

**CITY AND COUNTY OF DENVER, COLORADO
2013 METRO MORTGAGE ASSISTANCE PLUS PROGRAM
GNMA PURCHASE AGREEMENT**

2013-0045-A

THIS AGREEMENT dated as of February 1, 2013 (the “Agreement”), is entered into by and between the **CITY AND COUNTY OF DENVER, COLORADO** (the “City”) and **RAYMOND JAMES & ASSOCIATES, INC.** (the “Purchaser”), relating to the purchase of GNMA Certificates hereunder in connection with the City’s 2013 Metro Mortgage Assistance Plus Program (the “Program”).

WITNESSETH:

WHEREAS, the Purchaser wishes to provide the City with services related to the Agreement; and

WHEREAS, the City wishes to implement the Program to facilitate mortgage loan originations through its Lender network and in its Program Area (as defined below); and

WHEREAS, the City and the Purchaser wish to enter into this Agreement to provide for the purchase of GNMA Certificates (as defined below) by the Purchaser from the Custodian (on behalf of the City) in connection with the Program;

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

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. All words and phrases defined in this Article I (except as expressly provided otherwise herein or unless the context otherwise requires) shall have the respective meanings specified in this Article I for all purposes of this Agreement.

“*Administrator*” means Housing and Development Services, Inc. d/b/a eHousingPlus.

“*Administrator’s Guidelines*” means the written guidelines prepared by the Administrator and reviewed by the City, which set forth terms for the reservation, review, origination, and delivery of Mortgage Loans, and the City’s requirements with respect to such Mortgage Loans.

“*Agreement*” means this GNMA Purchase Agreement entered into by and between the City and the Purchaser and all exhibits, amendments, or supplements hereto.

“*Authorized City Representative*” means the Manager of Finance of the City, or, in the absence of the Manager of Finance of the City, the Executive Director of the Office of Economic Development.

“*City Fee*” means the total fees of the City relating to a GNMA Certificate purchase hereunder calculated as set forth in Section 3.10 herein representing the premium portion of the Certificate Purchase Price relating to such GNMA Certificate

“*Business Day*” means any day other than (i) a Saturday or Sunday (ii) a day on which banking institutions are closed in New York, Tennessee, Colorado or in the state in which either the principal office or the operations office of the Custodian is located, or (iii) a day on which the New York Stock Exchange is closed.

“*Certificate Purchase Price*” means the price paid by the Purchaser to the City calculated as set forth in Section 3.07 hereof (or such other amount(s) as may be mutually agreed upon by the parties hereto) which shall be the 100.00% of the unpaid principal balance of the Mortgage Loans in the pool backing the applicable GNMA Certificate on record at GNMA on the first day of the month of purchase, plus accrued interest, plus the City Fee. Accrued interest is calculated based upon the unpaid principal balance of such Mortgage Loans times the applicable pass through rate divided by 360 and the result thereof times the number of days from the first day of the month of purchase to, but not including, the day of purchase.

“*Custodian*” means U.S. Bank National Association.

“*Custody Agreement*” means the GNMA Custody Agreement dated as of February 1, 2013, by and between the City and the Custodian pursuant to which the Custodian shall acquire GNMA Certificates under the Program from the Servicer prior to their sale to the Purchaser.

“*Debtor Relief Laws*” means any applicable liquidation, conservatorship, bankruptcy, insolvency, rearrangement, moratorium, reorganization, or similar debtor relief laws affecting the rights of creditors generally from time to time in effect in the State or under the Laws of the United States of America.

“*DPA Grant*” means an amount as set forth in Section 3.08 of this Agreement of the unpaid principal amount of each Mortgage Loan made available as a non-repayable grant from the City to Mortgagors pursuant to the DPA Grant Escrow Agreement to assist in the payment of such Mortgagor’s eligible down payment and closing costs related to the Mortgagor’s Mortgage Loan.

“*DPA Grant Escrow Agreement*” means the DPA Grant Escrow Agreement, dated as of February 1, 2013, by and between the City and U.S. Bank National Association, in its capacity as escrow agent thereunder, pursuant to which the City will make available and directly fund DPA Grants to eligible Mortgagors under the Program.

“*FHA*” means the Federal Housing Administration of the Department of Housing and Urban Development of the United States of America, or any successor thereto.

“*FHA Mortgage Loan*” means a Mortgage Loan that is insured by the Federal Housing Administration.

“*GNMA*” means the Government National Mortgage Association, a wholly-owned corporate instrumentality of the United States of America within the Department of Housing and

Urban Development or any successor agency, corporation, or other instrumentality of the government of the United States of America.

“*GNMA Certificate*” means a certificate issued by the Servicer and guaranteed by GNMA pursuant to GNMA’s GNMA Mortgage-Backed Securities Programs and other related provisions under the National Housing Act of 1934, as amended. Each GNMA Certificate hereunder shall be backed solely by Mortgage Loans meeting the requirements of this Agreement and the Lender Agreement, and shall be TBA-Eligible.

