

# **TEXAS STATE AFFORDABLE HOUSING CORPORATION**

## **MORTGAGE CREDIT CERTIFICATE PROGRAM**

**INVITATION TO LENDERS AND BROKERS TO PARTICIPATE**

**35% MORTGAGE CREDIT CERTIFICATE TAX RATE**

# TEXAS STATE AFFORDABLE HOUSING CORPORATION

## MORTGAGE CREDIT CERTIFICATE PROGRAM

### INVITATION TO PARTICIPATE

---

*The Texas State Affordable Housing Corporation (the "Issuer") invites you to apply for participation in a new Mortgage Credit Certificate Program (the "MCC Program") for single family residential housing. Mortgage Loans will be originated by lending institutions participating in the MCC Program as originating lenders (the "Lenders") pursuant to the provisions of the Lender Participation Agreement (the "Agreement").*

#### **Brief Summary of the MCC Program**

---

##### ***What is an MCC?***

A Mortgage Credit Certificate (MCC) is a tool to assist with homeownership opportunities for first-time homebuyers of low to moderate income. Mortgage Credit Certificates are issued directly to qualifying Applicants who can then take a tax credit equal to a specified percentage of the interest paid on their mortgages each year. This tax credit rate was chosen because the maximum tax credit for any given year is \$2,000; amounts in excess of the maximum can be carried forward to a future year.

Example:

Mortgage Amount:	\$100,000.00
Interest Rate (not set by the program):	6.00%
Total Mortgage Interest Paid First Year:	\$6,000.00
times the MCC Rate of 35%	<b>\$2,100.00</b>

During the first year of the mortgage loan this homebuyer would be entitled to a tax credit of \$2,000.00. Based upon such entitlement, the homebuyer can file in advance a revised W-4 withholding form taking into consideration that this tax credit will provide the homebuyer with approximately \$166.67 per month in additional disposable income. The homebuyer deduction for mortgage interest paid each year can still be taken, less the dollar amount of the tax credit.

**The benefit to the homebuyer is the tax credit and the filing of the revised W-4 increases the borrowers net income, assisting with the qualifying process and the ability to make on-going monthly mortgage payments.**

##### ***What is the Mortgage Rate and Terms for the MCC Program?***

MCCs do not restrict the type of financing with regard to type, term, rate, etc. Participating Lenders charge borrowers market rates for mortgage loans. However, only first mortgages qualify for this Program. Mortgages funded with a qualified mortgage bond or a qualified veteran's mortgage bonds are not eligible.

##### ***What happens to the Mortgage Loans with MCCs after Closing?***

Loans originated with the MCC Program are not sold to a third party, but rather are maintained by the originator and can be held or sold at the discretion of the originating lender. All loan approvals, underwriting, and execution of required state and federal certificates or affidavits will be performed by the Lenders. The Program Administrator does review the applicable certificates and affidavits with respect to borrower eligibility

for the MCCs (specifically, profession, if applicable, first-time home buyer, income limits, and purchase price restrictions).

***What are the Primary associated fees collected with each loan?***

**Notes**

MCC Issuance Fee, MCC Application Fee and  
MCC Closing Package Review Fee

1% of Loan  
Amount +  
\$350.00

Paid by Applicant, seller or any other person on the Applicant's behalf; submitted to Program Administrator upon loan closing.

**Lenders can charge reasonable and customary fees and charges for loan origination. Origination fees and discount points are not dictated by the MCC Program.**

**What borrowers qualify for the MCC Program?**

- 1) Must be an Eligible Borrower as defined in Exhibit A.
- 2) Must not exceed the maximum income or purchase price limits listed in Exhibit B.
- 3) Must be a considered first-time homebuyer (have not owned a home in the past three years) unless purchasing a home in a Targeted Area defined in Exhibit C, Rita GO Zone, an Ike/Dolly Disaster Area as defined in Exhibit D or a Qualified Veteran as defined below.

A qualified veteran (as defined in 38 U.S.C. Section 101) is exempt from the first-time homebuyer requirement. Eligible veterans may not have obtained a previous mortgage loan through tax-exempt bond financing or have previously obtained a mortgage credit certificate. The qualified veteran must provide true and correct copies of their discharge papers, which demonstrate that such discharge or release was other than dishonorable.

