

**DELAWARE STATE HOUSING AUTHORITY
SINGLE FAMILY MORTGAGE REVENUE BOND (SFMRB) PROGRAM**

**INVITATION TO PARTICIPATE
As an ORIGINATING LENDER**

The Delaware State Housing Authority (“DSHA”) has adopted a Mortgage Origination Master Agreement (“MOMA”), dated as of September 28, 2001, for its SFMRB Program (the “Program”), and hereby invites new lending institutions to submit an Offer to Participate as an Originating Lender (the “Offer”) in this and future Program Installments under the terms of the revised Mortgage Origination Master Agreement. Lending institutions that participated in the past programs do not need to submit an offer unless previous information is no longer valid.

The procedures reflected in the Offer and MOMA accompanying this Invitation to Participate prescribe a one-time offer and acceptance process whereby, once approved by DSHA for participation as an Originating Lender, a lending institution may, at its option, (as long as it qualifies to serve and is not in default under the MOMA, and it remains subject to state laws) continue to participate in any or all future Program Installments governed and administrated under the terms of these revised documents with no need to execute additional documents or agreements, other than the Offer that would be submitted as to each future program installment.

Consistent with this one-time approval process, the form of Opinion of Counsel to Originating Lender accompanying the executed Offer is intended to serve as an “Evergreen” opinion, which will remain effective, and upon which DSHA may continue to rely, unless and until DSHA is notified in writing that it is no longer effective for any reason.

Action Required to Participate

- Complete the enclosed Offer to Participate
- Complete required exhibits.
- Mortgage Origination Master Agreement (MOMA), duly executed by your firm
- Obtain the required Opinion of Counsel
- Submit above documents along with the annual participation fee of \$3,000 to DSHA at:

Delaware State Housing Authority (DSHA)
820 N. French Street, 10th Floor
Wilmington, DE 19801

We look forward to your participation in the Program to provide affordable home ownership opportunities for the citizens of the State of Delaware.

**DELAWARE STATE HOUSING AUTHORITY
SINGLE FAMILY MORTGAGE REVENUE BOND (SFMRB) PROGRAM**

LENDER'S OFFER TO PARTICIPATE ("OFFER")

THIS OFFER, AND THE ORIGINATION AGREEMENT (AS DEFINED HEREIN), WHEN ACCEPTED BY DSHA, TOGETHER CONSTITUTE THE AGREEMENT OF THE PARTIES RELATING TO THE DELAWARE STATE HOUSING AUTHORITY'S (DSHA'S) HOMEOWNERSHIP LOAN PROGRAM (THE "PROGRAM") AND EACH SHOULD BE READ IN THEIR ENTIRETY BY OFFEROR BEFORE SUBMITTING THIS OFFER.

Capitalized terms have the meaning(s) as defined in the Mortgage Origination Master Agreement, dated as of September 28, 2001, between DSHA and the undersigned (the "Origination Agreement").

Please submit the entire application packet to the following address:

Delaware State Housing Authority
Carvel State Office Building
820 North French Street, 10th Floor
Wilmington, DE 19801
Phone: (302) 577-5001
Fax: (302) 577-5021

"OFFEROR"

Firm Name: _____

Location: City: _____ State: _____ Zip: _____

Official Contact to receive all official notifications:

Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone :() _____ Fax :() _____

E-mail address: _____

1. Offeror hereby offers to participate in the Program as an Originating Lender and to use its best efforts to serve as an Originating Lender in accordance with the terms and conditions of

the Origination Agreement and the Program Notice relating to a particular applicable Program Installment, each of which is incorporated herein by reference.

