

APPENDIX A

Form A1 – Annual Certification

Form A2 – Fannie Mae Form Letter

Form A3 – Certification of Name Change

**Form A4 – Acknowledgement and Assumption of Obligations by
Successor**

FORM A1 – Annual Certification

COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)

CONTRACT SERVICER ANNUAL CERTIFICATION

We, _____, ("SERVICER") originate/service loans for the Maryland Department of Housing and Community Development's Community Development Administration (CDA) and hereby certify to the following:

1. DEPOSITORY ACCOUNTS

A. Principal and Interest Payments - All moneys collected that represent principal and interest payments on CDA mortgages serviced are deposited in a federally-insured custodial account titled "(Name of Servicer), as Trustee, agent or bailee for the Community Development Administration". These accounts are located in the depositories as shown below, and the average balances are as of the date of this Certification. These moneys are not commingled with any other moneys of or held by SERVICER.

DEPOSITORY NAME, ADDRESS	ACCOUNT NO.	BALANCE	TBW/IDC RATING/ EFFECTIVE DATE

B. Escrows - All such accounts include escrow for taxes, hazard insurance, PMI or MHF insurance and, where applicable, ground rent and flood insurance. All moneys collected are deposited to a federally-insured custodial account titled "(Name of Servicer) as Trustee, agent or bailee for the Community Development Administration and Various Mortgagors". These accounts are located in the depositories as shown below and the average balances shown are as of the date of this Certification. These moneys are not commingled with any other moneys of or held by SERVICER. (Attach additional sheets, if necessary.) All escrow accounts have been analyzed within the last twelve months and any deficiencies are being corrected.

(Form A1 - continued)

COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)

CONTRACT SERVICER ANNUAL CERTIFICATION

DEPOSITORY NAME, ADDRESS	ACCOUNT NO.	BALANCE	TBW/IDC RATING EFFECTIVE DATE

2. INSURANCE AND TAXES

A. Hazard Insurance

(i) Insurance policies (fire and extended coverage or such other coverage specifically required by the mortgage insurer or guarantor or CDA, including flood insurance (where applicable) are in full force and effect.

(ii) Such policies are written by insurance companies that are qualified to do business in Maryland, acceptable for Mortgages sold to or serviced for FNMA and contain a mortgagee clause in favor of MD Community Development Administration and (lender), and/or their successors and assigns, as their interests may appear.

(iii) On MMP loans secured by single family dwellings, such insurance amount is equal to the lesser of the loan amount or 100% of the replacement value of the improvements located on the property. This is an amount sufficient to ensure that CDA could not become a co-insurer under the terms and conditions of the applicable policy.

(iv) Such policies must meet all the requirements of the mortgage insurer or guarantor.

(Form A1 - continued)

COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)

CONTRACT SERVICER ANNUAL CERTIFICATION

B. Mortgage Insurance and Guarantees

(i) For all loans required to be insured or guaranteed by FHA, VA, or USDA/RD(RHS), all mortgage insurance and guarantees are in full force in and effect and all premiums have been paid. (All MMP loans originated after August 1, 1997 have been required to be insured or guaranteed by FHA, VA, or USDA/RD(RHS). Mortgage Agents will be notified by CDA of any changes in this requirement.)

(ii) For all loans made before August 1, 1997 and insured or guaranteed by FHA or VA, all mortgage insurance and guarantees are in full force in and effect and all premiums have been paid.

(iii) For all loans made before August 1, 1997 and originally insured by the Maryland Housing Fund, all mortgage insurance is in full force in and effect and all premiums have been paid, unless CDA has authorized the cancellation of mortgage insurance in writing.

(iv) For all other loans made before August 1, 1997, either (a) a loan shall have been exempt from the requirement for mortgage insurance because of a loan-to-value ratio of 75% or higher; or (b) a loan shall carry private mortgage insurance acceptable to CDA.

C. Fidelity Bond Coverage

The following fidelity coverage is maintained and is in full force and effect:

Amount: \$ _____
Insurer: _____
Policy No.: _____
Expiration or
Renewal Date: _____

(Form A1 - continued)

COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)

CONTRACT SERVICER ANNUAL CERTIFICATION

D. Errors and Omissions Coverage

The following errors and omission coverage is maintained and is in full force and effect:

Amount \$ _____
Insurer: _____
Policy No.: _____
Expiration or
Renewal Date: _____

Any questions pertaining to this type of insurance should be directed to Jerri Barbour (410)-514-7317 or Barbour@dhcd.state.md.us.

