
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**Current Report
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): January 18, 2016

NVR, Inc.

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction of
incorporation or organization)

1-12378
(Commission
File Number)

54-1394360
(I.R.S. Employer
Identification No.)

11700 Plaza America Drive, Suite 500, Reston, Virginia
(Address of principal executive offices)

20190
(Zip Code)

Registrant's telephone number, including area code: 703-956-4000

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry Into a Material Definitive Agreement

On January 18, 2016, NVR Mortgage Finance, Inc. (“NVRM”) a wholly-owned subsidiary of NVR, Inc. entered into the Seventh Amendment (the “Amendment”) to its Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 with U.S. Bank National Association (as amended by the Amendment and six earlier amendments thereto, the “Repurchase Agreement”). The Repurchase Agreement provides NVRM with a non-recourse revolving mortgage repurchase facility that NVRM uses to finance its origination of mortgage loans. The Repurchase Agreement (a) provides NVRM with borrowing capacity of \$150 million (as compared to \$25 million prior to the Amendment) and (b) provides for an incremental commitment pursuant to which NVRM may from time to time request increases in the total commitment available under the Repurchase Agreement by up to \$50 million in the aggregate. The Repurchase Agreement expires on July 27, 2016. Advances under the Repurchase Agreement carry a Pricing Rate based on the LIBOR Rate plus the LIBOR Margin, each as determined under the Repurchase Agreement, provided that the Pricing Rate shall not be less than 2.25%. Among other restrictions, the Repurchase Agreement provides that loans purchased under the agreement may not be sold to others, be pledged to anyone other than the agent or support any other borrowing or repurchase agreement.

The Repurchase Agreement contains affirmative and negative covenants that are customary for arrangements of this type. The negative covenants include specific limitations on transactions involving acquisitions, mergers, incurrence of debt, sale of assets and creation of liens upon any of NVRM’s mortgage notes. In addition NVRM must maintain compliance with a tangible net worth requirement, a minimum liquidity requirement, a minimum net income requirement and a maximum leverage ratio requirement.

Copies of the Amended and Restated Master Repurchase Agreement, the First through Sixth Amendments thereto, and the Amendment are filed as Exhibits 10.1 through 10.8, respectively, to this Current Report on Form 8-K and are incorporated by reference into this Item 1.01. The foregoing summary of the Repurchase Agreement is qualified in its entirety by reference to the Repurchase Agreement.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant.

The information provided in Item 1.01 of this report is incorporated by reference into the Item 2.03.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.1	Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 between NVR Mortgage Finance, Inc. and U.S. Bank National Association. Filed herewith.
10.2	First Amendment to Amended and Restated Master Repurchase Agreement dated as of August 1, 2012, between NVR Mortgage Finance, Inc. and U.S. Bank National Association. Filed herewith.
10.3	Second Amendment to Amended and Restated Master Repurchase Agreement dated as of November 13, 2012, between NVR Mortgage Finance, Inc. and U.S. Bank National Association. Filed herewith.
10.4	Third Amendment to Amended and Restated Master Repurchase Agreement dated as of November 29, 2012 between NVR Mortgage Finance, Inc. and U.S. Bank National Association. Filed herewith.
10.5	Fourth Amendment to Amended and Restated Master Repurchase Agreement dated as of July 31, 2013, between NVR Mortgage Finance, Inc. and U.S. Bank National Association. Filed herewith.
10.6	Fifth Amendment to Amended and Restated Master Repurchase Agreement dated as of July 30, 2014, between NVR Mortgage Finance, Inc. and U.S. Bank National Association. Filed herewith.
10.7	Sixth Amendment to Amended and Restated Master Repurchase Agreement dated as of July 29, 2015, between NVR Mortgage Finance, Inc. and U.S. Bank National Association. Filed herewith.
10.8	Seventh Amendment to Amended and Restated Master Repurchase Agreement, dated as of January 18, 2016, between NVR Mortgage Finance, Inc. and U.S. Bank National Association. Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NVR, Inc.

Date: January 21, 2016

By: /s/ Daniel D. Malzahn

Name: Daniel D. Malzahn

Title: Vice President, Chief Financial Officer and Treasurer

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**AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT
(for NVR Mortgage Finance, Inc.)**

dated as of August 2, 2011

among

**U.S. BANK NATIONAL ASSOCIATION,
as Agent and a Buyer,**

THE OTHER BUYERS PARTY HERETO

and

NVR MORTGAGE FINANCE, INC., as Seller

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EXHIBITS AND SCHEDULES

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AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT

THIS AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT is executed as of July 25, 2011 (the “*Closing Date*”) and made effective as of August 2, 2011 (the “*Effective Date*”), between and among NVR Mortgage Finance, Inc., a Virginia corporation (the “*Seller*”), the Buyers (as defined in Section 1.2) from time to time party hereto, and U.S. Bank National Association, as Agent and representative of itself as a Buyer and the other Buyers (the “*Agent*” and sometimes “*U.S. Bank*”).

RECITALS

A. The Seller, the Agent, U.S. Bank, as a buyer and the other buyers named therein entered into a Master Repurchase Agreement dated as of August 5, 2008 (as the same has been amended, restated or otherwise modified from time to time, the “*Existing MRA*”).

B. The other buyers party to the Existing MRA are terminating their commitments thereunder, effective concurrently with the execution of this Agreement.

C. The Seller has requested that the Agent and U.S. Bank, as the sole remaining Buyer, amend the Existing MRA in certain respects; and

D. The parties desire to amend and restate the Existing MRA in its entirety, as set forth herein.

1 Applicability and Defined Terms.

1.1. *Applicability.* From time to time the parties hereto may enter into transactions in which the Seller agrees to transfer to Agent on behalf of the Buyers, Eligible Loans on a servicing released basis against the transfer of funds by Buyers, with a simultaneous agreement by the Buyers to transfer to Seller such Eligible Loans at a date certain or on demand in the event of termination pursuant to Section 18.2 hereof, or if no demand is sooner made, on the Termination Date, against the transfer of funds by Seller. Each such transaction shall be referred to herein as a “Transaction” and shall be governed by this Agreement, as hereinafter defined.

The parties hereby specifically declare that it is their intention that this Amended and Restated Master Repurchase Agreement (as amended, restated, supplemented or otherwise modified from time to time, the “Agreement”, which term includes the preamble above) and the purchases of Eligible Loans made pursuant to it are to be treated as repurchase transactions under Title 11 of the United States Code, as amended (the “Bankruptcy Code”), including all rights that accrue to Buyers by virtue of sections 559, 561 and 562 of the Bankruptcy Code. This Agreement also contains lien provisions with respect to the Purchased Loans so that if, contrary to the intent of the parties, any court of competent jurisdiction characterizes any Transaction as a financing, rather than a purchase, under applicable law, including the applicable provisions of the Bankruptcy Code, the Agent is deemed to have a first priority perfected security interest in and to the Purchased Loans to secure the payment and performance of all of the Seller’s Obligations under this Agreement.

The Buyers' agreement to establish and continue the revolving repurchase facilities are made upon and subject to the terms and conditions of this Agreement. If there is any conflict or inconsistency between any of the terms or provisions of this Agreement and any of the other Repurchase Documents, this Agreement shall govern and control. If there is any conflict between any provision of this Agreement and any later supplement, amendment, restatement or replacement of it, then the latter shall govern and control.

1.2. *Defined Terms*. Except where otherwise specifically stated, capitalized terms used in this Agreement and the other Repurchase Documents have the meanings assigned to them below or elsewhere in this Agreement.

“*Accepted Servicing Practices*” means, with respect to any Mortgage Loan, (i) those mortgage loan servicing standards and procedures in accordance with all applicable state, local and federal laws, rules and regulations and (ii)(y) the mortgage loan servicing standards and procedures prescribed by Fannie Mae and Freddie Mac, in each case as set forth in the Fannie Mae Servicing Guide or Freddie Mac Servicing Guide, as applicable, and in the directives or applicable publications of such agency, as such may be amended or supplemented from time to time, or (z) with respect to any Mortgage Loans and any matters or circumstances as to which no such standard or procedure applies, the servicing standards, procedures and practices Seller uses with respect to its own assets as of the date of this Agreement, subject to reasonable changes.

“*Additional Covenant*” means any affirmative, negative or financial covenant, or other agreement, term or condition relating to the Seller or any of its Subsidiaries, contained in any mortgage loan repurchase or warehouse loan transaction entered into by the Seller after the Effective Date to which any of the Buyers is not a party and which is more restrictive on the Seller or such Subsidiary or more beneficial to the lender or buyer, as the case may be, under such agreement than the covenants, agreements, terms and conditions relating to the Seller or such Subsidiary contained in this Agreement.

“*Additional Pricing Term*” means any pricing agreement, term or condition contained in any mortgage loan repurchase or warehouse loan transaction to which any of the Buyers is not a party and which is more favorable to the lender or the buyer, as the case may be, under such agreement than the pricing agreements, terms and conditions contained in this Agreement.

“*Additional Purchased Loans*” means Eligible Loans transferred by Seller to Buyers pursuant to, and as defined in, [Section 6.1](#).

“*Adjusted Tangible Net Worth*” means, as of any date, the sum of (a) all assets of the Seller and the Subsidiaries on a Consolidated basis, minus (b) the sum of (i) all Debt and all Contingent Indebtedness of the Seller and the Subsidiaries, (ii) all assets of the Seller and the Subsidiaries which would be classified as intangible assets under GAAP, including, but not limited to, Capitalized Servicing Rights, goodwill (whether representing the excess of cost over book value of assets acquired or otherwise), patents, trademarks, trade names, copyrights, franchises and deferred charges, and (iii) receivables due from Affiliates (other than Subsidiaries).

Affiliate” means and includes, with respect to a specified Person, any other Person:

(a) that directly or indirectly through one or more intermediaries Controls, is Controlled by or is under common Control with the specified Person (in this definition only, the term “Control” means having the power to set or direct management policies, directly or indirectly);

(b) that is a director, trustee, partner, member or executive officer of the specified Person or serves in a similar capacity in respect of the specified Person;

(c) of which the specified Person is a director, trustee, partner, member or executive officer or with respect to which the specified Person serves in a similar capacity and over whom the specified Person, either alone or together with one or more other Persons similarly situated, has Control;

(d) that, directly or indirectly through one or more intermediaries, is the beneficial owner of ten percent (10%) or more of any class of equity securities — which does not include any MBS — of the specified Person; or

(e) of which the specified Person is directly or indirectly the owner of ten percent (10%) or more of any class of equity securities of the specified Person.

“Agency” means Fannie Mae or Freddie Mac.

“Agency-eligible Forty Year Loans” means fully documented amortizing Conforming Mortgage Loans which have original terms to stated maturity greater than thirty (30) years and up to forty (40) years, which are eligible for purchase by an Agency.

“Agency-eligible Forty Year Loans Sublimit” is defined in the table in Section 4.2(c).

“Agency MBS” means MBS issued or guaranteed as to timely payment of principal and interest by an Agency.

“Agent” is defined above.

“Agent’s Fee” is defined in Section 9.2.

“Aggregate Outstanding Purchase Price” means as of any date, an amount equal to the sum of the Purchase Prices for all Purchased Loans included in all Open Transactions.

“Agreement” is defined in the Recitals.

“Approved Investor” means any Agency and any of the Persons listed on Schedule AI, as it may be supplemented or amended from time to time by agreement of the Seller and the Agent; provided, that (a) persons listed on Schedule AI shall be Approved Investors only with respect to the type(s) of Mortgage Loans for which they are specified as an “Approved Investor” on Schedule AI, and (b) if the Agent shall give written notice to the Seller of the Agent’s disapproval of any Approved Investor(s) named in the notice, the Approved Investor(s) so named shall no longer be (an) Approved Investor(s) from and after the time when the Agent sends that notice to the Seller or such later date as may be specified by the Agent in its sole discretion.

“*Authorized Seller Representative*” means a representative of the Seller duly designated by all requisite corporate action to execute any certificate, schedule or other document contemplated or required by this Agreement or the Custody Agreement on behalf of the Seller and as its act and deed. A list of Authorized Seller Representatives current as of the Effective Date is attached as Schedule AR. The Seller will provide an updated list of Authorized Seller Representatives to the Agent and the Custodian promptly following each addition to or subtraction from such list, and the Agent, the Buyers and the Custodian shall be entitled to rely on each such list until such an updated list is received by the Agent and the Custodian.

“*Backup Servicer*” means U.S. Bank Home Mortgage, Inc. or any other Person designated by Agent, in its sole discretion, to act as a backup servicer of the Purchased Loans in accordance with Section 19.10.

“*Bankruptcy Code*” is defined in the Recitals.

“*Basic Papers*” means all of the Loan Papers that must be delivered to the Custodian (in the case of Dry Loans, prior to the related Purchase Date and, in the case of Wet Loans, on or before the fifth (5th) Business Day after the related Purchase Date) in order for any particular Purchased Loan to continue to have Market Value. Schedule BP lists the Basic Papers.

“*Business Day*” means any day when both (1) the Agent’s main branch in Minneapolis, Minnesota is open for regular commercial banking business and (2) federal funds wire transfers can be made.

“*Buyer*” means U.S. Bank and each other Person from time to time party to this agreement as a “Buyer”. Persons who are currently Buyers on any day shall be listed as Buyers in Schedule BC in effect for that day.

“*Buyer Affiliate*” means (a) with respect to any Buyer, (i) an Affiliate of such Buyer or (ii) any entity (whether a corporation, partnership, trust or otherwise) that is engaged in making, purchasing, holding or otherwise investing in securities and mortgage reverse repurchase agreements, bank loans and similar financial arrangements in the ordinary course of its business and is administered or managed by such Buyer or an Affiliate of such Buyer and (b) with respect to any Buyer that is a fund which invests in securities and mortgage reverse repurchase agreements, bank loans and similar financial arrangements, any other fund that invests in securities and mortgage reverse repurchase agreements, bank loans and similar financial arrangements and is managed by the same investment advisor as such Buyer or by an Affiliate of such investment advisor.

“*Buyers’ Margin Percentage*” means:

- (i) for all Eligible Loans except Jumbo Loans, ninety-seven percent (97%);
- (ii) for Jumbo Loans, ninety-five percent (95%); and

(iii) for Wet Loans, the Buyer's Margin Percentage for the underlying type of Purchased Loan which would apply if such Purchased Loan were a Dry Loan.

"*Capitalized Servicing Rights*" means for any Person, all rights to service Mortgage Loans which would be capitalized under GAAP (regardless of whether such rights result from asset securitizations, whole loan sales or originations of Mortgage Loans).

"*Cash Equivalents*" means and includes, on any day:

(i) any evidence of debt issued by the United States government or any agency thereof, or guaranteed as to the timely payment of principal and interest by the United States government, and maturing ninety (90) days or less after that day;

(ii) any certificate of deposit, time or demand deposits or banker's acceptance issued by a commercial bank that either (i) is insured by the Federal Deposit Insurance Corporation or (ii) is a member of the Federal Reserve System and has a combined unimpaired capital and surplus and unimpaired undivided profits of not less than Seven Hundred Fifty Million Dollars (\$750,000,000), and maturing not more than ninety (90) days after that day; and

(iii) money market and cash funds and accounts which are invested in investments of the types described above or in commercial paper maturing no more than 90 days from the date of creation thereof and which is rated at least "A-1" by Standard & Poor's Corporation or at least "P-1" by Moody's Investors Service, Inc.

"*Central Elements*" means and includes the value of a substantial part of the Purchased Loans; the prospects for payment of each portion of the Repurchase Price, including both Purchase Price and Price Differential, when due; the validity or enforceability of this Agreement and the other Repurchase Documents and, as to any Person referred to in any reference to the Central Elements, such Person's and its consolidated Subsidiaries' property, business operations, financial condition and ability to fulfill and perform its obligations under this Agreement and the other Repurchase Documents to which it is a party, each taken as a whole.

"*Certified Copy*" means a copy of an original Basic Paper or Supplemental Paper accompanied by (or on which there is stamped) a certification by an officer of either a title insurer or an agent of a title insurer (whether a title agency or a closing attorney) or, except where otherwise specified below, by an Authorized Seller Representative or an officer of the Servicer (if other than the Seller) or subservicer of the relevant Mortgage Loan, that such copy is a true copy of the original and (if applicable) that the original has been sent to the appropriate governmental filing office for recording in the jurisdiction where the related Mortgaged Premises are located. Each such certification shall be conclusively deemed to be a representation and warranty by the certifying officer, agent, Authorized Seller Representative or officer of the relevant Servicer or subservicer, as applicable, to the Agent, the Buyers and the Custodian upon which each may rely.

"*Change in Law*" means (a) the adoption of any applicable Law after the Effective Date, (b) any change in any applicable Law or in the interpretation or application thereof by any Governmental Authority after the Effective Date or (c) reasonable compliance by any Buyer (or

by any applicable office of any Buyer) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the Effective Date. Without limiting the foregoing, for purposes of Sections 6.5 through 6.7, the term "Change in Law" shall include (i) all requests, rules, guidelines or directives in connection with Dodd-Frank Wall Street Reform and Consumer Protection Act and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Bank Supervision (or any successor or similar authority) or the United States financial regulatory authorities, regardless of the date adopted, issued, promulgated or implemented.

"*Change of Control*" in respect of the Seller means (a) the occurrence of Parent not owning directly, or indirectly, all of the issued and outstanding ownership interests of the Seller, or (b) any of the following circumstances: (i) any Person or two or more Persons acting in concert acquiring beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of equity interests of Parent representing 10% or more of the combined voting power of all equity interests of Parent entitled to vote in the election of directors; or (ii) during any period of up to twelve consecutive months, whether commencing before or after the Effective Date, individuals who at the beginning of such twelve-month period were directors of the Parent ceasing for any reason to constitute a majority of the Board of Directors of the Parent (other than by reason of death, disability or scheduled retirement); or (iii) any Person or two or more Persons acting in concert acquiring by contract or otherwise, or entering into a contract or arrangement which upon consummation will result in its or their acquisition of, control over equity interests of the Parent representing 10% or more of the combined voting power of all equity interests of the Parent entitled to vote in the election of directors.

"*Closing Date*" has the meaning set forth in the first paragraph hereof.

"*Commitment*" means, for each Buyer, its commitment under Section 2.1, subject to reduction as described in Section 2.6, to fund its Funding Share of Transactions, limited to such Buyer's Committed Sum.

"*Committed Sum*" means, for any day, the maximum total amount a Buyer is committed on that day to fund for the purchase from the Seller of Eligible Loans on a revolving basis pursuant to this Agreement without giving effect to any Transaction, on its terms and subject to its conditions. From the Effective Date of this Agreement through the Termination Date or such other date (if any) when all or any of them is changed by operation of the provisions of any agreement or Law, the Committed Sums for the Buyers are as set forth on Schedule BC, as it may be amended and restated from time to time.

"*Conforming Mortgage Loan*" means a conventional first-priority Single-family Loan that is either (i) FHA insured, (ii) VA guaranteed, (iii) guaranteed or provided under the USDA Rural Development program, (iv) eligible for sale to an Approved Investor in conjunction with a state or municipal housing bond program, or (v) a conventional mortgage loan that fully conforms to all Agency underwriting and other requirements, excluding expanded criteria loans as defined under any Agency program.

“*Consolidated*” refers to the consolidation of any Person, in accordance with GAAP, with its properly consolidated subsidiaries. References herein to a Person’s Consolidated financial statements refer to the consolidated financial statements of such Person and its properly consolidated subsidiaries.

“*Contingent Indebtedness*” of any Person at a particular date means the sum (without duplication) at such date of (a) all obligations of such Person in respect of letters of credit, acceptances, or similar obligations issued or created for the account of such Person, (b) all obligations of such Person under any contract, agreement or understanding of such Person pursuant to which such Person guarantees, or in effect guarantees, any indebtedness or other obligations of any other Person in any matter, whether directly or indirectly, contingently or absolutely, in whole or in part, and (c) all liabilities secured by any Lien on any property owned by such Person, whether or not such Person has assumed or otherwise become liable for the payment thereof, in each case excluding any such liabilities or obligations that constitute Debt.

“*Currency Agreement*” means any foreign exchange contract, currency swap agreement, futures contract, option contract, synthetic cap or other similar agreement or arrangement for the purpose of hedging the currency risk associated with the Seller’s and its Subsidiaries’ operations and not for speculative purposes.

“*Custodian*” means U.S. Bank, as Custodian under the Custody Agreement, or any successor custodian under the Custody Agreement acceptable to the Agent.

“*Custodian’s Fees*” are the fees to be paid by the Seller to the Custodian for its services under the Custody Agreement, as provided for in the Custody Agreement or by a separate agreement. Such fees are separate from and in addition to other fees to be paid to the Buyers and the Agent provided for in this Agreement.

“*Custody Agreement*” means the Amended and Restated Custody Agreement dated concurrently herewith among the Agent, the Seller and U.S. Bank, as Custodian, as it may be supplemented, amended or restated from time to time.

“*Customer*” means and includes each maker of a Mortgage Note and each cosigner, guarantor, endorser, surety and assumpor thereof, and each mortgagor or grantor under a Mortgage, whether or not such Person has personal liability for its payment of the Mortgage Loan evidenced or secured thereby, in whole or in part.

“*Debt*” means, with respect to any Person, on any day, the sum of the following (without duplication):

(1) all liabilities of such Person included in Total Liabilities;

(2) all of that Person’s debt or other obligations for borrowed money or for the deferred purchase price of property or services, except that non-recourse MBS Debt arising out of transactions structured to qualify for GAAP sale treatment shall be excluded;

(3) all of any other Person's debt or other obligations for borrowed money or for the deferred purchase price of property or services in respect of which such Person is liable, contingently or otherwise, to pay or advance money or property as guarantor, surety, endorser or otherwise (excluding such Person's contingent liability as endorser of negotiable instruments for collection in the ordinary course of business), or which such Person has agreed to purchase or otherwise acquire;

(4) the aggregate principal balance, or repurchase price obligation, of that Person under repurchase agreements, reverse repurchase agreements, mortgage warehouse lines of credit, sale/buy-back agreements or like arrangements;

(5) all debt for borrowed money or for the deferred purchase price of property or services secured by a Lien on any property owned or being purchased by that Person (even though that Person has not assumed or otherwise become liable for the payment of such debt); provided that the amount of Indebtedness attributable to non-recourse debt described in this clause (5) shall be lesser of the market value of such property and the outstanding amount of the debt so secured; and;

(6) net payment obligations of that Person in respect of any exchange traded or over the counter derivative transaction, including any Hedge Agreement whether entered into for hedging or speculative purposes;

provided that, for purposes of this Agreement, there shall be excluded from the calculation of Debt for that day both (i) such Person's obligations to pay to another Person any sums collected and held by the subject Person (as loan servicer, escrow agent or collection agent or in a similar capacity) for the account of such other Person, and (ii) Qualified Subordinated Debt.

"*Default*" means the occurrence of any event or existence of any condition that, but for the giving of notice, the lapse of time or both, would constitute an Event of Default.

"*Default Pricing Rate*" means, on any day and with respect to any Transaction, a rate per annum equal to the otherwise applicable Pricing Rate plus two percent (2.0%) per annum.

"*Defaulting Buyer*" means any Buyer, as determined by the Agent, that has (a) failed to fund any portion of its Transactions within one Business Day of the date required to be funded by it hereunder, (b) notified the Seller, the Agent or any Buyer in writing that it does not intend to comply with any of its funding obligations under this Agreement or made a public statement to the effect that it does not intend to comply with its funding obligations (i) under this Agreement or (ii) under other agreements in which it is obligated to extend credit or provide mortgage warehouse financing unless, in the case of this clause (ii), such obligation is the subject of a good faith dispute, (c) failed, within one Business Day after request by the Agent to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Transactions, (d) otherwise failed to pay over to the Agent or any other Buyer any other amount required to be paid by it hereunder within one Business Day of the date when due, unless the subject of a good faith dispute, or (e) (i) become or is insolvent or has a parent company that has become or is insolvent or (ii) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in

furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment; provided that a Buyer shall not become a Defaulting Buyer solely as a result of (x) the acquisition or maintenance of an ownership interest in such Buyer or a Person controlling such Buyer or (y) the exercise of control over a Buyer or a Person controlling a Buyer, in each case by a Governmental Authority.

“*Departing Buyer*” means any “Buyer” party to the Existing MRA that is not a Buyer under this Agreement as of the Effective Date.

“*Disqualifier*” means any of the circumstances or events affecting Purchased Loans that are described on Schedule DQ.

“*Dry Loan*” means an Eligible Loan originated by the Seller that has been closed, funded and qualifies without exception as an Eligible Loan, including satisfying the requirement that all of its Basic Papers have been delivered to the Custodian.

“*Effective Date*” has the meaning set forth in the first paragraph hereof.

“*Electronic Agent*” means MERSCORP, Inc. or its successor in interest or assigns.

“*Electronic Tracking Agreement*” means a written Electronic Tracking Agreement among the Seller, the Agent, MERS and the Electronic Agent, in form and substance acceptable to the Seller and the Agent, as it may be supplemented, amended, restated or replaced from time to time.

“*Eligible Loans*” is defined on Schedule EL.

“*ERISA*” means the Employee Retirement Income Security Act of 1974 and any successor statute, as amended from time to time, and all rules and regulations promulgated under it.

“*ERISA Affiliates*” means all members of the group of corporations and trades or businesses (whether or not incorporated) which, together with the Seller, are treated as a single employer under Section 414 of the Internal Revenue Code.

“*ERISA Plan*” means any pension benefit plan subject to Title IV of ERISA or Section 412 of the Internal Revenue Code maintained or contributed to by the Seller or any ERISA Affiliate with respect to which the Seller has a fixed or contingent liability.

“*Escrow Account*” means the Escrow Account established by the Seller with a bank satisfactory to the Agent under Section 8, into which amounts paid for escrow accumulation under Purchased Loans are paid for purposes of paying taxes, insurance and other appropriate escrow charges.

“*Event of Default*” is defined in Section 18.1.

“*Event of Insolvency*” means:

(i) the Seller or a Subsidiary has commenced as debtor any case or proceeding under any bankruptcy, insolvency, reorganization, moratorium, delinquency, arrangement, readjustment of debt, liquidation, dissolution, or similar Law of any jurisdiction whether now or hereafter in effect, or consents to the filing of any petition against it under such Law, or petitions for, causes or consents to the appointment or election of a receiver, conservator, liquidator, trustee, sequestrator, custodian or similar official for the Seller or a Subsidiary or any substantial part of its property, or an order for relief is entered under the Bankruptcy Code; or any of Seller’s, or a Subsidiary’s property is sequestered by court or order; or the convening by the Seller or a Subsidiary of any meeting of creditors for purposes of commencing any such case or proceeding or seeking such an appointment or election;

(ii) the commencement of any such case or proceeding against the Seller or any Subsidiary, or another Person’s seeking an appointment or election of a receiver, conservator, liquidator, trustee, sequestrator, custodian or similar official for the Seller or a Subsidiary or any substantial part of its property, or the filing against the Seller or a Subsidiary of an application for a protective decree under the provisions of SIPA which, in each case, (1) is consented to or not timely contested by Seller or such Subsidiary, (2) results in the entry of an order for relief, such an appointment or election, the issuance of such a protective decree or the entry of an order having a similar effect or (3) is not dismissed within sixty (60) days;

(iii) the making by the Seller or a Subsidiary of a general assignment for the benefit of creditors; or

(iv) the admission by the Seller or a Subsidiary of its inability, or intention not, or the inability of the Seller or a Subsidiary, to pay its debts as they become due.

“*Excluded Taxes*” means, (a) in the case of each Buyer or its applicable funding office and the Agent, taxes imposed on its overall net income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Buyer or the Agent is incorporated or organized or the jurisdiction in which the Agent’s or such Buyer’s principal executive office or such Buyer’s applicable funding office is located, (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the Buyer is located and (c) in the case of a Non-U.S. Buyer, any withholding tax that is imposed on amounts payable to such Non-U.S. Buyer at the time such Non-U.S. Buyer becomes a party hereto (or designates a new funding office) or is attributable to such Non-U.S. Buyer’s failure or inability (other than as a result of a change in law) to comply with Section 7.4(a), except to the extent that such Non-U.S. Buyer (or its assignor, if any) was entitled, at the time of designation of a new funding office (or assignment), to receive additional amounts from the Seller with respect to such withholding tax pursuant to Section 7.1.

“*Facility Fee*” is defined in Section 9.1.

“*Fee Letter*” means that certain Second Amended and Restated Fee Letter dated as of August 2, 2011, between the Agent and the Seller.

“*FHA*” means the Federal Housing Administration and any successor.

“*FHA Loans*” means Mortgage Loans originated under the FHA single family mortgage insurance program.

“*FICA*” means the Federal Insurance Contributions Act.

“*FICO*” means Fair Isaac Corporation and, where used in this Agreement, refers to the credit scoring system developed by that company or to any other Customer credit scoring system whose use by the Seller (for purposes of this Agreement and the Transactions) has been specifically approved in writing by the Agent.

“*File*” means a file in the possession of the Custodian or its designee (other than the Seller or an Affiliate of the Seller) containing all of the Loan Papers for the relevant type of Mortgage Loan.

“*Financial Statements*” is defined in [Section 15.2\(f\)](#).

“*FIRREA*” means the Financial Institutions Reform Recovery and Enforcement Act of 1989, as amended, and the regulations promulgated thereunder.

“*Funding Account*” means the Seller’s non-interest bearing demand deposit account number 104756234332 maintained with U.S. Bank, into which the Agent may transfer funds (funds paid by the Buyers as Purchase Price) and from which the Agent is authorized to disburse funds to the Seller or its designee (such as its closing agents) for the funding of Transactions. The Funding Account shall be subject to setoff by the Agent for Pro Rata distribution to the Buyers and shall be subject to the control of the Agent.

“*Funding Share*” means, for each Buyer, that proportion of the sum of the original Purchase Prices for the Eligible Loans to be purchased in a Transaction that bears the same ratio to the total amount of such sum as that Buyer’s Committed Sum bears to the Maximum Aggregate Commitment.

“*GAAP*” means, for any day, generally accepted accounting principles, applied on a consistent basis, stated in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants, or in statements and pronouncements of the Financial Accounting Standards Board or in such other statements by another entity or entities as may be approved by a significant segment of the accounting profession, that are applicable to the circumstances for that day. The requirement that such principles be applied on a consistent basis means that the accounting principles observed in a current period shall be comparable in all material respects to those applied in an earlier period, with the exception of changes in application to which the Seller’s independent certified public accountants have agreed and which changes and their effects are summarized in the subject company’s financial statements following such changes. If (a) during the term of this Agreement any change(s) in such principles occur(s) which materially changes the meaning or effect of any provision of this

Agreement and (b) the Seller or the Required Buyers regard such change(s) as adverse to their respective interests, then upon written notice by the Seller to the Agent, or by the Agent or the Required Buyers to the Seller, the parties to this Agreement shall negotiate promptly and in good faith a supplement or amendment to this Agreement to achieve as nearly as possible preservation and continuity of the business substance of this Agreement in light of such change; provided that neither the Agent nor any of the Buyers shall be obligated to commence, continue or conclude any such negotiation or to execute any such supplement or amendment after any Default has occurred (other than a Default caused by such change) and before it has been cured or after any Event of Default has occurred (other than an Event of Default caused by such change) that the Agent has not declared in writing to have been cured or waived.

“*Governmental Authority*” means any foreign governmental authority, the United States of America, any state of the United States and any political subdivision of any of the foregoing, and any agency, department, commission, board, bureau, court or other tribunal.

“*Hazard Insurance Policy*” means, with respect to each Purchased Loan, the policy of fire and extended coverage insurance required by clause (aa) of the representations and warranties set forth on Schedule 15.3 to be maintained for the related Mortgaged Premises’ improvements (and, if the related Mortgaged Premises are located in a federally-designated special flood area, federal flood insurance issued in accordance with the Flood Disaster Protection Act of 1973, as amended from time to time, or, if repealed, any superseding legislation governing similar insurance coverage, or similar coverage against loss sustained by floods or similar hazards that conforms to the flood insurance requirements prescribed by Fannie Mae guidelines, which may be provided under a separate insurance policy), which insurance may be a blanket mortgage impairment policy maintained by such Purchased Loan’s Servicer.

“*Hedge Agreement*” means an Interest Rate Protection Agreement, a Currency Agreement or a forward sales agreement entered into in the ordinary course of the Seller’s or any of its Subsidiaries’ businesses to protect the Seller against changes in interest rates or the market value of assets.

“*HUD*” means the U.S. Department of Housing and Urban Development and any successor.

“*HUD Compare Ratio*” means, as of any date of determination, the ratio (expressed as a percentage) of (a) the percentage of the Seller’s FHA Loans that were seriously delinquent or were claim terminated in the first two years after origination of such loans to (b) the percentage of all FHA Loans that were seriously delinquent or were claim terminated in the first two years after origination of such loans nationally for all types of loans and periods of default, determined as set forth on HUD’s Neighborhood Watch/Early Warning System website (<https://entp.hud.gov/sfnw/public/>).

“*In Default*” means that, as to any Mortgage Loan, any Mortgage Note payment or escrow payment is unpaid for thirty (30) days or more after its due date (whether or not the Seller has allowed any grace period or extended the due date thereof by any means) or another material default has occurred and is continuing, including the commencement of foreclosure proceedings or the commencement of a case in bankruptcy for any Customer in respect of such Mortgage Loan.

“*Income*” means, with respect to any Eligible Loan on any day, all payments of principal, interest and other distributions thereon or proceeds thereof paid to the relevant party.

“*Income Account*” means a demand deposit account established by the Seller with a bank satisfactory to the Agent under the provisions of Section 8.

“*Indemnified Liabilities*” is defined in Section 20.2.

“*Indemnified Parties*” is defined in Section 20.2.

“*Interest Rate Protection Agreement*” means, with respect to any or all of the Purchased Loans, any short sale of any U.S. Treasury securities, futures contract, mortgage related security, Eurodollar futures contract, options related contract, interest rate swap, cap or collar agreement or similar arrangement providing for protection against fluctuations in interest rates or the exchange of nominal interest obligations, either generally or under specific contingencies, that is entered into by the Seller and a financial institution and is reasonably acceptable to the Agent.

“*Internal Revenue Code*” means the Internal Revenue Code of 1986 or any subsequent federal income tax law or laws, as amended from time to time.

“*Investor Commitment*” means an unexpired written commitment held by the Seller from an Approved Investor to buy Purchased Loans, and that specifies (a) the type or item(s) of Purchased Loan, (b) a purchase date or purchase deadline date and (c) a purchase price or the criteria by which the purchase price will be determined.

“*Jumbo Mortgage Loan*” means a Mortgage Loan that would otherwise be a Conforming Mortgage Loan secured by a first Lien Mortgage except that the original principal amount is more than the maximum Agency loan amount but not more than One Million Dollars (\$1,000,000).

“*Jumbo Mortgage Loans Sublimit*” is defined in the table in Section 4.2.

“*Law*” means any law, statute, code, ordinance, order, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other determination, direction or requirement (including any of the foregoing which relate to environmental standards or controls, energy regulations and occupational safety and health standards or controls) of any (domestic or foreign) arbitrator, court or other Governmental Authority.

“*LIBOR Business Day*” means a Business Day which is also a day for trading by and between banks in United States dollar deposits in the interbank LIBOR market and a day on which banks are open for business in New York City.

“*LIBOR Margin*” means 2.25%.

“*LIBOR Rate*” means, on any date of determination, the one-month LIBOR rate (rounded upward, if necessary, to the nearest 1/16 of 1%) quoted by the Agent from Reuters Screen LIBOR01 Page, or any successor thereto, which shall be that one-month LIBOR rate in effect and reset each LIBOR Business Day, adjusted for any reserve requirement and any subsequent costs arising from a Change in Law, or the rate for such deposits determined by the Agent at such time based on such other published service of general application as shall be selected by the Agent for such purpose; provided, that in lieu of determining the rate in the foregoing manner, the Agent may determine the rate based on rates at which United States dollar deposits having a maturity of one month are offered to the Agent in the interbank LIBOR market at such time for delivery in immediately available funds on such date of determination in an amount equal to \$1,000,000 (rounded upward, if necessary, to the nearest 1/16 of 1%).

“*Lien*” means any lien, mortgage, deed of trust, pledge, security interest, charge or encumbrance of any kind (including any conditional sale or other title retention agreement, any lease in the nature thereof and any agreement to give any security interest.)

“*Liquidity*” means the Seller’s unencumbered and unrestricted cash and Cash Equivalents (including any amounts held in the Operating Account or Income Account) plus the sum of the unused revolving availability under this Agreement, calculated as the amount by which the aggregate Purchase Value of all Purchased Mortgage Loans at such time exceeds the aggregate Purchase Price outstanding for all Open Transactions at such time.

“*Loan Papers*” means the Mortgage Note and all of the other papers related to the establishment of a Purchased Loan and the creation, perfection and maintenance of its lien and lien priority for such Purchased Loan, including its Basic Papers and its Supplemental Papers and including any papers securing, guaranteeing or otherwise related to or delivered in connection with any Purchased Loan, in a form acceptable to the Agent (including any guaranties, lien priority agreements, security agreements, mortgages, deeds of trust, collateral assignments of the Seller’s interest in underlying obligations or security, subordination agreements, negative pledge agreements, loan agreements and title, mortgage, pool and casualty insurance policies), as any such Loan Paper may be supplemented, amended, restated or replaced from time to time.

“*Loan Records*” means books, records, ledger cards, files, papers, documents, instruments, certificates, appraisal reports, journals, reports, correspondence, customer lists, information and data that describes, catalogs or lists such information or data, computer printouts, media (tapes, discs, cards, drives, flash memory or any other kind of physical, electronic or virtual data or information storage media or systems) and related data processing software (subject to any licensing restrictions) and similar items that at any time evidence or contain information relating to any of the Purchased Loans, and other information and data that is used or useful for managing and administering the Purchased Loans, together with the nonexclusive right to use (in common with the Seller and any repurchase agreement counterparty or secured party that has a valid and enforceable interest therein and that agrees that its interest is similarly nonexclusive) the Seller’s operating systems to manage and administer any of the Purchased Loans and any of the related data and information described above, or that otherwise relates to the Purchased Loans, together with the media on which the same are stored to the extent stored with material information or data that relates to property other than the Purchased

Loans (tapes, discs, cards, drives, flash memory or any other kind of physical or virtual data or information storage media or systems), and the Seller's rights to access the same, whether exclusive or nonexclusive, to the extent that such access rights may lawfully be transferred or used by the Seller's permittees, and any computer programs that are owned by the Seller (or licensed to the Seller under licenses that may lawfully be transferred or used by the Seller's permittees) and that are used or useful to access, organize, input, read, print or otherwise output and otherwise handle or use such information and data.

"*Margin Call*" is defined in Section 6.1(a).

"*Margin Deficit*" is defined in Section 6.1(a).

"*Margin Excess*" is defined in Section 6.1(b)

"*Margin Stock*" has the meaning assigned to that term in Regulation U as in effect from time to time.

"*Market Value*" means what the Agent determines as the market value of any Purchased Loan, using a commercially reasonable methodology that is, in the Agent's sole discretion, in accordance with standards customarily applicable in the financial industry to third party service providers providing values on comparable assets to be used in connection with the financing of such assets, without reference to Hedge Agreements or takeout commitments. The Agent's determination of Market Value hereunder shall be conclusive and binding upon the parties, absent manifest error.

"*Maximum Aggregate Commitment*" means the maximum Aggregate Outstanding Purchase Price that is allowed to be outstanding under this Agreement on any day, being the amount set forth in Schedule BC in effect for that day. The Maximum Aggregate Commitment on the Effective Date is Twenty-Five Million Dollars (\$25,000,000). If and when some or all of the Buyers then party to this Agreement agree in writing to increase their Committed Sums, or if a new Buyer or Buyers joins the syndicate of Buyers, or if there is both such an increase and a new Buyer's joinder, or if the Seller reduces the Committed Sums pursuant to this Agreement, or if the Seller and the Buyers then party to this Agreement agree in writing to decrease the Committed Sums, the Agent shall execute an updated Schedule BC reflecting the new Maximum Aggregate Commitment and deliver it to the Seller and the Buyers, and that updated Schedule BC shall thereupon be substituted for and supersede the prior Schedule BC.

"*MBS*" means a mortgage pass-through security, collateralized mortgage obligation, REMIC or other security that (i) is based on and backed by an underlying pool of Mortgage Loans and (ii) provides for payment by its issuer to its holder of specified principal installments and/or a fixed or floating rate of interest on the unpaid balance and for all prepayments to be passed through to the holder, whether issued in certificated or book-entry form and whether or not issued, guaranteed, insured or bonded by an Agency, an insurance company, a private issuer or any other investor.

"*MERS*" means Mortgage Electronic Registration Systems, Inc., a Delaware corporation, or its successors or assigns.

“*MERS Designated Loan*” means a Purchased Loan registered to the Seller on the MERS® System.

“*MERS Procedures Manual*” means the MERS Procedures Manual, as it may be amended from time to time.

“*MERS® System*” means the Electronic Agent’s mortgage electronic registry system, as more particularly described in the MERS Procedures Manual.

“*Mortgage*” means a mortgage, deed of trust, deed to secure debt, security deed or other mortgage instrument or similar evidence of lien legally effective in the U.S. jurisdiction where the relevant real property is located to create and constitute a valid and enforceable Lien, subject only to Permitted Encumbrances, on the fee simple or long term ground leasehold estate in improved real property.

“*Mortgage Assignment*” means an assignment of a Mortgage, in form sufficient under the Laws of the U.S. jurisdiction where the real property covered by such Mortgage is located to give record notice of the assignment of such Mortgage, perfect the assignment and establish its priority relative to other transactions in respect of the Mortgage assigned (no Mortgage Assignment is required for any Mortgage that has been originated in the name of MERS and registered under the MERS® System).

“*Mortgage Loan*” means any loan evidenced by a Mortgage Note and includes all right, title and interest of the lender or mortgagee of such loan as a holder of both the beneficial and legal title to such loan, including (i) all Loan Papers or other loan documents, files and records of the lender or mortgagee for such loan, (ii) the monthly payments, any prepayments, insurance and other proceeds, (iii) all Servicing Rights related to such loan and (iv) all other rights, interests, benefits, security, proceeds, remedies and claims (including, without limitation, REO) in favor or for the benefit of the lender or mortgagee arising out of or in connection with such loan.

“*Mortgage Loan Transmission File*” means a file containing all information concerning each Mortgage Loan required by the “*Record Layout*”, as defined and provided for in (and attached as an exhibit to) the Custody Agreement, one of which shall be delivered by the Seller to each of the Custodian and the Agent for each Purchased Loan on its Purchase Date, both by electronic, computer readable transmission in accordance with such *Record Layout* and, in the event such electronic transmission is not possible, by faxing a hard copy thereof to each of the Custodian and the Agent.

“*Mortgage Note*” means a promissory note secured by a Mortgage.

“*Mortgaged Premises*” means the Property securing a Mortgage Loan.

“*Multiemployer Plan*” means any “multiemployer plan”, as defined in Section 4001(a)(3) of ERISA, which is maintained for employees of the Seller or any of the Seller’s Subsidiaries.

“*Non-U.S. Buyer*” is defined in Section 7.4.

“*Non-Usage Fee*” is defined in [Section 9.1](#).

“*Notices*” is defined in [Section 23](#).

“*Obligations*” means all of the Seller’s present and future obligations and liabilities under this Agreement or any of the other Repurchase Documents, whether for Repurchase Price, Price Differential, Margin Call, premium, fees, costs, attorneys’ fees or other obligation or liability, and whether absolute or contingent, and all renewals, extensions, modifications and increases of any of them.

“*Officer’s Certificate*” means a certificate executed on behalf of the Seller or another relevant Person by its (or if it is a partnership, its general partner’s) Board of Directors’ Chairman (or if it is a limited liability company, one of its managers), president, chief financial officer, treasurer, any of its executive vice presidents or senior vice presidents, its company secretary, its controller or such other officer as shall be acceptable to the Agent.

“*Open Transaction*” means a Transaction in which the Buyers have purchased and paid for the related Purchased Loans but the Seller has not repurchased all of them, such that the remaining Purchased Loans not repurchased by the Seller of the subject Transaction would be an Open Transaction.

“*Operating Account*” means the Seller’s non-interest bearing demand deposit account no. 104756234589 maintained with U.S. Bank, subject to a control agreement in favor of the Agent and from which the Agent is authorized pursuant to [Section 3.6](#) to withdraw funds on any day in an amount equal to the aggregate Repurchase Prices of all Purchased Loans that are Past Due on that day. The Operating Account shall be subject to setoff by the Agent for Pro Rata distribution to the Buyers and, upon the occurrence and during the continuance of a Default or Event of Default, the Agent may also terminate Seller’s right to withdraw, or direct the payment of, funds except funds in excess of those necessary to pay the Obligations in full.

“*Operating Subsidiaries*” means all Subsidiaries of the Seller other than Single-purpose Finance Subsidiaries.

“*Organizational Documents*” means as to any Person other than a natural Person, its articles or certificate of incorporation, organization, limited partnership or other document filed with a Governmental Authority evidencing the organization of such entity and any bylaws, operating agreement or other governance document governing the rights of the holders of the ownership interests in such Person.

“*Other Taxes*” is defined in [Section 7.2](#).

“*Parent*” means NVR, Inc., a Virginia corporation.

“*Parent Subordinated Note*” means the “Amended and Restated Subordinated Note” dated as of July 25, 2011, given by the Seller to the Parent, in the principal amount of \$600,000,000, in form and substance satisfactory to the Agent.

“*Participant*” is defined in [Section 22.17\(a\)](#).

“*Past Due*” means that the Seller has not repurchased the subject Purchased Loan on or before its Repurchase Date.