2. Offeror has received and executed the Origination Agreement with DSHA, and has been, or expects to be, accepted by DSHA to participate in the Program as an Originating Lender thereunder, based upon its complete examination of this Offer and the Origination Agreement.
3. Offeror hereby ratifies, affirms, and warrants that its warranties, representations, and covenants made by it in the Origination Agreement are true and correct as of the date of execution by Offeror of this Offer, except as to matters stated by Offeror by addendum hereto.
4. To enable DSHA to consider the Offer, Offeror herewith delivers to DSHA the following:
 - (a) Two executed copies of this Offer to Participate;
 - (b) One executed copy of the Lender Profile (Exhibit A to the Offer to Participate);
 - (c) Two executed copies of the Origination Agreement;
 - (d) One executed opinion of counsel to Offeror (in the form of Exhibit B to the Offer to Participate), if not previously provided on prior program;
 - (e) One executed copy of each Correspondent Designation Agreement (Exhibit C to the Offer to Participate) if proposing to originate Mortgage Loans through one or more Correspondent Lenders; and
 - (f) Program participation fee in the form of the Offeror's check in the amount of \$3,000 is hereby submitted with this Offer. In the event DSHA rejects or fails for any reason to accept this Offer, such Fee shall be promptly returned to the Offeror. Otherwise, such Fee shall be non-refundable and shall become the property of DSHA.
5. Offeror warrants, represents, and certifies that:
 - (a) All information it has provided in the Lender Profile is true and correct and contains no material misstatements or omissions of facts; and
 - (b) It is duly authorized and has the necessary power to make this Offer, and to participate in the Program in accordance with the terms and provisions of the Origination Agreement.
6. This Offer is unilateral and shall bind the Offeror upon acceptance and Notice of Acceptance by DSHA.
7. This Offer, and the Origination Agreement, together with the Program Notice relating to a particular Program Installment, constitute the contract relating to the origination of Mortgage Loans under such Program Installment by and among the Offeror, DSHA, and the Master Servicer designated by DSHA in the related Program Notice.

8. This Offer has no date upon which it must be received and approved by DSHA; however, Notice of Acceptance of the Offer must be issued by DSHA before Offeror may make any requests for Reservation of funds for Mortgage Loans to be originated by Offeror under any Program Installment.
9. Offeror hereby acknowledges that:
 - (a) DSHA reserves the right to designate the Master Servicer relating to each Program Installment; and
 - (b) The Master Servicer so designated by DSHA reserves the right to disapprove Offeror as an Originating Lender for such Program Installment, in which event DSHA shall advise Offeror of any such determination by the Master Servicer prior to the applicable Start Date for submission of Mortgage Loan funding Reservation requests.

Dated this _____ date of _____, 20_____

for the above institution: _____

OFFEROR: _____

By: _____
(Authorized Signature)

Printed Name: _____

Title: _____

NOTICE OF ACCEPTANCE:

THIS OFFER IS HEREBY ACCEPTED BY DSHA THIS _____ DAY OF _____, 20_____, IN ACCORDANCE WITH ITS TERMS.

DELAWARE STATE HOUSING AUTHORITY

By: _____

ANAS BEN ADDI
Housing Director

EXHIBIT A
of
DELAWARE STATE HOUSING AUTHORITY
SINGLE FAMILY MORTGAGE REVENUE BOND (SFMRB) PROGRAM

ORIGINATING LENDER PROFILE

Originating Lender: _____

Address: _____

Mailing Address (if different): _____

Contact Person: _____

Telephone: _____ **Fax:** _____

E-Mail Address: _____

1. Organization Form (check one):

- | | |
|--|--|
| <input type="checkbox"/> National Banking Assoc. | <input type="checkbox"/> State Banking Assoc |
| <input type="checkbox"/> Federally Chartered S&L | <input type="checkbox"/> Mortgage Banker |
| <input type="checkbox"/> Other: _____ | |

2. Errors & Omissions Insurance Coverage

Insurer Name: _____

Agent (if applicable): _____

Policy Expiration Date: _____

Coverage: _____

3. Fidelity Bond Coverage

Insurer Name: _____

Agent (if applicable): _____

Policy Expiration Date: _____

Coverage: _____

4. Approvals in Good Standing:

U.S. Bank - Correspondent Lender (required):

Yes () No () **If “No” you must first complete the U.S. Bank Correspondent Lender Application and be approved in order to originate loans through DSHA programs.**

Seller:

FNMA Yes () No ()
FHLMC Yes () No ()
GNMA Yes () No ()

Servicer:

FNMA Yes () No ()
FHLMC Yes () No ()
GNMA Yes () No ()

FHA Direct Endorsement Mortgagee:

Yes () No ()

VA Automatic Underwriter:

Yes () No ()

The “Originating Offices” listed on the “ORIGINATING OFFICES OF OFFEROR/ORIGINATING LENDER” will be originating Mortgage Loans on behalf of the Lender under the Program.

Dated this _____ day of _____, 20_____.