E. Real Estate Taxes

All real estate taxes and lienable assessments have been paid.

3. QUALITY CONTROL

We have a Quality Control System that fully complies with all applicable mortgage insurers/guarantors and FNMA requirements.

4. INSPECTIONS

All properties which secure mortgages are being inspected when a mortgage becomes 70 days delinquent unless the mortgage insurers/guarantors require the inspection earlier. There are no adverse factors requiring your attention.

5. OWNER OCCUPANCY

We understand that all properties under the Maryland Mortgage Program must be owner occupied, except as approved by CDA, and therefore we have researched all address changes to determine there are no violations. We have notified CDA if we became aware that the borrower failed to move into the property within 60 days of closing or if the borrowers gave notice that they no longer occupy or intend to occupy the property.

(Form A1 - continued)

COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)

CONTRACT SERVICER ANNUAL CERTIFICATION

6. We conform to the Single Audit Program as suggested by the Mortgage Bankers Association of America.

Yes () No ()

IF ANSWER TO QUESTION 6 IS YES, PLEASE ATTACH A COPY TO THIS CERTIFICATION.

7. We certify that, as of the date of this Certification, we are a FNMA-approved Servicer in good standing, that we meet the FNMA net worth and financial condition requirements, that we quarterly verify that depositories for custodial accounts meet FNMA's rating requirements and that we are in compliance with the terms of the FNMA Mortgage Selling and Servicing Contract, any separate FNMA agreement and the provisions of the FNMA Servicing Guide.

CERTIFICATION

I hereby certify that the above information is correct and accurate to the best of my knowledge and belief and that it may be relied upon by the Maryland Department of Housing and Community Development Community Development Administration determining compliance by the above-named Servicer with the regulations and requirements regarding these items under the Maryland Mortgage Program and the Mortgage Agency Agreement.

Date

Signature of Officer

Type or Printed Name of Officer

Title of Officer

(continued)

COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)

**CONTRACT SERVICER PARTICIPANT UPDATE RECORD
(to be returned with Annual Certification)**

Audited Financial Statements (which include an Auditor's Certification of compliance with MBA Single Audit Program, if applicable) for the last fiscal year (_____):

- a. _____ are attached
- b. _____ were sent on _____ to _____.
- c. _____ will be available and forwarded to CDA by _____.

Signature of Officer
responsible for these reports.

Typed or Printed Name of Officer

Title of Officer

FORM A2 – Fannie Mae Form Letter

(FNMA Regional Office letterhead)

Maryland Dept. of Housing and Community Development
Division of Credit Assurance – Single Family Compliance
7800 Harkins Road
Lanham, MD 20706

Re: (Servicer name)

Dear

The above named Servicer remains as a Servicer in good standing as of (end of Servicer's fiscal year). The (Servicer name) has complied with FNMA's requirements with respect to financial condition and net worth, fidelity bond and errors and commissions coverages and use of property rated depositories for custodial accounts.

Please contact this office if you should have any questions regarding the current status of the servicer named above.

Sincerely,

Lender Administration Office

DHCD FORM A3

**CERTIFICATION OF NAME CHANGE
AND ACKNOWLEDGMENT OF OBLIGATIONS**

WHEREAS, _____ (the "Lender") entered into a Mortgage Purchase Agreement effective as of the date the Administration executed it (the "Purchase Agreement") [and a related Mortgage Agency Agreement dated as of _____, 20__ (the "Agency Agreement"), both] with the Community Development Administration, an agency of the Department of Housing and Community Development of the State of Maryland (the "Administration") relating [respectively] to the origination of mortgage loans for purchase by the Administration [and to the servicing of such loans]; and

WHEREAS, the Division of Credit Assurance of the Department of Housing and Community Development of the State of Maryland agreed to insure the Lender through the Maryland Housing Fund for losses sustained by reason of default in payment by mortgagors in consideration of premiums to be paid by the Lender pursuant to a Master Policy (the "Master Policy") issued on _____, 20__; and

