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Real Estate Retention Agreement
 Homeownership Initiatives - (Homeownership Opportunities Program,
 Neighborhood Impact Program, Disaster Relief Program,
 Neighborhood Stabilization Assistance Program)
 Grant Award - (Homeownership)

Grant Type: HOP NIP DRP NSA Project / ID#: 100077-1

2012 05 17 09:32

For purposes of this Agreement, the following terms shall have the meanings set forth below:

"FHLBI" shall refer to the Federal Home Loan Bank of Indianapolis.

"Member" shall refer to Citizens Financial Bank (FHLBI's Member institution), located at 707 Ridge Road, Munster, IN 46321

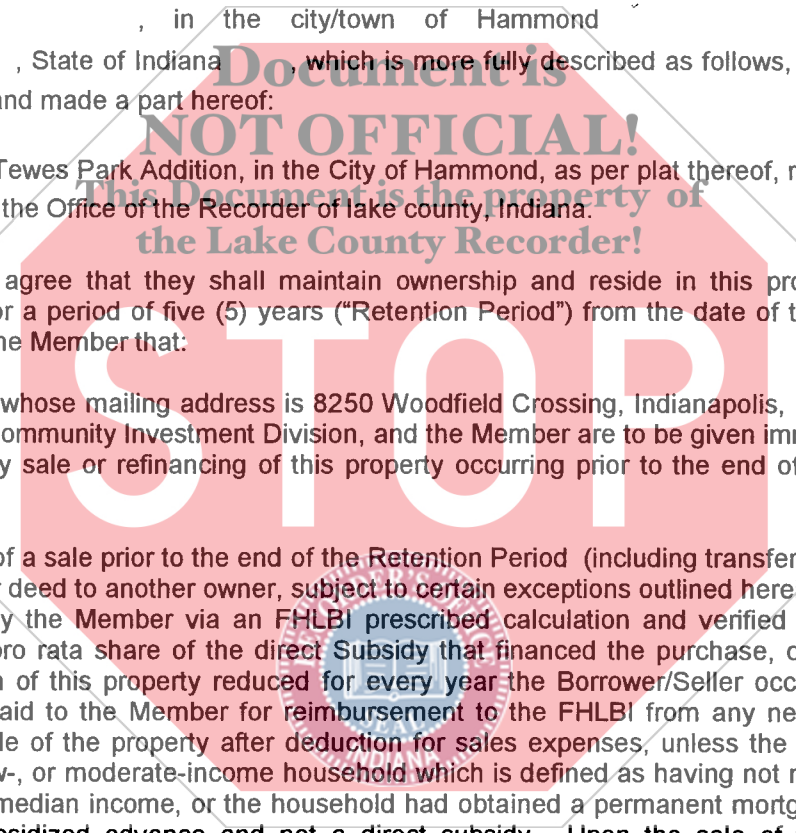
"Borrower(s)" shall refer to James Wallace and Diane Wallace

For and in consideration of receiving direct subsidy funds (the "Subsidy") in an amount not to exceed \$ Ten Thousand Dollars and no/100 (\$10,000.00) under the Affordable Housing Program ("AHP") of the FHLBI through the Member, with respect to that certain real property located at 5438 Birch Avenue, in the city/town of Hammond, County of Lake, State of Indiana, which is more fully described as follows, or as attached hereto as Exhibit A and made a part hereof:

Lot 7, in block 3, in Tewes Park Addition, in the City of Hammond, as per plat thereof, recorded in plat Book 20 page 22, in the Office of the Recorder of lake county, Indiana.