“*Permitted Encumbrances*” means, in respect of the Mortgaged Premises securing a Purchased Loan, (i) tax Liens for real property taxes and government-improvement assessments that are not delinquent; (ii) easements and restrictions that do not materially and adversely affect the title to or marketability of such Mortgaged Premises or prohibit or interfere with the use of such Mortgaged Premises as a one-to-four family residential dwelling; (iii) reservations as to oil, gas or mineral rights, provided such rights do not include the right to remove buildings or other material improvements on or near the surface of such Mortgaged Premises or to mine or drill on the surface thereof or otherwise enter the surface for purposes of mining, drilling or exploring for, or producing, transporting or otherwise handling oil, gas or other minerals of any kind; (iv) agreements for the installation, maintenance or repair of public utilities, provided such agreements do not create or evidence Liens on such Mortgaged Premises or authorize or permit any Person to file or acquire claims of Liens against such Mortgaged Premises; and (v) such other exceptions (if any) as are acceptable under relevant Agency guidelines; provided that any encumbrance that is not permitted pursuant to the standards of any relevant Investor Commitment by which the subject Purchased Loan is covered shall not be a Permitted Encumbrance.

“*Permitted Intercompany Payables*” means amounts due to Affiliates of Seller in respect of the Parent Subordinated Note and Permitted Intercompany Transactions.

“*Permitted Intercompany Transactions*” means transactions with Affiliates of Seller (i) which comply in all respects with Section 17.7 and are identified on Schedule 15.2(t), and (ii) with respect to which the aggregate consideration paid by Seller in any month does not exceed the amount of each type of transaction set forth on Schedule 15.2(t).

“*Person*” means and includes natural persons, corporations, limited liability companies, limited partnerships, registered limited liability partnerships, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and governments and agencies and political subdivisions of them.

“*Plan Party*” is defined in Section 32.1.

“*Pre-FAS 133 Net Income*” means the Seller’s after-tax consolidated income, calculated in accordance with GAAP but excluding the effect of the fair value adjustment for derivative instruments and mortgage loans held for sale.

“*Price Differential*” means, with respect to any Transaction hereunder for any day, the aggregate amount obtained by multiplication of the Pricing Rate for each day by the Purchase Price for such Transaction, based on a year of three hundred sixty (360) days for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of determination, reduced by any such amount previously paid by the Seller to the Agent (for Pro Rata distribution to the Buyers) with respect to such Transaction.

“Pricing Rate” means the LIBOR Rate (or, if applicable, the alternate rate determined under Section 6.7) plus the LIBOR Margin or the Default Pricing Rate, as determined under this Agreement, provided that the Pricing Rate shall not be less than 3.75%.

“Prime Rate” means at any time of any determination thereof, the rate per annum which is most recently publicly announced by U.S. Bank as its “Prime Rate”, which may be a rate at, above or below the rate at which U.S. Bank lends to other Persons. The Prime Rate is a reference rate and is not necessarily the lowest rate. Any Pricing Rate based on the Prime Rate shall be adjusted as of the effective date of each change in the Prime Rate.

“Principal Balance” means, for any day, the advanced and unpaid principal balance of a Purchased Loan on that day.

“Privacy Requirements” means (a) Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. 6801 et seq., (b) federal regulations implementing such act codified at 12 CFR Parts 40, 216, 332 and 573, (c) the Interagency Guidelines Establishing Standards For Safeguarding Customer Information and codified at 12 CFR Parts 30, 208, 211, 225, 263, 308, 364, 568 and 570 and (d) any other applicable federal, state and local laws, rules, regulations and orders relating to the privacy and security of Seller’s Customer Information, as such statutes, regulations, guidelines, laws, rules and orders may be amended from time to time.

“Pro Rata” means in accordance with the Buyers’ respective ownership interests in the Purchased Loans. On any day, the Buyers will each own an undivided fractional ownership interest in and to each Purchased Loan:

(i) if the Commitments of the Buyers are outstanding on that day, (x) whose numerator is that Buyer’s Committed Sum for that day and (y) whose denominator is the Maximum Aggregate Commitment for that day; or

(ii) if the Commitments have expired or have been terminated and have not been reinstated, (x) whose numerator is the aggregate sum of the portions of the Purchase Prices paid by that Buyer in all Transactions outstanding on that day and (y) whose denominator is the aggregate sum of the Purchase Prices paid by all Buyers in all such Transactions outstanding on the day;

subject to adjustment as provided in Section 3.9.

“Property” means any interest of a Person in any kind of property, whether real, personal or mixed, tangible or intangible, including the Mortgage Loans.

“Purchase Date” means, for any Transaction, the date on which the Seller is to convey the subject Purchased Loans to the Buyers.

“Purchase Price” means (i) on the relevant Purchase Date, the price at which the Purchased Loans in a Transaction are sold by the Seller to the Buyers, such price being the Purchased Loans’ initial Purchase Value, and (ii) thereafter, except where the Agent and the Seller agree otherwise, such Purchased Loans’ Purchase Value decreased by the amount of any cash transferred in respect of such Purchased Loans (as determined by the Agent) by the Seller to the Agent pursuant to Sections 3.4 and 6.1 (absent manifest error, the Agent’s determination of for which Transaction(s) cash was transferred by the Seller to the Agent shall be conclusive and binding).

“*Purchase Price Decrease*” means a reduction in the outstanding Purchase Price for Purchased Loans without a termination of a Transaction or portion thereof as described in Section 3.4(c).

“*Purchase Value*” means the lesser of (a) (x) the Buyers’ Margin Percentage for a Purchased Loan multiplied by (y) the least of:

- (i) the face principal amount of the related Mortgage Note;
- (ii) the unpaid Principal Balance of such Purchased Loan;
- (iii) the price to be paid for such Purchased Loan under an Investor Commitment or the weighted average price under unused Investor Commitments into which such Purchased Loan is eligible for delivery; and
- (iv) the Seller’s origination or acquisition price for such Purchased Loan.

and, (b) at the discretion of the Agent, ninety-five percent (95%) of the Market Value of such Purchased Loan; provided, that (1) the Purchase Value for Purchased Loans in excess of the sublimits set forth in Section 4.2 shall be zero and, (2) the Purchase Value for any Purchased Loan which is not an Eligible Loan shall be zero.

“*Purchased Loans*” means the Eligible Loans sold by the Seller to the Buyers in Transactions, and any Eligible Loans substituted therefor in accordance with Section 11. The term “Purchased Loans” with respect to any Transaction at any time shall also include Additional Purchased Loans delivered pursuant to Section 6.1.

“*Purchased Loans Curtailment Report*” means a written report from the Seller to the Agent, attached to the compliance certificate in the form of Exhibit C, listing Purchased Loans on which an unscheduled principal payment, prepayment or reduction of more than an amount equal to one regularly scheduled principal and interest installment payment was made in the preceding month, and their resulting new Principal Balances.

“*Purchased Loans Support*” means all property (real or personal) assigned, hypothecated or otherwise securing any Purchased Loans and includes any security agreement or other agreement granting a lien or security interest in such real or personal property, including:

- (1) all Loan Papers, whether now owned or hereafter acquired, related to, and all private mortgage insurance on, any Purchased Loans, and all renewals, extensions, modifications and replacements of any of them;
- (2) all rights, liens, security interests, guarantees, insurance agreements and assignments accruing or to accrue to the benefit of the Seller in respect of any Purchased Loan;

(3) all of the Seller's rights, powers, privileges, benefits and remedies under each and every paper now or hereafter securing, insuring, guaranteeing or otherwise relating to or delivered in connection with any Purchased Loan, including all guaranties, lien priority agreements, security agreements, deeds of trust, Purchased Loans assignments, subordination agreements, intercreditor agreements, negative pledge agreements, loan agreements, management agreements, development agreements, design professional agreements, payment, performance or completion bonds, title and casualty insurance policies and mortgage guaranty or insurance contracts;

(4) all of the Seller's rights, to the extent assignable, in, to and under any and all commitments issued by (i) an Agency, any other investor or any Buyer or securities issuer to guarantee, purchase or invest in any of the Purchased Loans or any MBS based on or backed by any of them or (ii) any broker or investor to purchase any MBS, whether evidenced by book entry or certificate, representing or secured by any interest in any of the Purchased Loans, together with the proceeds arising from or pursuant to any and all such commitments;

(5) all rights under every Hazard Insurance Policy relating to real estate securing a Purchased Loan for the benefit of the creditor of such Purchased Loan, the proceeds of all errors and omissions insurance policies and all rights under any blanket hazard insurance policies to the extent they relate to any Purchased Loan or its security and all hazard insurance or condemnation proceeds paid or payable with respect to any of the Purchased Loans and/or any of the property securing payment of any of the Purchased Loans or covered by any related instrument;

(6) all present and future claims and rights of the Seller to have, demand, receive, recover, obtain and retain payments from, and all proceeds of any nature paid or payable by, any governmental, quasi-governmental or private mortgage guarantor or insurer (including VA, FHA or any other Person) with respect to any of the Purchased Loans; and

all tax, insurance, maintenance fee and other escrow deposits or payments made by the Customers under such Purchased Loans (the Agent and the Buyers acknowledge that the Seller's rights in such deposits are limited to the rights of an escrow agent and such other rights, if any, in and to such deposits as are accorded by the Purchased Loans and related papers) and all monies, accounts, deposit accounts, payment intangibles and general intangibles, however designated or maintained, constituting or representing so-called "completion escrow" funds or "holdbacks", and being Purchased Loans' proceeds recorded as disbursed but that have not been paid over to the seller of the subject Mortgaged Premises (the purchase of which is financed by such Purchased Loan), but that are instead being held by the Seller or by a third party escrow agent pending completion of specified improvements or landscaping requirements for such Mortgaged Premises.

"*Qualified Subordinated Debt*" means Debt of the Seller to any Person which has been approved by the Agent and the Required Buyers, (i) the papers evidencing, securing, governing or otherwise related to which Debt impose covenants and conditions on the debtor under them that are no more restrictive or onerous than the covenants and conditions imposed on the Seller

by this Agreement, (ii) that is subordinated to the Obligations pursuant to a currently effective and irrevocable Subordination Agreement, including standstill and blockage provisions, approved by the Agent and the Required Buyers, (iii) the principal of which is not due and payable before ninety (90) days after the date specified in clause (i) of the definition of “Termination Date” and (iv) which does not permit funds to be reborrowed after repayment.

“*Recourse Servicing*” means Servicing Rights under a Servicing Agreement with respect to which the Servicer is obligated to repurchase or indemnify the holder of the related Mortgage Loans in respect of defaults on such Mortgage Loans at any time during the term of such Mortgage Loans.

“*Register*” is defined in Section 22.17(c).

“*Regulation T*” means Regulation T promulgated by the Board of Governors of the Federal Reserve System, 12 C.F.R. Part 220, or any other regulation when promulgated to replace the prior Regulation T and having substantially the same function.

“*Regulation U*” means Regulation U promulgated by the Board of Governors of the Federal Reserve System, 12 C.F.R. Part 221, or any other regulation when promulgated to replace the prior Regulation U and having substantially the same function.

“*REO*” means real property improved by a one-, two-, three- or four-family residence, owned following judicial or nonjudicial foreclosure (or conveyance by deed in lieu of foreclosure) of a Mortgage securing a Single-family Loan.

“*Repurchase Date*” means the date on which Seller is to repurchase Purchased Loans from the Buyers, being the earlier of (i) the date when an Approved Investor is to purchase such Purchased Loans, and (ii) any date determined by application of the provisions of Section 3.4 or 18.

“*Repurchase Documents*” means and includes this Agreement, the Custody Agreement, any financing statements or other papers now or hereafter authorized, executed or issued pursuant to this Agreement, and any renewal, extension, rearrangement, increase, supplement, modification or restatement of any of them.

“*Repurchase Price*” means the price at which Purchased Loans are to be resold by the Buyers to the Seller upon termination of a Transaction (including Transactions terminable upon demand), which will be determined in each case as the sum of (x) the Purchase Price and (y) the Price Differential as of the date of such determination.

“*Request/Confirmation*” means letters substantially in the form of Exhibit A-1 and A-2, delivered pursuant to Section 3.1 and their related Mortgage Transmission Files.

“*Required Buyers*” means, for any day, Buyers (a) whose Commitments comprise at least sixty-six and two-thirds percent (66-2/3%) of the Maximum Aggregate Commitment under this Agreement, or (b) who own at least sixty-six and two-thirds percent (66-2/3%) of the Purchased Loans owned by the Buyers on that day if on or before that day the Commitments have expired or have been terminated and have not been reinstated; provided that at any time when there are three or fewer Buyers party to this Agreement, “Required Buyers” shall mean two Buyers (or if there is only one Buyer, that Buyer).

“*Seller’s Customer*” means any natural person who has applied to the Seller for a financial product or service, has obtained any financial product or service from the Seller or has a Mortgage Loan that is serviced or subserviced by the Seller.

“*Seller’s Customer Information*” means any information or records in any form (written, electronic or otherwise) containing a Seller’s Customer’s personal information or identity, including such Seller’s Customer’s name, address, telephone number, loan number, loan payment history, delinquency status, insurance carrier or payment information, tax amount or payment information and the fact that such Seller’s Customer has a relationship with the Seller.

“*Serviced Loans*” means all Mortgage Loans serviced or required to be serviced by the Seller under any Servicing Agreement, irrespective of whether the actual servicing is done by another Person (a subservicer) retained by the Seller for that purpose.

“*Servicer*” means, initially the Seller, and upon termination of the Seller’s right to service the Purchase Loans pursuant to the provisions of Section 19.7, the Backup Servicer or such other Person (including the Agent) as the Agent may appoint as Servicer.

“*Servicing Agreement*” means, with respect to any Person, the arrangement, whether or not in writing, pursuant to which that Person acts as servicer of Mortgage Loans, whether owned by that Person or by others.

“*Servicing Functions*” means, with respect to the servicing of Mortgage Loans, the collection of payments for the reduction of principal and application of interest, collection of amounts held or to be held in escrow for payment of taxes, insurance and other escrow items and payment of such taxes and insurance from amounts so collected, foreclosure services, and all other actions required to conform with Accepted Servicing Practices.

“*Servicing Rights*” means the rights and obligations to administer and service a Mortgage Loan, including, without limitation, the rights and obligations to: ensure the taxes and insurance are paid, provide foreclosure services, provide full escrow administration and perform any other obligations required by any owner of a Mortgage Loan, collect the payments for the reduction of principal and application of interest, and manage and remit collected payments.

“*Settlement Account*” means the Seller’s non-interest bearing demand deposit account number 104756234357 maintained with U.S. Bank, to be used for (a) the Agent’s and the Buyers’ deposits of Purchase Price payments for Purchased Loans; (b) any principal payments received by the Agent or the Custodian (other than regular principal and interest payments) on any Purchased Loans; (c) the Agent’s deposit of Repurchase Price payments received from the Seller or from an Approved Investor for the Seller’s account for distribution to the Buyers and (d) only if and when (i) no Default has occurred unless it has been either cured by the Seller or waived in writing by the Agent (acting with the requisite consent of the Buyers as provided in this Agreement) and (ii) no Event of Default has occurred unless the Agent has declared in writing that it has been cured or waived, transfer to the Operating Account of proceeds of sales or other dispositions of Purchased Loans to an Approved Investor in excess (if any) of the

Repurchase Price of such Purchased Loan. The Settlement Account is (and shall continuously) constitute collateral for the Obligations. The Settlement Account shall be subject to setoff by the Agent for Pro Rata distribution to the Buyers. The Settlement Account shall be a blocked account from which the Seller shall have no right to directly withdraw funds, but instead such funds may be withdrawn or paid out only by the Agent (acting with the requisite consent of the Buyers as provided herein) on direction of an authorized officer of the Seller, although under the circumstances described in clause (d) of the preceding sentence and subject to the conditions specified in that clause, the Agent shall use diligent and reasonable efforts to cause amounts in excess of the applicable Repurchase Prices that are deposited to the Settlement Account before 2:00 PM on a Business Day to be transferred to the Operating Account on that same Business Day.

“*Single-family Loan*” means a Mortgage Loan that is secured by a Mortgage covering real property improved by a one-, two-, three- or four-family residence.

“*SIPA*” means the Securities Investors Protection Act of 1970, 15 U.S.C. §78a *et. seq.*, as amended.

“*Solvent*” means, for any Person, that (a) the fair market value of its assets exceeds its liabilities, (b) it has sufficient cash flow to enable it to pay its debts as they mature, and (c) it does not have unreasonably small capital to conduct its business.

“*Statement Date*” means December 31, 2010.

“*Statement Date Financial Statements*” is defined in Section 15.2(f).

“*Sublimit*” means one or more (as the context requires) of the sublimits described in Section 4.2.

“*Subordination Agreement*” means a written subordination agreement in form and substance satisfactory to and approved by the Agent and the Required Buyers that subordinates (x) all present and future debts and obligations owing by the Seller to the Person signing such subordination agreement to (y) the Obligations, in both right of payment and lien priority, including standstill and blockage provisions approved by the Agent and the Required Buyers.

“*Subservicer*” means any entity permitted by Agent to act as a subservicer of the Servicer who shall perform Servicing Functions under a Subservicer Instruction Letter.

“*Subservicer Instruction Letter*” means an instruction letter to a Subservicer in form and substance agreed to by Seller and Agent.

“*Subsidiary*” means any corporation, association or other business entity (including a trust) in which any Person (directly or through one or more other Subsidiaries or other types of intermediaries), owns or controls:

- (a) more than fifty percent (50%) of the total voting power or shares of stock entitled to vote in the election of its directors, managers or trustees;
- or

(b) more than ninety percent (90%) of the total assets and more than ninety percent (90%) of the total equity through the ownership of capital stock (which may be non-voting) or a similar device or indicia of equity ownership.

“*Supplemental Papers*” means the Loan Papers for a particular Loan other than its Basic Papers.

“*Tax Allocation Agreement*” means that certain Second Amended and Restated Tax Allocation Agreement dated as of December 14, 1999, among the Parent, Seller and certain Affiliates of Seller, a true and correct copy of which has been furnished to the Agent.

“*Taxes*” means any and all present or future taxes, duties, levies, imposts, deductions, charges or withholdings, and any and all liabilities with respect to the foregoing, but excluding Excluded Taxes and Other Taxes.

“*Termination Date*” means the earlier of (i) August 1, 2012, and (ii) the date when the Buyers’ Commitments are terminated pursuant to this Agreement, by order of any Governmental Authority or by operation of law.

“*Total Liabilities*” means all liabilities of the Seller and its Subsidiaries, including nonrecourse debt, and also including all contingent liabilities and obligations (including Recourse Servicing, recourse sale and other recourse obligations, and guaranty, indemnity and mortgage loan repurchase obligations), in each case as are reflected on the Seller’s consolidated balance sheet as liabilities in accordance with GAAP; but excluding Qualified Subordinated Debt.

“*Transaction*” is defined in the Recitals.

“*UCC*” means the Uniform Commercial Code or similar Laws of the applicable jurisdiction, as amended from time to time.

“*USDA*” means the United States Department of Agriculture.

“*VA*” means the Department of Veterans Affairs and any successor.

“*Wet Loan*” means a Purchased Loan originated and owned by the Seller immediately prior to being purchased by the Buyers:

(a) that has been closed (funded) on or prior to the Business Day on which the Purchase Price is paid therefor, by a title agency or closing attorney, is fully funded and would qualify as an Eligible Loan except that some or all of its Basic Papers are in transit to, but have not yet been received by, the Custodian so as to satisfy all requirements to permit the Seller to sell it pursuant to this Agreement without restriction;

(b) that the Seller reasonably expects to fully qualify as an Eligible Loan when the original Basic Papers have been received by the Custodian;

(c) as to which the Seller actually and reasonably expects that such full qualification can and will be achieved on or before five (5) Business Days after the relevant Purchase Date;

(d) for which the Seller has delivered to the Custodian a Mortgage Loan Transmission File on or before the Purchase Date, submission of which to the Custodian shall constitute the Seller's certification to the Custodian, the Buyers and the Agent that a complete File as to such Purchased Loan, including the Basic Papers, exists and that such File is in the possession of either the title agent or closing attorney that closed such Purchased Loan, the Seller or that such File has been or will be shipped to the Custodian; and

(e) as to which no portion of the principal amount has been or will be funded directly by any person other than the Seller and the Buyers.

Each Wet Loan that satisfies the foregoing requirements shall be an Eligible Loan subject to the condition subsequent of physical delivery of its Mortgage Note, Mortgage and all other Basic Papers, to the Custodian on or before five (5) Business Days after the relevant Purchase Date. Each Wet Loan sold by the Seller shall be irrevocably deemed purchased by the Buyers and shall automatically become a Purchased Loan effective on the date of the related Request/Confirmation, and the Seller shall take all steps necessary or appropriate to cause the sale to the Buyers and delivery to the Custodian of such Wet Loan and its Basic Papers to be completed, perfected and continued in all respects, including causing the original promissory note evidencing such Purchased Loan to be physically delivered to the Custodian within five (5) Business Days after the relevant Purchase Date, and, if requested by the Agent, to give written notice to any title agent, closing attorney or other Person in possession of the Basic Papers for such Purchased Loan of the Buyers' purchase of such Purchased Loan. Upon the Custodian's receipt of the Basic Papers relative to a Wet Loan such Purchased Loan shall no longer be considered a Wet Loan.

"Wet Loans Sublimit" is defined in Section 4.2.

1.3. *Other Definitional Provisions.* Accounting terms not otherwise defined shall have the meanings given them under GAAP.

(a) Defined terms may be used in the singular or the plural, as the context requires.

(b) Except where otherwise specified, all times of day used in the Repurchase Documents are local (U.S. Central Time Zone) times in Minneapolis, Minnesota.

(c) Unless the context plainly otherwise requires (e.g., if preceded by the word "not"), wherever the word "including" or a similar word is used in the Repurchase Documents, it shall be read as if it were written, "including by way of example but without in any way limiting the generality of the foregoing concept or description".

(d) Unless the context plainly otherwise requires, wherever the term “ Agent” is used in this Agreement (excluding Section 22), it shall be read as if it were written “the Agent (as agent and representative of the Buyers)”.

2 The Buyers’ Commitments.

2.1. *The Buyers’ Commitments to Purchase.* Subject to the terms and conditions of this Agreement and provided no Default or Event of Default has occurred that the Agent has not declared in writing to have been cured or waived (or, if one has occurred and not been so declared cured or waived, if all of the Buyers, in their sole discretion and with or without waiving such Default or Event of Default, have elected in writing that Transactions under this Agreement shall continue nonetheless), the Buyers agree to make revolving purchases of Eligible Loans on a servicing released basis through the Termination Date, so long as the Aggregate Outstanding Purchase Price does not exceed the Maximum Aggregate Commitment and so long as each Buyer’s Committed Sum is not exceeded. The Buyers’ respective Committed Sums and the Maximum Aggregate Commitment are set forth on Schedule BC in effect at the relevant time, as it may have been amended or restated pursuant to this Agreement. The fractions to be applied to determine the respective Funding Shares of the Buyers for any day are their respective Committed Sums divided by the Maximum Aggregate Commitment for that day. Each Buyer shall be obligated to fund only that Buyer’s own Funding Share of any Transaction requested, and no Buyer shall be obligated to the Seller or any other Buyer to fund a greater share of any Transaction. No Buyer shall be excused from funding its applicable Funding Share of any Transaction merely because any other Buyer has failed or refused to fund its relevant Funding Share of that or any other Transaction. If any Buyer fails to fund its Funding Share of any Transaction, the Agent (in its sole and absolute discretion) may choose to fund the amount that such Defaulting Buyer failed or refused to fund, or the Agent as a Buyer and the other Buyers who are willing to do so shall have the right (but no obligation) to do so in the proportion that the Committed Sum of each bears to the total Committed Sums of all Buyers that have funded (or are funding) their own Funding Shares of that Transaction and that are willing to fund part of the Funding Share of such Defaulting Buyer. Should the Agent and/or any other Buyer(s) fund any or all of the Defaulting Buyer’s Funding Share of any Transaction, then the Defaulting Buyer shall have the obligation to deliver such amount to the Agent (for distribution to the Buyer(s) who funded it) in immediately available funds on the next Business Day. Regardless of whether the other Buyers fund the Funding Share of the Defaulting Buyer, the respective ownership interests of the Buyers in the Transaction shall be adjusted as provided in the definition of “Pro Rata”. The obligations of Buyers hereunder are several and not joint.

2.2. *Expiration or Termination of the Commitments.* Unless extended in writing or terminated earlier in accordance with this Agreement, the Buyers’ Commitments shall automatically expire at the close of business on the Termination Date, without any requirement for notice or any other action by the Agent, any of the Buyers or any other Person.

2.3. *[Reserved].*

2.4. *[Reserved].*

2.5. [Reserved].

2.6. *Optional Reduction or Termination of Buyers' Commitments.* The Seller may, at any time, without premium or penalty, upon not less than ten (10) Business Days prior written notice to the Agent, reduce or terminate the Maximum Aggregate Commitment, ratably, with any such reduction in a minimum aggregate amount for all the Buyers of \$5,000,000, or, if more, in an integral multiple of \$5,000,000; provided, however, that (i) the Seller may reduce the Maximum Aggregate Commitment no more than once each calendar quarter, (ii) at no time may the Aggregate Outstanding Purchase Price exceed the Maximum Aggregate Commitment after giving effect to any such reduction and, (iii) unless terminated in full, the Maximum Aggregate Commitment shall not be reduced to less than \$25,000,000. Upon termination of the Buyers' Commitments pursuant to this Section, the Seller shall pay to the Agent for the ratable benefit of the Buyers the full amount of all outstanding Obligations under the Repurchase Documents.

3 Initiation; Termination

3.1. Seller Request; Agent Confirmation.

(a) Any request to enter into a Transaction shall be made by notice to the Agent at the initiation of the Seller. To request a Transaction, the Seller shall deliver to the Agent and the Custodian the Mortgage Loan Transmission File for each of the Eligible Loans subject to the Transaction by electronic transmission. The Seller shall submit no more than four (4) Mortgage Transmission Files on any Business Day; *provided, however*, that during the last five (5) Business Days of each calendar month, Seller may submit additional Mortgage Transmission Files with prior approval from the Agent

(b) Seller shall deliver a Request/Confirmation substantially in the form of Exhibit A to the Agent no later than 4:00 p.m. on the day Seller submits each Mortgage Loan Transmission File.

(c) Provided that the conditions set forth in this Section 3 and Section 14 have been satisfied or waived by the Agent with the requisite consent of the Buyers, the Agent shall transfer the sum of the Purchase Prices for each Transaction to the Funding Account and disburse the sum of the Purchase Prices for the Transaction to the Seller or its designee(s) for their account. Any Transaction for which the Mortgage Loan Transmission File is received prior to 3:00 p.m. on a Business Day shall be funded on the same Business Day; any Transaction for which the Mortgage Loan Transmission File is received after 3:00 p.m. shall be funded on the next Business Day.

(d) Notwithstanding anything to the contrary in this Agreement, the Custody Agreement, or any of the exhibits and schedules hereto or thereto, in no event shall funds for the purchase of any Mortgage Loan be disbursed directly to the Seller; rather, (i) funds for the purchase of Mortgage Loans originated by any Seller shall be disbursed to the applicable title agent or attorney through which such Mortgage Loans are closed and (ii) funds for the purchase of Mortgage Loans originated by a correspondent lender or other third party shall be disbursed only to such originator and only if the Basic Papers

delivered to the Custodian were accompanied by a bailee letter from the originator that included wire transfer instructions; provided, however, that Margin Excess may be remitted directly to the Seller in accordance with Section 6.1(b).

3.2. *Syndication of Purchases.* When a Request/Confirmation is received by the Agent for a Transaction, the Agent shall give notice by fax or, at the Agent's discretion, e-mail backed up by fax, to each Buyer of the requested Transaction and that Buyer's Funding Share thereof, by 3:00 p.m. on the Business Day when the requested Transaction is to be funded by the Buyers, and each Buyer shall cause its Funding Share to be transferred to the Agent in accordance with the Agent's instructions, so that the Agent receives such Funding Share in immediately available funds within two (2) hours after receiving such notice and in any case by 4:00 p.m. on such Business Day. Provided that the conditions set forth in Section 14.2 have been satisfied or waived with the requisite consent of the Buyers as provided herein, the Agent shall transfer the sum of the Purchase Prices for the Transaction to the Funding Account and disburse the sum of the Purchase Prices for the Transaction to the Seller or to its designee(s) for their account.

3.3. *Request/Confirmation.* Each Request/Confirmation shall identify the Agent and the Seller and set forth:

- (a) the Purchase Date applicable to the relevant Transaction;
- (b) for each of the Eligible Loans to be sold, the Purchase Price; and
- (c) any additional terms or conditions of the Transaction mutually agreeable to the Agent and the Seller.

Each Request/Confirmation shall be binding on the parties, unless written notice of objection is given by the objecting party to the other party within one (1) Business Day after the Agent has received the completed Request/Confirmation from the Seller. In the event of any conflict between the terms of a Request/Confirmation and this Agreement, this Agreement shall prevail.

3.4. *Transaction Termination; Purchase Price Decrease.*

(a) *Automatic Termination.* Each Transaction, or applicable portion thereof, will automatically terminate on the earlier of (x) the date or dates when the subject Purchased Loans are purchased by Approved Investor(s) and (y) the Termination Date. Upon any such automatic termination, the Seller or its designee shall immediately repurchase the Purchased Loans in accordance with this Section 3.

(b) *Repurchase After a Disqualifier.* If any Disqualifier occurs in respect of a Purchased Loan and such Disqualifier results in a Margin Deficit, the Seller shall immediately, without the need for prior notice or demand by the Agent, transfer cash, Additional Purchased Loans or a combination of cash and Additional Purchased Loans to the Agent in an amount sufficient to eliminate such Margin Deficit in accordance with Section 6.1. Thereafter, the Repurchase Price of such Purchased Loan will be deemed to be zero and the Seller may at any time repurchase such Purchased Loan pursuant to Section 3.4(c).

(c) *How Terminations will be Effected.* Termination of every Transaction will be effected by (x) the Buyers' reconveyance to the Seller or its designee of the Purchased Loans, servicing released, and payment of any Income in respect thereof received by the Agent and not previously either paid to the Seller or applied as a credit to the Seller's Obligations, against (y) payment of the Repurchase Price in immediately available funds to the account referred to in Section 3.5 by 2:00 p.m. on the Repurchase Date, so that the Agent receives the Repurchase Price (for Pro Rata distribution to the Buyers) in immediately available funds on that same Business Day; provided that the portion of the Repurchase Price attributable to accrued and unpaid Price Differential for the Repurchased Loan shall be due and payable on the ninth (9th) calendar day of each month; provided further that all accrued and unpaid Price Differential shall be due and payable on the Termination Date.

(d) *Purchase Price Decrease.* The Seller may effectuate a Purchase Price Decrease on any Business Day by delivery to the Agent in immediately available funds of an amount specified by the Seller as a Purchase Price Decrease on that Business Day. No Purchased Loans shall be, or be deemed to be, repurchased in connection with a Purchase Price Decrease.

3.5. *Place for Payments of Repurchase Prices.* All Repurchase Price payments shall be paid to the Settlement Account.

3.6. *Withdrawals from and Credits to Operating Account and Settlement Account.* If the Seller fails for any reason to repurchase any one or more Purchased Loans on the relevant Repurchase Date, to pay any Price Differential or fees when due or to satisfy any Margin Call in the manner and by the time specified in Sections 3.4, 3.5, 5.7 and 6.1, the Agent is hereby specifically and irrevocably authorized to withdraw funds from the Operating Account, the Settlement Account (or any other account other than an escrow account) in an amount equal to the sum of the Repurchase Prices of all Purchased Loans that are Past Due, plus accrued, unpaid Price Differential or fees, plus Margin Deficit (if applicable), on that day and cause application of such funds withdrawn to the payment of the Repurchase Prices of such Purchased Loans, Price Differential or fees, and Margin Deficit (if applicable) in such order and manner as the Agent may elect and if funds in the Operating Account or the Settlement Account are insufficient to pay the Repurchase Prices of all such Purchased Loans, the Seller shall pay the amount due hereunder on demand by wire to the Settlement Account.

3.7. *Delivery of Additional Mortgage Loans.* Seller may from time to time deliver to the Agent Mortgage Loans that are also Eligible Loans without entering into a new Transaction by providing to the Agent the documents required under Section 3.1 with respect to such Mortgage Loans. The Seller and Buyers agree that such Mortgage Loans delivered pursuant to this Section 3.7 shall be treated as Purchased Loans subject to the existing Transactions hereunder from the date of such delivery.

3.8. *Application of Repurchase Price Payments.* Upon receipt by the Agent of amounts paid or prepaid as Purchase Price Decreases or Repurchase Price (except upon the exercise of remedies provided in Section 18) the Agent shall apply amounts so received to the payment of all Obligations which are then due, and if the amount so received is insufficient to pay all such Obligations, (i) first to any reimbursement due under Section 20.1 and (ii) second to partial payment of Obligations then due or as otherwise agreed by the Buyers.

3.9. *Defaulting Buyers*. Notwithstanding any provision of this Agreement to the contrary, if any Buyer becomes a Defaulting Buyer, then the following provisions shall apply for so long as such Buyer is a Defaulting Buyer:

(a) Facility Fees and Non-usage Fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Buyer pursuant to Section 9.1;

(b) The Commitment of and the outstanding Purchase Prices paid by such Defaulting Buyer shall not be included in determining whether all Buyers or the Required Buyers have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 22.4), provided that any waiver, amendment, modification or action requiring the consent of all Buyers (including without limitation, any waiver, amendment, modification or action under Section 22.3 hereof), and any waiver, amendment, modification or action (other than actions under this Section 3.9) which affects such Defaulting Buyer differently than other affected Buyers shall require the consent of such Defaulting Buyer;

(c) The respective ownership interests of both (i) the Defaulting Buyer and (ii) the Buyer (or Buyers) that funded the Defaulting Buyer's Funding Share(s) of any Transaction shall be proportionately decreased and increased, respectively, to the same extent as if their respective Committed Sums were changed in direct proportion to the unreimbursed balance outstanding from time to time thereafter of the amount so funded;

(d) If no other Buyer funds any of the Defaulting Buyer's Funding Share, then the Pro Rata ownership interests of the Buyers in the Purchased Loans shall be changed, so that each Buyer's Pro Rata ownership interest in the Purchased Loans is equal to the ratio of (i) the sum of the portions of the Purchase Prices paid by that Buyer in all Open Transactions on that day to (ii) the total of the Purchase Prices paid by all Buyers in all Open Transactions on that day, but the Defaulting Buyer's share of all subsequent distributions of any Repurchase Price and Margin Deficit payments shall be paid to the other Buyers, pro rata among them in the ratio that the Pro Rata ownership interest in the Purchased Loans owned by each bears to the aggregate Pro Rata ownership interests in the Purchased Loans of all such other Buyers, and the Buyers' respective Pro Rata ownership interests in the Purchased Loans shall be readjusted after each such payment, until their Pro Rata ownership interests are restored to what they were before any Defaulting Buyer failed to fund. Notwithstanding any such changes in the Buyers' Pro Rata ownership interests in any Purchased Loan due to any Buyer's failure to fund its Funding Share(s) of any Transaction, such failure to fund shall not diminish (nor shall it increase except at a Buyer's election pursuant to Section 2.1 hereof) any Buyer's Funding Share(s) for subsequent Transactions.

(e) Any amount payable to such Defaulting Buyer hereunder (whether on account of Repurchase Price, Price Differential, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Buyer pursuant to Section 20.2

but excluding Section 6.4) shall, in lieu of being distributed to such Defaulting Buyer, be retained by the Agent in a segregated account and, subject to any applicable requirements of law, be applied at such time or times as may be determined by the Agent (i) first, to the payment of any amounts due and owing by such Defaulting Buyer to the Agent hereunder, (ii) second, to the funding of any Transaction in respect of which such Defaulting Buyer has failed to fund its portion thereof as required by this Agreement, as determined by the Agent, (iii) third, if so determined by the Agent and the Seller, held in such account as cash collateral for future funding obligations of the Defaulting Buyer under this Agreement, (iv) fourth, pro rata, to the payment of any amounts owing to the Seller or the Buyers as a result of any judgment of a court of competent jurisdiction obtained by any Seller or any Buyer against such Defaulting Buyer as a result of such Defaulting Buyer's breach of its obligations under this Agreement, and (v) fifth, to such Defaulting Buyer or as otherwise directed by a court of competent jurisdiction; provided, that if such payment is (x) a Purchase Price Decrease and (y) made at a time when the conditions set forth in Section 14.2 are satisfied, such payment shall be applied solely to reduce the Purchase Prices owed to all Buyers that are not Defaulting Buyers Pro Rata prior to being applied to any Purchase Prices owed to, any Defaulting Buyer. Notwithstanding anything to the contrary herein, as between the Seller and any Defaulting Buyer, if any payment made by the Seller that would otherwise be payable to a Defaulting Buyer is retained by the Agent and applied as provided in this Section 3.9(f), the Seller's Obligations to such Defaulting Buyer shall be deemed satisfied to the extent of such payment and the Defaulting Buyer shall not be entitled to ask for or receive any additional amounts (including without limitation, Price Differential) from Seller with respect to such payment.

In the event that the Agent and the Seller all agree that a Defaulting Buyer has adequately remedied all matters that caused such Buyer to be a Defaulting Buyer, then such Buyer shall purchase from the other Buyers at par a portion of the Open Transactions as the Agent shall determine may be necessary in order for such Buyer to participate in such Open Transactions in accordance with its Pro Rata share.

Nothing contained in the foregoing shall be deemed to constitute a waiver by the Seller of any of its rights or remedies (whether in equity or law) against any Buyer which fails to fund any Transaction hereunder at the time or in the amount required to be funded under the terms of this Agreement.

4 Transaction Limits and Sublimits.

4.1. *Transaction Limits.* Each Transaction shall be subject to the limitation that no purchase will be made if at the time of or after such purchase, the Aggregate Outstanding Purchase Price exceeds or would exceed the Maximum Aggregate Commitment.

4.2. *Transaction Sublimits.* The following sublimits shall also be applicable to the Transactions hereunder such that after giving effect to any proposed Transaction and after giving effect to any repurchase, addition or substitution of any Mortgage Loan hereunder, the following shall be true (subject, in each case, to the Agent's discretionary authority under Section 22.5):

(a) The Aggregate Outstanding Purchase Price of Conforming Mortgage Loans may be as much as one hundred percent (100%) of the Maximum Aggregate Commitment.

(b) The Aggregate Outstanding Purchase Price of all Purchased Loans that are Wet Loans shall not exceed (x) seventy-five percent (75%) of the Maximum Aggregate Commitment on any of the first five and last five Business Days of any month or (y) forty percent (40%) of the Maximum Aggregate Commitment on any other day (the "*Wet Loans Sublimit*").

(c) The Aggregate Outstanding Purchase Price of all Purchased Loans that are of the type listed in the first column of the following table shall not exceed the percentage of the Maximum Aggregate Commitment listed in the second column of the table (the name of that Sublimit is set forth in the third column):

<u>Type of Purchased Loan</u>	<u>Maximum percentage of Maximum Aggregate Commitment</u>	<u>Name of Sublimit</u>
Jumbo Mortgage Loans	25%	" <i>Jumbo Mortgage Loans Sublimit</i> "
Agency-eligible Forty Year Loans	10%	" <i>Agency-eligible Forty Year Loans Sublimit</i> "

(d) The Purchase Value for any Purchased Loan hereunder shall not be more than One Million Dollars (\$1,000,000).

5 Price Differential.

5.1. *Pricing Rate.* Except as otherwise specified in this Section, the Pricing Rate to be applied to the Purchase Prices of Purchased Loans to determine the Price Differential in all Open Transactions shall be the LIBOR Rate plus the LIBOR Margin applicable from time to time (in each case computed annually); provided that the Pricing Rate shall not be less than three and three-fourths percent (3.75%).

5.2. *[Reserved]*.

5.3. [Reserved].

5.4. [Reserved].

5.5. [Reserved].

5.6. *Pricing Rate for Default Pricing Rate Purchased Loans.* Notwithstanding any contrary or inconsistent provision of this Section 5, the Pricing Rate to be multiplied by the Purchase Prices of all Purchased Loans shall be the Default Pricing Rate from (and including) (a) the day immediately following the Repurchase Date for each such Past Due Purchased Loan and until (but excluding) the date on which such Past Due Purchased Loan is repurchased by transfer to the Agent (for Pro Rata distribution to the Buyers) of its full Repurchase Price in immediately available funds; and (b) the date designated by the Agent to the Seller after the occurrence and during the continuance of an Event of Default under Section 18.1.

5.7. *Price Differential Payment Due Dates.* Price Differential on each Open Transaction accrued and unpaid to the end of each month before the Termination Date shall be due and payable on the ninth (9th) day of each month (or if such day is not a Business Day, on the next Business Day thereafter), whether or not such Transaction is still an Open Transaction on such payment due date; provided that (a) all accrued and unpaid Price Differential on all Transactions shall be due on the Termination Date, and (b) all Pricing Differential calculated at the Default Pricing Rate shall be due on demand.

6 Margin Maintenance.

6.1. Margin Deficit.

(a) If at any time the aggregate Purchase Value of all Purchased Loans subject to all Transactions hereunder is less than the aggregate Repurchase Price (excluding Price Differential, minus cash transfers previously made from Seller to the Agent in response to previous Margin Calls, if any, for all such Transactions (a "*Margin Deficit*"), then by notice to the Seller (a "*Margin Call*"), the Agent shall, require the Seller to transfer (for the account of the Buyers) to the Agent or the Custodian, as appropriate either (at the Seller's option) cash or additional Eligible Loans reasonably acceptable to the Agent ("*Additional Purchased Loans*"), or a combination of cash and Additional Purchased Loans, so that the cash and the aggregate Purchase Value of the Purchased Loans, including any such Additional Purchased Loans, will thereupon at least equal the then aggregate Repurchase Price (excluding Price Differential). The Agent will recalculate the Purchase Value of all or a portion of the Purchased Loans (i) at the times it deems appropriate in its sole discretion and (ii) within one Business Day after receiving a reasonable request, in writing (which may be in the form of e-mail sent to the Agent), for such recalculation from the Required Buyers.

(b) On any Business Day on which the Purchase Value of the Purchased Loans subject to Transactions exceeds the then outstanding aggregate Repurchase Price of all Transactions (a "*Margin Excess*"), so long as no Default or Event of Default has occurred and is continuing or will result therefrom, the Agent shall, upon receipt of written request from the Seller, remit cash or release Purchased Loans as requested by

Seller, in either case, in an amount equal to the lesser of (i) the amount requested by the Seller and (ii) such Margin Excess, subject always to the other limitations of this Agreement. If cash is to be remitted the Agent shall treat the receipt of the written request of Seller under this Section 6.1(b) as if it were a request for a Transaction. To the extent the Agent remits cash to the Seller, such cash shall be (y) additional Purchase Price with respect to the Transactions, and (z) subject in all respects to the provisions and limitations of this Agreement. Each Buyer shall fund its Pro Rata share of such additional Purchase Price as if the remission of such Margin Excess were the initiation of a Transaction hereunder.

6.2. *Margin Call Deadline.* If the Agent delivers a Margin Call to the Seller at or before 11:00 a.m. on any Business Day, then the Seller shall transfer cash and/or Additional Purchased Loans as provided in Section 6.1 on the same Business Day. If the Agent delivers a Margin Call to the Seller after 11:00 a.m. on any Business Day, then the Seller shall transfer cash and/or Additional Purchased Loans by no later than 11:00 a.m. on the next following Business Day.

6.3. *Application of Cash.* Any cash transferred to the Agent (for Pro Rata distribution to the Buyers) pursuant to this Section 6 shall be applied by the Buyers on receipt from the Agent which shall occur on the date received from the Seller or the next Business Day if received after 3:00 p.m.

6.4. *Increased Cost.* If any Change in Law subsequent to the Effective Date:

(a) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, or other extensions of credit by, or any other acquisition of funds by, any office of the Buyer which is not otherwise included in the determination of the LIBOR Rate hereunder; or

(b) shall impose on the Buyer any other condition;

and the result of any of the foregoing is to increase the cost to the Buyer, by an amount which the Buyer deems to be material, of entering, continuing or maintaining any Transaction or to reduce any amount due or owing hereunder in respect thereof, then, in any such case, the Seller shall promptly pay the Agent (for distribution to such Buyer) such additional amount or amounts as calculated by the Buyer in good faith as will compensate the Buyer for such increased cost or reduced amount receivable.

6.5. *Capital Adequacy.* If any Buyer shall have determined that any Change in Law applicable to the Buyer or any corporation controlling the Buyer subsequent to the Effective Date shall have the effect of reducing the rate of return on the Buyer's or such corporation's capital as a consequence of its obligations hereunder to a level below that which the Buyer or such corporation could have achieved but for such adoption, change or compliance (taking into consideration the Buyer's or such corporation's policies with respect to capital adequacy) by an amount deemed by the Buyer to be material, then from time to time, the Seller shall promptly pay to the Agent (for distribution to such Buyer) such additional amount or amounts as will compensate the Buyer or such corporation for such reduction.

6.6. *Agent's Report.* In the discretion of the Agent if it reasonably determines that market conditions warrant (except that the Agent shall have no obligation to make such determination more frequently than once per day), the Agent may: (1) determine the aggregate Market Values for the Purchased Loans (which may include the Purchase Value of any Mortgage Loans purchased on that day) by summing the values of the individual Purchased Loans as reported on (and recorded by the Agent from) the Mortgage Loan Transmission Files and Purchased Loans Curtailment Reports, valuing at zero Purchased Loans for which the Agent has current actual knowledge that a Disqualifier exists; (2) issue a statement of the value of the Purchased Loans as so determined; and (3) provide a copy of such statement to the Seller and each Buyer, provided that, if the Agent has not provided such a statement to the Seller and each Buyer at least one time in a calendar month, the Agent shall provide to the Seller and each Buyer such report no later than the last Business Day of each month.

