

# Lender Participation Agreement

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## LENDER PARTICIPATION AGREEMENT

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### Dream Home Fund Down Payment Assistance Program

This **Lender Participation Agreement** (this "**Agreement**") is entered into as of \_\_\_\_\_ by and between:

**Dream Home Fund**, a California nonprofit public benefit corporation with 501(c)(3) tax-exempt status ("**Dream Home Fund**" or "**DHF**"); and

\_\_\_\_\_, a \_\_\_\_\_ organized under the laws of \_\_\_\_\_ ("**Lender**").

DHF and Lender are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

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### Recitals

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- A. Dream Home Fund operates one or more down payment assistance ("**DPA**") programs (each, a "**Program**") in support of its charitable mission of expanding access to homeownership through faith-rooted, mission-driven housing finance.
- B. Each Program provides DPA in the form of a silent second mortgage (a "**Silent Second**") to qualifying first-time homebuyers, delivered through enrolled first-mortgage lenders. The Silent Second is subordinate to the borrower's first mortgage loan ("**First Mortgage**").
- C. Dream Home Fund's flagship Program, "**Dream Simple**," provides DPA sized to 3.5% of the purchase price, capped at \$45,000 per transaction, with simple interest accruing at the First Mortgage note rate plus 1% per annum, repayment deferred until a triggering event. Additional Programs may be offered from time to time.
- D. The detailed operational requirements of each Program are set forth in the **Dream Home Fund Lender Program Manual** (the "**Manual**"), the **Dream Simple Program Handbook**, and any other program documents Dream Home Fund publishes from time to time (collectively, the "**Program Documents**").
- E. Lender desires to enroll as an originating lender authorized to offer DPA under one or more Programs, and Dream Home Fund desires to enroll Lender on the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Parties agree as follows:

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## 1. Definitions

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Capitalized terms used and not otherwise defined in this Agreement have the meanings assigned in the Manual or, if not defined therein, the following meanings:

- "**Applicable Laws**" means all federal, state, and local laws, regulations, rules, ordinances, regulatory guidance, and orders applicable to a Party's activities under this Agreement, including but not limited to the Equal Credit Opportunity Act and Regulation B; the Fair Housing Act; the Truth in Lending Act and Regulation Z; the Real Estate Settlement Procedures Act and Regulation X; the Home Mortgage Disclosure Act; the Gramm-Leach-Bliley Act; the FTC Safeguards Rule (16 C.F.R. Part 314); the California Consumer Privacy Act and California Privacy Rights Act; the California Fair Employment and Housing Act; California Civil Code §§ 1798.80 et seq.; and any Office of Foreign Assets Control regulations.
- "**Borrower**" means the applicant or applicants for a Silent Second under a Program.
- "**Capital Partner**" means a third party providing capital to Dream Home Fund for funding Silent Seconds under one or more Programs.
- "**Closing Agent**" means the escrow or title company designated to close the First Mortgage and the Silent Second.
- "**Defect**" has the meaning set forth in Section 11.
- "**DPA Application**" means the combined Dream Home Fund DPA Application, Borrower Disclosure, and First-Time Homebuyer Affidavit, executed by each Borrower as a condition of submission.
- "**Funding Authorization**" means the written authorization issued by Dream Home Fund to the Closing Agent confirming the Silent Second is approved for funding and directing the wire of Silent Second proceeds.
- "**Loan File**" means the documentation submitted by Lender to Dream Home Fund in support of a Silent Second application, as detailed in Section IV of the Manual.
- "**Notice of Determination**" means the written determination issued by Dream Home Fund to Lender after review of a Loan File (Approval, Conditional Approval, Suspension, or Denial).

