FOURTH AMENDMENT TO

COMMITMENT TO PURCHASE FINANCIAL INSTRUMENT
and
HFA PARTICIPATION AGREEMENT

This Fourth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Fourth Amendment") is entered into as of the date set forth on Schedule A attached hereto as the Fourth Amendment Date (the "Amendment Date"), by and among the United States Department of the Treasury ("Treasury"), the undersigned party designated as HFA whose description is set forth in Schedule A attached hereto (for convenience, a "state housing finance agency" or "HFA") and the undersigned institution designated by HFA to participate in the program described below ("Eligible Entity").

Recitals

WHEREAS, Treasury, HFA and Eligible Entity entered into that certain Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Original HPA") dated as of the Closing Date, as previously amended by that certain First Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "First Amendment"), as further amended by that certain Second Amendment to Commitment to Purchase Financial instrument and HFA Participation Agreement (the "Second Amendment"), as further amended by that certain Third Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the "Third Amendment"; and together with the Original HPA as amended thereby, by the First Amendment and by the Second Amendment, the "Current HPA"), dated as of their respective dates as set forth on Schedule A attached hereto, in connection with Treasury's federal housing program entitled the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets (the "HHF Program"), which was established pursuant to the Emergency Economic Stabilization Act of 2008 (P.L. 110-343), as amended, as the same may be amended from time to time ("EESA");

WHEREAS, HFA and Eligible Entity submitted a request to Treasury to make certain revisions to their Service Schedules and Treasury has agreed to the same;

WHEREAS, HFA, Eligible Entity and Treasury wish to enter into this Fourth Amendment to document all approved modifications to the Service Schedules;

Accordingly, in consideration of the representations, warranties, and mutual agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Treasury, HFA and Eligible Entity agree as follows.

Agreement

1. Amendments

A. Definitions. All references in the Current HPA to the "Agreement" shall mean the Current HPA, as further amended by this Fourth Amendment; and all references in the

Current HPA to Schedules A or B shall mean the Schedules A or B attached to this Fourth Amendment. All references herein to the "HPA" shall mean the Current HPA, as further amended by this Fourth Amendment.

B. Schedule A. Schedule A attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule A attached to this Fourth Amendment.

C. Schedule B. Schedule B attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule B attached to this Fourth Amendment.

2. Representations, Warranties and Covenants

A. HFA and Eligible Entity. HFA and Eligible Entity, each for itself, make the following representations, warranties and covenants to Treasury and the truth and accuracy of such representations and warranties and compliance with and performance of such covenants are continuing obligations of HFA and Eligible Entity, each as to itself. In the event that any of the representations or warranties made herein cease to be true and correct or HFA or Eligible Entity breaches any of its covenants made herein, HFA or Eligible Entity, as the case may be, agrees to notify Treasury immediately and the same shall constitute an Event of Default under the HPA.

(1) HFA and Eligible Entity each hereby certifies, represents and warrants as of the date hereof that each of the representations and warranties of HFA or Eligible Entity, as applicable, contained in the HPA are true, correct, accurate and complete in all material respects as of the date hereof. All covenants of HFA or Eligible Entity, as applicable, contained in the HPA shall remain in full force and effect and neither HFA, nor Eligible Entity is in breach of any such covenant.

(2) Eligible Entity has the full corporate power and authority to enter into, execute, and deliver this Fourth Amendment and any other closing documentation delivered to Treasury in connection with this Fourth Amendment, and to perform its obligations hereunder and thereunder.

(3) HFA has the full legal power and authority to enter into, execute, and deliver this Fourth Amendment and any other closing documentation delivered to Treasury in connection with this Fourth Amendment, and to perform its obligations hereunder and thereunder.

3. Miscellaneous

A. The recitals set forth at the beginning of this Fourth Amendment are true and accurate and are incorporated herein by this reference.

B. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the HPA.

C. Any provision of the HPA that is determined to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of the HPA, and no such prohibition or unenforceability in any jurisdiction shall invalidate such provision in any other jurisdiction.

D. This Fourth Amendment may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile or electronic copies of this Fourth Amendment shall be treated as originals for all purposes.

