

# PROFESSIONAL SERVICES AGREEMENT

## Loan Servicing

This Agreement, entered into this 1st day of July, 2025, by and between the City of Visalia, hereinafter referred to as the "CITY", and AmeriNational Community Services, LLC d/b/a AmeriNat, a corporation organized and existing under the laws of the State of Minnesota, located at 217 South Newton Avenue, Albert Lea, MN 56007, hereinafter referred to as the "CONSULTANT".

### W I T N E S S E T H

**WHEREAS**, the CITY is authorized and empowered to employ consultants and specialists in the performance of its duties and functions; and

**WHEREAS**, the CITY has the desire to secure certain technical and professional services to assist in the preparation and completion of the items of work described as "Scope of Work" in Exhibit "A", and hereinafter referred to as the "PROJECT" for the period of July 1, 2025, through June 30, 2030; and

**WHEREAS**, the CONSULTANT represents it is licensed, qualified and willing to provide such services pursuant to terms and conditions of this Agreement.

**NOW, THEREFORE**, CITY and CONSULTANT agree as follows:

#### **I. SERVICES TO BE PERFORMED BY THE CONSULTANT**

- A. Authorized Scope of Work: The CONSULTANT agrees to perform all work necessary to complete in a manner satisfactory to the CITY those tasks described in Exhibit "A" - Scope of Work, for the cost identified in Exhibit "B" - Project Fee.
- B. Additional Services: Incidental work related to the PROJECT and not provided for in Exhibit "A" may be needed during the performance of this Agreement. The CONSULTANT agrees to provide any and all additional services at the rates identified in attached Exhibit "B" – Fee Structure and Schedules. Such additional services shall not be performed by CONSULTANT without the written consent of CITY.

#### **II. TIME OF PERFORMANCE**

The CONSULTANT shall commence performance of this Agreement within five (5) days following City Council approval of this Agreement and shall complete the work within the timeframes outlined in Exhibit "A", unless otherwise extended in writing by CITY, in its sole discretion.

If the CONSULTANT fails to complete the PROJECT within the time specified, plus any extensions of time which may be granted, the CITY shall determine the percent of each work item completed and shall pay the CONSULTANT on that basis.

CONSULTANT shall not be responsible for delays which are due to causes beyond the CONSULTANT's reasonable control. In the case of any such delay, the time of completion shall be extended accordingly in a writing signed by both parties.

### III. COMPENSATION

- A. Total Compensation: For services performed pursuant to this Agreement, the CITY agrees to pay, and the CONSULTANT agrees to accept, as payment in full, a sum not to exceed **One Hundred Forty-Nine Thousand and One Hundred Ninety Dollars (\$149,190)**. This amount shall constitute complete compensation, including document production and out-of-pocket expenses for all services for the work and PROJECT identified in Exhibits "A" and "B".
- B. Payment of Compensation: The CONSULTANT shall be compensated according to the progress payment schedule set forth in Attachment 1 upon completion of percentage of each noted phase. The CONSULTANT shall be paid no later than thirty (30) days following submission of a written, verified billing to the CITY. Said billing shall include the percentage of each task completed to date and since the date of the preceding billing, if any.

### IV. AUTHORIZED REPRESENTATIVE

- A. CITY: The Project Manager, Margie Perez, Housing Specialist shall represent the CITY in all matters pertaining to the services to be rendered under this Agreement, except where approval of the City Council of the City of Visalia is specifically required.
- B. CONSULTANT: AmeriNat shall represent and act as principle for CONSULTANT in all matters pertaining to the services to be rendered by it under this Agreement.

### V. TERMINATION

The right to terminate this Agreement, with or without cause, may be exercised without prejudice to any other right or remedy to which the terminating party may be entitled at law or under this Agreement.

- A. Termination By Either Party Without Cause: The CITY or CONSULTANT may terminate this Agreement at any time by giving written notice to the other of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of such termination.
- B. Termination of Agreement for Cause: The CITY may by written notice to the CONSULTANT specifying the effective date thereof, at least sixty (60) days before the effective date of such termination, terminate the whole or any part of this Agreement in any of the following circumstances:
  - 1. If the CONSULTANT fails to perform the services called for by this Agreement within time(s) specified herein or any extension thereof; or
  - 2. If the CONSULTANT fails to make progress under this Agreement as to endanger performance of this Agreement in accordance with its terms and does not correct such failure within a period of ten (10) days (or longer period as the CITY may authorize in writing) after receipt of notice from the CITY specifying such failure.
- C. Post-Termination:
  - 1. In the event the CITY terminates this Agreement with or without cause, the CITY may procure, upon such terms and such manner as it may determine appropriate, services similar to those terminated.

2. Except with respect to defaults of subconsultants, the CONSULTANT shall not be liable for any excess costs if the failure to perform this Agreement arises out of causes beyond the control and without the fault or negligence of the CONSULTANT. Such causes include, but are not limited to, acts of God or of the public enemy, floods, epidemics, quarantine restrictions, strikes, and unusually severe weather; but in the event the failure to perform is caused by the default of a subconsultant, the CONSULTANT shall not be liable for failure to perform, unless the services to be furnished by the subconsultant were obtainable from other sources in sufficient time and within budgeted resources to permit the CONSULTANT to meet the required delivery schedule or other performance requirements.
3. Should the Agreement be terminated with or without cause, the CONSULTANT shall provide the CITY with all finished and unfinished documents, data, studies, services, drawings, maps, models, photographs, reports, etc., prepared by the CONSULTANT pursuant to this Agreement.
4. Upon termination, with or without cause, CONSULTANT will be compensated for the services satisfactorily completed to the date of termination according to compensation provisions contained herein. In no event, shall the total compensation paid CONSULTANT exceed the total compensation agreed to herein.
5. If, after notice of termination of this Agreement, as provided for in this article, it is determined for any reason that the CONSULTANT was not in default under the provisions of this article, then the rights and obligations of the parties shall be the same as if the Agreement was terminated without cause.
6. Termination of this Agreement shall not terminate any obligation to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination activities.
7. The CONSULTANT operates under the regulation and jurisdiction of various licensing authorities including your State authorities, the requirements of which may vary from time to time. If CONSULTANT'S authority to service loans in your State were to be modified and/or revoked due to changes in circumstances or regulation, CONSULTANT will provide prompt notice of its requirement to terminate services and will terminate services before the latest available date as allowed by regulatory authority. Termination under this provision will not be deemed to be a default by CONSULTANT, and no liability will exist to reimburse City for any losses incurred as a result of the termination. If services are terminated under this provision the City will not be liable to Consultant for any transfer fees specified in the fee section of this agreement.

