



FIRST HOME CLUBsm RETENTION DOCUMENTS

FHLBNY requires that the following documents be executed at the closing of a FHC household:

- **First Home Club Subordinate Mortgage**
- **First Home Club Certification of Intent to Record**

These documents are in a form fillable pdf format, which allows the completion of only the applicable information.

FIRST HOME CLUBsm SUBORDINATE MORTGAGE

NMLS ID #: _____

NMLS Name: _____

THIS MORTGAGE is made on _____ between _____
(the "Borrower") residing at _____ and
_____ (the "FHLBNY Member Financial Institution"), and all legal
successors, a banking organization, organized and existing under the laws of _____, with
principal offices at _____.

For and in consideration of receiving direct subsidy funds (the "Subsidy") in an amount not to exceed
\$ _____ under the First Home Clubsm ("FHC") of the Federal Home Loan Bank of New York
("FHLBNY"), through the FHLBNY Member Financial Institution, with respect to that certain real property
located at _____, in the city/town of _____, County of
_____, State of _____, Zip Code _____, also more particularly
described in the Legal Description, attached hereto as *Exhibit A* and made a part hereof:

Borrower agrees to maintain ownership and reside in this property as a primary residence for a period of
five (5) years ("Retention Period") from the date of closing and further agrees with the FHLBNY Member
Financial Institution that:

- (i.) The FHLBNY, whose mailing address is 101 Park Avenue, New York, New York 10178, is to be given immediate written notice of any sale or refinancing of this property occurring prior to the end of the Retention Period.
- (ii.) If an owner-occupant decides to sell or refinance his or her FHC-assisted unit during the recapture period, a pro rata portion of the FHC subsidy may need to be repaid to the FHLBNY from any *net gain* realized upon the sale or refinancing, unless:
 - a. The sale by the household to a low-or moderate income household, defined as having an AMI \leq 80%, the household has fulfilled the conditions of the FHC Subordinate Mortgage, which terminates the agreement. The new purchaser is not subject to the FHC Subordinate Mortgage and does not have any FHC subsidy repayment obligations;
 - b. The FHC Subordinate Mortgage terminates at the time of the first refinancing by the FHC assisted household, in the absence of a net gain. (E.g. rate and term refinance);
 - c. Inheritance of an FHC-assisted home by the heirs of an FHC-assisted owner(s) of the home does not constitute a "sale" or "refinancing" of the home. Upon the death of the FHC-assisted owner, the FHC Subordinate Mortgage terminates and there is no obligation to repay; or
 - d. Following a refinancing, the unit remains subject to a standard, legally enforceable FHC Subordinate Mortgage.

- (iii.) A foreclosure or deed-in-lieu of foreclosure terminates the obligation to repay the subsidy. In addition, when an FHC-assisted home is financed with an FHA-insured first mortgage, an assignment of the mortgage to the Secretary of HUD terminates the household's obligation to repay.
 - a. If authorized by the FHLBNY, in its discretion, the households are relocated, due to the exercise of eminent domain, or for expansion of housing or services, to another property that is made subject to a deed restriction or other legally enforceable FHC Subordinate Mortgage or mechanism incorporating the income-eligibility and affordability restrictions committed to in the approved FHC application for the remainder of the retention period.

IN WITNESS WHEREOF, the undersigned has executed this instrument as of the date and year above set forth.

By: _____
 (Borrower)

 (Print Name)

By: _____
 (Borrower)

 (Print Name)

STATE/COMMONWEALTH OF _____

ss.:

COUNTY OF _____

On the _____ day of _____ in the year _____ before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

WITNESS my hand and official seal,

Notary Expires:

State of _____ County of _____

FHLBNY Member Financial Institution Mailing Address:

Exhibit A
LEGAL DESCRIPTION

NMLS ID #: _____

NMLS NAME: _____

**FIRST HOME CLUBsm
SUBORDINATE MORTGAGE
CERTIFICATION OF INTENTION TO RECORD**

LENDER: _____

BORROWER: _____ **FHC #** _____

PREMISES: _____

Title Number: _____

Title Company: _____

Attached is a copy of a Subordinate Mortgage that encumbers the above-referenced premises.

The original of this Subordinate Mortgage is being taken from the closing for public recording on

Date

**Name of Title Company, Law Firm or
Federal Home Loan Bank of New York Stockholder**

Signature of Authorized Representative

Printed Name

Date