

**ERROR AND OMISSIONS / COMPLIANCE AGREEMENT**

LENDER: City of San José ("City")

BORROWER(S):

PROPERTY ADDRESS: xxxxx

LOAN NO.: xxxxxxxx

In consideration of the City's funding and closing of this loan, the borrower(s) agree(s), if requested by City or Closing Agent for City, to fully cooperate and adjust for clerical errors, or any or all loan closing documentation if deemed necessary or desirable in the reasonable discretion of City to enable to sell, convey, seek guaranty or market the loan to any entity, including but not limited to an investor, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Government national Mortgage Association, Federal Housing Administration or the Department of Veterans Affairs, or any Municipal Bonding Authority.

The borrower(s) do hereby so agree in order to assure that this loan documentation executed will conform and be acceptable in the marketplace in the instance of transfer, sale or conveyance by City of its interest in and to the loan documentation, and to assure marketable title in the borrower(s).

The borrower(s) do hereby agree that in the event (I) (we) fail within thirty (30) days of their receipt to execute and return to City such documents as City may request, such failure shall be a material default under the loan. Borrower(s) agree that in the event of such a default City shall be entitled to declare the loan immediately due and payable and to seek specific enforcement of this Agreement, unless otherwise prohibited by applicable law. In the event City institutes an Action to enforce this agreement or to pursue a default under this agreement, City shall be entitled to receive from (me) (us) all of City's costs and expenses including but limited to attorney's fees.

DATED effective this \_\_\_\_\_ day of \_\_\_\_\_, 2010

\_\_\_\_\_  
**Name of Borrower #1**

\_\_\_\_\_  
**Name of Borrower #2**