## **VI. INTEREST OF OFFICIALS AND THE CONSULTANT**

- A. No officer, member, or employee of the CITY who exercises any functions or responsibilities in the review or approval of this Agreement shall:
  1. Participate in any decision relating to this Agreement which effects his personal interest or the interest of any corporation, partnership, or association in which he has, directly or indirectly, any interest; or
  2. Have any interest, direct or indirect, in this Agreement or the proceeds thereof during his tenure or for one year thereafter.
- B. The CONSULTANT hereby covenants that he has, at the time of the execution of this Agreement, no interest, and that he shall not acquire any interest in the future, direct or indirect, which would conflict in

any manner or degree with the performance of services required to be performed pursuant to this Agreement. The CONSULTANT further covenants that in the performance of this work, no person having any such interest shall be employed.

## **VII. NO PERSONNEL, AGENCY, OR COMMISSION**

The CONSULTANT warrants, by execution of this Agreement, that no personnel agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide established commercial or selling agencies maintained by the CONSULTANT for the purpose of securing business. For breach or violation of this warranty, the CITY shall have the right to annul this Agreement without liability or, in its discretion, to deduct from this Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

## **VIII. SUBCONTRACTING**

- A. The CONSULTANT shall not subcontract or otherwise assign any portion of the work to be performed under this Agreement without the prior written approval of the CITY.
- B. In no event shall the CONSULTANT subcontract work in excess of 50% of the contract amount, excluding specialized services. Specialized services are those items not ordinarily furnished by a consultant performing the particular type of project.

## **IX. INDEPENDENT CONTRACTOR**

In the performance of the services herein provided for, the CONSULTANT shall be, and is, an independent contractor and is not an agent or employee of the CITY. The CONSULTANT has and shall retain the right to exercise full control and supervision of all persons assisting the CONSULTANT in the performance of said services hereunder. The CONSULTANT shall be solely responsible for all matters relating to the payment of its employees including compliance with social security and income tax withholding and all other regulations governing such matters.

## **X. SPECIFICATIONS**

All specifications, manuals, standards, etc., either attached to this Agreement or incorporated by reference, are binding as to the performance of the work specified in this Agreement unless they are changed by written amendment to this Agreement modified in writing to incorporate such changes.

## **XI. DOCUMENTS/DATA**

- A. Ownership of Documents: All original papers and documents, produced as a result of this Agreement, shall become the property of the CITY. In addition, CITY shall be provided with access and use of any other papers and documents consistent with the purpose and scope of services covered by this Agreement. Any additional copies, not otherwise provided for herein, shall be the responsibility of the CITY.

Documents, including drawings and specifications, prepared by CONSULTANT pursuant to this Agreement, are not intended or represented to be suitable for reuse by CITY or others on extensions of the PROJECT or on any other project. Any use of the completed documents for other projects and any use of incomplete documents without the specific written authorization from CONSULTANT will be at CITY's sole risk and without liability to CONSULTANT. Further, any and all liability arising out of changes made to CONSULTANT's deliverables under this Agreement by CITY or persons other than CONSULTANT is waived as against CONSULTANT, and the CITY assumes full responsibility for such

changes unless the CITY has given CONSULTANT prior notice and has received from CONSULTANT written consent for such changes.

- B. Publication: No report, information, or other data given or prepared or assembled by the CONSULTANT pursuant to this Agreement, shall be made available to any individual or organization by the CONSULTANT without the prior written approval of the CITY. Notwithstanding the foregoing, however, the CONSULTANT shall not be required to protect or hold in confidence and confidential information which (1) is or becomes available to the public with the prior written consent of the CITY; (2) must be disclosed to comply with law; or (3) must be disclosed in connection with any legal proceedings.
- C. Copyrights: The CONSULTANT shall be free to copyright material developed under this Agreement with the provision that the CITY be given a nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use the material for government or public purposes.

## **XII. INDEMNIFICATION AND INSURANCE**

- A. As respects acts, errors, or omissions in the performance of services, CONSULTANT agrees to indemnify and hold harmless CITY, its elected and appointed officers, employees, and CITY designated volunteers from and against any and all claims, demands, losses, defense costs, liability or consequential damages arising directly out of CONSULTANT's negligent acts, errors or omissions in the performance of his/her services under the terms of this Agreement, except to the extent those arise out of the negligence of CITY. CONSULTANT'S liability under this paragraph is limited to the amount Consultant has been paid in servicing fees under the program.
- B. CITY agrees to indemnify and hold harmless CONSULTANT, its officers, employees, and designated volunteers from and against any and all losses, defense costs, liability or consequential damages to the extent arising out of CITY'S negligent acts, errors or omissions in the performance of this Agreement.
- C. As respects all acts or omissions which do not arise directly out of the performance of services, including but not limited to those acts or omissions normally covered by general and automobile liability insurance, CONSULTANT agrees to indemnify, defend (at CITY's option), and hold harmless CITY, its elected and appointed officers, agents, employees, representatives, and volunteers from and against any and all claims, demands, defense costs, liability, or consequential damages of any kind or nature arising out of or in connection with CONSULTANT's (or CONSULTANT's subcontractors, if any) performance or failure to perform, under the terms of this Agreement; except to the extent those which arise out of the negligence of CITY.
- D. Without limiting CITY's right to indemnification, it is agreed that CONSULTANT shall secure prior to commencing any activities under this Agreement, and maintain during the term of this Agreement, insurance coverage as follows:
  - 1. Workers' compensation insurance as required by California statutes.
  - 2. Commercial general liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence. Such insurance shall include coverage for Premises and Operations, Contractual Liability, Personal Injury Liability, Products and Completed Operations Liability, Broad Form Property Damage (if applicable), Independent Contractor's Liability (if applicable).
  - 3. Professional liability insurance coverage, in an amount not less than One Million Dollars (\$1,000,000).

4. Comprehensive Automobile Liability coverage with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence. Such insurance shall include coverage for owned, hired, and non-owned automobiles and shall be provided by a business automobile policy.
- E. CITY'S Risk Manager is hereby authorized to reduce the requirements set forth above in the event he/she determines that such reduction is in the CITY'S best interest.
- F. Each insurance policy required by this Agreement shall contain the following clause:

"This insurance shall not be canceled, limited in scope or coverage, or non-renewed until after thirty (30) days prior written notice has been given to the City Clerk, City of Visalia, 707 W. Acequia, Visalia, CA 93291."

