

2006 PROGRAM DETERMINATIONS

The Housing Finance Authority of Pinellas County, Florida (the "Issuer") hereby finds and determines that the following terms, conditions and parameters shall be applicable to and effective for the origination of Mortgage Loans (the "2006 Program Determinations") in conjunction with the issuance of its Single Family Housing Revenue Bonds (Multi-County Program), 2006 multiple series (the "2006 Bonds") and declares and determines that the 2006 Program Determinations shall form and be an integral part, along with the Master Mortgage Origination Agreement, dated as of May 1, 1998, (the "Master Origination Agreement") among the Issuer, the lending institutions participating in the spot allocation program listed on Exhibit A attached hereto and the lenders participating in spot pool program listed on Exhibit B attached hereto (collectively, the "Lenders"), U.S. Bank N.A., as the Master Servicer and U.S. Bank National Association, as Trustee (the "Trustee"), of the 2006 Origination Agreement, which consists of the Master Origination Agreement as modified, supplemented and amended by these 2006 Program Determinations. The undertaking and agreement to be bound by the 2006 Program Determinations is evidenced by the execution hereof by each party hereto. Except as expressly provided herein, the provisions of the Master Origination Agreement are hereby incorporated by reference. In the event of any conflict between the terms of these 2006 Program Determinations and the Master Origination Agreement, the provisions hereof shall prevail.

Program Terms and Conditions:

Listed below are the home buyer point structures for the three home buyer options:

<u>Loan Type</u>	<u>Origination Fee</u>	<u>Discount</u>	<u>Assistance</u>
Home Key Loan Option:			
FHA/VA/RD	0.00%	0.00%	0.00%
Fannie Mae	0.00%	0.00%	0.00%
Freddie Mac	0.00%	0.00%	0.00%
Home Key Plus 2 nd Loan Option:			
FHA/VA/RD	0.00%	0.00%	8.00% ¹
Fannie Mae	0.00%	0.00%	8.00% ¹
Freddie Mac	0.00%	0.00%	8.00% ¹
Home Key 2 nd Loan Option:			
FHA/VA/RD	0.00%	0.00%	8.00% ¹
Fannie Mae	0.00%	0.00%	8.00% ¹
Freddie Mac	0.00%	0.00%	8.00% ¹

The interest rate for each loan type will be determined for each series of 2006 Bonds at the time such series of 2006 Bonds are sold.

Closing Costs and Charges. In connection with each Mortgage Loan, the Lender may, as permitted by FHA, RD or VA, Fannie Mae or Freddie Mac, as applicable, charge and collect from the Mortgagor or seller of a Single Family Residence at the time of closing of the Mortgage Loan an Origination Fee and a Discount Fee (expressed as a percentage of the principal amount of such Mortgage Loan) not exceeding those set forth above, except that the Origination Fee and the Discount Fee shall not in any event exceed the applicable Fannie Mae, Freddie Mac, FHA, RD or VA limits.

The mortgage loan purchase prices and net profit for mortgage loans originated are set forth below. Lenders receiving Spot Allocations are required to pay an up front commitment fee of 1.125% (1.625% in the case of Builder Allocations) of the principal amount of allocation

¹ Closing cost and down payment assistance second mortgage loans will be up to 8% of the first mortgage loan amount for the initial series of 2006 Bonds. However, the amount of Assistance Payments may be reduced at the Issuer's discretion for future series of 2006 Bonds.

offered. Lenders reserving loans under the Spot Pool or Targeted Area Pool, are not required to pay a commitment fee to the Authority and the purchase price for mortgage loans will be adjusted accordingly

Down Payment Assistance Loans. At loan closing each borrower using a Home Key Loan may borrow up to 8% of the principal amount of the related first mortgage loan amount to pay all or a portion of the borrower's down payment and/or closing costs, including property tax and hazard insurance escrow contributions, as allowed by FHA, VA, RD, Fannie Mae and Freddie Mac. Such loans will be secured by second mortgages bearing interest at a rate which is 1.0% more than the first mortgage loan amortized over 30 years. The program has been sized to provide approximately 61% of the total program loan principal or \$490,000 in second mortgages.

