

HDW 9/9/14 draft

MASTER PURCHASE AND SALE AGREEMENT

between

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

and

FEDERAL FINANCING BANK

Dated as of _____, 2014

TABLE OF CONTENTS

| | | <u>Page</u> |
|---|--|--------------------|
| Article I | | |
| DEFINITIONS | | |
| Section 1.01. | Definitions | 1 |
| Article II | | |
| CONVEYANCE OF THE PURCHASED ASSETS | | |
| Section 2.01. | Conveyance of the Purchased Assets; Repurchase at the Option of the Seller ... | 5 |
| Section 2.02. | Closing | 6 |
| Article III | | |
| REPRESENTATIONS AND WARRANTIES | | |
| Section 3.01. | Representations and Warranties Of The Seller | 6 |
| Section 3.02. | Representations of the Seller With Respect To the Mortgage Loans | 7 |
| Article IV | | |
| CLOSINGS | | |
| Section 4.01. | Sale Transaction Procedures and Documents | 7 |
| Article V | | |
| MISCELLANEOUS | | |
| Section 5.01. | Successors and Assigns | 8 |
| Section 5.02. | Notices | 8 |
| Section 5.03. | Governing Law | 8 |
| Section 5.04. | Counterparts | 8 |
| Section 5.05. | Amendments | 8 |
| Section 5.06. | Additional Actions | 8 |
| Section 5.07. | Waiver | 9 |
| Section 5.08. | Severability | 9 |
| Section 5.09. | No Liability for Members, Directors, Officers, Employees or Agents | 9 |
| Section 5.10. | Relationship of the Parties | 9 |
| Section 5.11. | Remedies | 9 |
| EXHIBIT A | FORM OF MORTGAGE LOAN DESCRIPTION | A-1 |
| EXHIBIT B | OPINION OF THE SELLER'S COUNSEL | B-1 |
| EXHIBIT C | CLOSING PROCEDURES | C-1 |

This Master Purchase and Sale Agreement (the "Agreement") is entered into as of _____, 2014, by and between the NEW YORK CITY HOUSING DEVELOPMENT CORPORATION, a corporate governmental agency, constituting a public benefit corporation organized and existing under the laws of the State of New York (the "Seller"), created pursuant to the New York City Housing Development Corporation Act, Article XII of the Private Housing Finance Law (Chapter 44-b of the Consolidated Laws of New York), as amended, (the "Act") located at 110 William Street, New York, New York 10038, and the FEDERAL FINANCING BANK, a _____, having an office at _____ (the "Purchaser").

From time to time, the Seller desires to sell to the Purchaser, and the Purchaser desires to purchase from the Seller on the respective Closing Dates and on terms and conditions described below, the Purchased Assets.

The Seller and the Purchaser, in consideration of the premises and the mutual agreements set forth herein and other good and valuable consideration, agree as follows:

Article I DEFINITIONS

Section 1.01. Definitions. Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

"Bank" means the Federal Financing Bank and its successors.

"Business Day" means any day on which both FFB and the Federal Reserve Bank of New York are open. [FFB and the Federal Reserve Bank of New York are open on the Friday immediately following Thanksgiving; and they are closed on Veterans' Day and Columbus Day.]

"Certificate of Participation" means each Certificate of Participation executed and delivered under the Escrow and Custody Agreement and evidencing the Purchaser's interest in the related Purchased Assets.

"Certificates Owner" means the Bank, the registered owner of all Outstanding Certificates and its permitted successors and assigns.

"Closing Date" means, with respect to each Sale Transaction, the date of full conveyance of the related Purchased Assets to the Purchaser, which shall occur, unless the parties agree otherwise, on a Thursday.

"Closing Document Escrow Period" means the period beginning on the Monday immediately preceding a particular Closing Date and ending upon the Purchaser's release of closing documents and opinions pursuant to Section 4.01(a) hereof based on Purchaser's transfer of the related Purchase Price to the Custodian.