6.7. *Provisions Relating to LIBOR Rate.* If:

- (a) any Buyer determines that deposits in United States dollars (in the applicable amounts) are not available to such Buyer in the relevant market;
- (b) any Buyer determines that the LIBOR Rate is not ascertainable or does not adequately and fairly reflect the cost of making, maintaining or funding any Transaction based on the LIBOR Rate; or
- (c) any Change in Law shall make it unlawful or impossible for any Buyer to make, maintain or fund Transactions based on the LIBOR Rate;

then the Agent shall suspend the availability of the LIBOR Rate as of the date of such determination or such Buyer's notice, whereupon all Open Transactions and any new Transactions shall automatically be converted to have a Pricing Rate equal to the rate per annum equal to the LIBOR Margin plus the Prime Rate in effect on such date; provided that in all events the Pricing Rate shall not be less than three and three-fourths percent (3.75%)

7 Taxes.

7.1. *Payments to be Free of Taxes; Withholding.* All payments by the Seller to or for the account of any Buyer or the Agent hereunder shall be made free and clear of and without deduction for any and all Taxes. If the Seller shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to any Buyer or the Agent, (a) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 7.1) such Buyer or the Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (b) the Seller shall make such deductions, (c) the Seller shall pay the full amount deducted to the relevant authority in accordance with applicable law and (d) the Seller shall furnish to the Agent the original copy of a receipt evidencing payment thereof within 30 days after such payment is made.

7.2. *Other Taxes.* In addition, the Seller hereby agrees to pay any present or future stamp, recording, documentary, excise, property or value-added taxes, or similar taxes, charges or levies that arise from any payment made under or in respect of this Agreement or any other Repurchase Document or from the execution, delivery or registration of, any performance under, or otherwise with respect to, this Agreement or any other Repurchase Documents (collectively, “*Other Taxes*”).

7.3. *Taxes Indemnity.* The Seller hereby agrees to indemnify the Buyers and the Agent for, and to hold each of them harmless against, the full amount of Taxes and Other Taxes, and the full amount of Taxes of any kind imposed by any jurisdiction on amounts payable under this Section 7 imposed on or paid by the Buyers or the Agent and any liability (including penalties, additions to tax, interest and expenses) arising therefrom or with respect thereto. The indemnity by the Seller provided for in this Section 7.3 shall apply and be made whether or not the Taxes or Other Taxes for which indemnification hereunder is sought have been correctly or legally asserted. Amounts payable by the Seller under the indemnity set forth in this Section 7.3 shall be paid within ten (10) days from the date on which the Agent makes written demand therefor.

7.4. *Non-U.S. Buyers.*

(a) Each Buyer that is not incorporated under the laws of the United States of America or a state thereof (each a “*Non-U.S. Buyer*”) agrees that it will, not more than ten Business Days after the date of this Agreement, (i) deliver to the Agent two duly completed copies of United States Internal Revenue Service Form W-8BEN or W-8ECI, certifying in either case that such Buyer is entitled to receive payments under this Agreement without deduction or withholding of any United States federal income taxes, and (ii) deliver to the Agent a United States Internal Revenue Form W-8 or W-9, as the case may be, and certify that it is entitled to an exemption from United States backup withholding tax. Each Non-U.S. Buyer further undertakes to deliver to each of the Seller and the Agent (x) renewals or additional copies of such form (or any successor form) on or before the date that such form expires or becomes obsolete, and (y) after the occurrence of any event requiring a change in the most recent forms so delivered by it, such additional forms or amendments thereto as may be reasonably requested by the Seller or the Agent. All forms or amendments described in the preceding sentence shall provide evidence that such Buyer is entitled to receive payments under this Agreement without deduction or withholding of any United States federal income taxes, unless an event (including without limitation any change in treaty, law or regulation) has occurred prior to the date on which any such delivery would otherwise be required which renders all such forms inapplicable or which would prevent such Buyer from duly completing and delivering any such form or amendment with respect to it and such Buyer advises the Seller and the Agent that it is not capable of receiving payments without any deduction or withholding of United States federal income tax..

(b) [reserved]

(c) For any period during which a Non-U.S. Buyer has failed to provide the Seller with an appropriate form pursuant to Section 7.4(a) (unless such failure is due to a

change in treaty, law or regulation, or any change in the interpretation or administration thereof by any governmental authority, occurring subsequent to the date on which a form originally was required to be provided), such Non-U.S. Buyer shall not be entitled to additional amounts under Section 7.1 or indemnification under Section 7.2 with respect to Taxes imposed by the United States; provided that, should a Non-U.S. Buyer which is otherwise exempt from or subject to a reduced rate of withholding tax become subject to Taxes because of its failure to deliver a form required under clause (iv), above, the Seller shall take such steps as such Non-U.S. Buyer shall reasonably request to assist such Non-U.S. Buyer to recover such Taxes.

(d) Any Buyer that is entitled to an exemption from or reduction of withholding tax with respect to payments under this Agreement or any Note pursuant to the law of any relevant jurisdiction or any treaty shall deliver to the Seller (with a copy to the Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate.

(e) If the U.S. Internal Revenue Service or any other governmental authority of the United States or any other country or any political subdivision thereof asserts a claim that the Agent did not properly withhold tax from amounts paid to or for the account of any Buyer (because the appropriate form was not delivered or properly completed, because such Buyer failed to notify the Agent of a change in circumstances which rendered its exemption from withholding ineffective, or for any other reason), such Buyer shall indemnify the Agent fully for all amounts paid, directly or indirectly, by the Agent as tax, withholding therefor, or otherwise, including penalties and interest, and including taxes imposed by any jurisdiction on amounts payable to the Agent under this subsection, together with all costs and expenses related thereto (including attorneys fees and time charges of attorneys for the Agent, which attorneys may be employees of the Agent). The obligations of the Buyers under this Section 7.4 shall survive the payment of the Obligations and termination of this Agreement.

7.5. *Survival.* Without prejudice to the survival of any other agreement of the Seller hereunder, the agreements and obligations of the Seller contained in this Section 7 shall survive the termination of this Agreement. Nothing contained in this Section 7 shall require the Buyer to make available any of its tax returns or any other information that it deems to be confidential or proprietary.

7.6. *Treatment of Certain Refunds.* If the Agent or any Buyer determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Seller or with respect to which the Seller has paid additional amounts pursuant to this Article 7, it shall pay to the Seller an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Seller under this Article 7 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Agent or such Buyer, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Seller upon request of the Agent or such Buyer, agrees to repay the amount paid over to the Seller (plus any penalties, interest or other charges imposed by the relevant Governmental

Authority) to the Agent or such Buyer in the event the Agent or such Buyer is required to repay such refund to such Governmental Authority. This paragraph shall not be construed to require the Agent or any Buyer to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Seller or any other Person.

7.7. *Mitigation Obligations.* If any Buyer requests compensation under Sections 6.4, 7.1 or 7.2 or requires the Seller to pay any additional amount to any Buyer or any Governmental Authority for the account of any Buyer pursuant to Sections 6.4, 7.1 or 7.2, then such Buyer shall use reasonable efforts to designate a different office for funding or booking its share of Transactions hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Buyer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Sections 6.4, 7.1 or 7.2, as the case may be, in the future and (ii) would not subject such Buyer to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Buyer. The Seller hereby agrees to pay all reasonable costs and expenses incurred by any Buyer in connection with any such designation or assignment.

7.8. *Delay in Requests.* Failure or delay on the part of any Buyer or the Agent to demand compensation pursuant to this Section 7, Section 6.4 or Section 6.5 shall not constitute a waiver of such Buyer's or the Agent's right to demand such compensation, provided that the Seller shall not be required to compensate a Buyer or the Agent pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Buyer or the Agent, as the case may be, notifies the Seller of the Change in Law giving rise to such increased costs or reductions and of such Buyer's or the Agent's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

8 Income and Escrow Payments; Control.

8.1. *Income and Escrow Payments.* Notwithstanding that the Buyers, the Agent and the Seller intend that the Transactions be sales to the Buyers of the Purchased Loans, where a particular Transaction's term extends over an Income payment date on the Purchased Loans subject to that Transaction, all payments and distributions, whether in cash or in kind, made on or with respect to the Purchased Loans shall be paid directly to the Seller or its designee by the relevant Customer, and the Agent (and the Buyers) shall have no obligation to collect or apply any Income to prevent or reduce any Margin Deficit, unless the Seller (i) arranges for such Income to be paid to the Agent (for Pro Rata distribution to the Buyers), (ii) requests that the Agent apply such Income when received against the Seller's Margin Deficit(s) and (iii) concurrently transfers to the Agent either (x) cash or (y) at the Agent's option and with the Agent's written approval, Additional Purchased Loans, sufficient to eliminate such Margin Deficit. Amounts paid to the Seller by the relevant Customer shall be deposited by the Seller into the Income Account within two (2) Business Days of receipt by Seller and, as to amounts so paid to the Seller for escrow payments, into the Escrow Account. The Income Account and the Escrow Account shall be maintained by the Seller with a bank satisfactory to the Agent. The Income Account and Escrow Account may be interest bearing accounts if allowed or required by applicable law. At all times prior to a Default or Event of Default, the Seller may have full use of all Income and amounts on deposit in the Income Account, subject to the provisions of Section 8.2.

8.2. *Income and Escrow Accounts.* Prior to the initial Transaction hereunder the Seller shall establish the Income Account and the Escrow Account and Seller shall cause the bank holding such accounts (if such bank is not the Agent) to enter into a control agreement with the Agent providing that upon notice from the Agent (which notice shall be given only upon the occurrence of a Default or Event of Default) no further withdrawals or payment orders from the Seller shall be honored and only payment and withdrawal orders from the Agent or its designee shall be honored. Prior to the occurrence of a Default or Event of Default and so long as Seller is also the Servicer, Seller shall make payments from the Escrow Account of all appropriate amounts payable with respect to each Purchased Loan for taxes, insurance and other purposes for which the funds are paid into the Escrow Account. Subject to Section 8.3, amounts on deposit in the Income Account shall be used by the Seller to pay its fees as Servicer while it serves in such capacity, and may be used to pay to the Agent amounts due under this Agreement for Margin Deficit or Price Differential and for any other lawful purpose.

8.3. *Income and Escrow Accounts after Default.* Upon the occurrence and during the continuation of a Default or Event of Default, the Seller shall have no right to direct withdrawal or application of funds in the Income Account and the Escrow Account unless authorized to do so in writing by the Agent. The Agent may cause all amounts on deposit in the Income Account to be paid to it or its designee for application as provided in Section 18.4. The Agent or its designee shall direct payments from the Escrow Account for the purposes for which such funds are deposited into the Escrow Account and shall comply with all Laws applicable to the operation of the Income Account and the Escrow Account, including any Agency guidelines with respect thereto.

9 Facility Fee; Agent's Fee.

9.1. *Facility Fee; Non-Usage Fee.* The Seller agrees to pay to the Agent (for Pro Rata distribution to the Buyers) a facility fee (the "*Facility Fee*") in an amount equal to the sum of one quarter of one percent (0.25%) per annum of the Maximum Aggregate Commitment for the period from the Effective Date to the Termination Date, computed for each calendar month or portion thereof from the Effective Date until the date this Agreement terminates in accordance with its terms. If the average Aggregate Outstanding Purchase Price is less than 50% of the Maximum Aggregate Commitment for any month, the Seller further agrees to pay to the Agent (for pro rata distribution to the Buyers) a non-usage fee (the "*Non-usage Fee*") in an amount determined by applying a rate of 0.25% per annum to the average daily amount by which the Maximum Aggregate Commitment exceeds the average Aggregate Outstanding Purchase Price, computed for each calendar month or portion thereof from the Effective Date to the date this Agreement terminates in accordance with its terms. The Facility Fee and the Non-Usage Fee shall be payable monthly in arrears and shall be due and payable no later than the ninth (9th) day of each month (or if such day is not a Business Day, on the first Business Day thereafter). If the Maximum Aggregate Commitment shall be increased or decreased from time to time either pursuant to a provision of this Agreement or by separate agreement between the Buyers and the Seller (excluding, however, any change occurring as a result of or following the occurrence of a Default or an Event of Default, in respect of which no adjustment of the Facility Fee and the

Non-Usage Fee shall be required), the amount of the Facility Fee and the calculation of the Non-Usage Fee shall be adjusted as of the date of such change. The Facility Fee and the Non-Usage Fee are compensation to the Buyers for committing to make funds available for revolving purchases of Eligible Loans on the terms and subject to the conditions of this Agreement, and are not compensation for the use or forbearance or detention of money. Each calculation by the Agent of the amount of the Facility Fee and the Non-Usage Fee shall be conclusive and binding absent manifest error.

9.2. *Agent's Fee.* The Seller agrees to pay to the Agent the agency fee described in the Fee Letter, if any (the "*Agent's Fees*"), on the dates and in the amounts specified therein.

10 Security Interest.

10.1. *Intent of the Parties.* The parties intend that all Transactions hereunder be sales and purchases (other than for accounting and tax purposes) and not loans; nonetheless, as a security agreement under the UCC and as a security agreement or other arrangement or other credit enhancement related to this Agreement and transactions hereunder as provided for in Section 101(47)(A)(v) of the Bankruptcy Code, the Seller hereby pledges to the Agent for the benefit of the Buyers as security for the performance by the Seller of the Obligations and hereby grants, assigns and pledges to the Agent for the benefit of the Buyers a fully perfected first priority security interest in all of the Purchased Loans and all Income and proceeds from the Purchased Loans, including all of the property, rights and other items described in the definition of "Mortgage Loan" in Section 1.1 for each such Purchased Loan and all rights to have, receive and retain the return or refund of funds transferred from any account with the Agent to any title company, title agent, escrow agent or other Person for the purpose of originating or funding a Mortgage Loan that did not close (for any reason) and that would have been a Purchased Loan if it had closed (all funds so transferred continuously remain the property of the Agent and the Buyers until disbursed by such agent to or for the account of the related Customer upon the closing of his or her Mortgage Loan), and in all of the following property:

(a) *With respect to the Purchased Loans.*

(1) all Purchased Loans Support;

(2) all of the Seller's right, title and interest in all Mortgaged Premises related to the Purchased Loans

(3) all rights to deliver Purchased Loans to investors and other purchasers and all proceeds resulting from the disposition of Purchased Loans pursuant thereto, including the Seller's right and entitlement to receive the entire purchase price paid for Purchased Loans sold;

(4) all Hedge Agreements relating to or constituting any and all of the foregoing or relating to the Obligations, including all rights to payment arising under such Hedge Agreements;

(5) all Servicing Rights in respect of any of the Purchased Loans; and

(6) all of the Seller's rights now or hereafter existing in, to or under any MBS secured by, created from or representing any interest in any of the Purchased Loans, whether now owned or hereafter acquired by the Seller, and whether such MBS are evidenced by book entry or certificate (Agent's ownership interest and security interest in each MBS created from, based on or backed by Purchased Loans shall automatically exist in, attach to, cover and affect all of the Seller's right, title and interest in that MBS when issued and its proceeds and the Agent's ownership interest and security interest in the Purchased Loans from which such MBS was so created shall automatically terminate and be released when such MBS is issued, subject to automatic reinstatement if such issuance is voided or set aside by any court of competent jurisdiction), all right to the payment of monies and non-cash distributions on account of any of such MBS and all new, substituted and additional securities at any time issued with respect thereto;

(b) *Related Accounts, Payment Intangibles, General Intangibles*

(1) all accounts, payment intangibles, general intangibles, instruments, documents (including documents of title), chattel paper, contract rights and proceeds, whether now or hereafter existing (including all of the Seller's present and future rights to have and receive interest and other compensation, whether or not yet accrued, earned, due or payable), under or arising out of or relating to the Purchased Loans;

(2) all instruments, documents or writings evidencing any such accounts, payment intangibles, general intangibles or proceeds or evidencing any monetary obligation under, or security interest in, any of the Purchased Loans, all other papers delivered to the Agent or the Custodian, and all other rights transferred to the Agent, in respect of any of the Purchased Loans, including, without limitation, the right to collect, have and receive all insurance proceeds (including, but not limited to, casualty insurance, mortgage insurance, pool insurance and title insurance proceeds) and condemnation awards or payments in lieu of condemnation which may be or become payable in respect of the Mortgaged Premises securing or intended to secure any Purchased Loan, and other personal property of whatever kind relating to any of the Purchased Loans, in each case whether now existing or hereafter arising, accruing or acquired;

(3) all security for or claims against others in respect of the Purchased Loans;

(4) all proceeds and rights to proceeds of any sale or other disposition of any or all of the Purchased Loans; and

(5) the property subject to the license described in Section 10.2 below;

(c) *Settlement Account, Operating Account and other accounts.* The Settlement Account, the Operating Account, the Funding Account, the Income Account and the Escrow Account and all cash and all securities and other property from time to time on deposit in each such account;

(d) *Loan Records.* all Loan Records;

(e) *Other Rights*. all rights to have and receive any of the Purchased Loans described above, all accessions or additions to and substitutions for any of such Purchased Loans, together with all renewals and replacements of any of such Purchased Loans, all other rights and interests now owned or hereafter acquired by the Debtor/Seller in, under or relating to any of such Purchased Loans or referred to above and all proceeds of any of such Purchased Loans; and

(f) Proceeds. all proceeds of all the foregoing.

The Seller agrees to do such things as applicable Law requires to maintain the security interest of the Agent in all of the Purchased Loans with respect to all such Transactions and all Income and proceeds from the Purchased Loans that are the subject matter of such Transactions and all of the other collateral described above in this Section 10.1 as a perfected first priority Lien at all times. The Seller hereby authorizes the Agent to file any financing or continuation statements under the applicable UCC to perfect or continue such security interest in any and all applicable filing offices. The Seller shall pay all customary fees and expenses associated with perfecting such security interest including the costs of filing financing and continuation statements under the UCC and recording assignments of Mortgages as and when required by the Agent in its reasonable discretion.

10.2. *License*. The Seller hereby grants to the Agent for the benefit of the Buyers the nonexclusive right to use (in common with the Seller and any other secured party that has a valid and enforceable license therein and that agrees that its license is similarly nonexclusive) the Seller's operating systems to manage and administer the Purchased Loans and any of the related data and information described above, or that otherwise relates to the Purchased Loans, together with the media on which the same are stored to the extent stored with material information or data that relates to property other than the Purchased Loans (tapes, discs, cards, drives, flash memory or any other kind of physical or virtual data or information storage media or systems, and the Seller's rights to access the same, whether exclusive or nonexclusive, to the extent that such access rights may lawfully be transferred or used by the Seller's permittees), and any computer programs that are owned by the Seller (or licensed to the Seller under licenses that may lawfully be transferred or used by the Seller's permittees) and that are used or useful to access, organize, input, read, print or otherwise output and otherwise handle or use such information and data.

11 Substitution.

11.1. *Seller May Substitute Other Mortgage Loans with Notice to and Approval of Agent*. So long as no Event of Default has occurred and is continuing and no Margin Deficit exists or occurs as a consequence thereof, subject to agreement with and acceptance by, and upon notice to, the Agent, the Seller may substitute Mortgage Loans substantially similar to the Purchased Loans for any Purchased Loans. If the Seller gives notice to the Agent at or before 12:00 noon on a Business Day, the Agent may elect, by the close of business on the Business Day notice is received or by the close of the next Business Day if notice is given after 12:00 noon on such day, not to accept such substitution. If such substitution is accepted by the Agent, such substitution shall be made by the Seller's transfer to Agent of such other Mortgage Loans on a servicing released basis and the Agent's transfer to the Seller of such Purchased Loans, and after such substitution, the substituted Mortgage Loans shall be deemed to be Purchased Loans. If the Agent elects not to accept such substitution, the Seller shall offer the Agent and the Buyers the right to terminate the related Transaction.

11.2. *Payment to Accompany Substitution.* If the Seller exercises its right to substitute or terminate under this Section 11, the Seller shall be obligated to pay to the Agent (for Pro Rata distribution to the Buyers) by the close of the Business Day of such substitution or termination, as the case may be, an amount equal to the sum of (x) actual cost (including all customary fees, expenses and commissions) to the Agent and the Buyers of (i) entering into replacement Transactions; (ii) entering into or terminating hedge transactions and/or (iii) terminating Transactions or substituting securities in like transactions with third parties in connection with or as a result of such substitution or termination, and (y) to the extent the Agent determines not to enter into replacement Transactions, the loss incurred by the Agent and the Buyers directly arising or resulting from such substitution or termination. The foregoing amounts shall be solely determined and calculated by the Agent and the applicable Buyers in good faith.

12 Payment and Transfer.

12.1. *Immediately Available Funds; Notice to Custodian.* All transfers of funds hereunder shall be in immediately available funds. All Eligible Loans transferred by one party hereto to any other party shall be transferred by notice to the Custodian to the effect that the Custodian is then holding for the benefit of the transferee the related documents and assignment forms delivered to it under the Custody Agreement.

12.2. *Payments to the Agent.* Except as otherwise specifically provided in this Agreement, all payments required by this Agreement or the other Repurchase Documents to be made to the Agent shall be paid to the Agent by no later than 2:00 p.m. on the day when due (funds received after the applicable deadline shall be conclusively deemed received on the next following Business Day unless the Agent shall agree otherwise) and without set-off, counterclaim or deduction, in lawful money of the United States of America in immediately available funds as provided in Section 24.4, or at such other place as the Agent shall designate from time to time. Whenever any payment to be made under this Agreement or any of the other Repurchase Documents shall be stated to be due on a day that is not a Business Day, the due date for that payment shall be automatically extended to the next day that is a Business Day, and (if applicable) Price Differential at the applicable rate (determined in accordance with this Agreement) shall continue to accrue during the period of such extension. Unless the Agent shall agree otherwise, funds received by the Agent after 2:00 p.m. on a Business Day shall be deemed for all purposes to have been paid by the Seller on the next succeeding Business Day.

12.3. *If Payment Not Made When Due.* If and to the extent any payment is not made when due under this Agreement or any of the other Repurchase Documents, the Seller authorizes the Agent and each Buyer (for the Pro Rata account and benefit of all of the Buyers) then or at any time thereafter to charge any amounts so due and unpaid against any or all of the Seller's accounts with the Agent or any of the Buyers; provided that such right to charge the Seller's accounts shall not apply to any escrow, trust or other deposit accounts designated as being held by the Seller on behalf of third party owners of the escrowed funds other than Affiliates of the Seller. The Agent agrees to use reasonable efforts to promptly advise the Seller of any charge made pursuant to this Section, but its failure to do so will not affect the validity or collectibility of such charge. Neither the Agent nor any Buyer shall have any obligation to charge any Seller account, merely the right to do so.

12.4. *Payments Valid and Effective.* Each payment received by the Agent in accordance with this Agreement is valid and effective to satisfy and discharge the Seller's liability under the Repurchase Documents to the extent of the payment.

12.5. *Pro Rata Distribution of Payments.* The Agent shall distribute all payments of Repurchase Price (whether voluntary or involuntary and from whatever source) received to the Buyers Pro Rata with their respective ownership interests in the Purchased Loans promptly upon receipt. The distribution from the Agent to each Buyer shall be made by the Agent's initiating a federal funds wire transfer in immediately available funds directly to such Buyer or to such account at another financial institution as is designated from time to time by such Buyer in writing.

13 Segregation of Documents Relating to Purchased Loans.

All documents relating to Purchased Loans in the possession of the Seller or its designee (including its agent, or any subservicer) shall be segregated from other documents and securities in its or its designee's possession and shall be identified as being owned by the Buyers and held by the Agent on behalf of the Buyers (which shall be referenced in the relevant books and records as "U.S. Bank National Association, Agent") and subject to this Agreement. Segregation may be accomplished by appropriate identification of ownership on the books and records of the holder of such documents, including MERS, a documents custodian, a financial or securities intermediary or a clearing corporation. All of Seller's interest in the Purchased Loans shall pass to the Buyers on the Purchase Date and nothing in this Agreement shall preclude the Agent and the Buyers, in each case with the Buyers' consent, from engaging with others in repurchase transactions with the Purchased Loans or otherwise selling, transferring, or pledging or hypothecating, the Purchased Loans, but no such transaction shall relieve the Buyers of their obligations to transfer Purchased Loans to the Seller pursuant to Section 3 or 18, or of the Agent's obligation to credit or pay Income to, or apply Income to the obligations of, the Seller pursuant to Section 8.

14 Conditions Precedent.

14.1. *Initial Purchase.* The effectiveness of this Agreement is subject to the fulfillment of the following conditions precedent:

(a) on the Closing Date, the Agent shall have received (or be satisfied that it will receive by such deadline as the Agent shall specify) the following, all of which must be satisfactory in form and content to the Agent:

(1) this Agreement duly executed by the parties;

(2) a current UCC search report of a UCC filings search in the office of the Secretary of State of the Commonwealth of Virginia and such other searches or evidence as the Agent may require to confirm the Agent's first-priority Lien on the Purchase Loans;

(3) the Custody Agreement duly executed by the Agent, the Seller and the Custodian;

(4) a copy of the corporate resolution (or equivalent thereof) of Seller authorizing the execution, delivery and performance of the Repurchase Documents, certified as of the Closing Date by the Secretary or an Assistant Secretary of Seller;

(5) an incumbency certificate showing the names and titles and bearing the signatures of the officers of Seller authorized to execute the Repurchase Documents, certified as of the Closing Date by the Secretary or an Assistant Secretary of Seller;

(6) a copy of the bylaws of Seller, certified as of the Closing Date by the Secretary or an Assistant Secretary of Seller;

(7) a copy of the Articles of Incorporation of Seller with all amendments thereto, certified by the appropriate governmental official of the jurisdiction of its incorporation as of a date acceptable to the Agent in its sole discretion;

(8) a certificate of good standing (or the equivalent thereof) for Seller in the jurisdiction of its incorporation, certified by the appropriate governmental officials as of a date acceptable to the Agent in its sole discretion;

(9) payment to the Agent or the Custodian, as applicable, of the Facility Fee, the Agent's Fee, if any, the Custodian's Fee and all other fees and expenses (including the disbursements and reasonable fees of the Agent's attorneys) of the Agent and the Buyers payable by Seller pursuant to Section 9 accrued and billed for to the Closing Date;

(10) a copy of the Parent Subordinated Note, certified as true and complete by the Secretary or Assistant Secretary of the Seller; and

(11) a certificate of the Secretary or Assistant Secretary of Seller of Seller certifying that no amendments have been made to the Tax Allocation Agreement since August 5, 2008, or if any such amendments have been made, certifying as to true and complete copies thereof.

(b) The Seller shall have paid all accrued and unpaid fees, Repurchase Price and Price Differential due to the Departing Buyers as of the Effective Date.

(c) The Electronic Tracking Agreement executed as of August 5, 2008, shall remain in full force and effect.

(d) The Seller shall have delivered to the Agent all evidence of errors and omissions insurance and fidelity bond coverage required or requested under the Existing MRA.

(e) All directors and officers of the Seller and all Affiliates of the Seller (except, with respect to the Parent Subordinated Note, the Parent), to whom or which the Seller is indebted either for borrowed money or for any other obligation of Fifty Thousand Dollars (\$50,000) or more as of the date of this Agreement, excluding salary, bonus or other compensation obligations, shall have caused such Debt to be Qualified Subordinated Debt, by executing and causing to be delivered to the Agent a Subordination Agreement and taking all other steps, if any, required to cause such Debt to be Qualified Subordinated Debt, and the corporate secretary of the Seller shall have certified each such Subordination Agreement executed to satisfy the requirements of this Section 14.1(b) to be true, complete and in full force and effect as of the date of the initial purchase.

14.2. *Each Purchase.* The obligations of the Buyers (and the Agent on the Buyers' behalf) to make any purchase under this Agreement are also subject to the satisfaction, as of each Purchase Date, of the following additional conditions precedent:

(a) The Seller shall have delivered (i) to the Agent a Request/Confirmation and its related Mortgage Loan Transmission File and (ii) to the Custodian, such Mortgage Loan Transmission Files for the new Mortgage Loans to be purchased.

(b) Unless the requested Transaction is for the purchase of only Wet Loans, the Custodian shall have issued its Custodian's Exception Report (as defined in the Custody Agreement) relating to the Purchased Loans then owned by the Buyers. The Agent agrees that, for so long as it is the Custodian, it will not unreasonably withhold or delay issuing any such Custodian's Exception Report.

(c) The representations and warranties of the Seller contained in this Agreement and the other Repurchase Documents shall be true and correct in all material respects as if made on and as of each Purchase Date unless specifically stated to relate to an earlier date.

(d) The Seller shall have performed all agreements to be performed by it under this Agreement, the Custody Agreement and all other Repurchase Documents, as well as under all Investor Commitments that the Seller has represented to the Agent and the Buyers cover any of the Purchased Loans, and after the requested Transaction shall have been executed, no Default or Event of Default will exist that the Agent has not declared in writing to have been waived or cured, nor will any default exist under any such Investor Commitments.

(e) The Seller shall not have incurred any liabilities (whether or not in the ordinary course of business) that adversely and materially affect any of the Central Elements in respect of the Seller or any of its Subsidiaries since the dates of the Seller's Financial Statements most recently theretofore delivered to the Buyers.

(f) The Seller shall have paid the Facility Fee, the Non-Usage Fee and the Agent's Fee, if any, then due and payable in accordance with Section 9.1 and Section 9.2 and the Custodian's Fee pursuant to the Custody Agreement.

(g) Prior to the execution of the requested Transaction, no Default or Event of Default shall have occurred or will occur after giving effect to such Transaction, that the Agent has not declared in writing to have been waived or cured.

(h) The requested Transaction will not result in the violation of any applicable Law.

(i) The Agent shall have received such other documents, if any, as shall be reasonably required by the Agent.

(j) No Margin Deficit exists or will exist after giving effect to such Transaction.

(k) The Termination Date shall not have occurred.

(l) After giving effect to such Transaction, none of the sublimits set forth in Section 4.2 shall be exceeded.

(m) For any Transaction involving a Wet Loan, (i) unless the closing title agency or attorney has previously signed an agreement with the Agent acknowledging funds received from the Agent for the purchase of such Wet Loan are held by such title agency or attorney in trust for and as the property of the Agent until such Wet Loan is closed and purchased by the Agent for the benefit of the Buyers and that any such funds so received shall be returned to the Agent for the benefit of the Buyers if the Mortgage Loan that is proposed to be so purchased as a Wet Loan does not close on the proposed Purchase Date, (ii) the Seller shall have delivered to such closing title agency or attorney an instruction letter stating that funds received from the Agent for the purchase of such Wet Loan are held by such title agency or attorney in trust for and as the property of the Agent until such Wet Loan is closed and purchased by the Agent for the benefit of the Buyers and that any such funds so received shall be returned to the Agent for the benefit of the Buyers if the Mortgage Loan that is proposed to be so purchased as a Wet Loan does not close on the proposed Purchase Date

15 Representations, Warranties and Covenants.

15.1. *Buyers, Agent and Seller Representations.* The Buyers, the Agent and Seller each represents and warrants, and shall on and as of the Purchase Date of any Transaction be deemed to represent and warrant, to the others that:

(a) it is duly authorized to execute and deliver this Agreement, to enter into the Transactions and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance;

(b) it will engage in such Transactions as principal (or, in the case of the Agent, and in respect of any other party if agreed in writing in advance of any Transaction by the other parties hereto, as agent for a disclosed principal);

(c) the person signing this Agreement on its behalf is duly authorized to do so on its behalf (or on behalf of any such disclosed principal);

(d) it has obtained all authorizations of any governmental body required in connection with this Agreement and the Transactions and such authorizations are in full force and effect; and

(e) the execution, delivery and performance of this Agreement and the Transactions hereunder will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected.

15.2. *Additional Seller Representations.* With regard to:

(i) Purchased Loans, on and as of the Purchase Date of any Transaction;

(ii) Eligible Loans substituted pursuant to Section 11, on and as of the date of their substitution; and

(iii) Additional Purchased Loans submitted pursuant to Section 6.1, on and as of the date of their transfer to the Custodian the Seller hereby represents and warrants to the Buyers and the Agent, as follows:

(a) *Documents Genuine.* The documents delivered or disclosed by the Seller to the Agent or the Buyers pursuant to this Agreement or the Custody Agreement are either original documents or genuine and true copies thereof.

(b) *No Securities to be Acquired with Purchased Loan Sale Proceeds.* None of the Purchase Price for any Eligible Loan will be used either directly or indirectly to acquire any security, as that term is defined in Regulation T, and the Seller has not taken any action that might cause any Transaction to violate any regulation of the Federal Reserve Board.

(c) *Organization; Good Standing; Subsidiaries.* The Seller is a corporation duly incorporated, validly existing and in good standing under the laws of the Commonwealth of Virginia, and each of the Seller's Subsidiaries is a corporation, partnership or limited liability company duly formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation, formation or organization. The Seller has furnished to the Agent a true and complete copy of its Organizational Documents as in effect as of the date of this Agreement, including all amendments thereto, and agrees to furnish to the Agent a true and complete copy of any amendment adopted after the Effective Date promptly after it is adopted. The Seller and its Subsidiaries each has the full legal power and authority to own its properties and to carry on its business as currently conducted and each is duly qualified to do business as a limited partnership or foreign corporation or (in the case of any limited liability company Subsidiaries) limited liability company and in good standing in each jurisdiction in which the ownership of its property or the transaction of its business makes such qualification

necessary, except in jurisdictions, if any, where a failure to be qualified, licensed or in good standing could not reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries. The Seller does not have any Subsidiaries except as set forth on Exhibit D or as have been disclosed by the Seller to the Agent in writing after the Effective Date. Exhibit D states the name of each such Subsidiary as of the Effective Date, place of organization, each state in which it is qualified as a foreign entity and the percentage ownership of the capital stock or other indicia of equity of each such Subsidiary by the Seller.

(d) *Authorization and Enforceability.* The Seller has the power and authority to execute, deliver and perform this Agreement, the Custody Agreement and all other Repurchase Documents to which it is a party or in which it joins or has joined. The execution, delivery and performance by the Seller of this Agreement, the Custody Agreement and all other Repurchase Documents to which it is a party have each been duly and validly authorized by all necessary corporate action on the part of the Seller (none of which has been modified or rescinded, and all of which are in full force and effect) and do not and will not (i) conflict with or violate any Law, (ii) conflict with or violate the Organizational Documents of the Seller, (iii) conflict with or result in a breach of or constitute a default under any agreement, instrument or indenture binding on the Seller or (iv) require any consent under any such agreement, instrument or indenture, where the conflict, violation, breach, default or nonconsent could reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries, or result in the creation of any Lien upon any property or assets of the Seller, or result in or permit the acceleration of any debt of the Seller pursuant to any agreement, instrument or indenture to which the Seller is a party or by which the Seller or its property may be bound or affected. This Agreement, the Custody Agreement and all other Repurchase Documents constitute the legal, valid, and binding obligations of the Seller enforceable in accordance with their respective terms, except as limited by bankruptcy, insolvency or other such laws affecting the enforcement of creditors' rights generally.

(e) *Approvals.* Neither the execution and delivery of this Agreement, the Custody Agreement and all other Repurchase Documents nor the performance of the Seller's obligations under such Repurchase Documents requires any license, consent, approval or other action of any state or federal agency or governmental or regulatory authority other than (i) those that have been obtained or will be obtained by the time required and which remain in full force and effect, (ii) those for which the Seller's failure to obtain them could not reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries and (iii) the filing of any financing statements.

(f) *Financial Condition.* The consolidated balance sheet of the Seller (and, to the extent applicable, the Seller's consolidated Subsidiaries) and the related statements of income, changes in stockholders' equity cash flows and Mortgage Loan production ("*Financial Statements*") for the fiscal year ended on the Statement Date (the "*Statement Date Financial Statements*") heretofore furnished to the Agent and the Buyers, fairly present the financial condition of the Seller (and Seller's consolidated Subsidiaries) as of

the Statement Date and the results of their operations for the fiscal period ended on the Statement Date. On the Statement Date, the Seller did not have either any known material obligations, liabilities or indebtedness (including material contingent and indirect liabilities and obligations and forward or long-term commitments), other than the contingent liabilities (if any) set forth on Schedule 15.2(f) and contingent liability on endorsements of negotiable instruments for deposit or collection in the ordinary course of business, which are not disclosed by the Statement Date Financial Statements or reserved against in them, in each case in accordance with GAAP, or that have not been otherwise disclosed to the Buyer in writing. Each of the Seller and each of its Subsidiaries is Solvent, and since the Statement Date, (i) there has been no material adverse change in any of the Central Elements in respect of the Seller or any of its Subsidiaries, nor is the Seller aware of any state of facts which (with or without notice, the lapse of time or both) would or could reasonably be expected to result in any such material adverse change, and (ii) there have been no unrealized or anticipated losses from any loans, advances or other commitments of the Seller that have resulted in a material adverse change in the Central Elements in respect of the Seller or any of its Subsidiaries, except for the material adverse changes and losses (if any) that are summarized in Schedule 15.2(f).

(g) *Litigation*. Except as disclosed on Schedule 15.2(g) or except as disclosed in the Statement Date Financial Statements or the most recent Financial Statements furnished to the Agent and the Buyers (whichever is more current), there are no actions, claims, suits or proceedings pending, or to the knowledge of the Seller, threatened or reasonably anticipated against or affecting the Seller or any of its Subsidiaries in any court, before any other Governmental Authority or before any arbitrator or in any other dispute resolution forum which could reasonably be expected to result in a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries.

(h) *Licensing*. The Seller, and any subservicer of its Mortgage Loans are duly registered as mortgage lenders and servicers in each state in which Mortgage Loans have been or are from time to time originated, to the extent such registration is required by any applicable Law, except where the failure to register could not reasonably be expected to result in a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries or such subservicer.

(i) *Compliance with Applicable Laws*. Neither the Seller nor any of its Subsidiaries is in violation of any provision of any law, or any judgment, award, rule, regulation, order, decree, writ or injunction of any court, other Governmental Authority or public regulatory body that could reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries.

(j) *Regulation U*. The Seller is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of any Transactions directly or indirectly made available to or received by the Seller or for its account will be used, directly or indirectly, for the purpose of purchasing or carrying any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock or for

the purpose of reducing or retiring any debt which was originally incurred to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock or which would constitute this transaction a “purpose credit” within the meaning of Regulation U, as now or hereafter in effect.

(k) *Investment Company Act.* The Seller is not required to be registered as an “investment company” within the meaning of the Investment Company Act of 1940, as amended.

(l) *Payment of Taxes.* All material tax returns required to be filed by the Seller and each Subsidiary in any jurisdiction have been filed or extended and all taxes, assessments, fees and other governmental charges upon the Seller and each Subsidiary or upon any of its properties, income or franchises have been paid prior to the time that such taxes could give rise to a Lien thereon, unless protested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been established on the books of the Seller or such Subsidiary. Neither the Seller nor any Subsidiary has any knowledge of any proposed tax assessment against the Seller or any Subsidiary, the imposition of which could reasonably be expected to result in a material adverse effect upon any of the Central Elements.

(m) *Custody Agreement.* The Custody Agreement is or when executed will be currently in full force and effect with respect to the Seller and the Seller is or when executed will be in compliance with all of its obligations, covenants or conditions contained in the Custody Agreement.

(n) *Agreements.* Neither the Seller nor any of its Subsidiaries is a party to any agreement, instrument or indenture or subject to any restriction, in each case materially and adversely affecting any of the Central Elements in respect of the Seller or any of its Subsidiaries except as disclosed in (i) the Statement Date Financial Statements, or (ii) Schedule 15.2(f). Neither the Seller nor any Subsidiary is in default in the performance, observance or fulfillment of any of its obligations, covenants or conditions contained in any agreement, instrument or indenture that could reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries. No holder of the Seller’s or any such Subsidiary’s debt or other obligations has given notice of any asserted default that could reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries. No liquidation or dissolution of the Seller is pending or, to the Seller’s knowledge, threatened and no liquidation or dissolution of any Subsidiary is pending or threatened that could reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries. No receivership, insolvency, bankruptcy, reorganization or other similar proceedings relative to the Seller or any of its properties is pending, or to the Seller’s knowledge, threatened. No receivership, insolvency, bankruptcy, reorganization or other similar proceedings relative to any Subsidiary of the Seller or any of its properties is pending, or to the Seller’s knowledge, threatened that could reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries.

(o) *Title to Properties.* The Seller and each of its Subsidiaries has good, valid, insurable (in the case of real property) and marketable title to all of its material Properties and assets (whether real or personal, tangible or intangible) that are reflected on or referred to in the Financial Statements most recently furnished to the Agent, except for such properties and assets as have been disposed of since the date of such current Financial Statements either in the ordinary course of business or because they were no longer used or useful in the conduct of its business, and all such Properties and assets are free and clear of all Liens except for (i) the lien of current (nondelinquent) real and personal property taxes and assessments, (ii) covenants, conditions and restrictions, rights of way, easements and other matters to which like properties are commonly subject that do not materially interfere with the use of the property as it is currently being used and (iii) such other Liens, if any, as are disclosed in such Financial Statements or on Schedule 15.2(o) and (iv) Permitted Encumbrances.

(p) *The Seller's Address.* The Seller's chief executive office and principal place of business are at 11700 Plaza America Drive, Suite 500, Reston, VA 20190, or at such other address as shall have been set forth in a written notice to the Agent given subsequent to the Effective Date and at least ten (10) Business Days before such notice's effective date.

(q) *ERISA.* The Seller does not maintain any ERISA Plans and shall not adopt or agree to maintain or contribute to an ERISA Plan. The Seller shall promptly notify Agent and each Buyer in writing in the event an ERISA Affiliate adopts an ERISA Plan. The Seller is not an employer under any Multiemployer Plan or any other Plan subject to Title IV of ERISA.

(r) *Commissions.* Neither Seller nor any of its Affiliates have dealt with any broker, investment banker, agent or other person, except for the Agent and the Buyers, who may be entitled to any commissions or compensation in connection with the sale of Purchased Loans pursuant to this Agreement.

(s) *Full Disclosure.* Each material fact or condition relating to the Repurchase Documents and the Central Elements has been disclosed in writing to the Agent. All information previously furnished by the Seller and its Subsidiaries to the Agent in connection with the Repurchase Documents was and all information furnished in the future by the Seller and its Subsidiaries to the Agent or Buyers will be true and accurate in all material respects or based on reasonable estimates on the date the information is stated or certified. To the best knowledge of the Seller, neither the financial statements referred to in Section 15.2(f), nor any Request/Confirmation, market analysis report, officer's certificate or any other report or statement delivered by the Seller and its Subsidiaries to the Agent in connection with this Agreement, contains any untrue statement of material fact.

(t) *Material Agreements with Affiliates.* Except as set forth on Schedule 15.2(t), as of the Effective Date, Seller is not party to any material agreement, whether written or oral, with the Parent or any other Affiliate of Seller, other than the arrangement between the Parent and the Seller pursuant to which the Parent provides centralized

payroll, accounts payable and accounting services to the Seller. As used in the preceding sentence, “material agreement” includes any agreement in which the fair value of the consideration paid or performance due any party exceeds \$100,000 and “with the Parent or any other Affiliate of Seller” includes any direct or indirect agreement with the Parent or any other Affiliate of Seller.

15.3. *Special Representations Relating to the Purchased Loans.* The representations and warranties concerning each Purchased Loan, as set forth on Schedule 15.3 hereto, are incorporated herein.

15.4. *Representations and Warranties Relating to Specific Transactions.* At the time each Request/Confirmation is provided to the Agent, Buyers and/or Custodian, the following are true with respect to each of the Mortgage Loans listed on the Mortgage Loan Transmission Files attached to such Request/Confirmation or submitted in connection with such Request/Confirmation:

- (a) the Basic Papers have been or will be executed and delivered by all appropriate Persons;
- (b) the Seller is electronically communicating to the Custodian a complete Mortgage Loan Transmission File, and the information stated for such Mortgage Loan in such standard Mortgage Loan Transmission File is correct and complete in accordance with the Record Layout;
- (c) such Mortgage Loan has been (or will be) originated, closed, funded and (if applicable) negotiated and assigned to the Seller;
- (d) for each such Mortgage Loan being offered as a Dry Loan, the Basic Papers are being concurrently delivered to the Custodian;
- (e) for each Mortgage Loan being offered as a Wet Loan, the complete File for such Mortgage Loan, including all Basic Papers and all Supplemental Papers, is or will be in the possession of either that Mortgage Loan’s closer, or the Seller, its Basic Papers are in the process of being delivered to the Custodian and such Basic Papers will be delivered to the Custodian on or before five (5) Business Days after the Purchase Date specified above;
- (f) no Default or Event of Default has occurred and is continuing and there has been no material adverse change in any of the Central Elements in respect of the Seller or any of its Subsidiaries since the date of the Seller’s most recent annual audited Financial Statements that have been delivered to the Agent and the Buyers;
- (g) all items that the Seller is required to furnish to the Buyers, the Agent or the Custodian in connection with the requested Transaction and otherwise have been delivered, or will be delivered before the Purchase Date specified in the applicable Request/Confirmation, in all respects as required by this Agreement and the other Repurchase Documents. All documentation described or referred to in the Mortgage Loan Transmission File submitted to the Agent in connection with the applicable Request/Confirmation conforms in all respects with all applicable requirements of this Agreement and the other Repurchase Documents; and

(h) none of the Purchased Loans (including, but not limited to, the Purchased Loans identified in the applicable Request/Confirmation) has been sold to any Person other than the Buyers, is pledged to any Person other than Agent, for the benefit of itself and the Buyers, or supports any borrowing or repurchase agreement funding other than purchases under this Agreement.

15.5. *Survival*. All representations and warranties by the Seller shall survive delivery of the Repurchase Documents and the sales of the Purchased Loans, and any investigation at any time made by or on behalf of the Buyers or the Agent shall not diminish any Buyer's or the Agent's right to rely on them.