“*GNMA Guide*” means either the GNMA I or II Mortgage-Backed Security Guides, as applicable, GNMA Hand-Book 5500.1 or GNMA Hand-Book 5500.2, as amended from time to time.

“*Law*” or “*Laws*” means all applicable statutes, laws, acts, regulations, orders, writs, injunctions, or decrees of the United States of America or any agency thereof, or any state or political subdivision thereof, or any court of competent jurisdiction thereof.

“*Lender*” means a lender qualified to originate Mortgage Loans in the Program Area, and approved by the City and the Servicer. Each Lender shall pay to the City an annual non-refundable fee in the amount of \$1,000 annually in consideration for its ability to participate in the GNMA purchase program contemplated hereby through February 28, 2014.

“*Lender Agreement*” means the agreement dated as of the date hereof by and between the City and each participating Lender under the Program.

“*Loan Purchase Price*” means the price to be paid by the Servicer to a Lender for a Mortgage Loan, which includes the SRP and initially shall be 101.00% of the unpaid principal balance for FHA Mortgage Loans and 100.50% for VA Mortgage Loans, such amount including any accrued and unpaid interest thereon at the applicable Mortgage Loan rate from the Closing Date to the Purchase Date.

“*Mortgage Loan*” means a loan evidenced by a Mortgage Note bearing interest at the applicable Mortgage Loan rate that is secured by a first lien Mortgage made to a Mortgagor meeting the requirements of Section 3.05 of this Agreement and is a FHA or VA Mortgage Loan with a 30-year term, fixed rate, and eligible for pooling into a GNMA Certificate. Refinanced loans are not eligible under the Program.

“*Mortgage Loan Rate Sheet*” means the notice submitted as frequently as each Business Day by the Purchaser to the City, the Program Monitor, the Servicer, and the Administrator that sets forth the then current Mortgage Loan rate that will be applicable for Mortgage Loans to be reserved under the Program.

“*Mortgage Note*” means the promissory note evidencing the obligation to repay a Mortgage Loan that shall be in the form acceptable to FHA or VA, as applicable.

“*Mortgagor*” means any person who has a present ownership interest in the Residence and is the obligor(s) on a Mortgage Note.

“*Notice Address*” means:

If to the City: City and County of Denver, Colorado
Attn: Deputy Director
Office of Economic Development
201 West Colfax Avenue
Second Floor
Denver, CO 80202

with copies to: Department of Finance
201 West Colfax Avenue
Department 1010
Denver, CO 80202

City Attorney
Denver City Attorney’s Office
1437 Bannock Street, Room 353
Denver, CO 80202
Telephone: (720) 865-8600

Mike Newman
First Southwest Company, as Program Monitor
325 North St. Paul Street, Suite 800
Dallas, TX 75201-3852

to Purchaser: Raymond James & Associates, Inc.
Suite 1900
5956 Sherry Lane
Dallas, TX 75225
Telephone: (214) 365-5524
Facsimile: (214) 365-5563
Attention: Mark O’C. O’Brien
Email: mark.obrien@raymondjames.com
cc: robert.coleman@raymondjames.com
cc: stacy.houston@raymondjames.com

“*Participating Lender Agreement*” means the Participating Lender Agreement by and between the Servicer and each participating Lender setting forth the requirements for such Lender’s approval and ability to sell mortgage loans, including Mortgage Loans originated pursuant to the City’s Program, to the Servicer.

“*Program Administration Agreement*” means the Program Administration Agreement, dated as of the date hereof, by and between the City and the Administrator pursuant to which the Administrator will provide its online reservation system for Mortgage Loans under the Program, and review of such loans for compliance with the City’s requirements for the Program set forth in such agreement and in the Administrator’s Guidelines incorporated by reference therein.

“*Program Area*” means the City and County of Denver, Colorado, and such additional jurisdictions serving as members of the Colorado Metro Mayors Caucus identified by written notice to the Purchaser, Servicer and Lenders by the Authorized City Representative from time to time.

“*Program Documents*” means this Agreement and all other agreements, instruments, certificates, affidavits and exhibits attached to or contemplated thereby.

“*Program Monitor*” means First Southwest Company and its successors and assigns.

“*Program Monitoring Agreement*” means the Program Monitoring Agreement, dated as of the date hereof, by and between the City and the Program Monitor.

“*Residence*” means the property being acquired through the borrowing of money pursuant to a Mortgage Loan, consisting of real property and improvements thereon consisting of a single dwelling unit which is owned by a Mortgagor who occupies or intends to occupy such unit, including a condominium unit.

“*Servicer*” or “*Master Servicer*” means, initially, U.S. Bank National Association.

“*Servicing Agreement*” means the Servicing Agreement, dated as of the date hereof, by and between the City and the Servicer relating to the Program.