"Closing Procedures" means, except as otherwise agreed to by the parties, the procedures for closings on Closing Dates set forth in Exhibit C hereto.

"Corporation" means the Seller, its successors and assigns.

“Custodian” means _____, not in its individual capacity but solely as escrow and custody agent of the Purchaser and the Seller, under the Escrow and Custody Agreement, and any successor escrow and custody agent under the Escrow and Custody Agreement.

“Cut-Off Date” means, with respect to a particular Mortgage Loan, the date as of which payments due on a Mortgage Loan become a part of the Purchased Assets, as set forth in the related Mortgage Loan Description.

“Escrow and Custody Agreement” means the Master Escrow and Custody Agreement, dated as of ___, 2014, among the Corporation, the Bank and the Custodian.

“FHA Risk-Sharing Insurance” means insurance of advances on a Mortgage Loan insured by the Federal Housing Administration under Section 542(b) or 542(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707), as amended.

“Late Charges” shall have the meaning set forth in Section 6.3 of the Escrow and Custody Agreement.

“Mortgage” means the mortgage securing a Mortgage Note, which creates a lien on a fee simple estate or leasehold interest in real property securing the Mortgage Note.

“Mortgage Loan Description” means each individual document substantially in the form of Exhibit A hereto identifying each Mortgage Loan that is the subject of a sale hereunder, executed by the Seller and the Purchaser and annexed hereto, as the same may be hereafter supplemented, each such schedule and any supplement thereto setting forth certain information with respect to the related Mortgage Loan.

“Mortgage Loan Documents” means, with respect to a Mortgage Loan, the Mortgage, the Mortgage Note and the Servicing Agreement.

“Mortgage Loans” means those certain mortgage loans which are the subject of this Agreement and are accepted for purchase by the Purchaser, each Mortgage Loan being identified on the related Mortgage Loan Description. Each Mortgage Note evidencing the Mortgage Loan shall have been endorsed for FHA Risk-Sharing Insurance by the Federal Housing Administration in an amount at least equal to the stated amount of the Mortgage Loan.

“Mortgage Note” means the note or other evidence of the indebtedness of a Mortgagor secured by a Mortgage.

“Mortgagor” means the obligor on a Mortgage Note.

“Person” means any individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, joint venture, association, joint-stock company, estate, unincorporated organization, government or any agency or political subdivision thereof.

“Pricing Date” has the meaning set forth therefor in the Closing Procedures.

“Purchased Assets” shall mean beneficial ownership of each of the Mortgage Loans, to the extent of:

(A) all Scheduled Mortgage Payments related thereto to the extent representing principal due on such Mortgage Loan plus the portion of interest due on such principal calculated at a rate of interest equal to the Purchaser Pass-Through Rate, and to the extent representing payments of Late Charges;

(B) any other amounts payable in respect of the Mortgage Loan aggregating in amount no greater than amounts owing and unpaid pursuant to clause (A) of this definition, including but not limited to

(i) the proceeds of property or title or mortgage insurance,

(ii) prepayments, in whole or in part, and any recoveries of amounts as a result of the exercise of remedies following default under the Mortgage Loan,

(iii) awards or other amounts payable in respect of any condemnation or other taking by eminent domain (including any sale or transfer under threat of condemnation or taking by eminent domain) of all or any portion of the property encumbered by the Mortgage Loan, and

(iv) amounts payable from Accounts maintained under the Escrow and Custody Agreement in payment of amounts stated in item (A) of this definition; and

(C) all rights of the mortgagee to enforce provisions of the Mortgage Loan and the FHA Risk-Sharing Insurance applicable thereto in order to realize, for the benefit of the Seller, the amounts due thereon as stated in items (A) and (B) of this definition.

“Purchase Price” means, with respect to any conveyance of Purchased Assets hereunder, the principal amount of the related Mortgage Loan plus interest due thereon at the Purchaser Pass-Through Rate from the first day of the month in which the Cut-Off Date occurs until the Cut-Off Date.

“Purchaser” means the Bank.

