

PROGRAM MANAGEMENT SERVICES AGREEMENT

THIS PROGRAM MANAGEMENT SERVICES AGREEMENT dated as of the 1st day of October 2015, by and between the Independent Cities Finance Authority, a California joint powers authority (hereinafter "ICFA") and Emerging Markets Group, LLC, a Texas-based limited liability corporation, (hereinafter "Manager").

RECITALS

WHEREAS, California law allows Cities and Counties to join together under cooperative agreements to form joint powers authorities that provide a public benefit and serve the needs of residents within the jurisdictions of the participating members; and

WHEREAS, ICFA, being duly formed pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, elects to establish its Single Family Lease Purchase Homeownership Initiative (hereinafter "Initiative") for the purpose of providing assistance to prospective homebuyers and whereby ICFA will acquire as the mortgagee single family homes pursuant to FHA approved mortgages that will be leased to qualified participants for eventual loan assumption by such participants within two years (each, a "Conforming Mortgage Loan"); and

WHEREAS, to offer the Program within its jurisdiction, ICFA requires expert delivery and management of the Initiative, including services related to the management of program partners who are providing services in connection with the Initiative and the administration of the various components of the Initiative, including (i) participant marketing, selection and qualification; (ii) home selection and acquisition; (iii) mortgage underwriting and issuance; (iv) oversight of leased properties and participant compliance with Initiative requirements; and (v) assumption of leased properties by participants; and

WHEREAS, the Manager has put together the various components and structure of the Initiative on behalf of ICFA and possesses the requisite qualifications, experience, technical expertise, licenses, permits, and approvals to deliver and manage the Initiative upon the terms and subject to the conditions hereinafter set forth and included as Exhibit "A", Scope of Services ("Services"); and

WHEREAS, ICFA has determined that the Manager is qualified to provide the marketing and administration services contemplated herein by reason of its training, experience, and knowledge.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, ICFA and the Manager (each a "Party", or collectively, the "Parties") agree as follows:

1. Contractor's Services.

ICFA hereby retains the Manager and the Manager hereby agrees to deliver the Services in consideration of the fees and payments which are set forth in Section 4. Manager will provide the Services in conformity with the final "Program Guidelines", a copy of which are attached hereto as Exhibit "C" and the terms set forth in the various program agreements between ICFA and Initiative partners such as American Financial Network, Wilmington Trust, HomeStar Property Management and Money Management International.

2. Manager's Personnel.

The Manager, and its agents and employees, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees or agents of ICFA. The Manager acknowledges that this Agreement is complete, that it does not create an employer-employee relationship between ICFA and the Manager or any person performing services hereunder on behalf of the Manager, and that this Agreement cannot and will not be modified by any oral representation of employment.

Unless otherwise agreed by ICFA in writing, the individual primarily responsible for providing all Services on behalf of Manager will be Guy Burgoon.

The Manager further acknowledges that the Manager's taxpayer identification number is 20-4792229, and warrants that it is responsible for paying payroll or any other kind of taxes resulting from compensation paid to the Manager hereunder.

3. Effective Date; Term.

A. This Agreement will become effective when approved by the ICFA Governing Board in connection with the approval of the Initiative.

B. This Agreement shall cover services rendered hereunder from October 01, 2015, until the earlier of termination of this Agreement as provided herein or the business day of the last Conforming Mortgage Loan assumption or other disposition of the last outstanding Conforming Mortgage Loan (hereinafter "Term"). The Manager specifically acknowledges that time is of the essence with respect to completing all obligations hereunder.

4. Compensation.

During the Term of this Agreement, Manager will be entitled to the fees which are described on Exhibit "B" attached hereto and incorporated herein by this reference ("Service Fees"). Manager acknowledges that all of the Service Fees are contingent upon the funding of Conforming Mortgage Loans and that the Services will be delivered by Manager notwithstanding the number of Conforming Mortgage Loans that are entered into. A portion of the Service Fees will be payable as a disbursement of reserve account balances upon the completion of the Term as an incentive to Manager to effectively manage the risks inherent over the life of the Initiative with respect to the preservation of property and avoidance of participant defaults. Said compensation shall be considered full and complete payment for all of the Manager's costs associated with the

Services provided hereunder, as well as any services provided by Manager in connection with the development and structure of the Initiative prior to the Term.