[SIGNATURE PAGE FOLLOWS; REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

In Witness Whereof, HFA, Eligible Entity and Treasury by their duly authorized officials hereby execute and deliver this Fourth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement as of the Amendment Date.

HFA:

CALIFORNIA HOUSING FINANCE AGENCY

By: /s/ L. Steven Spears
Name: L. Steven Spears
Title: Executive Director

TREASURY:

UNITED STATES DEPARTMENT OF THE TREASURY

By: ______________________________
Name: Timothy G. Massad
Title: Acting Assistant Secretary for Financial Stability

ELIGIBLE ENTITY:

CALHFA MORTGAGE ASSISTANCE CORPORATION

By: /s/ Diane M. Richardson
Name: Diane M. Richardson
Title: President

In Witness Whereof, HFA, Eligible Entity and Treasury by their duly authorized officials hereby execute and deliver this Fourth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement as of the Amendment Date.

HFA:

CALIFORNIA HOUSING FINANCE AGENCY

By: ____________________________
Name:
Title:

TREASURY:

UNITED STATES DEPARTMENT OF THE TREASURY

By: ____________________________
Name: Timothy G. Massad
Title: Acting Assistant Secretary for Financial Stability

ELIGIBLE ENTITY:

CALHFA MORTGAGE ASSISTANCE CORPORATION

By: ____________________________
Name:
Title:

EXHIBITS AND SCHEDULES

SCHEDULE A

BASIC INFORMATION

Eligible Entity Information:

Name of the Eligible Entity:	CalHFA Mortgage Assistance Corporation
Corporate or other organizational form:	Nonprofit Public Benefit Corporation
Jurisdiction of organization:	California
Notice Information:	

HFA Information:

Name of HFA:	California Housing Finance Agency
Organizational form:	Agency of the State of California
Date of Application:	April 16, 2010
Date of Action Plan:	September 1, 2010
Notice Information:	

Program Participation Cap:	$1,975,334,096.00
Portion of Program Participation Cap Representing Original HHF Funds:	$ 699,600,000.00
Portion of Program Participation Cap Representing Unemployment HHF Funds:	$ 476,257,070.00
Permitted Expenses:	$ 148,150,057.20
Closing Date:	June 23, 2010
First Amendment Date:	September 23, 2010
Second Amendment Date:	September 29, 2010
Third Amendment Date:	December 16, 2010
Fourth Amendment Date:	March 31, 2011
Eligible Entity Depository Account Information:	See account information set forth in the Depository Account Control Agreement between Treasury and Eligible Entity regarding the HHF Program.

SCHEDULE B

SERVICE SCHEDULES

The Service Schedules attached as Schedule B to the Current HPA are hereby deleted in their entirety and replaced with the attached Service Schedules (numbered sequentially as Service Schedule B-1, Service Schedule B-2, et. seq.), which collectively comprise Schedule B to the HPA.

SCHEDULE B-1

California Housing Finance Agency Mortgage Assistance Corporation ("CalHFA MAC")

UNEMPLOYMENT MORTGAGE ASSISTANCE PROGRAM

Summary Guidelines

1. Program Overview	The Unemployment Mortgage Assistance Program (UMA) is one of CalHFA MAC's federally-funded programs developed to provide temporary financial assistance to eligible California homeowners who wish to remain in their homes but have suffered a loss of income due to unemployment. CalHFA MAC is partnering with financial institutions to directly provide program funds to subsidize an eligible homeowner's mortgage payments. UMA provides mortgage payment assistance equal to the lesser of $3,000 per month or 100% of the PITI (principal, interest, tax, insurance) and any escrowed homeowner's association dues or assessments, for up to six (6) months, with the purpose of preventing avoidable foreclosures until such time that the homeowner retains employment sufficient to meet the demands of satisfying their regular mortgage payment.
2. Program Goals	UMA's goal is to help homeowners remain in their homes and prevent avoidable foreclosures despite loss of income due to unemployment. The UMA program will minimize past due payments, and provide a homeowner with additional time to find alternate employment and replace income needed to make their mortgage payment. UMA was designed to assist homeowners who are currently eligible to receive unemployment benefits. UMA was designed to complement other loss mitigation programs, including increasing a homeowner's eligibility for an extended written forbearance plan and/or loan modification.
3. Target Population / Areas	UMA is designed to target low-to-moderate income homeowners and address the needs of a homeowner's specific situation in lieu of targeting certain regions or counties.
4. Program Allocation (Excluding	$874,995,915.28