“Purchaser Pass-Through Rate” means, with respect to each Mortgage Loan, the portion of the stated rate of interest thereon reflected in the related Mortgage Loan Description.

“Repurchase Allowance Period” means, with respect to a Mortgage Loan that is the subject of a repurchase by the Seller pursuant to Section 2.01, the period beginning ten (10) years from the date of purchase by the Purchaser of the related Certificate on the related Closing Date.

“Repurchase Price” means, with respect to a Mortgage Loan that is the subject of a repurchase by the Seller pursuant to Section 2.01, a price equal to the outstanding principal balance of the Mortgage Loan plus accrued and unpaid interest thereon.

“Responsible Officer” means, with respect to the Seller, the Chairperson, Vice-Chairperson, President, any Executive Vice President or any Senior Vice President of the Seller

and, in the case of any act to be performed or duty to be discharged, any other member, officer or employee of the Seller then authorized to perform such act or discharge such duty.

“Sale Transaction” means each conveyance of Purchased Assets to the Purchaser pursuant to the terms hereof.

“Scheduled Mortgage Payments” means, with respect to a Mortgage Loan, the scheduled payments required by the Mortgage Loan and paid to or to be paid from any source for each month, excluding Recoveries of Principal (as defined in the Escrow and Custody Agreement).

“Servicer” means each of the entities servicing the Mortgage Loans, initially the Corporation or any entity, approved by the Certificates Owner (as defined in the Escrow and Custody Agreement), duly appointed by the Corporation to perform the Corporation’s duties as Servicer, provided, that, in the event the Corporation determines not to act or is unable to act as Servicer or to appoint a Servicer, as communicated to the Custodian in writing, the Custodian shall thereupon serve as Servicer (not in its capacity as Custodian).

“Supplemental Agreement” means any agreement supplemental to or amendatory of the Escrow and Custody Agreement, including any agreement providing for the execution and delivery of Certificates.

Other Definitional Provisions.

(a) All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(b) As used in this Agreement and any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Agreement or in any such certificate or other document, and accounting terms partly defined in this Agreement or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under generally accepted accounting principles. To the extent that the definitions of accounting terms in this Agreement or in any such certificate or other document are inconsistent with the meanings of such terms under generally accepted accounting principles, the definitions contained in this Agreement or in any such certificate or other document shall control.

(c) The words “hereof”, “herein”, “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; Article, Section, Schedule and Exhibit references contained in this Agreement are references to Articles, Sections, Schedules and Exhibits in or to this Agreement unless otherwise specified; and the term “including” shall mean “including without limitation”.

(d) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

(e) Any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time amended, modified or supplemented and includes (in the case of agreements or instruments) references to all attachments thereto and instruments incorporated therein; references to a Person are also to its permitted successors and assigns.

(f) The phrases "to the knowledge of the Seller," "to the Seller's knowledge," "to the best knowledge of the Seller" or other similar phrases used herein or in any certificate delivered pursuant hereto, shall mean that a Responsible Officer had actual knowledge with respect to the information referred to in connection with such phrase.

Article II

CONVEYANCE OF THE PURCHASED ASSETS

Section 2.01. Conveyance of the Purchased Assets; Repurchase at the Option of the Seller.

In consideration for (i) the Purchaser's promise to deliver on a Closing Date, in immediately available funds, an amount equal to the Purchase Price of each related Mortgage Loan that is the subject of a Mortgage Loan Description appended hereto and duly executed by the Seller and the Purchaser, the Seller does hereby sell, transfer, assign, set over and otherwise convey to the Purchaser, without recourse (but subject to the obligations of the Seller herein), all right, title and interest of the Seller on each Closing Date in and to the Purchased Assets related to each such Mortgage Loan. Ownership of the Purchased Assets by the Purchaser shall be evidenced by the delivery by the Custodian to the Purchaser of one or more Certificates of Participation under the Escrow and Custody Agreement. Each such Certificate of Participation so issued shall relate to a single Mortgage Loan and shall not represent ownership of or be payable with funds derived from any other Mortgage Loan.