WHEREAS, effective the __ day of _____, 20__ (the "Name Change Date"), the name of the Lender [was] [will be] changed to _____ (the "Renamed Lender"); and

WHEREAS, the Renamed Lender wishes to acknowledge its obligations under the Purchase Agreement and Lender Documents thereunder [and under the Agency Agreement] and under the Master Policy; and

WHEREAS, the Administration and the Division of Credit Assurance wish to confirm the status of the Renamed Lender;

NOW THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Renamed Lender certifies, acknowledges, confirms, and agrees, and makes representations and warranties as follows:

1. The Renamed Lender is a "mortgage lender" as defined in Article 83B Section 2-203(t) of the Annotated Code of Maryland, as amended.
2. The Renamed Lender is duly organized, validly existing, and possesses all requisite power and authority and all governmental certificates of authority, licenses, permits, and qualifications: (i) to do business in the State of Maryland, making, [servicing] and selling mortgage loans; and (ii) to enter into, execute, deliver, and carry out all of the transactions contemplated by the Purchase Agreement [and Agency Agreement] and the Master Policy.
3. The Renamed Lender is a [Federal National Mortgage Association] [Federal Home Loan Mortgage Corporation] approved originator [and servicer] of mortgage loans.

[FNMA #: _____]

[FHLMC #: _____]

4. The Renamed Lender is licensed as a Mortgage Lender under the Maryland Mortgage Lender Law, or is exempt from licensing under §11-501 et seq of the Financial Institutions Article, Annotated Code of Maryland, as amended.

5. The Renamed Lender maintains at least one loan origination office in the State of Maryland located at _____.

6. The Renamed Lender is providing to the Administration an opinion of counsel in the form attached hereto as Exhibit 1.

7. The name change [will not result] [did not result] in a change of [ownership] [assets] [officers] [directors] and [employees].

8. Effective upon the Name Change Date the Renamed Lender is obligated to fulfill all of the obligations of the Lender under the Purchase Agreement and all Lender Documents thereunder [and under the Agency Agreement] and under the Master Policy.

9. Effective upon the Name Change Date the Renamed Lender covenants and agrees to be bound and obligated by all of the covenants and agreements by Lender contained in the Purchase Agreement [and in the Agency Agreement] and in the Master Policy.

10. The Renamed Lender will maintain an office in the State of Maryland for so long as the Renamed Lender originates or makes residential mortgage loans for sale to the Administration. The current address of such Maryland office of the Renamed Lender is _____.

11. The Renamed Lender will maintain facilities for servicing mortgage loans within the mid-atlantic region for so long as the Renamed Lender services Administration mortgage loans. Mid-atlantic region means the states of Delaware, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia, and the District of Columbia. The current address of such mid-atlantic regional office of the Renamed Lender is _____.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the Renamed Lender has duly executed this Certification and Acknowledgement as of the __ day of _____, 20__.

RENAMED LENDER

[ATTEST][WITNESS]:

[NAME OF ENTITY]

By: _____

Name and Title

[In the event the Lender is still in existence at the time of execution of this instrument, the Lender shall join in acknowledging the change of name and assumption of obligations by the Renamed Lender.]

LENDER

[ATTEST][WITNESS]:

[NAME OF ENTITY]

By: _____ (SEAL)

Name and Title

In reliance upon this Certification and Acknowledgement of Obligations with its attached Exhibit, the Administration recognizes (the Renamed Lender) _____ as the contracting party for purposes of the Purchase Agreement [and Agency Agreement] by and between (the Lender) and the Administration.

By: _____
(Date)

Name and Title
Homeownership Programs

By: _____
(Date)

Name and Title
Housing Management

In reliance upon this Certification and Acknowledgement of Obligations with its attached Exhibit, the Division of Credit Assurance recognizes (the Renamed Lender) _____ as the Insured for purposes of the Master Policy.

