



City of Tyler

First Time Homebuyer's Program

900 W Gentry Parkway

Tyler, TX 75702

(903) 531-1303

Lender's Agreement

Any Mortgage Lender can participate in City of Tyler's First Time Homebuyer's Program, but must agree to the following terms:

1. Lender will uphold its "Fiduciary Duties and Responsibilities to Client" regardless of company representation.
2. Lender will keep confidential any discussions, facts or information about the homebuyer that should not be revealed to others.
3. Lender will be accountable for monies received from the homebuyer.
4. Lender will adhere to codes of ethics and agree not to solicit Seminar participants.
5. Lender will refer potential participants in the program to the City's Homebuyer Education Program.
6. Lender will uphold the spirit of the program, which is to help low to moderate income persons purchase homes, by providing loan programs and interest rates that complement the program and benefit the client. Lender will become familiar with the list of unacceptable loan programs.
7. Lender will pre-approve the client as a pre-requisite to issuance of funds from the First Time Homebuyer Program.
8. Lender will charge normal and customary loan fees and closing costs or less. The total settlement costs charged to the buyer, less discount points, MIP, and items paid by seller or lender should not exceed 4.25% of sales price. The homebuyer's ratios as calculated by the lender shall not exceed 35/45.
9. Lender will understand that the City will not accept less than a 2nd lien position. In some instances where dual grant funds are used, 3rd lien position can apply.
10. Lender will provide the City with a copy of an approval letter, a copy of the applicant's credit report, the Good Faith Estimate, the 1003, and the appraisal of the property.
11. Lender understands that participation in the program can be disallowed if any of the above terms or not followed or if any action taken by the Lender is not in the best interest of the homebuyer. The prior sentence contains the sole and exclusive remedy available to the City against the Lender under this Lender Agreement.
12. Lender will be familiar with the guidelines of the City program.

Lender Representative Signature

Lending Institution

Date

