

Welcome Home Retention Language Acknowledgement for FHA Loans

Grantee(s), for and in consideration of receiving direct subsidy funds from the Federal Home Loan Bank of Cincinnati's (the FHLB Cincinnati) Affordable Housing Program, must maintain ownership in this property and reside in this property as their primary residence for a period of five (5) years (Retention Period) from the date of the loan closing or certification of project completion.

- (i) The FHLB Cincinnati, whose mailing address is P.O. Box 598; Cincinnati, OH 45201-0598, is to be given written notice of any sale, transfer, assignment of title or deed such as to the Secretary of HUD, foreclosure, or refinancing of the unit by the household occurring during the AHP 5-year Retention Period.
- (ii) In the case of a sale, transfer, assignment of title or deed, or refinancing of the unit by the household during the Retention Period, the Bank shall be repaid 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 5-year retention period; or (B) any net proceeds 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; unless one of the following exceptions applies:
 - 1. The unit was assisted with a permanent mortgage loan funded by an AHP advance;
 - 2. The subsequent purchaser, transferee, or assignee is a very low- or low- or moderate-income household as defined in the applicable Federal Housing Finance Agency regulations for the AHP (in which case the retention period ends with the conveyance to such purchaser);
 - 3. The amount of the AHP subsidy that would be required to be repaid is \$2,500 or less; or
 - 4. Following a refinancing, the unit continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism, incorporating the requirements of clauses (i), (ii), and (iii) contained herein.
- (iii) The obligation to repay Subsidy to the FHLB Cincinnati shall terminate after any event of foreclosure or, conveyance by deed in lieu of foreclosure, an assignment of a Federal Housing Administration first mortgage to the Secretary of HUD, or death of the AHP-assisted homeowner.

I acknowledge that I have been informed that the language above will be included in or attached to the warranty deed for the property I am purchasing and I agree to the restrictions and limitations included in this language.

Homebuyer Printed Name	Homebuyer Signature	Date

Homebuyer Printed Name	Homebuyer Signature	Date



Damon v. Allen
FHLB Cincinnati