“SRP” means Servicing Release Premium paid by the Servicer to the Lender upon purchase of a Mortgage Loan under the Program, which SRP shall be equal to 1.00% of the principal balance of such Mortgage Loan (0.50% with respect to a VA Mortgage Loan).

“*State*” means the State of Colorado.

“*TBA-Eligible*” means a mortgage-backed security that qualifies for good delivery against a To-Be-Announced (“TBA”) transaction in the taxable forward market for GNMA Certificates. Guidelines for such qualification are established by the Securities Industry and Financial Markets Association (“SIFMA”) and detailed in the “Standard Requirements for Delivery of Settlements of Fannie Mae, Freddie Mac and Ginnie Mae Securities,” also known as the “Good Delivery Guidelines.”

“*VA*” means the Veterans Administration, an agency of the United States of America, or any successor to its functions.

“*VA Mortgage Loan*” means a Mortgage Loan guaranteed by the Veterans Administration, an agency of the United States of America or any successor, in accordance with the provisions of the Servicemen’s Readjustment Act of 1944, as amended.

ARTICLE II

REPRESENTATIONS

Section 2.01. Representations of the City. The City represents to the Purchaser that:

(a) It is a public body, corporate and politic of the State, duly organized and validly existing under and pursuant to the laws of the State. The City has full power and authority to consummate all transactions, execute all documents, and issue all instruments contemplated by the Program.

(b) The implementation of the Program by the City and the performance of and compliance with the terms thereof will not violate any federal or State law applicable to the City in any respect that could have any material adverse effect whatsoever upon the validity, performance, or enforceability of any of the terms of the Program.

(c) This Agreement and all documents and instruments contemplated hereby that are executed and delivered by the City will constitute valid, legal, and binding obligations of the City when duly executed by the Purchaser, enforceable in accordance with their terms, except as the enforcement thereof may be limited by applicable Debtor Relief Laws.

(d) The City has entered into the Servicing Agreement, the Program Administration Agreement, the Lender Agreement, the DPA Grant Escrow Agreement, and the Custody Agreement, and the City shall use its best efforts to cause such agreements (or successor agreements to the same effect) to remain in effect throughout the term of this Agreement. Such agreements were executed and delivered by the City, and they constitute valid, legal, and binding obligations of the City assuming due authorization and execution by the counterparty thereto (and to the best of the City's knowledge, of the other parties thereto), enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by applicable Debtor Relief Laws.

Section 2.02. Representations of the Purchaser. The Purchaser represents to the City that:

(a) The Purchaser is duly organized and validly existing under the laws of the State of Florida, and is duly authorized to transact business in such state and in the State of Colorado, and is in good standing under the laws of such states with full corporate power to conduct its business.

(b) All corporate proceedings required to be taken by the Purchaser in connection with the authorization and execution of this Agreement and the consummation of the transactions contemplated hereby and related hereto, and all such approvals, authorizations, consents, licenses or other orders of state or federal regulatory agencies, public boards or bodies, if any, as may be legally required to be obtained by the Purchaser prior to the date of this Agreement with respect to all or any of such matters, have been taken or obtained.

(c) This Agreement has been duly authorized, executed and delivered by the Purchaser and to the best of its knowledge when executed and delivered by the City, will constitute the legal, valid and binding obligation of the Purchaser enforceable in accordance with its terms, except as enforcement may be limited by applicable Debtor Relief Laws.

(d) The Purchaser has full legal authority to engage in the activities covered by this Agreement, and, to the best of its knowledge, the execution and delivery of this Agreement and compliance with its terms, conditions and provisions will not conflict with or result in a breach of any of the terms, conditions or provisions of the organizational documents of the Purchaser or any agreement or instrument to which it is a party or by which it is bound, or any law or regulation or any administrative decree or order to which it is subject, or constitute a default thereunder.

(e) To the best of its knowledge, the Purchaser is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or governmental agency, which default will materially and adversely impair its ability to perform its obligations under this Agreement.

(f) To the best of its knowledge, the Purchaser is not a party to or bound by any agreement or instrument or subject to any charter or any other corporate restriction or any judgment, order, writ, injunction, decree, law or regulation which will materially and adversely affect the ability of the Purchaser to perform its obligations under this Agreement or which requires the consent of any third person to the execution of this Agreement or the consummation of the transactions contemplated hereby.

(g) To the best of its knowledge, no litigation has been served on the Purchaser or threatened against the Purchaser with respect to this Agreement or the consummation of the transactions contemplated hereby.

ARTICLE III

GNMA PURCHASE PROGRAM

Section 3.01. Program Term. The Program shall commence upon the first date mutually agreed upon by the City and the Purchaser on which Mortgage Loan reservations will be accepted and will continue for an initial two-year term, as may be extended by the parties hereto, and subject to the termination provisions set forth herein.