- "**PII**" means personally identifiable information of a Borrower, including but not limited to Social Security number, financial account information, tax return information, credit information, and other nonpublic personal information as defined under the Gramm-Leach-Bliley Act.
  - "**Program Documents**" has the meaning set forth in Recital D and includes any addenda, bulletins, or program announcements Dream Home Fund issues from time to time.
  - "**Silent Second**" has the meaning set forth in Recital B.
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## 2. Enrollment and Authorization

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### 2.1 Grant of Right to Originate

Subject to the terms of this Agreement and continuing satisfaction of the eligibility criteria set forth in the Manual, Dream Home Fund hereby authorizes Lender to originate Silent Seconds under each Program for which Lender is enrolled. Authorization is **non-exclusive, non-transferable**, and **revocable** in accordance with this Agreement.

### 2.2 Effective Date and Eligibility

Lender's enrollment is effective on the **Effective Date** set forth above, provided Lender has delivered all items required under Section III of the Manual (lender qualification, licensing, insurance, financial information, and program contacts) and Dream Home Fund has confirmed enrollment in writing.

### 2.3 Annual Recertification

Lender shall complete the Annual Recertification process described in Section III of the Manual on each anniversary of the Effective Date or such other date as Dream Home Fund may designate. Failure to timely complete recertification may result in suspension of authorization to originate Silent Seconds pending completion.

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## 3. Incorporation of Program Documents

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### 3.1 Manual and Program Documents Binding

The Manual, the Dream Simple Program Handbook, the Lender Forms and Templates published at [dreamhomefund.com/lender-forms.html](http://dreamhomefund.com/lender-forms.html), and any other Program Documents Dream Home Fund issues from time to time are **incorporated into this Agreement by reference** and are binding on Lender to the same extent as if set forth in full herein.

### **3.2 Updates to Program Documents**

Dream Home Fund may amend, supplement, or replace any Program Document by publishing the updated document at dreamhomefund.com and notifying enrolled lenders by email at least **five (5) business days** prior to the effective date of the update. Lender's continued origination of Silent Seconds after the effective date of an update constitutes acceptance.

### **3.3 Conflict**

In the event of a conflict between this Agreement and any other Program Document, this Agreement controls.

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## **4. Lender Representations and Warranties**

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Lender represents and warrants to Dream Home Fund, as of the Effective Date and continuously throughout the term of this Agreement, that:

### **4.1 Organizational Reps**

(a) Lender is duly organized, validly existing, and in good standing under the laws of its state of organization; (b) Lender has full power and authority to enter into and perform this Agreement; (c) Execution of this Agreement has been duly authorized by all necessary action; and (d) This Agreement constitutes a valid and binding obligation of Lender, enforceable in accordance with its terms.

### **4.2 Licensing and Authority**

(a) Lender holds all licenses, registrations, and approvals required to originate residential mortgage loans in each jurisdiction in which it originates loans submitted to Dream Home Fund; (b) Lender is in good standing with each licensing authority and is not subject to any unresolved regulatory action that materially impairs its ability to originate mortgage loans; and (c) Lender's NMLS Company ID and applicable state licenses are listed on **Schedule A** to this Agreement and are updated through Lender's annual recertification.

### **4.3 Compliance with Applicable Laws**

Lender shall at all times comply with all Applicable Laws in connection with its activities under this Agreement, including but not limited to ECOA, the Fair Housing Act, TILA, RESPA, HMDA, the SAFE Act, applicable state mortgage lending laws, and all consumer protection laws applicable to its origination activities.

#### **4.4 No Material Litigation or Regulatory Action**

Except as disclosed on **Schedule B**, Lender is not the subject of any pending or threatened material regulatory enforcement action, consent order, cease and desist order, civil or criminal proceeding, GSE or investor repurchase demand exceeding one percent (1%) of originations, bankruptcy filing, or assignment for the benefit of creditors. Lender shall notify Dream Home Fund within **ten (10) business days** of becoming aware of any such matter arising during the term.

#### **4.5 Insurance**

Lender maintains, and shall continuously maintain, the insurance coverages required under Section III of the Manual, including a Fidelity Bond, Errors and Omissions, Forgery, and Money and Securities coverage, in the minimum amounts specified therein and from carriers with ratings acceptable to Dream Home Fund. Certificates of insurance naming Dream Home Fund as an additional insured (where applicable) or as a notification party are delivered with Lender's enrollment and at each renewal.