Total Lender Profit

Home Key Loan Option:

Origination & Discount	<u>FHA/VA/RD</u>	<u>FHA/VA/RD</u>
Commitment Fee Reimbursement ²	0.000	0.000
Servicer Purchase Premium	-1.125	-1.125
Total Lender Profit	Par + <u>2.875</u>	Par + <u>2.875</u>
	1.750	1.750

Home Key Plus 2nd Loan Option:

Assistance Paid by Lender at Closing ³	0.000	0.000
Origination & Discount	<u>n/a</u>	<u>n/a</u>
Commitment Fee Reimbursement	0.000	0.000
Total Lender Profit		

Home Key 2nd Loan Option:

Assistance Paid by Lender at Closing ³	0.000	0.000
Origination & Discount	<u>n/a</u>	<u>n/a</u>
Commitment Fee Reimbursement	<u>n/a</u>	<u>n/a</u>
Total Lender Profit		

A portion of the funds made available through the issuance of the Bonds may be set aside for the origination of Targeted Area Loans, and Lenders are encouraged to originate such Targeted Area Loans.

Lenders may utilize a Spot Allocation or the Spot Pool for either Existing or New Construction residences, provided however, the loan is expected to be closed and a closed loan

² For Spot Loans, Home Key Plus Loans and Target Area Loans, the commitment fee will be paid to the Issuer rather than the Lender.

³ Based on an assistance loan amount up to 8% of first mortgage loan.

file delivered to the Master Servicer within the timeframes described below. There may also be Builder Allocations for origination of all New Construction Loans that are not expected to be closed and delivered within the time parameters of the Spot Pool. Lenders may enter into builder sub-commitments in the 2006 Program to pay for the additional non-refundable portion of the Commitment Fee for a Builder Allocation.

No Lender may impose a requirement for a minimum loan amount and any attempt to do so may result in the cancellation of the Lender's Program Allocation without repayment of the Commitment Fees.

Commitment Periods:

With respect to Home Key Loans, Home Key Plus 2nd Loans and Home Key 2nd Loans to be originated with the proceeds of the initial series of 2006 Bonds, Lenders may accept applications for Mortgage Loans dated on or after February 1, 2006. Reservations for loans under the 2006 Program may be requested on and after the Program Start Date for each series of the 2006 Bonds, provided that prior to accepting any reservations each Lender, (1) must have received their Notice of Acceptance, (2) shall have executed their acknowledgment thereof, (3) shall have executed the Master Mortgage Origination Agreement and the 2006 Program Determinations and (4) shall have paid any additional Commitment Fee due to the Issuer. No pending application for another of the Issuer's programs may be diverted to the Series 2006 Program if such application has a valid reservation for such other program.

The Program Start Date for the initial series of the 2006 Bonds is March 20, 2006. Reservations for all Mortgage Loans to be funded with the initial series of 2006 Bonds, except Targeted Area Loans, are expected to be filed with the Master Servicer within approximately 180 days of the Program Start Date or by September 15, 2006 (the "Final Reservation Date"), at which time the Issuer shall reassign any portion of a Lender's Program Allocation not committed to Mortgage Loans to the Issuer's pooled funds without reimbursing such Lender for the Commitment Fee originally paid for such reassigned Program Allocation. The Issuer will announce the applicable Program Start Date and Final Reservation Date for each subsequent series of 2006 Bonds in conjunction with the sale of each such series.

For Spot Mortgage Loans to be eligible for purchase under the Issuer's 2006 Program, (a) an Underwriter Certification must be submitted to and accepted by McWeb (the on-line mortgage reservation system) within 45 days of the date a reservation for a loan is made by the Lender (the "Reservation Date"); (b) each loan must be closed and the closed loan package delivered to the Master Servicer within 85 days (170 days for Builder Allocations) of the Reservation Date; and (c) each loan must be cleared of any exceptions and purchased by the Servicer within 115 days (200 days for Builder Allocations) of the Reservation Date. If an Underwriter Certification is not submitted to and accepted by McWeb within 45 days of the loan reservation, or if a closed loan package has not been delivered to the Master Servicer within 85 days (170 days for Builder Allocations), such loan will be cancelled by the Master Servicer and the Lender may forfeit its right to resubmit a cancelled loan and/or access to the program funding that has been reserved. The Master Servicer shall provide written notice to Lenders for any Spot Mortgage Loans not deemed eligible for purchased by the Master Servicer within 115 days (200 days for Builder Allocations) of the Reservation Date. Upon acknowledging receipt of such notice, any such Spot Mortgage Loan which has not been purchased within 115 days (200 days for Builder Allocations) of the Reservation Date will be canceled from the 2006 Program reservation pipeline. Any such canceled Mortgage Loans may, at the sole discretion of the Issuer, continue to be eligible purchase under the 2006 Program provided the Lender pays and the Issuer accepts an extension fee in the of amount 0.25% of the principal balance of the Mortgage Loan for each 30 days of extension required for

such Mortgage Loan to be deemed eligible for purchase by the Master Servicer. Anything in the foregoing to the contrary notwithstanding, upon closing of a Mortgage Loan by a Lender, the Lender shall deliver the closed Loan package to the Servicer for purchase not later than the 20th calendar day thereafter in accordance with the provisions of the Agreement.

