

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**RESOLUTION NO. 01-013**

Authorizing Multnomah County Participation in the Homeownership Opportunity Initiative Program for County Employees and Retirees

**The Multnomah County Board of Commissioners Finds:**

- a) Home ownership is widely held to be an important anchor of neighborhood stability and Multnomah County is committed to the expansion of homeownership opportunities for its citizens.
- b) Many Multnomah County employees and retirees have expressed an interest in being able to purchase a home, but for reasons of lack of housing affordability, have not been able to do so.
- c) Multnomah County desires to be an excellent employer, and to partner with its unions on improving the quality of life of employees and retirees.
- d) The AFL-CIO Housing Investment Trust, Fannie Mae and HomeStreet Bank wish to partner with Multnomah County to promote affordable home ownership for Multnomah County employees and retirees. The program will provide reduced loan origination fees, below market mortgage rates for the first 60 payments, and reduced mortgage insurance premiums, as well as negotiated savings on appraisal, funding fees and closing cost fees. The program will also take advantage of the services of HomeStreet Bank in developing a joint education process for County employees who are interested in home ownership.
- e) It is in the County's interest to participate in the Homeownership Opportunity Initiative and to offer this program to County employees and retirees.
- f) The County also wishes to encourage participants to consider Multnomah County first--when considering a home purchase--reinforcing the fact that the County is an excellent place to live and work.
- g) It is also in the County's interest to continue to fully support and make available to its employees and retirees, the existing home-financing services currently available through our credit unions, Multco and PACE.

**The Multnomah County Board of Commissioners Resolves:**

- 1) The County Chair is authorized to sign/execute the Memorandum of Understanding for the Homeownership Opportunity Initiative program, as described in Exhibit A, and

subject to any collective bargaining requirements the County may have. The program shall continue indefinitely or until terminated by either Multnomah County or HomeStreet Bank, with thirty (30) days' advance written notice.

- 2) The Department of Support Services' Human Resources Division, will function as the County's contact for this program, and will coordinate necessary marketing efforts with HomeStreet Bank.

ADOPTED this 1st day of February, 2001.



REVIEWED:

THOMAS SPONSER, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By Thomas Sponsler  
Thomas Sponsler, County Attorney

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

Lisa Naito  
Lisa Naito, Vice-Chair

Exhibit A

**MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding ("Memorandum") is entered into between the County of Multnomah ("the County"), an Oregon municipal corporation and HomeStreet Bank ("HomeStreet Bank"), a Washington Savings Bank, as of the \_\_\_\_\_ day of \_\_\_\_\_, 1997.

The County and HomeStreet Bank hereby enter into this Memorandum of Understanding to memorialize their mutual intentions as follows:

1. Actions of HomeStreet Bank

HomeStreet Bank shall continue to carry out, during the term of this Memorandum, the program for financing home ownership as described in the document entitled "Hometown Loan Program" ("HomeStreet Bank program"), a copy of which is attached and incorporated herein by this reference. The HomeStreet Bank program shall be available to employees of the County, as designated by the County, including new hires, temporary, and part-time employees, as well as, retirees (collectively, "Eligible Participants").

The HomeStreet Bank program shall include, without limitation, and in addition to any terms contained in the document entitled Hometown Loan Program:

a. For each Eligible Participant:

- 1) An effective payment rate for the first sixty (60) payments at ½% below the mortgage note rate for those borrowers obtaining financing through the Homeownership Opportunity Initiative program sponsored by the AFL-CIO Housing Investment Trust (subject to availability of funding)
- 2) A reduced loan origination fee ½% lower than the regular loan origination fee customarily charged to any other borrower on a similar transaction for the purchase or refinance of a principal residence for such Eligible Participant within the limits of those counties identified here as applicable (hereafter called, "Applicable Counties") — in the State of Oregon (Multnomah, Clackamas, Columba, Marion, Polk, Washington and Yamhill), and in the State of Washington (Vancouver, Clark, Skamania, West Klickitat). Subject to individual credit limitations, the Eligible Participant shall not be charged an interest rate (computed before taking account of loan fees) higher than any other borrower would customarily be charged on a similar transaction. The discounted loan origination fee shall not apply to purchases or refinances of properties outside the County limits, but shall be made available on all first mortgage loan products offered by HomeStreet Bank within the Applicable Counties' limits.
- 3) Negotiated savings on appraisal, funding fee, and non-regulated closing cost fees on all first mortgage loan products offered by HomeStreet Bank, in the approximate amount of \$1,000 to \$1,250 (including loan origination fee discount) at closing.