#### **4.6 Anti-Money Laundering and Fraud Controls**

Lender maintains a written Bank Secrecy Act / Anti-Money Laundering ("**BSA/AML**") compliance program reasonably designed to detect and report suspicious activity, and a written anti-mortgage-fraud program reasonably designed to detect and prevent fraud in connection with mortgage origination. Lender shall promptly notify Dream Home Fund of any suspected fraud or material misrepresentation in connection with any Loan File submitted to Dream Home Fund.

#### **4.7 OFAC Screening**

Lender screens each Borrower against the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") Specially Designated Nationals and Blocked Persons List, and any other restricted-party lists required by Applicable Law, prior to submission of a Loan File.

#### **4.8 Information Security**

Lender maintains a written information security program reasonably designed to satisfy the GLBA Safeguards Rule (16 C.F.R. Part 314), including administrative, technical, and physical safeguards appropriate to the size and complexity of Lender's operations. Lender shall safeguard Borrower PII received from or transmitted to Dream Home Fund in accordance with Section 9 below.

## **4.9 File-Level Representations**

With respect to each Loan File Lender submits to Dream Home Fund, Lender makes the representations set forth on **Schedule C** as of the date of submission. These representations include (without limitation) that the Borrower has been credit-qualified under the applicable First Mortgage program; the Loan File is complete and accurate; the Borrower(s) meet Program eligibility to the best of Lender's knowledge after reasonable due diligence; ECOA demographic information has been properly collected; the First Mortgage has received final lender approval; and Lender is not aware of any fraud, misrepresentation, or unresolved compliance concern affecting the transaction. Lender's certification on the Lender Submission Checklist and in Part 4 of the DPA Application constitutes a restatement of these representations for purposes of this Section 4.9.

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## **5. Dream Home Fund Representations and Obligations**

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### **5.1 Dream Home Fund Reps**

Dream Home Fund represents and warrants that:

(a) Dream Home Fund is duly organized and validly existing under California law; (b) Dream Home Fund has full power and authority to enter into and perform this Agreement; (c) This Agreement constitutes a valid and binding obligation of Dream Home Fund; (d) Dream Home Fund will administer each Program in accordance with the applicable Program Documents and Applicable Laws; and (e) Dream Home Fund maintains insurance coverages reasonable for an organization of its size and activities, including general liability, directors and officers, errors and omissions, and cyber coverage at levels appropriate to its operations.

### **5.2 Review and Determination**

Dream Home Fund shall use commercially reasonable efforts to issue a Notice of Determination on each complete Loan File within the timeframes set forth in Section IV of the Manual (currently five to seven (5-7) business days). Review timeframes are targets, not guarantees, and may vary with volume.

### **5.3 Funding**

For each Loan File that receives Approval and progresses to closing, Dream Home Fund shall issue a Funding Authorization to the Closing Agent and shall wire Silent Second proceeds to the Closing Agent's escrow account on the scheduled closing date in accordance with the Funding Authorization, provided all closing conditions described therein are satisfied.

## **5.4 No Guarantee of Funding**

Dream Home Fund's obligation to fund any specific Silent Second is subject to (a) Dream Home Fund's approval of the Loan File, (b) availability of Program funds, including capital partner availability, (c) satisfaction of all closing conditions, and (d) absence of any event that would entitle Dream Home Fund to suspend or terminate Lender's authorization. Lender shall not advance funds in anticipation of Dream Home Fund funding any specific Silent Second except as permitted by the Funding Authorization.

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## **6. Lender Operational Obligations**

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### **6.1 Compliance with Manual**

Lender shall perform its obligations under this Agreement in accordance with the Manual and the applicable Program Handbook, including without limitation Lender qualification (Section III), submission method (Section IV), borrower eligibility (Section V), closing (Section VII), funding (Section VIII), post-closing delivery (Section IX), re-subordination (Section X), and audit cooperation (Section XII) requirements set forth therein.