Section 3.02. Program Size. The total maximum aggregate principal amount of Mortgage Loans reserved by the Lenders and the Administrator, closed by the Lenders, and/or purchased by the Servicer hereunder as of any date shall not exceed \$15,000,000 (the "Maximum Amount"), unless the Purchaser and City agree in writing to an increase the Maximum Amount; provided, however, that (a) Mortgage Loans for which reservations are cancelled or otherwise do not close or are not sold to the Servicer; or (b) GNMA Certificates (backed by Mortgage Loans) purchased by the Purchaser hereunder shall not count against the Maximum Amount.

Section 3.03. Delivery of Mortgage Loans. Each Mortgage Loan originated under the Program must be originated in accordance with the Servicing Agreement, the Lender Agreement, the Administrator's Guidelines, and the Participating Lender Agreement and the timetable set forth in the next paragraph. The Purchaser is under no obligation to purchase a GNMA Certificate that has pooled a Mortgage Loan that is not delivered and purchased within the established timetable. The City represents that it has communicated to the Servicer and the Administrator, and the Servicer and the Administrator have agreed to, the Mortgage Loan delivery guidelines outlined below and in the Administrator's Guidelines.

Once a Mortgage Loan is reserved by a Lender with the Administrator and such Lender is provided a reservation number by the Administrator, such Mortgage Loan must be:

- (a) Underwriter-certified within 15 days of the Mortgage Loan reservation date;
- (b) Closed by the Lender and delivered to the Servicer within 45 days of the Mortgage Loan reservation date; and
- (c) Purchased by the Servicer within 70 days of the Mortgage Loan reservation date.

Any Mortgage Loan not purchased within the 70-day period referenced above is ineligible for purchase unless the Lender elects a one-time only 30-day extension. The cost of the extension is \$375 payable to the Purchaser, and the extension fee is due whether or not a Mortgage Loan is ultimately delivered and/or purchased. The \$375 extension fee will be netted from the Loan Purchase Price by the Servicer when the Mortgage Loan is purchased from the Lender. If an extension is elected, but the related Mortgage Loan is not purchased by the required purchase date, the Lender will be billed by the City or the Purchaser for the extension fee of \$375. The City agrees to make any Lender with total outstanding extension fees of \$3,750 ineligible to participate in the Program until the unpaid balance of extension fees is paid in full. The Purchaser and the City may mutually agree to allow Lenders with unpaid extension fee balances exceeding \$3,750 to continue originating Mortgage Loans.

Section 3.04. Lenders. Pursuant to the Lender Agreement, each Lender shall originate and sell Mortgage Loans in accordance with the terms of the Lender Agreement, the related Administrator's Guidelines, and the Participating Lender Agreement. If any Lender consistently cancels reservations for Mortgage Loans, or consistently fails to close Mortgage Loans or timely sell such Mortgage Loans to the Servicer, then the Purchaser may consult with the City and direct that the City, the Servicer, and the Administrator suspend or terminate such Lender from further participation in the Program.

Section 3.05. Mortgagor Qualifications. Each Mortgagor must (a) meet the City's requirements as set forth in the Lender Agreement and Administrator's Guidelines; (b) be approved by the applicable Lender; (c) qualify for the applicable Mortgage Loan with respect to a Residence located within the Program Area; (d) have a minimum FICO score of 640 and maximum "debt-to-income" ratio (DTI) of 45; and (e) unless modified by the City and the Purchaser, have a maximum annual income not greater than those set forth in the Lender

Agreement and Administrator's Guidelines and have a maximum home purchase price not greater than those set forth in the Lender Agreement and Administrator's Guidelines. In the event that a Mortgage Loan is paired with a Mortgage Credit Certificate (MCC), the Mortgagor must in addition meet the requirements of the related MCC program.

Section 3.06. Delivery of Mortgage Rate Sheets and Establishment of Mortgage Loan Rates. The Purchaser shall send a Mortgage Loan Rate Sheet to the City and Program Monitor by email as frequently as each Business Day during the term hereof at approximately 7:30 a.m., Mountain time, and in consultation with the City shall instruct the Servicer, and the Administrator of the Mortgage Loan rate that shall be applicable for such Business Day. If the Purchaser does not send a Mortgage Loan Rate Sheet or advise of a selection of a Mortgage Loan rate on any Business Day, then the Mortgage Loan rate for the current day shall be the same as from the prior Business Day for which a Mortgage Loan Rate Sheet was sent by the Purchaser. Only one Mortgage Loan interest rate will be in effect for any day unless the Purchaser otherwise instructs the City and Program Monitor and the Servicer and Administrator.

The Purchaser shall send such notice by email to the Notice Address, unless otherwise notified by the City or the Program Monitor, Servicer or Administrator, as applicable.

Lenders may reserve Mortgage Loans with the Administrator with respect to the then current Mortgage Loan rate on any Business Day between 8:00 a.m. and 6:00 p.m., Mountain time.