Administrative Expenses)	
5. Borrower Eligibility Criteria	• Homeowner must qualify as a low-to-moderate income household, as follows: o Low-to-moderate income of 120% or less of the HCD Area Median Income (as defined by the California State Department of Housing and Community Development), for a family of four, in the county where homeowner resides. o A loan financed in whole or in part by bonds that are tax-exempt under IRC section 143, the homeowner is presumed to satisfy income limits. • Homeowner must complete and sign a Hardship Affidavit / 3rd Party Authorization documenting the reason for the hardship. • Homeowners who have recently encountered a financial hardship due to underemployment or unemployment, including those whose financial hardship is related to their military service. • Homeowner must agree to provide all necessary documentation to satisfy program guidelines established by CalHFA MAC. • Homeowner must be currently eligible to receive unemployment benefits. • Mortgage loan is delinquent or at risk of imminent default as substantiated by homeowner's hardship documentation. Loans in foreclosure are not eligible. • Homeowner in an "active" Chapter 7 or Chapter 13 bankruptcy is eligible for the program subject to the homeowner's counsel or bankruptcy trustee approval in accordance with local court rules and procedures. • General program eligibility is determined by CalHFA MAC, the housing counselor or servicer based on information received from the homeowner. Program-specific eligibility is determined by CalHFA MAC on a first-come/first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions. • Funding allocation will be tracked, monitored and performed by CalHFA MAC in a centralized processing operation.
6. Property / Loan Eligibility Criteria	• Current unpaid principal balance (UPB) of the first lien mortgage loan is not greater than $729,750 (GSE conforming limit for a one-unit property). • The property securing the mortgage loan must not be abandoned, vacant or condemned. • The applicant must own and occupy the single family, 1-4

	unit home (an attached or detached house or a condominium unit) located in California and it must be their primary residence.
7. Program Exclusions	• Loan is more than three (3) payments delinquent as of the date of request for assistance or at the time homeowner requested HAMP UP forbearance from their servicer. • Loan is in foreclosure. • Homeowner owns other real property. • Homeowner's "hardship" is a result of voluntary resignation of employment. • The homeowner is no longer eligible for unemployment benefits from the California Employment Development Department (EDD) benefit or such benefits will expire within 90 days.
8. Structure of Assistance	CalHFA MAC will structure the assistance as a non-recourse, non-interest bearing subordinate loan in favor of the Eligible Entity (CalHFA MAC) secured by a junior lien recorded against the property in the amount of the total reduced PITI and any escrowed homeowner's association dues or assessments, and equal to the total amount of HHF unemployment assistance. At the conclusion of (3) three years, the subordinate loan will be released. Loan funds will only be repaid to Eligible Entity (CalHFA MAC) in the event of a sale or refinance with sufficient net equity proceeds prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance until December 31, 2017, at which time any recovered funds will be returned to Treasury. After December 31, 2017, any remaining or returned funds will be returned to Treasury.
9. Per Household Assistance	Up to $18,000 per household total (average funding of $14,455.43), equaling the lesser of $3,000 per month or 100% of PITI and any escrowed homeowner's association dues or assessments (and in all cases, subject to the HHF Program maximum benefit cap of $50,000 with respect to monies previously received under other HHF Programs, if any).
10. Duration of Assistance	Homeowner participation in UMA is limited to six (6) months maximum.
11. Estimated Number of Participating Households	Approximately 60,531. This figure is based on loans with unpaid principal balances ranging from $200,000 to $400,000 with an average funding of $14,455.43.
12. Program Inception / Duration	The statewide launch of UMA was January 10, 2011 and it will continue up to three (3) years or until funding is fully reserved.
13. Program	UMA will serve as a gateway to homeowner programs aimed at

