

GOLDEN STATE FINANCE AUTHORITY (GSFA)
PLATINUM PROGRAM
LENDER TERM SHEET – FHA, VA, USDA LOANS

PROGRAM SPONSOR	Golden State Finance Authority (GSFA)
SERVICER	US Bank National Association
PARTICIPATING LENDERS	<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 www.gsfahome.org.</i></p>
DESCRIPTION	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 stated below.
FIRST MORTGAGE LOAN TYPES AND TERMS	<p>Loan Types:</p> <ul style="list-style-type: none"> • FHA: 203(b), 203(b)(2), 203(h), and 234(c); in accordance with FHA guidelines. Cooperative housing (co-op) is not eligible. • VA: In accordance with VA guidelines under 1810 and 181A. • USDA-RHS: In accordance with USDA guidelines. <p>Loan Term:</p> <ul style="list-style-type: none"> • 30-year fixed term with full amortization. <p>Maximum Loan Amount:</p> <ul style="list-style-type: none"> • Please follow the loan agency loan limits by county. <p><i>For Conventional Loan options within the GSFA Platinum Program, please see the “Lender Term Sheet – Conventional” available for download from the GSFA Platinum Participant Guide at www.gsfahome.org.</i></p>
MORTGAGE LOAN INTEREST RATES:	<p>Program Manager (NHF) shall publish the Mortgage Rate on its Reservation Portal at https://nhfresportal.nhfloan.org/login.aspx on behalf of GSFA.</p> <ul style="list-style-type: none"> • The Reservation Portal may be accessed Monday through Friday between 9:00 AM and 4:00 PM PST/PDT, Holidays excluded. • The published Mortgage Rate is subject to change at any time.
DOWN PAYMENT AND CLOSING COST ASSISTANCE (DPA)	<p>DPA is available from GSFA for Purchase transactions in the form of a Second Mortgage Loan, forgivable after 3 years.</p> <p>DPA Second Mortgage Loan Terms</p> <ul style="list-style-type: none"> • DPA Amount: <ul style="list-style-type: none"> ○ FHA: Up to 4.00% of the Total First Mortgage Loan amount. ○ VA: Up to 4.00% of the First Mortgage Loan amount. ○ USDA: Up to 3.00% of the First Mortgage Loan amount. • Note Rate of Second Mortgage is 0%; • Non-amortizing loan with no monthly payments; • Proceeds may be used for down payment and/or closing costs; • There must be no cash back to the borrower from the Second Mortgage proceeds;

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<p>DOWN PAYMENT AND CLOSING COST ASSISTANCE (DPA) CONT.</p>	<ul style="list-style-type: none"> • Second Mortgage is forgiven after 3 years; <ul style="list-style-type: none"> ○ 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. ○ 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. • No subordination allowed. • Lender must conform to federal RESPA and Truth-in-lending laws in disclosing the terms of the Second Mortgage. <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>SECOND MORTGAGE LOAN DOCUMENTATION</p>	<ul style="list-style-type: none"> • Required Second Mortgage Loan Documents include: <ul style="list-style-type: none"> ○ Promissory Note ○ Deed of Trust ○ Program Partial Exemption Disclosure • GSFA must serve as the Lender and beneficiary for the Second Note and Security Instrument; • Lender is required to reflect GSFA's EIN on HUD's FHA Loan Underwriting and Transmittal Summary in conjunction with secondary financing assistance or gifts to the borrower when the borrower is receiving an FHA First Mortgage. GSFA's EIN is 68-0322272; • Lender is responsible for recording the Second Mortgage Loan Security Instrument.
<p>BORROWER ELIGIBILITY</p>	<p>Occupancy:</p> <ul style="list-style-type: none"> • Borrower must occupy the residence as their primary residence. • For non-occupant co-borrowers, refer to loan agency guidelines. <p>Eligible Properties:</p> <ul style="list-style-type: none"> • Single Family (1 -4 Unit) properties ONLY, as allowed per Agency guidelines. • Manufactured housing allowed with a minimum of 680 FICO (no manual underwriting) <p>Income Limits (based on county of property):</p> <ul style="list-style-type: none"> • For FHA and VA loans, follow GSFA Income Limits published online at http://www.gsfahome.org/programs/dpa/limits.aspx. • For USDA loans, follow the stricter of either GSFA Income Limits published online at http://www.gsfahome.org/programs/dpa/limits.aspx or loan agency guidelines. <p>Minimum Credit Score: 640.</p> <p>Maximum DTI: 45%.</p> <p>Homebuyer Education:</p> <ul style="list-style-type: none"> • Please refer to loan agency for specific requirements.