16 Affirmative Covenants.

The Seller agrees that, for so long as the Commitments are outstanding or either (i) there are any Purchased Loans that have not been repurchased by the Seller or (ii) any of the Seller's Obligations remain to be paid or performed under this Agreement or any of the other Repurchase Documents:

16.1. *[Reserved]*.

16.2. *Office of Foreign Assets Control and USA Patriot Act*.

(a) The Seller will not knowingly directly or indirectly use any of the proceeds from the sale of the Purchased Loans, or lend, contribute or otherwise make available any such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person or entity that is subject to sanctions under any program administered by the Office of Foreign Assets Control of the United States Department of the Treasury, including those implemented by regulations codified in Subtitle B, Chapter V, of Title 31, Code of Federal Regulations.

(b) The Seller will not (i) be or become subject at any time to any law, regulation or list of any government agency (including the U.S. Office of Foreign Asset Control list) that prohibits or limits the Buyers or the Agent from entering into any Transaction with Seller or from otherwise conducting business with Seller, or (ii) fail to provide documentary and other evidence of the Seller's identity as may be requested by the Agent or any Buyer at any time to enable the Agent and Buyers to verify the Seller's identity or to comply with any applicable law or regulation, including Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318.

16.3. *Financial Statements*. The Seller will deliver to the Agent who will post the same for viewing by all Buyers on a secure internet site within one Business Day of receipt:

(a) As soon as available and in any event within thirty (30) days after the end of each month (including each quarter end and year end month), Financial Statements for the Seller and its Subsidiaries for the month just ended, all in reasonable detail, and

certified by its chief financial officer that, such Financial Statements were prepared in accordance with GAAP and present fairly in all material respects the Seller's and its consolidated Subsidiaries' financial condition as of the date thereof and the results of their operations for the period covered, subject, however, to adjustments required by FAS-91 and FAS-133 and normal year-end audit adjustments and the omission of notes to the Financial Statements.

(b) As soon as available and in any event within ninety (90) days after the close of each of its fiscal years, audited consolidated and unaudited consolidating Financial Statements for the Seller and its consolidated Subsidiaries for such year, and the related balance sheet as at the end of such year (setting forth in comparative form the corresponding figures as of the end of and for the preceding fiscal year), all in reasonable detail, prepared in accordance with GAAP and with all notes, and accompanied by:

(1) a report and clean and unqualified opinion of a firm of independent certified public accountants of recognized standing selected by the Seller and reasonably acceptable to the Agent (as of the Effective Date, KPMG is acceptable to the Agent), stating that such accountants have audited such Financial Statements in accordance with generally accepted auditing standards and that, in their opinion, such Financial Statements present fairly, in all material respects, the consolidated financial condition of the Seller and its consolidated Subsidiaries as of the date thereof and the consolidated results of its operations and cash flows for the periods covered thereby in conformity with GAAP;

(2) any management letters, management reports or other supplementary comments or reports delivered in conjunction with the report and opinion in Section 16.3(b)(1) by such accountants to management or the board of directors of the Seller; and

(3) a certificate signed by the chief executive officer or President of the Seller and the chief financial officer of the Parent stating that said Financial Statements are fairly stated in all material respects.

The Seller also agrees to provide to the Agent and the Buyers such other information related to such annual reports or concerning the Seller's finances or operations as the Agent or any Buyer may from time to time reasonably request.

(c) *Chief Financial Officer's Certificate.* Together with each of the monthly and annual Financial Statements required by Section 16.3(a) and (b) above, a certificate of the Seller's chief financial officer in the form of Exhibit C, among other things, (i) setting forth in reasonable detail all calculations necessary to show whether the Seller is in compliance with the requirements of Sections 17.12, 17.13, 17.14, 17.15, and 17.22 of this Agreement or, if the Seller is not in compliance, showing the extent of noncompliance and specifying the period of noncompliance and what actions the Seller proposes to take with respect thereto, and (ii) stating that the terms of this Agreement have been reviewed by such officer or under his or her supervision, that he or she has made or caused to be made under his or her supervision a review in reasonable detail of

the transactions and the condition of the Seller during the accounting period covered by such Financial Statements and that such review does not disclose the existence during or at the end of such accounting period and that such chief financial officer does not have knowledge of the existence as of the date of such certificate of any Event of Default or Default or, if any Event of Default or Default existed or exists, specifying the nature and period of its existence and what action the Seller has taken, is taking, and proposes to take with respect to it.

16.4. *Financial Statements Will Be Accurate.* The Seller agrees that all Financial Statements and reports of auditors furnished to the Agent and the Buyers will be prepared in accordance with GAAP, applied on a basis consistent with that applied in preparing the Statement Date Financial Statements as at the date thereof and for the period then ended, subject, however for Financial Statements other than year-end statements to year-end audit adjustments and the omission of footnotes.

16.5. *Other Reports.* The Seller will promptly furnish to the Agent from time to time information regarding the business and affairs of the Seller, including the items listed below and such other information as the Agent may from time to time reasonably request. The Agent shall request (a) such information as it deems appropriate in its sole discretion and (b) information for which it receives a reasonable request, in writing (which may be in the form of e-mail sent to the Agent), from any Buyer, within one Business Day after receipt of such Buyer's request therefor. Each report required must be signed by a duly authorized officer of the Seller, and the Agent and the Buyers will have no responsibility to verify or track any of the items referenced or conclusions stated in such reports or to verify the authority of its signer:

(a) A report of Purchased Loans prepaid in full, on or before one (1) Business Day after prepayment of any one or more Purchased Loans is reported to the Seller internally or by any Servicer or the Seller's subservicer (and the Seller, as applicable, will require each such Servicer and subservicer to promptly make such reports to the Seller, as applicable).

(b) Monthly with the certificate required by Section 16.3(c), a report attached to Exhibit C summarizing (i) notices received by the Seller requesting or demanding that the Seller repurchase (or pay indemnity or other compensation in respect of) Mortgage Loans previously sold or otherwise disposed of by the Seller to any investor or other Person pursuant to any express or implied repurchase or indemnity obligation (whether absolute or contingent and whether or not the Seller is contesting or intends to contest such request or demand) and (ii) actual repurchase and indemnity payments made by Seller to any Person.

(c) Monthly with the certificate required under Section 16.3(c), a Purchased Loans Curtailment Report.

(d) Upon request, a detailed report showing for each Mortgage Loan, the type of Mortgage Loan, the principal balance, the coupon rate, the origination date, the Approved Investor and the price at which such Approved Investor has committed to purchase such Mortgage Loan.

(e) Monthly, a summary of the Seller's other repurchase, reverse repurchase or asset warehousing facilities. Such report shall be in form and format reasonably acceptable to the requesting party and include the total amount available, amount outstanding and maturity date of each of such facilities, the counterparties and whether such facilities are committed or uncommitted.

(f) As soon as available and in any event no later than the first Business Day of the following week, the Seller's internally generated "marketing position report" and summary showing the Seller's pipeline and inventory and, with respect to each Investor Commitment, the type, expiration date, price, interest rate and/or required yield, and the original amount or aggregate thereof and the portions thereof that have been utilized and the portions thereof that remain available, together with a calculation of the "weighted average price" of all Investor Commitments as of the end of such week.

(g) Such other reports by the Seller in respect of the Purchased Loans, in such detail and at such times as the Agent or any Buyer in its reasonable discretion may request at any time or from time to time.

(h) As soon as available and in any event within one day after filing or posting on-line, notice of (i) all press releases issued by the Parent or any of its Subsidiaries, (ii) all regular or periodic financial reports, and copies of all extraordinary or non-routine filings, if any, that shall be filed with the U.S. Securities and Exchange Commission or any successor agency by or on behalf of the Parent or any of its Subsidiaries (including Single-purpose Finance Subsidiaries) and (iii) all such filings relating to any securities that are or are to be based on, backed by or created from any Purchased Loans and which filings are made by or in respect of the Parent or any of its Subsidiaries.

16.6. *Maintain Existence and Statuses; Conduct of Business.* The Seller agrees to preserve and maintain its existence in good standing and all of its rights, privileges, licenses and franchises necessary or desirable in the normal conduct of its business except where the failure to maintain such rights, privileges, licenses or franchises could not reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries, and the Seller will continue in the residential mortgage lending business as its principal and core business.

16.7. *Compliance with Applicable Laws.* The Seller and its Subsidiaries will comply with all applicable Laws, the breach of which could reasonably be expected to materially adversely affect any of the Central Elements with respect to the Seller and its Subsidiaries, taken as a whole, except where contested in good faith.

16.8. *Inspection of Properties and Books; Protection of Seller's Proprietary Information; Buyers' Due Diligence of Seller.*

(a) The Seller agrees to permit the Agent and the Buyers, subject to the provisions of [Section 16.9](#), to perform continuing loan level due diligence reviews with respect to the Purchased Loans, for purposes of verifying compliance with the representations, warranties and specifications made in this Agreement or otherwise, and

the Seller agrees that upon reasonable prior notice to the Seller (which shall not be less than five days, provided that no Default or Event of Default has occurred and is continuing), the Agent, any Buyer or their authorized representatives will be permitted timely and reasonable access to examine, inspect, and make copies and extracts of, the related mortgage loan files and any and all documents, records, agreements, instruments or information relating to such Purchased Loans in the possession or under the control of the Seller, any Servicer or the Custodian. The Seller also shall make available to the Agent and the Buyers a knowledgeable financial or accounting officer for the purpose of answering questions respecting the mortgage loan files and the Purchased Loans. Without limiting the generality of the foregoing, the Seller acknowledges that the Buyers may purchase Eligible Loans from the Seller based solely upon the information provided by the Seller to the Agent in the Mortgage Loan Transmission File and the representations, warranties and covenants contained in this Agreement, and that the Agent and the Buyers, at their option, have the right at any time with reasonable prior notice to conduct a partial or complete due diligence review on some or all of the Purchased Loans prior to or following their purchase in a Transaction, including ordering new credit reports and new appraisals on any property securing any Purchased Loan and otherwise re-generating the information used to originate such Purchased Loan. Notwithstanding any provision to the contrary herein regarding reasonable prior notice, if an Event of Default in respect of the Seller shall have occurred and be continuing, then the Agent and the Buyers, upon notice to the Seller, shall have the right to immediate access and review of the Seller and the loan information contemplated in this Section 16.8(a), provided that to the extent that the Seller does not have possession of such loan information, the Seller shall cause the applicable Servicer or subservicer to provide the Agent and the Buyers with access and review of such loan information within a reasonable period of time, but not to exceed any prior notification time provided under the related Servicing Agreement with such Servicer or subservicer. The Agent may conduct the due diligence review of such Purchased Loans itself or engage a third party underwriter selected by the Agent to perform such review. The Seller agrees to, and to cause any relevant Servicer and its subservicer to, cooperate with the Agent, the Buyers and any third party underwriter in connection with such due diligence review, including providing the Agent, the Buyers and any third party underwriter with access to any and all documents, records, agreements, instruments or information relating to such Purchased Loans in the possession, or under the control, of the Seller, such Servicer and such subservicer. Such visits shall be coordinated by the Agent and, so long as no Default or Event of Default has occurred and is continuing, such visits by any Buyer shall be at such Buyer's expense. Except as provided in the foregoing sentence, the Seller agrees to pay all costs and expenses of the Agent and any Buyer incurred in the exercise of their rights pursuant to this Section 16.8(a).

(b) The Seller agrees to permit authorized representatives of the Agent and each Buyer, at such Buyer's expense except after the occurrence and during the continuance of a Default or Event of Default, to discuss onsite the business, operations, assets and financial condition of the Seller and its Subsidiaries with their respective officers, employees and independent accountants and to examine their books of account and make copies or extracts of them, all at such reasonable times and upon such reasonable notice as the Agent or any Buyer may request, for any or all of the purposes of

ordinary diligence, performing the Buyers' duties (and any of the Seller's duties which the Seller has not performed) and enforcing the Buyers' and the Agent's rights under this Agreement. To the extent that it is commercially reasonable, any Buyer that desires to act under this Section 16.8(b) shall do so either through the Agent, or with the coordination of the Agent, and to the extent that it is not commercially reasonable for a Buyer to do so, such Buyer may only act under this Section 16.8(b) one (1) time in any consecutive six (6) month period and, unless such Buyer is the Person serving as the Agent, at such Buyer's expense (or, after the occurrence and during the continuance of a Default or Event of Default, at Seller's expense). The Agent or the Buyer acting will notify the Seller before contacting the Seller's accountants and the Seller may have its representatives in attendance at any meetings between the officers or other representatives of the Agent or any Buyer and such accountants held in accordance with this authorization. The Agent and each Buyer agrees that it will prevent disclosure by itself to third parties of any proprietary information it has received pursuant to this Agreement and will maintain the confidential nature of such material; provided that this restriction shall not apply to information that (i) at the time in question has already entered the public domain, (ii) is required to be disclosed by any Law (including pursuant to any examination, inspection or investigation by any Governmental Authority having regulatory jurisdiction over any Buyer or the Agent), (iii) is furnished by the Agent, or any Buyer to purchasers or prospective purchasers of participations or interests in the Purchased Loans so long as such purchasers and prospective purchasers have agreed to be subject to restrictions substantially identical to those contained in this sentence, (iv) the disclosure of which the Agent and the Buyers deem necessary to market or sell Purchased Mortgage Loans or to enforce or exercise their rights under any Repurchase Document, or (v) is disclosed by any Buyer to its attorneys, employees, agents and auditors during the performance of their respective duties.

16.9. *Privacy of Customer Information.* The Seller's Customer Information in the possession of the Agent or the Buyers, other than information independently obtained by the Agent or the Buyers and not derived in any manner from or using information obtained under or in connection with this Agreement, is and shall remain confidential and proprietary information of the Seller. Except in accordance with this Section 16.9, the Agent and the Buyers shall not use any Seller's Customer Information for any purpose, including the marketing of products or services to, or the solicitation of business from, Customers, or disclose any Seller's Customer Information to any Person, including any of the Agent's or the Buyers' employees, agents or contractors or any third party not affiliated with the Agent or a Buyer. The Agent and the Buyers may use or disclose Seller's Customer Information only to the extent necessary (i) for examination and audit of the Agent's or the Buyers' respective activities, books and records by their regulatory authorities, (ii) to market or sell Purchased Mortgage Loans or to enforce or exercise their rights under any Repurchase Document, (iii) to carry out the Agent's, the Buyers' and the Custodian's express rights and obligations under this Agreement and the other Repurchase Documents (including providing Seller's Customer Information to Approved Investors), or (iv) in connection with an assignment or participation as authorized by Section 22 or in connection with any hedging transaction related to the Purchased Loans and for no other purpose; provided that the Agent and the Buyers may also use and disclose the Seller's Customer Information as expressly permitted by the Seller in writing, to the extent that such express permission is in accordance with the Privacy Requirements. The Agent and the Buyers shall

ensure that each Person to which the Agent or a Buyer intends to disclose Seller's Customer Information, before any such disclosure of information, agrees to keep confidential any such Seller's Customer Information and to use or disclose such Seller's Customer Information only to the extent necessary to protect or exercise the Agent's, the Buyers' or the Custodian's rights and privileges, or to carry out the Agent's, the Buyers' and the Custodian's express obligations, under this Agreement and the other Repurchase Documents (including providing Seller's Customer Information to Approved Investors). The Agent agrees to maintain an Information Security Program and to assess, manage and control risks relating to the security and confidentiality of Seller's Customer Information pursuant to such program in the same manner as the Agent does in respect of its own customers' information, and shall implement the standards relating to such risks in the manner set forth in the Interagency Guidelines Establishing Standards for Safeguarding Customer Information set forth in 12 CFR Parts 30, 208, 211, 225, 263, 308, 364, 568 and 570. Without limiting the scope of the foregoing sentence, the Agent and the Buyers shall use at least the same physical and other security measures to protect all of the Seller's Customer Information in their possession or control as each of them uses for its own customers' confidential and proprietary information.

16.10. *Notice of Suits, Etc. and Notice.* The Seller will as soon as reasonably practical and in any case no later than the end of the third Business Day after the day when the Seller first learns of it, give written notice to the Agent and the Buyers of:

(a) any action, suit or proceeding instituted by or against the Seller or any of its Subsidiaries in any federal or state court or before any commission, regulatory body or Governmental Authority that (as determined by the Seller in good faith) is reasonably expected to result in a material adverse effect upon the Central Elements in respect of the Seller or any of its Subsidiaries, or if any such proceedings are threatened against the Seller or any of its Subsidiaries, in a writing containing the applicable details;

(b) the filing, recording or assessment of any material federal, state or local tax lien against the Seller or any of its Subsidiaries or any assets of any of them;

(c) the occurrence of any Event of Default;

(d) the occurrence of any Default;

(e) the termination of, or the occurrence of any event which, with or without notice or lapse of time or both, would constitute a default under the Custody Agreement;

(f) the occurrence of:

(1) any event which, with or without notice or lapse of time or both, would constitute a default under, or permit the acceleration or termination of, any other agreement, instrument or indenture to which the Seller or any of its Subsidiaries is a party or to which any of them or any of their properties or assets may be subject if either (x) the effect of any such default is or if uncured and unwaived after notice, the lapse of time or both, would be to cause, or to permit any other party to such agreement, instrument or indenture (or a trustee on behalf of such a party) to cause, Debt of the Seller or any of its Subsidiaries to become or

be declared due before its stated maturity or (y) such default, if uncured and unwaived after any relevant notice, the lapse of time or both, could reasonably be expected to result in a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries;

(2) any margin call requiring Seller to make a payment with respect to any credit facility or repurchase facility for financing Mortgage Loans or MBS;

(3) the acceleration of any material Debt obligation of the Seller or the termination of any credit facility of the Seller;

(4) any other action, event or condition of any nature (excluding general economic conditions) which, if unremedied after any relevant notice, lapse of time or both, could reasonably be expected to result in either (i) the Seller's being in breach of or out of compliance with any provision of Sections 17.12, 17.13, 17.14, 17.15 and 17.22 (Financial Covenants) or (ii) a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries;

(5) the curing by the Seller, or the waiver by the other party to the relevant agreement, instrument or indenture, of any event described in Section 16.10(f)(1) and, in the case of curing, whether the event was cured before any applicable grace or notice and opportunity to cure period had expired;

(6) any Prohibited Transaction with respect to any ERISA Plan, specifying the nature of the Prohibited Transaction and what action Seller proposes to take with respect to it; or

(7) the suspension, revocation or termination of Seller's eligibility, in any respect, as lender, seller/servicer or issuer for any Agency or Approved Investor.

16.11. *Payment of Taxes, Etc.* The Seller will, and will cause each of its Subsidiaries to, pay and discharge or cause to be paid and discharged promptly all material taxes, assessments and governmental charges or levies imposed upon it or its Subsidiaries or upon their respective income, receipts or properties before they become past due, as well as all lawful claims for labor, materials and supplies or other things which, if unpaid, could reasonably be expected to become (or result in the placement of) a Lien or charge upon any part of such properties; provided that it and its affected Subsidiaries shall not be required to pay taxes, assessments or governmental charges or levies or claims for labor, materials or supplies that are being contested in good faith and by proper proceedings being reasonably and diligently pursued, execution or enforcement of which has been effectively stayed (by the posting of a bond or other security sufficient to achieve that result, or by any other fully effective means), and for which reserves determined to be adequate (in accordance with GAAP in all material respects) have been set aside on its books.

16.12. *Insurance; fidelity bond.* The Seller will, and will cause each of its Subsidiaries to:

(a) maintain liability insurance protecting the Seller and its Subsidiaries against fire and other hazard insurance on its respective properties from which it conducts its business, with responsible insurance companies, in such amounts and against such risks as is customarily carried by similar businesses operating in the same vicinity. Copies of such policies shall be furnished to the Agent without charge upon the Agent's request made from time to time; and

(b) obtain and maintain at its own expense and keep in full force and effect a blanket fidelity bond and an errors and omissions insurance policy covering Seller's officers and employees and other persons acting on behalf of Seller. The amount of coverage shall be at least equal to the coverage that would be required by Fannie Mae or Freddie Mac, whichever is greater, with respect to Seller if Seller were servicing and administering the Mortgage Loans for Fannie Mae or Freddie Mac. In the event that any such bond or policy ceases to be in effect, Seller shall obtain a comparable replacement bond or policy, as the case may be, meeting the requirements of this Section 16.12(b). Coverage of Seller under any policy or bond obtained by an Affiliate of Seller and providing the coverage required by this Section 16.12(b) shall satisfy the requirements of this Section 16.12(b). Upon the request of the Agent, Seller shall cause to be delivered to the Agent evidence of such fidelity bond and insurance policies.

16.13. *Maintain Lien on Mortgaged Premises.* The Seller will maintain the Lien on the Mortgaged Premises securing each Purchased Loan as a first Lien, subject only to the Permitted Encumbrances.

16.14. *Subordination of Certain Indebtedness.* The Seller will cause any and all debt and obligations of the Seller to any Affiliate (other than the Parent Subordinated Note) or any member, manager, stockholder, director or officer of the Seller (excluding debt for directors' or officers' salary, bonuses, directors' fees or other compensation for service) of any Affiliate to be Qualified Subordinated Debt by the execution and delivery by such Affiliate or member, manager, stockholder, director or officer, as applicable, to the Agent of a Subordination Agreement in form and substance satisfactory to the Buyers and the taking of all other steps (if any) required to cause such Debt to be Qualified Subordinated Debt and deliver to the Agent an executed copy of that Subordination Agreement, certified by the corporate secretary or assistant secretary of the Seller to be true and complete and in full force and effect, as to all such present and future debts and obligations of the Seller.

16.15. *Certain Debt to Remain Unsecured.* The Seller will cause any and all obligations of the Seller to any shareholder, officer or Affiliate of the Seller, whether such debt exists as of the Effective Date or is incurred in the future, to remain at all times unsecured.

16.16. *Promptly Correct Escrow Imbalances.* By no later than seven (7) Business Days after learning (from any source) of any material imbalance in any escrow account(s) maintained by the Seller (or any servicer for it), the Seller will fully and completely correct and eliminate such imbalance.

16.17. *MERS Covenants*. The Seller will:

- (a) be a “Member” (as defined in the MERS Agreements) of MERSCORP;
- (b) maintain the Electronic Tracking Agreement in full force and effect and timely perform all of its obligations thereunder;
- (c) provide the Agent with copies of any new MERS Agreement or any amendment, supplement or other modification of any MERS Agreement (other than the Electronic Tracking Agreement);
- (d) not amend, terminate or revoke, or enter into any agreement that is inconsistent with or contradicts any provision of the Electronic Tracking Agreement;
- (e) register each Purchased Loan in the MERS System and designate the Agent as “interim funder” of such Purchased Loan no later than three (3) Business Days after it is purchased or deemed purchased hereunder;
- (f) at the request of the Agent, take such actions as may be requested by the Agent to:
 - (1) transfer beneficial ownership of any Purchased Loan to the Agent on behalf of the Buyers on the MERS System; or
 - (2) de-register or re-register any Purchased Loan on, or withdraw any Purchased Loan from, the MERS System;
- (g) provide the Agent with copies of any or all of the following reports with respect to the Purchased Loans registered on the MERS System at the request of the Agent:
 - (1) Co-existing Security Interest (MERS form IA);
 - (2) Release of Security Interest by Interim Funder (MERS form IB);
 - (3) Interim Funder Rejects (MERS form IC);
 - (4) Paid in Full Verification (MERS form DK); and
 - (5) such other reports as the Agent may reasonably request to verify the status of any Purchased Loan on the MERS System;
- (h) notify the Agent of any withdrawal or deemed withdrawal of the Seller’s membership in the MERS System or any deregistration of any Purchased Loan previously registered on the MERS System; and
- (i) obtain the prior written consent of the Agent before entering into an electronic tracking agreement (other than the Electronic Tracking Agreement) with any other Person.

16.18. *Special Affirmative Covenants Concerning Purchased Loans.*

(a) Until both (i) all of the Purchased Loans shall have been repurchased by the Seller and (ii) the Buyers have no obligation to purchase any additional Eligible Loans hereunder or provide any other financial accommodations to the Seller under or otherwise in respect of this Agreement, the Seller warrants and will defend the right, title and interest of the Buyers and the Agent in and to the Purchased Loans against the claims and demands of all persons whomsoever.

(b) As soon as they become available and in any event within five (5) days after the Purchase Date for Wet Loans, the Seller will cause to be assembled and delivered to the Custodian all Basic Papers relating to Wet Loans. Without limitation of the foregoing, if original recordation receipts evidencing the recordation of the Mortgage and Mortgage Assignment included in the Purchased Loans have not previously been delivered to the Custodian, the Seller will promptly deliver (or cause to be delivered) to the Custodian, either the original recordation receipts or the original recorded Mortgage or Mortgage Assignment showing the recordation data thereon.

(c) The Seller shall maintain, at its principal office or in a regional office not disapproved by the Agent, or in the office of a computer service bureau engaged by the Seller and not disapproved by the Agent, and upon request shall make available to the Agent and the Custodian the originals of all Loan Papers and related instruments, and all files, surveys, certificates, correspondence, appraisals, computer programs, tapes, discs, cards, accounting records and other information and data relating to the Purchased Loans that are held by or under the direction or control of the Seller or any of its Affiliates and that have not already been provided to the Agent or the Custodian.

(d) The Seller shall ensure that, if a Mortgage Loan that is to be funded and sold to the Buyers as a Wet Loan does not close on the proposed Purchase Date, all amounts remitted by the Agent for the payment of the Purchase Price shall be returned promptly within one Business Day to the Agent for the benefit of the Buyers and if such funds are not so returned, the Seller shall pay promptly within one Business Day a like amount to the Agent for the benefit of the Buyers plus any accrued Price Differential. Seller acknowledges that until such time as the Mortgage Loan is deemed to have been sold to the Buyers, Seller has no interest in, nor any claim to such amounts and shall, if it receives such amounts, hold such amounts in trust for the Buyers and shall promptly remit such funds to the Agent for disbursement to the Buyers.

16.19. *Coordination with Other Lenders/Repo Purchasers and Their Custodians.* The Seller will provide to the Agent the current name, address and contact information concerning each of the Seller's other mortgage warehouse credit and repurchase facilities, will update such information provided to the Agent as changes to the facilities or such name, address or contact information occurs, and will cooperate and assist the Agent in exchanging information with such others (and their document custodians or trustees) to prevent conflicting claims to and interests in Purchased Loans between or among repurchase facilities counterparties or lenders, and promptly correct such conflicting claims as may arise from time to time. The Seller will execute and deliver to the Agent any intercreditor agreement Agent may require pursuant to Section 17.8.

17 Negative Covenants.

The Seller agrees that, for so long as the Commitments are outstanding or until all of the Purchased Loans have been repurchased by the Seller and none of the Seller's Obligations remain to be paid or performed under this Agreement or any of the other Repurchase Documents, the Seller shall not, and shall not permit any Subsidiary to, either directly or indirectly, do any of the following, without the prior written consent of the Required Buyers:

17.1. *No Merger.* The Seller shall not merge or consolidate with or into any Person, if immediately prior to any such merger or consolidation a Default or Event of Default exists or would occur as a result thereof, or if as a result of any such merger or consolidation a Change of Control would occur or the Seller is not the surviving entity.

17.2. *Limitation on Debt and Contingent Indebtedness.* At no time shall the Seller or any Subsidiary incur, create, contract, assume, have outstanding, guarantee or otherwise be or become, directly or indirectly, liable in respect of any Debt or Contingent Indebtedness except:

(a) the Obligations;

(b) Debt and Contingent Indebtedness existing on the Effective Date and disclosed on Schedule 17.2 hereto, but not any renewals or extensions thereof;

(c) trade debt (including, without limitation, trade debt for services provided by an Affiliate), equipment leases, loans for the purchase of equipment used in the ordinary course of the Seller's business and indebtedness for taxes and assessments not yet due and payable owed in the ordinary course of business;

(d) Qualified Subordinated Debt;

(e) Permitted Intercompany Payables;

(f) Indebtedness, including the Obligations, secured by Permitted Liens and by no other Liens on the Property of the Seller;

(g) liabilities as a lessee under leases which have been, or in accordance with GAAP, should be classified as capitalized leases, in an aggregate amount not greater than \$5,000,000;

(h) with the prior written consent of the Required Buyers (which consent shall not be unreasonably withheld, delayed or conditioned upon fees), Debt under a mortgage warehousing facility, mortgage repurchase facility or off-balance sheet indebtedness under another financing arrangement, provided that the Buyers are given a right of first refusal regarding only similarly structured syndicated mortgage warehousing facilities or mortgage repurchase facilities; and

(i) other Debt in an aggregate amount at any time outstanding not greater than \$1,000,000.

17.3. *Business.* The Seller shall not, directly or indirectly, engage in any businesses which differ materially from those currently engaged in by the Seller or any other businesses customarily engaged in by other Persons in the mortgage banking business.

17.4. *Liquidations, Dispositions of Substantial Assets.* Except as expressly provided below in this section, neither the Seller nor any Subsidiary shall dissolve or liquidate or sell, transfer, lease or otherwise dispose of any material portion of its property or assets or business. Except as provided herein for the Purchased Loans, the Seller and the Subsidiaries may sell other Mortgage Loans and the right to service such other Mortgage Loans in the ordinary course of their business pursuant to other repurchase facilities or mortgage warehousing facilities allowed hereunder, any Subsidiary may sell its property, assets or business to the Seller or another Subsidiary, and any Subsidiary may liquidate or dissolve if at the time thereof and immediately thereafter, the Seller and the Subsidiaries are in compliance with all covenants set forth in the Repurchase Documents and no Default or Event of Default shall have occurred and be continuing.

17.5. *Loans, Advances, and Investments.* Neither the Seller nor any Subsidiary shall make any loan (other than Mortgage Loans), advance, or capital contribution to, or investment in (including any investment in any Subsidiary, joint venture or partnership), or purchase or otherwise acquire any of the capital stock, securities, ownership interests, or evidences of indebtedness of, any Person (collectively, "Investment"), or otherwise acquire any interest in, or control of, another Person, except for the following:

(a) Cash Equivalents;

(b) Any acquisition of securities or evidences of indebtedness of others when acquired by the Seller in settlement of accounts receivable or other debts arising in the ordinary course of its business, so long as the aggregate amount of any such securities or evidences of indebtedness is not material to the business or condition (financial or otherwise) of the Seller;

(c) Mortgage-Backed Securities and Mortgage Loans acquired in the ordinary course of the Seller's business;

(d) Permitted Intercompany Payables;

(e) Loans and advances to (i) employees, officers and directors of Seller or any Affiliate of Seller or (ii) the Parent and other Affiliates of Seller which are neither Subsidiaries nor Persons which would, if organized as a corporation and Seller owned a sufficient interest therein, constitute a Subsidiary of Seller, in the aggregate principal amount outstanding at any one time not to exceed \$250,000 (or such larger amount as Agent may, in its sole discretion, approve in writing prior to the making thereof); and

(f) Investment in any existing Subsidiary; provided that at the time any such investment is made and immediately thereafter, the Seller and the Subsidiaries are in compliance with all covenants set forth in the Repurchase Documents and no Default or Event of Default shall have occurred and be continuing.

17.6. *Use of Proceeds.* The Seller shall not, directly or indirectly, use any of the proceeds of the Transactions for the purpose, whether immediate, incidental or ultimate, of buying any “margin stock” or of maintaining, reducing or retiring any Debt and Contingent Indebtedness originally incurred to purchase a stock that is currently any “margin stock”, or for any other purpose which might constitute this transaction a “purpose credit”, in each case within the meaning of Regulation U or otherwise take or permit to be taken any action which would involve a violation of Regulation U or Regulation T or any other regulation of the Board of Governors of the Federal Reserve System.

17.7. *Transactions with Affiliates.* The Seller shall not enter into any transactions including, without limitation, any purchase, sale, lease or exchange of property or the rendering of any service, with any Affiliate unless such transactions are otherwise permitted under this Agreement (including, without limitation, the transactions permitted under Section 17.2) and are in the ordinary course of the Seller’s business.

17.8. *Liens.* The Seller shall not grant, create, incur, assume, permit or suffer to exist any Lien, upon any of its Mortgage Notes or any property related thereto, including but not limited to the Mortgages securing such Mortgage Notes and the proceeds of the Mortgage Notes, unless such Liens are the subject of an intercreditor agreement in form and substance satisfactory to the Agent, other than:

(a) Liens under approved warehouse or repurchase facilities under Section 17.2(h);

(b) Liens granted to the Buyers under Section 10;

(c) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings; provided that adequate reserves with respect thereto are maintained on the books of the Seller, as the case may be, to the extent required by GAAP;

(d) Landlords’, carriers’, warehousemen’s mechanics’ materialmen’s, repairmen’s or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 60 days or that are being contested in good faith by appropriate proceedings;

(e) Pledges, deposits or statutory trusts in connection with workers’ compensation, unemployment insurance and other social security legislation;

(f) Deposits and other Liens to secure the performance of bids, government, trade and other similar contracts (other than for borrowed money), leases, subleases, statutory obligations, surety, judgment and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business; and

(g) Liens arising from any judgments that do not exceed the amount specified in Section 18.1(k), excluding any such Liens upon the collateral described in Section 10.1.

17.9. *ERISA Plans.* Neither the Seller nor any Subsidiary shall adopt or agree to maintain or contribute to an ERISA Plan. The Seller shall promptly notify Agent and each Buyer in writing in the event an ERISA Affiliate adopts an ERISA Plan.

17.10. *Change of Principal Office; Fiscal Year.* The Seller shall not move its principal office, executive office or principal place of business from the address set forth in this Agreement or change its Fiscal Year, without prior written notice to Agent and each Buyer.

17.11. *Distributions.* The Seller shall make no payment of dividends or distributions to the Parent if either before or after giving effect thereto a Default or an Event of Default exists or shall be caused thereby.

17.12. *Tangible Net Worth.* At all times, the Seller's Adjusted Tangible Net Worth shall not be less than \$7,500,000.

17.13. *Tangible Net Worth Ratio.* At all times, the ratio of (i) Total Liabilities to (ii) Adjusted Tangible Net Worth shall not be more than 12.0 to 1.0.

17.14. *Net Income.* As of the end of each month, the Seller's Pre-FAS 133 Income for the twelve consecutive months then ended shall not be less than \$2,000,000.

17.15. *Liquidity.* Seller's Liquidity shall at all times be no less than \$7,500,000.

17.16. *Special Negative Covenants Concerning Purchased Loans.* Except to correct errors or omissions in Loan Papers, without the written consent of the Agent given on a case-by-case basis, Seller shall not amend or modify, or waive any of the terms and conditions of any Purchased Loans, or settle or compromise any claim in respect of them, or accept other than cash or the exchange of comparable Purchased Loans (which is concurrently sold by the Seller to the Buyers) in liquidation of any Purchased Loans.

17.17. *No Changes in Accounting Practices.* Seller shall not make any significant change in accounting treatment or reporting practices, except as required by GAAP, or change its fiscal year.

17.18. *Subordinated Debt.* Seller shall not pay any Qualified Subordinated Debt in advance of its stated maturity or otherwise in contravention of the Subordination Agreement with respect thereto.

17.19. *Tax Payments.* Except in accordance with the Tax Allocation Agreement, Seller shall not make any payments to or on behalf of the Parent or any Affiliate of Seller in respect of taxes.

17.20. *Tax Allocation Agreement.* Seller shall not permit the amendment of the Tax Allocation Agreement in any way which has an adverse effect on Seller.

17.21. *Other Warehousing and Repurchase Facilities.* Notwithstanding anything to the contrary herein or any other Repurchase Document, the Seller shall not enter into, amend or assume any mortgage loan repurchase or warehouse loan transaction to which any of the Buyers is not a party, if such agreement includes (or, in the case of an amendment, will thereafter include) one or more Additional Covenants or Additional Pricing Terms, unless, concurrently with the consummation of such transaction, this Agreement shall have been amended to include such Additional Covenants or Additional Pricing Terms. Notwithstanding anything to the

contrary in this Section 17.21, the covenants in this Section 17.21 shall not apply to the terms or covenants of any mortgage loan repurchase or warehouse loan transaction effective on or before the date of the Effective Date.

17.22. *HUD Compare Ratio*. As of the end of each month, the HUD Compare Ratio shall be no more than 1.50 to 1.00.

18 Events of Default; Event of Termination.

18.1. *Events of Default*. The following events shall constitute events of default (each an “Event of Default”) hereunder:

(a) Seller shall default in the payment of (i) the Repurchase Price for any Purchased Loans on the applicable Repurchase Date, (ii) any Price Differential, Facility Fees or Agent’s Fees, if any, when due and fail to cure such default within one (1) Business Day, (iii) any amount required to be paid or transferred or paid to eliminate any Margin Deficit within the time period specified in Section 6.2 or (iv) any other Obligation, when the same shall become due and payable, whether at the due date thereof, or by acceleration or otherwise.

(b) An Event of Insolvency occurs with respect to the Seller or a Subsidiary.

(c) Any representation or warranty made by the Seller under any Repurchase Document shall have been incorrect or untrue when made or repeated or deemed to have been made or repeated; provided, that in the case of representations and warranties made with respect to the Purchased Loans, such circumstance shall not constitute an Event of Default if, after determining the Purchase Value of the Purchased Loans without taking into account the Purchased Loans with respect to which such circumstance has occurred, no other Event of Default shall have occurred and be continuing.

(d) Any covenant contained in Sections 16.4, 16.17 or 17 shall have been breached.

(e) Except as provided elsewhere in this Section 18.1, any covenant contained in Section 16 shall have been breached in any material respect (except for the covenants in Sections 16.4 and 16.17), or any other covenant or agreement contained in any Repurchase Document is breached in any material respect, and in each case, such breach is not cured within fifteen (15) calendar days of the earlier of Seller’s knowledge of such breach or Seller’s receipt of notice of such breach from any source; provided, that in the case of covenants made with respect to the Purchased Loans, such circumstance shall not constitute an Event of Default if, after determining the Purchase Value of the Purchased Loans without taking into account the Purchased Loans with respect to which such circumstance has occurred, no other Event of Default shall have occurred and be continuing.

(f) Failure of the Seller or any of its Subsidiaries to pay any other Debt when due, or any default in the payment when due of any principal or interest on any other Debt or in the payment when due of any contingent obligation (other than nonrecourse

MBS Debt of any Affiliate formed for the purpose of issuing such Debt), or any breach or default with respect to any other material term of any other debt or of any promissory note, bond, loan agreement, reimbursement agreement, mortgage, indenture, repurchase agreement or financing agreement or other agreement relating thereto, if the effect of any such failure, default, breach or event referred to in this Section 18.1(f) is to cause, or to permit, with or without the giving of notice or lapse of time or both, the holder or holders of such obligation (or a trustee on behalf of such holder or holders) to cause, Debt of the Seller or any of its Subsidiaries in the aggregate amount of Five Million Dollars (\$5,000,000) or more to become or be declared due before its stated maturity.

(g) A Change of Control shall occur.

(h) The Seller shall repudiate or purport to disavow its obligations under any of the Repurchase Documents or shall contest their validity or enforceability.

(i) This Agreement shall cease to be in full force and effect or its enforceability is disputed or challenged by Seller.

(j) The Seller shall take or omit to take any act (i) that would result in the suspension or loss of any of its statuses, once achieved or any of such statuses of any of its subservicers, if any, of any Fannie Mae or Freddie Mac Mortgage Loans pools for which the Seller is Servicer as an FHA- and VA-approved lender and mortgagee and a Fannie Mae- and Freddie Mac-approved issuer and servicer, or (ii) after which the Seller or any such relevant subservicer would no longer be in good standing as such, or (iii) after which the Seller or any such relevant subservicer would no longer currently satisfy all applicable Fannie Mae and Freddie Mac net worth requirements, if both (x) all of the material effects of such act or omission shall have not been cured by the Seller or waived by the relevant Person (Fannie Mae or Freddie Mac) before termination of such status and (y) it could reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries.

(k) Any money judgment, writ or warrant of attachment, or similar process involving in any case an amount in excess of One Million Dollars (\$1,000,000) (in excess of relevant insurance coverage reasonably satisfactory to the Agent in its discretion) shall be entered or filed against the Seller or any of its Subsidiaries or any of their respective assets and shall remain undischarged, unvacated, unbonded or unstayed for a period of thirty (30) days or in any event later than five (5) days before the date of any proposed sale thereunder (unless, in respect of any such case the judgment debtor or the subject of the writ or warrant of attachment or similar process is one of the Seller's Subsidiaries or such Subsidiary's property, and such order, case commencement, consent, assignment, inability or failure or admission could not reasonably be expected to have a material adverse effect on any of the Central Elements in respect of the Seller or any of its Subsidiaries).

(l) The Seller shall have failed to comply in any material respect with its obligations under the Custody Agreement.

(m) The Seller, as Servicer, shall fail to service the Purchased Loans in conformance with Accepted Servicing Practices.

18.2. *Transaction Termination.* If an Event of Default shall have occurred and be continuing, then, at the option of the Agent (which option shall be deemed to have been exercised, even if no notice has been given, upon the occurrence of an Event of Insolvency), the Agent may declare the Repurchase Date for any or all Transactions hereunder, upon written notice to the Seller, to be deemed immediately to occur.

18.3. *Termination by the Agent.* If the Agent has exercised or is deemed to have exercised the option to terminate any Transactions referred to in Section 18.2, (i) Seller's obligations hereunder to repurchase all Purchased Loans in such Transactions shall thereupon become immediately due and payable, (ii) to the extent permitted by applicable law, the Repurchase Price with respect to each such Transaction shall be increased by the aggregate amount obtained by daily multiplication of (x) the greater of the Pricing Rate for such Transaction and the Default Pricing Rate by (y) the Purchase Price for such Transaction as of the Repurchase Date as determined pursuant to Section 18.2 (decreased as of any day by (A) any amounts retained by Buyers with respect to such Purchase Price pursuant to clause (iii) of this Section 18.3, (B) any proceeds from the sale of Purchased Loans pursuant to clause (A) of Section 18.4, and (C) any amounts credited to the account of the Seller pursuant to clause (B) of Section 18.4) on a three hundred sixty (360) day per year basis for the actual number of days during the period from and including the date of the Event of Default giving rise to such option to but excluding the date of payment of the Repurchase Price as so increased, (iii) all Income paid after such exercise or deemed exercise shall be payable to and retained by the Agent and applied to the aggregate unpaid Repurchase Prices owed by the Seller and (iv) the Seller shall immediately deliver or cause the Custodian to deliver to the Agent any documents relating to Purchased Loans subject to such Transactions then in the Custodian's, the Seller's, its Servicer's or its subservicer's possession.

18.4. *Remedies.* Upon the occurrence and during the continuance of an Event of Default, the Agent, without prior notice to the Seller, may (and, at the direction of the Required Buyers, shall) (A) immediately sell, in a recognized market at such price or prices as Agent may deem satisfactory, any or all Purchased Loans subject to such Transactions on a servicing released or servicing retained basis and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by the Seller hereunder, (B) in lieu of selling all or a portion of such Purchased Loans, give the Seller credit for such Purchased Loans in an amount equal to the Market Value therefor on such date against the aggregate unpaid Repurchase Prices and any other amounts owing by the Seller hereunder, (C) terminate and replace the Seller as Servicer (or any other Servicer or Subservicer) at the cost and expense of Seller, (D) exercise its rights under Section 8 regarding the Income Account and Escrow Account, (E) by notice to the Seller, declare the Termination Date to have occurred, except that in the case of any event described in Section 18.1(b), the Termination Date shall be deemed to have occurred automatically upon the occurrence of such event, and (F) deliver a "Notice of Default" (as defined in the Electronic Tracking Agreement) to MERS and the Electronic Agent. The proceeds of any disposition in clause (A) or (B) above shall be applied first to the reasonable costs and expenses incurred by Buyers in connection with or as a result of an Event of Default (including legal fees, consulting fees, accounting fees, file transfer fees, inventory fees and costs

and expenses incurred in respect of a transfer of the servicing of the Purchased Loans and costs and expenses of disposition of such Purchased Loans); second to the aggregate Price Differential owed hereunder, third to the remaining aggregate Repurchase Prices owed hereunder; fourth to any other accrued and unpaid obligations of the Seller hereunder and under the other Repurchase Documents, fifth to any Servicer or Subservicer (other than Seller) for payment of any servicing fees due and payable as of such date, sixth to the net obligations of the Seller under any Hedge Agreements related to the Purchased Loans; and seventh any remaining proceeds to the Seller.

18.5. *Liability for Expenses and Damages.* The Seller shall be liable to the Buyers for (i) the amount of all reasonable legal or other expenses incurred by the Buyers in connection with or as a result of an Event of Default, (ii) damages in an amount equal to the reasonable cost (including all fees, expenses and commissions) of entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of an Event of Default and (iii) any other reasonable loss, damage, cost or expense directly arising or resulting from the occurrence of an Event of Default in respect of a defaulting party.

18.6. *Liability for Interest.* To the extent permitted by applicable law, the Seller shall be liable to the Buyers for interest on any amounts owing by the Seller hereunder, from the date the Seller becomes liable for such amounts hereunder until such amounts are (i) paid in full by the Seller or (ii) satisfied in full by the exercise of the Buyers' rights hereunder. Interest on any sum payable by the Seller under this Section 18.6 shall be at a rate equal to the greater of the Pricing Rate for the relevant Transaction or the alternate rate determined pursuant to Section 6.7.

18.7. *Other Rights.* In addition to their rights hereunder, the Agent and the Buyers shall have any rights otherwise available to them under any other agreement or applicable law.

18.8. *Seller's Repurchase Rights.* For avoidance of doubt, subject to the terms and conditions of this Agreement, Seller may repurchase Purchased Loans and resell such Purchased Loans; provided that upon the occurrence and during the continuance of an Event of Default, Seller may repurchase Purchased Loans by payment of the Repurchase Price therefor only upon approval of the Agent in its discretion exercised in accordance with the provisions of Section 22.

