

**GOLDEN STATE FINANCE AUTHORITY (GSFA)**  
**PLATINUM PROGRAM**  
**LENDER TERM SHEET – CONVENTIONAL LOANS**

<b>PROGRAM SPONSOR</b>	Golden State Finance Authority (GSFA)
<b>SERVICER</b>	US Bank National Association
<b>PARTICIPATING LENDERS</b>	<p>Lenders interested in participating in this Program must complete a GSFA Lender Profile, execute a GSFA Program Lender Agreement, and be an Approved Correspondent Lender with the Servicer.</p> <p><i>The GSFA Lender Profile and GSFA Program Lender Agreement are available for download from the GSFA Platinum Participant Guide at <a href="http://www.gsfahome.org">www.gsfahome.org</a>.</i></p>
<b>DESCRIPTION</b>	<p>GSFA Platinum is designed to increase homeownership opportunities for low-to-moderate income individuals and families in California. Down Payment Assistance (DPA) is available in the form(s) stated below.</p>
<b>FIRST MORTGAGE LOAN TYPES AND TERMS</b>	<p><b>Loan Type:</b></p> <ul style="list-style-type: none"> <li>Freddie Mac HFA Advantage Conventional financing, in accordance with Freddie Mac guidelines and Primary Mortgage Insurer guidelines.</li> </ul> <p><b>Loan Term:</b></p> <ul style="list-style-type: none"> <li>30-year fixed term with full amortization.</li> </ul> <p><b>Maximum Loan Amount:</b></p> <ul style="list-style-type: none"> <li>Conforming loan limits of \$453,100.</li> <li>Conforming loan limits of \$484,350 for loans closed on or after January 1, 2019.</li> </ul> <p><b>Max LTV/TLTV:</b> 97%/105%.</p> <p><i>For FHA, VA, USDA financing options within the GSFA Platinum Program, please see the “Lender Term Sheet – FHA, VA, USDA” available for download from the GSFA Platinum Participant Guide at <a href="http://www.gsfahome.org">www.gsfahome.org</a>.</i></p>
<b>MORTGAGE LOAN INTEREST RATES:</b>	<p>Program Manager (NHF) shall publish the Mortgage Rate on its Reservation Portal at <a href="https://nhfresportal.nhfloan.org/login.aspx">https://nhfresportal.nhfloan.org/login.aspx</a> on behalf of GSFA.</p> <ul style="list-style-type: none"> <li>The Reservation Portal may be accessed Monday through Friday between 9:00 AM and 4:00 PM PST/PDT, National Holidays excluded.</li> <li>The published Mortgage Rates are subject to change at any time.</li> </ul>
<b>DOWN PAYMENT AND CLOSING COST ASSISTANCE (DPA)</b>	<p>DPA is available from GSFA for Purchase or Refinance transactions as outlined below:</p> <p><b>DPA Amount:</b></p> <ul style="list-style-type: none"> <li>Up to 5.00% of the First Mortgage Loan amount.</li> <li>For GSFA Paid MI Options: <ul style="list-style-type: none"> <li>DPA of \$1,000, or</li> <li>DPA of 2.50% of the First Mortgage Loan Amount.</li> </ul> </li> </ul> <p><b>DPA Form:</b></p> <ul style="list-style-type: none"> <li>For Platinum “Select” transactions, the DPA is in the form of a Gift. (See Platinum “Select” Eligibility section for details.)</li> <li>For all other Platinum transactions, the DPA is in the form of a Second Mortgage Loan, forgivable after 3 years.</li> </ul>