In addition, the commercial general liability and comprehensive automobile liability policies required by this Agreement shall contain the following clauses:

- "It is agreed that any insurance maintained by the City of Visalia shall apply in excess of and not contribute with insurance provided by this policy."
- "The City of Visalia, its officers, agents, employees, representatives and volunteers are added as additional insureds as respects operations and activities of, or on behalf of the named insured, performed under contract with the City of Visalia."
- G. Prior to commencing any work under this Agreement, CONSULTANT shall deliver to CITY insurance certificates confirming the existence of the insurance required by this Agreement, and including the applicable clauses referenced above. Within thirty (30) days of the execution date of this Agreement, CONSULTANT shall provide to CITY endorsements to the above-required policies, which add to these policies the applicable clauses referenced above. Said endorsements shall be signed by an authorized representative of the insurance company and shall include the signatory's company affiliation and title. Should it be deemed necessary by CITY, it shall be CONSULTANT's responsibility to see that CITY receives documentation acceptable to CITY which sustains that the individual signing said endorsements is indeed authorized to do so by the insurance company. CITY has the right to demand, and to receive within a reasonable time period, copies of any insurance policies required under this Agreement.
  - H. In addition to any other remedies CITY may have if CONSULTANT fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:
    1. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; or
    2. Order CONSULTANT to stop work under this Agreement and/or withhold any payment(s) which become due to CONSULTANT hereunder until CONSULTANT demonstrates compliance with the requirements hereof; or
    3. Terminate this Agreement.

Exercise of any of the above remedies, however, is an alternative to other remedies CITY may have and is not the exclusive remedy for CONSULTANT's failure to maintain insurance or secure appropriate endorsements.

Nothing herein contained shall be construed as limiting in any way the extent to which CONSULTANT may be held responsible for payments of damages to persons or property resulting from CONSULTANT's or its subcontractor's performance of the work covered under this Agreement.

### **XIII. NON-DISCRIMINATION**

CONSULTANT and all subcontractors shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, or sex in the performance of this Agreement. The CONSULTANT shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the proposer to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement.

### **XIV. MISCELLANEOUS PROVISIONS**

- A. Asbestos and Hazardous Materials: In providing its services hereunder, CONSULTANT shall not be responsible for identification, handling, containment, abatement, or in any other respect, for any asbestos or hazardous material if such is present in connection with the PROJECT. In the event the CITY becomes aware of the presence of asbestos or hazardous material at the jobsite, CITY shall be responsible for complying with all applicable federal and state rules and regulations, and shall immediately notify CONSULTANT, who shall then be entitled to cease any of its services that may be affected by such presence, without liability to CONSULTANT arising therefrom.
- B. Successors and Assigns: This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the parties.
- C. Prohibition of Assignment: Neither the CITY nor CONSULTANT shall assign, delegate or transfer their rights and duties in this Agreement without the written consent of the other party, which such consent shall not be unreasonably withheld.
- D. Dispute/Governing Law: Any dispute not resolvable by informal arbitration between the parties to this Agreement shall be adjudicated in a Court of Law under the laws of the State of California.
- E. Notices: Notice shall be sufficient hereunder if personally served upon the City Clerk of the CITY or an officer or principal of the CONSULTANT, or if sent via the United States Postal Service, postage prepaid, addressed as follows:

CITY OF VISALIA  
707 W. Acequia Ave.  
Visalia, CA 93291  
Attention: Housing Specialist

AmeriNat  
217 South Newton Ave.  
Albert Lea, MN 56007  
Attention: Micki Abel

- F. Jurisdiction/Venue/Waiver of Removal: This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that State. Any action brought to interpret or enforce this Agreement, or any of the terms or conditions hereof, shall be brought in Tulare County, California. The CONSULTANT hereby expressly waives any right to remove any action to a county other than Tulare County as permitted pursuant to Section 394 of the California Code of Civil Procedure.
- G. Integration/Modification: This Agreement and each of the exhibits referenced herein, which are incorporated by reference, represents the entire understanding of the CITY and the CONSULTANT as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with

respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by the CITY and the CONSULTANT.

- H. Conflict With Law: If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said law, but the remainder of the Agreement shall be in full force and effect.
- I. Attorney's Fees: In the event either party commences any action, arbitration or legal proceedings for the enforcement of this Agreement, the prevailing party, as determined by the court or arbitrator, shall be entitled to recovery of its attorney's fees and court costs incurred in the action brought thereon.
- J. Construction: This Agreement is the product of negotiation and compromise on the part of each party and the parties agree, notwithstanding Civil Code Section 1654, that in the event of uncertainty the language will not be construed against the party causing the uncertainty to exist.
- K. Authority: Each signatory to this Agreement represents that it is authorized to enter into this Agreement and to bind the party to which its signature represents.
- L. Headings: Section headings are provided for organizational purposes only and do not in any manner affect the scope or intent of the provisions thereunder.
- M. Penalties and Assessments related to 1098 reporting: If the services to be provided under this agreement include the acceptance of loan payments, Consultant will submit the required 1098 tax forms to the Internal Revenue Service for any and all borrowers making interest payments. If the loan data provided by the City does not include a social security number for a borrower(s), Consultant will exercise all reasonable means to obtain such social security number(s). Consultant will also notify the City, at a minimum of one time annually, of any social security numbers which remain missing.

If the lack of an available social security number(s) results in a penalty or fine assessed by the Internal Revenue Service, the City will be notified of the amount of the penalty and fine, and will immediately reimburse Consultant for any such penalty or fine paid or to be paid.

**IN WITNESS WHEREOF**, this Agreement is executed on the day and year first above written.

CITY OF VISALIA

CONSULTANT

\_\_\_\_\_  
Leslie Caviglia, City Manager

\_\_\_\_\_  
Adrienne Thorson, Chairperson, CEO

Approved as to Form

\_\_\_\_\_  
Ken Richardson, City Attorney

\_\_\_\_\_  
Diane Lopez, Risk Manager

\_\_\_\_\_  
Margie Perez, Project Manager

## B. Proposed Approach

AmeriNat understands the City's requirements and will provide the services and meet the requirements described in the City's RFP. As the City's current servicer, there will be no transfer process necessary. We are familiar with the City's team members, systems and needs, and the City will not need to wait for services to get up to speed. The AmeriNat team would be honored to continue servicing responsibility for the City's existing and future loans.

The services requested will be provided through the combined resources of our in-house servicing department and delinquency management department, which work hand in hand with the IT and management areas of the firm to provide seamless service delivery. Detailed servicing steps are laid out in the following pages.

### Loan Processing and Underwriting

AmeriNat offers experienced loan processing and underwriting services to meet the complex needs of government agencies. AmeriNat's services can streamline the multiple phases of loan production, from application through processing, underwriting, closing, to loan servicing for increased speed and efficiency.

Application Submission: Upon receipt of a complete loan application package, documents and supporting materials should be sent to AmeriNat for processing. An efficient underwriting process is predicated on the file being complete before the review is started. Support materials will be identified in the program description, and we can work with you to develop a checklist for use in file submission. Supporting materials may include but are not limited to, paycheck stubs, W-2's, mortgage statements, property tax bills, and insurance policies when applicable.