Interactions with Other HFA Programs	reinstatement and principal reduction as permitted by program guidelines.
14. Program Interactions with HAMP	This benefit may precede or extend HAMP, including HAMP UP for temporary unemployment assistance which when combined may provide assistance for up to one year. HAMP UP currently offers a minimum of three months and up to six months for some homeowners.
15. Program Leverage with Other Financial Resources	Upon completion of all UMA benefit assistance payments and based on homeowner need, the Servicer agrees to consider an extension of unemployment forbearance plan (such as HAMP UP or other Proprietary program) or other foreclosure prevention program as applicable per investor guidelines. CalHFA MAC will request that the loan servicer waive fees (e.g., NSF and late charges).
16. Qualify as an Unemployment Program	☑ Yes ☐ No

SCHEDULE B-2

California Housing Finance Agency Mortgage Assistance Corporation ("CalHFA MAC")

MORTGAGE REINSTATEMENT ASSISTANCE PROGRAM

Summary Guidelines

1. Program Overview	The Mortgage Reinstatement Assistance Program (MRAP) is one of CalHFA MAC's federally-funded programs developed to provide temporary financial assistance to eligible homeowners who wish to remain in their homes but are in imminent danger of losing their home to foreclosure. MRAP provides funds to assist income-qualified homeowners to help them cure their delinquent first mortgage loan arrearages, which may also include payments needed to reinstate their loans from foreclosure.
2. Program Goals	The MRAP program will prevent avoidable foreclosures by helping homeowners reinstate their past due first mortgage loans. MRAP will also mitigate the need for large reinstatement dollars to be capitalized with remaining loan balance, and thus, broaden the population of homeowners who otherwise may not qualify for modification.
3. Target Population / Areas	MRAP is designed to target low-to-moderate income homeowners and address the needs of a homeowner's specific situation in lieu of targeting certain regions or counties.
4. Program Allocation (Excluding Administrative Expenses)	$129,400,000.00
5. Borrower Eligibility Criteria	• Homeowner must qualify as a low-to-moderate income household, as follows: o Low-to-moderate income of 120% or less of the HCD Area Median Income (as defined by the California State Department of Housing and Community Development), for a family of four, in the county where homeowner resides. o A loan financed in whole or in part by bonds that are tax-exempt under IRC section 143, the homeowner is presumed to satisfy income limits. • Homeowner must complete and sign a Hardship Affidavit / 3rd Party Authorization documenting the reason for the

	hardship. • Homeowners who have recently encountered a financial hardship due to their military service are eligible. • Homeowner has adequate income to sustain reinstated first lien mortgage loan. • Homeowner must agree to provide all necessary documentation to satisfy program guidelines established by CalHFA MAC. • Mortgage loan is delinquent or at risk of imminent default as substantiated by homeowner's hardship documentation. Loans in foreclosure are eligible. • Homeowner in an "active" Chapter 7 or Chapter 13 bankruptcy is eligible for the program subject to the homeowner's counsel or bankruptcy trustee approval in accordance with local court rules and procedures. • General program eligibility is determined by CalHFA MAC, the housing counselor or servicer based on information received from the homeowner. Program-specific eligibility is determined by CalHFA MAC on a first-come/first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions. • Funding allocation will be tracked, monitored and performed by CalHFA MAC in a centralized processing operation.
6. Property / Loan Eligibility Criteria	• Current unpaid principal balance (UPB) of the first lien mortgage loan is not greater than $729,750 (GSE conforming limit for a one-unit property). • The property securing the mortgage loan must not be abandoned, vacant or condemned. • The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in California and it must be their primary residence.
7. Program Exclusions	• Homeowner owns other real property. • Homeowner's "hardship" is a result of voluntary resignation of employment. • MRAP benefit assistance request for reinstatement with a first lien PITI and any escrowed homeowner's association dues or assessments, payment of greater than 31% of the homeowner's gross monthly income, excluding unemployment benefits or per servicer guidelines will be considered unaffordable and is excluded from MRAP benefit consideration. • Loan is less than two (2) payments delinquent as of the date of request for assistance.