**What homes can be purchased through the MCC Program?**

New or existing homes located within the State of Texas.

**Will Homebuyer Education be Required under the MCC Program?**

Yes. All homebuyers must participate in a HUD approved homebuyer education class.

**How to Sign up as a Lender:**

**In order to become a Lender in the MCC Program, the following is required to be submitted to the Program Administrator:**

- (1) Complete attached Lender Participation Agreement.
- (2) Complete Attached Lender Application Form.
- (3) Annual Participation Fee of \$300.00
- (4) Mail to: **First Southwest Company  
Program Administrator  
Attn: Sharon Gonzalez  
325 North St. Paul Street, Suite 800  
Dallas, Texas 75201  
214-953-4122**

**LENDER PARTICIPATION AGREEMENT**  
**Mortgage Credit Certificate Program**

This agreement ("Agreement") is made and entered into, as of the date set forth below, by and between the Texas State Affordable Housing Corporation (the "Issuer") in connection with its Mortgage Credit Certificate Program (the "Program") and \_\_\_\_\_ (the "Lender").

RECITALS:

WHEREAS, the Tax Reform Act of 1984 established the Program as a means of assisting qualified individuals with the acquisition of new and existing single family housing;

WHEREAS, pursuant to Chapter 1372, Texas Government Code, the rules promulgated by the Texas Bond Review Board thereunder, and Section 146 of the Internal Revenue Code of 1986 (the "Code"), the Issuer received an allocation to issue single family mortgage revenue bonds to provide financing for owner-occupied residences located within a specified eligible loan area ("Eligible Loan Area"), to persons of low and moderate income;

WHEREAS, the Issuer has been created and organized pursuant to and in accordance with the provisions of Article 1396, Texas Non-Profit Corporation Act, as amended;

WHEREAS, pursuant to Subchapter Y of Chapter 2306, Texas Government Code, as amended (the "Act"), the Issuer's public purposes include the provision of adequate, safe and sanitary housing for (i) professional educators as provided by Section 2306.562 of the Act, (ii) fire fighters, corrections officers, county jailers, public security officers, peace officers, and emergency medical services personnel as provided by Section 2306.5621 of the Act and (iii) individuals and families of low income who are eligible borrowers residing in the State of Texas;

WHEREAS, the Issuer has determined to implement the Program to assist Eligible Borrowers to afford the costs of acquiring and owning decent, safe and sanitary housing within the Eligible Loan Area and in connection therewith, has made an election under Section 25 of the Code to exchange its bond authority for the authority to issue mortgage credit certificates ("MCCs") to qualified persons; and

WHEREAS, the Lender wishes to participate in the Program administered by First Southwest Company, the Program Administrator, in connection with mortgage loans the Lender will make available for the acquisition of new and existing single-family housing located within the boundaries of the Eligible Loan Area.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements contained herein, the Issuer and Lender agree as follows:

AGREEMENT

The capitalized terms in this Agreement that are not defined herein shall have the meanings set forth in Appendix A to the Mortgage Credit Certificate Program Manual ("Manual").

1. The Issuer hereby designates the Lender as its non-exclusive agent for receipt and processing of applications for MCCs.

2. The Lender agrees to adequately prepare those of its representatives that will assist the Lender in participating in the Program by providing them with training and current materials before assigning them to work on the Program.

3. The Lender agrees to make information regarding the Program available to all potential borrowers who request or may qualify for the Program. The Lender will provide each potential borrower with a complete MCC information package at the time of applying for an MCC. The Lender will timely and in good faith review and process the application for potential borrowers in order to determine their eligibility for the Program and to efficiently complete the application and issuance process.

4. The Lender agrees to work cooperatively with the Issuer and the Program Administrator to represent the Program fairly and accurately to the borrower.

5. The Lender will obtain from the borrower all documents and information required for the application for and issuance of an MCC, as directed by the Issuer and Program Administrator. The Lender will take the estimated tax credit into consideration when qualifying the borrower for the first mortgage.

6. The Lender will conduct such reasonable investigation as is necessary to certify that the borrower has satisfied all requirements of the Program, including those imposed by temporary and permanent regulations issued pursuant to the Code and the Program eligibility requirements.