18.9. *Sale of Purchased Loans.* The parties acknowledge and agree that (1) the Purchased Loans subject to any Transaction hereunder are instruments traded in a recognized market, (2) in the absence of a generally recognized source for prices or bid or offer quotations for any Purchased Loans, the Agent may establish the source therefor, (3) all prices, bids and offers shall be determined together with accrued Income (except to the extent contrary to market practice with respect to the relevant Purchased Loans) and (4) in soliciting price, bid and offer quotations for any Purchased Loan, it is reasonable for the Agent to use only the information provided by Seller pursuant to Section 16.5. The parties further recognize that it may not be possible to purchase or sell all of the Purchased Loans on a particular Business Day, or in a transaction with the same purchaser, or in the same manner because the market for such Purchased Loans may not be liquid at such time. In view of the nature of the Purchased Loans, the parties agree that liquidation of a Transaction or the underlying Purchased Loans does not require a public purchase or sale and that a good faith private purchase or sale shall be deemed to have been made in a commercially reasonable manner. Accordingly, the Agent may elect the time and manner of liquidating any Purchased Loan and nothing contained herein shall obligate

the Agent to liquidate any Purchased Loan on the occurrence of an Event of Default or to liquidate all Purchased Loans in the same manner or on the same Business Day and no such exercise of any right or remedy shall constitute a waiver of any other right or remedy of the Agent or the Buyers.

19 Servicing of the Purchased Loans.

19.1. *Servicing Released Basis.* Consistent with Buyers' purchase of the Purchased Loans on a servicing-released basis, Seller shall have no ownership right whatsoever as to any of the Purchased Loans or the servicing rights related thereto. Rather, Seller shall have only servicing responsibilities with respect to the Purchased Loans that are subject to termination in accordance with Section 19.7 hereof. Seller and Buyers hereby acknowledge and agree that the provisions contained in this Section 19 are intended to be for the benefit of Buyers and are an essential part of this Agreement, and that the nature and purpose of the purchase and sale obligations and the servicing obligations hereunder are interrelated. Seller acknowledges that if an Event of Default has occurred and is continuing, Agent for the benefit of the Buyers may, upon written notice to the Seller, without payment of any termination fee or other amount to Seller, sell any or all of the Purchased Loans on a servicing released basis at the cost and expense of Seller.

19.2. *Servicing and Subservicing.* Seller hereby agrees, for the benefit of the Buyers, to service or contract with Subservicers to service the Purchased Loans in accordance with this Agreement and Accepted Servicing Practices. Seller's fees for its duties as Servicer, until terminated under Section 19.7, shall be twenty-five (25) basis points per annum on the unpaid principal balance of each Purchased Loan, payable from Income in accordance with the provisions of Section 8.2. Servicer shall, and shall cause each Subservicer to, (i) comply with all applicable Federal, State and local laws and regulations in all material respects, (ii) maintain all state and federal licenses necessary for it to perform its servicing responsibilities hereunder and (iii) not impair the rights of Buyers in any Purchased Loans or any payment thereunder. Agent may terminate the servicing of any Purchased Loan with the then existing Servicer in accordance with Section 19.7 hereof. Seller shall not be entitled to any servicing fee or other compensation in connection with its performance of the servicing responsibilities with respect to the Purchased Loans except to the extent that Seller is Servicer. Nothing in this Section shall be deemed to impair the rights of any Subservicer to fees and other compensation to which it is entitled under the applicable Servicing Agreement.

19.3. *Escrow Payments.* Seller shall cause Servicer and any Subservicers to hold or cause to be held all escrow payments collected by Seller with respect to any Purchased Loans in trust accounts and shall apply the same for the purposes for which such funds were collected.

19.4. *Escrow and Income after Event of Default.* After the occurrence and during the continuance of an Event of Default, (i) all funds received on or in connection with a Purchased Loan shall be received and held by Seller, Servicer and each Subservicer in trust for the benefit of the Agent on behalf of the Buyers as owner of the Purchased Loans, and (ii) neither Seller nor Servicer shall be deemed to have any rights or ownership interest in such funds prior to their being remitted to the Agent on behalf of the Buyers.

19.5. *Servicing Records*. Seller agrees that Agent, on behalf of the Buyers, is the owner of all servicing records, including but not limited to any and all servicing agreements, files, documents, records, data bases, computer tapes, copies of computer tapes, proof of insurance or guaranty coverage, insurance or guaranty policies, appraisals, other closing documentation, payment history records, and any other records relating to or evidencing the servicing of Purchased Loans (the "Servicing Records"). The Servicing Records are and shall be held in trust by Seller, Servicer and each Subservicer for the benefit of Agent as the owner thereof on behalf of the Buyers. Upon notice from Agent after the occurrence and during the continuance of an Event of Default, Seller will cause Servicer and each Subservicer to (i) designate Buyers as the owner of each Purchased Loan in its collateral tracking system, (ii) segregate such Servicing Records from any and all servicing agreements, files, documents, records, data bases, computer tapes, copies of computer tapes, proof of insurance coverage, insurance policies, appraisals, other closing documentation, payment history records, and any other records relating to or evidencing the servicing of assets that are not Purchased Loans, (iii) safeguard such Servicing Records and (iv) deliver them promptly to Agent or its designee (including Custodian) at Agent's request.

19.6. *Subservicer Instruction Letter*. Seller shall, prior to the initial Purchase Date of Mortgage Loans serviced by any Subservicer, provide to Buyers a Subservicer Instruction Letter addressed to and agreed to by such Subservicer of the related Purchased Loans.

19.7. *Termination of Servicing*. At any time in the Agent's sole discretion, the Agent shall have the right to (A) terminate Seller's rights as Servicer, and any Subservicer's rights, if any, and obligations with respect to servicing of the Purchased Loans without payment of any penalty or termination fee (1) immediately with respect to Seller and (2) with respect to any Servicer (other than Seller) or Subservicer, as promptly as possible subject to the terms and conditions of the applicable Servicing Agreement and Subservicer Instruction Letter; provided that any such termination shall be deemed to have occurred automatically upon the occurrence of an Event of Default set forth in Section 18.1(b) above, (B) require Seller to enforce its rights and remedies, as agent for and for the benefit of Buyers in accordance with Agent's commercially reasonable instructions, with respect to any Purchased Loans under any Servicing Agreement, and (C) succeed to the rights and remedies of Seller with respect to any Purchased Loans under any Servicing Agreement to the extent permitted by, and subject to, the terms of such Servicing Agreement (but not the obligations or liabilities of Seller incurred prior to the date of such succession) and related Subservicer Instruction Letter. Upon any such termination, Seller shall, and shall cause each Subservicer to, (i) perform the servicing responsibilities with respect to the Purchased Loans in accordance with the terms of this Agreement until the transfer of servicing responsibilities is effectuated and (ii) cooperate, at Seller's expense, in transferring such servicing responsibilities with respect to the Purchased Loans to a successor Servicer appointed by Agent in Agent's sole discretion. Upon termination of Seller as Servicer and without limiting the generality of the foregoing, Seller shall, in the manner and at such times as the successor servicer or Agent shall request, (i) promptly transfer all data in the Servicing Records relating to the Purchased Loans to the successor servicer in such electronic format as the successor servicer may reasonably request, (ii) promptly transfer to the successor servicer, Agent or its designee, all other files, records correspondence and documents relating to the Purchased Loans and (iii) use commercially reasonable efforts to cooperate and coordinate with the successor servicer and the Agent to comply with any applicable so-called "goodbye" letter requirements or other applicable requirements of the Real Estate Settlement Procedures Act or other applicable legal or regulatory

requirement associated with the transfer of the servicing of the Purchased Loans. Seller acknowledges and agrees that if it fails to cooperate with the Agent or any successor servicer in effecting the termination of Seller as Servicer of any Purchase Loan or the transfer of all authority to service such Purchased Loan to such successor servicer in accordance with the terms hereof, the Agent and Buyers will be irreparably harmed and entitled to injunctive relief.

19.8. *Notice from Seller.* If Seller should discover that, for any reason whatsoever, any entity responsible to Seller by contract for managing or servicing any Purchased Loan has failed to perform in any material respects Seller's obligations under the Repurchase Documents or any of the material obligations of such entities with respect to the Purchased Loans, Seller shall promptly notify Agent.

19.9. *Seller Remains Liable.* Notwithstanding any Servicing Agreement or the provisions of this Agreement relating to agreements or arrangements between Seller and a Subservicer or reference to actions taken through a Subservicer or otherwise, Seller shall remain obligated and primarily liable to the Buyers for servicing and administering of the Purchased Loans in accordance with the provisions hereof without diminution of such obligation or liability by virtue of such Servicing Agreements or arrangements or by virtue of indemnification from a Subservicer and to the same extent and under the same terms and conditions as if Seller alone were servicing and administering the Purchased Loans. All actions of each Subservicer performed pursuant to the related Servicing Agreement shall be performed as an agent of Seller with the same force and effect as if performed directly by Seller and the Buyers shall have no obligations, duties or liabilities with respect to any Subservicer including no obligation, duty or liability of the Buyers to pay any Subservicer's fees and expenses, provided, however, that each Subservicer may retain any amounts collected by it that it is entitled to retain pursuant to the applicable Servicing Agreement or Subservicer Instruction Letter. Seller shall be entitled to enter into any agreement with each Subservicer for indemnification of Seller by the Subservicer and nothing contained in this Agreement shall be deemed to limit or modify such indemnification.

19.10. *Backup Servicer.* Agent shall have the right, in its sole discretion, to appoint a Backup Servicer that will (i) serve as a backup servicer of the Purchased Loans until such time as Agent shall elect to appoint the Backup Servicer as successor servicer of the Purchased Loans and (ii) become the successor servicer of the Purchased Loans at Agent's option. In connection with the appointment of a Backup Servicer as provided in the preceding sentence, Agent may make such arrangements for the compensation of Backup Servicer out of Income on the Mortgage Loans or otherwise as Agent and such Backup Servicer shall agree. Seller shall provide Backup Servicer with such data, files and information, in form, format and content as Backup Servicer may request, in order to permit Backup Servicer to service the Mortgage Loans in accordance with Accepted Servicing Practices; all such data, files and information shall be updated by Seller on a monthly basis as required by Backup Servicer.

19.11. *Successor Servicer.* If Backup Servicer or any other Person is appointed by Agent to act as a successor servicer of the Purchased Loans pursuant to the preceding section, Seller (in its capacity as Servicer hereunder) shall, and shall cause each Subservicer to, subject to such Subservicer's rights under any applicable Servicing Agreement, and Subservicer Instruction Letter, discharge its servicing duties and responsibilities during the period from the date it

acquires knowledge of such transfer of servicing until the effective date thereof with the same degree of diligence and prudence that it is obligated to exercise under this Agreement, and shall take no action whatsoever that might impair or prejudice the rights or financial condition of the successor Servicer. Within five (5) Business Days of the appointment of a successor Servicer of the Purchased Loans, Seller shall, and shall cause each Subservicer to, prepare, execute and deliver to such successor Servicer any and all documents and other instruments, place in such successor's possession all Servicing Records, and do or cause to be done all other acts or things necessary or appropriate to effect the transfer of servicing to the successor Servicer, including but not limited to the transfer and endorsement of the Mortgage Notes and related documents, and the preparation and recordation of assignments of Mortgage. Seller shall (and shall cause each Subservicer to) cooperate with Agent and the successor Servicer in effecting the transfer of servicing responsibilities to Backup Servicer, including execution and delivery of servicing transfer notices to Mortgagors, MERS (if applicable), taxing authorities and insurance companies, the transfer to Backup Servicer for administration by it of all Income with respect to the Purchased Loans which shall at the time be held or received by Seller or any Subservicer. Seller shall deliver immediately to the successor Servicer all Purchased Loan documents and related documents and statements held by it or any Subservicer hereunder and Seller shall account for all funds and shall execute and deliver such instruments and do such other things as may reasonably be required to more fully and definitively vest in the successor Servicer all such rights, powers, duties, responsibilities, obligations and liabilities of Seller as servicer of the Purchased Loans.

20 Payment of Expenses; Indemnity.

20.1. Expenses.

(a) The Seller shall pay on demand all of the Agent's reasonable out-of-pocket fees and expenses (including the fees and expenses for legal services) incurred by the Agent and the Custodian in connection with this Agreement and the Custody Agreement and the Transactions contemplated hereby and thereby, whether or not any Transactions are entered into hereunder, including the reasonable out-of-pocket fees and expenses incurred in connection with (i) the preparation, reproduction and distribution of this Agreement and the Custody Agreement and any opinions of counsel, certificates of officers or other documents contemplated by the aforementioned agreements, (ii) any Transaction under this Agreement, (iii) the administration and syndication of this Agreement and of any Transaction and (iv) any amendments and waivers regarding any of the foregoing. The obligation of the Seller to pay such fees and expenses incurred prior to or in connection with the termination of this Agreement shall survive the termination of this Agreement.

(b) The Seller shall pay all of the Agent's and each Buyer's out-of-pocket costs and expenses, including reasonable attorneys' fees, after the occurrence of any Default or Event of Default in connection with the enforcement of this Agreement, the Custody Agreement and the other Repurchase Documents, including in connection with any (i) bankruptcy, (ii) other insolvency proceeding, or (iii) workout or consultation involving the Buyers' rights and remedies, the purchase and repurchase of the Purchased Loans and the payment of Price Differential in connection therewith.

(c) The Seller shall pay, and hold the Agent, the Buyers and any other owners or holders of any of the Obligations harmless from and against, any and all present and future stamp, documentary and other similar taxes with respect to the foregoing matters and save them each harmless from and against any and all liabilities with respect to or resulting from any delay or omission to pay such taxes.

(d) The Seller shall pay all of the Agent's Fees, if any, and any other fees under this Agreement and the other Repurchase Documents.

20.2. *Indemnity.* The Seller shall pay, and indemnify, defend and hold harmless the Agent, the Buyers and any of their respective officers, directors, employees, agents, advisors and Affiliates (the "*Indemnified Parties*") from and against, the "*Indemnified Liabilities*", which means any and all claims, liabilities, obligations, losses, damages, penalties, judgments, suits, costs, expenses and disbursements (including reasonable attorneys' fees and disbursements) of any kind whatsoever that may be imposed upon, incurred by or asserted against any of the Indemnified Parties in any way relating to or arising out of any of the Repurchase Documents or any of the transactions contemplated thereby or the use of proceeds or proposed use of proceeds thereof, provided that to the extent, if any, that any Indemnified Liabilities are caused by any Indemnified Party's gross negligence, bad faith or willful misconduct, the indemnity payable to that Indemnified Party shall be equitably and proportionately reduced, although to the full extent permitted under applicable Law, such indemnity shall *not* be reduced on account of such claims, liabilities, etc. to any extent (a) owed, in whole or in part, under any claim or theory of strict liability, or (b) caused or contributed to by any Indemnified Party's sole or concurrent ordinary negligence that does not amount to gross negligence, bad faith or willful misconduct, it being the Seller's intention to hereby indemnify the Indemnified Parties against their own strict liability and their own sole or concurrent ordinary negligence.

21 Single Agreement.

The Buyers, the Agent and Seller acknowledge that, and have entered into this Agreement and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that, all Transactions hereunder constitute a single business and contractual relationship and have been made in consideration of each other. Accordingly, each of the Agent, the Buyers and the Seller agrees (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, (ii) that each of them shall be entitled to set off claims and apply property held by them in respect of any Transaction against obligations owing to them in respect of any other Transactions hereunder and (iii) that payments, deliveries and other transfers made by either of them in respect of any Transaction shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Transactions hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted.

22 Relationships among the Agent and the Buyers.

22.1. *Agent's Duties.* In its capacity as Agent until all Purchased Loans have been repurchased by the Seller, all other Obligations have been satisfied and the Buyers have no

further Commitments or other obligations under this Agreement and the other Repurchase Documents, the Agent shall:

- (a) hold the Repurchase Documents and (by the Custodian's holding the Purchased Loans as bailee for the Agent) the Purchased Loans for the benefit of each Buyer, and each Buyer (including U.S. Bank) shall be deemed to have an interest in the Repurchase Documents on any day in proportion to its Pro Rata undivided ownership interest in the Purchased Loans on that day;
- (b) send timely bills to the Seller for the Facility Fee and other sums due and receive all sums on account of the Purchased Loans or with respect to them;
- (c) use reasonable diligence to obtain from the Seller and promptly remit to each Buyer such Buyer's Pro Rata share of Repurchase Prices for Purchased Loans and other sums received by the Agent on account of the Purchased Loans or with respect to them, in accordance with this Agreement;
- (d) use reasonable diligence to recover from the Seller all expenses incurred that are reimbursable by the Seller, and promptly remit to each Buyer its Pro Rata share (if any) thereof;
- (e) perform the obligations of the Agent that are specifically ascribed to the Agent by this Agreement, including, with the approval or at the direction of the Required Buyers, the remedies afforded the Buyers pursuant to Sections 18.2, 18.3, 18.4 and 18.7;
- (f) hold the Purchased Loans and all security interests established hereby ratably for itself as Agent and representative of the Buyers; and
- (g) request from the Seller, and promptly forward to the Buyers, such information as any of the Buyers may reasonably request Agent to obtain from the Seller, consistent with the terms of this Agreement.

Notwithstanding anything in this Agreement to the contrary, the Agent shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Buyers, and such instructions shall be binding upon all Buyers, their permitted successors, assigns and participants; provided, however, that the Agent shall not be required to take any action which exposes the Agent to personal liability or which is contrary to the Repurchase Documents or applicable law.

22.2. *Limitation on Duty to Disclose.* Except as expressly set forth herein, the Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Seller or any of its Subsidiaries or Affiliates that is communicated to or obtained by the bank serving as Agent or any of its Affiliates in any capacity.

22.3. *Actions Requiring All Buyers' Consent.* No amendment or waiver of, or any action with respect to, any provision of this Agreement or any of the Repurchase Documents shall in any event be effective unless the same shall be in writing signed by all Buyers with respect to any amendment or waiver or any action that:

- (a) Increases the Maximum Aggregate Commitment (and no individual Buyer's Committed Sum shall be increased or decreased without the written consent of such Buyer).
- (b) Agrees to any reduction in any Pricing Rate, Repurchase Price or fee provisions of this Agreement, excluding the provisions relating to the Agent's Fee, if any.
- (c) Acknowledges termination of the Buyers' ownership interest in the Purchased Loans or releases any Lien held under the Repurchase Documents other than in accordance with the Repurchase Documents.
- (d) Changes any Buyer's Pro Rata share of ownership of the Purchased Loans other than in accordance with the express provisions of the Repurchase Documents.
- (e) Agrees to any change in the nature of the Buyers' respective Commitments from several to joint, in whole or in part.
- (f) Agrees to any change to the definition of "Required Buyers" or to any provisions of this Agreement or any of the other Repurchase Documents that requires the consent, approval or satisfaction of all of the Buyers or each of the Buyers.
- (g) Extends the Termination Date or the due date of any required payment other than in accordance with the express provisions of the Repurchase Documents.
- (h) Agrees to any change in this Section.
- (i) Agrees to any change in the Buyer's Margin Percentage rates.
- (j) Releases the Seller from any of its obligations other than in accordance with the express conditions of the Repurchase Documents or changes any amount due under the terms of the Repurchase Documents.
- (k) Modifies the sharing provisions of Section 22.7.

In the event of any conflict between the provisions of this Section 22.3 and any other provisions of this Agreement or the other Repurchase Documents, this Section 22.3 shall govern.

22.4. *Actions Requiring Required Buyers' Consent.* All amendments hereto, waivers or actions taken hereunder that are not described in Section 22.3 and Section 22.5, require the written consent or ratification of the Required Buyers except for actions that are specifically reserved to the Agent under Section 6; provided that no amendments, waivers or actions taken hereunder that relate to the rights or obligations of the Agent shall be effective without the prior written consent of the Agent. The Agent will, at the direction of the Required Buyers, but may

not, without the consent of the Required Buyers, take any enforcement action or exercise any remedies under this Agreement and the Repurchase Documents which arise after the occurrence of an Event of Default.

22.5. *Agent's Discretionary Actions.* Subject to the limitations of Sections 22.3 and 22.4, in its capacity as Agent and without seeking or obtaining the consent of any of the other Buyers (although it may elect to obtain such consent before acting if it deems that desirable), the Agent may:

(a) [reserved];

(b) reconvey, exchange or otherwise change, in whole or in part, any Purchased Loans which are required to be reconveyed, exchanged or changed in accordance with the Repurchase Documents;

(c) approve any new Approved Investor proposed by the Seller (and the Agent will promptly provide to any Buyer that requests it a current list of Approved Investors); and

(d) do or perform any act or thing which, in the Agent's reasonable judgment, is necessary or appropriate to enable the Agent to properly discharge and perform its duties under this Agreement or the Custody Agreement, or which in its reasonable judgment is necessary or appropriate to preserve or protect the validity, integrity or enforceability of the Purchased Loans and/or the Repurchase Documents, the Buyers' Pro Rata undivided ownership interests in and to the Purchased Loans, the Lien created by this Agreement and its priority, or any of the Central Elements in respect of the Seller or any of its Subsidiaries, or to preserve and protect the interest of the Buyers in any of the foregoing.

22.6. *Buyers' Cooperation.* The Buyers agree to cooperate among themselves and with the Agent and from time to time upon the Agent's request, to execute and deliver such papers as may be reasonably necessary to enable the Agent, in its capacity as Agent, to effectively administer this Agreement and the other Repurchase Documents, the Purchased Loans and each Buyer's Pro Rata undivided ownership interest in the Purchased Loans in the manner contemplated by this Agreement. The Agent and each of the Buyers agree to provide notice to the other parties if they have actual knowledge of an Event of Default at any time.

22.7. *Buyers' Sharing Arrangement.*

(a) Each of the Buyers agrees that if it should receive any amount (whether by voluntary payment, realization upon security, the exercise of the right of set-off, or otherwise) which is applicable to the payment of Repurchase Price, Margin Deficit, Pricing Differential or any fees, that with respect to the related sum or sums received (or receivable) by the other Buyers is in greater proportion than that Buyer's Pro Rata ownership of the Purchased Loans, then such Buyer receiving such excess amount shall purchase from the other Buyers a participation interest in the Purchased Loans in such amount as shall result in Pro Rata participation and ownership by all of the Buyers in such excess amount; provided that if all or any portion of such excess amount is

thereafter recovered from such Buyer, such purchase shall be rescinded and the purchase price restored to the extent of such recovery; and provided further that the provisions of this Section 22.7 shall not apply to the Agent's Fee, if any, under this Agreement or to any fees which the Custodian or any successor custodian might be paid pursuant to the Custody Agreement.

(b) To the extent that the Seller fails to pay any amount required to be paid to the Agent under Section 20, each Buyer severally agrees to pay to the Agent such Buyer's Funding Share (determined as of the time that the unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided, that the unreimbursed expense or indemnified payment, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Agent in its capacity as such.

22.8. *Buyers' Acknowledgment.* Each Buyer other than U.S. Bank hereby acknowledges that U.S. Bank has made no representations or warranties with respect to any Purchased Loan other than as expressly set forth in this Agreement and that U.S. Bank shall have no responsibility (each in its capacity as a Buyer, the Agent, or any other capacity or role) for:

(a) the marketability or collectibility of the Purchased Loans;

(b) the genuineness, validity, likelihood of performance as and when due or enforceability of any Investor Commitment or the solvency or performance record of any Approved Investor;

(c) the validity, enforceability or any legal effect of any of the Repurchase Documents, any Loan Papers or any insurance, bond or similar device purportedly protecting any obligation to the Buyers or any Purchased Loans; or

(d) the financial condition of the Seller or any of its Subsidiaries or Affiliates, the status, health or viability of any industry in which any of them is involved, the prospects for repurchase of the Purchased Loans, the genuineness, validity or enforceability of any warehousing facility or repurchase agreement between the Seller and any other lender or repurchase agreement counterparty, the value of any Purchased Loans, the effectiveness of any of the provisions of the Repurchase Documents (including the financial covenants, tests and hedging requirements) or any aspect of their implementation or administration at any time to reduce or control risks of any type, to produce returns, profits, yields or spreads or to reduce or control losses or the accuracy of any information supplied by or to be supplied in connection with any of the Seller or any of its Subsidiaries or Affiliates, or otherwise with respect to this Agreement, any Purchased Loans or any source of equity or other financing for any of the Seller, any of its Affiliates or any other warehouse lender or repurchase agreement counterparty.

22.9. *Agent Market Value Determinations.* The parties hereto agree and acknowledge that, in determining the Market Value of the Purchased Loans, the Agent (i) shall determine Market Value as a third party service provider, in accordance with standards customarily applicable in the financial industry to third party service providers providing values on comparable assets to be used in connection with the financing of such assets, and (ii) shall not be

obligated to do that same or similar amount of work or analysis as if it were valuing its own assets, or as if it were valuing such assets for the purchase or sale thereof by it or any other party. The parties hereto agree and acknowledge that any asset valuation information produced by the Agent is intended to be and should be used solely for the limited uses specified in this Agreement and the other Repurchase Documents, and is not intended to be and should not be used by any Person for any other purpose. The parties hereto further agree and acknowledge that the Agent may elect to determine the Market Value for any Purchased Loan by determining the market bid price for a portfolio containing all Purchased Loans and allocating such portfolio market bid price among each individual Purchased Loan.

22.10. *Agent's Representations to Buyers.* The Agent hereby represents and warrants to the Buyers (other than U.S. Bank) that:

(a) the Agent has delivered to each Buyer true copies of the originals of those Repurchase Documents which have been specifically requested by that Buyer; and

(b) the Agent has no current actual knowledge that any Default or Event of Default has occurred and is continuing on the Effective Date.

22.11. *Agent's Duty of Care, Express Negligence Waiver and Release.* At all times until all Purchased Loans have all been repurchased by the Seller and the Buyers have no further commitments or other obligations under this Agreement and the other Repurchase Documents, the Agent shall exercise the same degree of care in handling the Purchased Loans as U.S. Bank exercises with respect to loans that are held solely by U.S. Bank for its own account, and the Agent, in its capacity as Agent shall have no responsibility to the Buyers other than to exercise such standard of care and, in any event, U.S. Bank shall have no liability with respect to any other Buyer's Pro Rata interest in the Purchased Loans except for U.S. Bank's own fraud, gross negligence or willful misconduct. Except in the case of its own fraud, gross negligence or willful misconduct, neither the Agent, any Buyer, nor any of their officers, directors, employees, attorneys or agents shall be liable for any action taken or omitted to be taken by it or them under this Agreement, the Custody Agreement or any of the other Repurchase Documents reasonably believed by it or them to be within the discretion or power conferred upon it or them by the Repurchase Documents or be responsible for consequences of any error of judgment, the Buyers expressly intending to hereby waive and release all present and future claims and rights against the Agent (i) owed, in whole or in part, under any claim or theory of strict liability or (ii) for damages or injuries caused or contributed to by any Indemnified Party's sole or concurrent ordinary negligence that does not amount to gross negligence or willful misconduct. Except as otherwise specifically and expressly set forth in this Agreement, the Agent shall not be responsible in any manner to anyone for the effectiveness, enforceability, genuineness, validity or due execution of this Agreement, any supplement, amendment or restatement of it or of any other Repurchase Documents or for any representation, warranty, document, certificate, report or statement made or furnished in, under or in connection with this Agreement or any of the other Repurchase Documents or be under any obligation to anyone to ascertain or to inquire as to the performance or observation of any of the terms, covenants or conditions of this Agreement or of the other Repurchase Documents on the part of the Seller or anyone else. Without limiting the generality of the foregoing provisions of this Section, the Agent, in its capacity as Agent, may seek and rely upon the advice of legal counsel in taking or refraining to take any action under any of the Repurchase Documents or otherwise in respect of any Purchased Loans, this Agreement and its parties, and shall be fully protected in relying upon such advice.

22.12. *Calculations of Shares of Principal and Other Sums.* Except as provided to the contrary in Section 6.4 (“Increased Cost”), Section 6.5 (“Capital Adequacy”), Section 7.1 (“Payments to be free of Taxes; Withholding”), Section 7.3 (“Taxes Indemnity”), Section 9.2 (“Agent’s Fee”) and Section 20 (“Payment of Expenses; Indemnity”), U.S. Bank’s and each other Buyer’s respective shares of Repurchase Prices and other sums received by the Agent on account of the Purchased Loans or with respect to them shall be calculated on the basis of each Buyer’s (including U.S. Bank’s) respective Pro Rata ownership interests in the Purchased Loans from time to time.

22.13. *Resignation or Removal of the Agent.* The Agent, or any agent or agents hereafter appointed, at any time may resign by giving written notice of resignation to the Seller and the Buyers and complying with the applicable provisions of this Section 22. The Required Buyers may remove the Agent for acts constituting gross negligence or willful misconduct by giving notice to the Agent, the Buyers and the Seller. Upon receiving such notice of resignation or removal, with the Seller’s consent, which consent shall not unreasonably be delayed or withheld (provided that the Seller’s consent shall not be required if a Default has occurred that has not been cured by the Seller or declared in writing by the Agent to have been waived or any Event of Default has occurred that the Agent has not declared in writing to have been cured or waived), a successor Agent shall be promptly appointed by the Required Buyers by written instrument, in duplicate, one copy of which instrument shall be delivered to the resigning or removed Agent and one copy to the successor Agent.

22.14. *Effective Date of Resignation of the Agent.* No resignation or removal of the Agent shall be effective until both (i) sixty (60) days have elapsed after notice to the Seller and the Buyers of the Agent’s election to resign or its removal, and (ii) a successor agent has been appointed pursuant to the provisions of this Section 22 and has accepted the appointment as provided in Section 22.13; provided that if such appointment has not been so made or if the Agent’s duties have not been assumed by the appointed successor on or before ninety (90) days after the date of the Agent’s notice of resignation, the Agent may cease acting as agent and representative of the Buyers hereunder, and shall have no further responsibility therefor, at the close of business on the tenth (10th) Business Day after such ninety-day period.

22.15. *Successor Agent.* Any successor Agent appointed as provided in this Section shall execute and deliver to the Seller, the Buyers and to the predecessor Agent an instrument accepting such appointment, and thereupon the resignation of the predecessor Agent shall become effective and such successor Agent, without any further act, deed or conveyance, shall become vested with all the rights and obligations of its predecessor, with like effect as if originally named as the Agent; provided that upon the written request of the Seller, all of the Buyers or the successor Agent, the resigning Agent shall execute and deliver (a) an instrument transferring to such successor Agent all of the rights of the resigning Agent and (b) to such successor Agent such instruments as are necessary to transfer the Purchased Loans and the Repurchase Documents to such successor Agent (including assignments of all Purchased Loans or Repurchase Documents). Upon the request of any such successor Agent made from time to time, the Seller shall execute any and all papers which the successor Agent shall request or require to more fully and certainly vest in and confirm to such successor Agent all such rights.

22.16. *Merger of the Agent.* Any Person into which the Agent may be merged or converted or with which it may be consolidated, or any Person surviving or resulting from any merger, conversion or consolidation to which the Agent shall be a party or any Person succeeding to the commercial banking business of the Agent, shall be the successor Agent without the execution or filing of any paper or any further act on the part of any of the parties.

22.17. *Participation; Assignment.*

(a) *Participations.* Each Buyer reserves the rights, without the consent of the Seller, to sell to one or more banks or other entities (a “Participant”), participations in all or any part of such Buyer’s Commitment and Pro Rata ownership share of the Purchased Loans or to pledge, collaterally assign or grant a security interest in any or all of its interests under this Agreement and in the Purchased Loans to any Federal Reserve Bank or any other Person; provided that no such pledge, participation, collateral assignment or grant of a security interest shall release a Buyer from any of its obligations hereunder or substitute any such participant, pledgee or assignee for such Buyer as a party hereto. Participants shall have no rights under the Repurchase Documents other than certain voting rights as provided below. Each Buyer shall be entitled to obtain (on behalf of its Participants) the benefits of this Agreement with respect to all Participants in its Funding Share of Open Transactions outstanding from time to time; provided that the Seller shall not be obligated to pay any amount in excess of the amount that would be due such Buyer calculated as though no participation had been sold. No Buyer shall sell any participating interest under which the Participant shall have any rights to approve any amendment, modification or waiver of any Repurchase Documents, except to the extent such amendment, modification or waiver requires the consent of all Buyers under Section 22.3. In those cases (if any) where a Buyer grants rights to any of its Participants to approve amendments, modifications or waivers of any Repurchase Documents pursuant to the immediately preceding sentence, such Buyer must include a voting mechanism as to all such approval rights in the relevant participation agreement(s) whereby a readily-determinable fraction of such Buyer’s portion of the Purchased Loans (whether held by such Buyer or participated) shall control the vote for all of such Buyer’s portion of the Purchased Loans; provided that if no such voting mechanism is provided for or is fully and immediately effective, then the vote of such Buyer itself shall be the vote for all of such Buyer’s portion of the Purchased Loans. Except in the case of the sale of a participating interest to a Buyer, the relevant participation agreement shall not permit the Participant to transfer, pledge, assign, sell any subparticipation in or otherwise alienate or encumber its participation interest in the Purchased Loans. In no event may a Participant be an Affiliate of the Seller.

(b) *Assignments.* Without any requirements for further consent of the Seller, any Buyer may assign any or all of its rights and obligations under the Repurchase Documents to its own Buyer Affiliates or to an assignee that is a Buyer with a Commitment hereunder immediately prior to giving effect to such assignment. With the prior written consent of the Agent and (unless an Event of Default has occurred that the

Agent has not declared in writing to have been cured or waived) the Seller, which consent of the Seller will not be unreasonably withheld, and at no cost to the Seller or the Agent, any Buyer may assign any or all of its rights and obligations under the Repurchase Documents to one or more assignees; provided that (1) except in the case of an assignment to a Buyer or a Buyer Affiliate or an assignment of the entire remaining amount of the assigning Buyer's Committed Sum, no such assignment shall be in an amount less than Five Million Dollars (\$5,000,000), unless each of the Agent and (unless a Default or Event of Default has occurred and continuing) the Seller consents thereto, (2) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Buyer's rights and obligations under this Agreement, (3) the assignee, if it is not a Buyer hereunder immediately prior to giving effect to such assignment, shall deliver to the Agent a questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Seller and its Affiliates or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws, (4) the assignee may not be an Affiliate of the Seller and (5) each such assignment shall be effected pursuant to an Assignment and Assumption substantially in the form of Exhibit E, to be delivered to the Agent together with a processing and recording fee of \$3,500 (which shall not be applicable with respect to the initial syndication of the Transactions), with the assignor to have no further right or obligation with respect to the rights and obligations assigned to and assumed by the assignee. The Seller agrees that, as to any assignment to any Buyer Affiliate or if the Seller consents to any other assignment, the Seller will cooperate with the prompt execution and delivery of documents reasonably necessary to such assignment process to the extent that the Seller incurs no cost or expense that is not paid by the assigning Buyer and the assignee immediately upon delivery to the Seller of such assignment form. Subject to acceptance and recording thereof pursuant to Section 22.17(d), from and after the effective date specified in each Assignment and Assumption, the assignee shall be a Buyer for all purposes under this Agreement and the other Repurchase Documents, if the assignment is an assignment of all of the assignor's interest in the Purchased Loans then held by the Agent (or by the Custodian on behalf of the Agent), the assignor shall be automatically released from all of its obligations and liabilities hereunder, and, whether it is such a complete assignment or only a partial assignment, the Committed Sums shall be adjusted appropriately, and the Agent shall distribute to the Buyers and the Seller an updated version of Schedule BC. Any assignment or transfer by a Buyer of rights or obligations under this Agreement that does not comply with this Section 22.17(b) shall be treated for purposes of this Agreement as a sale by such Buyer of a participation in such rights and obligations in accordance with Section 22.17(a).

(c) The Agent, acting for this purpose as an Agent of the Seller, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Buyers, and the Committed Sum of, and amount owing to, each Buyer pursuant to the terms hereof from time to time the (the "Register"). The entries in the Register shall be conclusive, and the Seller, the Agent and the Buyers may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Buyer hereunder for all purposes of this Agreement,

notwithstanding notice to the contrary. The Register shall be available for inspection by the Seller and any Buyer, at any reasonable time and from time to time upon reasonable prior notice.

(d) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Buyer and an assignee, the assignee's completed questionnaire (unless the assignee shall already be a Buyer hereunder), the processing and recordation fee referred to in Section 22.17(b) and any written consent to such assignment required by Section 22.17(b) hereof, the Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Buyer or the assignee shall have failed to make any payment required to be made by it hereunder, the Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section.

(e) If any interest in this Agreement is so transferred to any Person that is organized under the Laws of any jurisdiction other than the United States of America or any State thereof, the transferor Buyer shall cause such Person, concurrently with the effectiveness of such transfer to comply with the relevant provisions of Section 7.4.

(f) The Seller shall not be required to incur any cost or expense incident to any sale to a Person of any interest in the Repurchase Documents and the Purchased Loans pursuant to this Section 22 and all such costs and expenses shall be for the account of the Buyer selling its rights in the Purchased Loans to such Person.

22.18. Replacement of Buyers. If (i) any Buyer requests compensation under Section 6.4 or 7, (ii) the Seller is required to pay any additional amount to any Buyer or any Governmental Authority for the account of any Buyer pursuant to Section 7, (iii) any Buyer defaults in its obligation to fund Transactions hereunder, or (iv) any Buyer becomes the subject of a bankruptcy or insolvency proceeding; then the Seller may, at its sole expense and effort, upon notice to such Buyer and the Agent, require such Buyer to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 22.17), all of its interests, rights and obligations under this Agreement and the related Repurchase Documents to an assignee that shall assume such obligations (which assignee may be another Buyer, if such other Buyer accepts such assignment), provided that:

(a) the Seller shall have paid to the Agent the assignment fee specified in Section 22.17;

(b) the exiting Buyer shall have received payment of an amount equal to its Pro Rata Share of the Aggregate Outstanding Purchase Price, accrued and unpaid Price Differential, fees and all other amounts payable to it hereunder and under the other Repurchase Documents;

(c) in the case of any such assignment resulting from a claim for compensation under Section 6.4 or 7 or payments required to be made pursuant to Section 6.4 or 7, such assignment will result in a reduction in such compensation or payments thereafter; and

(d) such assignment does not conflict with any Law.

A Buyer shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Buyer or otherwise, the circumstances entitling the Seller to require such assignment and delegation cease to apply.

22.19. *The Agent and the Buyers are the only Beneficiaries of this Section.* Other than the provisions of Sections 22.17 and 22.18, this Section is intended to bind and benefit only U.S. Bank and the other Buyers, and does not benefit and shall not be enforceable by the Seller or any other Person whatsoever.

23 Notices and Other Communications.

All notices, demands, consents, requests and other communications required or permitted to be given or made hereunder (collectively, “*Notices*”), except as otherwise specifically provided in this Agreement, shall be in writing and shall be either (a) delivered in person, or (b) mailed, by certified, registered or express mail, postage prepaid, addressed to the respective parties hereto at their respective addresses specified below, or (c) sent in a prepaid overnight delivery envelope via a nationally-recognized courier service (such as Federal Express, United Parcel Service or DHL Worldwide Express) that provides weekday next-Business Day delivery service to the addressee’s location, (d) faxed to their respective fax numbers (with a paper copy mailed the same day as aforesaid) as hereinafter set forth or (e) e-mailed (with a confirming fax for any funding request) and/or posted to an internet or intranet website and acknowledged as received as hereinafter set forth; provided that any party may change its address for notice by designating such party’s new address in a Notice to the other parties given at least five (5) Business Days before it shall become effective. All Notices shall be conclusively deemed to have been properly given or served when received in person, regardless of how sent. Regardless of when received, all Notices shall be conclusively deemed to have been properly given or served if addressed in accordance with this Section 23 and (1) if mailed, on the second (2nd) Business Day after being deposited in the mails, or (2) if sent by nationally-recognized courier service, on the next Business Day or (3) if faxed before the close of business at the recipient’s location on a Business Day, when faxed or if faxed after the close of business at the recipient’s location or on a day that is not a Business Day, on the next Business Day thereafter to the fax number set forth below (provided that a paper copy is mailed on the same day as aforesaid) or (4) if e-mailed, upon the sender’s receipt of an acknowledgement from the intended recipient (such as by the “return receipt requested” function, as available, return e-mail or other written acknowledgement), provided that if any such faxed or e-mailed notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (5) notices or communications posted to an internet or intranet website shall be deemed received upon the “receipt” by the intended recipient at its e-mail address as described in

clause (4) above of notification that such notice or communication is available and identifying the website address therefor:

If to the Seller:

NVR Mortgage Finance, Inc.
11700 Plaza America Drive
Suite 500
Reston, VA 20190
Attention: Robert A. Goethe
Telephone: (703) 956-4505
Fax: (703) 956-4754
email: rgoethe@nvrinc.com

If to U.S. Bank as Agent or as a Buyer:

U.S. Bank National Association
800 Nicollet Mall
Mail Station: BC-MN-H03B
Minneapolis, MN 55402
Attention: Kathleen Connor
Telephone: (413) 464-9052
Fax: (612) 303-2253
email: kathleen.connor@usbank.com

If to the other Buyers, at the addresses shown on Schedule 23.

24 Miscellaneous.

24.1. *Further Assurances.* At any time and from time to time, at the sole expense of the Seller, the Seller or the Servicer shall promptly provide such further reasonable assurances, documents and agreements and undertake such actions as the Agent may reasonably request in order to effect the purposes of this Agreement, including the assignment, conveyance and transfer of all right, title and interest of each Purchased Loan from the Seller to the Agent, or to otherwise obtain or preserve the benefits or rights granted under this Agreement. In the event Seller, Servicer or any subservicer, in the performance of the Servicing Functions shall foreclose any Mortgage for which the Agent and the Buyers have not received the Repurchase Price, all such actions shall be taken in the name of the Agent for the benefit of the Buyers and in accordance with Accepted Servicing Practices.

24.2. *Agent as Attorney in Fact.* The Agent is hereby appointed the attorney-in-fact of the Seller for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments or documents that the Agent may deem reasonably necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest, although the Agent agrees not to exercise its rights under this power of attorney unless, in its opinion or the opinion of its legal counsel, an Event of

Default has occurred that the Agent has not declared in writing to have been cured or waived. Without limiting the generality of the foregoing, but subject to Section 18.3, the Agent shall have the right and power during the occurrence and continuation of any Event of Default to receive, endorse, collect and control all checks or instruments made payable to the order of the Seller and all other forms of payment to the Seller that represent any payment on account of the principal of or interest on or proceeds from any of the Purchased Loans and to give full discharge for the same.

24.3. *Wires to Seller.* Any amounts to be transferred by the Agent to the Seller hereunder shall be sent by journal entry (or wire transfer) in immediately available funds to the Operating Account.

24.4. *Wires to Agent.* Any amounts to be transferred by the Seller to the Agent hereunder shall be sent by wire transfer in immediately available funds to the Settlement Account.

24.5. *Receipt; Available Funds.* Amounts received after 2:00 p.m. Minneapolis time on any Business Day shall be deemed to have been paid and received on the next succeeding Business Day. All payments and transfers of cash pursuant to this Agreement shall be made (only if the paying and receiving accounts are with the same financial institution) by journal entries, or (otherwise) by wire transfer, of immediately available funds in U.S. dollars.

25 Entire Agreement; Severability.

This Agreement supersedes any existing agreements between the parties containing general terms and conditions for repurchase transactions. This Agreement may not be amended, modified or supplemented except in accordance with the provisions of Section 22 and such amendment, modification or supplement must be set forth in a writing signed by the parties required to do so in accordance with Section 22. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

26 Non-assignability; Termination.

26.1. *Limited Assignment.* Except with respect to any repurchase transaction, sale, transfer, pledge or hypothecation by the Agent or any Buyer pursuant to Section 18 and Section 22.17, the rights and obligations of the parties under this Agreement and under any Transaction shall not be assigned by any party without the prior written consent of the other parties and any such assignment without the prior written consent of the other parties shall be null and void. Subject to the foregoing, this Agreement and any Transactions shall bind and benefit the parties and their respective successors and assigns.

26.2. *Remedies Exception.* Section 26.1 shall not preclude a party from assigning, charging or otherwise dealing with all or any part of its interest in any sum payable to it under Section 18.

26.3. *Agreement Termination.* This Agreement shall terminate, automatically and without any requirement for notice, on the date after the Termination Date on which all

Obligations have been indefeasibly paid in full, provided, that the provisions of Sections 6.4, 6.5, 7 and 20 shall survive the termination of this Agreement, provided further, that this Agreement and any Open Transactions may be extended by mutual agreement of the Buyers, the Agent and the Seller; and provided further, that no such party shall be obligated to agree to such an extension.

27 Counterparts.

This Agreement may be executed in any number of counterparts, each of which counterparts shall be deemed to be an original, and such counterparts shall constitute but one and the same instrument.

28 Governing Law, Jurisdiction and Venue.

This Agreement (including this choice-of-law provision) and the other Repurchase Documents shall be governed by and construed and all controversies and disputes arising under, in connection with or relating to this Agreement and the other Repurchase Documents shall be resolved, in accordance with the laws of the State of New York (pursuant to Section 5-1401 of the New York General Obligations Law to the extent such laws would otherwise not apply) and the United States of America applicable to contracts made and to be wholly performed within such State. The Seller, the Agent and the Buyers each hereby irrevocably submits to the nonexclusive jurisdiction and venue of the United States District Court for the Southern District of New York located in the Borough of Manhattan Division in the City of New York or, if such court does not have jurisdiction, the Supreme Court of the State of New York, New York County for the purpose of any action or other proceeding arising under, in connection with or relating to the Repurchase Documents or any related Transaction, pursuant to Section 5-1402 of the New York General Obligations Law to the extent such submission would otherwise not be effective. To the fullest extent permitted by applicable law, the Seller, the Agent and the Buyers each irrevocably waives any objection that it may now or hereafter have to the laying of venue for any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum and agrees that service of process may be made upon it in any such proceeding by registered or certified mail. Nothing herein shall affect any applicable right of any party at any time to initiate any suit in the United States District Court for the Southern District of New York, Manhattan Division, or to remove any pending suit to that court. Nothing herein shall affect the right of the Agent or any Buyer to accomplish service of process in any manner permitted by applicable law or to commence legal proceedings or otherwise proceed against the Seller in any other jurisdiction or court.