8. Structure of Assistance	CalHFA MAC will structure the assistance as a non-recourse, non-interest bearing subordinate loan in favor of the Eligible Entity (CalHFA MAC) secured by a junior lien recorded against the property in the amount of the HHF assistance. At the conclusion of (3) three years, the subordinate loan will be released. Loan funds will only be repaid to Eligible Entity (CalHFA MAC) in the event of a sale or refinance with sufficient net equity proceeds prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance until December 31, 2017, at which time any recovered funds will be returned to Treasury. After December 31, 2017, any remaining or returned funds will be returned to Treasury.
9. Per Household Assistance	Up to $15,000 per household (average funding of $14,047.92) for PITI and any escrowed homeowner's association dues or assessments, arrearages (and in all cases, subject to the HHF Program maximum benefit cap of $50,000 with respect to monies previously received under other HHF Programs, if any).
10. Duration of Assistance	Available on a one-time only basis, per household.
11. Estimated Number of Participating Households	Approximately 9,211. This figure is based on loans with unpaid principal balances ranging from $200,000 to $400,000 with an average funding of $14,047.92.
12. Program Inception / Duration	The statewide launch of MRAP was February 7, 2011 and it will continue up to three (3) years or until funding is fully reserved.
13. Program Interactions with Other HFA Programs	MRAP will serve as a gateway to other loss mitigation programs including loan modification which may include principal reduction, including other HHF Programs and the Principal Reduction Program.
14. Program Interactions with HAMP	MRAP will serve as a gateway to HAMP which may include principal reduction of homeowner's mortgage.
15. Program Leverage with Other Financial Resources	CalHFA MAC will require that the servicer waive all accrued and unpaid late charges and NSF fees for all payments funded with MRAP benefits.
16. Qualify as an Unemployment Program	☐ Yes ☑ No

SCHEDULE B-3

California Housing Finance Agency Mortgage Assistance Corporation ("CalHFA MAC")

PRINCIPAL REDUCTION PROGRAM

Summary Guidelines

1. Program Overview	The Principal Reduction Program (PRP) is one of CalHFA MAC's federally-funded programs developed with a goal to provide capital on a dollar-for-dollar matching basis with participating lenders to reduce over a three-year period the outstanding principal balances of qualifying properties with negative equity. PRP will provide monies to reduce the principal balance of the first mortgage loan for the purpose of establishing an appropriate level of debt for eligible homeowners with qualifying properties.
2. Program Goals	The PRP program will, in cooperation with participating lenders, leverage the HHF dollars by reducing the principal balances of underwater mortgages and provide an incentive for qualifying homeowners to remain in their homes during this period of steep declines in value. A reduction in principal through PRP can achieve desired income ratios and affordability for a homeowner on the existing mortgage loan or can be used in conjunction with a loan modification.
3. Target Population / Areas	PRP is designed to target low-to-moderate income homeowners and address the needs of a homeowner's specific situation in lieu of targeting certain regions or counties.
4. Program Allocation (Excluding Administrative Expenses)	$790,488,123.52

5. Borrower Eligibility Criteria	• Homeowner must qualify as a low-to-moderate income household, as follows:
	    o Low-to-moderate income of 120% or less of the HCD Area Median Income (as defined by the California State Department of Housing and Community Development), for a family of four, in the county where homeowner resides.
	    o A loan financed in whole or in part by bonds that are tax-exempt under IRC section 143, the homeowner is presumed to satisfy income limits.
	• Homeowner must complete and sign a Hardship Affidavit /