### **6.2 Use of Approved Submission Channels**

Lender shall transmit Loan Files containing PII only through Dream Home Fund-designated secure channels as described in Section IV of the Manual. Lender shall not transmit borrower PII to Dream Home Fund through unencrypted email, consumer file-share services without access controls, or any other channel not approved under the Manual.

### **6.3 Borrower Disclosure**

Lender shall ensure that each Borrower receives, reviews, and executes the DPA Application (which includes the Borrower Disclosure required under Applicable Laws) before the Silent Second closes. Lender shall provide a copy of the executed DPA Application to the Borrower and shall retain a copy in the Loan File.

### **6.4 No Independent Solicitation**

Lender shall not market or solicit any Program in a manner that misrepresents the terms of any Program, that uses Dream Home Fund's name or trademarks without prior written approval, or that suggests Dream Home Fund has approved any specific Borrower without a Notice of Determination from Dream Home Fund.

## **6.5 Cooperation with DHF Investigations**

Lender shall reasonably cooperate with any Dream Home Fund inquiry, investigation, or audit relating to a Loan File or Lender's compliance with this Agreement, including providing access to relevant documents and personnel within reasonable timeframes.

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## **7. Submission, Closing, and Funding**

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### **7.1 Submission**

Lender shall submit Loan Files to Dream Home Fund in accordance with Section IV of the Manual and the Lender Submission Checklist. Each submission constitutes Lender's renewed representation of the file-level matters in Section 4.9.

### **7.2 Closing Conditions**

The Silent Second shall be closed in accordance with Section VII of the Manual. Among other conditions, the Subordinate Deed of Trust shall be recorded in second lien position behind the First Mortgage, ahead of any other subordinate financing, and Lender's hazard insurance binder shall name Dream Home Fund as additional loss payee per the clause published in Section VIII of the Manual.

### **7.3 Funding Authorization**

The Funding Authorization is the operative document directing the wire of Silent Second proceeds. Lender and Closing Agent shall not deviate from the terms of the Funding Authorization without prior written approval from Dream Home Fund.

### **7.4 Post-Closing Delivery**

Within ten (10) business days of closing, Lender or Closing Agent shall deliver to Dream Home Fund the executed original DPA Note with allonge endorsed to Dream Home Fund, a certified copy of the recorded Subordinate Deed of Trust, a copy of the final Closing Disclosure, a copy of the recorded warranty / grant deed, and a copy of the hazard insurance declarations page showing Dream Home Fund as additional loss payee, in accordance with Section IX of the Manual.

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## 8. Audit Rights

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### 8.1 DHF Audit Right

Dream Home Fund (or its designated representative) may, upon **ten (10) business days'** prior written notice, audit Lender's books, records, and Loan Files relating to Silent Seconds submitted to or funded by Dream Home Fund. Audits will be conducted during normal business hours and in a manner reasonably designed to minimize disruption to Lender's operations.

### 8.2 Audit Cooperation

Lender shall provide reasonable access to the Loan Files, supporting documentation, personnel involved in submission or closing, and any compliance, quality control, or audit reports relating to the audited transactions. Lender shall maintain Loan Files for not less than **seven (7) years** following closing, or longer if required by Applicable Law.

### 8.3 Audit Costs

Each Party bears its own audit costs, except that if an audit reveals Defects in **[ten percent (10%) or more]** of the audited Loan Files, Lender shall reimburse Dream Home Fund's reasonable audit costs in connection with the audit at issue.

### 8.4 Confidentiality of Audit Results

Audit results, working papers, and findings are confidential and subject to Section 9. Aggregate, non-identifying audit statistics may be shared with Dream Home Fund's board, Capital Partners, regulators, insurers, and counsel.

