulatory agency suspends, removes approval status or assumes a managing role of the lender’s operations.

4. Provide items pursuant to Section 104 A. below.

At the sole option of the Authority, The Authority reserves the right to suspend, modify, or terminate an approval should a participating lender fail to perform or provide information as required or requested according to the Mortgage Origination Agreement and the FirstHome Program and Delivery Manual. Suspension or termination will be in accordance to the terms of the Mortgage Origination Agreement.

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Section 104: Forms and Contact Information Relevant to Participating Lender Status

A. Participating Lender:

1. Provide a brief historical and current overview of mortgage operations, including principals of the organization and key mortgage lending personnel (manager (s) or key supervisory staff).
2. Most recent audit financial statements
3. Current Errors and Omission Insurance
4. Copies of license to originate mortgages in the State of Iowa, or other authority.
5. Agency approval for FHA, VA or RD mortgages, including underwriting authority or underwriting contract/process, as applicable.
5. Board resolution or signatory authority for organization
6. Evidence of warehouse lines
7. Organizational contacts, branch locations that will be originating FirstHome mortgages, and including authorization and listing of any legal entities authorized to deliver mortgages not shown on the Mortgage Origination Agreement signature page.
8. Electronic Wiring and Automatic Clearing House (ACH) instructions. (The master servicer shall wire mortgage purchase funds and The Authority will reimburse subsidy funding via ACH.)

Additional forms to include with preliminary application:

9. Triplicate executed Mortgage Origination Agreement (MOA) signatory page (one for The Authority, the servicer and one to be returned to the participating lender).
10. Two copies of "Participating Lender Branch/Affiliate Contact Information" (Page 54 of MOA)
11. Two copies of USBHM "Lender Contact Information"
12. An original and a copy of "Resolution of Board of Directors" authorizing signatory authority of person executing the MOA and the Limited Power of Attorney.
13. Original, properly executed and completed "Limited Power of Attorney" for USBHM

Information to be sent to:

Irene Hardisty, Director, Single Family Programs
Iowa Finance Authority
2015 Grand Ave.
Des Moines, IA 50312
(515-752-4983)

Questions may be directed to Irene.Hardisty@iowa.gov

B. Participating Correspondent Lender:

Contact for more information or receive application packet:

MRBP Lender Help Desk: MRBP.HelpDesk@USBANK.com or 1-800-562-5156

David Sparks, AVP
Manager Program Administration
U.S. Bank Home Mortgage – MRBP Division
17500 Rockside Road
Bedford, OH 44146-2099

Request for FirstHome Program Participating Lender Status

Package submission to:

Irene Hardisty, Director
Single Family Programs
Iowa Finance Authority
2015 Grand Ave.
Des Moines, IA 50312

515-725-4983

- ___ Historical overview of organization and mortgage lending program (origination, processing, underwriting, closing, and servicing capacity).
- ___ Iowa license or documentation to legally originate mortgages in Iowa
- ___ Agency approvals
- ___ Errors and Omissions Insurance
- ___ Audited financials (or equivalent)
- ___ Evidence of warehouse line of credit (or documentation for closing funds)
- ___ Three (3) original, properly executed signature pages to the Mortgage Origination Agreement (PLEASE RETURN ONLY THE SIGNATURE PAGES – KEEP THE AGREEMENT FOR YOUR RECORDS. Original countersignature pages will be returned to you for your records when approved.)
- ___ Original and one (1) copy of Board Resolution
- ___ Original Limited Power of Attorney
- ___ Two (2) copies of Participating Lender Branch/Affiliate Contact Information
- ___ Two (2) copies of “Lender Contact & Authorization Form”
- ___ Original Electronic Funds Transfer (ACH) form

Documents submitted by: _____, title _____.
Phone & email contact: _____

Submitted on _____ (date).

Arrival at IFA on _____ (completed by IFA).



Signatory Page of the Iowa Finance Authority's

Mortgage Origination Agreement (December 12.01.09)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written, by their officers duly appointed and authorized.

IOWA FINANCE AUTHORITY

(Seal)

By _____

Executive Director

Date: _____

[Typed Mortgage Lender Name – to include all names under which the Lender may originate and close mortgages under this agreement.]

By _____

Lender Tax Identification Number

[Name] _____

[Title] _____

Date _____

Attest: _____

[Name & Title] _____

Lender Mailing Address

Phone and Fax Number

U.S. BANK N.A.

By _____

James R. Coreno, Vice President

Date _____

Participating Lender Branch/Affiliate Contact Information
Attachment to MOA Signature Page

Please list all branches/affiliates that will originate IFA mortgages. This contact information will be used to promote Participating Lender on IFA webpage and receive IFA Announcements including Rate Sheets.