5. Work Product; Confidentiality.

The Manager understands and agrees that all documents, information, and reports developed in the course of performing its obligations hereunder shall be the property of ICFA and that their reuse, if any, shall be governed by this Section. The Manager shall keep confidential all reports, information, and data received, prepared or assembled pursuant to performance hereunder whether or not designated as confidential. Such confidential information shall not be made available to any person, firm, corporation or entity without the prior written consent of ICFA, unless otherwise required by California law or by order or regulation of any court or governmental regulatory agency. Notwithstanding these limitations, any contract or policy-level document that is approved by ICFA pursuant to a resolution shall be considered to be within the "Public Domain" and its reuse shall not be restricted in any manner pursuant to this Section, except that no such documents may be used by the Manager in connection with a lease purchase initiative sponsored by another entity within the same jurisdictional boundaries of ICFA. Both parties shall adhere to the principles and requirements of consumer privacy and data security while conducting any activities pursuant to this Agreement.

6. Conflicts of Interest.

The Manager represents and warrants that: (a) the Manager has implemented and maintains a system for purposes of checking whether conflicts of interest may arise between ICFA and other clients of the Manager; (b) as of the commencement date of this Agreement, the Manager has no conflicts of interest with respect to the Services; and (c) if conflicts arise during the performance of this Agreement, the Manager will promptly notify ICFA of any such conflicts and obtain necessary written consents to the conflicting representation, or withdraw from the conflicting representation.

7. Scope of Authority.

The Manager hereby acknowledges and agrees that in performing the Services pursuant to this Agreement, the Manager does not have the authority to vary any terms of the Program Guidelines or any agreement between ICFA and a program partner without prior written approval of ICFA. In addition, the Manager acknowledges and agrees that the Manager has no authority to bind ICFA to any contract or obligation. Manager will indemnify, defend and hold harmless ICFA from any claim that results from Manager's violation of this Section 7.

8. Non-assignability.

No assignment of the rights nor delegation of the duties of the Manager or ICFA whether in whole or in part shall be valid unless specifically agreed to in writing by the other party.

9. Termination.

A. Either Party may terminate this Agreement at any time in the event the other Party defaults in performance, fails to perform services in a timely fashion, or otherwise fails to comply with the terms of this Agreement and such default is not cured within a period of thirty (30) days following written notice thereof. Notwithstanding the foregoing, any intentional violation by Manager of the Program Guidelines or other terms of the Intuitive will not be subject to cure and ICFA may immediately suspend or terminate the performance of Services by the Manager. Either Party's default or failure to perform shall be excused if prevented by acts of God, labor disputes or strikes, or other forces beyond such Party's control.

B. Neither Party may terminate this Agreement without cause or default.

C. Upon termination, the Manager shall be entitled to the Service Fees earned through the date of termination. Any right to Service Fees which are contingent upon the completion of the Initiative will be forfeit following a termination of the Manager for cause.

D. The Manager's obligations with respect to work product and confidentiality (Section 5), attorneys fees and costs (Section 10), and insurance (Section 12) shall survive the termination of this Agreement with respect to any work product, act or omission of the provided, Manager obtained or made prior to the termination of this Agreement.