In the event of a breach by the Purchaser of its obligation to deliver on any Closing Date to or upon the order of the Seller in immediately available funds the related Purchase Price for the related Purchased Assets, the Purchaser shall re-convey the Purchased Assets to the Seller.

During the period that Purchased Assets shall be owned by the Purchaser, the Mortgage Loan Documents (as defined in the Escrow and Custody Agreement) shall be deemed under the custody of the Custodian under the Escrow and Custody Agreement but shall be held and administered by the Servicer.

The Purchaser may, at its option, upon giving prior written notice thereof to the Seller and the Custodian, convey Purchased Assets to a purchaser thereof as permitted by the Escrow and Custody Agreement.

The Seller may, at its option, upon giving the Purchaser five (5) days prior written notice thereof, repurchase Purchased Assets upon commencement of the Repurchase Allowance Period, at a price equal to the Repurchase Price. Certificates of Participation representing such repurchased Purchased Assets shall be conveyed by the Purchaser to the Custodian for cancellation.

The Servicer (including the Corporation when acting as Servicer) is hereby authorized by the Bank to provide the services of "Lender" or "Mortgagee" under each Mortgage, and the Servicer (including the Corporation when acting as Servicer) shall, subject to the provisions of Section 6.1 of the Escrow and Custody Agreement, have sole power and authority to do or refrain from doing any act in connection with the related Mortgage Loan.

Section 2.02. Closing. The closing of the transfers contemplated by this Agreement shall take place on each Closing Date.

The obligation of the Purchaser to accept such transfers on the Closing Date and to pay the consideration therefor shall be subject to each of the following conditions:

(a) all of the representations of the Seller contained in this Agreement shall be true and correct in all material respects as of the date with respect to which such representations shall be made, and no default or event which, with the giving of notice or the passage of time or both, would constitute an event of default under this Agreement shall have occurred;

(b) Purchaser shall have received a copy, certified by the Seller, of the closing documents specified in Section 4.01 of this Agreement; and

(c) all other terms and conditions of this Agreement shall have been complied with.

Article III

REPRESENTATIONS AND WARRANTIES

Section 3.01. Representations and Warranties Of The Seller. The Seller hereby makes the following representations as of the Closing Date. Such representations shall survive the transfer of the Purchased Assets to the Purchaser, and shall thereafter inure to the benefit of any purchaser of Purchased Assets from the Purchaser.

(1) the Seller (a) is a corporate governmental agency, constituting a public benefit corporation organized and existing under the laws of the State of New York, (b) has all requisite power and authority to execute and deliver this Agreement and to convey Purchased Assets to the Purchaser;

(2) the Seller has taken all necessary action to authorize the execution and delivery of this Agreement, and the consummation of the other transactions contemplated herein and no consent, approval, permit, authorization or order of any court or governmental agency or body not already obtained is required for the valid authorization, execution, delivery and performance by the Seller of this Agreement;

(3) this Agreement has been duly executed and delivered by the Seller and, assuming due execution and delivery hereof by the Purchaser, is a legal, valid and binding obligation of the Seller enforceable against the Seller in accordance with its terms;

(4) the execution, delivery and due performance by the Seller of this Agreement will not conflict with or result in a violation or breach of, or constitute a default under, the Act or any indenture, agreement or instrument to which the Seller is a party or by which it is bound or any applicable judgment, order, rule, ordinance, decree or regulation of any court or of any public or governmental agency or authority having jurisdiction over the Seller or any of its property; and

(5) there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental agency or body pending or, to the best knowledge of the Seller, threatened against or affecting the Seller wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or which, in any way, would adversely affect the validity of this Agreement.

Section 3.02. Representations of the Seller With Respect To the Mortgage Loans.

(a) The Seller hereby makes the following representations, to the best of its knowledge, with respect to each Mortgage Loan as of the related Closing Date applicable to the Mortgage Loan unless another date is indicated. Such representations shall survive the transfer of the related Purchased Assets to the Purchaser, and shall thereafter inure to the benefit of any purchaser of the Purchased Assets from the Purchaser.