Section 3.07. Determination of GNMA Certificate Purchase Prices. The Purchaser shall establish GNMA Certificate Purchase Prices based on market pricing for the future delivery of Mortgage Loan production, less a fee/spread to the Purchaser for the assumption of pipeline management risk and hedging cost in the amount of 1.00% of the principal (par) amount of the Mortgage Loans reserved. The Purchaser shall calculate the GNMA Certificate Purchase Price by selecting the "to be announced" (TBA) price in the taxable forward market for GNMA Certificates at approximately 7:00 a.m., Mountain time each Business Day for an appropriate GNMA I Certificate or a GNMA II Certificate less, in each case, the 1.00% fee/spread to the Purchaser. The selection of a TBA price for a GNMA I Certificate versus a GNMA II Certificate shall be determined by the certificate type into which Mortgage Loans of a particular interest rate will be pooled (set forth in Section 3.09 below). The TBA price that is selected shall be for a TBA "good delivery" date that is a minimum of 90 days and not more than 120 days from the issue date of the related Mortgage Loan Rate Sheet. If there is no published TBA price for the delivery date that meets the requirements set forth herein for delivery of the GNMA Certificates to the Purchaser, then the Purchaser shall use its best efforts to determine the market price. Tradeweb, a widely used inter-dealer electronic market that provides real-time market data, will be the source of TBA price information for the Purchaser.

Section 3.08. DPA Grant and Points; Lender Income; GNMA Certificate Purchase. The City shall provide and directly fund pursuant to the DPA Grant Escrow Fund Agreement a non-repayable DPA Grant to each Mortgagor in the amount of 4.00% of the initial principal balance of the Mortgage Loan from funds made available by the City. The City retains the right to change the amount of the DPA Grant upon delivering written notice 5 Business Days prior to such change to the Purchaser, the Servicer, the Escrow Agent, and the Program Monitor.

Lenders may charge a maximum aggregate of 1.00% for origination and/or discount fees to be paid by the Mortgagor or the seller of the Residence. If such fees are paid by the Mortgagor, the “net” DPA to the Mortgagor therefore becomes 3.00%. Borrowers may be required to sign a DPA Grant acknowledgement form relating to such DPA Grants from the City.

Lender income upon origination then sale of a Mortgage Loan shall be 2.00% (1.50% with respect to a VA Mortgage Loan), comprising the 1.00% origination and/or discount fee received at closing, plus SRP (included in the Loan Purchase Price) received upon sale to the Servicer, plus their usual customary fees. The City or its escrow agent pursuant to the DPA Grant Escrow Agreement, shall disburse the DPA Grant to the Mortgagor at Mortgage Loan closing.

The City Fee (set forth in Section 3.10 hereof) shall be paid to the City through the simultaneous sale of the GNMA Certificates hereunder from the Servicer to the Custodian (on behalf of the City), and then from the Custodian (on behalf of the City) to the Purchaser, as set forth in Exhibit A and as described below.

On the settlement date of a GNMA Certificate hereunder, (a) the Purchaser shall wire the Certificate Purchase Price and accrued interest thereon to the Custodian; (b) the Servicer then shall deliver such GNMA Certificate “delivery versus payment” (DVP) to the Custodian, on behalf of the City; (c) the Custodian, on behalf of the City, in turn shall “free deliver” such GNMA Certificate to the Purchaser; and (d) the Custodian finally shall remit to the City the City Fee relating to such GNMA Certificate as set forth in Section 3.10 hereof and as further set forth in the Custody Agreement.

Section 3.09. Mortgage Loan Reservation, Purchase, and Pooling. The Administrator shall provide for the online reservation of Mortgage Loans under the Program by participating, approved Lenders pursuant to the terms of the Program Administration Agreement. The Servicer has agreed to purchase such Mortgage Loans pursuant to the terms of the Servicing Agreement and its Participating Lender Agreement and to pool them into GNMA Certificates for delivery as expeditiously as possible. The City hereby agrees to sell all of the GNMA Certificates created under the terms of this Agreement to the Purchaser and the Purchaser hereby agrees to purchase such GNMA Certificates pursuant to the terms hereof. The Purchaser shall only purchase qualifying GNMA Certificates hereunder, not Mortgage Loans.

The City and the Purchaser acknowledge that instruction has been provided to the Servicer to deliver GNMA Certificates as expeditiously as possible but also in such a manner consistent with the instructions detailed below. The Servicer shall provide notice of the proposed delivery date of a GNMA Certificate a minimum of two days prior to its delivery. The Servicer has been directed:

(a) to pool all Mortgage Loans with an interest rate ending in 0.00% or 0.50% (e.g., 3.00%, 3.50%, 4.00%, 4.50%, 5.00%, 5.50% Mortgage Loan interest rates) into GNMA I Certificates using 0.50% as the aggregate servicing and guaranty fee. The minimum denomination for a TBA-eligible GNMA I is \$1,000,000 and the Certificate Purchase Price is based on the assumption that Mortgage Loans with an interest rate

ending in 0.00% and 0.50% will be securitized into GNMA I Certificates with a minimum principal balance of \$1,000,000;