10. Dispute Resolution and Attorneys' Fees

A. Any dispute arising under this Agreement, including, without limitation, all disputes relating in any manner to the performance or enforcement of this Agreement shall be resolved by binding arbitration in the County of Los Angeles, California, pursuant to the rules of Judicial Arbitration and Mediation Services ("JAMS"), as amended or as augmented in this Agreement (the "Rules"). Arbitration shall be initiated as provided by the Rules, although the written notice to the other party initiating arbitration shall also include a description of the claim(s) asserted and the facts upon which the claim(s) are based. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all claims subject hereto, including any award of attorney's fees and costs. Either party may bring an action in court to compel arbitration under this Agreement and to enforce an arbitration award. All disputes shall be decided by a single arbitrator. The arbitrator shall be selected by mutual agreement of the parties within thirty (30) days of the effective date of the notice initiating the arbitration. If the parties cannot agree on an arbitrator, then the complaining party shall notify JAMS and request selection of an arbitrator in accordance with the Rules. The arbitrator shall have only such authority to award equitable relief, damages, costs, and fees as a court would have for the particular claim(s) asserted. In no event shall the arbitrator award punitive damages of any kind. The parties acknowledge that one of the purposes of utilizing arbitration is to avoid lengthy and expensive discovery and allow for prompt resolution of the dispute. The arbitrator shall have the power to limit or deny a request for documents or a deposition if the arbitrator determines that the request exceeds those matters which are directly relevant to the claims in controversy. The document demand and response shall conform to Code of Civil Procedure section 1282.6. The deposition notice shall conform to Code of Civil Procedure section 1283. The parties may make a motion for protective order or motion to compel before the arbitrator with regard to the discovery, as provided in Code of Civil Procedure.

Notwithstanding the election by the parties to arbitrate their disputes, nothing contained herein shall prevent a party from filing an action in a court of competent jurisdiction to seek any form of equitable remedy or relief.

B. If either Party to this Agreement is required to initiate or defend litigation in any way connected with this Agreement, the prevailing Party in such litigation, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees.

11. Jurisdiction and Venue.

This Agreement shall be governed by the laws of the State of California without regard to choice of law if an action is brought in California based on activities outside California. Any action to enforce or interpret the terms of this Agreement or enforce arbitration shall be brought in Los Angeles County, California.

12. Insurance.

The Manager shall maintain at all times during the term of this Agreement, policies of insurance against claims for injuries to persons or damages to property which may arise from or in connection with performance of the work hereunder by the Manager, its directors, officers, representatives, agents or employees. The Manager acknowledges that it is aware of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provision of that Code Section, and will comply with such provisions before commencing the performance of work under this Agreement. Further, prior to commencement of work pursuant to this Agreement, the Manager shall obtain all insurance required hereunder from a company or companies acceptable to ICFA.

(1) The Manager shall maintain a commercial general liability insurance policy and a Professional liability coverage with limits in the amount of not less than \$1 million per occurrence, and not less than \$1 million in the aggregate, from a carrier with a Best rating of not less than A-, VIII

(2) Comprehensive business or commercial automobile liability coverage, including non-owned and hired automobile liability, in the amount of not less than \$1 million from a carrier with a Best rating of not less than A-, VIII;

(3) All such policies shall remain in force during the term of this Agreement and shall be payable on a "per occurrence" basis unless otherwise accepted in writing by ICFA, and shall be in form acceptable to ICFA. The Manager shall provide certificates of insurance and endorsements signed by the Manager's insurer prior to the commencement of the Manager's services hereunder. Any such policies or endorsements shall provide for 30 days' prior notice to ICFA in the event of any termination or reduction in coverage of such insurance.

(4) Nothing contained herein shall be construed as or constitute a limitation of the Manager's liability or the Manager's responsibility in law or equity to indemnify

and hold harmless from any and all claims, damages, losses and expenses that may arise by reason of the Manager's willful misconduct or negligence, and all remedies provided hereunder shall be cumulative with all other remedies under law or equity. Moreover, nothing contained herein shall be construed as or constitute a limitation of ICFA's liability or ICFA's responsibility in law or equity to indemnify and hold harmless from any and all claims, damages, losses and expenses that may arise by reason of ICFA's willful misconduct or negligence, and all remedies provided hereunder shall be cumulative with all other remedies under law or equity.

13. Miscellaneous Provisions.

A. Partial Invalidity.

If any provision of this Agreement shall be declared invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

B. The Manager's Qualifications.

The Manager covenants that it is competent to provide the services required hereunder. The Manager covenants that it will comply with all applicable federal, state, and local laws affecting services provided hereunder.