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## 9. Confidentiality, Information Security, and Privacy

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### 9.1 Confidential Information

Each Party shall hold the other Party's Confidential Information in confidence and shall not use or disclose it except in furtherance of this Agreement or as required by Applicable Law. "**Confidential Information**" includes Borrower PII; Program operational information; the terms of this Agreement; financial information; trade secrets; and any other information marked or reasonably identifiable as confidential.

### 9.2 Permitted Disclosures

Permitted disclosures include disclosures (a) to a Party's employees, agents, contractors, and counsel with a need to know and bound by confidentiality obligations; (b) to Dream Home

Fund's Capital Partners, regulators, insurers, and auditors as reasonably necessary; (c) as required by subpoena, regulatory request, or court order (with prompt notice to the other Party where lawful); and (d) with the disclosing Party's prior written consent.

### **9.3 PII Handling**

Each Party shall handle Borrower PII in accordance with the Gramm-Leach-Bliley Act, the FTC Safeguards Rule, the California Consumer Privacy Act, and other Applicable Laws governing personal information. Each Party shall maintain a written information security program reasonably designed to safeguard PII and shall provide the other Party with a summary of its information security controls on request.

### **9.4 Incident Notification**

Each Party shall notify the other Party of any actual or reasonably suspected unauthorized acquisition, access, use, or disclosure of PII received from or transmitted to the other Party in connection with this Agreement within **forty-eight (48) hours** of discovery. The notifying Party shall provide reasonably available details about the incident, the PII affected, the steps taken to contain and remediate the incident, and the parties to be notified under Applicable Law. Each Party shall cooperate with the other in connection with incident response, regulatory notification, and Borrower notification as required by Applicable Law.

### **9.5 Return or Destruction**

Upon termination of this Agreement or written request, each Party shall (a) return Confidential Information in its possession or (b) certify destruction in accordance with industry-standard secure-destruction practices, in each case subject to such retention as is required by Applicable Law or such Party's records retention policies and consistent with the Audit Rights in Section 8.

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## **10. Indemnification**

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### **10.1 Lender Indemnification**

Lender shall indemnify, defend, and hold harmless Dream Home Fund and its directors, officers, employees, agents, Capital Partners, and counsel (the "**DHF Indemnified Parties**") from and against any and all losses, damages, claims, demands, liabilities, judgments, fines, penalties, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to (a) any breach by Lender of this Agreement, including any breach of any representation, warranty, or covenant; (b) Lender's negligence, willful misconduct, or violation of Applicable Law in connection with the origination, closing, or post-closing activities relating to a Silent Second or First Mortgage; (c) any Defect in a Loan File submitted by Lender; (d) any third-party

claim by a Borrower or other party arising out of Lender's acts or omissions in connection with any matter under this Agreement; and (e) Lender's unauthorized acquisition, access, use, or disclosure of PII.

## **10.2 DHF Indemnification**

Dream Home Fund shall indemnify, defend, and hold harmless Lender and its directors, officers, employees, and agents from and against any losses, damages, claims, liabilities, costs, and expenses arising out of or relating to (a) Dream Home Fund's breach of this Agreement; (b) Dream Home Fund's negligence, willful misconduct, or violation of Applicable Law in connection with its administration of any Program; and (c) Dream Home Fund's unauthorized acquisition, access, use, or disclosure of PII.

## **10.3 Procedure**

The indemnified Party shall promptly notify the indemnifying Party of any claim subject to indemnification, shall reasonably cooperate with the indemnifying Party in defense of the claim, and shall not settle any claim without the indemnifying Party's prior written consent (not to be unreasonably withheld). The indemnifying Party shall control the defense subject to the indemnified Party's right to participate at its own cost with its own counsel.

## **10.4 Cap and Carve-Outs**

Lender's indemnification obligations under Section 10.1(a), (c), and (d) are subject to a cap equal to the greater of (i) the aggregate Program Administration Fees paid by Lender to Dream Home Fund during the prior twelve (12) months, or (ii) one million dollars (\$1,000,000), provided that no cap applies to Lender's indemnification obligations arising out of (1) fraud or willful misconduct, (2) breach of confidentiality or information security obligations, (3) unauthorized acquisition, access, use, or disclosure of PII, (4) third-party claims by Borrowers arising out of the silent second, or (5) Lender's failure to maintain required insurance.