(b) to pool all Mortgage Loans with an interest rate ending in 0.25% or 0.75% (e.g., 3.25%, 3.75%, 4.25%, 4.75%, 5.25%, 5.75% Mortgage Loan interest rates) into GNMA II multi-issuer Certificates using 0.25% as the aggregate servicing and guaranty fee;

(c) to pool all Mortgage Loans with an interest rate ending in 0.375% or 0.875% (e.g., 3.375%, 3.875%, 4.375%, 4.875%, 5.375%, 5.875% Mortgage Loan interest rates) into GNMA II multi-issuer Certificates using 0.375% as the servicing/guaranty fee; and

(d) to pool all Mortgage Loans with an interest rate ending in 0.125% and 0.625% (e.g., 3.125%, 3.625%, 4.125%, 4.625%, 5.125%, 5.625% Mortgage Loan interest rates) into GNMA II multi-issuer Certificates using 0.625% as the aggregate servicing and guaranty fee. GNMA II multi-issuer Certificates comprise Mortgage Loans from various sources and the Servicer can pool as few or as many Mortgage Loans contemplated hereunder into GNMA II multi-issuer Certificates.

The Purchaser and City acknowledge that special situations may arise from time to time that will require GNMA Certificates to be pooled in a manner that is slightly different than the directions set forth above. For example, a special situation may occur when Mortgage Loans that would otherwise be pooled into a GNMA I Certificate are ultimately pooled into a GNMA II Certificate, if Mortgage Loans with an insufficient principal amount to meet the minimum principal balance to be TBA-Eligible are scheduled for pooling. If Mortgage Loans anticipated to be pooled into a GNMA I Certificate are ultimately pooled into a GNMA II Certificate, the Certificate Purchase Price for each Mortgage Loan comprising the delivered GNMA Certificate will be adjusted to reflect the type of GNMA Certificate that is delivered. The Purchaser shall advise the Servicer and the City with respect to any such special situations.

Should the Purchaser fail to purchase a GNMA Certificate from the City within two days of its delivery then, at the option of the City, the City or its agents may sell the GNMA Certificate in a recognized market at such price or prices as the City may deem satisfactory and apply the proceeds thereof to the aggregate unpaid balance owed by the Purchaser under this Agreement. If the sale is completed by the City, the Purchaser agrees to remit funds to the City within 15 days of notice of the completed sale for any discount in the selling price below the Certificate Purchase Price excluding any accrued interest plus any other reasonable loss, damage, cost or expense directly arising or resulting from the failure of the Purchaser to purchase the GNMA Certificate.

Should the City fail to sell or direct the Custodian to sell GNMA Certificates to the Purchaser that have been delivered to the Custodian on behalf of the City by the Servicer pursuant to the Servicing Agreement and issued pursuant to this Agreement, the City agrees to pay to the Purchaser reasonable losses, damages, costs or expenses directly arising or resulting from the failure of the City to sell the GNMA Certificates to the Purchaser.

Section 3.10. City Fee. The City Fee relating to each GNMA Certificate purchased by the Purchaser hereunder shall be a floating fee changing daily and targeted at 5.00% of the principal amount of GNMA Certificates purchased. Such City Fee shall include reimbursement to the City for the DPA Grant and shall be based upon the current Mortgage Loan and GNMA Certificate Purchase Prices (described in Section 3.07 hereof) for the Mortgage Loan interest rate then selected under the Program, all as set forth in the sample daily Mortgage Loan Rate Sheet included as Exhibit A hereto. Unless otherwise directed in writing by the City, the Purchaser shall suspend reservations of Mortgage Loans hereunder if the City will not be reimbursed for the DPA Grant through its City Fee a minimum of 4.00% of the principal amount of the resulting GNMA Certificates from the sale thereof. The City Fee shall be payable to the Custodian for further credit to the City, in accordance with the Custody Agreement, when, as, and if the resulting GNMA Certificates are purchased by the Purchaser. The City shall be responsible for its fees and expenses (e.g., custodian, escrow, program monitoring, financial advisory and/or legal) in connection with its implementation of the Program from moneys available in its single family mortgage surplus fund or the Escrow Agreement.

Pursuant to Section 2 of the Lender Agreement, each Lender represents and warrants that it has paid to the City a \$1,000 annual fee for participation in the Program (the "City Participation Fee"). To the extent the City Participation Fee is paid by a Lender to the Purchaser for further credit to the City, the Purchaser shall pay the City Participation Fee to the City on the first Business Day of each month, commencing March 1, 2013.

Section 3.11. One-Time Extension Fee Income. As described in Section 3.03, Lenders may elect a one-time 30-day extension for loans reserved subject to purchase beyond 70 days from Mortgage Loan reservation for a fee of \$375. The Purchaser shall, with the cooperation of the City should that prove necessary, collect extension fees from the Servicer, in the case of purchased loans, and the Lenders, in the case of Mortgage Loans subject to the one-time extension and cancellation. All extension fee income, if any, collected by the City will be paid to the Purchaser to offset the Purchaser's hedging costs hereunder.