Preliminary Risk Analysis: Upon receipt of a completed loan application package, AmeriNat will review the application for accuracy and thoroughness. A Preliminary Risk Analysis (PRA) may be developed to determine that it is reasonable to proceed with processing. The PRA can be developed before incurring outside costs, such as Title Reports and appraisals and can result in avoiding costs being incurred on a loan that cannot be approved. The Preliminary Risk Analysis will include the borrower's Median Family Income (MFI) and an estimate of the borrower's ability to pay (where applicable) that will address a maximum interest rate conforming to the City's criteria. The analysis is then sent to the City for approval to proceed.

Underwriting Analysis: Upon receipt of an approval to proceed, AmeriNat will order applicable outside services such as a title report, appraisal, credit report and verifications. Once the firm cost of rehabilitation is known (a contractor bid has been awarded) a final underwriting analysis will be prepared, addressing the following items:

- ▶ Affordability (Debt to Income Ratio Analysis)
- ▶ Current and past credit history
- ▶ Financial interest in the property (Loan to Value)
- ▶ Status of title to secure lien position

Upon receipt of verifications and reports, a Final Loan Recommendation (FLR) will be prepared and sent to the City for approval and funding.

#### Loan Document Preparation

Once a loan has been approved, the City shall forward to AmeriNat a Request for Loan Documents containing required information to complete the preparation of loan documents. In accordance with the loan document request, AmeriNat shall prepare and forward the following documents, generally within five (5) business days, for the City's execution:

- ▶ Deed of Trust
- ▶ Promissory Note
- ▶ Truth in Lending Disclosure Statement
- ▶ Request for Notice of Default and Sale
- ▶ Notice of Right to Cancel
- ▶ Control Instructions
- ▶ Declaration of Covenants, Conditions, and Restrictions (CC&Rs)
- ▶ Other documents as agreed to with the City

Once the documents are executed by the borrower, the Deed of Trust and Request for Notice are returned to AmeriNat for recordation with the County Recorder. Following the recording of the Deed of Trust, AmeriNat shall confirm that the City's lien position is secure by updating title (when approved by the City).

#### Funds Disbursement

AmeriNat is no longer providing funds disbursement service; however, we would be happy to recommend a service provider if requested.

#### Loan Servicing for Amortized and Deferred Loans

1. Introductory Package: Upon boarding of a new loan, AmeriNat will send a welcome package to the borrower. This welcome package contains a Notice of Servicing Transfer, Fair Debt Notice, FACT Act Letter, and a variety of options to submit payments.
2. Collection and Remittance of Payments: AmeriNat will collect payments from the borrowers through monthly or other scheduled remittances of principal, interest, fees, escrow balances and other identified payments. Payments can be made via check to a secure lock-box, online, via ACH, and through "check-by-phone" and soon via the AmeriNat app. These remittances will be posted to the loan and ancillary records in accordance with the loan documents and the City's written instructions. Payments will be posted the same day as receipt. Funds will be maintained in an FDIC insured banking institution in a custodial account for the benefit of the City and the borrowers as applicable. AmeriNat balances cash received and transmitted and loan portfolio totals on a daily and monthly basis. Remittances will be forwarded to the City monthly net of fees and other authorized charges due to AmeriNat.

3. Payment of Property Taxes: At the City's request, AmeriNat will order a tax service contract and monitor the timely payment of property taxes.
4. Insurance Monitoring: AmeriNat will notify the insurance agent in writing that AmeriNat is monitoring premium payments and is to be made aware of delinquencies, non-renewals or cancellations. AmeriNat will force place insurance in accordance with respective regulation (see Insurance section).
5. Escrow/Impound Account: If the City chooses, AmeriNat will establish a borrower escrow/impound account for the payment of taxes and insurance. AmeriNat will collect the monthly escrow payment from the borrower and make the tax and insurance payments on the borrower's behalf. The borrower escrow accounts will be analyzed annually in accordance with the Real Estate Settlement Procedures Act (RESPA).

Please note: For single-family loans, unless respective state law requires otherwise, AmeriNat's escrow analysis utilizes a 2-month cushion in accordance with RESPA. This cushion is an industry standard and is intended to minimize the likelihood of escrow shortages / deficits when and if escrow disbursement items increase. If this cushion is not consistent with the City's current escrow analysis process, borrowers' escrow analysis may result in a shortage and/or escrow payment increase at the time of AmeriNat's first analysis. This may impact borrowers' ability to make increased monthly payments to escrow. Should the City request alternative handling of loan accounts with escrow payment increases, this may result in the City incurring extraordinary services charges.

If the City chooses to establish an escrow/impound account, AmeriNat will also establish a Client Escrow Deficit account. This account is used to track and reconcile advances made by AmeriNat on borrower accounts with escrow deficits resulting from payments made on the borrower's behalf in excess of their escrow balance. Additionally, this account also serves to track the monthly reimbursement due AmeriNat for the advances. The escrow deficit account will be reconciled monthly and the net change will be included with or deducted from the City's monthly remittance; a net shortage/negative will be deducted and a net overage/positive will be remitted. Advances made by AmeriNat that are not reimbursed by the City the following month will be subject to an interest charge of 1% per month compounded until said reimbursement occurs. Regardless of whether or not the net shortage/negative is deducted from remittance, the City remains responsible for escrow advances made by AmeriNat.

At portfolio transfer, AmeriNat will require a cash deposit equal to the total amount of positive escrow balances. If there are borrowers with negative escrow balances, the negative amounts cannot be netted against, or deducted from, the amounts due for the positive balances. Should recurring advances become necessary, AmeriNat reserves the right to request the City to deposit an amount into reserve to cover the anticipated necessary advances.

6. Late Fees: In keeping with the provisions of the City's promissory note, AmeriNat will assess and retain a late fee when payment is not made within the grace period.

### Lender Placed Insurance

In accordance with respective regulation, upon notification of a policy cancellation from the borrower's insurance carrier, or when proof of a current policy is not received, AmeriNat will request lender-placed insurance from AmeriNat's insurance provider.