(i) As of the later of the related Cut-Off Date for the Mortgage Loan and the related Closing Date, the information concerning such Mortgage Loan contained in the related Mortgage Loan Description is true and correct in all material respects.

(ii) No scheduled payment of principal or interest on the Mortgage Loan is delinquent as of the later of the related Cut-Off Date for such Mortgage Loan and the related Closing Date.

(iii) The related Mortgage Note has been endorsed by the Federal Housing Administration for FHA Risk-Sharing Insurance.

Article IV

CLOSINGS

Section 4.01. Sale Transaction Procedures and Documents.

(a) Unless otherwise agreed to by the parties hereto, each Sale Transaction shall follow the Closing Procedures as set forth in Exhibit C hereto.

(b) The closing documents to be delivered on each Closing Date to each of the Seller, the Purchaser and the Custodian shall include each of the following:

(i) with respect to the initial Closing Date only, a true and correct copy of an executed original of this Agreement, including all exhibits and schedules hereto;

- (ii) with respect to the initial Closing Date only, a true and correct copy of an executed original of the Escrow and Custody Agreement;
- (iii) a true and correct copy of an executed original of the related Supplemental Agreement;
- (iv) a completed and fully executed Mortgage Loan Description;
- (v) an opinion of counsel to the Seller with respect to the matters described in Exhibit B hereto;
- (vi) an opinion of counsel to the Custodian as required by Section 2.5(4) of the Escrow Agreement; and
- (vii) a duly executed Certificate of Participation representing ownership of the related Purchased Assets.

Article V MISCELLANEOUS

Section 5.01. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Section 5.02. Notices. Any notices, demands, certifications, requests, communications or the like ("Notices") required or permitted to be given under this Agreement, unless otherwise specifically provided in this Agreement, shall be given by hand delivery, by reputable overnight courier such as Federal Express or UPS Next Day Air, or by registered or certified mail, postage prepaid, return receipt requested, and addressed to the parties hereto at the addresses first set forth above, or such other addresses as the parties may for themselves designate in writing in like manner for the purpose of receiving Notices hereunder.

Section 5.03. Governing Law. The Seller and the Purchaser unconditionally and irrevocably agree that this Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed and interpreted in accordance with, Federal law and not the law of any state or locality, except that the authority and powers of the Corporation shall be governed by and construed in accordance with the laws of the State of New York. To the extent that a court looks to the laws of any state to determine or define the Federal law, it is the intention of the parties hereto that such court shall look only to the laws of the State of New York without regard to the rules of conflicts of laws.

Section 5.04. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered an original.

Section 5.05. Amendments. This Agreement may not be changed, terminated or modified orally or in any manner other than by an agreement in writing signed by the parties.

Section 5.06. Additional Actions. Each party shall take such action and deliver such instruments to the other party, in addition to the actions and instruments specifically

provided for herein, as may be requested or required to effectuate the purpose or provisions of this Agreement.

Section 5.07. Waiver. Any waiver by either party of any provision of this Agreement or any right, remedy or option hereunder shall be in writing, and shall not prevent or stop such party from thereafter enforcing such provision, right, remedy or option, and the failure or refusal of either party to insist in any one or more instances upon the strict performance of any of the terms or provisions of this Agreement by the other party shall not be construed as a waiver or relinquishment for the future of any such terms or provision, but the same shall continue in full force and effect, it being understood and agreed that the Seller's and the Purchaser's rights, remedies and options hereunder are and shall be cumulative and in addition to all other rights, remedies and options of the Seller and the Purchaser in law or in equity or under any other agreement.

Section 5.08. Severability. In the event that any provision of this Agreement or the application thereof to any party hereto or to any circumstance or in any jurisdiction governing this Agreement shall, to any extent, be invalid or unenforceable under any applicable statute, regulation or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform to such statute, regulation or rule of law, and the remainder of this Agreement and the application of any such invalid or unenforceable provision to parties, jurisdictions or circumstances other than to whom or to which it is held invalid or unenforceable, shall not be affected thereby nor shall same affect the validity or enforceability of any other provision of this Agreement.