C. Records and Audit.

The Manager shall maintain current and complete books and records relating to this Agreement.

D. Nondiscrimination Clause.

In the fulfillment of the Scope of Services under this Agreement, either as to employment, upgrading, demotion, retirement, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other terms of compensation, selection for training, including apprenticeship or participation in the Initiative or the receiving of any benefits under the Initiative, the Manager agrees not to discriminate nor to allow anyone to discriminate on the basis of race, color, creed, religion, natural origin, ancestry, sex, age, marital status or physical disability.

E. Cooperation.

The Parties shall cooperate with each other in the performance of their respective obligations hereunder. ICFA's contact for the purpose of any approvals or requests hereunder is Debbie Smith, Executive Director, or her designee; the Manager's representative for the purpose of any approvals or requests made hereunder shall be Guy Burgoon, President, or his designee.

F. Disclosure.

The Manager agrees to make any necessary disclosures or filings required of the Manager under the California Government Code, if applicable.

G. Notice.

Notices herein shall be presented in person or by commercial overnight courier. Notices may be given by electronic mail if they are confirmed in writing by the recipient via return electronic mail. Notices will be addressed as follows:

To ICFA: Debbie Smith, Executive Director
Independent Cities Finance Authority
1100 S. Flower Street, Suite 3300
Los Angeles, CA 90015
Phone: 877/906-0941
E-mail: debbie@icfauthority.org

To Manager: Guy D. Burgoon, President
Emerging Markets Group, LLC
5925 Westmont Drive
Plano, TX 75093-7806
Office: 972/403-8211
E-mail: guy.burgoon@emginitiatives.com

Nothing in this section shall be construed to prevent the giving of notice by personal service. Either Party may at any time change the address at which they are to receive notices by providing notice to the other Party.

H. Entirety, Amendments.

This Agreement supersedes any and all other agreements, oral or in writing, between the Parties hereto with respect to the subject matter hereof and contains all of the covenants and agreements between the Parties with respect to said matter, and each Party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any Party, or anyone acting on behalf of any Party, which are not embodied or referred to herein, and that no other agreement, statement, or promise not contained or referred to in this Agreement shall be valid or binding.

This Agreement is entire as to all of the performances to be rendered under it. Breach of any of the performances to be rendered by the Manager shall constitute a breach of the entire Agreement and shall give ICFA the right to terminate this Agreement. ICFA's breach of any of the obligations created by this Agreement shall constitute a breach of the entire Agreement and give the Manager the right to terminate this Agreement.

No amendment or modification of the provisions of this Agreement shall be valid unless made in writing and signed by the Parties hereto.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the day and year first above written.

EMERGING MARKETS GROUP, LLC

By: _____
Guy Burgoon, President

INDEPENDENT CITIES FINANCE AUTHORITY

By: _____
Name: _____
Title: _____

EXHIBIT "A"

SCOPE OF SERVICES

Subject to the limitations described in the Agreement and herein, the Manager shall provide services in connection with ICFA's offering of the Initiative as described below:

1. Initiate, direct, and participate in collaboration among internal and external constituents to confirm Initiative objectives and requirements in keeping with all applicable guidelines;
2. Conceptualize, enhance, and prepare term-sheets, summaries, guidelines, and other Initiative-specific documents used to determine feasibility, quantify demand, solicit approvals, and secure Initiative-related commitments;
3. Solicit, negotiate, and secure commitments to create and provide the requisite levels of mortgage loan funding and credit enhancement from various investors and providers;
4. Initiate, direct, and participate in the preparation of Initiative-related documents defining roles, responsibilities, and contractual obligations of service providers and other participants;
5. Provide any other service that is integral and/or directly related to the establishment and funding of the Initiative with respect to the Services described herein;
6. Schedule, staff, and participate in meetings with representatives of industry-related entities including, but not limited to, realtors, builders, lenders, and brokers to generate interest and participation in the Initiative;
7. Prepare and present periodic reports to participant groups individually or in combination with the Program Sponsor and its staff, the financing team, the various investors and service providers, and others as may be required;
8. Facilitate and manage on-going efforts to ensure the continued relevance and success of the Initiative as measured by the origination of Conforming Mortgage Loans;
9. Structure, document, establish, and implement requisite infrastructure network comprised of contractually-obligated service providers to facilitate identification, acquisition, integration, and management of eligible single family properties and prospective borrowers in keeping with stated underwriting and origination guidelines;
10. Coordinate property inspections, funds transfers, insurance administration, and all other requisite administrative preparations to facilitate each Conforming Mortgage Loan closing for authorization and execution by ICFA Staff;

