CONTRA COSTA COUNTY
DEPARTMENT OF CONSERVATION AND DEVELOPMENT
Mortgage Credit Certificate Program
30 Muir Road
Martinez, CA 94553
925-674-7885

LENDER PARTICIPATION AGREEMENT

This Agreement is made and entered into as of the _____day of _____, 20____, by and between CONTRA COSTA COUNTY, a public body corporate and politic (hereinafter referred to as the "County") and _____(hereinafter referred to as the "Lender").

WITNESSETH:

WHEREAS, the Tax Reform Act of 1984 established the Mortgage Credit Certificate Program (hereinafter referred to as the "MCC Program") as a means of assisting qualified individuals with the acquisition of new and existing single family housing; and

WHEREAS, pursuant to Chapter 1399, Statues of 1985 Section 50197 et seq. of the Health and Safety Code, local issuers are authorized to issue MCCs and administer MCC Programs; and

WHEREAS, by Resolution adopted on June 1991 the Board of Supervisors of Contra Costa County has adopted cooperative agreements with the cities in the County to administer and MCC Program in those jurisdictions and in the unincorporated County, and directed the Department of Conservation and Development to administer the MCC Program pursuant to the applicable federal, state and local policies and procedures; and

WHEREAS, the Lender wished to participate in the MCC Program pursuant to the applicable federal, state and local policies and procedures; and

WHEREAS, the Lender wishes to participate in the MCC Program administered by the County in connection with mortgage loans it will make available for the acquisition of new and existing single-family housing.

NOW, THEREFORE, in consideration of the promises set forth herein, the parties agree as follows:

1. The County hereby designates the Lender as its agent for receipt and processing of applications for MCCs under the County's Mortgage Credit Certificate Program.

2. The Lender will make information regarding the MCC Program available to potential borrowers. The Lender will process and review the applications of any potential borrowers in order to determine eligibility for the Program.

3. The Lender will obtain from the borrower all information required for the MCC application (and receipt thereof) as directed by the County.

4. The Lender will perform all investigations and certifications that it would normally perform for underwriting a mortgage not connected with the MCC Program.

5. The Lender will conduct such reasonable investigation as is necessary to certify that the applicant has satisfied all requirements of the MCC Program, including those imposed by temporary and permanent regulations issued pursuant to the Internal Revenue Code and the County's eligibility requirements.

6. The Lender warrants that it is familiar with the Internal Revenue Code and all temporary and permanent regulations issued pursuant thereto applicable to the MCC Program, as well as all provisions of state law applicable to the MCC Program and guidelines established by the County. The Lender hereby agrees to comply with all provisions of applicable federal and state laws, and said regulations and guidelines. The Lender agrees to pay a Lender Participation Fee of $400 and an annual Lender Renewal Fee of $200. Additionally, the Lender agrees to attend and participate in a training and orientation session for the MCC Program sponsored by the County.

7. The Lender will charge a potential borrower applying for an MCC only those reasonable fees as would be charged to a potential borrower applying for mortgages not connected with the MCC Program.

8. Notwithstanding the provisions of Paragraph 7 above, the Lender may charge each borrower an application fee of $350.00 for processing each MCC. Of this amount $300.00 is to be paid to the County with the Initial Submittal Phase of the MCC Application.

9. The Lender hereby agrees that it will immediately forward to the County all information which it may receive during the life of the mortgage loan which tends to indicate that misrepresentation was made in applying for an MCC, or that may affect the applicant's continued eligibility for an MCC.

10. The Lender hereby agrees that it will immediately notify the County upon cancellation or rejection of a loan or determination of ineligibility, and will return the MCC Commitment (MCC-010) to the County.

11. This Agreement shall remain in full force and effect until terminated. The Lender may terminate this Agreement, without cause, upon sixty (60) days written notice to the County. Notwithstanding any such termination, the Lender shall file any and all reports required to be filed with the Internal Revenue Service and shall maintain all records required to be maintained by it pursuant to Section 25 of the Internal Revenue Code of 1986 and any regulations thereunder. The County may immediately terminate this Agreement and prohibit the Lender from participation in the MCC Program upon the Lender's failure to comply with the terms and conditions of this Agreement and upon written notice by the County. No amendment to this Agreement shall be effective unless in writing and signed by both parties hereto.

THIS AGREEMENT is entered into as of the date and year written above.

LENDER	CONTRA COSTA COUNTY
_____	_____
By_____	By_____
Title_____	Title_____

Office Address: _____

Phone Number: _____ Fax Number: _____

Contact: _____ Email Address: _____