Lender: _____

BY: _____
(Authorized Signature)

Printed Name & Title: _____

ORIGINATING OFFICES OF OFFEROR/ORIGINATING LENDER

Organization Name:

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Primary Contact:

Name:	E-Mail:
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Phone: ()	Fax: ()
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Location Address:

Street:

City:	State:	Zip:
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Mailing Address:

Street/P.O. Box:

City:	State:	Zip:
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Branch Location:

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Branch Contact:

Name:	E-Mail:
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Phone: ()	Fax: ()
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Location Address:

Street:

City:	State:	Zip:
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Mailing Address:

Street/P.O. Box:

City:	State:	Zip:
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Branch Location:

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Branch Contact:

Name:	E-Mail:
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Phone: ()	Fax: ()
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Location Address:

Street:

City:	State:	Zip:
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Mailing Address:

Street/P.O. Box:

City:	State:	Zip:
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Branch Location:

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Branch Contact:

Name:	E-Mail:
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Phone: ()	Fax: ()
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Location Address:

Street:

City:	State:	Zip:
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Mailing Address:

Street/P.O. Box:

City:	State:	Zip:
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(Offeror may make additional copies, as necessary)

EXHIBIT B
of
OFFER TO PARTICIPATE

DELAWARE STATE HOUSING AUTHORITY
SINGLE FAMILY MORTGAGE REVENUE BOND (SFMRB) PROGRAM

(SAMPLE) FORM OF OPINION OF COUNSEL TO ORIGINATING LENDER

Date:

Delaware State Housing Authority
Carvel State Office Building
820 North French Street, 10th Floor
Wilmington, DE 19801

Dear Sir or Madam:

We have acted as counsel for (insert name of institution) (the “**Originating Lender**”), a (insert national banking association Federal or State savings and loan association or other applicable description) in connection with the agreement by the Originating Lender to originate mortgage loans pursuant to a Mortgage Origination Master Agreement by and among the Delaware State Housing Authority (“DSHA”), as “Issuer”, Wilmington Trust Company, Wilmington, Delaware, as “Trustee”, and the Originating Lender, dated as of September 28, 2001 (the “Origination Agreement”).

As Originating Lender’s counsel, we have examined, among other things, the following:

- (a) the Invitation to Participate;
- (b) the Offer to Participate (the “Offer”);
- (c) the Origination Agreement; and
- (d) all Correspondent Designation Agreements being submitted by Originating Lender.

We have also examined pertinent statutes and regulations; records, certified to our satisfaction, of the Originating Lender; certificates of public officials and of officers and representatives of the Originating Lender, and such other documents as we have deemed necessary as a basis for the opinions hereinafter expressed. In the course of such examination, we have assumed the genuineness of all signatures and the authenticity of all documents submitted to us as copies.

Based upon the foregoing, we advise you that, in our opinion:

1. The Originating Lender is a (insert national banking association, Federal or State savings and loan association or other applicable description) duly organized and validly existing in good standing under the laws of (The United States or its state of organization) with full power and authority to (i) execute and deliver the Offer and the Origination Agreement and each of the Correspondent Designation Agreement(s); (ii) perform its obligations thereunder; (iii) own its properties; and (iv) carry on its business as now being conducted.

2. The Originating Lender is duly qualified to do such business in the State of Delaware.
3. To our knowledge after due investigation with respect thereto, the Originating Lender is not under any cease and desist order or other order of a similar nature temporary or permanent of any Federal or state authority that materially adversely affects the ability of the Originating Lender to perform its obligations under the Origination Agreement, nor are there any proceedings presently in progress or contemplated that would, if successful, lead to the issuance of any such order that, if issued, would materially adversely affect the ability of the Originating Lender to perform its obligations under the Origination Agreement.
4. The Originating Lender has duly authorized the execution and delivery of the Offer and the Origination Agreement, and the Correspondent Designation Agreement, and no consent or approval or other action by any governmental body (other than DSHA and other consents and approvals already obtained) is required in connection with the execution and delivery, or performance under the Offer or the Origination Agreement and each of the Correspondent Designation Agreements. The Offer, Origination Agreement, and each of the Correspondent Designation Agreements are valid and binding upon the Originating Lender enforceable in accordance with their terms, except to the extent enforcement thereof may be limited by bankruptcy, insolvency, or other similar laws affecting creditors' right generally and except as enforceability may be affected by the availability of equitable remedies.
5. The execution and delivery of the Offer, Origination Agreement, and each of the Correspondent Designation Agreements, and the performance of the Originating Lender's obligations thereunder (i) will not conflict with or result in a material breach of, or constitute a default under, the terms or provisions of any indenture, mortgage, deed of trust, commitment, loan agreement or other agreement or instrument to which the Originating Lender is a party or by which the Originating Lender is bound or to which any of the property or assets of the Originating Lender is subject; (ii) will not result in a violation of the provisions of the governing or organizing instruments of the Originating Lender; and (iii) will not result in a violation of any statute, order, rule, regulation, judgment or decree of any court or governmental agency or body to which the Originating Lender or any of its properties is subject.