11. Monitor the funding and securitization of Conforming Mortgage Loans to facilitate the expeditious sale of resulting Ginnie Mae-guaranteed Mortgage Backed Securities and accurate payment and deposit of Lender, Sponsor, and Administrator fees;
12. Coordinate and manage communications with the Property Manager to maintain consistent awareness of property conditions, document repair or replacement needs, and facilitate authorization by ICFA Staff, as applicable;
13. Monitor receipt and application of monthly lease payments to ensure accurate and timely Conforming Mortgage Loan payments and to facilitate the advance of delinquent lease payments from the Mortgage Reserve Fund on deposit with the Custodial and Disbursement Agent and/or from the submission of an immediate claim against the Mortgage Payment Protection Insurance Policy for payment;
14. Maintain consistent communications with the Counseling Manager to confirm compliance of prospective borrowers with active monthly participation in mandatory financial literacy, housing counseling, and credit management curriculum as well as continued progress toward stated and agreed-upon objectives in pursuit of eligibility to acquire the selected single family property at lease end through qualifying loan assumption;
15. Coordinate, facilitate, and monitor the eviction of prospective borrowers for non-payment and/or for non-compliance with stated lease and participation terms and the repositioning or disposition of vacated properties;
16. Confirm the intentions of prospective borrowers to apply for approval from the Lending Partner to acquire properties from ICFA through qualifying loan assumption and coordinate the associated administrative tasks to help facilitate the transfer of ownership;
17. Oversee and audit monthly flow of all Initiative-related funds, including those facilitated by the Custodial and Disbursement Agent, to confirm accurate accounting and proper application of all monthly receipts and disbursements resulting from operations;
18. Monitor status of Initiative-related operations to submit monthly origination and loan performance reports to ICFA in mutually-agreed upon format.

EXHIBIT "B"

AGENCY'S COMPENSATION

Subject to the limitations described herein, during the term of this Agreement, ICFA shall pay the Manager the fees for service described below in connection with ICFA's offering of the Initiative. As described below, the Fee for service provides a mechanism for compensating the Manager for the Services described in Exhibit "A" of the Agreement:

Program Fees:

ICFA shall pay the Manager a fee for marketing and promoting the Initiative equal to 1.00% of the amount of each Conforming Mortgage Loan originated in accordance with the Program Guidelines.

ICFA shall pay the Manager a fee for the management and administration services equal to 1.00% of the amount of each Conforming Mortgage Loan originated in accordance with the Program Guidelines, which fee will be payable in twenty-four (24) equal monthly installments following the origination of each such Conforming Mortgage Loan.

ICFA shall pay the Manager a fee for the successful management and implementation of the Initiative in an amount equal to 50.00% of all unexpended proceeds released from: (i) the Preservation Fund upon the assumption, or other disposition, of the last outstanding Conforming Mortgage Loan; and (ii) the Mortgage Payment Protection Insurance Policy upon the assumption, or other disposition, of the last outstanding Conforming Mortgage Loan.

Additional Fees:

If additional work, materials, services, and other activities are requested and approved for performance by ICFA for the Manager to perform that are outside of the Exhibit "A" Scope of Services, the Manager shall provide ICFA separate fee schedules, cost estimates, and related proposals. ICFA shall pre-approve any additional work, materials, services, and other activities and related fees and/or cost estimates prior to the Manager performing such services.

Payment Terms:

The Manager will provide ICFA with a monthly invoice outlining the fees due from the previous month's activities. Payments from ICFA to the Manager shall be due upon receipt of invoice.