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# **11. Loan Defects, Cure, and Repurchase**

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## **11.1 Defect**

A "**Defect**" with respect to a Silent Second means (a) any material breach of a representation or warranty made by Lender with respect to the related Loan File; (b) material non-compliance with Applicable Laws affecting the Silent Second; (c) fraud, misrepresentation, or material inaccuracy in any document submitted in connection with the Loan File; (d) failure to record the Subordinate Deed of Trust in second lien position behind the First Mortgage; or (e) any

other matter Dream Home Fund reasonably determines materially impairs the value, enforceability, or compliance status of the Silent Second.

### **11.2 Notice of Defect**

Upon discovery of a Defect, Dream Home Fund shall issue a written **Notice of Defect** to Lender describing the Defect and the actions Dream Home Fund requires (cure, repurchase, or indemnification, as applicable).

### **11.3 Cure Period**

Where the Defect is curable, Lender shall use commercially reasonable efforts to cure the Defect within **sixty (60) days** of the Notice of Defect, or such longer period as Dream Home Fund agrees in writing.

### **11.4 Repurchase or Indemnification**

If the Defect cannot be cured within the cure period (or Dream Home Fund determines cure is impracticable), Lender shall, at Dream Home Fund's option:

- (a) **Repurchase** the Silent Second from Dream Home Fund (or its Capital Partner, as applicable) for the then-outstanding principal balance plus accrued interest plus Dream Home Fund's reasonable costs of administering the repurchase, by wire of immediately available funds within thirty (30) days of Dream Home Fund's repurchase demand; or
- (b) **Indemnify** Dream Home Fund (and any affected Capital Partner) for any loss arising out of the Defect, including any loss of principal, accrued interest, costs of collection, regulatory fines, and reasonable attorneys' fees.

### **11.5 No Election of Remedy**

Dream Home Fund's election to demand cure does not waive its right to subsequently demand repurchase or indemnification, and Dream Home Fund retains all other remedies under this Agreement, at law, or in equity.

### **11.6 Capital Partner Coordination**

Where a Silent Second has been funded by a Capital Partner, Dream Home Fund and Lender shall reasonably coordinate the cure, repurchase, or indemnification process with the relevant Capital Partner. Dream Home Fund's rights under this Section 11 may, with notice, be assigned to or exercised on behalf of an affected Capital Partner.

## 12. Term and Termination

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### 12.1 Initial Term

This Agreement is effective on the Effective Date and continues for an initial term of **one (1) year**, automatically renewing for successive one-year terms unless terminated under this Section 12 or unless either Party gives the other written notice of non-renewal at least **thirty (30) days** prior to the end of the then-current term.

### 12.2 Termination for Convenience

Either Party may terminate this Agreement for convenience on **sixty (60) days'** prior written notice to the other Party.

### 12.3 Termination for Cause

Either Party may terminate this Agreement for cause, effective immediately upon written notice, upon any of the following with respect to the other Party:

(a) material breach of this Agreement that, if curable, is not cured within **thirty (30) days** of written notice; (b) any representation or warranty made in this Agreement (or in a Loan File submission) being materially untrue when made, where the underlying inaccuracy is uncured; (c) loss of any license, registration, or approval required for the breaching Party to perform its obligations; (d) the breaching Party becoming insolvent, making an assignment for the benefit of creditors, or having a petition in bankruptcy filed by or against it that is not dismissed within sixty (60) days; (e) a final, non-appealable regulatory order, consent order, or judgment of fraud, intentional misconduct, or repeated material violations of Applicable Laws against the breaching Party; (f) imposition of a material regulatory restriction on the breaching Party's ability to perform this Agreement; or (g) actual fraud or willful misconduct by the breaching Party in connection with any Silent Second.