Section 5.09. No Liability for Members, Directors, Officers, Employees or Agents. All covenants, stipulations, promises, agreements and obligations of the Seller and the Purchaser contained in this Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Seller and the Purchaser, respectively, and not of any member, director, officer, employee or agent of the Seller or the Purchaser in his or her individual capacity, and no recourse shall be had for any payment due or any claim under this Agreement against any member, director, officer, employee or agent of the Seller or the Purchaser.

Section 5.10. Relationship of the Parties. The relationship between Seller and Purchaser is not intended by the parties hereto to create, and shall not create, any trust, fiduciary, joint venture, association, debtor-creditor or partnership relationship among them. The relationship between the Seller and the Purchaser is solely that of seller and purchaser of the Purchased Assets.

Section 5.11. Remedies. Upon default by either party to this Agreement, the non-defaulting party shall have all remedies available under law.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

NEW YORK CITY HOUSING
DEVELOPMENT CORPORATION

By: _____
Name:
Title:

FEDERAL FINANCING BANK

By: _____
Name:
Title:

ACKNOWLEDGED:

_____, AS CUSTODIAN

By: _____
Name and Title:

EXHIBITS

EXHIBIT A –FORM OF MORTGAGE LOAN DESCRIPTION

NAME OF PROJECT:

LOCATION OF PROJECT:

NYCHDC IDENTIFICATION NUMBER:

FHA RISK-SHARING INSURANCE NUMBER:

CUT-OFF DATE (IF APPLICABLE):

PURCHASE PRICE:

CLOSING DATE:

PRINCIPAL AMOUNT OF MORTGAGE LOAN AS OF CLOSING DATE:

MORTGAGE LOAN INTEREST RATE:

INITIAL DATE FROM WHICH MORTGAGE LOAN INTEREST ACCRUES:

PURCHASER PASS-THROUGH RATE:

MORTGAGE LOAN MATURITY DATE:

MONTHLY MORTGAGE PRINCIPAL AND INTEREST PAYMENT:

CERTIFICATE OF PARTICIPATION PAYMENT DATES: See Schedule 1.

NET SCHEDULED MORTGAGE RECEIPTS: See Schedule 1.

CERTIFICATE PASS-THROUGH PAYMENTS: See Schedule 1.

LATE CHARGE, IF ANY: See Schedule 1.

APPROVED as of the Closing Date specified above.

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

By: _____

Name and Title:

FEDERAL FINANCING BANK

By: _____

Name and Title:

SCHEDULE 1

EXHIBIT B
OPINION OF THE SELLER'S COUNSEL

Subject to such recitals, assumptions, limitations and qualifications as may be set forth therein and in reliance upon such certificates as may be referred to therein, the opinion of the Seller's counsel shall be substantially as follows:

1. The Seller is validly existing as a corporate governmental agency, constituting a public benefit corporation organized and existing under the laws of the State of New York created pursuant to the New York City Housing Development Corporation Act (the "Act"), with full power and authority to execute and deliver the Master Purchase and Sale Agreement (the "Agreement") and to carry out its terms; the Seller has the power, authority and legal right to sell the Purchased Assets to the Purchaser and the Seller has sold the Purchased Assets to the Purchaser in accordance with state and local law;

2. The Agreement has been duly authorized, executed and delivered by an authorized officer of the Seller and is the legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except to the extent that the enforceability thereof may be subject (a) to bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights generally and (b) to general principles of equity (regardless of whether the enforcement of such remedies is considered in a proceeding in law or at equity);

3. The consummation of the transactions contemplated by the Agreement will not result in a material breach or violation of, or contravene the terms of, any indenture or other financial agreement in any way related to the Mortgage Loan or the Act or any statute, order or regulation applicable to the Seller of any court, regulatory body, administrative agency or governmental body having jurisdiction over the Seller;

4. To the knowledge of the undersigned after due inquiry, there are no actions or proceedings pending, before any court, administrative agency, or other tribunal (a) asserting the invalidity of the Agreement, (b) seeking to prevent the consummation of any of the transactions contemplated by the Agreement or (c) seeking any determination or ruling that would materially and adversely affect the validity or enforceability of the Agreement.