Lender: _____

Address _____

Phone _____
Fax _____
Contact Name _____
Contact Email _____

Address _____

Phone _____
Fax _____
Contact Name _____
Contact Email _____

Address _____

Phone _____
Fax _____
Contact Name _____
Contact Email _____

Address _____

Phone _____
Fax _____
Contact Name _____
Contact Email _____

Address _____

Phone _____
Fax _____
Contact Name _____
Contact Email _____



Electronic Funds Transfer (EFT) Information/Authorization

The following information will be used by the Authority for direct reimbursement of subsidy programs (grants or Community Seconds) funded by the Authority. (Loan purchase and FirstHome Plus funds are wired directly from US Bank Home Mortgage to the participating lender.)

Lender Name: _____

Bank Information for EFT:

Bank Name: _____

Bank Address: _____

City, State, Zip: _____

Account type: Checking _____ or Savings _____

ABA #: _____

Account Number: _____

Contact Person: _____

Contact Person E-mail Address: _____

Note: A response must be provided in each line. If no account number is necessary, please state this in the account number area – please do NOT insert N/A.

RESOLUTION OF BOARD OF DIRECTORS

OF

(Name of Originating Lender)

RESOLVED, That

_____ the _____,
and
(Name of Officer) (Title) (Sample Signature)

_____ the _____,
and
(Name of Officer) (Title) (Sample Signature)

_____ the _____,
and
(Name of Officer) (Title) (Sample Signature)

_____ the _____,
and
(Name of Officer) (Title) (Sample Signature)

Of this corporation, or any one or more of them, be and each of them hereby is authorized and empowered to execute and deliver, in the name and on behalf of this corporation, a Mortgage Origination Agreement (and any other documentation needed to deliver mortgages under the Authority's FirstHome Program) between this corporation, U.S. Bank N.A. and Iowa Finance Authority, the form and substance of which shall be acceptable to said officer(s) executing the same on behalf of this corporation; and that the execution of such agreement by one or more of the officers named above shall be conclusive evidence of this corporation's approval of the terms and conditions thereof.

CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution presented to and adopted by the Board of Directors of _____ at a meeting duly called and held at

_____ on the _____ day of _____, 20____, at which a quorum was presented and voting throughout; that such resolution is duly recorded in the minute book of this corporation; that the officers named in said resolution have been duly elected or appointed to, and are the present incumbents of the respective offices set after their respective names; and that such resolution remains in full force and effect on the date hereof.

Dated: _____ 20____. _____ Secretary _____ Signature

LIMITED POWER OF ATTORNEY

The undersigned _____ (“Seller”), a corporation with its principal place of business located in _____ hereby constitutes and appoints US BANK, NA (USB) a corporation organized by an act of Congress, its true and lawful Attorney-In-Fact, and in its name, place and stead and for its use and benefits hereby authorizes the aforesaid Attorney-In-Fact by and through any officers or employees appointed either by the Board of Directors or Executive Committee of USB to execute and acknowledge in writing or by facsimile stamp or otherwise all documents customarily and reasonably necessary and appropriate for the tasks described in terms (i) through (iii) below relating to that certain mortgage loan (the “Loans”) sold by Seller to USB. These loans were sold by the undersigned to said Attorney-In-Fact and are comprised of Mortgages, Deeds of Trust, Deed to Secure Debt, and or other forms of Security Instrument(s) (collectively the “Security Instrument(s)”) and the Note(s) secured thereby.

- (i) The endorsement of the Note(s) to said Attorney-In-Fact,
- (ii) The Assignment of the Security Instrument(s) and/or Financing Statement(s) to said Attorney-In-Fact, and
- (iii) The preparation and, if necessary, execution of all other documents necessary to transfer the ownership of said Loans from the undersigned to said Attorney-In-Fact.

The undersigned gives to said Attorney-In-Fact full power and authority to do and perform all and every act and thing and whatsoever is necessary and proper to be done by authority hereof as fully, for all intents and purposes, as it, the undersigned, might or could do and hereby ratifying and confirming all that said Attorney-In-Fact shall lawfully do or cause to be done by authority hereof. Third parties without actual notice may rely upon the power granted to said Attorney-In-Fact under this Power of Attorney and may assume that, upon the exercise of such power, all conditions precedent to such exercise of power have been satisfied and this Power of Attorney has not been revoked unless an Instrument of Revocation has been recorded.

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed by its

_____ on this _____ day of _____ 2008 at the undersigned’s office in _____, United States of America.

Seller

By: _____

Name: _____

Title: _____

State of _____

County of _____

On _____, 2008 before me personally appeared _____, personally known to me (or proved to me on a basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public,

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