### 12.4 Effect of Termination

Upon termination of this Agreement:

(a) Lender shall not submit any new Loan File to Dream Home Fund, but Dream Home Fund shall complete review of Loan Files received prior to the termination effective date in accordance with this Agreement and the Manual, subject to Dream Home Fund's right to suspend or deny any pending Loan File under the Manual; (b) Lender shall fulfill its post-closing delivery obligations under Section 7.4 with respect to each Silent Second that closes after the termination effective date in respect of a Loan File pending review at the time of termination; (c) Each Party's confidentiality, information security, indemnification, audit, and PII-handling obligations survive termination indefinitely (or for the period prescribed by Applicable

Law); and (d) Lender's repurchase and indemnification obligations under Section 11 survive termination with respect to any Silent Second originated under this Agreement, regardless of when the Defect is discovered.

### **12.5 No Damages for Termination for Convenience**

Neither Party shall be entitled to damages or compensation arising solely out of the other Party's termination for convenience in accordance with Section 12.2.

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## **13. Insurance**

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Lender shall continuously maintain the insurance coverages required under Section III of the Manual. Lender shall furnish Dream Home Fund with certificates of insurance at enrollment, at each renewal, and on request, and shall give Dream Home Fund written notice within **ten (10) business days** of any cancellation, non-renewal, or material reduction in any required coverage.

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## **14. Force Majeure**

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Neither Party shall be liable for failure or delay in performance of its obligations under this Agreement (other than payment obligations and confidentiality obligations) to the extent caused by acts of God, natural disaster, war, terrorism, civil disorder, government action, public health emergency, labor dispute (other than Lender's own), failure of public utilities or third-party communication systems, or other similar causes beyond the reasonable control of the non-performing Party. The non-performing Party shall give prompt notice to the other Party and shall use commercially reasonable efforts to resume performance.

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## **15. Governing Law; Dispute Resolution**

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### **15.1 Governing Law**

This Agreement is governed by the laws of the State of California, without regard to its conflict of laws principles, except where preempted by federal law.

### **15.2 Mediation**

The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement through informal negotiation between senior representatives of each Party for thirty (30) days. If unresolved, the Parties shall participate in non-binding mediation with a mutually agreed

mediator (or, if the Parties cannot agree, a mediator from JAMS or the American Arbitration Association) before either Party files a court action.

### **15.3 Forum**

Subject to Section 15.2, any action to enforce or arising out of this Agreement shall be brought exclusively in the state or federal courts located in \_\_\_\_\_, California, and each Party irrevocably consents to the jurisdiction and venue of such courts.

### **15.4 Attorneys' Fees**

In any action to enforce this Agreement, the prevailing Party shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing Party.

### **15.5 Jury Trial Waiver**

To the fullest extent permitted by applicable law, each Party knowingly, voluntarily, and intentionally waives any right it may have to a trial by jury in any litigation arising out of or relating to this Agreement.

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## **16. Notices**

All notices required or permitted under this Agreement shall be in writing and shall be delivered to the addresses set forth on **Schedule D** by (a) personal delivery, (b) overnight courier with receipt confirmation, (c) certified mail with return receipt, or (d) email to the designated notice address (with confirmation of receipt for time-sensitive notices). A Party may update its notice address by written notice to the other Party.

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## **17. Miscellaneous**

### **17.1 Entire Agreement**

This Agreement, together with the Program Documents incorporated by reference and the Schedules attached hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, written or oral.

### **17.2 Amendment**

This Agreement may be amended only by a written instrument signed by an authorized representative of each Party. Updates to the Manual or other Program Documents in

accordance with Section 3.2 are not "amendments" of this Agreement for purposes of this Section 17.2.

### **17.3 Severability**

If any provision of this Agreement is held unenforceable, the remaining provisions shall remain in full force and effect.

### **17.4 Waiver**

No waiver of any provision of this Agreement is effective unless in writing and signed by the waiving Party. No failure or delay in exercising any right under this Agreement constitutes a waiver of that right.