	3rd Party Authorization documenting the reason for the hardship. • Homeowners who have recently encountered a financial hardship due to their military service are eligible. • Homeowner has adequate income to sustain modified mortgage payments per lender guidelines. • Homeowner must agree to provide all necessary documentation to satisfy program guidelines established by CalHFA MAC. • Mortgage loan is delinquent or at risk of imminent default as substantiated by homeowner's hardship documentation. Loans in foreclosure are eligible. • Homeowner in an "active" Chapter 7 or Chapter 13 bankruptcy is eligible for the program subject to the homeowner's counsel or bankruptcy trustee approval in accordance with local court rules and procedures. • General program eligibility is determined by CalHFA MAC, the housing counselor or servicer based on information received from the homeowner. Program-specific eligibility is determined by CalHFA MAC on a first-come/first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions. • Funding allocation will be tracked, monitored and performed by CalHFA MAC in a centralized processing operation.
6. Property / Loan Eligibility Criteria	• Property is encumbered by a first lien mortgage loan that was originated on or before January 1, 2009. • Current unpaid principal balance (UPB) of the first lien mortgage loan is not greater than $729,750 (GSE conforming limit for a one-unit property). • The property securing the mortgage loan must not be abandoned, vacant or condemned. • The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in California and it must be their primary residence.
7. Program Exclusions	• Homeowner owns other real property. • Homeowner's "hardship" is a result of voluntary resignation of employment. • Homeowner fails to satisfy lender underwriting guidelines. • LTV of 115% or less. • First lien PITI and any escrowed homeowner's association dues or assessments, payments that are less than 31% of homeowner's gross monthly income, excluding unemployment benefits, are considered affordable and are

	excluded from PRP benefit assistance eligibility.
	• Homeowner consummated a "cash-out" refinance of the subject first lien mortgage property.
	  o Refinancing for the sole purpose of obtaining a new interest rate and loan term is permissible.
	  o Costs associated with the first mortgage refinance may be financed in the new loan.
	  o Junior liens used to purchase the subject property first mortgage property are not excluded from eligibility.
	• Stand-alone second liens including home equity lines of credit and FEMA funded low-cost loans to homeowners to help pay for uninsured losses associated with natural disasters are considered "cash-out." Homeowners with junior liens that meet this description are not eligible for program assistance.

8. Structure of Assistance	In the event that CalHFA MAC receives less than 100% match by the lender/servicer, CalHFA MAC will structure the assistance as a non-recourse, non-interest bearing subordinate loan in favor of the Eligible Entity (CalHFA MAC) secured by a junior lien recorded against the property in the amount of the HHF assistance. At the conclusion of (3) three years, the subordinate loan will be released. Loan funds will only be repaid to Eligible Entity (CalHFA MAC) in the event of a sale or refinance with sufficient net equity proceeds prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance until December 31, 2017, at which time any recovered funds will be returned to Treasury. If the lender/servicer matches the assistance in an amount equal to or greater than 100% of the HHF Program assistance provided to the homeowner, then the assistance is not required to be structured as a loan to the homeowner. After December 31, 2017, any remaining or returned funds will be returned to Treasury.
9. Per Household Assistance	Up to $50,000 per household (average funding of $31,449.58), less program monies previously received under other HHF Programs.
10. Duration of Assistance	Available on a one-time only basis, per household.
11. Estimated Number of Participating Households	Approximately 25,135. This figure is based on loans with unpaid principal balances ranging from $200,000 to $400,000 with an average funding of $31,449.58.
12. Program Inception / Duration	The statewide launch of PRP was February 7, 2011 and it will continue up to three (3) years or until funding is fully reserved.

13. Program Interactions with Other HFA Programs	PRP may be used in conjunction with MRAP aimed at reinstatement.
14. Program Interactions with HAMP	PRP may work in conjunction with a standard HAMP modification to help eligible homeowners achieve desired income ratios and affordability. PRP may not be combined or used in conjunction with the HAMP Principal Reduction Alternative (PRA). PRP layering with HAMP PRA is strictly prohibited. PRP funds are not eligible in any combination to qualify for HAMP PRA investor incentive compensation.
15. Program Leverage with Other Financial Resources	The goal of the program is for the applicable servicer/lender to match PRP funds on a dollar-for-dollar basis. The servicer/lender’s matching funds will be paid no later than at the time of CalHFA MAC program funding. CalHFA MAC will require that the servicer waive all accrued and unpaid late charges and NSF fees at the time the modification agreement is completed
16. Qualify as an Unemployment Program	☐ Yes ☑ No

SCHEDULE B-4

California Housing Finance Agency Mortgage Assistance Corporation ("CalHFA MAC")

