

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

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Grant Type: HOP NIP AMP DRP

Project / ID#: 100080

2017 04 30 35

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 Peoples Bank SB (FHLBI's Member institution), located at 204 Columbia Avenue, Munster, Indiana 46321

"Borrower(s)" shall refer to Kathryn O'Neal Flowers

For and in consideration of receiving direct subsidy funds (the "Subsidy") in an amount not to exceed \$ 5,536.00 under the Affordable Housing Program ("AHP") of the FHLBI through the Member, with respect to that certain real property located at 1955 Pennsylvania Street the County of Lake State of Indiana city/town of Gary, which is more fully described as follows, or as attached hereto as Exhibit A and made a part hereof:

Lots Numbered 35 and 36 in Block 17 in Broadway Addition to Gary, as per plat thereof, recorded in Plat Book 6, page 23 in the Office of the Recorder of Lake County, Indiana.

45-16-16-327-003,000-042

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 agree 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



STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORDER
2017 JUL 17 AM 11:04
MICHAEL B. BEEBE
RECORDER

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.

HOLD FOR MERIDIAN TITLE CORP

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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 6th day of July, 2017.

Shelly J. Murphy Kathryn O'Neal Flowers
Witness: Shelly J. Murphy Borrower: Kathryn O'Neal Flowers

Witness: _____ Borrower: _____

State of (Indiana)

County of (Lake)

Kathryn O'Neal Flowers, personally appeared before me and acknowledged the foregoing instrument this 6th day of July, 2017.

My Commission Expires: 06/27/2024
Shelly J. Murphy
Notary Public

My County of Residence: Lake Shelly J. Murphy
(Printed)

Peoples Bank SB
(Member)

Shelly J. Murphy
(Witness)

Shelly J. Murphy

(Printed Name of Witness)

By: Robert T. Lowry
(Member Representative)

Robert T. Lowry, EVP & Chief Financial Officer

(Printed Name and Title of Member)

State of (Indiana)

) SS:

County of (Lake)

Robert T. Lowry, EVP, Chief Financial Officer of Peoples Bank SB, personally appeared before me and acknowledged the foregoing instrument this 6th day of July , 2017.

My Commission Expires: 06/27/2024

Shelly J. Murphy
Notary Public

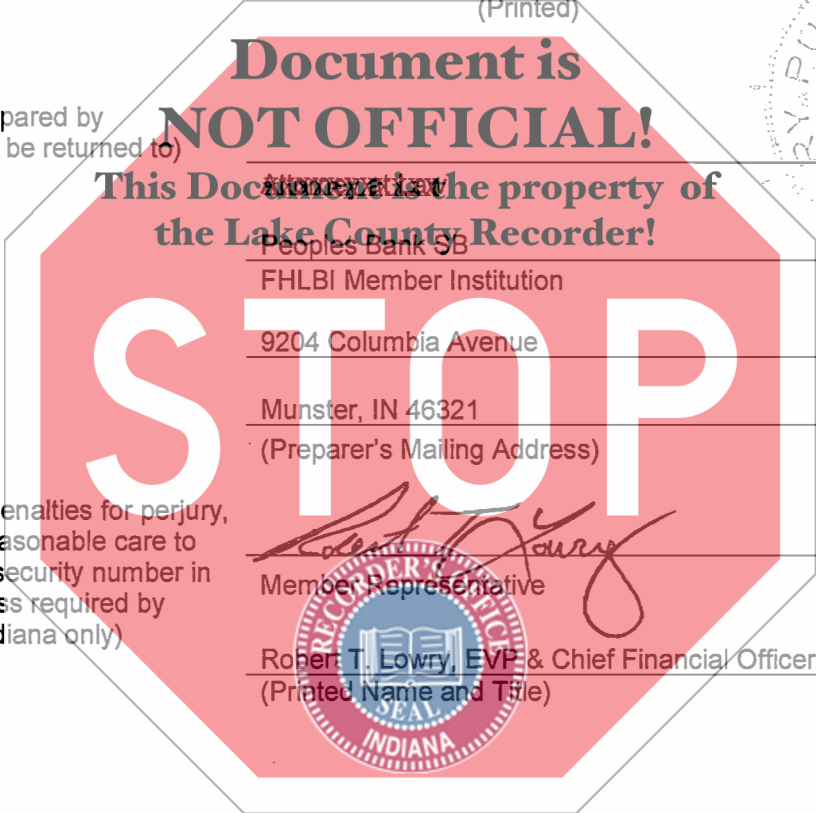
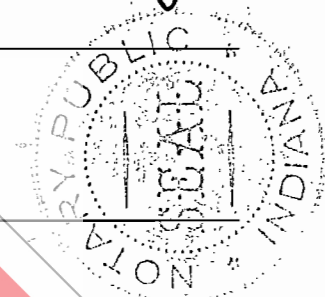
My County of Residence: Lake

Shelly J. Murphy
(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!



Peoples Bank SB

FHLBI Member Institution

9204 Columbia Avenue

Munster, IN 46321

(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)

Robert T. Lowry
Member Representative

Robert T. Lowry, EVP & Chief Financial Officer
(Printed Name and Title)

