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Real Estate Retention Agreement
 Homeownership Initiatives Programs– (Homeownership Opportunities Program,
 Neighborhood Impact Program, Accessibility Modifications Program, Disaster Relief Program)
 Grant Award - (Homeownership)

Grant Type: HOP NIP AMP DRP Project / ID#:

For purposes of this Agreement¹, 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 First Merchants Bank (FHLBI's Member institution), located at 200 E Jackson St Muncie, IN 47305

"Borrower(s)" shall refer to Larry Keller a/k/a Carol Keller

For and in consideration of receiving direct subsidy funds (the "Subsidy") in an amount not to exceed \$ 10,000.00 under the Affordable Housing Program ("AHP") of the FHLBI through the Member, with respect to that certain real property located at 430 Mulberry Street in the city/town of Hammond Lake County, State of Indiana which is more fully described as follows, or as attached hereto as Exhibit A and made a part hereof

LOT 8 IN ELLYSON'S THIRD ADDITION, IN HAMMOND, AS PER PLAT THEREOF, RECORDED PLAT BOOK 25, PAGE 70, 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;
- (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

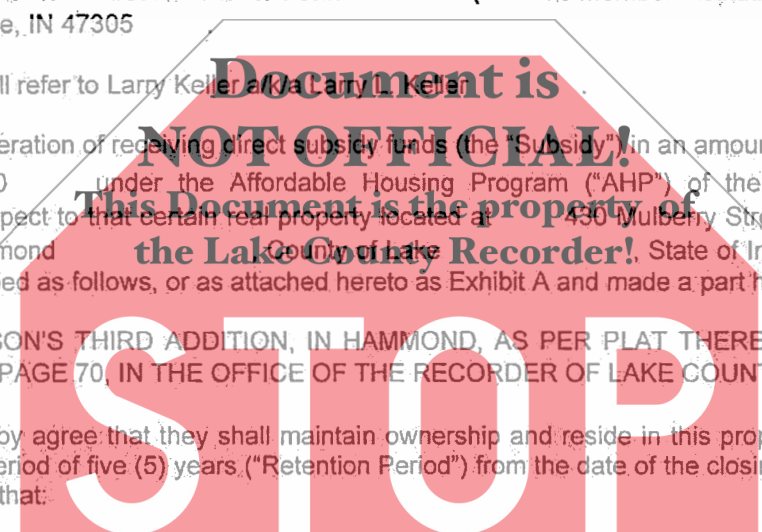
¹ This Real Estate Retention Agreement complies with FHA requirements at 24 CFR §203.41, HUD Mortgagee Letter 94-02 and AHP regulations codified at 12 CFR §1291, et seq. and the directives of the Federal Housing Finance Agency.

\$16,000-

\$1,000 cash

non con

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 MICHAEL E. BROWN
 RECORDER
 STATE OF INDIANA
 LAKE COUNTY
 OFFICE OF THE RECORDER

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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 27th day of May, 2016

Blanca Argandoña Witness: Brian Keller Borrower:

Witness: Borrower:

State of (Indiana)) SS:
County of (Delaware)

, personally appeared before me and acknowledged the foregoing instrument this day of 28th April, 2016

My Commission Expires: Diane K. Phillips Notary Public Diane K. Phillips

My County of Residence: INDIANA
DIANE K. PHILLIPS
Resident of Randolph County (Printed)
My Commission Expires: November 29, 2022

(Member) By: [Signature]

(Witness) (Member Representative)

(Printed Name of Witness) (Printed Name and Title of Member) Phillip W. Forke FVP
THM

State of ()

) SS:

County of ()

, 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!

~~Attorney at Law~~
This Document is the property of
the Lake County Recorder!

FIRST MERCHANTS BANK
FHLBI Member Institution

10333 N MERIDIAN ST

INDIANAPOLIS, IN 46290

(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)


Member Representative

JACOB BROWN COMMUNITY DEVELOPMENT
OFFICER

(Printed Name and Title)