29 Waiver of Jury Trial.

Each of the Seller (in its capacity as Seller and Servicer), the Buyers and the Agent hereby (i) covenants and agrees not to elect a trial by jury of any issue triable of right by a jury, and (ii) waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist. This waiver of right to trial by jury is separately given, knowingly and voluntarily, by each of the Seller, the Buyers and the Agent, and this waiver is intended to encompass individually each instance and each issue as to which the right of a jury trial

would otherwise accrue. The Agent is hereby authorized and requested to submit this Agreement to any court having jurisdiction over the subject matter and the parties hereto, so as to serve as conclusive evidence of the foregoing waiver of the right to jury trial. Further, the Seller hereby certifies that no representative or agent of the Buyers or the Agent has represented, expressly or otherwise, to any stockholder, director, officer, agent or representative of the Seller that the Buyers or the Agent will not seek to enforce this waiver of right to jury trial provision.

30 Relationship of the Parties.

This Agreement provides for the sale by the Seller and the purchase by the Buyers (acting through their agent and representative, the Agent) of Eligible Loans and the obligation of the Seller to repurchase them upon termination of each Transaction. The relationship between the Seller and the Buyers (and the Agent) is limited to that of seller and repurchaser on the one hand and buyers and resellers (and the Agent as the Buyers' agent and representative) on the other. The provisions in this Agreement and the other Repurchase Documents for compliance with financial covenants and delivery of financial statements are intended solely for the benefit of the Buyers and the Agent, to protect the interests of the Buyers as buyers, including the Buyers' and the Agent's interest in assuring repurchase of Purchased Loans at the termination of each Transaction, and nothing contained in this Agreement or any of the other Repurchase Documents shall be construed as permitting or obligating any Buyer or the Agent to act as a financial or business advisor or consultant to the Seller, as permitting or obligating any Buyer or the Agent to control the Seller or to conduct the Seller's operations, as creating any fiduciary obligation on the part of the Buyers or the Agent to the Seller, or as creating any joint venture, agency or other relationship between the parties other than as explicitly and specifically stated in this Agreement. The Seller acknowledges that it has had the opportunity to obtain the advice of experienced counsel of its own choosing in connection with the negotiation and execution of this Agreement and the other Repurchase Documents and to obtain the advice of such counsel with respect to all matters contained in the Repurchase Documents including the provision for waiver of trial by jury. The Seller further acknowledges that it is experienced with respect to financial and credit matters and has made its own independent decisions to apply to the Buyers and the Agent to enter into this Agreement, and to execute and deliver this Agreement and the other Repurchase Documents.

31 No Waivers, Etc.

No express or implied waiver of any Event of Default by any party shall constitute a waiver of any other Event of Default and no exercise of any remedy hereunder by any party shall constitute a waiver of its right to exercise any other remedy hereunder. No modification or waiver of any provision of this Agreement and no consent by any party to a departure herefrom shall be effective unless and until such shall be in writing and duly executed by the Seller and the parties required to do so pursuant to Section 22. Without limitation on any of the foregoing, the failure to give a notice pursuant to Section 6 or 7 will not constitute a waiver of any right to do so at a later date. The rights and remedies of the Buyers hereunder shall be cumulative and not exclusive of any rights and remedies which the Buyers would otherwise have. No failure or delay on the part of the Buyers in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

32 Use of Employee Plan Assets.

32.1. *Prohibited Transactions.* If assets of an ERISA Plan are intended to be used by any party hereto (the “Plan Party”) in a Transaction, the Plan Party shall so notify the other parties prior to the Transaction. The Plan Party shall represent in writing to the other parties that the Transaction does not constitute a prohibited transaction under ERISA or is otherwise exempt therefrom, and the other parties may proceed in reliance thereon but shall not be required so to proceed.

32.2. *Audited Financial Statements Required.* Subject to the last sentence of Section 32.1, any such Transaction shall proceed only if the Seller furnishes or has furnished to the Agent its most recent available audited statement of its financial condition and its most recent subsequent unaudited statement of its financial condition.

32.3. *Representations.* By entering into a Transaction pursuant to this Section 32, the Seller shall be deemed (i) to represent to the Buyers and the Agent that since the date of the Seller’s latest such financial statements, there has been no material adverse change in the Seller’s financial condition which the Seller has not disclosed to the Agent, and (ii) to agree to provide the Agent with future audited and unaudited statements of its financial condition as they are issued, so long as it is a Seller in any Open Transaction involving a Plan Party.

33 Intent.

33.1. *Transactions are Repurchase Agreements and Securities Contracts.* The parties intend and acknowledge that each Transaction is a “repurchase agreement” and a “master netting agreement” as such terms are defined in Section 101 of the Bankruptcy Code (except insofar as the type of Eligible Loans subject to such Transaction or the term of such Transaction would render such definition inapplicable), and a “securities contract” as that term is defined in Section 741 of the Bankruptcy Code (except insofar as the type of assets subject to such Transaction would render such definition inapplicable), and that all claims and debts arising under this Agreement and/or any Transaction, including any Margin Call, constitute claims and debts, respectively, for “settlement payments” or “margin payments” as those terms are commonly used in the securities and/or commodities trades. This Agreement also constitutes a “netting contract” as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991 (“FDICIA”) and each payment entitlement and payment obligation under any Transaction hereunder shall constitute a “covered contractual payment entitlement” or “covered contractual payment obligation”, respectively, as defined in and subject to FDICIA (except insofar as any or all of the parties is not a “financial institution” as that term is defined in FDICIA). Seller hereby agrees that it shall not challenge the characterization of this Agreement as a “repurchase agreement” as that term is defined in Section 101 of the Bankruptcy Code, or as a “securities contract” as that term is defined in Section 741 of the Bankruptcy Code in any dispute or proceeding.

33.2. *Contractual Rights, Etc.* Any party's right to liquidate Eligible Loans delivered to it in connection with Transactions hereunder or to exercise any other remedies pursuant to Section 18, is a contractual right to liquidate, terminate or accelerate such Transaction as described in Sections 555, 559 and 561 of the Bankruptcy Code.

33.3. *FDIA.* If a party hereto is an "insured depository institution," as such term is defined in the Federal Deposit Insurance Act, as amended ("*FDIA*"), then each Transaction hereunder is a "qualified financial contract," as that term is defined in *FDIA* and any rules, orders or policy statements thereunder (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).

33.4. *Master Netting Agreement.* It is understood and agreed that this Agreement constitutes a "master netting agreement" as that term is defined in Section 101 of the Bankruptcy Code, and that a party's right to cause the termination, liquidation, or acceleration of, or to offset net termination values, payment amounts or other transfer obligations arising under or in connection with, this Agreement or any Transaction is a contractual right to cause the termination, liquidation, or acceleration of, or to offset net termination values, payment amounts or other transfer obligations arising under or in connection with, this Agreement or any Transaction as described in Section 561 of the Bankruptcy Code.

34 Disclosure Relating to Certain Federal Protections.

The parties acknowledge that they have been advised that:

34.1. *Parties not Protected by SIPA or Insured by FDIC or NCUSIF.* In the case of Transactions in which one of the parties is a broker or dealer registered with the Securities and Exchange Commission ("*SEC*") under Section 15 of the Securities Exchange Act of 1934 ("*1934 Act*"), the Securities Investor Protection Corporation has taken the position that the provisions of SIPA do not protect the other party with respect to any Transaction hereunder.

34.2. *SIPA Does Not Protect Government Securities Broker or Dealer Counterparty.* In the case of Transactions in which one of the parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the 1934 Act, SIPA will not provide protection to the other party with respect to any Transaction hereunder.

34.3. *Transaction Funds Are Not Insured Deposits.* In the case of Transactions in which one of the parties is a financial institution, funds held by such financial institution pursuant to a Transaction hereunder are not a deposit and therefore are not insured by the Federal Deposit Insurance Corporation (through either the Bank Insurance Fund or the Savings Association Insurance Fund) or the National Credit Union Share Insurance Fund, as applicable.

35 USA Patriot Act Notification.

The Agent and the Buyers hereby notify the Seller that, pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Agent or the Buyers are required to obtain, verify and record information that identifies the Seller, including the Seller's name and address and other information that will allow them to identify the Seller in accordance with said Act.

36 Existing MRA.

Effective as of the Effective Date, this Agreement amends and replaces in its entirety and restates the Existing MRA. The terms and conditions of this Agreement supersede, effective as of the Effective Date, the terms and conditions of the Existing MRA, provided, however, that the obligations incurred under the Existing MRA shall not in any circumstance be terminated, extinguished or discharged hereby but shall hereafter be governed by the terms of this Agreement. Upon the Effective Date, the commitments of the Departing Buyers under the Existing MRA shall automatically terminate and the Departing Buyers shall have no further rights and obligations under this Agreement, except for those rights and obligations that survive termination of the Existing MRA pursuant to Section 26.3 thereof.

[The remainder of this page is intentionally blank; signature page follows]

In witness whereof the parties have caused this Amended and Restated Master Repurchase Agreement to be executed as of the Effective Date.

NVR MORTGAGE FINANCE, INC., as Seller and Servicer

By: /s/ Robert A. Goethe

Title: President

Date: July 25, 2011

U.S. BANK NATIONAL ASSOCIATION

As Agent and a Buyer

By: /s/ Kathleen Connor

Title: Vice President

Date: July 21, 2011

[Signature Page to Amended and Restated Master Repurchase Agreement]

**FIRST AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT (this "Amendment"), dated as of August 1, 2012, is made and entered into among NVR MORTGAGE FINANCE, INC., a Virginia corporation (the "Seller"), U.S. BANK NATIONAL ASSOCIATION, as agent (in such capacity, the "Agent") and a Buyer, and the other Buyers (the "Buyers").

RECITALS:

A. The Seller and the Buyers are parties to an Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 (the "Repurchase Agreement").

B. The Seller and the Buyers now desire to extend the term of the Repurchase Agreement to July 31, 2013, and to amend certain provisions of the Repurchase Agreement as set forth herein.

AGREEMENT:

In consideration of the premises herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, all parties hereto agree as follows:

Section 1. Definitions. Capitalized terms used and not otherwise defined in this Amendment have the meanings specified in the Repurchase Agreement.

Section 2. Amendments. The Repurchase Agreement is hereby amended as follows:

2.1 Definitions. Section 1.2 of the Repurchase Agreement is hereby amended as follows:

(a) The definitions of "*Buyers' Margin Percentage*," "*Jumbo Mortgage Loan*," "*Libor Margin*," "*Liquidity*," "*Pricing Rate*" and "*Termination Date*" are amended and restated in their respective entireties as follows:

"*Buyers' Margin Percentage*" means:

- (i) for all Eligible Loans except Jumbo Mortgage Loans (including, for the avoidance of doubt, Jumbo Mortgage Loans (USBHM)) and Rural Development Guaranteed Housing Loans, ninety-seven percent (97%);
- (ii) for Jumbo Mortgage Loans (other than Jumbo Mortgage Loans (USBHM)), ninety-five percent (95%);
- (iii) for Jumbo Mortgage Loans (USBHM), ninety-eight percent (98%);

(iv) for Wet Loans, the Buyer's Margin Percentage for the underlying type of Purchased Loan which would apply if such Purchased Loan were a Dry Loan; and

(v) for Rural Development Guaranteed Housing Loans, ninety- two percent (92%).

"*Jumbo Mortgage Loan*" means a Mortgage Loan that would otherwise be a Conforming Mortgage Loan secured by a first Lien Mortgage except that the original principal amount is more than the maximum Agency loan amount but not more than One Million Five Hundred Thousand Dollars (\$1,500,000).

"*Libor Margin*" means 2.85%.

"*Liquidity*" means the sum of Seller's unencumbered and unrestricted cash and Cash Equivalents (including any amounts held in the Operating Account or Income Account), plus the unused revolving availability under this Agreement, calculated as the lesser of (i) the amount by which the aggregate Purchase Value of all Purchased Loans at such time exceeds the aggregate Purchase Price outstanding for all Open Transactions at such time and (ii) the amount by which the Maximum Aggregate Commitment exceeds the aggregate Purchase Price outstanding for all Open Transactions at such time.

"*Pricing Rate*" means the LIBOR Rate (or, if applicable, the alternate rate determined under Section 6.7) plus the LIBOR Margin or the Default Pricing Rate, as determined under this Agreement, provided that the Pricing Rate shall not be less than 3.10%.

"*Termination Date*" means the earlier of (i) July 31, 2013, and (ii) the date when the Buyers' Commitments are terminated pursuant to this Agreement, by order of any Governmental Authority or by operation of law.

(b) The following new definitions are added in the proper alphabetical order:

"*Jumbo Mortgage Loan (USBHM)*" means a Jumbo Mortgage Loan that is underwritten in accordance with U.S. Bank Home Mortgage guidelines, covered by a Purchase Commitment issued by Buyer and designated by Seller for sale to Buyer under such Purchase Commitment.

"*Rural Development Guaranteed Housing Loans*" means Mortgage Loans that are guaranteed or provided under the USDA Rural Development program

"*Rural Development Housing Loans Sublimit*" is defined in the table in Section 4.2.

2.2 Transaction Sublimits. Section 4.2(c) of the Repurchase Agreement is hereby amended and restated in its entirety as follows:

(c) The Aggregate Outstanding Purchase Price of all Purchased Loans that are of the type listed in the first column of the following table shall not exceed the percentage of the Maximum Aggregate Commitment listed in the second column of the table (the name of the Sublimit is set forth in the third column):

<u>Type of Purchased Loan</u>	<u>Maximum percentage of Maximum Aggregate Commitment</u>	<u>Name of Sublimit</u>
Jumbo Mortgage Loans (including, for the avoidance of doubt, Jumbo Mortgage Loans (USBHM))	25%	<i>“Jumbo Mortgage Loans Sublimit”</i>
Agency-eligible Forty Year Loans	10%	<i>“Agency-eligible Forty Year Loans Sublimit”</i>
Rural Development Guaranteed Housing Loans	50%	<i>“Rural Development Guaranteed Housing Loans Sublimit”</i>

2.3 Compliance Certificate. Exhibit C to the Repurchase Agreement is hereby amended and restated in its entirety as set forth on Exhibit A to this Amendment.

2.4 Approved Investors. Schedule AI to the Repurchase Agreement is amended and restated in its entirety to read as set forth on Exhibit B to this Amendment.

2.5 Jumbo Loans. Schedule EL to the Repurchase Agreement is amended by amending and restating paragraph (7) thereof as follows:

(7) In the case of a Jumbo Mortgage Loan, any of the following is true: (i) the loan to value ratio is greater than 80% (or with respect to a Jumbo Mortgage Loan (USBHM), 90%), or the combined loan to value ratio is greater than or equal to 90%, (ii) the Customer’s FICO score is less than 680, (iii) the Jumbo Mortgage Loan is not fully documented as to income or asset values, (iv) except with respect to a Jumbo Mortgage Loan (USBHM), the Jumbo Mortgage Loan is not eligible for purchase by two Approved Investors with short-term unsecured obligations rated not lower than A-1/P-1, which Approved Investors have granted Seller delegated authority to originate Jumbo Mortgage Loans, or (v) the Jumbo Mortgage Loan is not prior approved by an Approved Investor with short-term unsecured obligations rated not lower than A-1/P-1.

2.6 Rural Development Guaranteed Housing Loans. Schedule EL to the Repurchase Agreement is amended by adding the following new subsection (20) thereto as follows:

(20) In the case of a Rural Development Guaranteed Housing Loan, any of the following is true: (i) the Customer's FICO score is less than 620 or (ii) the loan-to-value ratio of such Rural Development Guaranteed Housing Loan equals or exceeds 105%.

Section 3. Representations, Warranties, Authority, No Adverse Claim.

3.1 Reassertion of Representations and Warranties, No Default. The Seller hereby represents and warrants that on and as of the date hereof and after giving effect to this Amendment (a) all of the representations and warranties in the Repurchase Agreement are true, correct, and complete in all respects as of the date hereof as though made on and as of such date, except for changes permitted by the terms of the Repurchase Agreement, and (b) there will exist no Default or Event of Default under the Repurchase Agreement, as amended by this Amendment, on such date that the Buyers have not waived.

3.2 Authority, No Conflict, No Consent Required. The Seller represents and warrants that it has the power, legal right, and authority to enter into this Amendment and has duly authorized by proper corporate action the execution and delivery of this Amendment and none of the agreements herein contravenes or constitutes a default under any agreement, instrument, or indenture to which the Seller is a party or a signatory, any provision of the Seller's articles of incorporation or bylaws, or any other agreement or requirement of law or results in the imposition of any Lien on any of its property under any agreement binding on or applicable to the Seller or any of its property except, if any, in favor of the Buyers. The Seller represents and warrants that no consent, approval, or authorization of or registration or declaration with any Person, including but not limited to any governmental authority, is required in connection with the execution and delivery by the Seller of this Amendment or the performance of obligations of the Seller herein described, except for those that the Seller has obtained or provided and as to which the Seller has delivered certified copies of documents evidencing each such action to the Buyers.

3.3 No Adverse Claim. The Seller hereby warrants, acknowledges, and agrees that no events have taken place and no circumstances exist at the date hereof that would give the Seller a basis to assert a defense, offset, or counterclaim to any claim of the Agent or the Buyers with respect to the Seller's obligations under the Repurchase Agreement as amended by this Amendment.

Section 4. Conditions Precedent. The effectiveness of the amendments hereunder shall be subject to satisfaction of the following conditions precedent:

4.1 The Agent shall have received the following documents in a quantity sufficient that the Seller and each Buyer may each have a fully executed original of each such document:

(a) this Amendment duly executed by the Seller, the Agent, and the Buyers;

(b) a certificate of the Secretary or an Assistant Secretary of the Seller certifying (i) that there has been no change to Seller's articles of incorporation or bylaws since copies of the same were delivered to the Agent on August 5, 2008; (ii) as to a copy attached thereto of resolutions authorizing the execution, delivery, and performance of this Amendment; and (iii) as to the names, incumbency, and specimen signatures of the persons authorized to execute this Amendment on behalf of the Seller; and

(c) such other documents as the Agent reasonably requests.

4.2 The Seller shall have paid any outstanding Agent's Fees and any other fees then due under Article 9 of the Repurchase Agreement.

Section 5. Miscellaneous.

5.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Repurchase Agreement and the other Repurchase Documents. Except as expressly modified and superseded by this Amendment, the terms and provisions of the Repurchase Agreement and each other Repurchase Document are ratified and confirmed and shall continue in full force and effect.

5.2 Survival. The representations and warranties made by the Seller in this Amendment shall survive the execution and delivery of this Amendment.

5.3 Reference to Repurchase Agreement. Each of the Repurchase Documents, including the Repurchase Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Repurchase Agreement as amended hereby, is hereby amended so that any reference in such Repurchase Document to the Repurchase Agreement shall refer to the Repurchase Agreement as amended and modified hereby.

5.4 Applicable Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York as applicable to the Repurchase Agreement.

5.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Agent, the Buyers, the Seller, and their respective successors and assigns, except that the Seller may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each of the Buyers.

5.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

5.7 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

5.8 ENTIRE AGREEMENT. THIS AMENDMENT AND THE OTHER REPURCHASE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

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In witness whereof the parties have caused this Amendment to be executed as of the date first written above.

NVR MORTGAGE FINANCE, INC., as Seller

By: /s/ Robert Henley

Name: Robert Henley

Title: President

Signature Page 1 to First Amendment to Amended and Restated Master Repurchase Agreement

U.S. BANK NATIONAL ASSOCIATION,
as Agent and as a Buyer

By: /s/ Kathleen Connor

Name: Kathleen Connor

Title: Vice President

Signature Page 2 to First Amendment to Amended and Restated Master Repurchase Agreement

**EXHIBIT C
TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT**

**FORM OF OFFICER'S CERTIFICATE WITH COMPUTATIONS
TO SHOW COMPLIANCE OR NON-COMPLIANCE WITH
CERTAIN FINANCIAL COVENANTS**

OFFICER'S CERTIFICATE

AGENT: U.S. Bank National Association

SELLER: NVR MORTGAGE FINANCE, INC.

SUBJECT PERIOD: ended , 20

DATE: , 20

This certificate is delivered to the Agent and the Buyers under the Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 (as supplemented, amended or restated from time to time, the "*Current Repurchase Agreement*"), among the Seller, the Agent, and the Buyers from time to time party thereto. Unless they are otherwise defined in this request, terms defined in the Current Repurchase Agreement have the same meanings here as there.

The undersigned certifies to the Agent that on the date of this certificate that:

1. The undersigned is an incumbent officer of the Seller, holding the title stated below the undersigned's signature below.

2. The Seller's Financial Statements that are attached to this certificate were prepared in accordance with GAAP (except that interim Financial Statements exclude notes to Financial Statements and statements of changes to stockholders' equity and are subject to year-end adjustments) and (subject to the aforesaid proviso as to interim Financial Statements) present fairly the Seller's financial condition and results of operations as of for that month (the "*Subject Period*") and for the year to that date.

3. The undersigned supervised a review of the Seller's activities during the Subject Period in respect of the following matters and has determined the following:

(a) except to the extent that a representation or warranty speaks to a specific date, the representations and warranties of the Seller in the Current Repurchase Agreement and the other Repurchase Documents are true and correct in all material respects, other than the changes, if any, described on the attached *Annex A*;

(b) no event has occurred that could reasonably be expected to have a materially adverse effect on any of the Central Elements of the Seller;

(c) the Seller has complied with all of its obligations under the Repurchase Documents, *other than* the deviations, if any, described on the attached *Annex A*;

(d) no Event of Default has occurred that has not been declared by the Agent in writing to have been cured or waived, and no Default has occurred that has not been cured before becoming an Event of Default, *other than* those Events of Default and/or Defaults, if any, described on the attached *Annex A*; and

(e) compliance by the Seller with the financial covenants in Sections 17.12, 17.13, 17.14, 17.15, and 17.22 of the Current Repurchase Agreement is accurately calculated on the attached *Annex A*.

NVR MORTGAGE FINANCE, INC.

By: _____
Name: _____
Title: _____

ANNEX A TO OFFICER'S CERTIFICATE

1. Describe changes to representations and warranties, if any — *clause 3(a)* of attached Officer's Certificate; if none, so state:

2. Describe deviations from compliance with obligations, if any — *clause 3(c)* of attached Officer's Certificate; if none, so state:

3. Describe Defaults or Events of Default, if any — *clause 3(d)* of attached Officer's Certificate; if none, so state:

4. Calculate compliance with covenants in **Sections 17.12, 17.13, 17.14, 17.15, and 17.22** of the Current Repurchase Agreement — *clause 3(e)* of attached Officer's Certificate:

(a) **Section 17.12.** The Seller's Adjusted Tangible Net Worth as of _____ is \$ _____ (the minimum under **Section 17.12** is \$7,500,000).

Adjusted Tangible Net Worth

Consolidated Assets:	\$ _____
<u>Minus</u> Debt (excluding Qualified Subordinated Debt):	\$ _____
<u>Minus</u> Contingent Indebtedness:	\$ _____
<u>Minus</u> Intangible Assets:	\$ _____
<u>Minus</u> Affiliate Receivables:	\$ _____
ADJUSTED TANGIBLE NET WORTH:	\$ _____

(b) **Section 17.13.** The ratio of Seller's Total Liabilities to Adjusted Tangible Net Worth on a consolidated basis with its Subsidiaries, measured monthly, is _____ to 1.0 (the maximum ratio under **Section 17.13** is 12.0:1.0).

Leverage Ratio

Total Liabilities (excluding Qualified Subordinated Debt):	\$ _____
Adjusted Tangible Net Worth:	\$ _____
LEVERAGE RATIO:	To 1.0

(c) **Section 17.14.** The Seller's Pre-FAS 133 Net Income measured at the end of _____ for the twelve consecutive months then ended is \$ _____ (the minimum under **Section 17.14** is \$2,000,000).

Pre-FAS 133 Net Income

Consolidated Net Income (in accordance with GAAP):	\$ _____
<u>Plus/Minus</u> FAS-133 Adjustment (calculated as of the end of the most recent fiscal quarter)	\$ _____
<u>Plus/Minus</u> Tax Adjustment	\$ _____
PRE-FAS 133 NET INCOME:	\$ _____

(d) **Section 17.15.** The Seller's liquidity (unrestricted cash, Cash Equivalents and unused portion of the Maximum Aggregate Commitment), for the month ended _____, 20____, was \$ _____ (the minimum under **Section 17.15** is \$7,500,000).

Liquidity

Unencumbered cash and cash equivalents:	\$ _____
<u>Plus</u> Unused availability (lesser of (i) aggregate Purchase Value – aggregate Purchase Price, or (ii) Maximum Aggregate Commitment – aggregate Purchase Price):	\$ _____
LIQUIDITY:	\$ _____

(d) **Section 17.22.** The Seller's HUD Compare Ratio, as of the last Business Day of the period covered by this certificate, was _____ to 1.00 (the maximum under **Section 17.22** is 1.50 to 1.00).

5. Describe and give details regarding (i) notices received by Seller requesting or demanding that Seller repurchase (or pay indemnity or other compensation in respect of) Mortgage Loans previously sold or otherwise disposed of by the Seller to any Investor or other Person pursuant to any express or implied repurchase or indemnity obligation as per Section 16.5, and (ii) actual repurchase and indemnity payments made by Seller to any Person. (attach schedule or explanation).

Ex. A-5

**SCHEDULE AI
TO MASTER REPURCHASE AGREEMENT**

**Approved Investors List
as of 5/17/2012**

<u>Investor</u>	<u>Product Approval</u>
Ally Bank	Conforming
Astoria Federal Savings and Loan	Conforming/40-Year ¹
BB&T	Conforming/40-Year/Jumbo
Chase Manhattan Mortgage Corporation	Conforming/40-Year/Jumbo
Citimortgage, Inc.	Conforming/40-Year/Jumbo
Dollar Bank, FSB	Conforming
Everbank Financial Corp.	Conforming
Federal Home Loan Mortgage Corp. (Freddie Mac)	Conforming/40-Year/Jumbo
Federal National Mortgage Assoc. (Fannie Mae)	Conforming/40-Year/Jumbo
Fifth Third Bank	Conforming
1 st Commonwealth Bank of Virginia	Conforming
Government National Mortgage Assoc.	Conforming
JPMorgan Chase Bank	Conforming/40-Year/Jumbo
Lake Michigan Credit Union	Conforming
New Penn Financial, LLC	Conforming
PennyMac Loan Services, LLC	Conforming
Redwood Residential Acquisition Corporation	Conforming
SunTrust Mortgage, Inc.	Conforming/40-Year/Jumbo
Virginia Commerce Bank	Conforming
US Bank Home Mortgage	Conforming/40-Year/Jumbo
Wells Fargo Home Mortgage	Conforming/40-Year/Jumbo
<u>Housing Agencies²</u>	
Delaware State Housing Authority	Conforming/40-Year
Florida Housing Finance Corporation	Conforming/40-Year
Housing Opportunities Commission	Conforming/40-Year
Illinois Housing Development Authority	Conforming/40-Year
Indiana Housing & Community Development Authority	Conforming/40-Year
Kentucky Housing Corp.	Conforming/40-Year
Maryland Community Development	Conforming/40-Year
New Jersey Housing Finance	Conforming/40-Year
North Carolina Housing Finance	Conforming/40-Year
Ohio Housing Finance Agency	Conforming/40-Year
Pennsylvania Housing Finance	Conforming/40-Year
South Carolina Housing Finance	Conforming/40-Year
State of New York Mortgage Agency	Conforming/40-Year
Tennessee Housing Finance	Conforming/40-Year
Virginia Housing Finance	Conforming/40-Year
West Virginia Housing Finance	Conforming/40-Year

¹ “40-Year” indicates Agency Eligible Forty Year Loans.

² All state agency programs are prefunded bond programs.

SECOND AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT

THIS SECOND AMENDMENT TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT (this "Amendment"), dated as of November 13, 2012, is made and entered into among NVR MORTGAGE FINANCE, INC., a Virginia corporation (the "Seller"), U.S. BANK NATIONAL ASSOCIATION, as agent (in such capacity, the "Agent") and a Buyer, and the other Buyers (the "Buyers").

RECITALS

A. The Seller and the Buyers are parties to an Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 as amended by a First Amendment to Amended and Restated Master Purchase Agreement dated as of August 1, 2012 (the "Repurchase Agreement"),

B. The Seller and the Buyers now desire to amend certain provisions of the Repurchase Agreement as set forth herein.

AGREEMENT

In consideration of the premises herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, all parties hereto agree as follows:

Section 1. Definitions. Capitalized terms used and not otherwise defined in this Amendment have the meanings specified in the Repurchase Agreement.

Section 2. Amendments. The Repurchase Agreement is hereby amended as follows:

2.1 **Definitions.** Section 1.2 of the Repurchase Agreement is hereby amended as follows:

(a) The definition of "*Settlement Account*" is amended and restated in its entirety as follows:

"*Settlement Account*" means the Seller's non-interest bearing demand deposit account number 1047-5623-4357 maintained with U.S. Bank, to be used for (a) the Agent's and the Buyers' deposits of Purchase Price payments for Purchased Loans (b) any principal payments received by the Agent or the Custodian (other than regular principal and interest payments) on any Purchased Loans; (c) the Agent's deposit of Repurchase Price payments received from the Seller or from an Approved Investor for the Seller's account for distribution to the Buyers, (d) proceeds of the sale of any MBS deposited pursuant to the Securities Custody Agreement, and (e) only if and when (i) no Default has occurred unless it has been either cured by the Seller or waived in writing by the Agent (acting with the requisite consent of the Buyers as provided in this Agreement) and (ii) no Event of Default has occurred unless the Agent has declared in writing that it has

been cured or waived, transfer to the Operating Account of proceeds of sales or other dispositions of Purchased Loans to an Approved Investor in excess (if any) of the Repurchase Price of such Purchased Loan. The Settlement Account is (and shall continuously constitute) collateral for the Obligations. The Settlement Account shall be subject to setoff by the Agent for Pro Rata distribution to the Buyers. The Settlement Account shall be a blocked account from which the Seller shall have no right to directly withdraw funds, but instead such funds may be withdrawn or paid out only against the order of an authorized officer of the Agent (acting with the requisite consent of the Buyers as provided herein), although under the circumstances described in clause (e) of the preceding sentence and subject to the conditions specified in that clause, the Agent shall use diligent and reasonable efforts to cause amounts in excess of the applicable Repurchase Prices that are deposited to the Settlement Account (i) before 2:00 p.m. on a Business Day to be transferred to the Operating Account on that same Business Day or on the Business Day thereafter when the Agent next determines the Buyers' Pro Rata shares of such Purchase Price payment amounts or Repurchase Prices received and (ii) after 2:00 p.m. on a Business Day to be transferred to the Operating Account on the Business Day thereafter when the Agent next determines the Buyers' Pro Rata shares of such Purchase Price payment amounts or Repurchase Prices received.

(b) The following new definitions are added in the proper alphabetical order:

"Securities Custody Agreement" means the Custody and Control Agreement dated as of November 13, 2012, among the Agent, the Seller, and U.S. Bank, as custodian, as amended, restated, supplemented, or otherwise modified from time to time.

"Trade Settlement Account" means the Account, as defined in the Securities Custody Agreement.

2.2 Transaction Sublimits. Section 4.2(d) of the Repurchase Agreement is amended and restated in its entirety as follows:

(d) The Purchase Value for any Purchased Loan hereunder shall not be more than (i) One Million Five Hundred Thousand Dollars (\$1,500,000) for any Purchased Loan that is a Jumbo Mortgage Loan and (ii) One Million Dollars (\$1,000,000) for any other Purchased Loan.

2.3 Security Interest. Section 10.1(c) of the Repurchase Agreement is hereby amended and restated in its entirety as follows:

(c) *Settlement Account, Operating Account, and other accounts*. The Settlement Account, the Operating Account, the Funding Account, the Income Account, the Escrow Account, the Trade Settlement Account and all cash and all securities and other property from time to time on deposit in each such account;

Section 3. Representations, Warranties, Authority, No Adverse Claim.

3.1 Reassertion of Representations and Warranties, No Default. The Seller hereby represents and warrants that on and as of the date hereof and after giving effect to this Amendment (a) all of the representations and warranties in the Repurchase Agreement are true, correct, and complete in all respects as of the date hereof as though made on and as of such date, except for changes permitted by the terms of the Repurchase Agreement, and (b) there will exist no Default or Event of Default under the Repurchase Agreement, as amended by this Amendment, on such date that the Buyers have not waived.

3.2 Authority, No Conflict, No Consent Required. The Seller represents and warrants that it has the power, legal right, and authority to enter into this Amendment and has duly authorized by proper corporate action the execution and delivery of this Amendment and none of the agreements herein contravenes or constitutes a default under any agreement, instrument, or indenture to which the Seller is a party or a signatory, any provision of the Seller's articles of incorporation or bylaws, or any other agreement or requirement of law or results in the imposition of any Lien on any of its property under any agreement binding on or applicable to the Seller or any of its property except, if any, in favor of the Buyers. The Seller represents and warrants that no consent, approval, or authorization of or registration or declaration with any Person, including but not limited to any governmental authority, is required in connection with the execution and delivery by the Seller of this Amendment or the performance of obligations of the Seller herein described, except for those that the Seller has obtained or provided and as to which the Seller has delivered certified copies of documents evidencing each such action to the Buyers.

3.3 No Adverse Claim. The Seller hereby warrants, acknowledges, and agrees that no events have taken place and no circumstances exist at the date hereof that would give the Seller a basis to assert a defense, offset, or counterclaim to any claim of the Agent or the Buyers with respect to the Seller's obligations under the Repurchase Agreement as amended by this Amendment.

Section 4. Conditions Precedent. The effectiveness of the amendments hereunder shall be subject to satisfaction of the following conditions precedent:

4.1 The Agent shall have received the following documents in a quantity sufficient that the Seller and each Buyer may each have a fully executed original of each such document:

(a) this Amendment duly executed by the Seller, the Agent, and the Buyers;

(b) a Custody and Control Agreement in the form provided by the Agent, duly executed by the Agent, the Seller, and U.S. Bank as custodian;

(c) a certificate of the Secretary or an Assistant Secretary of the Seller certifying (i) that there has been no change to Seller's articles of incorporation or bylaws since copies of the same were delivered to the Agent on August 5, 2008; (ii) as to a copy attached thereto of resolutions authorizing the execution, delivery, and performance of this Amendment, and the other documents and agreements executed and delivered in connection herewith; and (iii) as to the names, incumbency, and specimen signatures of the persons authorized to execute this Amendment on behalf of the Seller; and

(d) such other documents as the Agent reasonably requests.

4.2 The Seller shall have paid any outstanding Agent's Fees and any other fees then due under Article 9 of the Repurchase Agreement.

Section 5. Miscellaneous.

5.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Repurchase Agreement and the other Repurchase Documents. Except as expressly modified and superseded by this Amendment, the terms and provisions of the Repurchase Agreement and each other Repurchase Document are ratified and confirmed and shall continue in full force and effect.

5.2 Survival. The representations and warranties made by the Seller in this Amendment shall survive the execution and delivery of this Amendment.

5.3 Reference to Repurchase Agreement. Each of the Repurchase Documents, including the Repurchase Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Repurchase Agreement as amended hereby, is hereby amended so that any reference in such Repurchase Document to the Repurchase Agreement shall refer to the Repurchase Agreement as amended and modified hereby.

5.4 Applicable Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York as applicable to the Repurchase Agreement.

5.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Agent, the Buyers, the Seller, and their respective successors and assigns, except that the Seller may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each of the Buyers.

5.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

5.7 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

5.8 ENTIRE AGREEMENT. THIS AMENDMENT AND THE OTHER REPURCHASE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

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In witness whereof the parties have caused this Amendment to be executed as of the date first written above.

NVR MORTGAGE FINANCE, INC., as Seller

By: /s/ Robert Henley

Name: Robert Henley

Title: President

S-1

[Second Amendment to Amended and Restated Master Repurchase Agreement]

U.S. BANK NATIONAL ASSOCIATION, as Agent and as a Buyer

By: /s/ Kathleen Connor

Name: Kathleen Connor

Title: Vice President

S-2

[Second Amendment to Amended and Restated Master Repurchase Agreement]

THIRD AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT

THIS THIRD AMENDMENT TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT (this "Amendment"), dated as of November 29, 2012, is made and entered into among NVR MORTGAGE FINANCE, INC., a Virginia corporation (the "Seller"), U.S. BANK NATIONAL ASSOCIATION, as agent (in such capacity, the "Agent") and a Buyer, and the other Buyers (the "Buyers").

RECITALS

A. The Seller and the Buyers are parties to an Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 as amended by a First Amendment to Amended and Restated Master Repurchase Agreement dated as of August 1, 2012, and a Second Amendment to Amended and Restated Master Repurchase Agreement dated as of November 13, 2012 (the "Repurchase Agreement"),

B. The Seller and the Buyers now desire to amend certain provisions of the Repurchase Agreement as set forth herein.

AGREEMENT

In consideration of the premises herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, all parties hereto agree as follows:

Section 1. Definitions. Capitalized terms used and not otherwise defined in this Amendment have the meanings specified in the Repurchase Agreement.

Section 2. Amendments. The Repurchase Agreement is hereby amended as follows:

2.1 Buyers' Margin Percentage. The definition of "Buyers' Margin Percentage" in Section 1.2 of the Repurchase Agreement is amended and restated in its entirety as follows:

"*Buyers' Margin Percentage*" means:

(i) for all Eligible Loans except Jumbo Mortgage Loans (including, for the avoidance of doubt, Jumbo Mortgage Loans (USBHM)) and Rural Development Guaranteed Housing Loans, ninety-seven percent (97%), *provided* that if at any time the HUD Compare Ratio as shown on the most recent Compliance Certificate delivered to the Agent is greater than or equal to 1.60 to 1.00, the Buyers' Agent may, at its option, adjust the Buyers' Margin Percentage for FHA Loans to no less than (A) if such HUD Compare Ratio is greater than or equal to 1.60 to 1.00 but less than 1.80 to 1.00, seventy-five percent (75%); (B) if such HUD Compare Ratio is greater than or equal to 1.80 to 1.00 but less than 2.00 to 1.00, fifty percent (50%); and (C) if such HUD Compare Ratio is greater than 2.00 to 1.00, zero (0%);

(ii) for Jumbo Mortgage Loans (other than Jumbo Mortgage Loans (USBHM)), ninety-five percent (95%);

(iii) for Jumbo Mortgage Loans (USBHM), ninety-eight percent (98%);

(iv) for Wet Loans, the Buyer's Margin Percentage for the underlying type of Purchased Loan that would apply if such Purchased Loan were a Dry Loan; and

(v) for Rural Development Guaranteed Housing Loans, ninety-two percent (92%).

2.2 HUD Compare Ratio. Section 17.22 of the Repurchase Agreement is amended and restated in its entirety as follows:

17.22 [Reserved.]

2.3 Compliance Certificate. Section 16.3(c) of the Repurchase Agreement is hereby amended and restated in its entirety as follows:

(c) *Chief Financial Officer's Certificate*. Together with each of the monthly and annual Financial Statements required by Section 16.3(a) and (b) above, a certificate of the Seller's chief financial officer in the form of Exhibit C, among other things, (i) setting forth in reasonable detail all calculations necessary to show (A) whether the Seller is in compliance with the requirements of Sections 17.12, 17.13, 17.14, and 17.15 of this Agreement or, if the Seller is not in compliance, showing the extent of noncompliance and specifying the period of noncompliance and what actions the Seller proposes to take with respect thereto, and (B) the HUD Compare Ratio as of the last day of the applicable period, and (ii) stating that the terms of this Agreement have been reviewed by such officer or under his or her supervision, that he or she has made or caused to be made under his or her supervision a review in reasonable detail of the transactions and the condition of the Seller during the accounting period covered by such Financial Statements and that such review does not disclose the existence during or at the end of such accounting period and that such chief financial officer does not have knowledge of the existence as of the date of such certificate of any Event of Default or Default or, if any Event of Default or Default existed or exists, specifying the nature and period of its existence and what action the Seller has taken, is taking, and proposes to take with respect to it.

2.4 Compliance Certificate. Exhibit C to the Repurchase Agreement is hereby amended and restated in its entirety as set forth on Exhibit A to this Amendment.

Section 3. Representations, Warranties, Authority, No Adverse Claim.

3.1 Reassertion of Representations and Warranties, No Default. The Seller hereby represents and warrants that on and as of the date hereof and after giving effect to this Amendment (a) all of the representations and warranties in the Repurchase Agreement are true, correct, and complete in all respects as of the date hereof as though made on and as of such date,

except for changes permitted by the terms of the Repurchase Agreement, and (b) there will exist no Default or Event of Default under the Repurchase Agreement, as amended by this Amendment, on such date that the Buyers have not waived.

3.2 Authority, No Conflict, No Consent Required. The Seller represents and warrants that it has the power, legal right, and authority to enter into this Amendment and has duly authorized by proper corporate action the execution and delivery of this Amendment and none of the agreements herein contravenes or constitutes a default under any agreement, instrument, or indenture to which the Seller is a party or a signatory, any provision of the Seller's articles of incorporation or bylaws, or any other agreement or requirement of law or results in the imposition of any Lien on any of its property under any agreement binding on or applicable to the Seller or any of its property except, if any, in favor of the Buyers. The Seller represents and warrants that no consent, approval, or authorization of or registration or declaration with any Person, including but not limited to any governmental authority, is required in connection with the execution and delivery by the Seller of this Amendment or the performance of obligations of the Seller herein described, except for those that the Seller has obtained or provided and as to which the Seller has delivered certified copies of documents evidencing each such action to the Buyers.

3.3 No Adverse Claim. The Seller hereby warrants, acknowledges, and agrees that no events have taken place and no circumstances exist at the date hereof that would give the Seller a basis to assert a defense, offset, or counterclaim to any claim of the Agent or the Buyers with respect to the Seller's obligations under the Repurchase Agreement as amended by this Amendment.

Section 4. Conditions Precedent. The effectiveness of the amendments hereunder shall be subject to satisfaction of the following conditions precedent:

4.1 The Agent shall have received the following documents in a quantity sufficient that the Seller and each Buyer may each have a fully executed original of each such document:

(a) this Amendment duly executed by the Seller, the Agent, and the Buyers;

(b) a certificate of the Secretary or an Assistant Secretary of the Seller certifying (i) that there has been no change to Seller's articles of incorporation or bylaws since copies of the same were delivered to the Agent on August 5, 2008; (ii) as to a copy attached thereto of resolutions authorizing the execution, delivery, and performance of this Amendment, and the other documents and agreements executed and delivered in connection herewith; and (iii) as to the names, incumbency, and specimen signatures of the persons authorized to execute this Amendment on behalf of the Seller; and

(c) such other documents as the Agent reasonably requests.

4.2 The Seller shall have paid any outstanding Agent's Fees and any other fees then due under Article 9 of the Repurchase Agreement.

Section 5. Miscellaneous.

5.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Repurchase Agreement and the other Repurchase Documents. Except as expressly modified and superseded by this Amendment, the terms and provisions of the Repurchase Agreement and each other Repurchase Document are ratified and confirmed and shall continue in full force and effect.

5.2 Survival. The representations and warranties made by the Seller in this Amendment shall survive the execution and delivery of this Amendment.

5.3 Reference to Repurchase Agreement. Each of the Repurchase Documents, including the Repurchase Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Repurchase Agreement as amended hereby, is hereby amended so that any reference in such Repurchase Document to the Repurchase Agreement shall refer to the Repurchase Agreement as amended and modified hereby.

5.4 Applicable Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York as applicable to the Repurchase Agreement.

5.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Agent, the Buyers, the Seller, and their respective successors and assigns, except that the Seller may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each of the Buyers.

5.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

5.7 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

5.8 ENTIRE AGREEMENT. THIS AMENDMENT AND THE OTHER REPURCHASE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[Remainder of This Page Intentionally Left Blank]

In witness whereof the parties have caused this Amendment to be executed as of the date first written above.

NVR MORTGAGE FINANCE, INC., as Seller

By: /s/ Robert W. Henley

Name: Robert W. Henley

Title: President

S-1

[Third Amendment to Amended and Restated Master Repurchase Agreement]

U.S. BANK NATIONAL ASSOCIATION, as Agent and as a Buyer

By: /s/ Randy S. Baker

Name: Randy Baker

Title: Vice President

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[Third Amendment to Amended and Restated Master Repurchase Agreement]

**EXHIBIT C
TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT**

**FORM OF OFFICER'S CERTIFICATE WITH COMPUTATIONS
TO SHOW COMPLIANCE OR NON-COMPLIANCE WITH
CERTAIN FINANCIAL COVENANTS**

OFFICER'S CERTIFICATE

AGENT: U.S. Bank National Association
SELLER: NVR MORTGAGE FINANCE, INC.
SUBJECT PERIOD: ended , 20
DATE: , 20

This certificate is delivered to the Agent and the Buyers under the Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 (as supplemented, amended or restated from time to time, the "*Current Repurchase Agreement*"), among the Seller, the Agent, and the Buyers from time to time party thereto. Unless they are otherwise defined in this request, terms defined in the Current Repurchase Agreement have the same meanings here as there.

The undersigned certifies to the Agent that on the date of this certificate that:

1. The undersigned is an incumbent officer of the Seller, holding the title stated below the undersigned's signature below.

2. The Seller's Financial Statements that are attached to this certificate were prepared in accordance with GAAP (except that interim Financial Statements exclude notes to Financial Statements and statements of changes to stockholders' equity and are subject to year-end adjustments) and (subject to the aforesaid proviso as to interim Financial Statements) present fairly the Seller's financial condition and results of operations as of for that month (the "*Subject Period*") and for the year to that date.