THE TRANSITION ASSISTANCE PROGRAM

Summary Guidelines

1. Program Overview	The Transition Assistance Program (TAP) is one of CalHFA MAC's federally-funded programs developed to provide eligible homeowners with transition assistance when it is determined that they can no longer afford their home. TAP will be used in conjunction with short sale and deed-in-lieu programs to help homeowners make a smooth transition to housing. Homeowners will be required to occupy and maintain the property until the home is sold or returned to the lender as negotiated. Program funds would be available on a one-time only basis up to $5,000 per household and can be used or layered with other CalHFA MAC HHF Programs. Funds will be sent to the servicer or homeowner after or in connection with the short sale or deed-in-lieu of foreclosure closing. Funds are intended to help the homeowner secure new housing (e.g., rent, moving expenses, and security deposits) and will be available for transition assistance counseling services.
2. Program Goals	CalHFA MAC envisions that these monies would be used to complement other federal or lender programs designed specifically to stabilize communities by providing assistance to homeowners who have suffered a financial hardship and as a result are no longer financially able to afford their mortgage payments.
3. Target Population / Areas	TAP is designed to target low-to-moderate income homeowners and address the needs of a homeowner's specific situation in lieu of targeting certain regions or counties.
4. Program Allocation (Excluding Administrative Expenses)	$32,300,000.00
5. Borrower Eligibility Criteria	• Homeowner must qualify as a low-to-moderate income household, as follows: o Low-to-moderate income of 120% or less of the HCD Area Median Income (as defined by the California State Department of Housing and Community Development), for a family of four, in

	the county where homeowner resides. o A loan financed in whole or in part by bonds that are tax-exempt under IRC section 143, the homeowner is presumed to satisfy income limits. • Homeowner must complete and sign a Hardship Affidavit / 3rd Party Authorization documenting the reason for the hardship. • Homeowners who have recently encountered a financial hardship due to their military service are eligible. • Homeowner must agree to provide all necessary documentation to satisfy program guidelines established by CalHFA MAC. • Mortgage loan is delinquent or at risk of imminent default as substantiated by homeowner's hardship documentation. Loans in foreclosure are eligible. • Homeowner in an "active" Chapter 7 or Chapter 13 bankruptcy is eligible for the program subject to the homeowner's counsel or bankruptcy trustee approval of the use of funds as required by the program guidelines in accordance with local court rules and procedures. • General program eligibility is determined by CalHFA MAC, the housing counselor or servicer based on information received from the homeowner. Program-specific eligibility is determined by CalHFA MAC on a first-come/first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions. • Funding allocation will be tracked, monitored and performed by CalHFA MAC in a centralized processing operation.
6. Property / Loan Eligibility Criteria	• Current unpaid principal balance (UPB) of the first lien mortgage loan is not greater than $729,750 (GSE conforming limit for a one-unit property). • The property securing the mortgage loan must not be abandoned, vacant or condemned. • The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in California and it must be their primary residence.
7. Program Exclusions	• Homeowner owns other real property.
8. Structure of Assistance	TAP assistance will not be structured as a loan. After December 31, 2017, any remaining or returned funds will be returned to Treasury.

9. Per Household Assistance	Up to $5,000 per household (average funding of $5,000.00).
10. Duration of Assistance	Available on a one-time only basis, per household.
11. Estimated Number of Participating Households	Approximately 6,460. This figure is based on loans with unpaid principal balances ranging from $200,000 to $400,000 with an average funding of $5,000.00.
12. Program Inception / Duration	The statewide launch of TAP was February 7, 2011 and it will continue up to three (3) years or until funding is fully reserved.
13. Program Leverage with Other HFA Programs	TAP benefits may be available to the homeowner even if UMA, MRAP and/or PRP benefits have been utilized, subject to the HHF Program maximum benefit cap of $50,000.
14. Program Interactions with HAMP	TAP complements HAMP and HAFA. The funds will leverage monies being made available through HAFA. Servicer is required to follow HAFA guidelines for allowable costs. In cases where the Servicer has approved the homeowner for a HAFA transaction, TAP dollars will be limited to $2,000 in order to maintain the $5,000 HHF Program maximum per household.
15. Program Leverage with Other Financial Resources	None.
16. Qualify as an Unemployment Program	☐ Yes ☑ No