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<p><b>DOWN PAYMENT AND CLOSING COST ASSISTANCE (DPA) CONT.</b></p>	<p><b>DPA General Terms:</b></p> <ul style="list-style-type: none"><li>• Proceeds may be used for down payment and/or closing costs;</li><li>• There must be no cash back to the borrower from the DPA proceeds.</li></ul> <p><b>DPA Second Mortgage Loan Terms</b></p> <ul style="list-style-type: none"><li>• Note Rate of Second Mortgage is 0%;</li><li>• Non-amortizing loan with no monthly payments;</li><li>• Second Mortgage is forgiven after 3 years;<ul style="list-style-type: none"><li>○ The outstanding principal amount of the Second Mortgage is reduced by one-third (1/3rd) of the original principal amount on each one-year anniversary date.</li><li>○ Upon sale or refinance prior to the end of the 3 years, the total loan forgiveness will be calculated pro rata on a monthly basis with x/36 of the original principal amount being deducted from the original principal amount, x being equal to the total number of whole months completed since the date hereof.</li></ul></li><li>• No subordination allowed.</li><li>• Lender must conform to federal RESPA and Truth-in-lending laws in disclosing the terms of the Second Mortgage.</li></ul> <p><i>Lender upfronts the DPA amount at closing to be reimbursed by the Servicer, on behalf of GSFA, upon purchase of the Platinum First Mortgage Loan.</i></p>
<p><b>PLATINUM “SELECT” ELIGIBILITY</b></p>	<p>Borrowers with the following occupations in California are eligible for the Platinum “Select” feature, which provides DPA in the form of a non-repayable Gift:</p> <ul style="list-style-type: none"><li>• Peace Officers, Sheriff, Border Patrol Agents, Correctional Officers and others serving in a Law Enforcement capacity;</li><li>• Firefighters, CalFire, paramedic, and Emergency Medical Technicians (EMTs), including administrative staff that supports firefighters; or</li><li>• Current members of the California State Teachers Retirement System (CalSTRS) or University of California Retirement Plan (UCRP), employees of a California accredited Private, Charter or Public School District or California State University, Junior College or Private College, including school administration and staff.</li></ul> <p>Lenders are required to upload documented evidence of a borrower’s eligible occupation within five (5) business days of submitting a loan reservation online. Acceptable file formats include .pdf, .bmp, .gif, .jpg, .jpeg and .img.</p>
<p><b>DPA SECOND MORTGAGE LOAN DOCUMENTATION</b></p>	<ul style="list-style-type: none"><li>• Required DPA Second Mortgage Loan Documents include:<ul style="list-style-type: none"><li>○ Promissory Note</li><li>○ Deed of Trust</li><li>○ Program Partial Exemption Disclosure</li></ul></li><li>• GSFA must serve as the Lender and beneficiary for the Second Note and Security Instrument;</li><li>• Lender is responsible for recording the Second Mortgage Loan Security Instrument.</li></ul>

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<b>BORROWER ELIGIBILITY</b>	<p><b>Occupancy:</b></p> <ul style="list-style-type: none"> <li>• Borrower must occupy the residence as their primary residence.</li> <li>• Follow Freddie Mac guidelines concerning non-occupant co-borrowers.</li> </ul> <p><b>Eligible Properties:</b></p> <ul style="list-style-type: none"> <li>• 1 unit, Single Family Residences, approved Condos, and Townhomes, as allowed per Agency guidelines.</li> <li>• No manufactured homes nor co-ops.</li> <li>• Condominiums allowed for LTVs of 97% with US Bank approval in addition to meeting Freddie Mac guidelines as applicable.</li> </ul> <p><b>Income Limits:</b></p> <ul style="list-style-type: none"> <li>• Refer to <a href="http://www.gsfahome.org/programs/dpa/limits.aspx">http://www.gsfahome.org/programs/dpa/limits.aspx</a> for applicable income limits by county of property.</li> </ul> <p><b>Minimum Credit Score:</b></p> <ul style="list-style-type: none"> <li>• For GSFA Paid MI Options:             <ul style="list-style-type: none"> <li>○ 660 if DTI 45% or less;</li> <li>○ 720 if DTI exceeds 45%.</li> </ul> </li> <li>• For all other loans: 640.</li> </ul> <p><b>Maximum DTI:</b></p> <ul style="list-style-type: none"> <li>• For loans underwritten through an AUS, unless a lower maximum DTI is required for product/property type per GSE, Insurer, or HFA guidelines:             <ul style="list-style-type: none"> <li>○ 45% maximum for loans underwritten through LPA with an “Accept” finding</li> <li>○ 50% for loans underwritten through DU with an “Approve/Eligible” finding require a minimum representative credit score of 720.</li> </ul> <p style="text-align: center;"><b>(Note: Effective January 7, 2019, DU will no longer be allowed.)</b></p> </li> <li>• For manually underwritten loans, maximum allowable DTI is 36% unless a lower maximum DTI is required for product/property type per GSE, Insurer, or HFA guidelines.</li> </ul> <p><b>Homebuyer Education:</b></p> <ul style="list-style-type: none"> <li>• Approved homebuyer education/counseling required if all borrowers are first time homebuyers. (Please refer to loan agency for specific requirements.)</li> </ul>
<b>MORTGAGE INSURANCE</b>	<p><b>Freddie Mac HFA Advantage coverage levels:</b></p> <ul style="list-style-type: none"> <li>• Greater than 95% up to and including 97% LTV: 18%.</li> <li>• Greater than 90% up to and including 95% LTV: 16%.</li> <li>• Greater than 85% up to and including 90% LTV: 12%.</li> <li>• Greater than 80% up to and including 85% LTV: 6%.</li> </ul> <p><b>No MI necessary if using GSFA Paid MI Options.</b></p> <ul style="list-style-type: none"> <li>• Lender does NOT obtain a Mortgage Insurance certificate on these loans.</li> <li>• Lender IS required to obtain an LPMI Initial Disclosure, to include in the file for delivery and purchase sent to US Bank.</li> </ul>