The Lender may collect from the borrower or seller, (1) origination and discount fees in the amount specified above, (2) all reasonable and customary closing costs and (3) an up-front application fee not exceeding \$425, to cover actual costs of the credit report and appraisal. In addition, the Lender shall collect from the borrower or seller a Bond Loan Application fee payable to the Servicer in an amount equal to \$225. The Lender will collect a second mortgage Application Fee in the amount of \$225, of which \$150 will be paid to the Servicer, out of proceeds of the Home Key 2nd Loan.

Lenders' allocations must be reserved for eligible persons and families as set forth in the Mortgage Origination Agreement. The Issuer is also a participating Housing Finance Authority in the Fannie Mae HFA Home Mortgage Program and the Fannie Mae HFA Teacher Program.

The amount of each Lender's allocation for the initial series of 2006 Bonds is set forth on Exhibit A next to the name of the Lender. At the time the Issuer notifies the Lenders of the Mortgage Rates applicable to Mortgage Loans for each series of 2006 Bonds, the Issuer will also notify the Lenders of the amount reserved for Home Key, the maximum amount reserved for Home Key 2nd loans and the amount reserved for Home Key Plus 2nd loans, all of which must be originated on a Program-wide basis or a corresponding amount of 2006 Bonds will be called for redemption. The Issuer reserves the right to reallocate amounts initially reserved for Home Key 2nd loans for use in acquiring Home Key loans. The Issuer also reserves the right to reallocate amounts initially reserved for Home Key Plus 2nd loans for use in acquiring Home Key 2nd loans or Home Key loans subject to the requirements of the Indenture. The Program Administrator will promptly notify Lenders of the need to impose a restriction on the origination of each type of Mortgage Loan and will, if applicable, notify Lenders of the removal of such restrictions upon the cancellation of one or more reservations.

Unless otherwise approved by the Authority, all Mortgage Loans will be fully amortized over a 30-year term.

Maximum Acquisition Prices as of the Application Start Date are as follows:

	NON-TARGETED	TARGETED
	<u>All Housing</u>	<u>All Housing</u>
Pasco County	\$204,433	\$ N/A
Pinellas County	204,433	249,862
Polk County	204,433	249,862

The foregoing amounts may be redetermined by the Issuer, and provided to the Servicer for dissemination to Lenders, from "Safe Harbor" average area purchase prices published from time to time by the United States Treasury Department or from surveys or other compilations of acquisition prices that in the opinion of recognized counsel represent acceptable methods for determination of such average acquisition prices for purposes of Section 143 of the Code and in compliance with any requirements for the County. Acquisition Price limits are also subject to the applicable FHA/VA/RD, FNMA or Freddie Mac limits for each County.

Maximum Current Annual Family Income limits as of the Application Start Date are as stated below, which amounts may be redetermined by the Issuer and provided to the Servicer for dissemination to Participants, from applicable median income figures published by the United States Department of Housing and Urban Development from time to time.

	NON-TARGETED AREAS		TARGETED AREAS	
	<u>1 or 2 Family Members</u>	<u>3 or More Family Members</u>	<u>1 or 2 Family Members</u>	<u>3 or More Family Members</u>
Pasco County	\$52,550	\$60,432	\$ N/A	\$ N/A
Pinellas County	52,550	60,432	63,060	73,570
Polk County	52,550	60,432	63,060	73,570

Home Key Plus 2nd loans will be made available to homebuyers with incomes of 80% or less than the area median income based on household size. Purchase price limited may change if pending State Legislation is implemented.

Home Key Plus 2nd Income Limits, as of the Application Start Date, are as follows:

Household Size	80% Median Income
1 Person	\$ 29,250
2 Person	33,400
3 Person	37,600
4 Person	41,750
5 Person	45,100
6 Person	48,450
7 Person	51,800
8 Person	55,100

Home Key Plus 2nd Purchase Price Limits, as of the Application Start Date, are as follows:

	New	Existing
Pinellas	\$204,433	\$204,432

Notice Addresses are as provided in the Master Origination Agreement and as set forth for each Lender in Exhibit A hereto.

Purchase Dates shall occur daily as advised by the Master Servicer or as may be listed from time to time in the Lender's Guide. Targeted Areas are listed in the Lender's Guide and may be modified from time to time.