1. Coverage is bound upon receipt of request with an effective date up to 90 days prior to receipt of the request.
2. AmeriNat's insurance provider or their carrier will send out three letters to the borrower over the course of forty-five days. If the borrower provides proof of coverage, lender-placed coverage will be cancelled.
3. If the effective date of this coverage is the same and there is no lapse in coverage, there will be no premium charged. If there is a lapse in coverage, there may be a fee charged to the borrower's account for an earned premium.
4. If the borrower does not provide proof of coverage, AmeriNat's insurance provider will send an insurance policy and notification of premium to the borrower and bill AmeriNat for a one-year policy. If the borrower does not have an established impound account, AmeriNat will create one and disburse the premium from it. If the borrower fails to pay the premium before the end of the month, and the disbursed premium results in an escrow deficit balance, the balance will be accounted for in that month's reconciliation of the Client Escrow Deficit Account. If the aggregate portfolio remittance for the month is insufficient to cover the deficit amount, the City will be billed and responsible for the cost until recouped from the borrower. Pay-off quotations or demands will reflect impound deficit amounts (caused by the cost of forced-place insurance or other advances) so that the borrower will still be held responsible for the cost even if they are unresponsive.

The Portfolio Status Report, delivered monthly to the City, will also reflect such negative impound balances (i.e. the total amount of such premiums owed by borrower).

5. The one-year policy is cancelable by either AmeriNat or the City.

### Non-sufficient Funds (NSF) Checks

If a check is returned unpaid due to non-sufficient funds, a returned check fee will be assessed. A letter will be sent to the borrower requesting immediate payment plus the returned check fee. If this fee is not received, a memo will be placed on the individual's account and the fee will be collected at the time the loan is paid off.

### Account Inquiries

Borrowers and the City have 24-hour electronic access to their loan information via AmeriNat's website at [www.amerinatls.com](http://www.amerinatls.com). Borrowers will be able to view their loan information via the *AmeriNat app* coming soon. Continuous access to loan account information is also provided during normal working hours through toll free customer service telephone lines. In addition, hard copy account payment

histories or other information can be provided through facsimile transmission or email. When requested by a borrower, AmeriNat will provide, without charge, a detailed statement of transactions relating to the borrower's payments and/or escrow account.

#### Additional Portfolio Management Services

1. Loan Payoff Quotations, Satisfactions, Reconveyances: AmeriNat will provide Loan Payoff Quotations and will perform Satisfactions and Reconveyances of Mortgage at the borrower's expense at the City's request.
2. Loan Amortization Schedules: AmeriNat will provide Loan Amortization Schedules upon request.
3. 1098 Tax Forms: Pursuant to IRS regulations and, on behalf of the City, AmeriNat will submit required 1098 tax forms for borrowers paying interest on City loans.
4. Tickler Notifications: AmeriNat will provide for an annual tickler notification at the City's request.

#### Loan Transfer

In the event the City requires AmeriNat to transition loans back to the City or to another servicer, AmeriNat will gather and package loan files (electronic copy) for shipment. AmeriNat's client services team will work with the City's staff to electronically transmit servicing data in a mutually agreed upon format.

#### Loan Reconstruction

AmeriNat is able to prepare loan reconstructions to determine posting accuracy and compliance with promissory notes, truth in lending statements, and other applicable related loan documents. This involves a detailed review of loan terms and reconstructing the posting of payments in accordance with the terms. Fees for reconstruction work can be quoted upon request.

#### Loss Mitigation

Collections:

1. First Payment Default: AmeriNat forwards its first letter to new delinquent borrowers at or about 5 days past the first payment due date. If there is no response, a second letter is sent at 15 days. Borrowers are reminded to contact AmeriNat to discuss difficulties they may be facing in meeting their obligations. If no response is received to either letter, due diligence phone calls begin, generally not later than 17 days delinquent.
2. Delinquency/Default Letter Production: Letters of varying tone and composition will be sent at 15, 30 and 45 and 90 days past the payment due date. For single-family loans, the 45-day letter will include the Consumer Financial Protection Bureau (CFPB) mandated notification informing the borrower of the available loss mitigation options. The 90-day letter will detail for the borrower possible escalated collection activity up to and including foreclosure. The letters emphasize the seriousness of the situation, the potential for loss of the borrower's property, and demand immediate payment.
3. Due Diligence Phone Calls: Telephone calls will be placed on a regular basis as loan remains under active delinquent follow up. Calls to single family mortgage borrowers are made in accordance with CFPB guidance and best practices. Live contact is attempted with the borrower beginning at the 17th day of delinquency, under a good faith goal of establishing contact with the borrower by the 36th day of delinquency. One or more subsequent attempts to contact the borrower will generally be made every 30 days thereafter. The objective of the call is to secure or demand prompt payment, obtain information needed to determine the reason for the delinquency, and to gain a commitment for future payments.

4. Credit Reporting: AmeriNat will report to the credit bureaus for real-estate secured loans monthly, reporting borrower payment activity and status codes.
5. Confirmation Letters: Contact with borrowers is used to solicit commitments to repay past due amounts. A borrower will be provided with the opportunity to bring the loan current immediately, and within six months. Once a commitment is gained, AmeriNat will forward a confirmation letter to document both the call and the commitment. The revised payment plan of no greater than six month's duration is then implemented. Default under this plan may cause AmeriNat to recommend foreclosure.

#### Forbearance Plans:

Formal forbearance plans are typically used for defaults of 90+ days. A forbearance plan of less than six months duration is executed by the borrower and immediately implemented by AmeriNat, with notice immediately provided to the City. Formal modifications to promissory note terms and forbearance plans of greater than six months duration are forwarded to the City for pre-approval. Before the borrower executes the agreement, the City is requested to approve the plan.

Once approved, AmeriNat will implement the new payment schedule. Should a borrower default from the new payment schedule without cause, AmeriNat will recommend foreclosure.

Forbearance Evaluation Process: A hardship is defined as a situation or set of events or circumstances beyond the normal control of the borrower that prohibits the borrower from adhering to a planned repayment schedule. If a borrower states, either verbally or in writing, that a hardship situation exists, AmeriNat will document the circumstances and provide the following:

- i. Letter from borrower requesting the City's consideration of hardship
- ii. Nature of the hardship
- iii. Expected duration of the hardship
- iv. Evidence to substantiate hardship
- v. Forbearance Plan Proposal

If the City approves the Forbearance Plan Proposal and executes the agreement with the borrower, AmeriNat will resume loan servicing under the new payment plan. The file will be tickled for follow-up at the expiration of the temporary plan.