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<b>REFINANCE TRANSACTIONS</b>	<ul style="list-style-type: none"> <li>• Minimum 3% equity required.</li> <li>• No cash out allowed.</li> <li>• Full Documentation required.</li> </ul>
<b>UNDERWRITING</b>	<ul style="list-style-type: none"> <li>• Freddie Mac “HFA Advantage” available through LPA “Accept” finding or “HFA Preferred” available through DU “Approved/Eligible” finding. (Note: Effective January 7, 2019, DU will no longer be allowed.)</li> <li>• No manual underwriting for LTVs above 95% or GSFA Paid MI Options.</li> </ul> <p><i>For more information, please visit Freddie Mac’s HFA Advantage website: <a href="http://www.freddiemac.com/singlefamily/hfa.html">http://www.freddiemac.com/singlefamily/hfa.html</a>.</i></p>
<b>RESERVATIONS</b>	<p>Lender shall register Qualifying Mortgage Loans (“QML”) using the Reservation Portal at <a href="https://nhfresportal.nhfloan.org/login.aspx">https://nhfresportal.nhfloan.org/login.aspx</a>.</p> <ul style="list-style-type: none"> <li>• The Reservation Portal may be accessed Monday through Friday between 9:00 AM and 4:00 PM PST/PDT, National Holidays excluded.</li> <li>• In order to access the Reservation Portal, user shall obtain a “User ID” from the Lender’s “Password Management Contact”.</li> </ul> <p><b>Reservations:</b></p> <ul style="list-style-type: none"> <li>• The Reservation Portal will identify whether a loan registration initially qualifies as a QML based on Income and Credit Score Limits provided by the Lender.</li> <li>• Lender reserves DPA at the time of First Mortgage Loan registration via the Reservation Portal.</li> <li>• Upon completion of the reservation, the Reservation Portal will provide Lender with an electronic “Reservation Confirmation” and “DPA Funding Commitment Notice”.</li> <li>• The Reservation Confirmation is valid for 60 days.</li> <li>• The Reservation Confirmation and DPA Funding Commitment Notice must be submitted with the Mortgage Loan File to Servicer for purchase.</li> <li>• Both the First Mortgage Loan and the DPA Second Mortgage Loan (if applicable) must be purchased by Servicer within 60 days of reservation.</li> <li>• Modifications to a reservation will require approval from the Program Manager.</li> <li>• Lender may cancel the reservation via the Reservation Portal, which will provide electronic confirmation of cancellation to Lenders. A cancellation fee of \$400 will apply to each cancelled reservation.</li> <li>• If a Lender cancels a reservation, lenders may re-register, only after 30 calendar days from cancellation date, via the Reservation Portal.</li> <li>• An extension to a reservation will require approval from the Program Manager and will be subject to market conditions. A minimum fee of 0.375% of the First Mortgage loan amount will be applied to extensions. Fees may be higher depending on market conditions.</li> </ul>

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<b>FEES AND POINTS</b>	<p>Participating Lender should refer to Servicer Website for guidelines at: <a href="http://www.hfa.usbank.com">www.hfa.usbank.com</a>.</p> <p><b>Fees and Points Lender may charge to Borrower:</b></p> <ul style="list-style-type: none"><li>• Origination Fee: up to 2.0% of the First Mortgage.</li><li>• Discount Points: 0.00% (<i>This Program does not allow Discount Points to be charged to the Borrower</i>)</li><li>• Fees charged on the DPA Second Loan cannot exceed 1% of the DPA Second Loan amount (recording fees and transfer taxes are not included in the 1% maximum)</li><li>• Participating Lender may charge customary and reasonable closing costs and fees with full disclosure in accordance with Freddie Mac and federal, state and local laws and regulations.</li></ul> <p><b>Fees to Servicer from Lender (Servicer nets at purchase):</b></p> <ul style="list-style-type: none"><li>• Funding Fee: \$400</li><li>• Tax Service Fee: \$80</li></ul> <p><b>Funds to Lender from Servicer at Loan Purchase:</b></p> <ul style="list-style-type: none"><li>• 100% of the outstanding principal amount of the First Mortgage Loan and the DPA Second Mortgage Loan or Gift.<ul style="list-style-type: none"><li>○ Servicing Release Premium (based on First Mortgage): 1.00%.</li></ul></li></ul>
<b>LOAN DELIVERY AND PURCHASE</b>	<ul style="list-style-type: none"><li>• Lender should refer to Servicer Website <a href="http://www.hfa.usbank.com">www.hfa.usbank.com</a> for loan delivery and purchase guidelines.</li><li>• The Reservation Confirmation and DPA Funding Commitment Notice from GSFA must be submitted with the mortgage loan file. Servicer shall not purchase a Mortgage Loan without these documents.</li><li>• A fee of up to 6% of the loan amount will be charged to lenders for closed First Mortgage Loans with DPA Second Mortgage Loans or Gifts that are not delivered to the Servicer for purchase or are not eligible for purchase by the Servicer. GSFA will reimburse the lender for the full DPA amount with an invoice for this non-delivery fee. Lenders with excessive non-deliveries will be prohibited from participating in the GSFA Platinum Program.</li></ul>

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