

**Master Agreement for
Participation Accounting**

**U.S. Department of Housing
and Urban Development**
Government National Mortgage Association

Initial Renewal

Issuer ID Number

The Issuer:

- The Issuer shall perform the monitoring and accounting of pooled Participations designated in a Schedule of Pooled Participations and Mortgages, (form HUD-11706H) for each issue of Ginnie Mae-guaranteed mortgage-backed securities (HMBS).
- The Issuer shall contract with only one third party (a Participation Agent) to perform all monitoring and accounting activities related to pooled Participations as designated in a form HUD-11706H. Issuer's contract with the Participation Agent is set forth below. The Issuer agrees to monitor and evaluate the work of the Participation Agent and correct any findings or results from any reviews.

The Issuer agrees that the Participations designated on each form HUD-11706H are to be monitored and accounted for, whether by the Issuer or by its Participation Agent, in accordance with the requirements set forth in the Ginnie Mae Mortgage-Backed Securities Guide. The Issuer agrees to be responsible and liable for the monitoring and accounting for the Participations, including any acts or omissions of its Participation Agent in connection therewith. The Issuer has in place a quality control plan for monitoring and accounting for the Participations.

Name of Issuer

By

Date

Title

The Issuer and the Participation Agent: (if applicable)

The Agreement, dated this _____ day of _____, 20____, is by and between the Issuer and _____, a _____ duly formed pursuant to the laws of the State or Commonwealth of _____, having a principal office at _____ (Participation Agent).

Whereas, the Issuer proposes to issue mortgage-backed securities guaranteed by the Government National Mortgage Association (Ginnie Mae) pursuant to Section 306(g) of the National Housing Act;

Whereas, these securities will be based on and backed by all pools of Participations identified in the records of Ginnie Mae by the Issuer's ID Number and related to home equity conversion mortgages (HECMs);

Whereas, the parties to this Agreement desire to set forth the terms and conditions for the monitoring and accounting for the Participations pooled under the Ginnie Mae Mortgage-Backed Securities Program.

Now, therefore, in consideration of the mutual undertakings expressed in this Agreement, the parties agree as follows:

1. The Issuer shall originate or acquire HECM loans insured by the Federal Housing Administration (FHA) pursuant to Section 255 of the National Housing Act. The Issuer shall create separate Participations in each HECM loan in the original principal amount and with the terms identified and described in the form HUD-11706H.
2. For each HECM loan, the Issuer shall timely notify the Participation Agent of the original principal balance of the loan and accruals to the loan, as necessary, for the Participation Agent to monitor and account for the Participations.
3. The Participation Agent shall maintain a current database indexed to cross-reference the Pool Numbers, Participation Numbers, Issuer Loan Numbers, Ginnie Mae Loan Numbers and FHA Case Numbers.
4. The Participation Agent shall establish such internal controls, standards and procedures necessary to monitor and account for Participations in accordance with the requirements in the Ginnie Mae Mortgage-Backed Securities Guide, as amended from time to time. (the "Guide")
5. At any reasonable time, the Participation Agent shall make available, for examination and audit by representatives of the Issuer or Ginnie Mae, all records in its custody pertaining to the Mortgages or Participations designated in the form HUD-11706H.
6. Issuer and Participation Agent both agree that this Agreement is subject to and subordinate to the Guaranty Agreement between the Issuer and Ginnie Mae. This Agreement is for the benefit of, and fully enforceable by, Ginnie Mae. The Participation Agent agrees to comply with the terms of the Guaranty Agreement and the Guide.
7. Upon representation to the Participation Agent by Ginnie Mae that an Issuer default has occurred under a Guaranty Agreement between the Issuer and Ginnie Mae, the Participation Agent shall comply with all Ginnie Mae demands, including, but not limited to, the delivery to Ginnie Mae or its designee of all records in the Participation Agent's custody, pertaining to Mortgages or Participations designated in the form HUD-11706H. Such demands shall be in Ginnie Mae's sole discretion.
8. If, following such a default, Ginnie Mae elects to assume or transfer the duties and obligations of the Issuer and elects to continue the services of the Participation Agent, the Participation Agent agrees to continue its obligations herein for Ginnie Mae for a reasonable time on the same terms and conditions set forth in this Agreement, provided that under no circumstance shall Ginnie Mae be obligated to pay any compensation or fee for the holding or release of any Participation records related to any HECM loan during such reasonable period. If, however, Ginnie Mae elects to terminate this Agreement, the Issuer's Participation Agent shall comply with this election to terminate without charge to Ginnie Mae.
9. Consideration for services to be performed by the Participation Agent under this Agreement shall be:

The Issuer is responsible for paying any compensation or fees to the Participation Agent. Except as provided in paragraph 8, Ginnie Mae has no obligation to pay any compensation or fee to the Participation Agent.

In Witness Whereof the parties duly execute this Agreement on the date reflected above:

Attest: (Signature and Title)	Name of Issuer
	(Authorized Signature and Title)
Attest: (Signature and Title)	Name of Participation Agent
	(Authorized Signature and Title)