Borrower(s) hereby agree that they shall maintain ownership and reside in this property as their primary residence for a period of five (5) years ("Retention Period") from the date of the closing and further agrees with the Member that:

- (i.) The FHLBI, whose mailing address is 8250 Woodfield Crossing, Indianapolis, Indiana 46240, Attention: Community Investment Division, and the Member are to be given immediate written notice of any sale or refinancing of this property occurring prior to the end of the Retention Period;
- (ii.) In the case of a sale prior to the end of the Retention Period (including transfer or assignment of the title or deed to another owner, subject to certain exceptions outlined herein), an amount calculated by the Member via an FHLBI prescribed calculation and verified by the FHLBI, equal to a pro rata share of the direct Subsidy that financed the purchase, construction, or rehabilitation of this property reduced for every year the Borrower/Seller occupied the unit, shall be repaid to the Member for reimbursement to the FHLBI from any net gain realized upon the sale of the property after deduction for sales expenses, unless the purchaser is a very low, low-, or moderate-income household which is defined as having not more than 80% of the area median income, or the household had obtained a permanent mortgage funded by an AHP subsidized advance and not a direct subsidy. Upon the sale of the home, the purchaser has no retention or AHP Subsidy repayment obligations, regardless of whether or not the purchaser is very low-, low- or moderate-income;



AMOUNT \$ 16⁰⁰
 CASH _____ CHARGE _____
 CHECK # 676103
 OVERAGE 1 Page 1 of 3
 COPY 3
 NON-COM _____
 CLERK RM

- (iii.) In the case of any refinancing prior to the end of the Retention Period, an amount calculated by the Member via an FHLBI prescribed calculation and verified by the FHLBI, equal to a pro rata share of the direct Subsidy that financed the purchase, construction, or rehabilitation of the property, reduced for every year the Borrower occupied the unit, shall be repaid to the Member for reimbursement to the FHLBI from any net gain realized upon the refinancing, unless the property continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism, or the household had obtained a permanent mortgage funded by an AHP subsidized advance and not a direct subsidy, incorporating the requirements of clauses (i), (ii), (iii) and (iv) contained herein; and
- (iv.) In the case of a foreclosure, deed-in-lieu, or assignment of the first mortgage to the Secretary of HUD (assuming AHP funding is used in conjunction with FHA financing), the obligation to repay the direct Subsidy to the Member shall terminate upon final settlement or disposition, once such action is completed. Otherwise, the covenants contained herein shall continue until release by the Member in writing or the expiration of the Retention Period, whichever should first occur.
- (v.) Upon the death of the AHP-assisted sole owner, or owners in the case of multiple title holders, the AHP Retention Agreement terminates and there is no obligation to repay the AHP Subsidy.

Borrower and Member acknowledge that the Bank may request additional documentation to assist with finalizing any property disposition that occurs during the retention period.

IN WITNESS WHEREOF, the Borrower(s) and the Member, by its duly authorized representative, have executed this Agreement as of this 7th day of August, 2012

[Signature]
Witness:

James Wallace by Diane Wallace
Attorney in fact
Borrower: James Wallace

[Signature]
Witness:

Diane Wallace
Borrower: Diane Wallace

State of (Indiana)

County of (Lake)

) SS:



James Wallace and Diane Wallace, personally appeared before me and acknowledged the foregoing instrument this _____ day of _____

My Commission Expires:

4/17/09

[Signature]
Notary Public

My County of Residence:

Lake

Michelle Novak
(Printed)

Citizens Financial Bank
(Member)

By:

Michelle M Strickland, AJP

(Witness)

(Member Representative)

Michelle M. Strickland, Assistant Vice President

(Printed Name of Witness)

(Printed Name and Title of Member)

State of (Indiana)

) SS:

County of (Lake)

, personally appeared before me and acknowledged the foregoing instrument this day of

My Commission Expires: _____ Notary Public

My County of Residence: _____ (Printed)

This Instrument prepared by (Upon recording, to be returned to)

Document is NOT OFFICIAL!

This Document is the property of the Lake County Recorder!

Attorney at Law

Citizens Financial Bank

FHLB Member Institution

5311 Hohman Ave

Hammond, IN 46320

(Preparer's Mailing Address)

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each social security number in the document, unless required by law. (Required in Indiana only)

Michelle M Strickland, AJP
Member Representative

Michelle M. Strickland, Assistant Vice President
(Printed Name and Title)