### **17.5 Assignment**

Lender may not assign this Agreement or any rights or obligations under it without Dream Home Fund's prior written consent (not to be unreasonably withheld). Dream Home Fund may assign this Agreement (a) to a successor in interest by merger, consolidation, or sale of substantially all assets and (b) to a Capital Partner with respect to specific Silent Seconds funded by that Capital Partner, in each case with notice to Lender.

### **17.6 Independent Contractors**

The Parties are independent contractors. Nothing in this Agreement creates a partnership, joint venture, agency, employment, or fiduciary relationship between the Parties.

### **17.7 Counterparts and Electronic Signature**

This Agreement may be executed in counterparts, each of which is deemed an original and which together constitute one instrument. Electronic signatures (including via DocuSign, Adobe Sign, or similar service) are binding.

### **17.8 Headings; Construction**

Headings are for convenience only and shall not affect interpretation. The Parties acknowledge each has had the opportunity to review this Agreement with counsel; no rule of construction against the drafter applies.

### **17.9 Third-Party Beneficiaries**

Capital Partners are intended third-party beneficiaries of Section 4 (Lender Representations and Warranties), Section 9 (Confidentiality), Section 10 (Indemnification), and Section 11 (Defects, Cure, Repurchase) with respect to Silent Seconds funded with their capital. No other third party has any rights under this Agreement.

## Signature Page

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**DREAM HOME FUND** A California nonprofit public benefit corporation

By: \_\_\_\_\_ Name: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_ Lender Legal Name

By: \_\_\_\_\_ Name: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

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## Schedule A: Lender Licensing and NMLS

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(Lender's NMLS Company ID, state mortgage licenses, expiration dates. Updated annually through Annual Recertification.)

## Schedule B: Disclosed Regulatory History

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(Material regulatory actions, consent orders, GSE / investor repurchase demands, bankruptcy filings during the prior 36 months, with remediation status. "None" if applicable.)

## Schedule C: File-Level Representations and Warranties

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For each Loan File, Lender represents that as of the date of submission to Dream Home Fund:

1. The Borrower(s) named in the Loan File have made a bona fide application for the related First Mortgage and are creditworthy as determined by the First Mortgage lender under the applicable First Mortgage program guidelines.
2. The First Mortgage has received final underwriting approval from the applicable First Mortgage lender and complies with the applicable First Mortgage program's requirements.
3. The Loan File is complete and contains all documentation required under Section IV of the Manual and the Lender Submission Checklist.
4. Each document in the Loan File is true, accurate, and current as of the date of submission, to the best of Lender's knowledge after reasonable due diligence.
5. The Borrower(s) meet Program eligibility under the applicable Program Handbook, including first-time homebuyer status, residency, occupancy intent, and homebuyer education requirements, to the best of Lender's knowledge.
6. Lender has applied ECOA Regulation B demographic monitoring requirements and the resulting government monitoring data is recorded on the Borrower's Form 1003.

7. Lender has performed OFAC and other restricted-party screening required by Applicable Law.
8. Lender has no actual knowledge of any fraud, misrepresentation, or material inaccuracy in any document in the Loan File, and is not aware of any unresolved regulatory or compliance issue affecting the Borrower or transaction.
9. The proposed CLTV (including the Silent Second) does not exceed 105%.
10. The subject property is intended to be occupied by at least one Borrower as a primary residence within 60 days of closing.
11. Lender has presented to and obtained the Borrower's executed acknowledgment of the DPA Application (which includes the Borrower Disclosure).
12. Lender will not impose any fee or charge on the Borrower in connection with the Silent Second that is not permitted under Section III of the Manual.

## **Schedule D: Notice Addresses**

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**Dream Home Fund:** Email: [partners@dreamhomefund.com](mailto:partners@dreamhomefund.com) Cc: [complaints@dreamhomefund.com](mailto:complaints@dreamhomefund.com) (for complaints/grievances)

**Lender:**

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Email: \_\_\_\_\_

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