#### Loan Modification Analysis:

1. Preliminary Screening: When contact with the borrower indicates a short-term forbearance agreement will not be enough to bring the account current, and initial assessment of the Borrower's circumstances indicate the Borrower may possibly be eligible for an available loss mitigation option, the borrower will be encouraged to submit a loss mitigation application.
2. Application: Upon receipt of a loss mitigation application, AmeriNat will review the application to determine supporting materials are present and that the forms are complete. Support materials may include but are not limited to, paycheck stubs, W-2's, Federal Tax Returns, bank statements, mortgage statements, property tax bills and insurance policies. Once the application is reviewed and found to be complete, a credit report and escrow analysis are ordered, as applicable, and the application is submitted to underwriting

3. Analysis and Recommendation: Underwriting of the application is performed using the City's eligibility criteria. This analysis will reflect information such as ability to repay or affordability (debt-to-income ratio), status of 1<sup>st</sup> mortgage, and occupancy. Based on the aforementioned, the recommendation will convey whether it is reasonable to proceed with the modification and what type of modification will best suit the needs of the borrower and the City. The recommendation along with the supporting documentation will be sent to the City for approval.
4. Approval: Once a loan modification has been approved, AmeriNat shall prepare and forward the required documents to the borrower for signature and recording, unless the City retains these functions. After the documents have been executed, originals will be retained by the City and copies will be promptly sent to AmeriNat along with funds required for escrow, legal fees, etc.

After receipt of executed modification documents and required funds, AmeriNat will make the appropriate modifications to the loan, send the borrower new payment coupons or billing statements, and electronically notate the account. Respective modification documentation will be retained in the electronic loan file.

#### Loan Foreclosure

The mortgage transaction and collections efforts are predicated on the assumption that the borrower is motivated and able to meet the mortgage obligation. A decision to foreclose is based on an analysis of an individual loan. AmeriNat will look at the borrower with particular emphasis on basic motivation, ability to pay; and attitude or level of cooperation. If a borrower remains delinquent and has been uncooperative, non-responsive, or unwilling to cure the existing default by reasonable means, AmeriNat will recommend foreclosure.

This step is generally not taken until a loan becomes over 120 days delinquent. Upon the City's approval, and in accordance with respective local, state and federal statutes, AmeriNat will send the borrower a notice of intent to foreclose/demand letter, with a copy to the City. If no response is received within 30 days, AmeriNat will advise the City of the non-response. Upon the City's direction, AmeriNat will proceed to foreclosure. AmeriNat will properly document the steps taken to affect a cure.

If the loan is not reinstated or paid off, AmeriNat will continue foreclosure up to and including the sale of the property. If the City desires AmeriNat to perform property management, a third-party property management vendor will be engaged. AmeriNat can identify, track and pay bills related to property preservation, the costs of which remain the responsibility of the City. Upon sale of the property, AmeriNat will return the proceeds of the sale to the City less foreclosure fees and previously un-reimbursed costs incurred.

In the event the borrower reinstates the loan, AmeriNat will remit to the City payments received from the borrower. For those loans that are reinstated by the borrower, AmeriNat will resume normal servicing functions.

#### Bankruptcy Administration Services

1. Chapter 7 Bankruptcy:
  - a. Upon receipt of notification from a court of law, debtor (borrower), or the City, of a Chapter 7 bankruptcy for a debtor serviced by AmeriNat, AmeriNat will modify the account in preparation

for monitoring of payments. Additionally, a Reaffirmation Agreement will be generated and forwarded to the borrower's attorney (debtor's counsel) for signature, and to the appropriate court upon receipt of the executed document. This fully enforceable agreement, if executed, will retain the lien as secured and will keep the lien from being discharged as part of the Chapter 7 discharge. If the borrower has no legal counsel and has filed their bankruptcy petition "pro se", (on their own behalf) or with the assistance of a licensed paralegal, AmeriNat can communicate directly with the borrower.

- b. Upon default of borrower's remittance of payments during the bankruptcy, AmeriNat will notify the borrower's (debtor's) counsel and Chapter 7 Trustee advising of the default, but if filed pro se, then the debtor would be notified directly.
  - c. Should the Chapter 7 Trustee determine that assets are available for distribution to creditors, AmeriNat will file a Proof of Claim on behalf of the City.
2. Chapter 13 Bankruptcy:
- a. Upon receipt of notification from a court of law, debtor (borrower), or the City, of a Chapter 13 bankruptcy for a debtor serviced by AmeriNat, AmeriNat will notify the City its intention to file a Proof of Claim as well as supporting bankruptcy documentation, and will file with the appropriate court. Upon receipt of a returned filed Proof of Claim from the court, AmeriNat will forward a copy of same to the City and will begin monitoring post and pre-petition payments to borrower's loan account.
  - b. Upon default of borrower in the remittance of post-petition payments, AmeriNat will notify the borrower's (debtor's) counsel of the default, instructing that further default will result in the filing of a Motion for Relief. If the borrower has no legal counsel and has filed their bankruptcy petition "pro se", (on their own behalf) or with the assistance of a licensed paralegal, AmeriNat can communicate directly with the borrower. In addition, notification of the default will be forwarded to the Trustee's office. Should there be a continued default in post-petition payments, and at the instruction of the City, AmeriNat will file the Motion for Relief. Once authorized by the court, and as directed by the City, AmeriNat may then begin foreclosure proceedings.

#### Subordination Processing

- 1. Subordination Request Package: Upon a borrower's request for a subordination, AmeriNat will send a Subordination Request Package to the borrower or designee (lender or title). The City may require the borrower to pay the cost of the subordination processing at application or the City may pay the cost upon billing from AmeriNat.
- 2. Review Process: The purpose of the subordination review process is to determine that the new senior loan on the borrower's property will be made in conformance with the City's subordination policy and that the City's title position and security for its note is properly treated. Also, a review of income of the borrower may be performed if there are ongoing restrictions on income levels for the program participant. Documentation typically required for the review may include the following:
  - a. Letter from borrower with reasons for requesting subordination
  - b. FNMA 1003 application, or other applicable application, for new senior loan
  - c. Lender's approval of new senior loan
  - d. Title report
  - e. Appraisal
  - f. Closing instructions and estimated closing statement
  - g. Credit report (if required)
  - h. Tax return or other income documentation (if required)
  - i. Completed Subordination Agreement ready for signature
  - j. Request for Notice document on new senior loan(s)

3. Document Preparation: AmeriNat prepares subordination documents, or can review documents prepared by the new senior lender. These documents generally include:
  - a. Subordination Agreement
  - b. Request for Notice document on new senior loan(s)
  - c. Closing instructions
4. Recommendation: At the completion of the review, a report is forwarded to the City with a recommendation to either approve the request and to execute the Agreement, or to deny the request. The report will contain a recapitulation of pertinent information such as lowered monthly payment amounts, old and new LTV's, new and old senior debt loan amounts, etc.
5. Approval: Upon the City's approval of a request for subordination, the City will forward to borrower's lender or Title Company:
  - a. Completed and executed Subordination Agreement between the City and borrower
  - b. Closing instructions dictating terms / use of Subordination Agreement document
  - c. Request for Notice document for new senior loan

#### Loan Assumptions

Upon request from a borrower or authorized representative of a borrower's estate, AmeriNat will review the loan documents to determine options for loan assumptions. If applicable, AmeriNat will forward an income certification or other documentation to the borrower for evaluation purposes. Recommendations for assumption will be provided to the City for approval if preferred.

