

Supplemental Servicer-Related Rider to the CAA

This Supplemental Servicer-Related (“SSR”) Rider is made this day of , 20 , and is incorporated into and shall be deemed to amend and supersede the terms of the SFLS 2012-3 Conveyance, Assignment and Assumption Agreement (“CAA”) of the same date made by the undersigned Purchaser and the Secretary of Housing and Urban Development (“Secretary”), only with regard to Article III, Sections 3.04(e) and (bb), governing Representations as to Individual Mortgage Loans identified in this SSR Rider regarding Compliance with Law and Litigation, and Section 3.05(c), governing Repurchases; Cure and Purchase Price Reductions. All remaining provisions of the CAA, including those with respect to the treatment of HUD’s knowledge in any representation, remain applicable to these provisions.

3.04 Representations as to Individual Mortgage Loans.

- (e) **Compliance with Law.** HUD represents and warrants to Purchaser, the following: Each Mortgage Loan identified on Schedule II of this SSR Rider, at the time it was originated, complied in all material respects with applicable local, state and federal laws, rules and regulations, including usury, equal credit opportunity and disclosure laws. Since origination, each Mortgage Loan identified on Schedule II of this SSR Rider has been serviced in compliance in all material respects with applicable local, state and federal laws, rules and regulations, except for any noncompliance that is subject to a release under the April 13, 2011 Office of the Comptroller of the Currency Consent Order and the April 5, 2012 Department of Justice Settlement Agreement governing the Prior Servicer. Notwithstanding the foregoing, to the best of HUD's knowledge no conditions or circumstances exist that would negatively affect the Purchaser's ability to obtain marketable title or timely process eviction or foreclosure actions with respect to property secured by such Mortgage Loans.
- (bb) **No Litigation.** HUD represents and warrants to Purchaser the following: For each Mortgage Loan listed on Schedule II of this Rider, there is not currently pending, nor will there be in the ten months following the Servicing Transfer Date, any action, suit, proceeding or investigation based on the servicing of the Mortgage Loan by the Prior Servicer, nor, to the best of HUD’s knowledge, threatened against the Prior Servicer, which may result in any material impairment of the right or ability of Purchaser to obtain marketable title or timely process eviction or foreclosure actions with respect to property secured by such Mortgage Loan.

3.05 Repurchases; Cure and Purchase Price Reductions.

- (c) **Breach of Section 3.05(b).** HUD may allege a breach of a representation or warranty in Section 3.05(b) and may demand that Purchaser repurchase the Mortgage Loan only if the breach is not curable by Purchaser, unless such breach is caused by the Prior Servicer prior to the Servicing Transfer Date. HUD shall have sole and absolute discretion to make the final determination as to whether a breach is curable. If a breach is curable, HUD shall notify Purchaser in writing of the same and the necessary cure and, subject to the provisions of the next succeeding sentence, Purchaser shall cure such breach and pay the expenses of the same. To the extent that

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an alleged breach is curable by the payment of money and the amount of such payment, had it been made by Purchaser prior to the Initial Repurchase Date, would have been includable (but was not included) as an advance when calculating the Repurchase Price, such amount shall be paid by HUD (without reimbursement from Purchaser).

Subject to the foregoing, in the event there exists a breach of any of the representations or warranties in Section 3.05(b) with respect to a breach that is not curable, HUD shall not be required to repurchase such Mortgage Loan but shall cooperate with Purchaser and use commercially reasonable efforts to cure the breach that led to the initial demand that HUD repurchase such Mortgage Loan and, if such breach is not curable, at HUD's sole and absolute discretion, HUD and Purchaser shall negotiate in good faith to reach agreement on an appropriate reduction in the Sales Price, taking into consideration both the breach of Section 3.05(b) and the breach of Section 3.04. Any Mortgage Loan repurchased by Purchaser pursuant to this Section shall be repurchased for an amount equal to the Reverse Repurchase Price and, the date on which payment of the Reverse Purchase Price is made shall be the Reverse Repurchase Date.

Initially capitalized terms used and not defined herein have the meanings given in the Conveyance, Assignment and Assumption Agreement dated _____, 20____ (“Agreement”), between the Secretary of the Department of Housing and Urban Development (“HUD”) and _____ (“Purchaser”).

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ACKNOWLEDGED AND AGREED as of _____, 2012.

SECRETARY OF HOUSING AND URBAN DEVELOPMENT

By:
Name:
Title:

PURCHASER:

By:
Name:
Title:

Attachment: Schedule II