- 4) ¼% reduction in mortgage insurance premium on all Homeownership Opportunity Initiative loans, per the agreement between the AFL-CIO Housing Investment Trust and PMI Mortgage Insurance Company.
- b. Delivery to the County of a sufficient quantity of materials describing the Hometown Home Loan Program for delivery to all Eligible Participants, as well as a copy of all materials used in the Hometown Home Loan program. Any such materials shall be subject to the prior approval of the County, not to be unreasonably withheld. Except for any materials required by law or materials whose content must meet certain legal requirements, any materials prepared by the County for this Hometown Home Loan Program shall be subject to the prior approval of HomeStreet Bank, which shall not be unreasonably withheld.
- c. Full compliance by HomeStreet Bank with all Fair Housing and nondiscrimination laws and regulations, which are hereby incorporated by reference.
- d. Evaluation of all Eligible Participants for their qualification for the HomeStreet Bank programs described in the Hometown Home Loan description, attached to and incorporated herein.

2. Actions of the County

- a. The County shall announce to all Eligible Participants the availability of the program as an incentive to home ownership within the Applicable Counties for such employees.
- b. The County shall deliver to all Eligible Participants materials prepared by HomeStreet Bank describing the Hometown Home Loan program, subject to the County's approval in advance. The County shall not be required and is not agreeing to deliver materials describing services unrelated to home mortgage loans.
- c. The County shall place notices in departmental newsletters, in new employee orientation packets and on bulletin boards in appropriate locations describing the Hometown Home Loan Program.
- d. The County shall not be responsible for any costs or expenses incurred by HomeStreet Bank in connection with the Hometown Home Loan Program.
- e. The County hereby agrees that HomeStreet Bank shall have the exclusive right to provide mortgage services to Eligible Participants under the Hometown Home Loan Program, and that no other lender shall participate in the program without the express written consent of HomeStreet Bank.

3. Term of the Hometown Home Loan Program

The HomeStreet Bank Program shall continue indefinitely or until terminated by either the County of Multnomah, or HomeStreet Bank with adequate notice, as defined in Section 4. Neither party is committed to any further actions after the termination of the HomeStreet Bank program. Termination shall not adversely affect any pending loan application or closing.

4. Termination, Amendments and Modifications

This agreement and the obligations of all parties hereunder may be terminated without cause by the County or the lender by providing thirty (30) days advance written notice served on the other parties by first class mail addressed as follows:

To the County:

County of Multnomah  
(Insert Address)

To: HomeStreet Bank:

Affinity Lending Department  
601 Union St., Suite 2000  
Seattle, WA 98101

This agreement may be amended or modified at any time by written agreement of all of the parties hereto.

In order to signify their mutual intentions as set forth above, the parties have signed this Memorandum of Understanding as of the day and year first above written.

**Reviewed:**

**Thomas Sponsler, County Attorney  
For Multnomah County, Oregon**

**The County of Multnomah**

By: \_\_\_\_\_  
Thomas Sponsler, County Attorney

By: \_\_\_\_\_  
Beverly Stein, Chair

**HomeStreet Bank**

By: \_\_\_\_\_  
Richard W.H.Bennion,  
Executive Vice President

## **HOMETOWN HOME LOAN BENEFITS**

Mortgage loan programs made available to your employees through HomeStreet Bank are offered to participants at a discount from the cost to the general public.

- **Homeownership Opportunity Initiative Program**
  - ◆ Interest Rate Buydown of .50% for first five years of loan
  - ◆ Reduced private mortgage insurance premiums
  - ◆ Low down payment requirement
  - ◆ Reduced closing costs
- **Rehab/remodel and Construction Financing**
  - ◆ Finance purchase and remodel in one easy loan
  - ◆ Extensive rehabilitation financing available (Conventional and FHA)
  - ◆ All-in-one construction program available
- **Lower Closing Costs on all Loan Types**
  - ◆ Loan fee reduced 50%
  - ◆ Discounts on home inspections, appraisals and other closing costs
  - ◆ Escrow fees reduced 50% or more
  - ◆ Realtor contributions
  - ◆ Seller contributions allowed for closing costs
- **Competitive Rates/Flexible Underwriting**
  - ◆ Standard ratios (28/36) increased by 5-7% (33/40) or more for most programs
  - ◆ ALL program discounts are from published rates - No overages or pricing adjustments for Hometown loans
  - ◆ Full range of mortgage programs including FHA, VA, Conventional, Jumbo, Portfolio and No-income verifier loans
  - ◆ Zero-down payment programs with no income restrictions
- **Special Programs for Low/Moderate Income Homebuyers**
  - ◆ Below-market interest rates for first-time homebuyers
  - ◆ Low down or down payment assistance available
- **Enhanced Service for Hometown Home Loan Participants**
  - ◆ Special phone line for program users (628-0207)
  - ◆ Extended hours 8AM-9PM M-F, 9AM -5PM Sat
  - ◆ 24 hour loan approval on most programs
  - ◆ Free pre-approvals
  - ◆ On-site informational seminars and one-on-one counseling