

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

2016 036677

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 Horizon Bank NA (FHLBI's Member institution), located at 515 Franklin Square, Michigan City, IN 46360

"Borrower(s)" shall refer to Tony Payton

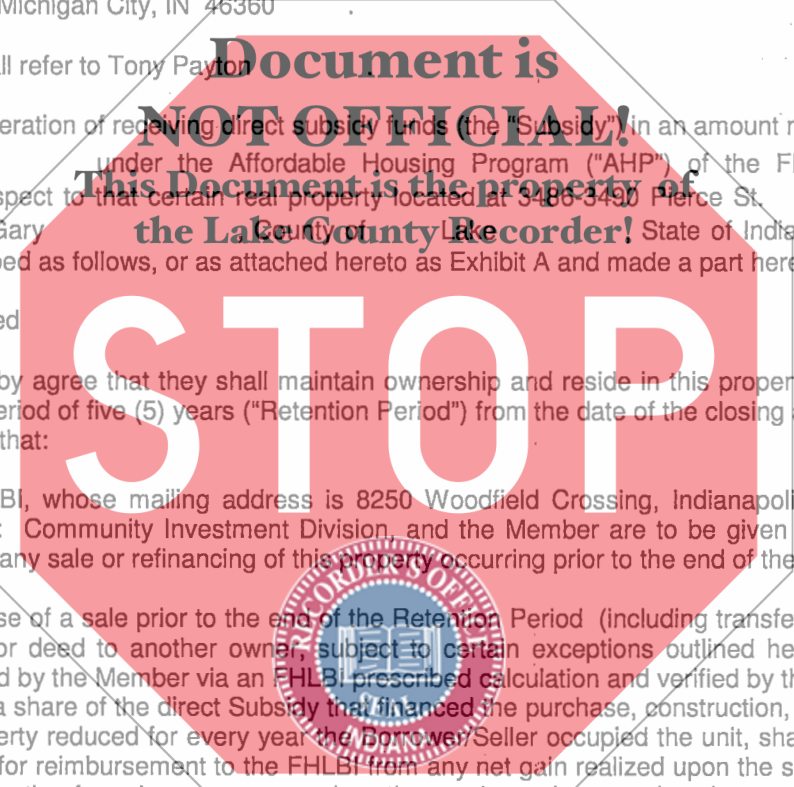
For and in consideration of receiving direct subsidy funds (the "Subsidy") in an amount not to exceed \$ 10,000.00 under the Affordable Housing Program ("AHP") of the FHLBI through the Member, with respect to that certain real property located at 3486-3490 Pierce St. the city/town of Gary the Lake County, Lake State of Indiana which is more fully described as follows, or as attached hereto as Exhibit A and made a part hereof:

see attached

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 property, reduced for every year the Borrower occupied the unit, shall be repaid to the Member

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.



STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD
2016 JUN 14 PM 10:08
MICHAEL B. BROWN
RECORDER

\$16.00

HOLD FOR MERIDIAN TITLE CORP.

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16-7477 hon can

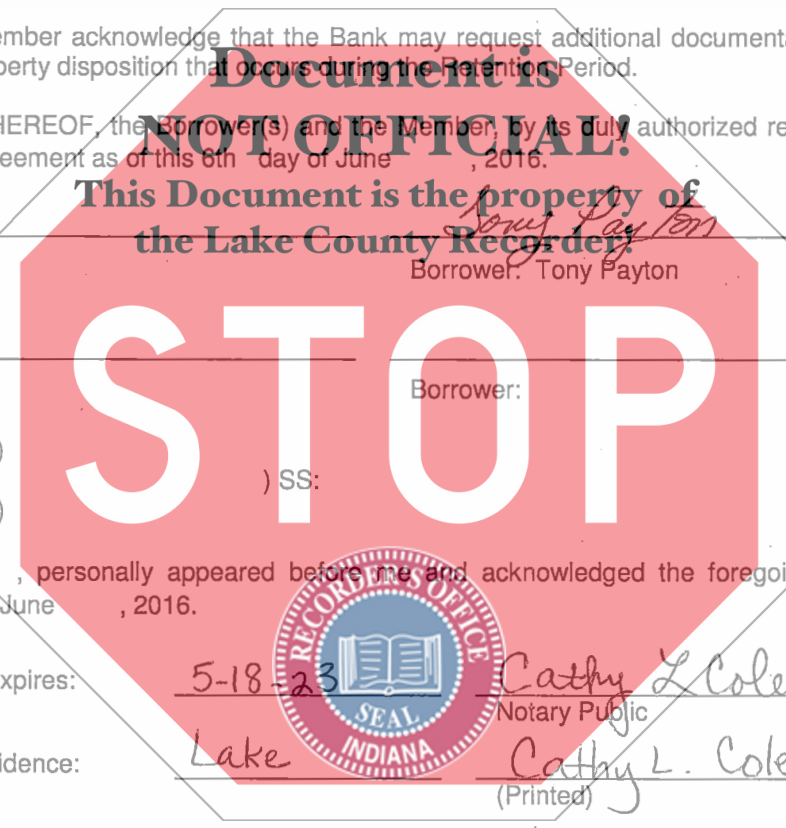
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for reimbursement to the FHLBI from any net gain realized upon the refinancing, unless the property continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism, or the household had obtained a permanent 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 6th day of June, 2016.



Witness: _____ Borrower: Tony Payton
Borrower: Tony Payton

Witness: _____ Borrower: _____

State of (Indiana) _____) SS:

County of (Lake) _____

Tony Payton, personally appeared before me and acknowledged the foregoing instrument this 6th day of June, 2016.

My Commission Expires: 5-18-23 Cathy L Coleman
Notary Public

My County of Residence: Lake Cathy L. Coleman
(Printed)



Horizon Bank, NA
(Member)

By: Rada Josifovski
(Member Representative)

(Witness)

Rada Josifovski, Mortgage Loan Closer

(Printed Name of Witness)

(Printed Name and Title of Member)

State of (Indiana)

County of La Porte TLC) SS:

Rada Josifovski, personally appeared before me and acknowledged the foregoing instrument this 6th day of June, 2016.

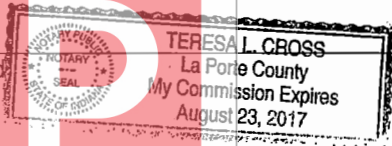
Document is NOT OFFICIAL!
This Document is the property of the Lake County Recorder!

My Commission Expires: _____

Teresa L. Cross
Notary Public

My County of Residence: _____

(Printed)



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

Attorney at Law

Horizon Bank, NA

FBI Member Institution

Rada Josifovski

502 Franklin Square; Michgian City IN 46360

(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)

KPR

Member Representative

Rada Josifovski, Mortgage Loan Closer

(Printed Name and Title)

EXHIBIT "A"

Property Address: 3486-90 Pierce St., Gary, IN 46408
File No.: 16-7477

Lot Numbered 22 and the North Half of 23 in Block 4 in Golfmoor, in the City of Gary, as per plat thereof, recorded in Plat Book 18, Page 35 in the Office of the Recorder of Lake County, Indiana.

Tax ID Number(s):
25-43-0293-0022

45-08-21-305-023.000-004

The Property address and/or tax parcel identification number(s) listed are provided solely for informational purposes, without warranty as to accuracy or completeness and are not hereby insured.