3. The undersigned supervised a review of the Seller's activities during the Subject Period in respect of the following matters and has determined the following:

(a) except to the extent that a representation or warranty speaks to a specific date, the representations and warranties of the Seller in the Current Repurchase Agreement and the other Repurchase Documents are true and correct in all material respects, other than the changes, if any, described on the attached *Annex A*;

(b) no event has occurred that could reasonably be expected to have a materially adverse effect on any of the Central Elements of the Seller;

(c) the Seller has complied with all of its obligations under the Repurchase Documents, *other than* the deviations, if any, described on the attached *Annex A*;

(d) no Event of Default has occurred that has not been declared by the Agent in writing to have been cured or waived, and no Default has occurred that has not been cured before becoming an Event of Default, *other than* those Events of Default and/or Defaults, if any, described on the attached *Annex A*; and

(e) compliance by the Seller with the financial covenants in Sections 17.12, 17.13, 17.14, and 17.15 of the Current Repurchase Agreement and the HUD Compare Ratio are accurately calculated on the attached *Annex A*.

NVR MORTGAGE FINANCE, INC.

By: _____
Name: _____
Title: _____

ANNEX A TO OFFICER'S CERTIFICATE

1. Describe changes to representations and warranties, if any — *clause 3(a)* of attached Officer's Certificate; if none, so state:

2. Describe deviations from compliance with obligations, if any — *clause 3(c)* of attached Officer's Certificate; if none, so state:

3. Describe Defaults or Events of Default, if any — *clause 3(d)* of attached Officer's Certificate; if none, so state:

4. Calculate compliance with covenants in **Sections 17.12, 17.13, 17.14, and 17.15** of the Current Repurchase Agreement and the HUD Compare Ratio — *clause 3(e)* of attached Officer's Certificate:

(a) **Section 17.12.** The Seller's Adjusted Tangible Net Worth as of _____ is \$ _____ (the minimum under **Section 17.12** is \$7,500,000).

Adjusted Tangible Net Worth

Consolidated Assets:	\$ _____
<u>Minus</u> Debt (excluding Qualified Subordinated Debt):	\$ _____
<u>Minus</u> Contingent Indebtedness:	\$ _____
<u>Minus</u> Intangible Assets:	\$ _____
<u>Minus</u> Affiliate Receivables:	\$ _____
ADJUSTED TANGIBLE NET WORTH:	\$ _____

(b) **Section 17.13.** The ratio of Seller's Total Liabilities to Adjusted Tangible Net Worth on a consolidated basis with its Subsidiaries, measured monthly, is to 1.0 (the maximum ratio under **Section 17.13** is 12.0:1.0).

Leverage Ratio

Total Liabilities (excluding Qualified Subordinated Debt):	\$ _____
Adjusted Tangible Net Worth:	\$ _____
LEVERAGE RATIO:	To 1.0

(c) **Section 17.14.** The Seller's Pre-FAS 133 Net Income measured at the end of _____ for the twelve consecutive months then ended is \$ _____ (the minimum under **Section 17.14** is \$2,000,000).

Pre-FAS 133 Net Income

Consolidated Net Income (in accordance with GAAP):	\$ _____
<u>Plus/Minus</u> FAS-133 Adjustment (calculated as of the end of the most recent fiscal quarter)	\$ _____
<u>Plus/Minus</u> Tax Adjustment	\$ _____
PRE-FAS 133 NET INCOME:	\$ _____

(d) **Section 17.15.** The Seller's liquidity (unrestricted cash, Cash Equivalents and unused portion of the Maximum Aggregate Commitment), for the month ended _____, 20____, was \$ _____ (the minimum under **Section 17.15** is \$7,500,000).

Liquidity

Unencumbered cash and cash equivalents:	\$ _____
<u>Plus</u> Unused availability (lesser of (i) aggregate Purchase Value – aggregate Purchase Price, or (ii) Maximum Aggregate Commitment – aggregate Purchase Price):	\$ _____
LIQUIDITY:	\$ _____

(e) **HUD Compare Ratio.** The Seller’s HUD Compare Ratio, as of the last Business Day of the period covered by this certificate, was _____ to 1.00.

5. Describe and give details regarding (i) notices received by Seller requesting or demanding that Seller repurchase (or pay indemnity or other compensation in respect of) Mortgage Loans previously sold or otherwise disposed of by the Seller to any Investor or other Person pursuant to any express or implied repurchase or indemnity obligation as per Section 16.5, and (ii) actual repurchase and indemnity payments made by Seller to any Person. (attach schedule or explanation).

FOURTH AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT

THIS FOURTH AMENDMENT TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT (this "Amendment"), dated as of July 31, 2013, is made and entered into among NVR MORTGAGE FINANCE, INC., a Virginia corporation (the "Seller"), U.S. BANK NATIONAL ASSOCIATION, as agent (in such capacity, the "Agent") and a Buyer, and the other Buyers (the "Buyers").

RECITALS

A. The Seller and the Buyers are parties to an Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 as amended by a First Amendment to Amended and Restated Master Repurchase Agreement dated as of August 1, 2012, a Second Amendment to Amended and Restated Master Repurchase Agreement dated as of November 13, 2012, and a Third Amendment to Amended and Restated Master Repurchase Agreement dated as of November 29, 2012 (the "Repurchase Agreement"); and

B. The Seller and the Buyers now desire to amend certain provisions of the Repurchase Agreement as set forth herein.

AGREEMENT

In consideration of the premises herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, all parties hereto agree as follows:

Section 1. Definitions. Capitalized terms used and not otherwise defined in this Amendment have the meanings specified in the Repurchase Agreement.

Section 2. Amendments. The Repurchase Agreement is hereby amended as follows:

2.1 **Definitions.** Section 1.2 of the Repurchase Agreement is hereby amended as follows:

(a) The definitions of "Conforming Mortgage Loan," "Libor Margin," "Pricing Rate" and "Termination Date" are amended and restated in their respective entirety as follows:

"*Conforming Mortgage Loan*" means a conventional first-priority Single-family Loan (including an Agency-Eligible Forty Year Loan) that is either (i) FHA insured, (ii) VA guaranteed, (iii) guaranteed or provided under the USDA Rural Development program, (iv) eligible for sale to an Approved Investor in conjunction with a state or municipal housing bond program, or (v) a conventional mortgage loan that fully conforms to all Agency underwriting and other requirements, excluding expanded criteria loans as defined under any Agency program.

“*Libor Margin*” means 2.75%.

“*Pricing Rate*” means the LIBOR Rate (or, if applicable, the alternate rate determined under Section 6.7) plus the LIBOR Margin or the Default Pricing Rate, as determined under this Agreement, provided that the Pricing Rate shall not be less than 3.00%.

“*Termination Date*” means the earlier of (i) July 30, 2014, and (ii) the date when the Buyers’ Commitments are terminated pursuant to this Agreement, by order of any Governmental Authority or by operation of law.

2.2 Facility Fee; Non-Use. Section 9.1 of the Repurchase Agreement is hereby amended and restated in its entirety as follows:

The Seller agrees to pay to the Agent (for Pro Rata distribution to the Buyers) a facility fee (the “Facility Fee”) in an amount equal to the sum of fifteen one-hundredths of one percent (0.15%) per annum of the Maximum Aggregate Commitment for the period from the Effective Date to the Termination Date, computed for each calendar month or portion thereof from the Effective Date until the date this Agreement terminates in accordance with its terms. If the average Aggregate Outstanding Purchase Price is less than 50% of the Maximum Aggregate Commitment for any month, the Seller further agrees to pay to the Agent (for pro rata distribution to the Buyers) a non-usage fee (the “Non-usage Fee”) in an amount determined by applying a rate of 0.20% per annum to the average daily amount by which the Maximum Aggregate Commitment exceeds the average Aggregate Outstanding Purchase Price, computed for each calendar month or portion thereof from the Effective Date to the date this Agreement terminates in accordance with its terms. The Facility Fee and the Non-Usage Fee shall be payable monthly in arrears and shall be due and payable no later than two (2) Business Days after the Agent bills the Seller therefor and shall be calculated based on a year of three hundred sixty (360) days. If the Maximum Aggregate Commitment shall be increased or decreased from time to time either pursuant to a provision of this Agreement or by separate agreement between the Buyers and the Seller (excluding, however, any change occurring as a result of or following the occurrence of a Default or an Event of Default, in respect of which no adjustment of the Facility Fee and the Non-Usage Fee shall be required), the amount of the Facility Fee and the calculation of the Non-Usage Fee shall be adjusted as of the date of such change. The Facility Fee and the Non-Usage Fee are compensation to the Buyers for committing to make funds available for revolving purchases of Eligible Loans on the terms and subject to the conditions of this Agreement, and are not compensation for the use or forbearance or detention of money. Each calculation by the Agent of the amount of the Facility Fee and the Non-Usage Fee shall be conclusive and binding absent manifest error.

2.3 Approved Investors. Schedule AI to the Repurchase Agreement is amended and restated in its entirety to read as set forth on Exhibit A to this Amendment.

Section 3. Representations, Warranties, Authority, No Adverse Claim.

3.1 Reassertion of Representations and Warranties, No Default. The Seller hereby represents and warrants that on and as of the date hereof and after giving effect to this Amendment (a) all of the representations and warranties in the Repurchase Agreement are true, correct, and complete in all respects as of the date hereof as though made on and as of such date, except for changes permitted by the terms of the Repurchase Agreement, and (b) there will exist no Default or Event of Default under the Repurchase Agreement, as amended by this Amendment, on such date that the Buyers have not waived.

3.2 Authority, No Conflict, No Consent Required. The Seller represents and warrants that it has the power, legal right, and authority to enter into this Amendment and has duly authorized by proper corporate action the execution and delivery of this Amendment and none of the agreements herein contravenes or constitutes a default under any agreement, instrument, or indenture to which the Seller is a party or a signatory, any provision of the Seller's articles of incorporation or bylaws, or any other agreement or requirement of law or results in the imposition of any Lien on any of its property under any agreement binding on or applicable to the Seller or any of its property except, if any, in favor of the Buyers. The Seller represents and warrants that no consent, approval, or authorization of or registration or declaration with any Person, including but not limited to any governmental authority, is required in connection with the execution and delivery by the Seller of this Amendment or the performance of obligations of the Seller herein described, except for those that the Seller has obtained or provided and as to which the Seller has delivered certified copies of documents evidencing each such action to the Buyers.

3.3 No Adverse Claim. The Seller hereby warrants, acknowledges, and agrees that no events have taken place and no circumstances exist at the date hereof that would give the Seller a basis to assert a defense, offset, or counterclaim to any claim of the Agent or the Buyers with respect to the Seller's obligations under the Repurchase Agreement as amended by this Amendment.

Section 4. Conditions Precedent. The effectiveness of the amendments hereunder shall be subject to satisfaction of the following conditions precedent:

4.1 The Agent shall have received the following documents in a quantity sufficient that the Seller and each Buyer may each have a fully executed original of each such document:

(a) this Amendment duly executed by the Seller, the Agent, and the Buyers;

(b) a certificate of the Secretary or an Assistant Secretary of the Seller certifying (i) that there has been no change to Seller's articles of incorporation or bylaws since copies of the same were delivered to the Agent on August 5, 2008; (ii) as to a copy attached thereto of resolutions authorizing the execution, delivery,

and performance of this Amendment, and the other documents and agreements executed and delivered in connection herewith; and (iii) as to the names, incumbency, and specimen signatures of the persons authorized to execute this Amendment on behalf of the Seller; and

(c) such other documents as the Agent reasonably requests.

4.2 The Seller shall have paid any outstanding Agent's Fees and any other fees then due under Article 9 of the Repurchase Agreement.

Section 5. Miscellaneous.

5.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Repurchase Agreement and the other Repurchase Documents. Except as expressly modified and superseded by this Amendment, the terms and provisions of the Repurchase Agreement and each other Repurchase Document are ratified and confirmed and shall continue in full force and effect.

5.2 Survival. The representations and warranties made by the Seller in this Amendment shall survive the execution and delivery of this Amendment.

5.3 Reference to Repurchase Agreement. Each of the Repurchase Documents, including the Repurchase Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Repurchase Agreement as amended hereby, is hereby amended so that any reference in such Repurchase Document to the Repurchase Agreement shall refer to the Repurchase Agreement as amended and modified hereby.

5.4 Applicable Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York as applicable to the Repurchase Agreement.

5.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Agent, the Buyers, the Seller, and their respective successors and assigns, except that the Seller may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each of the Buyers.

5.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

5.7 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

5.8 ENTIRE AGREEMENT. THIS AMENDMENT AND THE OTHER REPURCHASE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG

THE PARTIES HERETO AND THERETO, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

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IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the date first written above.

NVR MORTGAGE FINANCE, INC., as Seller

By: /s/ Robert W. Henley

Name: Robert W. Henley

Title: President

[Signature Page 1 to Fourth Amendment to Amended and Restated Master Repurchase Agreement]

U.S. BANK NATIONAL ASSOCIATION,
as Agent and as a Buyer

By: /s/ Kathleen Connor

Name: Kathleen Connor

Title: Vice President

[Signature Page 2 to Fourth Amendment to Amended and Restated Master Repurchase Agreement]

**EXHIBIT A TO
FOURTH AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT**

<u>Investor</u>	Approved Investors List 3/31/2013		<u>Related Parent Company</u>	<u>Product Approval</u>
	<u>S&P CP Rating (1)</u>	<u>Moody's CP Rating (1)</u>		
Astoria Federal Savings and Loan	A-2	P-1		Conforming
BB&T	A-2	P-1		Conforming/Non-conforming
Chase Manhattan Mortgage Corporation	A-1	P-1	JPMorgan Chase Bank, N.A.	Conforming/Non-conforming
Citimortgage, Inc.	A-2	P-1	Citigroup, Inc.	Conforming/Non-conforming
Dollar Bank, FSB	N/A	N/A		Conforming
Everbank Financial Corp	N/A	N/A		Conforming/Non-conforming
Federal Home Loan Mortgage Corp. (Freddie Mac)	A-1+	P-1		Conforming/Non-conforming
Federal National Mortgage Assoc. (Fannie Mae)	A-1+	P-1		Conforming/Non-conforming
Fifth Third Bank	N/A	N/A		Conforming
1st Commonwealth Bank of Virginia	N/A	N/A		Conforming
Government National Mortgage Assoc.	N/A	N/A		Conforming
JPMorgan Chase Bank	A-1+	P-1		Conforming/Non-conforming
Lake Michigan Credit Union	N/A	N/A	Lake Michigan Financial Group Inc.	Conforming/Non-conforming
New Penn Financial, LLC	N/A	N/A		Conforming/Non-conforming
PennyMac Loan Services, LLC	N/A	N/A	PennyMac Mortgage Investment Trust	Conforming/Non-conforming
Redwood Residential Acquisition Corporation	N/A	N/A		Conforming
SunTrust Mortgage, Inc.	A-2	P-1	Suntrust Banks, Inc.	Conforming/Non-conforming
Virginia Commerce Bank	N/A	N/A		Conforming/Non-conforming
US Bank Home Mortgage	A-1	P-1		Conforming/Non-conforming
Wells Fargo Home Mortgage	A-1	P-1	Wells Fargo Bank, N.A.	Conforming/Non-conforming
Coastal Federal Credit Union	N/A	N/A		Conforming/Non-conforming
<u>Housing Agencies (2)</u>				
Delaware State Housing Authority	N/A	N/A		Conforming
Florida State Housing	N/A	N/A		Conforming
Housing Opportunities Commission	N/A	N/A		Conforming
Illinois housing Development Authority	N/A	N/A		Conforming
Indiana Housing & Community Development Authority	N/A	N/A		Conforming
Kentucky Housing Corp.	N/A	N/A		Conforming
Maryland Community Development	N/A	N/A		Conforming
New Jersey Housing Finance	N/A	N/A		Conforming
North Carolina Housing Finance	N/A	N/A		Conforming
Ohio Housing Finance Agency	N/A	N/A		Conforming
Pennsylvania Housing Finance	N/A	N/A		Conforming
South Carolina Housing Finance	N/A	N/A		Conforming
State of New York Mortgage Agency	N/A	N/A		Conforming
Tennessee Housing Finance	N/A	N/A		Conforming
Virginia Housing Development Authority	N/A	N/A		Conforming
West Virginia Housing Finance	N/A	N/A		Conforming

(1) Ratings as of June 17, 2013

(2) All state agency programs are prefunded bond programs

FIFTH AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT

THIS FIFTH AMENDMENT TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT (this "Amendment"), dated as of July 30, 2014 (the "Effective Date"), is made and entered into among NVR MORTGAGE FINANCE, INC., a Virginia corporation (the "Seller"), U.S. BANK NATIONAL ASSOCIATION, as agent (in such capacity, the "Agent") and a Buyer, and the other Buyers (the "Buyers").

RECITALS

A. The Seller and the Buyers are parties to an Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 as amended by a First Amendment to Amended and Restated Master Repurchase Agreement dated as of August 1, 2012, a Second Amendment to Amended and Restated Master Repurchase Agreement dated as of November 13, 2012, a Third Amendment to Amended and Restated Master Repurchase Agreement dated as of November 29, 2012 and a Fourth Amendment to Amended and Restated Master Repurchase Agreement dated as of July 31, 2013 (the "Repurchase Agreement"); and

B. The Seller and the Buyers now desire to amend certain provisions of the Repurchase Agreement as set forth herein.

AGREEMENT

In consideration of the premises herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, all parties hereto agree as follows:

Section 1. Definitions. Capitalized terms used and not otherwise defined in this Amendment have the meanings specified in the Repurchase Agreement.

Section 2. Amendments. The Repurchase Agreement is hereby amended as follows:

2.1 **Definitions.** Section 1.2 of the Repurchase Agreement is hereby amended as follows:

(a) The definitions of "Agency-eligible Forty Year Loans," "Agency-eligible Forty Year Loans Sublimit," "Buyers' Margin Percentage," "Jumbo Mortgage Loan (USBHM)," "Libor Margin," "Pricing Rate," "Purchase Value" and "Termination Date" are amended and restated in their respective entirety as follows:

"Agency-eligible Forty Year Loans" [Reserved.]

"Agency-eligible Forty Year Loans Sublimit" [Reserved.]

“Buyers’ Margin Percentage” means:

(i) for all Eligible Loans except High LTV Mortgage Loans, Jumbo Mortgage Loans and Rural Development Guaranteed Housing Loans, ninety-seven percent (97%), provided that if at any time the HUD Compare Ratio as shown on the most recent Compliance Certificate delivered to the Agent is greater than or equal to 1.60 to 1.00, the Buyers’ Agent may, at its option, adjust the Buyers’ Margin Percentage for FHA Loans to no less than (A) if such HUD Compare Ratio is greater than or equal to 1.60 to 1.00 but less than 1.80 to 1.00, seventy-five percent (75%); (B) if such HUD Compare Ratio is greater than or equal to 1.80 to 1.00 but less than 2.00 to 1.00, fifty percent (50%); and (C) if such HUD Compare Ratio is greater than 2.00 to 1.00, zero (0%);

(ii) for High LTV Mortgage Loans, ninety-seven percent (97%);

(iii) for Jumbo Mortgage Loans (USBHM), ninety-eight percent (98%);

(iv) for Jumbo Mortgage Loans (other than Jumbo Mortgage Loans (USBHM)), ninety-five percent (95%);

(v) for Rural Development Guaranteed Housing Loans, ninety-two percent (92%); and

(vi) for Wet Loans, the Buyer’s Margin Percentage for the underlying type of Purchased Loan that would apply if such Purchased Loan were a Dry Loan;

“Jumbo Mortgage Loan (USBHM)” means a Jumbo Mortgage Loan that is underwritten in accordance with U.S. Bank Home Mortgage guidelines under the LPMI Piggyback Buster program, with a loan-to-value ratio of up to 90%, covered by a Purchase Commitment issued by Buyer and designated by Seller for sale to Buyer under such Purchase Commitment.

“Libor Margin” means 2.625%.

“Pricing Rate” means the LIBOR Rate (or, if applicable, the alternate rate determined under Section 6.7) plus the LIBOR Margin or the Default Pricing Rate, as determined under this Agreement, provided that the Pricing Rate shall not be less than 2.825%.

“Purchase Value” means the lesser of (a) (x) the Buyers’ Margin Percentage for a Purchased Loan multiplied by (y) the least of:

(i) the face principal amount of the related Mortgage Note;

(ii) the unpaid Principal Balance of such Purchased Loan;

(iii) the price to be paid for such Purchased Loan under an Investor Commitment or the weighted average price under unused Investor Commitments into which such Purchased Loan is eligible for delivery;

(iv) the Seller's origination or acquisition price for such Purchased Loan; and

(v) Market Value of such Purchased Loan as solely determined by the Agent.

and (b) at the discretion of the Agent, ninety-five percent (95%) of the Market Value of such Purchased Loan; provided, that (1) the Purchase Value for Purchased Loans in excess of the sub limits set forth in Section 4.2 shall be zero and, (2) the Purchase Value for any Purchased Loan which is not an Eligible Loan shall be zero.

"*Termination Date*" means the earlier of (i) July 29, 2015, and (ii) the date when the Buyers' Commitments are terminated pursuant to this Agreement, by order of any Governmental Authority or by operation of law.

(b) The following new definitions are added in the proper alphabetical order:

"*High LTV Mortgage Loan*" means a Mortgage Loan that is a FHA/VA/USDA and Agency eligible loan that has up-front mortgage insurance premiums added to the principal amount of such mortgage loan, and would be an Eligible Mortgage Loan except that the combined loan-to-value ratio of such Mortgage Loan (including the mortgage insurance premiums in the principal) exceeds one hundred percent (100%) of the value of the property subject to such mortgage, provided that the combined loan-to-value ratio does not exceed one hundred and five percent (105%).

"*High LTV Mortgage Loans Sublimit*" is defined in the table in Section 4.2.

2.2 Transaction Sublimits. Section 4.2 (c) of the Repurchase agreement is hereby amended and restated in its entirety as follows:

(c) The Aggregate Outstanding Purchase Price of all Purchased Loans that are of the type listed in the first column of the following table shall not exceed the

percentage of the Maximum Aggregate Commitment listed in the second column of the table (the name of the Sublimit is set forth in the third column):

<u>Type of Purchased Loan</u>	<u>Maximum percentage of Maximum Aggregate Commitment</u>	<u>Name of Sublimit</u>
High LTV Mortgage Loans	15%	“High LTV Mortgage Loans Sublimit”
Jumbo Mortgage Loans (including, for the avoidance of doubt, Jumbo Mortgage Loans (USBHM))	25%	“Jumbo Mortgage Loans Sublimit”
Rural Development Guaranteed Housing Loans	50%	“Rural Development Guaranteed Housing Loans Sublimit”

2.3 Approved Investors. Schedule AI to the Repurchase Agreement is amended and restated in its entirety to read as set forth on Exhibit A to this Amendment.

2.4 Eligible Loans. Schedule EL to the Repurchase Agreement is amended and restated in its entirety to read as set forth on Exhibit B to this Amendment.

Section 3. Representations, Warranties, Authority, No Adverse Claim.

3.1 Reassertion of Representations and Warranties, No Default. The Seller hereby represents and warrants that on and as of the date hereof and after giving effect to this Amendment (a) all of the representations and warranties in the Repurchase Agreement are true, correct, and complete in all respects as of the date hereof as though made on and as of such date, except for changes permitted by the terms of the Repurchase Agreement, and (b) there will exist no Default or Event of Default under the Repurchase Agreement, as amended by this Amendment, on such date that the Buyers have not waived.

3.2 Authority, No Conflict, No Consent Required. The Seller represents and warrants that it has the power, legal right, and authority to enter into this Amendment and has duly authorized by proper corporate action the execution and delivery of this Amendment and none of the agreements herein contravenes or constitutes a default under any agreement, instrument, or indenture to which the Seller is a party or a signatory, any provision of the Seller’s articles of incorporation or bylaws, or any other agreement or requirement of law or results in the imposition of any Lien on any of its property under

any agreement binding on or applicable to the Seller or any of its property except, if any, in favor of the Buyers. The Seller represents and warrants that no consent, approval, or authorization of or registration or declaration with any Person, including but not limited to any governmental authority, is required in connection with the execution and delivery by the Seller of this Amendment or the performance of obligations of the Seller herein described, except for those that the Seller has obtained or provided and as to which the Seller has delivered certified copies of documents evidencing each such action to the Buyers.

3.3 **No Adverse Claim.** The Seller hereby warrants, acknowledges, and agrees that no events have taken place and no circumstances exist at the date hereof that would give the Seller a basis to assert a defense, offset, or counterclaim to any claim of the Agent or the Buyers with respect to the Seller's obligations under the Repurchase Agreement as amended by this Amendment.

Section 4. Conditions Precedent. The effectiveness of the amendments hereunder shall be subject to satisfaction of the following conditions precedent:

4.1 The Agent shall have received the following documents in a quantity sufficient that the Seller and each Buyer may each have a fully executed original of each such document:

(a) this Amendment duly executed by the Seller, the Agent, and the Buyers;

(b) a certificate of the Secretary or an Assistant Secretary of the Seller certifying (i) that there has been no change to Seller's articles of incorporation or bylaws since copies of the same were delivered to the Agent on August 5, 2008; (ii) as to a copy attached thereto of resolutions authorizing the execution, delivery, and performance of this Amendment, and the other documents and agreements executed and delivered in connection herewith; and (iii) as to the names, incumbency, and specimen signatures of the persons authorized to execute this Amendment on behalf of the Seller; and

(c) such other documents as the Agent reasonably requests.

4.2 The Seller shall have paid any outstanding Agent's Fees and any other fees then due under Article 9 of the Repurchase Agreement.

Section 5. Miscellaneous.

5.1 **Ratifications.** The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Repurchase Agreement and the other Repurchase Documents. Except as expressly modified and superseded by this Amendment, the terms and provisions of the Repurchase Agreement and each other Repurchase Document are ratified and confirmed and shall continue in full force and effect.

5.2 Survival. The representations and warranties made by the Seller in this Amendment shall survive the execution and delivery of this Amendment.

5.3 Reference to Repurchase Agreement. Each of the Repurchase Documents, including the Repurchase Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Repurchase Agreement as amended hereby, is hereby amended so that any reference in such Repurchase Document to the Repurchase Agreement shall refer to the Repurchase Agreement as amended and modified hereby.

5.4 Applicable Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York as applicable to the Repurchase Agreement.

5.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Agent, the Buyers, the Seller, and their respective successors and assigns, except that the Seller may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each of the Buyers.

5.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

5.7 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

5.8 ENTIRE AGREEMENT. THIS AMENDMENT AND THE OTHER REPURCHASE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the date first written above.

NVR MORTGAGE FINANCE, INC., as Seller

By: /s/ Robert W. Henley

Name: Robert W. Henley

Title: President, NVR Mortgage Finance Inc.

[Signature Page 1 to Fifth Amendment to Amended and Restated Master Repurchase Agreement]

U.S. BANK NATIONAL ASSOCIATION,
As Agent and as a Buyer

By: /s/ Kathleen Connor

Name: Kathleen Connor

Title: Senior Vice President

[Signature Page 2 to Fifth Amendment to Amended and Restated Master Repurchase Agreement]

**EXHIBIT A TO
FIFTH AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT**

<u>Investor</u>	Approved Investors List 7/30/2014		<u>Related Parent Company</u>	<u>Product Approval</u>
	<u>S&P CP Rating (1)</u>	<u>Moody's CP Rating (1)</u>		
BB&T	A-2	P-1		Conforming/Non-conforming
Citimortgage, Inc.	A-2	P-2	Citigroup, Inc.	Conforming/Non-conforming
Coastal Federal Credit Union of Raleigh NC	N/A	N/A		Conforming
Dollar Bank, FSB	N/A	N/A		Conforming
Everbank Financial Corp	N/A	N/A		Conforming
Federal Home Loan Mortgage Corp. (Freddie Mac)	A-1+	P-1		Conforming/Non-conforming
Federal National Mortgage Assoc. (Fannie Mae)	A-1+	P-1		Conforming/Non-conforming
Fifth Third Bank	N/A	N/A		Conforming
First Guaranty Mortgage Corporation	N/A	N/A		Conforming
Government National Mortgage Assoc.	N/A	N/A		Conforming
JPMorgan Chase Bank	A-1+	P-1	JPMorgan Chase Bank, N.A.	Conforming/Non-conforming
Lake Michigan Credit Union	N/A	N/A	Lake Michigan Financial Group Inc.	Conforming
New Penn Financial, LLC	N/A	N/A		Conforming
PennyMac Loan Services, LLC	N/A	N/A	PennyMac Mortgage Investment Trust	Conforming
Redwood Residential Acquisition Corporation	N/A	N/A		Conforming
Regions Mortgage	N/A	N/A		Conforming
Stearns Lending, Inc.	N/A	N/A		Conforming
SunTrust Mortgage, Inc.	A-2	P-1	Suntrust Banks, Inc.	Conforming
US Bank Home Mortgage	A-1	P-1		Conforming/Non-conforming
Wells Fargo Home Mortgage	A-1	P-1	Wells Fargo Bank, N.A.	Conforming/Non-conforming
<u>Housing Agencies (2)</u>				
Delaware State Housing Authority	N/A	N/A		Conforming
Florida Housing Finance Corporation	N/A	N/A		Conforming
Housing Opportunities Commission	N/A	N/A		Conforming
Illinois housing Development Authority	N/A	N/A		Conforming
Indiana Housing & Community Development Authority	N/A	N/A		Conforming
Kentucky Housing Corp.	N/A	N/A		Conforming
Maryland Community Development	N/A	N/A		Conforming
New Jersey Housing Finance	N/A	N/A		Conforming
North Carolina Housing Finance	N/A	N/A		Conforming
Ohio Housing Finance Agency	N/A	N/A		Conforming
Pennsylvania Housing Finance	N/A	N/A		Conforming
South Carolina Housing Finance	N/A	N/A		Conforming
State of New York Mortgage Agency	N/A	N/A		Conforming
Tennessee Housing Finance	N/A	N/A		Conforming
Virginia Housing Finance	N/A	N/A		Conforming
West Virginia Housing Finance	N/A	N/A		Conforming

(1) Ratings as of June 17, 2013

(2) All state agency programs are prefunded bond programs

SCHEDULE EL
To Amended and Restated Master Repurchase Agreement

ELIGIBLE LOANS

“*Eligible Loans*” means Single-family Loans that are amortizing Conforming Mortgage Loans with original terms to stated maturities of thirty (30) years or less and that satisfy all applicable requirements of this Agreement for Conforming Mortgage Loans, and shall also mean Single-family Loans that are Jumbo Mortgage Loans and High LTV Mortgage Loans, that otherwise meet all criteria for Eligible Loans set forth on this Schedule EL and are not subject to a Disqualifier. Each Mortgage Loan must be secured by a first priority Lien on its related Mortgaged Premises. It may bear interest at a fixed interest rate, at a fluctuating interest rate or at a fixed or fluctuating interest rate for part of its term followed, respectively, by a fluctuating or fixed interest rate for the remainder of its term. No Mortgage Loan shall be an Eligible Loan at any time:

- (1) If the Mortgaged Premises securing it is a mobile home, manufactured housing, or cooperative housing unit.
- (2) That contains or is otherwise subject to any contractual restriction or prohibition on the free transferability of such Mortgage Loan, all Liens securing it and all related rights (other than Legal Requirements requiring notification to its obligor(s) of any transfer of it or of its servicing or administration), either absolutely or as security.
- (3) If any of its owners-mortgagors is a corporation, partnership or any other entity that is not a natural person or a trust for natural persons unless its full payment when due is guaranteed by a natural person.
- (4) If any of its owner-mortgagors is an Affiliate of the Seller or any of the Seller’s or any such Affiliate’s directors, members, or appointed officers.
- (5) Whose related Mortgaged Premises are not covered by a Hazard Insurance Policy.
- (6) That is a construction, rehabilitation or commercial loan.
- (7) In the case of a Jumbo Mortgage Loan, any of the following is true: (i) the Jumbo Mortgage Loan is not fully documented as to income or asset values, (ii) except with respect to a Jumbo Mortgage Loan (USBHM), the Jumbo Mortgage Loan is not eligible for purchase by two Approved Investors with short-term unsecured obligations rated not lower than A-1/P-1, which Approved Investors have granted Seller delegated authority to originate JumboMortgage Loans, or (iii) the Jumbo Mortgage Loan is not prior approved by an Approved Investor with short-term unsecured obligations rate not lower than A-1/P-1.

Ex. B-1

- (8) If the Loan was originated or acquired by the Seller more than thirty (30) days before its Purchase Date.
- (9) That is In Default or ever was In Default.
- (10) That contains any term or condition such that the repayment schedule results in the outstanding principal balance increasing over time, rather than amortizing, whether or not such Mortgage Loan is deemed to be an "option ARM", "negative amortization" or "graduated payment" loan.
- (11) In connection with the origination of which a policy of single-premium life insurance on the life of a mortgagor, borrower or guarantor was purchased.
- (12) That (i) is subject to the special Truth-in-Lending disclosure requirements imposed by Section 32 of Regulation Z of the Federal Reserve Board (12 C.F.R. §226.32) or any similar state or local Law relating to high interest rate credit or lending transactions or (ii) contains any term or condition, or involves any loan origination practice, that (1) has been defined as "high cost", "high risk", "predatory", "covered", "threshold" or a similar term under any such applicable federal, state or local law, (2) has been expressly categorized as an "unfair" or "deceptive" term, condition or practice in any such applicable federal, state or local law (or the regulations promulgated thereunder) or (3) by the terms of such Law exposes assignees of Mortgage Loans to possible civil or criminal liability or damages or exposes any Buyer or the Agent to regulatory action or enforcement proceedings, penalties or other sanctions.
- (13) That the Seller or any Affiliate has previously warehoused with any other Person, whether under a lending arrangement or an arrangement involving a sale in contemplation of a subsequent further sale to (or securitization by) a secondary mortgage market purchaser, whether with or without the Seller's having any conditional repurchase or other recourse obligation, and that was rejected or became ineligible or disqualified to be lent against or purchased and held by such other Person.
- (14) That the Seller or any Affiliate sold and transferred, or attempted to sell and transfer, to any other Person.
- (15) That has a loan-to-value ratio greater than eighty percent (80%) unless (i) such Mortgage Loan is guaranteed by VA or USDA or is insured by FHA or private mortgage insurance provided by a provider acceptable to the Agent, (ii) such Mortgage Loan is a Jumbo Mortgage Loan (USBHM) and has a loan to value ratio no greater than ninety

Ex. B-2

percent (90%), or (iii) such Mortgage Loan is a High LTV Mortgage Loan or a Rural Development Guaranteed Housing Loan and has a loan-to-value ratio less than one hundred and five percent (105%).

- (16) As to which any Disqualifier exists.
- (17) Unless all of the Seller's right, title and interest in and to the Purchased Loan is subject to a first priority perfected security interest in favor of the Agent for the benefit of the Buyers subject to no other liens, security interests, charges or encumbrances other than the Seller's right to repurchase the Purchased Loan hereunder.
- (18) Unless all the representations and warranties set forth in this Agreement, including, without limitation, Section 15.3 and Schedule 15.4 are true and correct with respect to such Purchased Loan at all times on and after the related Purchase Date, provided, however, that, notwithstanding any provision to the contrary in this Agreement, the Seller shall have three (3) Business Days after issuance of the Custodian's Exception Report to correct any document exceptions listed therein.
- (19) That is not covered by an Investor Commitment or a Hedge Agreement.

Ex. B-3

SIXTH AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT

THIS SIXTH AMENDMENT TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT (this "Amendment"), dated as of July 29, 2015 (the "Effective Date"), is made and entered into among NVR MORTGAGE FINANCE, INC., a Virginia corporation (the "Seller"), U.S. BANK NATIONAL ASSOCIATION, as agent (in such capacity, the "Agent") and a Buyer, and the other Buyers (the "Buyers").

RECITALS

A. The Seller and the Buyers are parties to an Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 as amended by a First Amendment to Amended and Restated Master Repurchase Agreement dated as of August 1, 2012, a Second Amendment to Amended and Restated Master Repurchase Agreement dated as of November 13, 2012, a Third Amendment to Amended and Restated Master Repurchase Agreement dated as of November 29, 2012, a Fourth Amendment to Amended and Restated Master Repurchase Agreement dated as of July 31, 2013 and a Fifth Amendment to Amended and Restated Master Repurchase Agreement dated as of July 30, 2014 (the "Repurchase Agreement"); and

B. The Seller and the Buyers now desire to amend certain provisions of the Repurchase Agreement as set forth herein.

AGREEMENT

In consideration of the premises herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, all parties hereto agree as follows:

Section 1. Definitions. Capitalized terms used and not otherwise defined in this Amendment have the meanings specified in the Repurchase Agreement.

Section 2. Amendments. The Repurchase Agreement is hereby amended as follows:

2.1 **Definitions.** Section 1.2 of the Repurchase Agreement is hereby amended as follows:

(a) The definitions of "Libor Margin", "Pricing Rate" and "Termination Date" are amended and restated in their respective entireties as follows:

"*Libor Margin*" means 2.50%.

"*Pricing Rate*" means the LIBOR Rate (or, if applicable, the alternate rate determined under Section 6.7) plus the LIBOR Margin or the Default Pricing Rate, as determined under this Agreement, provided that the Pricing Rate shall not be less than 2.70%.

“*Termination Date*” means the earlier of (i) July 27, 2016, and (ii) the date when the Buyers’ Commitments are terminated pursuant to this Agreement, by order of any Governmental Authority or by operation of law.

2.2 Approved Investors. Schedule AI to the Repurchase Agreement is amended and restated in its entirety to read as set forth on Exhibit A to this Amendment.

Section 3. Representations, Warranties, Authority, No Adverse Claim.

3.1 Reassertion of Representations and Warranties, No Default. The Seller hereby represents and warrants that on and as of the date hereof and after giving effect to this Amendment (a) all of the representations and warranties in the Repurchase Agreement are true, correct, and complete in all respects as of the date hereof as though made on and as of such date, except for changes permitted by the terms of the Repurchase Agreement, and (b) there will exist no Default or Event of Default under the Repurchase Agreement, as amended by this Amendment, on such date that the Buyers have not waived.

3.2 Authority, No Conflict, No Consent Required. The Seller represents and warrants that it has the power, legal right, and authority to enter into this Amendment and has duly authorized by proper corporate action the execution and delivery of this Amendment and none of the agreements herein contravenes or constitutes a default under any agreement, instrument, or indenture to which the Seller is a party or a signatory, any provision of the Seller’s articles of incorporation or bylaws, or any other agreement or requirement of law or results in the imposition of any Lien on any of its property under any agreement binding on or applicable to the Seller or any of its property except, if any, in favor of the Buyers. The Seller represents and warrants that no consent, approval, or authorization of or registration or declaration with any Person, including but not limited to any governmental authority, is required in connection with the execution and delivery by the Seller of this Amendment or the performance of obligations of the Seller herein described, except for those that the Seller has obtained or provided and as to which the Seller has delivered certified copies of documents evidencing each such action to the Buyers.

3.3 No Adverse Claim. The Seller hereby warrants, acknowledges, and agrees that no events have taken place and no circumstances exist at the date hereof that would give the Seller a basis to assert a defense, offset, or counterclaim to any claim of the Agent or the Buyers with respect to the Seller’s obligations under the Repurchase Agreement as amended by this Amendment.

Section 4. Conditions Precedent. The effectiveness of the amendments hereunder shall be subject to satisfaction of the following conditions precedent:

4.1 The Agent shall have received the following documents in a quantity sufficient that the Seller and each Buyer may each have a fully executed original of each such document:

- (a) this Amendment duly executed by the Seller, the Agent, and the Buyers;

(b) a certificate of the Secretary or an Assistant Secretary of the Seller certifying (i) that there has been no change to Seller's articles of incorporation or bylaws since copies of the same were delivered to the Agent on August 5, 2008; (ii) as to a copy attached thereto of resolutions authorizing the execution, delivery, and performance of this Amendment, and the other documents and agreements executed and delivered in connection herewith; and (iii) as to the names, incumbency, and specimen signatures of the persons authorized to execute this Amendment on behalf of the Seller; and

(c) such other documents as the Agent reasonably requests.

4.2 The Seller shall have paid any outstanding Agent's Fees and any other fees then due under Article 9 of the Repurchase Agreement.

Section 5. Miscellaneous.

5.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Repurchase Agreement and the other Repurchase Documents. Except as expressly modified and superseded by this Amendment, the terms and provisions of the Repurchase Agreement and each other Repurchase Document are ratified and confirmed and shall continue in full force and effect.

5.2 Survival. The representations and warranties made by the Seller in this Amendment shall survive the execution and delivery of this Amendment.

5.3 Reference to Repurchase Agreement. Each of the Repurchase Documents, including the Repurchase Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Repurchase Agreement as amended hereby, is hereby amended so that any reference in such Repurchase Document to the Repurchase Agreement shall refer to the Repurchase Agreement as amended and modified hereby.

5.4 Applicable Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York as applicable to the Repurchase Agreement.

5.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Agent, the Buyers, the Seller, and their respective successors and assigns, except that the Seller may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each of the Buyers.

5.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

5.7 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

5.8 ENTIRE AGREEMENT. THIS AMENDMENT AND THE OTHER REPURCHASE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

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IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the date first written above.

NVR MORTGAGE FINANCE, INC., as Seller

By: /s/ Robert W. Henley

Name: Robert W. Henley

Title: President

U.S. BANK NATIONAL ASSOCIATION, As Agent and as a Buyer

By: /s/ Kathleen Connor

Name: Kathleen Connor

Title: Senior Vice President

**EXHIBIT A TO
SIXTH AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT**

Approved Investors List 7/1/2015				
Investor	S&P CP Rating	Moody's CP Rating	Related Parent Company	Product Approval
Amerihome Lending, Inc.	N/A	N/A		Conforming
BB&T	A-1	P-1	Branch Banking and Trust Company	Conforming/Non-conforming
Caliber Home Loans, Inc.	N/A	N/A		Conforming
Citimortgage, Inc.	A-1	P-1	Citibank, NA	Conforming/Non-conforming
Coastal Federal Credit Union of Raleigh NC	N/A	N/A		Conforming
Dollar Bank, FSB	N/A	N/A		Conforming
Everbank Financial Corp	N/A	N/A		Conforming
Federal Home Loan Mortgage Corp. (Freddie Mac)	N/A	N/A		Conforming
Federal National Mortgage Assoc. (Fannie Mae)	N/A	N/A		Conforming
Fifth Third Bank	N/A	N/A		Conforming
First Guaranty Mortgage Corporation	N/A	N/A		Conforming
Government National Mortgage Assoc.	N/A	N/A		Conforming
Huntington Bank	N/A	N/A		Conforming
Impac Mortgage Corp	N/A	N/A		Conforming
JPMorgan Chase Bank	A-1	P-1	JPMorgan Chase Bank, N.A.	Conforming/Non-conforming
Lake Michigan Financial Group	N/A	N/A	Lake Michigan Financial Group Inc.	Conforming
New Penn Financial, LLC	N/A	N/A		Conforming
PennyMac Loan Services, LLC	N/A	N/A	PennyMac Mortgage Inv Trust	Conforming
PMAC Lending Services, Inc.	N/A	N/A		Conforming
Redwood Residential Acquisition Corporation	N/A	N/A		Conforming
Regions Mortgage	N/A	N/A		Conforming
Roundpoint Mortgage Servicing Corp	N/A	N/A		Conforming
Sandy Spring Bank	N/A	N/A		Conforming
Steams Lending, Inc	N/A	N/A		Conforming
SunTrust Mortgage, Inc.	A-2	P-2	Suntrust Banks, Inc.	Conforming
US Bank Home Mortgage	A-1	P-1		Conforming/Non-conforming
Wells Fargo Home Mortgage	A-1	P-1	Wells Fargo Bank, N.A.	Conforming/Non-conforming
Housing Agencies				
Delaware State Housing Authority	N/A	N/A		Conforming
District of Columbia Housing Finance Agency	N/A	N/A		Conforming
Florida Housing Finance Corporation	N/A	N/A		Conforming
Housing Opportunities Commission	N/A	N/A		Conforming
Illinois housing Development Authority	N/A	N/A		Conforming
Indiana Housing & Community Development Authority	N/A	N/A		Conforming
Kentucky Housing Corp.	N/A	N/A		Conforming
Maryland Community Development	N/A	N/A		Conforming
New Jersey Housing Finance	N/A	N/A		Conforming
North Carolina Housing Finance	N/A	N/A		Conforming
Ohio Housing Finance Agency	N/A	N/A		Conforming
Pennsylvania Housing Finance	N/A	N/A		Conforming
South Carolina Housing Finance	N/A	N/A		Conforming
State of New York Mortgage Agency	N/A	N/A		Conforming
Tennessee Housing Finance	N/A	N/A		Conforming
Virginia Housing Finance	N/A	N/A		Conforming
West Virginia Housing Finance	N/A	N/A		Conforming

SEVENTH AMENDMENT TO
AMENDED AND RESTATED
MASTER REPURCHASE AGREEMENT

THIS SEVENTH AMENDMENT TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT (this "Amendment"), dated as of January 18, 2016 (the "Effective Date"), is made and entered into among NVR MORTGAGE FINANCE, INC., a Virginia corporation (the "Seller"), U.S. BANK NATIONAL ASSOCIATION, as agent (in such capacity, the "Agent") and a Buyer, and the other Buyers (the "Buyers").