Reliance upon opinion. DSHA and its trustee banks as may be chosen from time to time by DSHA, and its Master Servicers, as may be chosen from time to time by DSHA, shall each be entitled to rely upon this opinion on an "Evergreen" basis, and the writer hereof agrees to pursue its due diligence obligations in regard hereto on an ongoing basis, and to immediately notify DSHA of any changes in the status of any of the items expressed hereinabove, for all times covered by the Origination Agreement entered into between the Originating Lender and DSHA.

Very Truly Yours,

(CAVEAT: This is a sample only. Counsel must independently conduct such review as necessary to form an opinion. If counsel's opinion is different than stated in this form, counsel's own opinion should be expressed, but in such case, drafts should be submitted to DSHA in sufficient time for review prior to delivery of the opinion.)

EXHIBIT C
of
OFFER TO PARTICIPATE
DELAWARE STATE HOUSING AUTHORITY
HOMEOWNERSHIP LOAN PROGRAM

CORRESPONDENT LENDER DESIGNATION AGREEMENT

THIS UNILATERAL AGREEMENT, made and entered into as of the date hereinafter subscribed, by the undersigned Offeror (the "Offeror") for the benefit of Delaware State Housing Authority, a public corporation and independent authority in the Executive Department of the State, duly organized and existing under the constitution and laws of the State of Delaware, and Wilmington Trust Company, a banking corporation and trust company duly organized and validly existing under and by virtue of the laws of the State of Delaware, acting as bond trustee (the "Trustee").

W I T N E S S E T H:

WHEREAS, DSHA intends to issue one or more series of its Single Family Mortgage Revenue Bonds (Homeownership Loan Program) (the "Bonds") pursuant to a General Bond Resolution, dated September 9, 1994, and one or more Series Resolution (collectively, "the Resolution"), for the purpose of financing its Homeownership Loan Program (the "Program"); and

WHEREAS, DSHA has adopted the Resolution for the issuance of the Bonds, pursuant to which DSHA, or the Servicer, as the case may be, will be empowered to purchase on behalf of DSHA Guaranteed Mortgage Securities backed by certain Mortgage Loans that have been originated under the Program by various Originating Lenders, and to purchase Mortgage Loans under the Program, subject, among other things, to the terms and conditions hereinafter set forth; and

WHEREAS, to assist in effectuating the Program, DSHA and each Originating Lender, including the undersigned Offeror, will have entered into a Mortgage Orientation Master Agreement, (the "Origination Agreement") governing the origination by the Originating Lenders of Mortgage Loans; and

WHEREAS, pursuant to the Origination Agreement, an Originating Lender is authorized to agree to accept and purchase Mortgage Loans from other lending institutions (acceptable to the Originating Lender and to DSHA) originating Mortgage Loans in accordance with the terms of the Origination Agreement, and Offeror desires to hereby designate certain other lending institutions in accordance with the authorization provided in the Origination Agreement;

NOW, THEREFORE, in consideration of the acceptance by DSHA of Offeror as an approved originator of Mortgage Loans for the Program as evidenced by their respective execution and delivery of the Origination Agreement with Offeror, and the mutual covenants therein provided, Offeror hereby accepts, designates, and agrees to purchase qualifying Mortgage Loans originated by the following named lending institution(s) that are hereby designated as Correspondent Lender(s) for the Program:

Name of Correspondent Lender	Office/Branch Location Address	Telephone

This Unilateral Agreement, and the above Correspondent Lender designation(s) by Offeror, shall be legally binding upon Offeror, and is made for the express benefit of DSHA and Trustee, and the above named Correspondent Lender(s), in accordance with the terms of the Origination Agreement for the duration of the Program; provided that Originating Lender may revoke the designation of any Correspondent Lender at any time by delivery of written notice of such revocation to DSHA and to the Correspondent Lender, such revocation not to be effective until received by DSHA and the Correspondent Lender.

Offeror hereby acknowledges that: (a) DSHA reserves the right to designate the Master Servicer relating to each Program Installment, and (b) DSHA, or the Master Servicer on behalf of DSHA, reserves the right to disapprove Offeror and any or all of its Correspondent Lenders as an Originating Lender for such Program Installment, in which event DSHA shall advise Offeror and Trustee of such determination by DSHA, or by the Master Servicer on behalf of DSHA, prior to the applicable Start Date for submission of Mortgage Loan funding Reservation requests.

IN WITNESS WHEREOF, Offeror has caused its name to be signed hereto by its duly authorized officers or representatives, with its seal thereof to be hereunto affixed, all as of the day of _____, 20____.

OFFEROR

Name: _____

Title: _____

(Seal)

ATTEST

Name: _____

Title: _____