By: _____
(Date)

Name and Title
Division of Credit Assurance

FORM A4

ACKNOWLEDGMENT AND ASSUMPTION OF OBLIGATIONS BY SUCCESSOR

WHEREAS, _____ (the "Lender") entered into a Mortgage Purchase Agreement effective as of the date the Administration executed it (the "Purchase Agreement") [and a related Mortgage Agency Agreement dated as of _____, 20__ (the "Agency Agreement"), both] with the Community Development Administration, an agency of the Department of Housing and Community Development of the State of Maryland (the "Administration") relating [respectively] to the origination of mortgage loans for purchase by the Administration [and to the servicing of such loans];

WHEREAS, the Division of Credit Assurance of the Department of Housing and Community Development of the State of Maryland agreed to insure the Lender through the Maryland Housing Fund for losses sustained by reason of default in payment by mortgagors in consideration of premiums to be paid by the Lender pursuant to a Master Policy (the "Master Policy") issued on _____, 20__; and

WHEREAS, on the ____ day of _____, 20__ (the "Date of Acquisition"), all [shares of] [ownership interests in] [assets of] the Lender [were acquired] [will be acquired] by _____, and _____ thereby [became] [will become] the successor to the Lender; and

WHEREAS, _____ (the "Successor") wishes to acknowledge its obligations under the Purchase Agreement [under the Agency Agreement] and under the Master Policy as successor to the Lender.

NOW THEREFORE, in consideration of the foregoing premises and the approval by the Administration and the Division of Credit Assurance of _____ as Successor to the Lender for purposes of the above agreement[s] with the Administration and the Division of Credit Assurance, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Successor acknowledges, covenants, and agrees, and makes representations and warranties as follows:

1. The Successor is a "mortgage lender" as defined in Article 83B Section 2-203(t) of the Annotated Code of Maryland, as amended.
2. The Successor is duly organized, validly existing, and possesses all requisite power and authority and all governmental certificates of authority, licenses, permits, and qualifications: (i) to do business in the State of Maryland, making, selling [and servicing] mortgage loans; and (ii) to enter into, execute, deliver, and carry out all of the transactions contemplated by the Purchase Agreement [and Agency Agreement] and Master Policy.
3. The Successor is a [Federal National Mortgage Association] [Federal Home Loan Mortgage Corporation] approved originator [and servicer] of mortgage loans.

[FNMA #: _____]
[FHLMC #: _____]

4. The Successor is providing to the Administration an opinion of counsel in the form attached hereto as Exhibit 1.

5. The Successor is providing to the Administration the attached Exhibit 2 (Financial and Other Information). The information contained therein is true and correct as of the dates stated.

6. The Successor acknowledges and affirms to the Administration and the Division of Credit Assurance that effective upon the Date of Acquisition of the Lender by the Successor, the Successor assumes all of the obligations of the Lender under the Purchase Agreement and all Lender Documents thereunder [and under the Agency Agreement] and under the Master Policy.

7. Effective upon the Date of Acquisition the Successor covenants and agrees to be bound and obligated by all of the covenants and agreements by Lender contained in the Purchase Agreement [and in the Agency Agreement] and in the Master Policy.

8. The Successor will maintain an office in the State of Maryland for so long as the Successor originates or makes residential mortgage loans for sale to the Administration. The current address of such a Maryland office of the Successor is _____.

9. The Successor will maintain facilities for servicing mortgage loans within the mid-atlantic region for so long as the Successor services Administration mortgage loans. Mid-atlantic region means the states of Delaware, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia, and the District of Columbia. The current address of such mid-atlantic regional office of the Successor is _____.

IN WITNESS WHEREOF, the Successor has duly executed this Acknowledgement and Assumption as of the _ day of _____, 20__.

SUCCESSOR

[ATTEST][WITNESS]:

[NAME OF ENTITY]

By: _____

Name and Title

[In the event the Lender is still in existence at the time of execution of this instrument, the Lender shall join in acknowledging the acquisition and assumption of obligations by the Successor.]

LENDER

[ATTEST][WITNESS]:

[NAME OF ENTITY]

_____ By: _____ (SEAL)

Name and Title

In reliance upon this Acknowledgement and Assumption of Obligations with its attached Exhibits, the Administration approves _____ as the Successor to _____ for purposes of the Purchase Agreement [and Agency Agreement] by and between _____ and the Administration.

By: _____ (Date)

Name and Title
Homeownership Programs

By: _____ (Date)

Name and Title
Housing Management

In reliance upon this Acknowledgement and Assumption of Obligations with its attached Exhibits, the Division of Credit Assurance approves _____ as the Successor to _____ as the Insured for purposes of the Master Policy.

By _____ (Date)

Name and Title
Division of Credit Assurance