7. The Lender warrants that it is familiar with the laws applicable to the Program, including the Code's temporary and permanent regulations, state laws and guidelines established by the Program, and that it will comply with all such laws, regulations and guidelines.

8. The Lender will charge a potential borrower applying for an MCC only those reasonable lending fees the Lender would charge a potential borrower applying for mortgages not connected with an MCC. In addition, the Lender agrees to charge each borrower and pay to the Program Administrator the fees specified in the Manual for processing each MCC.

9. The Lender will perform all investigation and verification that it would normally perform for underwriting a mortgage not accompanied by an MCC application. The Lender will notify the borrower and the Program Administrator in writing of any decision to cancel processing for any particular MCC.

10. The Lender agrees to abide by the application timeline of the Program, including: (a) to submit MCC applications only while escrow is open; (b) to wait until the MCC Commitment is issued before closing escrow; (c) to submit any required closing documentation as soon as practicable after escrow closing but not later than thirty (30) days of escrow closing, unless an extension is approved by the Program Administrator, or by the end of the Program Period, whichever occurs first; and (d) to relate these timeline restrictions to borrowers and to keep borrowers informed of the progress of their applications.

11. The Lender will strive to achieve and maintain a high standard of quality in its MCC-related work and submissions to the Program Administrator. The Lender agrees to comply with all timelines established by the Program, as reflected in the Manual, and to pay any and all late fees charged by Program Administrator, in the Program Administrator's discretion, for errors and missed deadlines. The Lender further agrees to take immediate steps to correct any errors and missed deadlines upon request of the Program Administrator.

12. The Lender agrees to designate an MCC contact person for each of its branches, which contact person must attend at least one MCC training session, and who will be responsible for timely circulating Program correspondence to other personnel within the branch who perform work on the Program. The contact person, or other person appointed by the Lender, shall be responsible for remedying problems related to errors or missed deadlines.

13. The Lender agrees to keep complete files of each MCC-related loan for six (6) years following origination of the loan. The Lender further agrees to make accurate and timely annual filings of IRS form #8329 which includes any mortgage loans originated in the prior calendar year. The Lender accepts full responsibility for these requirements irrespective of if and when the MCC loan is sold to another party.

14. The Lender agrees to inform the Issuer and Program Administrator immediately of any changes to the information on the Lender Application Form, especially those changes relating to MCC contact persons and their replacements.

15. This Agreement shall remain in full force and effective until terminated. This Agreement may be terminated by the Issuer, Program Administrator or Lender upon the giving of 60 days written notice, specifying in such notice the effective date of the termination. Notwithstanding any such termination, the Lender agrees that it shall continue to file any and all reports required to be filed with the Internal Revenue Service, and shall maintain all records required to be maintained by it pursuant to the Code.

The Issuer or the Program Administrator, on behalf of the Issuer, may immediately terminate this Agreement and prohibit the Lender from participation in the Program upon the Lender's failure to comply with the terms and conditions of this Agreement and upon written notice by the Issuer or the Program Administrator, on behalf of the Issuer. No amendment to this Agreement shall be effective unless reflected in a writing signed by both parties hereto or unless posted on the Program Administrator's website.

THIS AGREEMENT has been executed as of \_\_\_\_\_ and is signed by a designated representative of the lending company.

Lender Company Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Email: \_\_\_\_\_

---

**FOR ISSUER REPRESENTATIVE ONLY**

Upon submission of the Lender Participation Agreement to the Program Administrator, a representative of the Program Administrator, on behalf of the Issuer, will forward an email or other written correspondence to the Lender representative above, which will serve as verification of the enrollment of the Lender in the Program.

By: \_\_\_\_\_

Title: \_\_\_\_\_

---

This executed Agreement is to be submitted to the Program Administrator's office with:

- (1) One complete original of pages 1-3 of this Lender Participation Agreement.
- (2) Completed Lender Application Form (page 4).
- (3) Annual Participation Fee of \$300.00
- (4) Mail to: **First Southwest Company  
Program Administrator  
Attn: Sharon Gonzalez  
325 North St. Paul Street, Suite 800  
Dallas, Texas 75201  
214-953-4122**

**LENDER APPLICATION FORM**  
**Mortgage Credit Certificate Program**

The Mortgage Credit Certificate Program (the "Program") welcomes local lenders to participate. All lenders, whether broker, correspondent, or wholesaler, are considered a "participating lender" and must complete a full application. Each company joining the Program is required to designate a "main branch" and a contact person at that branch who will be responsible for MCC correspondence. Additional branches of that company that wish to participate must be listed below. Representatives from each branch will be required to complete the Program Administrator's MCC training program before submitting mortgage loan applications. If additional space is needed to list additional branches, please use extra copies of this Form.

