

ALL corrections to the Real Estate Retention Agreement (RERA) MUST be initialed and dated by the homebuyer.

DO NOT mail the original RERA to FHLBank. Provide a scanned copy of it when you submit your Disbursement Request in HSP Online.

Provide your address here. **DO NOT** provide FHLBank's address.

Return this recorded document to:

Provide your fax number here.

or, fax copy to:

REAL ESTATE RETENTION AGREEMENT

This Real Estate Retention Agreement (the "Agreement") is made, entered into and effective on the date of its execution by the last of the parties hereto to execute the same (the "Effective Date").

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

"FHLBank" shall refer to Federal Home Loan Bank of Topeka, located at 500 SW Wanamaker, Topeka, KS 66606.

"Member" shall refer to Member Institution Name (FHLBank's Member), located at Member Address, City, State ZIP.

"Borrower(s)" shall refer to Borrower Name - preferably Head of Household (age 18 or older).

For and in consideration of receiving direct subsidy funds in this amount:

Written subsidy amount (for example: Five thousand no/100) Dollars (\$ For example: 5,000.00) (the "Subsidy") under the Affordable Housing Program (the "AHP"), in accordance with 12 U.S.C. 1430(j), 12 CFR Part 1291, and the AHP Implementation Plan (the "Rules"), with

respect to certain real property located at _____, in the City/Town of _____, County of _____, State of _____,

Enter the address of the property being purchased. **DO NOT** enter the borrower's current address (unless that is the property being purchased).

Use the current version of the RERA. FHLBank recommends obtaining the RERA from the website each time to ensure you are submitting the current version.

which is more fully described as follows:

Provide the legal description of the property being purchased. If the entire legal description does not fit in this space, provide it on a separate page titled "Exhibit A."

(or as attached hereto as Exhibit A and made a part hereof) (the "Property").

Borrower hereby agrees to maintain ownership of the Property for a period of five years (60 months) (the "Retention Period") from the closing date for the purchase of the Property as evidenced by the closing disclosure. Borrower further agrees that:

1. FHLBank, at P.O. Box 176, Topeka, KS 66601-0176, Attention: Housing and Community Development, is to be given immediate written notice of any sale, transfer, assignment of title or deed, or refinancing of this Property occurring before the end of the Retention Period.
2. Any repayment of the Subsidy shall be made to FHLBank.
3. In the case of the sale, transfer, assignment of title or deed, or refinancing of the Property before the end of the Retention Period (including a transfer or assignment of the title or deed to another owner, subject to certain exceptions outlined herein), Borrower shall repay to FHLBank the amount of AHP subsidy calculated in accordance with paragraph 4 below unless: (i) the Property was assisted with a permanent mortgage loan funded by an AHP-subsidized advance; (ii) the subsequent purchaser, transferee, or assignee is a low-, or moderate-income household, or proxy for such household, as defined in the AHP Implementation Plan (IP); (iii) the amount of the AHP subsidy that would be required to be repaid is \$2,500 or less; or (iv) following a refinancing, the Property continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism as required by the Rules.
4. Repayment of Subsidy Calculation. In the case of a sale, transfer, assignment of title or deed, or refinancing of the Property before the end of the Retention Period, the amount of AHP subsidy the Borrower is required to repay shall be the lesser of:
 - a. The AHP subsidy, reduced on a pro rata basis per month until the unit is sold, transferred, or its title or deed transferred, or is refinanced, during the AHP five-year retention period; or
 - b. Any Net Proceeds, as defined in the AHP IP, from the sale, transfer, or assignment of title or deed of the unit, or the refinancing, as applicable, minus the AHP-assisted Household's Investment, as defined below in paragraph 10.
5. In the case of a foreclosure, transfer by deed-in-lieu of foreclosure, or assignment of a Federal Housing Administration first mortgage to the Secretary of HUD, FHLBank must be given notice of such events, and the obligation to repay the direct Subsidy to FHLBank shall terminate upon the final settlement or disposition of the foreclosure, transfer by deed-in-lieu of foreclosure, or assignment, or death of the Borrower. Upon the death of Borrower, this Agreement terminates and there is no obligation to repay the Subsidy.
6. The Subsidy is provided to Borrower as a grant, subject to the Retention Period. There is no obligation to repay the Subsidy, except as described in this Agreement, and there shall be no interest charged on this Subsidy.
7. Borrower agrees to properly record this Agreement with respect to the Property at Borrower's expense.

FHLBank recommends the RERA be signed at the loan closing and be recorded with the other loans documents. A copy of the recorded RERA must be provided with the submission of the HSP Online disbursement request.

8. Upon request and satisfaction of the terms required by this Agreement, FHLBank agrees to release this Agreement without charging a processing fee. Borrower agrees to record the release of this Agreement at Borrower's expense.
9. Borrower waives the rights of presentment and notice of dishonor. Presentment means the right to require FHLBank to demand payment of amounts due. Notice of dishonor means the right to require FHLBank to give notice to other persons that amounts due have not been paid.
10. Borrower acknowledges FHLBank may request additional documentation to assist with finalizing any refinancing or disposition of the Property that occurs during the Retention Period, including documentation of the Household's Investments. Borrower acknowledges Borrower has been advised Borrower should maintain documentation of the Household's Investments, which are amounts paid by the household and documented (in the Closing Disclosure or other settlement statement, if applicable, or elsewhere) including: 1) reasonable and customary costs paid by the household in connection with the purchase of a unit (including real estate broker's commission, attorney's fees, and title search fees); 2) any down payment paid in connection with the household's purchase of the unit; 3) the cost of any capital improvements made after the household's purchase of the unit until the time of the subsequent sale, transfer, assignment of title or deed, or refinancing; and 4) the amount of principal on any mortgage senior to the AHP subsidy lien or other legally enforceable AHP subsidy repayment obligation repaid by the household. Borrower agrees to reasonably comply with any requests for additional documentation.
11. If any part of this Agreement is or shall be deemed violative of any applicable laws, rules or regulations, such legal invalidity shall not void this Agreement, or affect the remaining terms and provisions of this Agreement, and this Agreement shall be construed and interpreted to comport with all such laws, rules or regulations to the maximum extent possible.

Borrower: Signature: _____ Printed Name: _____ Date: _____	Borrower: Signature: _____ Printed Name: _____ Date: _____	The Borrower's section must be completed in its entirety. This includes: Borrower's Signature, Printed Name, and Date.
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STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this _____ day of _____, 20____, by **Borrower Name**.

Signature (Notary Public) (seal)

Typed or Printed Name

My Commission Expires: _____

The notary must complete this section in its entirety. The date the borrower signed the RERA and the date the notary witnessed the signature must be the same. Ensure the notary's signature is included.