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MICHAEL B. BROWN  
RECORDER

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#: 100315

For purposes of this Agreement<sup>1</sup>, 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 33 W. 10<sup>th</sup> Street, Anderson, IN 46016

"Borrower(s)" shall refer to Carlos A. Delgado Navarro

For and in consideration of receiving direct subsidy funds (the "Subsidy") in an amount not to exceed \$ 5,000.00 under the Affordable Housing Program ("AHP") of the FHLBI through the Member, with respect to that certain real property located at 4429 Baring Ave. in the city/town of East Chicago, 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 21, Block 27, Subdivision in the Northwest Quarter of Section 29, Township 37 North, Range 9 West of the 2<sup>nd</sup> Principal Meridian, in the City of East Chicago, as shown in plat book 2, page 13, in 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,

<sup>1</sup> 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.



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- (iii.) 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;
- (iv.) 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
- (v.) 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.
- (vi.) 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 26th day of July, 2016.

Witness: Carlos A. Delgado Navarro  
Borrower: Carlos A. Delgado Navarro

Witness: \_\_\_\_\_  
Borrower: \_\_\_\_\_

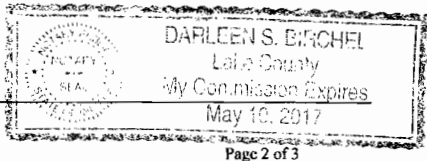
State of (Indiana ) ) SS:  
County of (Lake ) )

Carlos A. Delgado Navarro, personally appeared before me and acknowledged the foregoing instrument this 26th day of July, 2016.

My Commission Expires: 5-10-17  
Notary Public

My County of Residence: Lake  
(Printed) Darleen S. Birchel

First Merchants Bank



(Member)

*Tracie Simon*

By:

*[Signature]*

(Witness)

Tracie Simon, CRA Lender

(Member Representative)

Phillip Fortner, Corporate Treasurer

(Printed Name of Witness)

(Printed Name and Title of Member)

State of (Indiana )

) SS:

County of (Madison )

Tracie Simon and Phillip Fortner, personally appeared before me and acknowledged the foregoing instrument this 29th day of June, 2016.

My Commission Expires:

*Wendy S Day*  
Notary Public  
*Wendy Day*

My County of Residence:



**WENDY S. DAY**  
Resident of Madison County (Printed)  
My Commission Expires: January 12, 2023

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

**Document is NOT OFFICIAL!**

Tracie Simon

**This Document is the property of the Lake County Recorder!**

First Merchants Bank  
FHLBI Member Institution

33 W. 10<sup>th</sup> Street

Anderson, IN 46016

(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)

*Tracie Simon*  
Member Representative

Tracie Simon, CRA Lender  
(Printed Name and Title)