ARTICLE IV

TERMINATION

Section 4.01. Termination of the Program. Each of the parties hereto may terminate its participation in the Program contemplated hereunder by providing 30 days' written notice to the other party. The respective obligations of the parties with respect to Mortgage Loans reserved, closed, purchased or pooled hereunder prior to such notice of termination, however, shall continue until such Mortgage Loans have been canceled or have been pooled into GNMA Certificates by the Servicer/Administrator and purchased by the Purchaser.

Section 4.02. Disruption of Pipeline Information Availability. If there is a disruption in the availability or transmission of Mortgage Loan reservation and pipeline information from the Servicer or the Administrator to the Purchaser, the Purchaser, in its sole discretion, may determine whether to suspend reservation of Mortgage Loans hereunder during the period of any such disruption. The respective obligations of the parties with respect to Mortgage Loans reserved, closed, purchased or pooled hereunder prior to any such disruption hereunder,

however, shall continue until such Mortgage Loans have been canceled or have been pooled into GNMA Certificates by the Servicer/Administrator and purchased by the Purchaser.

Section 4.03. Change in Status of Representations, Warranties and Covenants of the City or the Servicer or Administrator. If it is determined that an adverse change in the status of representations, warranties or covenants of the City or the Servicer or Administrator under this Agreement or under the Servicing Agreement, the Program Administration Agreement, or the Lender Agreement (as applicable) will result in an inability of this Agreement to be administered effectively, the Purchaser or the City, in its sole discretion, may determine whether to suspend reservation of Mortgage Loans hereunder during the period of any such inability. The respective obligations of the parties with respect to Mortgage Loans reserved, closed, purchased or pooled hereunder prior to any such suspension hereunder, however, shall continue until such Mortgage Loans have been canceled or have been pooled into GNMA Certificates by the Servicer/Administrator and purchased by the Purchaser.

Section 4.04. Pooling of Mortgage Loans Into GNMA Certificates. If it is determined by the Purchaser or the City that the Servicer is unable to consistently deliver GNMA Certificates within 100 days of the reservation of Mortgage Loans backing the GNMA Certificate, the Purchaser or City may provide notice of termination of future reservation of Mortgage Loans hereunder with five days' written notice to the parties.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.01. Amendments, Changes, and Modifications. This Agreement may not be amended, changed, modified, or altered except with the written consent of the parties by an instrument in writing that specifically refers to this Agreement and that is executed by an authorized representative of the Purchaser and the Authorized City Representative.

Section 5.02. Governing Law. This Agreement shall be construed in accordance with the Laws of the State, and the obligations, rights, and remedies of the parties hereunder shall be determined in accordance with such Laws.

Section 5.03. Notices. All notices, certificates, or other communications hereunder shall be deemed given when delivered or five Business Days after mailing by certified or registered mail, postage prepaid, return receipt requested, addressed to the appropriate Notice Address. The City or the Purchaser may, by notice given hereunder, designate any further or different address to which subsequent notices, certificates, and other communications shall be sent.

Section 5.04. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. Such invalid or unenforceable provision shall be amended, if possible, in accordance with Section 5.01 in order to accomplish the purposes of this Agreement.

Section 5.05. Further Assurances and Corrective Instruments. To the extent permitted by Law, each of the City and the Purchaser agrees that it will, from time to time,

execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required or appropriate to further express the intention, or to facilitate the performance, of this Agreement.

Section 5.06. No Rights Conferred on Others. Nothing in this Agreement shall confer any right upon any person other than the City and the Purchaser.

Section 5.07. Limitation on Liability of Parties. Each party to this Agreement shall be liable under this Agreement only to the extent that obligations are explicitly imposed upon and undertaken by the party against whom enforcement is sought. The Purchaser and the City shall not be liable to any other party for the taking of any action, or for refraining to take any action, in good faith pursuant to this Agreement, or for errors in judgment. In addition, in the event any party to this Agreement is entitled to indemnification hereunder, the officers, directors, employees, and agents of such party shall also be entitled to indemnification hereunder to the same extent and under the same circumstances as such party.

Section 5.08. Limitation on Liability of Directors, Officers, Employees, and Agents of a Party. No director, officer, employee, agent or governmental official of any party to this Agreement shall be individually liable to any other party for the taking of any action, or for refraining to take any action, pursuant to this Agreement, or for errors in judgment.

Section 5.09. Survival of Obligations and Covenants. Notwithstanding anything to the contrary herein, the expiration of this Agreement or the termination or resignation of any party to this Agreement shall not affect any obligations of any party under this Agreement. The representations, warranties, and covenants of the parties under Article II shall continue without regard to any termination of the Agreement hereunder. Any indemnities in this Agreement shall survive the termination of the Agreement.

Section 5.10. Waiver of Trial by Jury. The parties hereby waive their right to a trial by jury with respect to any cause of action arising out of this Agreement.