EXHIBIT C

CLOSING PROCEDURES

(i) Closing Dates shall only occur during weeks that consist of five (5) Business Days. Sale Transactions, except as otherwise agreed to by the parties, shall follow the following Closing Procedures.

(ii) On Monday, all parties and their counsel (to the extent counsel are delivering opinions in connection with such Sale Transaction), other than the Purchaser, shall deliver to the Purchaser fully executed closing documents to which they are a signing party, including the related Certificate (executed by the Custodian), related Mortgage Loan Description (but without any execution), related Supplemental Agreement (but without any execution), and wiring instructions from the Seller to the Purchaser and the Custodian, and required executed opinions, each dated the Closing Date, it being understood by the parties hereto and by the Custodian (and their respective counsel) that such documents and opinions shall be held in escrow by the Purchaser during the Closing Document Escrow Period to be released on the Closing Date, without further action of the parties, upon consent by the Corporation to the closing and satisfaction by the Purchaser with the purchase of the Purchased Assets, as evidenced by the receipt by the Custodian of the Purchase Price with respect thereto.

(iii) By Wednesday, the Purchaser shall execute all documents (other than the Mortgage Loan Description and Supplemental Agreement) to which it is a signing party, to be held by the Purchaser in escrow during the balance of the Closing Document Escrow Period;

(iv) On Wednesday, the Purchaser will price the Sale Transaction based on the yield curve at the close of business on Tuesday, and by 10:00 a.m. (New York City time) will forward to the Seller by email (x) a copy of the completed attachment to the Certificate that will reflect such pricing and Purchaser Pass-Through Rate, (y) a completed (unexecuted) Mortgage Loan Description; and (z) a completed (unexecuted) Supplemental Agreement;

(v) By 12:00 noon (New York City time) on Wednesday, the Seller shall inform the Purchaser by email whether the Seller agrees to the pricing and Purchaser Pass-Through Rate with respect to the related Certificate and to the closing of the Sale Transaction on the Closing Date (if the Seller does not agree to such closing, all documents and opinions delivered to the Purchaser to be held in escrow during the Closing Document Escrow Period shall be considered null and void and the Purchaser shall promptly deliver the same to the Seller for cancellation), and upon any such agreement by the Seller to the closing of the Sale Transaction (which shall be binding to and including the Closing Date), the Seller and Purchaser shall execute the completed Mortgage Loan Description, the Seller, Purchaser and Custodian shall execute the completed Supplemental Agreement, and the Purchaser shall make arrangements for the wiring of the related Purchase Price to the Custodian for receipt on the Closing Date; and

(vi) On Thursday (the Closing Date), based on the Custodian's receipt of the Purchase Price from the Purchaser, the Sale Transaction will be deemed to be closed and all documents and opinions held in escrow with the Purchaser will be released by the Purchaser to the parties. Notwithstanding a successful closing, in the event that the Seller determines, in its sole judgment and by the close of business on Thursday, that legislative or litigation events occurred between the Seller's agreement to close as set forth in clause (v) above and the Closing Date such that, in the Seller's opinion, the Sale Transaction was not validly closed or was otherwise challenged in litigation, the Seller shall by written certificate promptly so inform the Purchaser and thereupon the parties shall consider the Sale Transaction, from and after the Closing Date, a nullity and void. Within twenty-four hours after such notification from the Seller, the Seller shall cause the Custodian to wire transfer the Purchase Price back to the Purchaser, and the Purchaser shall return the related Certificate to the Custodian for cancellation and return all closing documents and opinions in the Purchaser's possession to the Seller for cancellation.

COMPLETED AND EXECUTED MORTGAGE LOAN DESCRIPTIONS