RECITALS

A. The Seller and the Buyers are parties to an Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 as amended by a First Amendment to Amended and Restated Master Repurchase Agreement dated as of August 1, 2012, a Second Amendment to Amended and Restated Master Repurchase Agreement dated as of November 13, 2012, a Third Amendment to Amended and Restated Master Repurchase Agreement dated as of November 29, 2012, a Fourth Amendment to Amended and Restated Master Repurchase Agreement dated as of July 31, 2013, a Fifth Amendment to Amended and Restated Master Repurchase Agreement dated as of July 30, 2014 and a Sixth Amendment to Amended and Restated Master Repurchase Agreement dated as of July 29, 2015 (the "Repurchase Agreement"); and

B. The Seller and the Buyers now desire to amend certain provisions of the Repurchase Agreement as set forth herein.

AGREEMENT

In consideration of the premises herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, all parties hereto agree as follows:

Section 1. Definitions. Capitalized terms used and not otherwise defined in this Amendment have the meanings specified in the Repurchase Agreement.

Section 2. Amendments. The Repurchase Agreement is hereby amended as follows:

2.1 **Definitions.** Section 1.2 of the Repurchase Agreement is hereby amended as follows:

(a) The definitions of "Anti-Corruption Laws", "Approved Non-Conforming Investor", "FHA Loans Sublimit", "Ginnie Mae", "Incremental Commitment", "Incremental Committed Sum", "Maximum Incremental Commitment Amount", "Mortgage Loan (USBHM)", "OFAC", "PATRIOT Act", "Sanctioned Country", "Sanctioned Person", "Sanctions", "State Housing Bond Mortgage Loan", "State Housing Bond Mortgage Loan Sublimit", "USBHM",

and “*USBHM Loans Sublimit*” are added in their respective entirety in appropriate alphabetical order as follows:

“*Anti-Corruption Laws*” means all laws, rules, and regulations of any jurisdiction applicable to the Seller or its Subsidiaries, if any, from time to time concerning or relating to bribery or corruption.

“*Approved Non-Conforming Investor*” means any investor approved by the Buyer in writing as an Approved Non-Conforming Investor. The Approved Non-Conforming Investors as of the date hereof are identified as such on Schedule AI.

“*FHA Loans Sublimit*” is defined in the table in Section 4.2.

“*Ginnie Mae*” means the Government National Mortgage Association and any successor.

“*Incremental Commitment*” means each Buyer’s commitment to increase its committed sum pursuant to Section 2.3.

“*Incremental Committed Sum*” means, for any day, the maximum total amount a Buyer is committed on that day to fund pursuant to such Buyer’s Incremental Commitment. From the Effective Date of this Agreement through the Termination Date or such other date (if any) when all or any of them is changed by operation of the provisions of any agreement or Law, the Incremental Committed Sums for the Buyers are as set forth on Schedule BC, as it may be amended and restated from time to time.

“*Maximum Incremental Commitment Amount*” means the sum of the Incremental Committed Sums.

“*Mortgage Loan (USBHM)*” means a Mortgage Loan that is committed to be sold, and is sold, to USBHM under an Investor Commitment.

“*OFAC*” means the U.S. Department of the Treasury’s Office of Foreign Assets Control, and any successor thereto.

“*PATRIOT Act*” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001, codified as 31 U.S.C. Section 5318)), as amended from time to time, and any successor statute.

“*Sanctioned Country*” means at any time, any country or territory which is itself the subject or target of any comprehensive Sanctions.

“*Sanctioned Person*” means at any time, (a) any Person or group listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, the United Nations Security Council, the European Union or any EU member state, (b) any Person or group operating, organized or resident in a Sanctioned Country, (c) any

agency, political subdivision or instrumentality of the government of a Sanctioned Country, or (d) any Person 50% or more owned, directly or indirectly, by any of the above.

“*Sanctions*” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom.

“*State Housing Bond Mortgage Loan*” means a Single-family residential Mortgage Loan secured by a first Lien against the related Mortgaged Property that is eligible for sale to an Approved Investor in conjunction with a state or municipal housing bond program with proceeds from bonds that have already been issued.

“*State Housing Bond Mortgage Loan Sublimit*” is defined in Section 4.2(c).

“*USBHM*” means the U.S. Bank Home Mortgage division of the Buyer.

“*USBHM Loans Sublimit*” is defined in the table in Section 4.2.

(b) The definitions of “*Agency*”, “*Authorized Seller Representative*”, “*Buyers’ Margin Percentage*”, “*Commitment*”, “*Conforming Mortgage Loan*”, “*Fee Letter*”, “*FHA Loans*”, “*High LTV Mortgage Loan*”, “*Jumbo Mortgage Loan*”, “*Libor Margin*”, “*Maximum Aggregate Commitment*”, “*Pricing Rate*”, “*Privacy Requirements*” and “*Wet Loan*” are amended and restated in their respective entirety as follows:

“*Agency*” means Ginnie Mae, Fannie Mae or Freddie Mac.

“*Authorized Seller Representative*” means a representative of the Seller duly designated by all requisite corporate action to execute any certificate, schedule or other document contemplated or required by this Agreement on behalf of the Seller and as its act and deed. The Seller will provide an updated list of Authorized Seller Representatives to the Agent promptly following each addition to or subtraction from such list, and the Agent and the Buyers shall be entitled to rely on each such list until such an updated list is received by the Agent.

“*Buyers’ Margin Percentage*” means:

(a) for all Eligible Loans except Mortgage Loans (USBHM), Jumbo Mortgage Loans, High LTV Mortgage Loans and Rural Development Guaranteed Housing Loans, ninety-seven percent (97%), provided that if at any time the HUD Compare

Ratio as shown on the most recent Compliance Certificate delivered to the Agent is greater than or equal to 1.60 to 1.00, the Agent may, at its option, adjust the Buyers' Margin Percentage for FHA Loans to no less than (A) if such HUD Compare Ratio is greater than or equal to 1.60 to 1.00 but less than 1.80 to 1.00, seventy-five percent (75%); (B) if such HUD Compare Ratio is greater than or equal to 1.80 to 1.00 but less than 2.00 to 1.00, fifty percent (50%); and (C) if such HUD Compare Ratio is greater than 2.00 to 1.00, zero (0%);

(b) for Mortgage Loans (USBHM), one hundred percent (100%);

(c) for Jumbo Mortgage Loans other than Mortgage Loans (USBHM), ninety-five percent (95%);

(d) for High LTV Mortgage Loans, ninety-seven percent (97%);

(e) for Rural Development Guaranteed Housing Loans other than Mortgage Loans (USBHM), ninety-two percent (92%); and

(f) for Wet Loans, the Buyer's Margin Percentage for the underlying type of Purchased Loan that would apply if such Purchased Loan were a Dry Loan.

"*Commitment*" means, for each Buyer, its commitment under Section 2.1, subject to increase as described in Section 2.3 and reduction as described in Section 2.6, to fund its Funding Share of Transactions, limited to such Buyer's Committed Sum.

"*Conforming Mortgage Loan*" means a conventional first-priority Single-family Loan that is either (i) VA guaranteed, or (ii) a conventional mortgage loan that fully conforms to all Fannie Mae and Freddie Mac underwriting and other requirements, excluding expanded criteria loans as defined under any Agency program.

"*Fee Letter*" means that certain Third Amended and Restated Fee Letter dated as of January 18, 2016, between the Agent and the Seller.

"*FHA Loans*" means a Mortgage Loan that is fully insured as to principal, interest and expenses by FHA.

"*High LTV Mortgage Loan*" means a Mortgage Loan that is a first-priority Single-family Loan that is (a) originated in compliance with, and fully conforms to all underwriting criteria applicable to Fannie Mae DU Refi Plus or Freddie Mac LP Open Access program under the Home

Affordable Refinance Program (“HARP”), or VA Interest Rate Reduction Refinance Loan (“IRRRL”) program, or (b) a VA Mortgage Loan or USDA Mortgage Loan with a loan-to-value ratio greater than one hundred percent (100%); provided that the loan-to-value ratio for such Mortgage Loan (a) in the case of a VA or USDA Mortgage Loan, is over 100% and less than or equal to 103%, including the mortgage insurance, guaranty or funding fees, and (b) otherwise, does not exceed 105%.

“*Jumbo Mortgage Loan*” means a conventional Mortgage Loan that would otherwise be an Agency Conforming Mortgage Loan (and is not an FHA or VA Mortgage Loan) secured by a first Lien Mortgage except that the original principal amount is more than the maximum Agency loan amount but not more than One Million Five Hundred Thousand Dollars (\$1,500,000).

“*LIBOR Margin*” means 2.25%.

“*Maximum Aggregate Commitment*” means the maximum Aggregate Outstanding Purchase Price that is allowed to be outstanding under this Agreement on any day, being the amount set forth in Schedule BC in effect for that day after giving effect to any increase pursuant to Section 2.3. The Maximum Aggregate Commitment on the Effective Date is One Hundred Fifty Million Dollars (\$150,000,000). If and when some or all of the Buyers then party to this Agreement agree in writing to increase their Committed Sums, or if a new Buyer or Buyers joins the syndicate of Buyers, or if there is both such an increase and a new Buyer’s joinder, or if the Seller reduces the Committed Sums pursuant to this Agreement, or if the Seller and the Buyers then party to this Agreement agree in writing to decrease the Committed Sums, the Agent shall execute an updated Schedule BC reflecting the new Maximum Aggregate Commitment and deliver it to the Seller and the Buyers, and that updated Schedule BC shall thereupon be substituted for and supersede the prior Schedule BC.

“*Pricing Rate*” means the LIBOR Rate (or, if applicable, the alternate rate determined under Section 6.5) plus the LIBOR Margin or the Default Pricing Rate, as determined under this Agreement.

“*Privacy Requirements*” means (a) Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. 6801 et seq. (as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act), (b) the Dodd-Frank Wall Street Reform and Consumer Protection Act, including without limitation 12 U.S.C. 5512, (c) the federal regulations at 12 C.F.R. Part 1016, (d) the Interagency Guidelines Establishing Information Security Standards at 12 C.F.R. Appendix B to Part 30, and (e) any other applicable federal, state and local laws, rules, regulations and orders relating to the privacy and security of Seller’s Customer Information, as such statutes, regulations, guidelines, laws, rules and orders may be amended from time to time.

“*Wet Loan*” means a Purchased Loan originated and owned by the Seller immediately prior to being purchased by the Buyers:

(a) that has been closed on or prior to the Business Day on which the Purchase Price is paid therefor, by a title agency or closing attorney, and that would qualify as an Eligible Loan except that some or all of its Basic Papers are in transit to, but have not yet been received by, the Custodian so as to satisfy all requirements to permit the Seller to sell it pursuant to this Agreement without restriction;

(b) that the Seller reasonably expects to fully qualify as an Eligible Loan when the original Basic Papers have been received by the Custodian;

(c) as to which the Seller actually and reasonably expects that such full qualification can and will be achieved on or before five (5) Business Days after the relevant Purchase Date;

(d) as to which no portion of the principal amount has been or will be funded by any person other than the Seller and the Buyers; and

(e) for which the Seller has delivered to the Custodian a Mortgage Loan Transmission File on or before the Purchase Date, submission of which shall constitute the Seller’s certification that a complete File as to such Purchased Loan, including the Basic Papers, exists and that such File is in the possession of either the title agent or closing attorney that closed such Purchased Loan, the Seller or that such File has been or will be shipped to the Custodian.

Each Wet Loan that satisfies the foregoing requirements shall be an Eligible Loan subject to the condition subsequent of physical delivery of its Mortgage Note, Mortgage and all other Basic Papers, to the Custodian on or before five (5) Business Days after the relevant Purchase Date. Each Wet Loan sold by the Seller shall be irrevocably deemed purchased by the Buyers and shall automatically become a Purchased Loan effective on the date of the related Transaction, and the Seller shall take all steps necessary or appropriate to cause the sale to the Buyers and delivery to the Custodian of such Wet Loan and its Basic Papers to be completed, perfected and continued in all respects, including causing the original promissory note evidencing such Purchased Loan to be physically delivered to the Custodian within five (5) Business Days after the relevant Purchase Date, and, if requested by the Buyer, to give written notice to

any title agent, closing attorney or other Person in possession of the Basic Papers for such Purchased Loan of the Buyers' purchase of such Purchased Loan. Upon the Custodian's receipt of the Basic Papers relative to a Wet Loan such Purchased Loan shall no longer be considered a Wet Loan.

(c) The definitions of "Agency Eligible Forty Year Loans", "Agency Eligible Forty Year Loans Sublimit", "FICA" and "Jumbo Mortgage Loans (USBHM)" are deleted in their entireties.

2.2 Request for Increased Commitments. Section 2.3 of the Repurchase Agreement is amended and restated in its entirety as follows:

2.3. *Request for Increased Commitments*. The Seller may from time to time by giving advanced written notice of at least two (2) Business Days to the Agent in the form of Exhibit G hereto request all or a portion of the Incremental Committed Sums of the Buyers in increments of Five Million Dollars (\$5,000,000) or an integral multiple thereof, up to the Maximum Incremental Commitment Amount. The period for each such increase shall be designated by the Seller but shall not be less than fifteen (15) days, or if less, the period remaining until the Termination Date. Upon receipt of such request, the Agent shall notify the Buyers of the increase in their respective Committed Sums. Provided no Default or Event of Default has occurred and is continuing, such increase will become effective in accordance with such notice. If Committed Sums are increased pursuant to this Section 2.3, then the ownership interests in the Purchased Loans of each Buyer shall automatically be adjusted proportionately following each funding of a portion of the increase. Upon the expiration of any such increase, the Seller shall, to the extent required, reduce the Aggregate Outstanding Purchase Price to the amount of the Maximum Aggregate Commitment as then in effect, and the ownership interests in the Purchased Loans of each Buyer shall automatically be adjusted accordingly.

2.3 Optional Reduction or Termination of Buyers' Commitments. Section 2.6 of the Repurchase Agreement is amended and restated in its entirety as follows:

2.6. *Optional Reduction or Termination of Buyers' Commitments*. The Seller may, at any time, without premium or penalty, upon not less than ten (10) Business Days prior written notice to the Agent, reduce or terminate the Maximum Aggregate Commitment, ratably, with any such reduction in a minimum aggregate amount for all the Buyers of Five Million Dollars (\$5,000,000), or, if more, in an integral multiple of Five Million Dollars (\$5,000,000); provided, however, that (i) the Seller may reduce the Maximum Aggregate Commitment no more than once each calendar quarter, (ii) at no time may the Aggregate Outstanding Purchase Price exceed the Maximum Aggregate Commitment after giving effect to any such reduction and, (iii) unless terminated in full, the Maximum Aggregate Commitment shall not be reduced to less than Twenty-Five Million Dollars (\$25,000,000). Upon termination of the Buyers' Commitments pursuant to this Section 2, the Seller shall pay to the Agent for the ratable benefit of the Buyers the full amount of all outstanding Obligations under the Repurchase Documents.

2.4 Transaction Sublimits. Section 4.2(c) of the Repurchase Agreement is amended and restated in its entirety as follows:

(c) The Aggregate Outstanding Purchase Price of all Purchased Loans that are of the type listed in the first column of the following table shall not exceed the percentage of the Maximum Aggregate Commitment listed in the second column of the table (the name of the Sublimit is set forth in the third column); provided, that such sublimits shall not apply to any Mortgage Loan (USBHM):

<u>Type of Purchased Loan</u>	<u>Maximum Percentage of Maximum Aggregate Commitment</u>	<u>Name of Sublimit</u>
High LTV Mortgage Loans	15%	“High LTV Mortgage Loans Sublimit”
Jumbo Mortgage Loans	25%	“Jumbo Mortgage Loans Sublimit”
Rural Development Guaranteed Housing Loans	50%	“Rural Development Guaranteed Housing Loans Sublimit”
State Housing Bond Mortgage Loan	25%	“State Housing Bond Mortgage Loan Sublimit”

2.5 Pricing Rate. Section 5.1 of the Repurchase Agreement is amended and restated in its entirety as follows:

5.1. *Pricing Rate*. Except as otherwise specified in this Section 5, the Pricing Rate to be applied to the Purchase Prices of Purchased Loans to determine the Price Differential in all Open Transactions shall be the LIBOR Rate plus the LIBOR Margin applicable from time to time (in each case computed annually); provided that the Pricing Rate shall not be less than the LIBOR Margin.

2.6 Provisions Relating to LIBOR Rate. Section 6.7 of the Repurchase Agreement is amended and restated in its entirety as follows:

6.7 *Provisions Relating to LIBOR Rate*. If:

(a) any Buyer determines that deposits in United States dollars (in the applicable amounts) are not available to such Buyer in the relevant market;

(b) any Buyer determines that the LIBOR Rate is not ascertainable or does not adequately and fairly reflect the cost of making, maintaining or funding any Transaction based on the LIBOR Rate; or

(c) any Change in Law shall make it unlawful or impossible for any Buyer to make, maintain or fund Transactions based on the LIBOR Rate;

then the Agent shall suspend the availability of the LIBOR Rate as of the date of such determination or such Buyer's notice, whereupon all Open Transactions and any new Transactions shall automatically be converted to have a Pricing Rate equal to the rate per annum equal to the LIBOR Margin plus the Prime Rate in effect on such date.

2.7 Income and Escrow Accounts. Section 8.2 of the Repurchase Agreement is amended and restated in its entirety as follows:

8.2. *Income and Escrow Accounts*. Prior to the initial Transaction hereunder the Seller shall establish the Income Account and the Escrow Account. At the Agent's request (and no later than 10 days after such request) Seller shall cause the bank holding such accounts to enter into a control agreement with the Agent providing that upon notice from the Agent (which notice shall be given only upon the occurrence of a Default or Event of Default) no further withdrawals or payment orders from the Seller shall be honored and only payment and withdrawal orders from the Agent or its designee shall be honored. Prior to the occurrence of a Default or Event of Default and so long as Seller is also the Servicer, Seller shall make payments from the Escrow Account of all appropriate amounts payable with respect to each Purchased Loan for taxes, insurance and other purposes for which the funds are paid into the Escrow Account. Subject to Section 8.3, amounts on deposit in the Income Account shall be used by the Seller to pay its fees as Servicer while it serves in such capacity, and may be used to pay to the Agent amounts due under this Agreement for Margin Deficit or Price Differential and for any other lawful purpose.

2.8 Facility Fee; Non-Usage Fee. Section 9.1 of the Repurchase Agreement is amended and restated in its entirety as follows:

9.1. *Facility Fee; Non-Usage Fee*. The Seller agrees to pay to the Agent (for Pro Rata distribution to the Buyers) a facility fee (the "*Facility Fee*") in an amount equal to one-hundred twenty-five one-thousandths of one percent (0.125%) per annum of the Maximum Aggregate Commitment for the period from the Effective Date to the Termination Date, computed for each calendar month or portion thereof from the Effective Date until the date this Agreement

terminates in accordance with its terms. If the average Aggregate Outstanding Purchase Price is less than fifty percent (50%) of the Maximum Aggregate Commitment for any month, the Seller further agrees to pay to the Agent (for pro rata distribution to the Buyers) a non-usage fee (the "Non-usage Fee") in an amount determined by applying a rate of fifteen one-hundredths of one percent (0.15%) per annum to the average daily amount by which the Maximum Aggregate Commitment exceeds the average Aggregate Outstanding Purchase Price, computed for each calendar month or portion thereof from the Effective Date to the date this Agreement terminates in accordance with its terms. The Facility Fee and the Non-Usage Fee shall be payable monthly in arrears and shall be due and payable no later than two (2) Business Days after the Agent bills the Seller therefor and shall be calculated based on a year of three hundred sixty (360) days. If the Maximum Aggregate Commitment shall be increased or decreased from time to time either pursuant to a provision of this Agreement or by separate agreement between the Buyers and the Seller (excluding, however, any decrease occurring as a result of or following the occurrence of a Default or an Event of Default, in respect of which no adjustment of the Facility Fee and the Non-Usage Fee shall be required), the amount of the Facility Fee and the calculation of the Non-Usage Fee shall be adjusted as of the date of such change. The Facility Fee and the Non-Usage Fee are compensation to the Buyers for committing to make funds available for revolving purchases of Eligible Loans on the terms and subject to the conditions of this Agreement, and are not compensation for the use or forbearance or detention of money. Each calculation by the Agent of the amount of the Facility Fee and the Non-Usage Fee shall be conclusive and binding absent manifest error.

2.9 Each Purchase. Section 14.2 of the Repurchase Agreement is amended by amending and restating clauses (a) and (k) in their respective entireties as follows:

(a) The Seller shall have delivered to the Custodian the related Mortgage Loan Transmission Files for the new Mortgage Loans to be purchased.

(k) Such Transaction shall occur on or before the Termination Date.

2.10 Office of Foreign Assets Control and USA Patriot Act. Section 16.2 of the Repurchase Agreement is amended and restated in its entirety as follows:

16.2. *Office of Foreign Assets Control and USA Patriot Act*. The Seller, its Subsidiaries and their respective officers and employees and to the knowledge of the Seller its directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of the Seller, any Subsidiary or to the knowledge of the Seller or such Subsidiary any of their respective directors, officers or employees is a Sanctioned Person. No Transaction, use of the proceeds of any Transaction or other transactions contemplated hereby will violate Anti-Corruption Laws or applicable Sanctions. The Seller and its Subsidiaries have all permits, licenses and approvals required by such laws, copies of which have been provided to the Buyer. The Seller and

its Subsidiaries are in compliance in all material respects with the PATRIOT Act to the extent applicable to the Seller and its Subsidiaries. Neither any Transaction nor the use of the proceeds thereof will violate the PATRIOT Act, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto or successor statute thereto.

2.11 Privacy of Customer Information. Section 16.9 of the Repurchase Agreement is amended by amending and restating the fifth sentence therein in its entirety as follows:

The Agent agrees to maintain an information security program and to assess, manage and control risks relating to the security and confidentiality of Seller's Customer Information pursuant to such program in the same manner as the Agent does in respect of its own customers' information, and shall implement the standards relating to such risks in the manner set forth in the Interagency Guidelines Establishing Standards for Customer Information Security at 12 CFR Appendix B to Part 30 (the "Information Security Regulation"). In the event of actual or suspected unauthorized disclosure, loss, or unauthorized access to sensitive customer information (as defined in the Information Security Regulation), Agent shall immediately, and in no event later than five (5) Business Days after discovery, notify Seller in writing and take appropriate, commercially reasonable, action to prevent further unauthorized disclosure, loss or unauthorized access.

2.12 Tangible Net Worth. Section 17.12 of the Repurchase Agreement is amended and restated in its entirety as follows:

17.12. *Tangible Net Worth*. At any time, permit the Seller's Adjusted Tangible Net Worth to be less than Fourteen Million Dollars (\$14,000,000).

2.13 Liquidity. Section 17.15 of the Repurchase Agreement is amended and restated in its entirety as follows:

17.15. *Liquidity*. Seller's Liquidity at any time to be less than Ten Million Dollars (\$10,000,000).

2.14 Agent's Discretionary Actions. Section 22.5(c) of the Repurchase Agreement is amended and restated in its entirety as follows:

(c) approve any new Approved Investor or Approved Non-Conforming Investors proposed by the Seller (and the Agent will promptly provide to any Buyer that requests it a current list of Approved Investors identifying Approved Non-Conforming Investors); and

2.15 Form of Officer's Certificate. Exhibit C to the Repurchase Agreement is amended and restated in its entirety to read as set forth on Exhibit A to this Amendment.

2.16 Form of Request for Increase. The Repurchase Agreement is amended by adding Exhibit G in appropriate order to read in its entirety as set forth on Exhibit B to this Amendment.

2.17 Approved Investors. Schedule AI to the Repurchase Agreement is amended and restated in its entirety to read as set forth on Exhibit C to this Amendment.

2.18 The Buyers' Committed Sums. Schedule BC to the Repurchase Agreement is amended and restated in its entirety to read as set forth on Exhibit D to this Amendment.

2.19 Eligible Loans. Schedule EL to the Repurchase Agreement is amended and restated in its entirety to read as set forth on Exhibit E to this Amendment.

Section 3. Representations, Warranties, Authority, No Adverse Claim.

3.1 Reassertion of Representations and Warranties, No Default. The Seller hereby represents and warrants that on and as of the date hereof and after giving effect to this Amendment (a) all of the representations and warranties in the Repurchase Agreement are true, correct, and complete in all respects as of the date hereof as though made on and as of such date, except for changes permitted by the terms of the Repurchase Agreement, and (b) there will exist no Default or Event of Default under the Repurchase Agreement, as amended by this Amendment, on such date that the Buyers have not waived.

3.2 Authority, No Conflict, No Consent Required. The Seller represents and warrants that it has the power, legal right, and authority to enter into this Amendment and has duly authorized by proper corporate action the execution and delivery of this Amendment and none of the agreements herein contravenes or constitutes a default under any agreement, instrument, or indenture to which the Seller is a party or a signatory, any provision of the Seller's articles of incorporation or bylaws, or any other agreement or requirement of law or results in the imposition of any Lien on any of its property under any agreement binding on or applicable to the Seller or any of its property except, if any, in favor of the Buyers. The Seller represents and warrants that no consent, approval, or authorization of or registration or declaration with any Person, including but not limited to any governmental authority, is required in connection with the execution and delivery by the Seller of this Amendment or the performance of obligations of the Seller herein described, except for those that the Seller has obtained or provided and as to which the Seller has delivered certified copies of documents evidencing each such action to the Buyers.

3.3 No Adverse Claim. The Seller hereby warrants, acknowledges, and agrees that no events have taken place and no circumstances exist at the date hereof that would give the Seller a basis to assert a defense, offset, or counterclaim to any claim of the Agent or the Buyers with respect to the Seller's obligations under the Repurchase Agreement as amended by this Amendment.

Section 4. Conditions Precedent. The effectiveness of the amendments hereunder shall be subject to satisfaction of the following conditions precedent:

4.1 The Agent shall have received the following documents in a quantity sufficient that the Seller and each Buyer may each have a fully executed original of each such document:

(a) this Amendment duly executed by the Seller, the Agent, and the Buyers;

(b) a certificate of the Secretary or an Assistant Secretary of the Seller certifying (i) that there has been no change to Seller's articles of incorporation or bylaws since copies of the same were delivered to the Agent on August 5, 2008; (ii) as to a copy attached thereto of resolutions authorizing the execution, delivery, and performance of this Amendment, and the other documents and agreements executed and delivered in connection herewith; and (iii) as to the names, incumbency, and specimen signatures of the persons authorized to execute this Amendment on behalf of the Seller; and

(c) such other documents as the Agent reasonably requests.

4.2 The Seller shall have paid any outstanding Agent's Fees and any other fees then due under Article 9 of the Repurchase Agreement.

Section 5. Miscellaneous.

5.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Repurchase Agreement and the other Repurchase Documents. Except as expressly modified and superseded by this Amendment, the terms and provisions of the Repurchase Agreement and each other Repurchase Document are ratified and confirmed and shall continue in full force and effect.

5.2 Survival. The representations and warranties made by the Seller in this Amendment shall survive the execution and delivery of this Amendment.

5.3 Reference to Repurchase Agreement. Each of the Repurchase Documents, including the Repurchase Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Repurchase Agreement as amended hereby, is hereby amended so that any reference in such Repurchase Document to the Repurchase Agreement shall refer to the Repurchase Agreement as amended and modified hereby.

5.4 Applicable Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York as applicable to the Repurchase Agreement.

5.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Agent, the Buyers, the Seller, and their respective successors and assigns, except that the Seller may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each of the Buyers.

5.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

5.7 Headings. The headings, captions, and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

5.8 ENTIRE AGREEMENT. THIS AMENDMENT AND THE OTHER REPURCHASE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the date first written above.

NVR MORTGAGE FINANCE, INC., as Seller

By: /s/ Robert W. Henley

Name: Robert W. Henley

Title: President

[Signature Page 1 to Seventh Amendment to
Amended and Restated Master Repurchase Agreement]

U.S. BANK NATIONAL ASSOCIATION, As Agent and as a Buyer

By: /s/ Kathleen Connor

Name: Kathleen Connor

Title: Senior Vice President

[Signature Page 2 to Seventh Amendment to Amended and Restated Master Repurchase Agreement]

**EXHIBIT C
TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT**

**FORM OF OFFICER'S CERTIFICATE WITH COMPUTATIONS
TO SHOW COMPLIANCE OR NON-COMPLIANCE WITH
CERTAIN FINANCIAL COVENANTS**

OFFICER'S CERTIFICATE

AGENT: U.S. Bank National Association
SELLER: NVR MORTGAGE FINANCE, INC.
SUBJECT PERIOD: ended , 20
DATE: , 20

This certificate is delivered to the Agent and the Buyers under the Amended and Restated Master Repurchase Agreement dated as of August 2, 2011 (as supplemented, amended or restated from time to time, the "*Current Repurchase Agreement*"), among the Seller, the Agent, and the Buyers from time to time party thereto. Unless they are otherwise defined in this request, terms defined in the Current Repurchase Agreement have the same meanings here as there.

The undersigned certifies to the Agent that on the date of this certificate that:

1. The undersigned is an incumbent officer of the Seller, holding the title stated below the undersigned's signature below.

2. The Seller's Financial Statements that are attached to this certificate were prepared in accordance with GAAP (except that interim Financial Statements exclude notes to Financial Statements and statements of changes to stockholders' equity and are subject to year-end adjustments) and (subject to the aforesaid proviso as to interim Financial Statements) present fairly the Seller's financial condition and results of operations as of for that month (the "*Subject Period*") and for the year to that date.

3. The undersigned supervised a review of the Seller's activities during the Subject Period in respect of the following matters and has determined the following:

(a) except to the extent that a representation or warranty speaks to a specific date, the representations and warranties of the Seller in the Current Repurchase Agreement and the other Repurchase Documents are true and correct in all material respects, other than the changes, if any, described on the attached *Annex A*;

(b) no event has occurred that could reasonably be expected to have a materially adverse effect on any of the Central Elements of the Seller;

(c) the Seller has complied with all of its obligations under the Repurchase Documents, *other than* the deviations, if any, described on the attached *Annex A*;

(d) no Event of Default has occurred that has not been declared by the Agent in writing to have been cured or waived, and no Default has occurred that has not been cured before becoming an Event of Default, *other than* those Events of Default and/or Defaults, if any, described on the attached *Annex A*; and

(e) compliance by the Seller with the financial covenants in Sections 17.12, 17.13, 17.14, and 17.15 of the Current Repurchase Agreement and the HUD Compare Ratio are accurately calculated on the attached *Annex A*.

NVR MORTGAGE FINANCE, INC.

By: _____
Name: _____
Title: _____

ANNEX A TO OFFICER'S CERTIFICATE

1. Describe changes to representations and warranties, if any — *clause 3(a)* of attached Officer's Certificate; if none, so state:

2. Describe deviations from compliance with obligations, if any — *clause 3(c)* of attached Officer's Certificate; if none, so state:

3. Describe Defaults or Events of Default, if any — *clause 3(d)* of attached Officer's Certificate; if none, so state:

4. Calculate compliance with covenants in **Sections 17.12, 17.13, 17.14, and 17.15** of the Current Repurchase Agreement and the HUD Compare Ratio — *clause 3(e)* of attached Officer's Certificate:

(a) **Section 17.12.** The Seller's Adjusted Tangible Net Worth as of _____ is \$ _____ (the minimum under **Section 17.12** is \$14,000,000).

Adjusted Tangible Net Worth

Consolidated Assets:	\$ _____
<u>Minus</u> Debt (excluding Qualified Subordinated Debt):	\$ _____
<u>Minus</u> Contingent Indebtedness:	\$ _____
<u>Minus</u> Intangible Assets:	\$ _____
<u>Minus</u> Affiliate Receivables:	\$ _____
ADJUSTED TANGIBLE NET WORTH:	\$ _____

(b) **Section 17.13.** The ratio of Seller’s Total Liabilities to Adjusted Tangible Net Worth on a consolidated basis with its Subsidiaries, measured monthly, is _____ to 1.0 (the maximum ratio under **Section 17.13** is 12.0:1.0).

Leverage Ratio

Total Liabilities (excluding Qualified Subordinated Debt):	\$	
Adjusted Tangible Net Worth:	\$	
LEVERAGE RATIO:		_____ To 1.0

(c) **Section 17.14.** The Seller’s Pre-FAS 133 Net Income measured at the end of _____ for the twelve consecutive months then ended is \$ _____ (the minimum under **Section 17.14** is \$2,000,000).

Pre-FAS 133 Net Income

Consolidated Net Income (in accordance with GAAP):	\$	
<u>Plus/Minus</u> FAS-133 Adjustment (calculated as of the end of the most recent fiscal quarter)	\$	
<u>Plus/Minus</u> Tax Adjustment	\$	
PRE-FAS 133 NET INCOME:	\$	

(d) **Section 17.15.** The Seller’s liquidity (unrestricted cash, Cash Equivalents and unused portion of the Maximum Aggregate Commitment), for the month ended _____, 20____, was \$ _____ (the minimum under **Section 17.15** is \$10,000,000).

Liquidity

Unencumbered cash and cash equivalents:	\$	
<u>Plus</u> Unused availability (lesser of (i) aggregate Purchase Value – aggregate Purchase Price, or (ii) Maximum Aggregate Commitment – aggregate Purchase Price):	\$	
LIQUIDITY:	\$	

(e) **HUD Compare Ratio.** The Seller's HUD Compare Ratio, as of the last Business Day of the period covered by this certificate, was to 1.00.

Ratio (expressed as a percentage of):

percentage of Seller's Mortgage Loan originations under the FHA single family mortgage insurance program that were seriously delinquent or were claim terminated in the first two years after origination _____%

to

percentage of all Mortgage Loan originations under the FHA single family mortgage insurance program that were seriously delinquent or were claim terminated in the first two years after origination _____%

Ratio (two year): _____

5. Describe and give details regarding (i) notices received by Seller requesting or demanding that Seller repurchase (or pay indemnity or other compensation in respect of) Mortgage Loans previously sold or otherwise disposed of by the Seller to any Investor or other Person pursuant to any express or implied repurchase or indemnity obligation as per Section 16.5, and (ii) actual repurchase and indemnity payments made by Seller to any Person. (attach schedule or explanation).

6. Provide the information specified below concerning other repurchase, reverse repurchase and asset warehousing facilities:

	<u>Facility #1</u>	<u>Facility #2</u>	<u>Facility #3</u>
LENDER / PROVIDER			
COLLATERAL AGENT			
COMMITTED AMOUNT			
UNCOMMITTED AMOUNT			
AMOUNT OUTSTANDING			
MATURITY DATE			
Pricing			
Libor Floor			
Collateral Fees			
Facility Fee			
Non-Use Fee			
ELIGIBLE COLLATERAL			
Eligible Collateral #1: Agency/conforming (incl. 40-year loans)			
Eligible Collateral #2: Jumbo			
Eligible Collateral #3:			
Eligible Collateral #4:			
Eligible Collateral #5:			
Eligible Collateral #6:			
COVENANTS			
Covenant #1 Net Worth			
Covenant #2 Leverage			
Covenant #3 Liquidity			
Covenant #4 Net income			
MARK-TO-MARKET PROVISION			
ADDITIONAL INDEBTEDNESS ALLOWED			
ADDITIONAL LIENS ALLOWED			
DIVIDENDS / DISTRIBUTIONS ALLOWED			
CROSS-DEFAULTED			
PERSONAL GUARANTY (Y/N?)			
E and O Coverage Amount			
Fidelity Bond Coverage			

Purchased Loans Curtailment Report

(List Purchased Loans on which unscheduled principal payment, prepayment or reduction of more than one regularly scheduled principal and interest installment payment was received since last monthly report and resulting new Principal Balance.)

Ex. A-7

EXHIBIT G
To Amended and Restated Master Repurchase Agreement

Form of Request for Increase

U.S. Bank National Association
Mortgage Banking Services
U.S. Bancorp Center
800 Nicollet Mall
Mail Station BC-MN-H03B
Minneapolis, Minnesota 55402-7020
Attention: Kathleen Connor

Re: Increase to Maximum Aggregate Commitment

Ladies and Gentlemen:

Reference is made to that certain Amended and Restated Master Repurchase Agreement, dated as of August 2, 2011 (as amended, restated or otherwise modified from time to time, the "Repurchase Agreement") among NVR Mortgage Finance, Inc., the Buyers parties thereto and U.S. Bank National Association, as Agent. Capitalized terms used herein shall have the meanings set forth in the Repurchase Agreement.

This letter constitutes a request by the Seller to increase the Maximum Aggregate Commitment by the amount of \$ [complete in increments of \$5,000,000] on , 20 . Such increase shall terminate on , 20 [not less than fifteen (15) days after commencement date, or if less than fifteen (15) days, the Termination Date].

NVR MORTGAGE FINANCE, INC.

By: _____
Title: _____

Date:

**SCHEDULE AI
TO MASTER REPURCHASE AGREEMENT**

<u>Investor</u>	<u>Approved Investors List 11/10/2015</u>		<u>Related Parent Company</u>	<u>Product Approval</u>
	<u>S&P CP Rating</u>	<u>Moody's CP Rating</u>		
Amerihome Mortgage Company	N/A	N/A		Conforming/Non-conforming
BB&T	A-1	P-1	Branch Banking and Trust Company	Conforming/Non-conforming
Caliber Home Loans, Inc.	N/A	N/A		Conforming
Citimortgage, Inc.	A-1	P-1	Citibank, NA	Conforming/Non-conforming
Coastal Federal Credit Union of Raleigh	N/A	N/A		Conforming/Non-conforming
Dollar Bank, FSB	N/A	N/A		Conforming/Non-conforming
Everbank Financial Corp	N/A	N/A		Conforming/Non-conforming
Federal Home Loan Mortgage Corp. (Freddie Mac)	N/A	N/A		Conforming
Federal National Mortgage Assoc. (Fannie Mae)	N/A	N/A		Conforming
Fifth Third Bank	N/A	N/A		Conforming
First Guaranty Mortgage Corporation	N/A	N/A		Conforming
Government National Mortgage Assoc.	N/A	N/A		Conforming
Huntington Bank	N/A	N/A		Conforming/Non-conforming
Impac Mortgage Corp	N/A	N/A		Conforming/Non-conforming
JPMorgan Chase Bank	A-1	P-1	JPMorgan Chase Bank, N.A.	Conforming/Non-conforming
PennyMac Loan Services, LLC	N/A	N/A	PennyMac Mortgage Inv Trust	Conforming/Non-conforming
Redwood Residential Acquisition Corporation	N/A	N/A		Conforming
Regions Mortgage	N/A	N/A		Conforming
Roundpoint Mortgage Servicing Corp	N/A	N/A		Conforming
Sandy Spring Bank	N/A	N/A		Conforming/Non-conforming
Stearns Lending, Inc	N/A	N/A		Conforming
SunTrust Mortgage, Inc.	A-2	P-2	Suntrust Banks, Inc.	Conforming/Non-conforming
US Bank Home Mortgage	A-1	P-1		Conforming/Non-conforming
Wells Fargo Home Mortgage	A-1	P-1	Wells Fargo Bank, N.A.	Conforming/Non-conforming
Finance of America	N/A	N/A		Conforming/Non-conforming
Housing Agencies				
Delaware State Housing Authority	N/A	N/A		Conforming
District of Columbia Housing Finance Agency	N/A	N/A		Conforming
Florida Housing Finance Corporation	N/A	N/A		Conforming
Housing Opportunities Commission	N/A	N/A		Conforming
Illinois Housing Development Authority	N/A	N/A		Conforming
Indiana Housing & Community Development Authority	N/A	N/A		Conforming
Kentucky Housing Corp.	N/A	N/A		Conforming
Maryland Community Development	N/A	N/A		Conforming
New Jersey Housing Finance	N/A	N/A		Conforming
North Carolina Housing Finance	N/A	N/A		Conforming
Ohio Housing Finance Agency	N/A	N/A		Conforming
Pennsylvania Housing Finance	N/A	N/A		Conforming
South Carolina Housing Finance	N/A	N/A		Conforming
State of New York Mortgage Agency	N/A	N/A		Conforming
Tennessee Housing Finance	N/A	N/A		Conforming
Virginia Housing Finance	N/A	N/A		Conforming

West Virginia Housing Finance
Port of Greater Cincinnati
National Homebuyer Fund

N/A N/A
N/A N/A
N/A N/A

Conforming
Conforming
Conforming

Ex. C-1

SCHEDULE BC
To Amended and Restated Master Repurchase Agreement

THE BUYERS' COMMITTED SUMS
(IN DOLLARS)

<u>Buyer</u>	<u>Committed Sum</u>
U.S. Bank National Association	\$ 150,000,000
Maximum Aggregate Commitment	<u>\$ 150,000,000</u>

THE BUYER'S INCREMENTAL COMMITTED SUMS

<u>Buyer</u>	<u>Incremental Committed Sum</u>
U.S. Bank National Association	\$ 50,000,000
Maximum Incremental Commitment Amount	<u>\$ 50,000,000</u>

Ex. D-1

**SCHEDULE EL
To Amended and Restated Master Repurchase Agreement**

ELIGIBLE LOANS

“Eligible Loans” means Single-family Loans that are amortizing Conforming Mortgage Loans with original terms to stated maturities of thirty (30) years or less and that satisfy all applicable requirements of this Agreement for Conforming Mortgage Loans, and shall also mean Single-family Loans that are FHA Mortgage Loans, Rural Development Housing Guaranteed Mortgage Loans, State Housing Bond Mortgage Loans, Jumbo Mortgage Loans, High LTV Mortgage Loans and Mortgage Loan (USBHM), that otherwise meet all criteria for Eligible Loans set forth on this Schedule EL and are not subject to a Disqualifier. Each Mortgage Loan must be secured by a first priority Lien on its related Mortgaged Premises. It may bear interest at a fixed interest rate, at a fluctuating interest rate or at a fixed or fluctuating interest rate for part of its term followed, respectively, by a fluctuating or fixed interest rate for the remainder of its term. No Mortgage Loan shall be an Eligible Loan at any time:

- (1) If the Mortgaged Premises securing it is a mobile home, manufactured housing, or cooperative housing unit.
- (2) That contains or is otherwise subject to any contractual restriction or prohibition on the free transferability of such Mortgage Loan, all Liens securing it and all related rights (other than Legal Requirements requiring notification to its obligor(s) of any transfer of it or of its servicing or administration), either absolutely or as security.
- (3) If any of its owners-mortgagors is a corporation, partnership or any other entity that is not a natural person or a trust for natural persons unless its full payment when due is guaranteed by a natural person.
- (4) If any of its owner-mortgagors is an Affiliate of the Seller or any of the Seller’s or any such Affiliate’s directors, members, or appointed officers.
- (5) Whose related Mortgaged Premises are not covered by a Hazard Insurance Policy.
- (6) That is a construction or commercial loan.
- (7) If the Loan was originated or acquired by the Seller more than thirty (30) days before its Purchase Date.

(8) That is In Default or ever was In Default.

(9) That contains any term or condition such that the repayment schedule results in the outstanding principal balance increasing over time, rather than amortizing, whether or not such Mortgage Loan is deemed to be an "option ARM", "negative amortization" or "graduated payment" loan.

(10) In connection with the origination of which a policy of single-premium life insurance on the life of a mortgagor, borrower or guarantor was purchased.

(11) That (i) is subject to the special Truth-in-Lending disclosure requirements imposed by Section 32 of Regulation Z of the Federal Reserve Board (12 C.F.R. §226.32) or any similar state or local Law relating to high interest rate credit or lending transactions or (ii) contains any term or condition, or involves any loan origination practice, that (1) has been defined as "high cost", "high risk", "predatory", "covered", "threshold" or a similar term under any such applicable federal, state or local law, (2) has been expressly categorized as an "unfair" or "deceptive" term, condition or practice in any such applicable federal, state or local law (or the regulations promulgated thereunder) or (3) by the terms of such Law exposes assignees of Mortgage Loans to possible civil or criminal liability or damages or exposes any Buyer or the Agent to regulatory action or enforcement proceedings, penalties or other sanctions.

(12) That the Seller or any Affiliate has previously warehoused with any other Person, whether under a lending arrangement or an arrangement involving a sale in contemplation of a subsequent further sale to (or securitization by) a secondary mortgage market purchaser, whether with or without the Seller's having any conditional repurchase or other recourse obligation, and that was rejected or became ineligible or disqualified to be lent against or purchased and held by such other Person.

(13) That the Seller or any Affiliate sold and transferred, or attempted to sell and transfer, to any other Person.

(14) That has a loan-to-value ratio greater than eighty percent (80%) unless (i) such Mortgage Loan is guaranteed by VA or USDA or is insured by FHA or private mortgage insurance provided by a provider acceptable to the Agent, or (ii) such Mortgage Loan is a High LTV Mortgage Loan or a Rural Development Guaranteed Housing Loan and has a loan-to-value ratio less than one hundred and five percent (105%).

(15) As to which any Disqualifier exists.

(16) Unless all of the Seller's right, title and interest in and to the Purchased Loan is subject to a first priority perfected security interest in favor of the Agent for the benefit of the Buyers subject to no other liens, security interests, charges or encumbrances other than the Seller's right to repurchase the Purchased Loan hereunder.

(17) Unless all the representations and warranties set forth in this Agreement, including, without limitation, Section 15.3 and Schedule 15.4 are true and correct with respect to such Purchased Loan at all times on and after the related Purchase Date.

provided, however, that, notwithstanding any provision to the contrary in this Agreement, the Seller shall have three (3) Business Days after issuance of the Custodian's Exception Report to correct any document exceptions listed therein.

(18) That is not covered by an Investor Commitment.

(19) That, except in the case of a Conforming Mortgage Loan, an FHA Loan, a State Housing Bond Mortgage Loan or a High LTV Mortgage Loan, is subject to a firm Investor Commitment from USBHM or an Approved Non-Conforming Investor and underwritten to the guidelines of, and eligible for sale to, at least two (2) entities that have an unsecured, unenhanced commercial paper ratings of at least A-1 and P-1 (or an acceptable Affiliate of such an entity), and the sale of such Mortgage Loan is to USBHM or an Approved Non-Conforming Investor.

Clauses 14, 17 and 19 above shall not apply to any Mortgage Loan (USBHM).

Ex. E-3