Section 5.11. Headings. The headings of the various sections of this Agreement have been inserted for convenience of reference only, and shall not be deemed to be a part of this Agreement.

Section 5.12. Reports and Payments Due on Weekends and Holidays. Any report, certificate, or payment required hereunder falling due on a Saturday, Sunday, or other day on which banking institutions in the State are authorized or obligated by Law or executive order to close shall be due on the next succeeding day which is not a Saturday, Sunday, or a day on which banking institutions are authorized or obligated by Law to close, or a day on which the payment system of the Federal Reserve System is not operational.

Section 5.13. Agreement to Pay Attorneys' Fees. If it is determined in a judicial proceeding that a party has failed to perform under any provision of this Agreement ("Offending Party") or if the other party shall employ attorneys or incur other expenses for the enforcement, performance, or observance of the terms of this Agreement on the part of the Offending Party, then the other party shall be reimbursed by the Offending Party on demand for reasonable attorneys' fees and other out-of-pocket expenses.

Section 5.14. Acceptance. This Agreement shall become binding upon acceptance and execution by all the parties.

[Signature Page to Follow]

IN WITNESS WHEREOF, the City and the Purchaser have caused this Agreement to be executed by their respective duly authorized officers, all as of the date and year first written above.

ATTEST:

CITY AND COUNTY OF DENVER,
COLORADO

By: _____
DEBRA JOHNSON, Clerk and
Recorder, Ex-officio Clerk of the City
and County of Denver

By: _____
Mayor

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED

By: _____
DOUGLAS J. FRIEDNASH, Attorney
for the City and County of Denver

By: _____
Manager of Finance

By: _____
Auditor

RAYMOND JAMES & ASSOCIATES, INC.

By _____
Managing Director

[Signature Page to GNMA Purchase Agreement]

EXHIBIT A

SAMPLE MORTGAGE LOAN RATE SHEET

RAYMOND JAMES[®]

Morgan Keegan

City and County of Denver, Colorado

GNMA Purchase Program - 2013 Metro Mortgage Assistance Plus

Sample Daily Mortgage Loan Rate Sheet



DENVER[®]
THE MILE HIGH CITY

Current Date: 1/16/2013

RJ MK Loan/GNMA Purchase Price ¹													
Mortgage Loan Rate [A]	Certificate Purchase Price [B]	GNMA Pmt Amount [C]	Gross DPA [D]	Lender SRP [E]	Servicer Pays Lender [F] = C+E	Gross Servicing Spread [G]	GNMA Guaranty Fee [H]	Net Servicing Fee [I] = G-H	Payment for Servicing [J]	Custodian Pays Servicer [K] = C+I-J	City Fee [L] = B-K	City Net Profit [M] = L-D	
3.250%	103.969%	100.000%	4.000%	1.000%	101.000%	0.250%	0.060%	0.190%	0.340%	100.660%	3.309%	-0.691%	
3.375%	103.969%	100.000%	4.000%	1.000%	101.000%	0.375%	0.060%	0.315%	0.920%	100.080%	3.889%	-0.111%	
3.500%	104.078%	100.000%	4.000%	1.000%	101.000%	0.500%	0.060%	0.440%	1.500%	99.500%	4.578%	0.578%	
3.625%	103.969%	100.000%	4.000%	1.000%	101.000%	0.625%	0.060%	0.565%	1.820%	99.180%	4.789%	0.789%	
3.750%	106.750%	100.000%	4.000%	1.000%	101.000%	0.250%	0.060%	0.190%	0.310%	100.690%	6.060%	2.060%	
3.875%	106.750%	100.000%	4.000%	1.000%	101.000%	0.375%	0.060%	0.315%	0.770%	100.230%	6.520%	2.520%	
4.000%	106.922%	100.000%	4.000%	1.000%	101.000%	0.500%	0.060%	0.440%	1.270%	99.730%	7.192%	3.192%	
4.125%	106.750%	100.000%	4.000%	1.000%	101.000%	0.625%	0.060%	0.565%	1.500%	99.500%	7.250%	3.250%	
4.250%	107.063%	100.000%	4.000%	1.000%	101.000%	0.250%	0.060%	0.190%	0.210%	100.790%	6.273%	2.273%	

Notes:

¹ Raymond James | Morgan Keegan will pay the Loan Purchase Price for Mortgage Loans reserved on the eHousingPlus reservation system on the date above and delivered into GNMA

Certificates pursuant to the GNMA Purchase Agreement with the City dated as of 2/1/13. Such Loan Purchase Prices are derived from Tradeweb at approximately 9:00 am Eastern each business day, and are net of a 1.00% fee/spread to RJ|MK. Loan Purchase Prices are subject to change and do not include any \$375 per loan 30-day extension fees.

² The payments for servicing values have been provided by Servicer US Bank in their Pricing Schedule to the Servicing Agreement with the City dated as of 2/1/13. Such payments are subject to change.