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MORTGAGE INSURANCE	Follow agency guidelines.
UNDERWRITING	<ul style="list-style-type: none"> • No manual underwriting for FHA loans. • Borrower must meet all required FHA, VA, USDA-RHS underwriting criteria.
RESERVATIONS	<p>Lender shall register Qualifying Mortgage Loans (“QML”) using the Reservation Portal at https://nhfresportal.nhfloan.org/login.aspx.</p> <ul style="list-style-type: none"> • The Reservation Portal may be accessed Monday through Friday between 9:00 AM and 4:00 PM PST/PDT, Holidays excluded. • In order to access the Reservation Portal, user shall obtain a “User ID” from the Lender’s “Password Management Contact”. <p>Reservations:</p> <ul style="list-style-type: none"> • 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 • Lender reserves DPA Second Mortgage Loan at the time of First Mortgage Loan registration via the Reservation Portal. • Upon completion of the reservation, the Reservation Portal will provide Lender with an electronic “Reservation Confirmation” of the reservation. • The Reservation Confirmation is valid for 60 days. • The Reservation Confirmation must be submitted with the Mortgage Loan File to Servicer for purchase. • Both the First Mortgage Loan and the DPA Second Mortgage Loan must be purchased by Servicer within 60 days of reservation. • Modifications to a reservation will require approval from the Program Manager. • 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. • If a Lender cancels a reservation, lenders may re-register, only after 30 calendar days from cancellation date, via the Reservation Portal. • 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.

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<p>FEES AND POINTS</p>	<p>Participating Lender should refer to Servicer Website for guidelines at: www.hfa.usbank.com.</p> <p>Fees and Points Lender may charge to Borrower:</p> <ul style="list-style-type: none"> • Origination Fee: up to 2.0% of the First Mortgage. • Discount Points: 0.00% <i>(This Program does not allow Discount Points to be charged to the Borrower)</i> • Fees charged on the Second Loan cannot exceed 1% of the Second Loan amount (recording fees and transfer taxes are not included in the 1% maximum) • Lender may charge customary and reasonable closing costs and fees with full disclosure in accordance with FHA, VA, USDA and federal, state and local laws and regulations. <p>Fees to Servicer from Lender (Servicer nets at purchase):</p> <ul style="list-style-type: none"> • Funding Fee: \$400 • Tax Service Fee: \$80 (effective for loans reserved on or after April 30, 2018)
<p>FEES AND POINTS CONT.</p>	<p>Funds to Lender from Servicer at Loan Purchase:</p> <ul style="list-style-type: none"> • 100% of the outstanding principal amount of the First Mortgage Loan and the DPA Second Mortgage Loan. • Servicing Release Premium (based on First Mortgage): <ul style="list-style-type: none"> ○ 0.50% for loan amounts exceeding \$453,100 ○ 1.00% for all other loans
<p>LOAN DELIVERY AND PURCHASE</p>	<ul style="list-style-type: none"> • Lender should refer to Servicer Website www.hfa.usbank.com for loan delivery and purchase guidelines as well as customer contact information. • The Reservation Confirmation from GSFA must be submitted with the mortgage loan file. Servicer shall not purchase a Mortgage Loan without the Reservation Confirmation. • 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 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 Second Mortgage Loan amount with an invoice for this non-delivery fee. Lenders with excessive non-deliveries will be prohibited from participating in the GSFA Platinum Program.