REPURCHASE OF LOANS

Participating Lender hereby agrees to repurchase any Mortgage Loan sold to the U. S. Home Mortgage – MRBP, the Master Servicer, at any time during the life of such Mortgage Loan, upon the occurrence of any of the following events:

a.) Master Servicer reasonably believes any violations of any rule, regulation, or requirement of the applicable agencies i.e. Federal Housing Authority (FHA), Veterans Administration (VA), Rural Housing (RHS), Fannie Mae (Fannie Mae), Freddie Mac (Freddie Mac), Government National Mortgage Association (GNMA) or any other investor as may be identified in the Bond program, or specific guidelines as outlined in the Bond documents/program manuals; or

b.) For loans not underwritten by the Master Servicer or its approved designees, should the mortgagor: (1) fail to make the first payment due to the Master Servicer by the due date of the next mortgage payment; (2) if at any time within the first 12 months after the loan has been purchased by the Master Servicer the borrower is 90 days delinquent with respect to a monthly payment. For this purpose, the borrower shall be considered 90 days delinquent on a monthly payment that is not received by the Master Servicer by the first day of the third month, regardless of the number of the days in the month. For example, the borrower has not made his/her January payment by the last day of March, the borrower shall be considered 90 days delinquent with respect to the January payment. The Participating Lender shall not have the right to advance any funds for or on behalf of a borrower for any delinquent payment, or to otherwise make funds available to any borrower to aide or cure a default by the borrower. Payment, for which the Master Servicer deducted funds at the time the loan is purchased from the Participating Lender, shall not be considered the first payment due the Master Servicer; or

c.) Any false statement, misstatement, or act of omission of material fact contained in the Mortgage Loan documentation resulting from the Participating Lender's negligence or failure to exercise due diligence as disclosed by actual inspection by the Master Servicer or its representative, or otherwise disclosed; or

d.) Participating Lender fails to obtain FHA insurance, VA or RHS guaranty, private mortgage insurance, or if such insurance or guaranty lapses or for any reason becomes unavailable, as a result of any negligent act or omission by the Participating Lender, or the failure by the Participating Lender to obtain such insurance or guaranty within ninety (90) days from the date of purchase; or

e.) Master Servicer is required to repurchase any Loan sold by it to GNMA, FNMA, FHLMC or any other investor, by reason of a deficiency in or omission with respect to the Mortgage Loan documents, instruments, and agreements, pertaining to any Mortgage Loan; or

f.) Any representation or warranty made by the Participation Lender under this Agreement or Bond Program Manuals with respect to any Mortgage Loan shall, in the reasonable opinion of the Master Servicer, be, in whole or in part and with or without knowledge of the Participating Lender, false at the time when made by Participating Lender or become false upon the occurrence of subsequent events; or

g.) Any material fraud, misrepresentation or act of omission with respect to the information submitted on a particular Mortgage Loan is determined to exist by the Master Servicer or another investor. This includes, but is not limited to, Mortgagor or other third party fraud or misrepresentation, and any misrepresentation of Mortgagor's income, funds on deposit, or employment, or of the occupancy status of the Mortgaged Property; or

h.) Participating Lender's breach of any covenant or obligation to the Master Servicer with respect to the Mortgage Loan under this Agreement, Bond Documents or Bond Program Manuals.

The repurchase price for any Mortgage Loan that the Participating Lender is required to repurchase from the Master Servicer shall be an amount equal to its then unpaid principal balance of the Mortgage Loan on the date of repurchase, plus accrued interest, any servicing release premium paid, and direct expenses (including attorney's fees) incurred by the Master Servicer for any actions taken by it concerning, as a result of, or in connection with, any of the events or circumstances set forth herein as cause for repurchase. Master Servicer's exercise of its right to have the Participating Lender repurchase any Mortgage Loan hereunder shall be in addition to, and not in lieu of, any other rights or remedies which Master Servicer may have against the Participating Lender hereunder or under applicable law.