<p><b><u>Main Branch:</u></b></p> <p>Company Name _____</p> <p>Branch Type: _____ (e.g. originate, originate and fund, buy wholesale)</p> <p>Address _____</p> <p>City, State Zip _____</p> <p>_____ Phone _____</p> <p>_____ Fax _____</p> <p>MCC Contact Person _____</p> <p>MCC Contact Person – Email Address _____</p> <p><b><u>Corporate Office</u></b> (if different from main branch):</p> <p>Company Name _____</p> <p>Branch Type: _____ (e.g. originate, originate and fund, buy wholesale)</p> <p>Address _____</p> <p>City, State Zip _____</p> <p>_____ Phone _____</p> <p>_____ Fax _____</p> <p>MCC Contact Person _____</p> <p>MCC Contact Person – Email Address _____</p>	<p><b><u>Additional Branches:</u></b> (if there are more than two additional branches, please use additional copies of this form)</p> <p><b><u>Branch 1:</u></b></p> <p>Branch Type: _____ (e.g. originate, originate and fund, buy wholesale)</p> <p>Address _____</p> <p>City, State Zip _____</p> <p>_____ Phone _____</p> <p>_____ Fax _____</p> <p>MCC Contact Person _____</p> <p>MCC Contact Person – Email Address _____</p> <p><b><u>Branch 2:</u></b></p> <p>Branch Type: _____ (e.g. originate, originate and fund, buy wholesale)</p> <p>Address _____</p> <p>City, State Zip _____</p> <p>_____ Phone _____</p> <p>_____ Fax _____</p> <p>MCC Contact Person _____</p> <p>MCC Contact Person – Email Address _____</p>
--	---

## EXHIBIT A

### DEFINITIONS OF ELIGIBILITY

An Eligible Borrower under the Program is someone:

(i) A Professional Educator is a person, at the time such person files an application for a Mortgage Loan:

(a) who is at least one of the following—

- (i) classroom teacher;
- (ii) full-time teacher's aide;
- (iii) full-time school librarian;
- (iv) full-time school counselor;
- (v) full-time school nurse; or
- (vi) allied health or professional nursing program faculty member

(b) who resides in the State;

(c) whose income does not exceed the maximum family income (which cannot exceed the maximum amount permitted under Section 143(f) of the Code);

(d) who intends to occupy the residence to be financed with a mortgage loan as his or her principal residence within a reasonable period (not to exceed 60 days) following the closing of such mortgage loan;

(e) who (except in the case of an Eligible Borrower who is obtaining a mortgage loan for a residence located in the Targeted Areas described in Exhibit C or in the Rita GO Zone or Ike/Dolly Disaster Areas described in Exhibit D, collectively a "Targeted Area Mortgage Loan") has not had a present ownership interest in a principal residence (except for the residence being financed with the mortgage loan) at any time during the three-year period ending on the closing date;

(f) who has not had an existing mortgage (including a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow, or any other form of owner-financing), whether or not paid off, on the residence to be financed with such mortgage loan at any time prior to the execution of the mortgage, other than an existing mortgage securing a construction period loan, construction bridge loan, or similar temporary initial construction financing initially incurred within 24 months of the closing date, having an original term not exceeding 24 months, and not providing for scheduled payments of principal during such term; and

(g) who has not previously obtained a commitment for a mortgage loan under the program.

(ii) A Hero is a person, at the time such person files an application for a Mortgage Loan:

(a) who is at least one of the following as defined in the Manual —

- (i) Fire Fighter;
- (ii) Corrections Officer or Juvenile Corrections Officer;
- (iii) County Jailer;
- (iv) Public Security Officer;
- (v) Peace Officer; or
- (vi) Emergency Medical Service Personnel;

(b) who resides in the State;

(c) whose income does not exceed the maximum family income (which cannot exceed the maximum amount permitted under Section 143(f) of the Code);

(d) who intends to occupy the residence to be financed with a mortgage loan as his or her principal residence within a reasonable period (not to exceed 60 days) following the closing of such mortgage loan;

(e) who (except in the case of an Eligible Borrower who is obtaining a mortgage loan for a residence located in the Targeted Areas described in Exhibit C or in the Rita GO Zone or Ike/Dolly Disaster Areas described in Exhibit D, collectively a "Targeted Area Mortgage Loan") has not had a present ownership interest in a principal residence (except for the residence being financed with the mortgage loan) at any time during the three-year period ending on the closing date;

(f) who has not had an existing mortgage (including a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow, or any other form of owner-financing), whether or not paid off, on the residence to be financed with such mortgage loan at any time prior to the execution of the mortgage, other than an existing mortgage securing a construction period loan, construction bridge loan, or similar temporary initial construction financing initially incurred within 24 months of the closing date, having an original term not exceeding 24 months, and not providing for scheduled payments of principal during such term; and

(g) who has not previously obtained a commitment for a mortgage loan under the program.

(iii) A Low Income borrower is a person, at the time such person files an application for a mortgage loan:

(a) whose family income does not exceed the applicable maximum family income amount, which amount shall not be greater than 80% of applicable median family income without adjustment for family size;

(b) who intends to occupy the residence to be financed with a mortgage loan as his or her principal residence within a reasonable period (not to exceed 60 days) following the closing of such mortgage loan;

(c) who (except in the case of an Eligible Borrower who is obtaining a mortgage loan for a residence located in the Targeted Areas described in Exhibit C or in the Rita GO Zone or Ike/Dolly Disaster Areas described in Exhibit D, collectively a "Targeted Area Mortgage Loan") has not had a present ownership interest in a principal residence (except for the residence being financed with the mortgage loan) at any time during the three-year period ending on the closing date;

(d) who has not had an existing mortgage (including a deed of trust, conditional sales contract, pledge, agreement to hold title in escrow, or any other form of owner-financing), whether or not paid off, on the residence to be financed with such mortgage loan at any time prior to the execution of the mortgage, other than an existing mortgage securing a construction period loan, construction bridge loan, or similar temporary initial construction financing initially incurred within 24 months of the closing date, having an original term not exceeding 24 months, and not providing for scheduled payments of principal during such term; and

(e) who has not previously obtained a commitment for a mortgage loan under the program.

Additional information on eligible borrowers is available from TSAHC's website at [www.tsahc.org](http://www.tsahc.org).

## EXHIBIT B

### 2009 Income & Purchase Price Limits for the Professional Educators, Homes for Texas Heroes & Home Sweet Texas\* Loan Programs

Area of State	Counties in Area	*80% AMFI (Any family size)	Non-Targeted Area Income Limits		Targeted and GO Zone** Area		Purchase Price Limits	
			1 or 2 Persons 100% AMFI	3 or More Persons 115% AMFI	1 or 2 Persons 120% AMFI	3 or More Persons 140% AMFI	Non Targeted Areas	Targeted and GO Zone* Areas
Atascosa County	Atascosa	\$45,920	\$57,400	\$66,010	\$68,880	\$80,360	\$274,390	\$335,366
Austin County HMFA	Austin	\$46,400	\$58,000	\$66,700	\$69,600	\$81,200	\$258,691	\$316,177
Austin-Round Rock MSA	Bastrop, Caldwell, Hays, Travis, & Williamson	\$58,640	\$73,300	\$84,295	\$87,960	\$102,620	\$258,691	\$316,177
Bandera County	Bandera	\$45,920	\$57,400	\$66,010	\$68,880	\$80,360	\$274,390	\$335,366
Bexar County	Bexar	\$45,920	\$57,400	\$66,010	\$68,880	\$80,360	\$274,390	\$335,366
Brazoria County HMFA	Brazoria	\$57,120	\$71,400	\$82,110	\$85,680	\$99,960	\$258,691	\$316,177
Comal County	Comal	\$45,920	\$57,400	\$66,010	\$68,880	\$80,360	\$274,390	\$335,366
Dallas HMFA	Collin, Dallas, Delta, Denton, Ellis, Hunt, Kaufman, & Rockwall	\$54,080	\$67,600	\$77,740	\$81,120	\$94,640	\$258,691	\$316,177
Fort Worth-Arlington HMFA	Johnson, Parker, & Tarrant	\$52,800	\$66,000	\$75,900	\$79,200	\$92,400	\$258,691	\$316,177
Guadalupe County	Guadalupe	\$45,920	\$57,400	\$66,010	\$68,880	\$80,360	\$274,390	\$335,366
Hartley County	Hartley	\$53,040	\$66,300	\$76,245	\$79,560	\$92,820	\$258,691	\$316,177
Hood County	Hood	\$50,320	\$62,900	\$72,335	\$75,480	\$88,060	\$258,691	\$316,177
Houston-Baytown-Sugarland HMFA	Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto & Waller	\$51,040	\$63,800	\$73,370	\$76,560	\$89,320	\$258,691	\$316,177
Kendall County HMFA	Kendall	\$59,680	\$74,600	\$85,790	\$89,520	\$104,440	\$274,390	\$335,366
Loving County	Loving	\$53,360	\$66,700	\$76,705	\$80,040	\$93,380	\$258,691	\$316,177
Medina County	Medina	\$45,920	\$57,400	\$66,010	\$68,880	\$80,360	\$274,390	\$335,366
Midland MSA	Midland	\$48,160	\$60,200	\$69,230	\$72,240	\$84,280	\$258,691	\$316,177
Roberts County	Roberts	\$50,480	\$63,100	\$72,565	\$75,720	\$88,340	\$258,691	\$316,177
Sherman-Denison MSA	Grayson	\$46,320	\$57,900	\$66,585	\$69,480	\$81,060	\$258,691	\$316,177
Somervell County	Somerville	\$46,480	\$58,100	\$66,815	\$69,720	\$81,340	\$258,691	\$316,177
Wilson County	Wilson	\$45,920	\$57,400	\$66,010	\$68,880	\$80,360	\$274,390	\$335,366
Wise County HMFA	Wise	\$49,280	\$61,600	\$70,840	\$73,920	\$86,240	\$258,691	\$316,177
<b>Balance of State</b>	<b>All remaining Counties not listed above</b>	<b>\$45,920</b>	<b>\$57,400</b>	<b>\$66,010</b>	<b>\$68,880</b>	<b>\$80,360</b>	<b>\$258,691</b>	<b>\$316,177</b>

\*Home Sweet Texas Loan Program ONLY: A family's income cannot exceed 80% AMFI.

#### \*\*GO Zone/Disaster Areas (Entire County)

Angelina	Galveston	Jefferson	Orange	Tyler
Austin	Grimes	Liberty	Polk	Walker
Brazoria	Hardin	Madison	Sabine	Waller
Cameron	Harris	Matagorda	San Augustine	Washington
Chambers	Hidalgo	Montgomery	San Jacinto	Willacy
Cherokee	Houston	Nacogdoches	Shelby	
Fort Bend	Jasper	Newton	Trinity	

## EXHIBIT C

### TARGETED AREAS QUALIFIED CENSUS TRACTS

"Targeted Area" means that part of the Program Area that has been or may be designated from time to time as a "qualified census tract" or an "area of chronic economic distress" in accordance with section 143(j)(3) of the Code or as a qualified census tract in accordance with section 143(i)(2) of the Code. The census tracts listed below are all "qualified census tracts."

Bee County	950500			
Bell County	020702 022900	020900 023500	022600	022801
Bexar County	110200 110800 130300 141000 160900 170300 171200	110500 110900 130500 150300 170101 170401 181003	110600 111000 130600 150800 170102 170900 191004	110700 130100 130700 160100 170200 171000
Bowie County	010500	010600		
Brazos County	001400			
Brewster County	950400			
Brooks County	950200			
Brown County	950600	950700		
Cameron County	010500 011600 012303 012609 013207 013307 013402 013901 014002	010900 011700 012304 012610 013208 013308 013700 013902	011000 011903 012507 012700 013305 013309 013801 013903	011100 012200 012604 013203 013306 013401 013802 014001
Cherokee County	950400	950500	950700	
Dallas County	000405 002702 003800 004100 008603 008900 010400 019013	001503 002900 003901 004800 008604 009304 011401 019209	002000 003400 003902 007201 008703 009804 011500	002701 003500 004000 007202 008704 010200 012208
Dimmit County	950100			
Ector County	950700 001800	001100 001900	001200 002000	001500