#### Review of Loans for Changes in Title

Annually, loans will be reviewed to determine whether title has been transferred away from the signer. Loans on the delinquency list can be reviewed monthly upon request. The fee matrix provided by the City did not include this service; this fee will be negotiated upon request of service.

#### Short Sale Requests

A short-sale form will be provided to a borrower upon request. AmeriNat will review the short sale request and provide a recommendation to the City. If approved, a reduced payoff demand will be prepared. Short sale proceeds will be distributed in accordance with the original loan requirements.

#### Income Re-verifications

1. Level One (Income Only):
  - a. In keeping with the provisions of the borrower's promissory note and/or loan agreement, AmeriNat will forward an income re-verification package to the borrower. The package will contain instructions and forms needed to complete the re-verification.
  - b. If the required information has not been received within two weeks, AmeriNat will send a reminder letter.
  - c. If the borrower fails to respond within the allotted time frame, AmeriNat will notify the City of the borrower's non-compliance.

- d. Upon receipt of a completed re-verification package, AmeriNat will perform the following tasks:
- Verify that forms are complete and proof of income has been received.
  - Calculate the borrower's income to determine continued compliance with the City's program requirements for income.
  - Forward re-verification report to the City, with a recommendation for continued deferral or amortization.
  - If the recommendation is to amortize the loan, and the City approves, AmeriNat will prepare necessary loan documents (additional charges will apply). The loan documents will be forwarded to the City for borrower and the City signatures. AmeriNat will record necessary documents and will begin collecting under the new payment schedule.

2. Level Two (Income, Debt, and other Program Requirements):

Includes level one services plus the following:

- a. AmeriNat will order credit reports on borrower and will calculate the borrower's debt to income ratio to determine if borrower has present capacity to make monthly loan repayments;
- b. AmeriNat will receive documentation (established by the City) to determine that program requirements have been met, e.g. continued occupancy, insurance, etc.
- c. AmeriNat will forward a re-verification report that includes the status of the borrower's income, capacity for incurring additional monthly note repayments, and compliance with the City's program requirements.

Property Conditions Profile and Residency Verifications

1. Property Conditions Profile:

- a. AmeriNat engages a site visit of the owner's property to determine the outer condition of the dwelling and the condition of detached structures and grounds. Two photos will be taken to document the condition of the property. NOTE: AmeriNat will not enter upon the owner's private property.
- b. Property profiles rate (good, fair, poor) the condition of the property, and also comment on the following: roof type, property type, structure color, neighborhood condition, construction type, environmental hazards, and status of utilities.
- c. If the dwelling appears vacant or abandoned, it will be noted in the report.
- d. Property profiles may be ordered by the City for varying frequencies, e.g., once every two years, once every three years, etc.

2. Residency Verification:

AmeriNat will forward an instructional letter and Affidavit of Owner to the borrower. The Affidavit requires the owner to affirm continued compliance with provisions of the promissory note and/or rehabilitation agreement. Such provisions may include, but are not limited to, the following:

- Continued residence
- Timely payment of property taxes
- Ongoing hazard and flood insurance coverage
- Timely payment of sums due to superior lien holders
- Proper maintenance of the property
- Non-subordination

If no response is received within two weeks, AmeriNat will send a second letter, again requesting owner to sign and return affidavit. AmeriNat will compile responses and will forward original affidavits to the City.

### Reports

AmeriNat's standard reports are designed to meet the City's objectives and funding source requirements. Data reporting is flexible and can be reported in several ways, including program type, funding source and funding year. Reports are available to the City online through AmeriNat's internet LoanLink service. Through LoanLink, the City has unlimited access to account and portfolio data and can view the information as well as generate reports that can be downloaded into Excel.

1. Portfolio Status Report: This report provides a comprehensive accounting per loan of the total portfolio on a monthly basis. The report identifies annual payments made, remaining balances, borrower's name and account number, original loan balance, interest rate, and loan term. For those deferred loans accruing interest, the report shows the ongoing accrued interest balance.
2. Current Month Reconciliation Report: This monthly report serves as reconciliation for the loan payments remitted by borrowers.
3. Delinquent Aging Report: This report reflects delinquent accounts at the 30, 60, 90, and over 90-day levels as of the end of the month. Borrower accounts moved into the forbearance or foreclosure process are designated.
4. Loan Amortization Schedule: The Loan Amortization Schedule delineates the breakout of principal and interest paid during the term of the loan. This schedule is useful in determining how much principal is still owed and how much interest has been paid, at a particular period of time. This report can also be used in determining balloon amounts due per the terms of the note.
5. Account Status Information Report: This report provides a borrower profile, loan term and current balance and status information for individual borrower accounts within a client's portfolio. It includes a vast amount of information on particular accounts within the City's portfolio.
6. Current Year Payment History: This report details transactions on individual accounts for the current year's activity.
7. Payment History with Memos: AmeriNat uses a series of memo codes to help classify various borrower requests or processing activity. Activities subject to memo code classification include, for example, insurance request letters, payoff requests, and other miscellaneous borrower questions. This report summarizes the loan history with identification of these types of activities along with associated comments by AmeriNat personnel.

Exhibit "B": Project Fees

Housing Loan Portfolio Management - Fee Structure and Schedules			
Loan Portfolio Management Services	Price Per Loan	Price Per Occurrence	Please Provide Detailed Description
<i>Amortized Loans:</i>			
New Amortized Loan Setup	\$ 45.00		This is for new loans boarded to the system
Existing Amortized Loan Transfer	\$ -		n/a - AmeriNat currently servicing existing portfolio
Amortized Loan Monthly Service Fee	\$ 13.00		Per loan per month
<i>Deferred Loans:</i>			
New Deferred Loan Setup	\$ 45.00		
Existing Deferred Loan Transfer	\$ -		n/a - AmeriNat currently servicing existing portfolio
Deferred Loan Service Fee-Option 1 or	\$ 2.20		Per loan per month for warehouse only.
Deferred Loan Service Fee-Option 2	\$ 5.80		Per loan per month for warehouse and monitoring of taxes and/or insurance.
Deferred Loan Service Fee	\$ 13.00		Per loan per month for warehouse and escrowing of taxes and/or insurance.
Deferred Loan Per Payment Processing		\$ 13.00	Per payment flat fee for receiving occasional payments.
<i>Loan Processing and Underwriting:</i>			
Order credit, Title, or Appraisal		\$ 50.00	Per loan per occurrence. Due 30 days after receipt of application, plus outside costs which may include, but are not limited to, title, credit, and appraisal.
Loan Processing through the completion of the Preliminary Risk Analysis (PRA)		\$ 190.00	Per loan per occurrence. Due within 60 days of submission of PRA, plus outside costs.