INDEMNIFICATION

The Participating Lender shall protect, indemnify, and hold Master Servicer harmless from and in respect to, any and all losses, liabilities, reasonable costs, and expenses (including attorneys' fees) that may be incurred by Master Servicer with respect to, or proximately resulting from any breach of, any representation, warranty, or covenant of the Participating Lender hereunder. Master Servicer shall be entitled to rely upon the Participating Lender as assembler and preparer of all Mortgage Loan documents, and is under no duty whatsoever to investigate or confirm any of the information set forth therein as to its honesty, accuracy, or completeness. Participating Lender hereby agrees to indemnify and hold the Master Servicer harmless from any claim, loss or other damage to the Master Servicer including reasonable attorneys fees resulting in whole or in part from any inaccuracy or incompleteness in the Mortgage Loan documents or any act or omission by the Participating Lender, its agents and employees, including but not limited to failure to comply with applicable state, federal and local statutes or regulations. To the extent the Participating Lender, its agents or employees, commits an actual wrong, or makes some error or omission in the preparation of any Mortgage Loan or its documents and as a result thereof, and based thereon, the Master Servicer commits an act or omission for which it becomes liable to the Mortgage(s) or any third party and/or a claim or cause of action is instituted against the Master Servicer, the Participating Lender shall and hereby agrees to indemnify and hold Master Servicer harmless from any such loss or damage, including reasonable attorneys fees, resulting therefrom

REFUND OF SERVICE RELEASE PREMIUMS

- a) If any Mortgage Loan is prepaid in full within six (6) months following the date of purchase by the Master Servicer, from the Participating Lender, the Participating Lender shall refund to the Master Servicer all service release premiums received from the Master Servicer with respect to that Mortgage Loan if the Participating Lender does the refinancing
- b) If any Mortgage Loan, underwritten by the Participating Lender, becomes delinquent for any of the first three (3) scheduled monthly payments after the first payment due the Master Servicer, and is not brought current by the borrower within 90 days of such delinquency. The Participating Lender shall refund to the Master Servicer all service release premiums received from the Master Servicer with respect to that Mortgage Loan plus an indemnification fee of \$1,000 on conventional loans and \$2,000 on government loans excluding a first payment default as defined in the Repurchase of Loans, Section (b) of the Master Origination Agreement.

These 2006 Program Determinations are made and this statement thereof is duly executed as of March 1, 2006.

HOUSING FINANCE AUTHORITY OF
PINELLAS COUNTY, FLORIDA

By: _____
Title:

MASTER SERVICER'S ACKNOWLEDGMENT AND ACCEPTANCE

The undersigned, on behalf of U.S. Bank N.A. (the "Master Servicer"), being duly organized under the laws of the United States, a national banking association and qualified to do business in the State of Florida, hereby acknowledges that it is the Master Servicer under that certain Master Mortgage Origination Agreement, dated as of May 1, 1998, (the "Master Agreement") in respect of the Housing Finance Authority of Pinellas County, Florida (the "Issuer") 2006 Program financed by the Single Family Housing Revenue Bonds, 2006 [Multiple Series], of the Issuer (the "2006 Bonds"), and further hereby acknowledges and accepts the terms of the foregoing 2006 Program Determinations applicable to the Master Servicer with respect to the 2006 Bonds.

Executed this ____ day of _____, 2006.

U.S. BANK N.A.
as Master Servicer

By: _____
Lawrence A. Ball
Vice President

TRUSTEE'S ACKNOWLEDGMENT AND ACCEPTANCE

The undersigned, on behalf of U.S. Bank National Association (the "Trustee"), being duly organized under the laws of the United States and qualified to do business in the State of Florida, hereby acknowledges that it is a party to that certain Master Mortgage Origination Agreement, dated as of May 1, 1998, (the "Master Agreement") in respect of the Housing Finance Authority of Pinellas County, Florida (the "Issuer") 2006 Program financed by the Single Family Housing Revenue Bonds, 2006 [Multiple Series], of the Issuer (the "2006 Bonds") for which it is the Trustee, and further hereby acknowledges and accepts the terms of the foregoing 2006 Program Determinations applicable to the Trustee with respect to the 2006 Bonds.

Executed this ____ day of _____, 2006.

U.S. BANK NATIONAL
ASSOCIATION, as Trustee

By: _____

Scott A. Schuhle
Vice President

LENDER'S ACKNOWLEDGMENT AND ACCEPTANCE

The undersigned, on behalf of _____ (the "Lender"), being duly organized under the laws of the State of _____ and qualified to do business in the State of Florida, hereby acknowledges that it is a Lender under that certain Master Mortgage Origination Agreement, dated as of May 1, 1998, (the "Master Agreement") in respect of the Housing Finance Authority of Pinellas County, Florida (the "Issuer") 2006 Program financed by the Single Family Housing Revenue Bonds, 2006 [Multiple Series], of the Issuer (the "2006 Bonds"), and further hereby acknowledges and accepts the terms of the foregoing 2006 Program Determinations applicable to the Lender with respect to the 2006 Bonds.

IN WITNESS WHEREOF, this Lender's Acknowledgment and Acceptance is executed as of the ____ day of _____, 2006.

(SEAL)

By: _____
as Lender

By: _____
Its:

By: _____
Its: