

**PROGRAM ADMINISTRATOR AGREEMENT  
MORTGAGE CREDIT CERTIFICATE PROGRAM**

This Program Administrator Agreement (“Agreement”) is entered into by and between the Collin County Housing Finance Corporation (the “Issuer”), a non-profit housing finance corporation organized under the laws of the State of Texas, and First Southwest Company, LLC, (the “Program Administrator”), a Delaware corporation, and is effective as of February 18, 2015.

RECITALS

WHEREAS, the Issuer has been created and organized pursuant to and in accordance with the provisions of Chapter 394, Texas Local Government Code, as amended (the “Act”);

WHEREAS, the Issuer is authorized to, among other things, (a) make and acquire, and enter into advance commitments to make and acquire, single family mortgage loans to persons of low and moderate income for residences located within the Issuer’s jurisdiction and (b) issue bonds for the purpose of obtaining funds to make or acquire such single family mortgage loans;

WHEREAS, pursuant to Chapter 1372, Texas Government Code, as amended, the rules promulgated by the Texas Bond Review Board thereunder and Section 146 of the Internal Revenue Code of 1986, as amended (the “Code”), the Issuer received an allocation of volume cap to issue single family mortgage revenue bonds to provide financing for newly constructed and existing owner-occupied residences located within the Issuer’s jurisdiction to qualified persons;

WHEREAS, the Issuer has determined to implement a mortgage credit certificate program (the “Program”) and, in furtherance of such determination, has made a revocable election (the “Election”) under Section 25 of the Code to exchange all or a portion of its bond authority for the authority to issue mortgage credit certificates (“MCCs”) to qualified persons;

WHEREAS, the Issuer has pursuant to its MCC Resolution, adopted on November 10, 2014 (“MCC Resolution”) duly authorized and provided for the issuance of its MCCs;

WHEREAS, the Issuer desires to appoint the Program Administrator to administer the Program; and

WHEREAS, the capitalized terms in this Agreement that are not defined herein shall have the meanings set forth in Appendix A to the Mortgage Credit Certificate Program Manual (“Manual”).

NOW, THEREFORE, in consideration of the premises and of the mutual agreements contained herein, the Issuer and the Program Administrator hereby agree as follows:

ARTICLE ONE  
APPOINTMENT OF PROGRAM ADMINISTRATOR

Section 1.01 Appointment. The Issuer hereby appoints the Program Administrator to administer the Program in accordance with the terms set forth herein, and the Program Administrator hereby accepts this appointment.

ARTICLE TWO  
DESCRIPTION OF SERVICES AND PROGRAM ADMINISTRATOR RESPONSIBILITIES

Section 2.01 Program Administrator Services. The Program Administrator undertakes on a non-exclusive basis to provide the services set forth herein and in the Manual (“Services”). The Services include, but are not limited to, reviewing and processing MCC applications, issuing Mortgage Commitments, approving and issuing MCCs, issuing replacement MCCs as necessary, coordinating the activities of Lenders participating in the Program, providing information to Applicants and Lenders, marketing the Program,

providing reasonable training to Lenders, issuing periodic reports to the Issuer and Lenders, maintaining Program records, and engaging in such other activities as are necessary for the administration of the Program.

Section 2.02 Document Retention and Reports to Issuer. The Program Administrator will maintain Program files and provide or make available to the Issuer periodic reports regarding the Program performance. In addition, the Program Administrator will (i) make quarterly filings on behalf of the Issuer of IRS Form 8330, beginning with the quarter in which the Election is made and (ii) annual filings regarding the number and volume of MCCs by income and acquisition cost on behalf of the Issuer in compliance with section 1.25-4T(e) of the Regulations. The Program Administrator will also make annual reports on behalf of the Issuer as required by Section 394.027(b) of the Act and annual reports with summary information to MCC holders that had a mortgage balance for the prior tax year.

Section 2.03 Use of Agents. The Program Administrator may exercise any of the powers hereunder and perform any duties hereunder directly or by or through qualified agents and attorneys of the Program Administrator.

### ARTICLE THREE RELIANCE, LIMITATION OF LIABILITY AND INDEMNIFICATION

Section 3.01 Reliance. The Program Administrator may conclusively rely and shall be protected from acting or refraining to act on, without investigation, all statements, representations, information, resolutions, certificates, instruments, opinions, reports, notices, consents, directives, and all other instruments furnished to the Program Administrator by the Issuer. Further, the Program Administrator may consult with counsel of its choice, at the Program Administrator's expense, and the advice or opinion of such counsel shall be full and complete authorization and protection with respect to any action taken or omitted by the Program Administrator in good faith and in reliance thereon.

Section 3.02 Limitations on Liability. The Program Administrator shall not be liable for acting or refraining from acting upon any document, certificate, affidavit, statement, instrument, opinion, report, notice that the Program Administrator reasonably believed to be authentic.

In addition, no provisions of this Agreement shall require the Program Administrator to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, except for the ordinary and reasonable expenses incurred in the administration of the Program, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

Section 3.03 Indemnification. The Issuer shall, to the extent permitted by law, indemnify the Program Administrator for, and hold it harmless against, any loss, liability or expense, except for ordinary and reasonable expenses incurred in administration of the Program but including reasonable counsel fees and disbursements, incurred without negligence or willful misconduct on the Program Administrator's part, or that of any of its agents or attorneys, arising out of or in connection with the Program Administrator's performance of its obligations hereunder.

### ARTICLE FOUR ISSUER REPRESENTATIONS AND RESPONSIBILITIES

Section 4.01 Issuer Representations. The Issuer makes the following representations:

- 1) it has the authority to, and has made or will make, the revocable election to exchange its bond issuance authority for the authority to issue MCCs pursuant to the Program;
- 2) it has duly authorized the MCC Resolution and taken all other steps necessary to authorize the Program and appoint the Program Administrator; and
- 3) it has given the Program Administrator full authorization to take all steps necessary to administer the Program in accordance with this Agreement, the Manual, the MCC

Resolution, as such documents may be amended, and pursuant to the Program Administrator's reasonable judgment.

Section 4.02 Approval of Forms and Amendments. By executing this Agreement, the Issuer approves the Program Administrator's use of the form Lender Participation Agreement, Manual and sample MCC, attached hereto as Exhibits A, B and C, respectively. From time to time, as the need arises, the Issuer and the Program Administrator agree to make timely review and approve material changes to the form Lender Participation Agreement, Manual and sample MCC, which approval will not be unreasonably withheld or delayed.

#### ARTICLE FIVE COMPENSATION AND DISTRIBUTION OF FUNDS

Section 5.01 Compensation. As compensation for providing the Services, the Issuer agrees to allow the Program Administrator to charge and collect the Program-related fees reflected on the fee schedule, attached hereto as Exhibit D, from the Applicant, Seller, Lender or any other person acting on the Applicant's behalf in exchange for, and as a condition to, the Program Administrator's processing of each application for and the issuance of an MCC. All reasonable and ordinary expenses incurred by the Program Administrator in the provision of the Services will be the responsibility of the Program Administrator, and no reimbursement will be made by the Issuer for any such expenses.

Section 5.02 Money Held by Program Administrator. Money held by the Program Administrator for disbursement under the Program will be segregated in a separate account from other funds held by the Program Administrator; provided that the Issuer understands and agrees that the funds may be commingled with the funds of other issuers who have appointed the Program Administrator to administer their respective MCC programs. Despite any commingling of MCC Program funds, the Program Administrator shall maintain separate accounting of the funds of the Issuer's Program.

Section 5.03 Distribution of MCC Issuance Fees. The Program Administrator shall collect the MCC Issuance Fees and shall disburse the MCC Issuance Fees so collected in accordance with Exhibit E. The Program Administrator will disburse MCC Issuance Fees on a semi-annual basis.

#### ARTICLE SIX TERM OF AGREEMENT AND TERMINATION

Section 6.01 Term. This Agreement will continue in effect until the earlier of final expiration of the Program or termination by the parties hereto in accordance with the provisions below.

Section 6.02 Resignation by Program Administrator. The Program Administrator may resign as Program Administrator by giving written notice to the Issuer, which resignation shall take effect upon the appointment by the Issuer of a successor Program Administrator; provided, however, that the Program Administrator shall be relieved of all duties and responsibilities hereunder if a successor Program Administrator is not appointed by the Issuer within 90 days after receipt of the Program Administrator's resignation notice.

Section 6.03 Termination by Issuer. This Agreement may be terminated upon at least 30 days written notice by the Issuer, which notice shall specify the effective date of such termination.

Section 6.04 Completion of Transactions. Upon resignation by the Program Administrator or receipt of a termination notice by the Issuer, the Program Administrator shall complete all MCC transactions that are in progress on the date the resignation is made or notice is received, but shall not accept or process new MCC applications, unless the Issuer and Program Administrator agree otherwise.

ARTICLE SEVEN  
MISCELLANEOUS PROVISIONS

Section 7.01 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

Section 7.02 Amendment. This Agreement may not be amended except by a writing signed by both of the parties hereto.

Section 7.03 Binding Effect and Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and the Program Administrator, their respective successors and assigns; provided, however, that neither party hereto may assign or transfer any of its rights hereunder without the prior written consent of the other party.

Section 7.04 Entire Agreement. This Agreement, the Manual and the MCC Resolution constitute the entire agreement between the parties hereto relative to the Program Administrator serving in such capacity for the Program. If any conflict exists between this Agreement, the Manual or the MCC Resolution, the MCC Resolution shall govern.

Section 7.05 Survival. The provisions of Articles Three, Five and Seven shall survive the expiration or termination of this Agreement.

Section 7.06 Severability. In case any provision herein shall be determined to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 7.07 Benefits of Agreement. Nothing herein, express or implied, shall give to any person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

Section 7.08 Notices. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Program Administrator shall be mailed or delivered to the Issuer or the Program Administrator, respectively, at the addresses shown below or such other address as the party shall designate in writing:

If to the Issuer:	Collin County Housing Finance Corporation Collin County Administrative Services Collin County Administration Building 2300 Bloomdale Rd., Suite 4192 McKinney, Texas 75071 Attention: Bill Bilyeu
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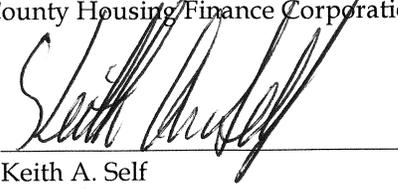
If to the Program Administrator:	First Southwest Company, LLC 325 N. St. Paul Street, Suite 800 Dallas, Texas 75201 Attn: Timothy E. Nelson
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Section 7.09 Counterparts. This Agreement may be executed in any number of counterparts, each which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 7.10 Effect of Headings. The headings herein are for convenience only and shall not affect the construction hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the 18th day of February, 2015.

Collin County Housing Finance Corporation

By: 

Name: Keith A. Self

Title: President

First Southwest Company, LLC

By: \_\_\_\_\_

Name: Timothy E. Nelson

Title: Senior Vice President

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the 18th day of February, 2015.

Collin County Housing Finance Corporation

By: \_\_\_\_\_  
Name: Keith A. Self  
Title: President

First Southwest Company, LLC

By:   
Name: Timothy E. Nelson  
Title: Senior Vice President

**EXHIBIT A**

**See "LENDER PARTICIPATION AGREEMENT"**

**EXHIBIT B**

See "MORTGAGE CREDIT CERTIFICATE PROGRAM MANUAL"

**EXHIBIT C**

**See "SAMPLE MORTGAGE CREDIT CERTIFICATE"**

**EXHIBIT D**

**"FEE SCHEDULE"**

MCC Closing Package Review Fee - \$225.00

MCC Issuance Fee - 1.00% of mortgage loan amount

EXHIBIT E

"MCC ISSUANCE FEE SCHEDULE"

Payment of MCC Issuance Fee:

Collin County Housing Finance Corporation: 10% of amount distributed

Bracewell & Giuliani LLP: 25% of amount distributed

First Southwest Company, LLC: 65% of amount distributed