**Qualified Census Tracts (Cont'd)**

El Paso County	000301	000302	000404	000800	
	000900	001203	001400	001600	
	001700	001800	001900	002000	
	002100	002201	002202	002600	
	002800	002900	003000	003200	
	003602	003701	003702	003901	
	003903	004105	010102	010208	
	010309	010319	010403	010404	
	010501	010502	010503	010504	
	Falls County	990400			
Frio County	950300				
Gray County	950600	950800			
Gregg County	001400				
Grimes County	180104				
Hale County	950200				
Hidalgo County	020100	024600	020501	020503	
	020600	020723	021100	021301	
	021302	021303	021500	021600	
	021801	021802	021901	021902	
	022002	022101	022102	022202	
	022501	022502	022600	022702	
	022800	023000	023101	023102	
	023503	023506	023508	023700	
	024101	024102	024103	024104	
	024105	024201	024202	024301	
	024302	024401	024402	024500	
	Hill County	960900	961000		
	Hockley County	950400			
Howard County	950300				
Hudspeth County	950100				
Jim Wells County	950500				
Kleberg County	020200				
Lamar County	000600				
Lamb County	950500				
La Salle County	950100	950200			
Limestone County	970400				
Lubbock County	000202	000301	000500	000603	
	000605	000607	001000	001200	
	002400				

**Qualified Census Tracts (Cont'd)**

McLennan County	000400 001400	000598 001500	001100 001900	001200 003300
Maverick County	950100 950500	950201 950601	950202 950602	950203
Midland County	000900	001400	001600	001700
Nolan County	950300			
Nueces County	000400 001100 001601	000500 001200 005602	000900 001300	001000 001500
Potter County	010600 013000	012000 014600	012200 014800	012800
Presidio County	950200			
Reeves County	950100	950200	950300	950500
Smith County	000202	000300	000400	000700
Starr County	950102 950400 950702	950103 950500	950201 950600	950202 950701
Tarrant County	100300 101700 103601 104000	101000 102500 103701 104604	101100 103100 103800 106516	101600 103500 103900 122200
Taylor County	010700	010800	011700	011900
Terry County	950300			
Titus County	950600	950700		
Tom Green County	000500	000700	000900	
Travis County	000604 002311	000802 002316	000804	001000
Val Verde County	950601	950602		
Webb County	000103 000500 001002 001804	000104 000600 001200 001805	000300 000700 001300	000400 000902 001801
Wharton County	740300			
Wichita County	010100	010400	011100	011300
Willacy County	950300	950700		
Zapata County	950200			
Zavala County	950100	950200	950301	950302

## EXHIBIT D

### RITA GO ZONE

Under special rules implemented in the wake of Hurricane Rita, all mortgage loans made in the Rita Go Zone counties (listed below) are treated as Targeted Area Mortgage Loans. The special rules applicable to the Rita Go Zone expire December 31, 2010.

“Rita GO Zone” means that portion of the Hurricane Rita Disaster Area determined by the President of the United States to warrant individual or individual and public assistance from the Federal Government under Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Hurricane Rita.

The following Texas counties are part of the Rita GO Zone. The entire geographical area within each of the following Texas counties qualifies as a Targeted Area .

Angelina Brazoria Chambers Fort Bend Galveston Hardin Harris Jasper	Jefferson Liberty Montgomery Nacogdoches Newton Orange Polk Sabine	San Augustine San Jacinto Shelby Trinity Tyler Walker
--	---	--

### IKE/DOLLY DISASTER AREAS (not included above)

The following Texas counties are part of the Ike/Dolly Disaster Areas not included in the Rita GO Zone. The entire geographical area within each of the following Texas counties qualifies as a Targeted Area .

Austin Cameron Cherokee Grimes	Hidalgo Houston Madison Matagorda	Waller Washington Willacy
---	--	---------------------------------