Loan Processing, Underwriting, and Final Loan Recommendation		\$ 205.00	Per loan per occurrence. Due 60 days from FLR or fund control opening, plus remaining direct loan outside costs.
Single-Family Loan Documents Preparation		\$ 225.00	Per loan per occurrence, plus pass through costs. For each project for which credit, title, or appraisals have been supplied by AmeriNat which is thereafter canceled without performance of loan document preparation: a cancellation fee of \$65.00 plus outside costs. A project will be considered cancelled if a Loan Document Request is not received within sixty (60) days of ordering services. A fee of \$22.00 will be charged for each document re-drafted at the request of the City.
Mobile Home Loan Documentation Preparation		\$ 225.00	Plus pass through costs. For each project for which credit, title, or appraisals have been supplied by AmeriNat which is thereafter canceled without performance of loan document preparation: a cancellation fee of \$65.00 plus outside costs. A project will be considered cancelled if a Loan Document Request is not received within sixty (60) days of ordering services. A fee of \$22.00 will be charged for each document re-drafted at the request of the City.
Underwrite Loan Modification Application		\$ 395.00	Per loan per occurrence for analysis and recommendation, plus outside costs which include, but are not limited to, title, credit, and appraisal/valuation. Additional fees include: a.) Subsequent Analyses and Recommendations (each): \$150.00 b.) Loan Document Preparation, plus outside costs *: \$325.00 (State and federal compliant documents provided by AmeriNat) c.) Document redraws (per occurrence): \$150.00 d.) Cancellation Fee: The fee due will

			be the sum of all fees for tasks completed, plus one-half of the fee for the task in process at the time of cancellation.
<b>Loan Maintenance:</b>			
Residency Verification		\$ 13.80	Per loan per occurrence for the entire portfolio done at one time, with a minimum fee of \$500.00.
Tax Monitoring	\$ -	\$ -	Escrowing and/or monitoring of taxes and insurance are included with the service at no additional cost (except for a potential one-time tax service vendor fee). If it is determined that Tax Service is needed, then a one-time fee of \$72.50 per loan upfront at time of servicing commencement will be charged (may be assessable to borrower) for all loan amounts up to \$500,000. For loan amounts over \$500,000, there is an additional charge of \$10 per \$100,000. Future charges may vary based on outside vendor pricing. Please note: Additional or supplemental charges that may be imposed by the respective taxing authority for procurement of duplicate tax bills will be directly passed through to the City.
Insurance Monitoring	\$ -	\$ -	This is included with the amortized fee and deferred fees that are not warehoused.

Income Re-Certification		\$ 285.00	<p>Per loan per occurrence for a level one income verification. A level two verification, including income, debt and program requirements, will be conducted at a fee of \$405.00 per file. Additional fees upon occurrence include:</p> <p>a. Ordering of income verification documents, e.g. verification of employment, verification of deposit: \$50.00 per document</p> <p>b. When a re-verification package, reminder letter, and report is issued by AmeriNat for non-responsive borrower, a cancellation fee of \$75.00 per non-responsive file.</p> <p>c. To reopen a file that has been assessed a cancellation fee, the file will be the full fee less previously assessed cancellation fees.</p> <p>d. On a file for which a recommendation has been provided but is thereafter resubmitted with changed or additional information, a re-evaluation fee of \$35.00 per resubmission.</p>
Property Conditions Inspections		\$ 50.00	Per loan per occurrence.
Delinquency Follow Up/ Loss Mitigation	\$ -	\$ -	Included with monthly service fee.
<b>Payoff Demands:</b>			
Payoff Demands	\$ -	\$ -	Included with monthly service fee.
Deed of Reconveyance	\$ -	\$ -	Included with monthly service fee.
Substitution of Trustee	\$ -	\$ -	Included with monthly service fee.
<b>Assumption of Loans:</b>			
Loan Assumption Processing		\$ 400.00	Per analysis per loan plus outside costs if applicable.
<b>Subordinations:</b>			
Subordination Processing		\$ 400.00	Per analysis per loan plus outside costs if applicable.

<i>Forbearances:</i>			
Forbearance Agreements Preparation		\$ 395.00	Per loan per occurrence fee will be charged to institute a forbearance plan (usually in excess of 6 months in duration and with approval of the City). The City may require the borrower to pay this fee.
Foreclosure Proceeding Monitoring		\$ -	Included with foreclosure fee.
<i>Foreclosures and Short Sales:</i>			
Notice of Default/Foreclosure		\$ 455.00	<p>Per loan per occurrence. In addition to the foreclosure service fee, AmeriNat will deduct and pay from remittance or bill City for other costs incurred in the foreclosure process such as, but not limited to, conventional legal fees, sheriffs' deposits, bankruptcy closing costs, fees set by law, etc. Reinstatement figures provided more frequent than monthly may be subject to an additional charge of \$15.00 per occurrence.</p> <p>Reinstatement Terms: City reimbursement for foreclosure services rendered, and its costs and other charges, will be made by the borrower upon reinstatement or full payment of any Deed of Trust or Mortgage under foreclosure.</p>
Request for Short Sales		\$ 400.00	Per analysis per loan plus outside costs if any.
Recovery of Surplus Funds		TBD	Scope and Fee will be developed upon discussion with the City under mutually agreeable terms; scope not described in Housing Loan Policy.
Optional Services	Price Per Loan	Price Per Occurrence	Please Provide Detailed Description
<i>Bankruptcy Services:</i>			
Filing of Proof of Claim		\$475 / \$1,350	Chapter 7: \$475 / Chapter 13: \$1,350
Filing of Reaffirmation Agreement		\$ 350.00	Per loan per occurrence plus outside costs incurred if applicable.

Monitoring and Repayment	\$ 20.00		Per loan per month for the duration of an active Chapter 7 or Chapter 13 case. This includes monitoring respective payment plans, discharges, and dismissals.
Filing of Lift Stays Fee		\$ 280.00	Per loan per occurrence plus out-of-pocket fees and costs. Such fees and costs include, but are not limited to, obtaining local counsel in the bankruptcy jurisdiction and as approved by the City. The City will be responsible for the payment of any fees for filing suit or related outside costs due Contractor that cannot be reimbursed from the borrower.
Account Modification Fee		\$ 70.00	Per loan per occurrence. Includes payment change notices. Plus outside costs if any.
<i>Misc. Services:</i>			
Credit Reporting	\$ -	\$ -	Included with monthly service fee.
Funds Disbursement	n/a	n/a	AmeriNat does not offer this service, but will recommend a vendor if requested.